



Egg
Track
2017 REPORT



A F O R E W O R D F R O M

FAIRR

A COLLER INITIATIVE



From farmers to fund managers, consumers to companies, the wellbeing of farm animals is an increasingly important issue for stakeholders across the board. For global food companies, this means that farm animal welfare is no longer viewed solely as an ethical issue, but a material one for which mismanagement can harm reputation and profits. And many are now conducting the essential work of improving their animal welfare policies and practices.

Nowhere is this more evident than in the US egg industry. In the last two years, over 200 major US food companies, including McDonald's and Walmart, made 100% cage-free egg commitments, indicating that a significant shift in the industry's production system is underway.

Mainstream investors have also started factoring farm animal welfare issues into their decision-making and company engagement. In the 18 months since launch of FAIRR Initiative, investors representing more than \$3 trillion in assets have backed FAIRR's engagements with global food companies.

Improving company practice is a long-term endeavor, and requires investors to use their influence as shareholders to hold companies accountable. Setting goals is a positive first step, but equally important to investors is implementation. Transparent reporting not only demonstrates a commitment to animal welfare, but provides a good indicator of the overall quality of company management.

EggTrack provides a practical tool investors can use to understand the progress of companies against their cage-free commitments and as a basis for engagement on the issue. Congratulations to Compassion in World Farming for putting together this valuable resource.

Rosie Wardle

Head of Investor Engagement

FAIRR (*Farm Animal Investment Risk and Return*) Initiative



FOR PROGRESS AND TRANSPARENCY

Laying hen cages are widely regarded as one of the worst-of-the-worst factory farming practices, and the market has overwhelmingly united in the shift to 100% cage-free eggs. **EggTrack is a tool to help achieve a cage-free future, together.**

Many companies have committed to going 100% cage-free in ten years or less. We aim to ensure that food businesses **can and will** stick to their commitments to go 100% cage-free **on or ahead of schedule**. EggTrack is designed to:

- **Ensure** food businesses can and will stick to their cage-free egg commitments;
- **Encourage transparency** in the marketplace; and
- **Provide assistance** to food businesses during their transition to a 100% cage-free egg supply.

