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## Foreword

Thanks to tracking from Compassion in World Farming, we can see that cage-free eggs are swiftly becoming the industry standard.

Danone has been working on animal welfare for many years now. In 2016, we published an Animal Welfare Position Paper that crystallized our approach, which is based on the Five Freedoms established by the Farm Animal Welfare Council. Since then, we have been progressing on our species roadmaps with the support of Compassion in World Farming and other specialized partners.

This has meant reaffirming animal welfare protection as a key pillar of our regenerative agriculture approach and working to strengthen our actions through species-specific commitments - including a 2018 commitment to source 100% cage-free eggs and egg ingredients.

We view our commitment on cage-free eggs and egg ingredients to ensure we are, in the words of Compassion, "fit for purpose and fit for the future." Consumers are more and more concerned about animal welfare. Investors are asking for more transparency and improvement via benchmarks like the Business Benchmark on Farm Animal Welfare (BBFAW). And regulators are acting too: in the EU, for instance, caged hens will be banned in 2027.

When we took our commitment to cage-free eggs and egg ingredients in 2018, we knew it wouldn't happen overnight, and that we would need to work closely with our suppliers. For certain products, we had to run tests with suppliers to ensure that cage-free hens could provide the fatty acid profile required for our products. But we persisted and reached our target of 100% cage-free eggs and egg ingredients in 2020. Tracking and reporting our progress are important ways to hold ourselves accountable inside and outside our company.

What's exciting is that, thanks to tracking from Compassion in World Farming, we can see that cage-free eggs are swiftly becoming the industry standard. It shows how much we can progress collectively on animal welfare when there is momentum across sectors, even if there is still much to be done. At Danone, we will continue to try and play our part.

Cees Jan Hollander,  
Global Farming Expertise Manager, Danone



# **EggTrack Overview**



## EggTrack Overview

### Introduction

As public awareness around food production continues to increase, the compassionate treatment of farm animals is something that companies are taking more seriously every year. Since its inception in 2017, EggTrack has driven welfare improvements for laying hens by capturing the cage-free commitments and progress reporting of major food businesses, thereby encouraging transparency in implementation across the globe.

This year, Compassion in World Farming shares our sixth annual EggTrack. The online tracker and accompanying report continue to measure and propel the transition to cage-free eggs, highlighting leaders in this space, motivating those who have fallen behind, and affirming the need for ongoing improvement and transparency in the market as companies work toward their common goal to be 100% cage-free.

EggTrack is intended for use by conscious consumers, industry stakeholders, investors, and those who are responsible for the day-to-day implementation and decision-making processes needed to achieve cage-free goals (namely buying teams, executives, supply chain managers, and sustainability experts). It is meant to support producers and purchasers alike, providing resources and information to empower the meaningful dialogues necessary to move forward with stakeholders in their supply chains. As such, EggTrack is a tool that can help catalyze the business-to-business conversations that will ensure a stable and successful transition to a cage-free future.



## EggTrack Overview continued

**2022 has seen continued progress towards a cage-free future.** Since 2020, EggTrack has captured the global transition to cage-free egg supply chains, tracking companies' global and regional progress. This year's report tracks global progress from fifty-eight companies included in EggTrack with global commitments to date, increasing from forty-seven in 2021. This demonstrates continued recognition of the need to shift supply chains beyond the regional level.

This year's report will again identify global companies that have yet to make public, timebound global commitments, despite maintaining international influence and working toward regional cage-free commitments. We encourage these companies to expand their commitments beyond regional to global supply chains to be as comprehensive as possible, enabling steady progress on a global scale.

In addition to capturing global progress, the tracker includes regional reporting to make visible the shape and pace of the transition across different markets. For the first time, EggTrack has a dedicated section for the Asia-Pacific region in addition to those devoted to the United States and Europe. As our work in this region expands, we are eager to share the companies that have made commitments and are making valuable progress on behalf of laying hens.

Despite ongoing supply chain challenges from the lingering impacts of the COVID-19 pandemic, effects of inflation, and losses due to recent cases of highly pathogenic avian influenza (HPAI), the global cage-free flock continues to grow. Companies have persisted in increasing cage-free purchasing and implementation of best practices. Their transparent reporting in the face of such challenges is the cornerstone of EggTrack and allows the entire industry to move forward together.