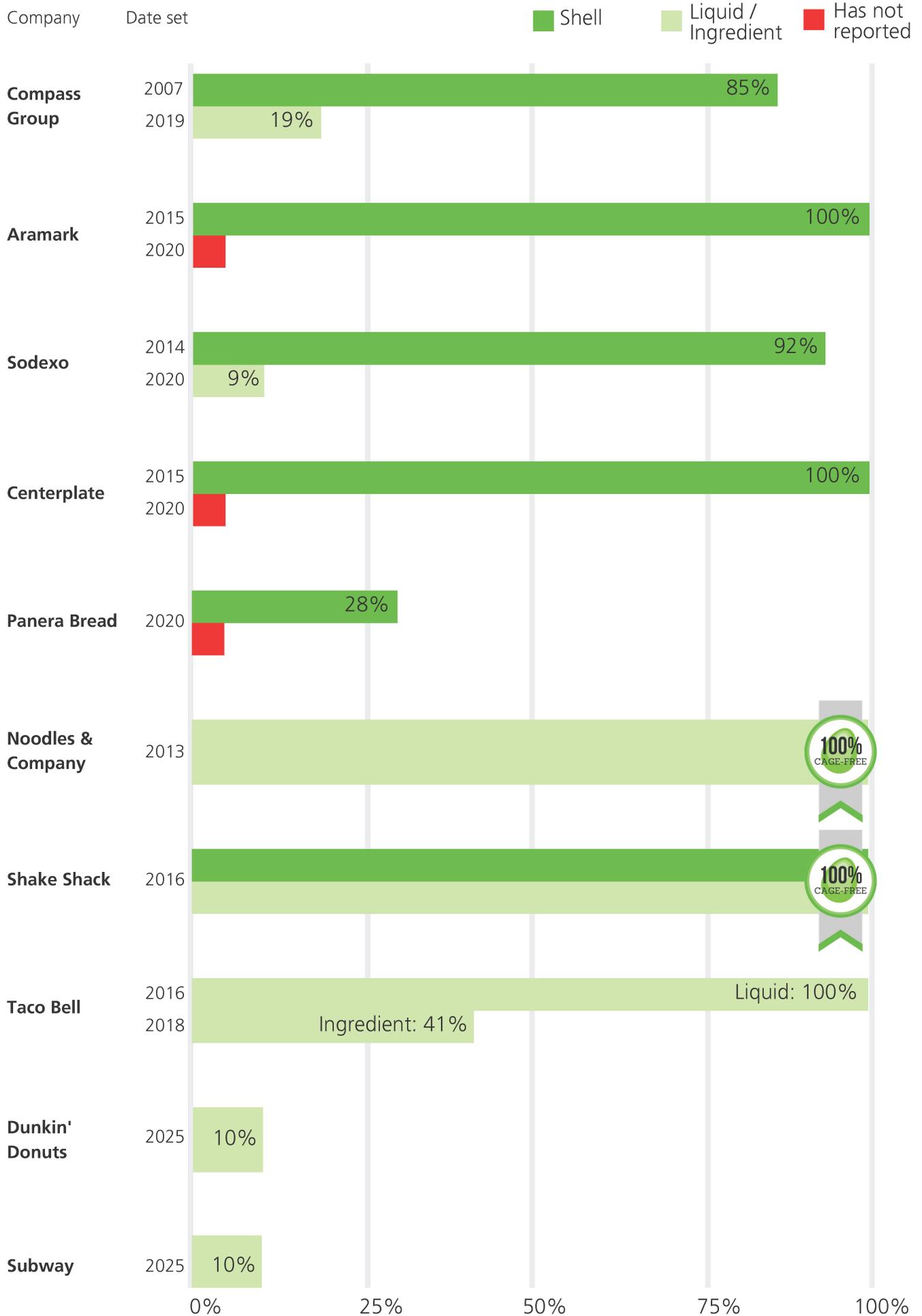
Companies with time-bound cage-free egg commitments were selected based on company size by **revenue, egg footprint** (both shelled and liquid eggs), and **market influence**.

Companies were asked to publicly disclose their cage-free egg percentages ahead of **July 31, 2017**. For progress numbers to be included in the annual report and displayed on the tracker, it must be **publicly available** on a company's website or other document including, but not limited to, an animal welfare policy, a CSR or progress report, or a press release.