The following report tracks 232 companies' shift to cage-free and highlights trends in regional and global reporting. The strategic analysis, technical resources, and animal welfare expertise it provides are intended to inform and support this continued transition. Compassion in World Farming looks forward to continued engagement and collaboration with producers, companies, and industry stakeholders in pursuit of a cage-free future.



# Key Findings/Executive Summary

## 1. Cage-free egg demand continues to increase globally:

We have seen an increase in global cage-free commitments from food businesses due to consumer demand for alternatives, as well as welfare issues associated with caged production widely understood and discussed. Last year saw a total of twenty-three new global commitments, with an additional eight announced in 2022 so far. As was the case last year, these have come primarily from the restaurant and hospitality sectors, while retailers and manufacturers continue to lag behind. In 2021 and 2022, we saw six new commitments in the restaurant sector, with corporations such as The Cheesecake Factory and Yum! Brands pledging global cage-free supply.

## 2. The transition to cage-free remains uninterrupted amidst inflation and HPAI:

Everyone has felt the impact of inflation, yet what is promising to see is that, of those included in EggTrack, 75.4% of companies are still reporting progress on their cage-free transition. Additionally, the poultry industry was directly impacted by highly pathogenic avian influenza (HPAI), which is a highly contagious disease that requires rapid response and is often fatal to chickens. Through these serious obstacles, companies are continuing their efforts forward with cage-free sourcing and reporting.

## 3. Companies transparently showcase their cage-free progress:

The overall number of companies reporting continues to increase and progress disclosures are higher in quality and more comprehensive than ever before, with companies publishing regional breakdowns and egg category specifications. Because of this, future iterations of **EggTrack will include egg ingredients as a distinct reporting category. Read more on how we plan to define egg ingredients in *Looking Forward* below!**

### Key Headlines



**232 companies are included in EggTrack this year** - 103 operate globally, 52 operate only in North America or the United States, 76 operate only in Europe, and 2 operate only in Asia-Pacific. Of those, 175 (**75.4%**) reported progress against their commitments.



An additional 5 companies are reporting this year, increasing the proportion of companies reporting to **75.4%** from 71% in 2021.



139 companies updated their reporting since last year to reflect continued progress against their commitments.



Overall, companies are reporting an average **79.1% transition to cage-free.**

## Global



Of the 58 companies with global commitments, 34 reported progress **(58.6%)**.



One international company - Famous Brands - reported meeting its **global cage-free commitment** this past year.



Companies that reported global progress **increased cage-free sourcing in their global supply chains by an average of 7.9 percentage points** this past year. This means that these companies' global supply chains now stand at an average of **63.1% cage-free** (55.2% in 2021).

## United States/North America



Of the 118 companies with US or North American commitments (as part of a regional or global commitment), 79 companies reported progress **(66.9%)** (61% in 2021).



3 companies reported meeting US or North American commitments this past year.



Companies that reported US or North American progress **increased cage-free sourcing** in those supply chains by an average of 2.0 percentage points this past year. This means that these companies' US/North American supply chains now stand at an average of **73.4% cage-free** (71.4% in 2021).

## Europe



Of the 128 companies with European commitments (as part of a regional or global commitment), 109 companies reported progress **(85.2%)** (84% in 2021).



8 companies reported meeting Europe-level commitments this past year.



Companies that reported European progress **decreased cage-free sourcing** in those supply chains by an average of 1.7 percentage points this past year. This means that these companies' European supply chains now stand at an average of **84.4% cage-free** (86.1% in 2021).

## Asia-Pacific



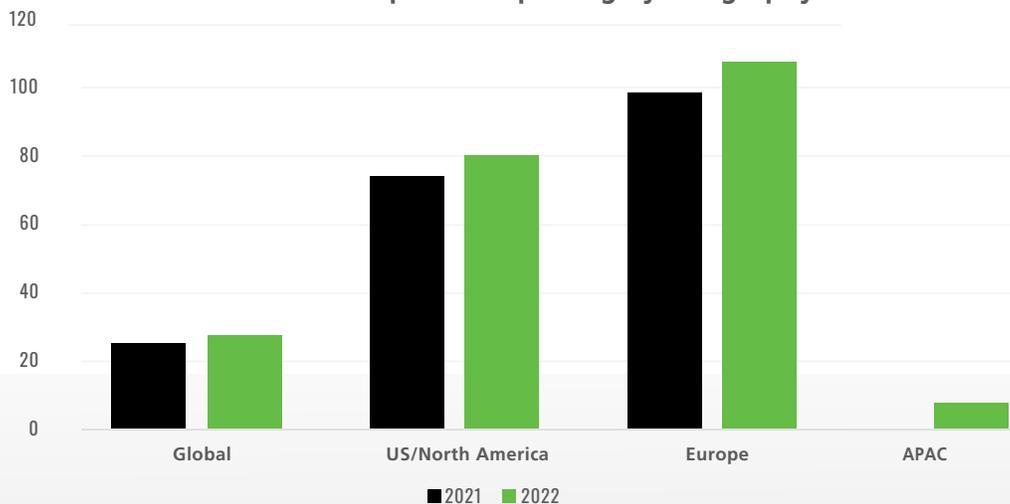
Of the 18 companies with Asia-Pacific commitments (as part of a regional or global commitment), **8 companies reported progress (44.4%)**.



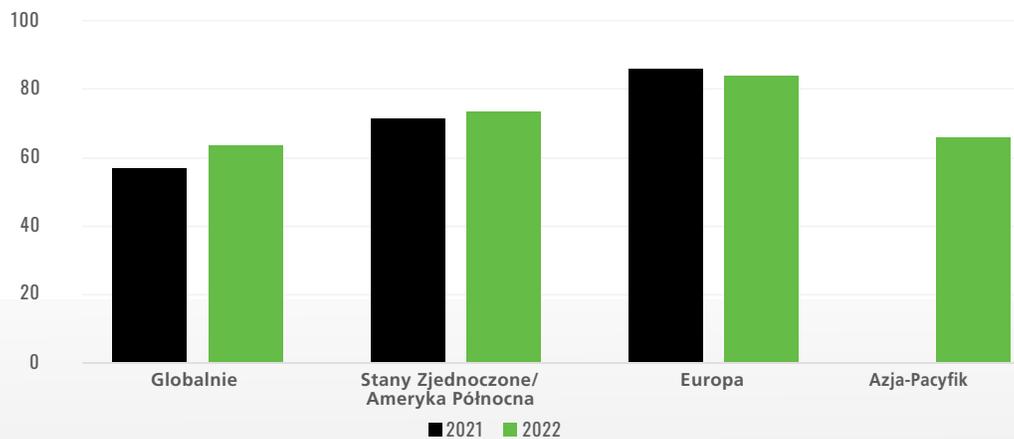
No companies reported meeting either regional or national commitments. For those companies that reported Asia-Pacific progress, their supply chains in this region stand at an average of **67.4% cage-free**.

## Key Findings continued

### Number of Companies Reporting by Geography



### średni postęp w podziale na regiony



**4. Making progress on the elimination of combination and limited access systems through corporate commitments ensures a smooth market transition and maximizes the welfare of laying hens:**

Combination and limited access systems are still in circulation and are being advertised as “cage-free” production when doors could be closed to confine birds back into caged production. We encourage all companies to engage suppliers regarding the type of cage-free systems being used or proposed, ensuring that combination and limited access systems are not in circulation.

24 companies have clear statements against the use of combination systems within their supply chain.



Who is lagging behind

9 companies overall removed their policies (regional or global).



8 companies have missed commitment deadlines, either in one or multiple regions.



## Key Findings continued

44 global companies have not made public, timebound global commitments.





# Methodology

# Methodology

## Company Organization

Since 2020, EggTrack has tracked food companies' reporting against their global, US, and European cage-free egg commitments to represent the progress occurring across regions over the course of the market transition. This year, we have expanded the tool to track cage-free progress in the Asia-Pacific (APAC). Companies with commitments in this region may fall under either the "Global" or "APAC only" designation in the tracker, depending on the reach of their operations. As Compassion continues to broaden the scope of EggTrack, we are excited to capture the progress companies are making in the Asia-Pacific and, eventually, other regions of the world.

While we categorize companies by geographic reach, the tracker takes a sector-forward approach. Companies are first organized into one of the following sectors: Food Service & Hospitality, Manufacturers, Producers, Restaurants, or Retailers & Meal Kits (including distributors). Within these sectors, companies are then labeled as Global, US only, EUR only, or APAC only.