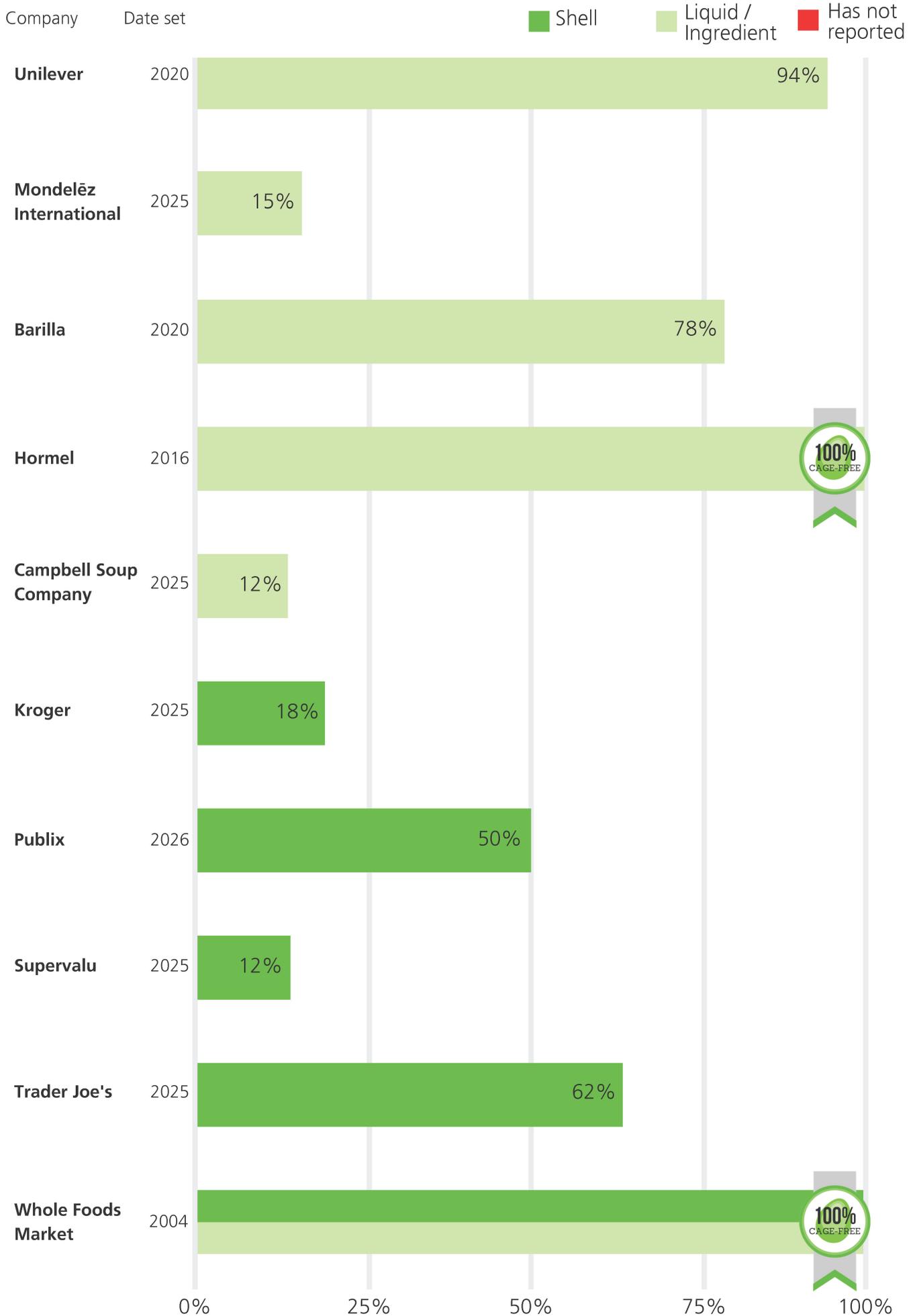
A company receives the coveted **100% cage-free ribbon** (right) when it has achieved its goal of ensuring that **all egg types** used in its supply chain come from cage-free hens.



Percent of Eggs Cage-Free



Percent of Eggs Cage-Free



CONSIDERATIONS AND EXCEPTIONS

The chart above is designed to display publicly available information as clearly as possible. However, there are some case-by-case notes and exceptions to consider. For example, some companies use only one egg type and, therefore, have only one associated progress bar, while others use multiple egg types, but may have only reported progress on one type. A red progress bar signifies that a company has elected not to report progress for that egg product category.

Considerations and exceptions include:

- EggTrack is based on, and tracks progress against, US cage-free commitments only. Exceptions include: **Sodexo** and **Unilever** (North America); and the manufacturers **Campbell Soup Company**, **Mondelēz International**, and **Barilla** (global).
- **Taco Bell** is transparently reporting that 41% of the ingredient eggs used in their sauces are cage-free, with Cinnabon Delights not yet included in that percentage.
- **Noodles & Company**, **Shake Shack**, **Hormel**, and **Whole Foods Market** have achieved a 100% cage-free egg supply.
- **Dunkin' Donuts** reports they are 10% cage-free towards their 2025 goal thus far, but they are only reporting on breakfast sandwiches.
- **Whole Foods Market** is 100% cage-free in their dairy case (for both shell and liquid eggs) and is also 100% cage-free on kitchen and bakehouse eggs. It is unclear whether the other retailer progress applies to shell, liquid, ingredient, or other egg types. We await confirmation from retailers on this distinction, and in the meantime make the assumption that progress reported applies only to shell eggs for the following retailers: **Kroger**, **Publix**, **Supervalu**, and **Trader Joe's**.
- **Publix** reports that 50% of their shell egg offerings are cage-free, but it is unclear if that applies to the actual percentage of cage-free eggs sold.

COMPANIES **NOT** REPORTING

An impressive **27% of the 73 companies** selected to participate in the first annual EggTrack report publicly disclosed their cage-free progress prior to our July 31, 2017 deadline.