Companies are designated as "Global" if their operations are not confined to a single region. Those that fall under this designation in the tracker may or may not have global commitments. Global companies that did not make a public, timebound global commitment by our July 31, 2022 reporting deadline are denoted by "NC" (No Commitment) in the tracker, and any global progress they may have reported has not been included. Any progress disclosed by global companies with a global commitment has been captured.

## Requirements for Inclusion

Transparent reporting is the cornerstone of EggTrack, as all information in the tracker is based on companies' publicly disclosed data. Public progress reporting demonstrates that a company holds itself accountable for the commitments it makes, communicating to investors, customers, and other key stakeholders that it takes its social responsibility targets seriously. Disclosure of progress shows that a company has adequately prioritized its animal welfare commitments, thereby displaying a high level of managerial competency.

This year's report includes 232 companies selected on the basis of their size, egg footprint, market influence, and commitment deadline. The data included in the interactive tracker was compiled during the month of August 2022. To be displayed in the tracker, all reported progress must be publicly disclosed on the company's website or in another relevant document, such as an animal welfare policy, an ESG or CSR report, or a press release. Once a company has achieved and clearly reported on its goal of ensuring that all egg types in its supply chain come from cage-free hens, they receive a "100% Cage-Free" badge in recognition of that achievement. As of this year, EggTrack also includes a "Combi Ban" badge for those companies that have published a statement against the use of combination and limited access systems in their cage-free supply chains.

If a company has been selected for inclusion in EggTrack and they do not disclose the proportion of their egg supply that is cage-free by July 31 of the given year, they are still included in the progress tracker and are marked as "NR" (Not Reporting). They are also marked as such if their progress was only communicated privately. For this year, only data published within two years of July 31, 2022 is considered accurate and up to date. Any information older than 2020 is not included.

*Notes and special considerations for how progress is presented in the tracker can be found on [EggTrack.com](https://www.eggtrack.com).*

### Cage-Free Egg Reporting Framework

In previous years, Compassion provided a reporting framework via individual corporate outreach to ensure companies could be successful in transparently disclosing their cage-free progress. We have now laid out that framework in EggTrack itself so that companies seeking guidance on how best to report can find it in one consistent location.

Companies that have made public commitments to transition to a 100% cage-free egg supply should **publicly disclose the following for all regions and egg categories relevant to their supply chains by July 31 of the given year:**

- the proportion (%) of **shell eggs**, in terms of volume purchased, that are currently cage-free within their global, US, European, and/or Asia-Pacific supply chains
- the proportion (%) of **egg products (liquid and/or processed)**, in terms of volume purchased, that are currently cage-free within their global, US, European, and/or Asia-Pacific supply chains

Companies may wish to further break out their reporting within their regional supply chains. We welcome additional specificity and include country-level data if provided. EggTrack also aims to measure progress across a company's entire supply chain by tracking all the egg types relevant to its business (shell eggs and egg products, including liquid and processed eggs). Relevant egg categories vary by company; therefore, we ask that companies provide clarity regarding which types are covered by an individual commitment.

#### Sample Disclosure

*"We have a global commitment to source 100% cage-free shell eggs and egg products by 2025. As of June 2022:*

- *x% of shell eggs and x% of egg products we purchase in the US are cage-free.*
- *x% of shell eggs and x% of egg products we purchase in Europe are cage-free.*
- *x% of shell eggs and x% of egg products we purchase in Asia-Pacific are cage-free.*
- *x% of shell eggs and x% of egg products we purchase across our global operations are cage-free."*

It should be noted that **in 2023, our egg category definitions will be adjusted to explicitly include egg ingredients in addition to shell eggs and egg products.** This category covers those products containing eggs as an ingredient that are purchased by a company from a third party (e.g., mayonnaise, muffins, cakes, pasta, etc.). Please see the "Looking Forward" section of the report for more information on this upcoming change.



# **Global and Regional Overviews**



## Global Overview

### Key Headlines



**8 companies made new global cage-free commitments** in the past year.



Broken down by sector, 2 food service and hospitality companies, 0 manufacturers, 6 restaurants, 0 producers, and 0 retailers and meal kit companies made new global commitments.



Of the 103 global companies included in EggTrack, **79 global companies report progress**



Of those 79, **34 report at a global level** (11 reporting global progress and 23 report global and regional progress), and 45 report regional progress only.



Broken down by sector, 10 out of 18 (**55.6%**) food service and hospitality companies, 14 out of 18 (**77.8%**) manufacturers, 6 out of 18 (**33.3%**) restaurants, and 4 out of 4 (**100%**) retailers meal kit companies reported against their global commitments.

## Global Overview continued



For every company, it is vital to evaluate your supply chain and animal welfare policies every year. If obstacles arise, address them by reporting your progress publicly and explaining why your commitment is not able to be implemented fully by a certain time. Reviewing your global and/or regional progress is crucial work in fulfilling your commitment to be 100% cage-free.

The evidence points to a growing momentum around cage-free production, even throughout the world where most of the laying hen flock is still being raised in conventional systems. Since the work is continuing to progress in these regional markets, EggTrack continues to expand its scope to capture progress against regional targets outside of Europe and the United States - now specifically including the Asia-Pacific region - to track overall global transitions.

## State of the Global Market

**7.9**  
billion  
laying hens  
are farmed for  
egg production  
globally

Throughout the world, 7.9 billion laying hens are farmed for egg production.<sup>1</sup> The global breakdown of production begins with Asia being the largest producer of eggs, with 5.3 billion hens farmed, followed by the US and EU-27 with 390 million and 456 million, respectively.<sup>2</sup>

The majority of these hens are still raised in cages, restricting movement and ability to express vital natural behaviors. Consumers, industry leaders, and policymakers are realizing the need for change. Cage-free production is becoming the baseline standard in the European egg market, and in the US, the number of hens raised in cage-free environments is rapidly growing.<sup>3</sup>

Companies are realizing that change is needed and are increasing their supply to eliminate inhumane housing practices for these animals. In 2022, there has been an increase in global commitments made to ensure hens no longer live in cages, impacting billions of animals. **Six commitments were made by restaurant chains and two were by hospitality companies. We have not seen any new global commitments in the retail, manufacturing, or food service sectors.**

Out of a total of one hundred and three companies with global operations included in this year's report, fifty-eight have global cage-free commitments. This represents an increase of eight companies over last year. These companies serve as critical agents of change in markets where cage-free production is limited, signaling to industry producers that there is committed demand to expand higher welfare production. Beyond making a commitment to source cage-free eggs, companies that publicly report their progress display an understanding of the need for transparency in their cage-free journeys. High-quality reporting demonstrates accountability for this issue to consumers and investors alike.

## Impacts of Supply Chain Disruptions Due to HPAI Across Regions

Highly pathogenic avian influenza (HPAI) outbreaks were very present throughout the past year. In the United States, HPAI was detected in commercial and backyard flocks in about 40 states, with the majority of cases occurring in laying hen facilities, many farms ranging from half a million to millions of birds on a site.

From September 16, 2021, to June 10, 2022, 331 HPAI-positive events in birds were reported in fourteen countries in Asia. Domestic poultry accounted for 201 of these events.<sup>4,5,6</sup>

HPAI has significantly impacted the European supply chains in the past year. From September 16, 2021, to June 10, 2022, 4,702 HPAI positive events were reported in EU/EEA countries and the UK. Of these, domestic poultry accounted for 2096 of these events.<sup>7,8,9</sup> In Europe, laying hen establishments accounted for about 9% of the outbreaks in poultry over the 2021-2022 season. However, this statistic does not reflect the numbers of birds affected, only the number of establishments regardless of their size. As laying hen establishments tend to be larger on average than many other domestic poultry establishments, the actual numbers of birds affected is likely to be far greater.

### Combination and limited access systems - Ensuring the transition to a truly cage-free standard

The production of eggs that are not truly cage-free continues as combination and limited access systems are still in circulation. Last year's EggTrack highlighted the fact that numerous laying hen systems are being touted as "cage-free," but birds may still be housed in cages.

Combination systems (also referred to as "convertible" or "hybrid" systems) are not a suitable alternative to true cage-free systems because they feature doors and partitions throughout each level of the structure. These doors can confine birds in cages, either routinely or permanently. Because they function the same way as a caged system when the doors are closed, these systems pose a risk to purchasers who have committed to going cage-free. And even if the doors are open, they compromise hen welfare due to high stocking densities and difficulties moving around the system.<sup>10</sup>

Limited access systems are also a concern. With the doors located only on the bottom of the structure, they limit movement in and out of the system and those doors can be closed to become caged production. This design also leads to overcrowding, especially when hens try to access the littered floor simultaneously or move towards perches and nest boxes. These resources can only be accessed at the top of the system and require hens to move through the whole system via internal platforms and stairways. Both limited access and combination systems limit natural behaviors such as dustbathing, scratching, and pecking, and can lead to behaviors that exhibit stress and frustration.