The companies that did not publicly disclose their cage-free progress are listed below, by sector. We encourage all companies to participate by our next deadline of July 31, 2018 to ensure they can and will meet their timelines, and to foster essential transparency in the marketplace.

Food Service & Hospitality: Delaware North (2020 for shell eggs only, changed from 2016 for both shell and liquid), US Foods (2026), Sysco (2026), Disney (2016), InterContinental Hotel Group (North America and EU by 2022, Globally by 2025), Wyndham Worldwide (North America by 2018), Hilton Hotels & Resorts (Globally by 2017), Marriott International (2015), Royal Caribbean International (2022), Carnival Cruise Line (2025), Norwegian Cruise Line (2025).

Fast Casual: Au Bon Pain (2017), Starbucks (2020)

Quick Service: McDonald's (2025), Wendy's (2020), Jack in the Box/Qdoba (2025), Sonic Drive-In (2025), Burger King (2025), Chick-fil-A (2026), Krispy Kreme (2026), Arby's (2020), Carl's Jr./Hardee's (CKE) (2025), Quiznos (2025), Bojangles' Famous Chicken 'n Biscuits (2025), White Castle (2025)

Casual Dining: The Cheesecake Factory (2025), Denny's (2026), California Pizza Kitchen (2022), Dine Equity Inc.(2025), Cracker Barrel Old Country Store (2026), Darden Restaurants (2018), Bob Evans Restaurants (2025), TGI Fridays (2025), Brinker International (2025)

Manufacturers: PepsiCo (US by 2020, globally by 2025), Nestlé (2020), The Kraft Heinz Company (North America by 2025), Kellogg's (globally by 2025), Mars (US, Canada, Australia by 2020), Conagra Brands (2025), General Mills (globally by 2025), Grupo Bimbo (globally by 2025), Egg-land's Best (2025)

Retailers: Walmart (2025), Southeastern Grocers (2025), Albertsons (shell and retail liquid by 2025), Ahold Delhaize (Ahold USA brands by 2020, Delhaize America Brands by 2025), Target (shell eggs by 2025), H-E-B (2025), Meijer (2025), Wakefern (2025), BJ's Wholesale Club (shell eggs by 2022 liquid eggs by 2025), Aldi (shell eggs by 2025).

Companies marked in *red* have failed to meet or report progress against pre-2017 100% cage-free egg deadlines.

LOOKING FORWARD

EggTrack has revealed an urgent **need for clarity** from companies regarding the egg product categories covered by their cage-free commitments (e.g., shell, liquid, ingredient, or other egg type).

Commitments to reach 100% cage-free by a certain date presume applicability to all egg product categories within a company supply chain. However, with some commitments it is less clear, most notably in pledges from several retailers. We call for **full transparency** on the progress towards 100% cage-free on **all types of eggs** used by each business, as well as the target date for each egg type.

We will continue to follow up with the non-reporting companies to ensure we reach a 100% cage-free future and eliminate one of the worst-of-the-worst factory farm practices.

As the market continues to make this shift, and as the demand for transparency continues to increase, we encourage companies to integrate **annual progress reporting** into their broader reporting procedures, and disclose this information for all farm animal welfare commitments relevant to their business.



EGGTRACK RESOURCES

All resources below can be found at ciwf.com/eggtrack

FOR FOOD BUSINESSES:

LAYING HEN
HOUSING
BOOKLET



LAYING HEN
CERTIFICATION
MATRIX



CIWF POSITION ON
COMBINATION
SYSTEMS

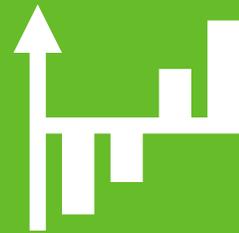


CONTACT THE CIWF
FOOD BUSINESS
TEAM



FOR INVESTORS:

INVESTOR'S GUIDE TO USING
EGGTRACK IN FOOD COMPANY
ENGAGEMENT



FOR CONSUMERS:

DOWNLOAD OUR
FOOD BUYING
GUIDE



GET ACTION ALERTS
TO HELP FARM
ANIMALS





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