**As combination and limited access systems are still used in industrial production, we encourage companies to clearly communicate with their suppliers to determine their supply is not produced through either of these types of systems.**

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<sup>1</sup> Food and Agriculture Organization of the United Nations. (2020). FAOSTAT, Crops and Livestock Products. <https://www.fao.org/faostat/en/#data/QCL>

<sup>2</sup> Ibid.

<sup>3</sup> Chicken Watch. (2022). Progress Tracker. Retrieved August 1, 2022, from <https://chickenwatch.org/progress-tracker>

<sup>4</sup> European Food Safety Authority. (2021). Avian Influenza Overview September - December 2021. <https://www.efsa.europa.eu/en/efsajournal/pub/7108>

<sup>5</sup> European Food Safety Authority. (2022). Avian Influenza Overview December 2021 - March 2022. <https://www.efsa.europa.eu/en/efsajournal/pub/7289>

<sup>6</sup> European Food Safety Authority. (2022). Avian influenza overview March - June 2022. <https://www.efsa.europa.eu/en/efsajournal/pub/7415>

<sup>7</sup> European Food Safety Authority. (2021). Avian Influenza Overview September - December 2021. <https://www.efsa.europa.eu/en/efsajournal/pub/7108>

<sup>8</sup> European Food Safety Authority. (2022). Avian Influenza Overview December 2021 - March 2022. <https://www.efsa.europa.eu/en/efsajournal/pub/7289>

<sup>9</sup> European Food Safety Authority. (2022). Avian influenza overview March - June 2022. <https://www.efsa.europa.eu/en/efsajournal/pub/7415>

<sup>10</sup> Compassion in World Farming. (2017, May). Do not compromise your cage-free housing, Combination ('combi') housing for layer hens. Retrieved August 2, 2022, from <https://www.compassioninfoodbusiness.com/our-news/2017/06/dont-compromise-your-cage-free-housing-for-laying-hens>

## Company Feature: Barilla



For years, Barilla has been aiming to improve the impact of its supply chains and increase the welfare conditions of farm animals. For this reason, after achieving the complete phase-out of cages in our egg supply, we decided to commit to the elimination of combination systems to provide laying hens with greater freedom and better possibilities to express species-specific behaviors. This commitment originates from discussion and engagement with our suppliers who, with great efforts, have accepted this transition. This journey has had a certain degree of complexity because of the lack of regulations differentiating between barn (cage-free) and combination systems, and because of the full involvement of farmers in the process of conversion and adaptation of the sheds.

Suppliers' and farmers' involvement is crucial to achieve this commitment and is based on two points:

- A gradual medium- to long-term path, given the multitude of players involved and the non-immediate adaptation of existing facilities
  - The dissemination of the commitment made, to give value to the efforts of the supply chain
- Sergio De Pisapia, Barilla Group

To safeguard the authenticity of commitments, Compassion has asked companies to publish updated language in their cage-free commitment specifying that they will not allow combination or limited access systems in their supply chains. To ensure these structures are no longer used in production, this year's interactive tracker will include a specific identification for companies that have made a statement against the use of combination or limited access systems.

### Hidden ingredient egg supply - Ensuring a full market transition

The primary focus around the cage-free movement has been shell and egg products, which make up a significant amount of the marketplace. And while this is very important work, we cannot ignore that eggs are also used as ingredients in processed foods, impacting a high number of hens. To provide consistency across their offer and meet consumer and client demands, companies are now looking to expand their cage-free commitment and use of these more humane options across their entire product lines.

It is vital that companies which have not started this process yet evaluate their entire supply chain to ensure a full market transition. As such, Compassion in World Farming will update the egg categories we use for tracking progress reporting to include egg ingredients in the 2023 report. We are including this note in this year's report to ensure companies have ample time to adjust their reporting procedures and work on incorporating cage-free eggs across their supply. If your company would like to update its cage-free commitment to include these products, please reach out to one of our Food Business Managers.

**Compassion in World Farming will update the egg categories we use for tracking progress reporting to include egg ingredients in the 2023 report.**



# US Overview

## Key Headlines



Of the 118 companies with US or North American commitments, **79 reported progress** (66.9%). This represents an increase of 8 companies over last year. The average transition is 73.4%.



3 companies met their US/North American commitments in the past year: Raley's and Sprouts Farmers Market are 100% cage-free; Meijer is 100% cage-free for its Own Brands and maintains its 2025 commitment for all eggs.



There are 0 companies that missed 2021 commitment deadlines.



The **US cage-free flock** continues to grow, **reaching 34.8 % in June 2022**, up from 28.6% in 2021 and 10.1% in 2016.<sup>11</sup>

## State of the US Market

**34.8%**  
of the total  
**US flock is  
cage-free**

In the United States, EggTrack is in its sixth year of capturing company progress against nationwide cage-free commitments. In that time, it has developed into an established tool for a range of stakeholders. We have seen continued progress in the number of companies reporting on US and North American commitments, now up to 79 out of 118 (66.9%). The cage-free flock has experienced significant growth in tandem. As of June 2022, cage-free hens account for approximately 34.8 % of the total US flock, up from 10.1% in 2016, when the USDA first began tracking cage-free flock size.<sup>12</sup> Companies continue to set and report on their cage-free goals, yet there remains a sense of urgency around progressing this transition to ensure companies can meet their approaching deadlines.

<sup>11</sup> Appendix: Calculation 1.

<sup>12</sup> Ibid.

State of the US Market continued

The rate of transition to cage-free will need to accelerate to meet the 2025 commitment deadline set by most companies. It is estimated that about 117 million laying hens will need to be transitioned into cage-free systems to meet the projected demand resulting from fulfilled cage-free commitments by the end of 2025.<sup>13</sup> From 2016 to 2022, the US cage-free flock grew at an average rate of about 12.7 million birds per year.<sup>14</sup> To meet existing commitments, **we will need to more than double that rate.**<sup>15</sup>



**Incremental progress**

is what drives the transition forward.

It is necessary that purchasers continue to maintain open conversations with their suppliers and work together to develop a plan for this transition. Converting supply chains will inevitably require time, resources, and creative problem-solving. We encourage companies to start these conversations as soon as possible and to be transparent along the way, reporting even minor improvements each year. Incremental progress is what drives the transition forward.

Nevada, Utah, and Arizona have passed policies banning caged systems since the previous edition of EggTrack, pushing the number of states banning cages up to ten. Of those states, the laws in Arizona, California, Colorado, Massachusetts, Michigan, Nevada, and Oregon also ban the sale of eggs from caged systems. As cage-free laws continue to be introduced throughout the United States, both suppliers and purchasers should be aware of these legislative changes to ensure they are compliant with state law.

**\$0.56**

the price difference between conventional and cage-free eggs

As states have passed confinement ban legislation, we have also seen the price of cage-free eggs decrease over time, with the retail price decreasing from an average of \$2.63 in 2009 to \$2.25 in mid-2022. Alongside that, from 2009 to June 2022 there has been an overall decrease in the price difference between conventional and cage-free eggs from \$1.59 to \$0.56.<sup>16,17</sup> With these trends in pricing, it is becoming more feasible for cage-free eggs to be included in programs such as the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), a program which serves around 6.2 million participants per month.<sup>18</sup>

Compassion in World Farming has been engaging with both the National WIC Association and state WIC agencies to encourage the inclusion of cage-free eggs in Approved Food Lists (AFLs) across the country. Twenty-four states such as Texas and North Carolina have added cage-free eggs to their Approved Food Lists, with more planning to do so. This means that retailers have fewer obstacles in transitioning their entire supply chains to fulfill their commitments and increase equity for low-income families to have the same access to cage-free eggs and the ability to choose as any other consumer.

<sup>11</sup> Appendix: Calculation 1.

<sup>12</sup> Ibid.

<sup>13</sup> Appendix: Calculation 2.

<sup>14</sup> Appendix: Calculation 3.

<sup>15</sup> Appendix: Calculation 4.

<sup>16</sup> United States Department of Agriculture. (2022). Shell Eggs: USDA Weekly Retail Shell Egg and Egg Products Feature Activity Report (Fri).

<https://usda.library.cornell.edu/concern/publications/q237hr94j?locale=en#release-items>

<sup>17</sup> United States Department of Agriculture. (2009 – 2021). Weekly Retail Shell Egg and Egg Products Feature Activity Report. Retrieved from requested USDA archives.

<sup>18</sup> United States Department of Agriculture. (2021). WIC Program. <https://www.ers.usda.gov/topics/food-nutrition-assistance/wic-program/>



## Europe Overview

### Key Headlines



Of the 128 companies with European commitments, **109 reported progress** (85.2%). This represents an increase of 12 companies over last year. The average transition is 84.4%.



8 companies met their European-level commitments in the past year: Ahold Delhaize, Andros, Columbus Café, Coop Denmark Group, J D Wetherspoon plc, Markas, Pizza Express, and Lactalis.



There are 0 companies that have missed 2021 commitment deadlines.



The **EU cage-free flock** continues to grow, **reaching 55% in 2022**, up from 52% in 2021 (not including the UK).

### State of the European Market

There are over 375 million commercial laying hens in the European Union, 55% of which are in cage-free systems.<sup>19</sup> That is an increase of three percentage points in cage-free systems since 2021.<sup>20</sup> As we are quickly approaching the 2025 deadline many companies have in place, producers continue to invest in converting to cage-free systems, meeting the demand for this more humane option. To ensure producers are supported during this time of transition, food companies need to create detailed roadmaps in collaboration with their suppliers to achieve their commitments on time.

Throughout the years, Europe has led in progress reporting. That trend continues with 109 out of 128 included companies reporting in 2022, up from 97 out of 116 in 2021. This year has seen major companies such as EG Group (Asda) and Huevos Guillén beginning to report and Eurovo nearing completion of their commitments.

<sup>19</sup> European Commission. (2022). Eggs - Overview. Retrieved September 28, 2022.

[https://agriculture.ec.europa.eu/farming/animal-products/eggs\\_en#:~:text=There%20are%20more%20than%20350%20million%20laying%20hens,standards%20and%20occasionally%20through%20some%20market%20support%20measures.](https://agriculture.ec.europa.eu/farming/animal-products/eggs_en#:~:text=There%20are%20more%20than%20350%20million%20laying%20hens,standards%20and%20occasionally%20through%20some%20market%20support%20measures.)

<sup>20</sup> European Commission. (2022, July 27). Eggs - Market Situation - Dashboard. Retrieved August 2, 2022.

[https://agriculture.ec.europa.eu/document/download/9bdf9842-1eb6-41a2-8845-49738b812b2b\\_en](https://agriculture.ec.europa.eu/document/download/9bdf9842-1eb6-41a2-8845-49738b812b2b_en)

### State of the European Market continued

Last year, the European Commission made a monumental decision that requires the phasing out of cages in all animal farming across the continent by 2027. Compassion in World Farming was directly involved in this effort through the “End the Cage Age” European Citizens Initiative (ECI). A legislative proposal is still set to be submitted by the end of 2023, which will need the approval of the European Parliament and the Council of Europe. Compassion in World Farming - along with the 1.4 million signatures received in support of the ECI - applauds this transition, making more humane methods of farming in Europe a reality.

Two main welfare issues in modern egg production are the culling of day-old male chicks and infrared beak trimming. In addition to Germany and France, Italy has now announced that the culling of male chicks will be banned, which makes these three countries the first in the world to publicly announce such a progressive animal welfare policy.

### United Kingdom

In the United Kingdom 64.6% of eggs are now cage-free, representing a four and a half percentage point increase since 2021. While this is progress, it is slightly behind the average for major producers. The majority of UK retailers have commitments for cage-free shell eggs and egg products. Retailers account for 71% of egg sales and many of these sales now have a commitment to be cage-free. Within the food service sector, there are either missing or partial commitments, and many still need to make full commitments for the 2025 cage-free transition.

The decrease in egg production from caged systems in the UK (down to 35% share of production) is accompanied by a concurrent increase in free-range and, to a lesser extent, organic production (up to 59% and 4% of production respectively), while barn production remains unchanged (2%). Despite the disruptions of avian influenza in 2021, higher volumes of eggs were produced than the year before, driven entirely by increased free-range and organic production, demonstrating the ongoing transition of supply and continued growth in demand for cage-free eggs in the UK.

### France

France is maintaining its position as the leading EU cage-free egg producer by a reduced margin. Cage-free production now represents 65% of the market (data from September 2021). However, the progression of the cage-free transition that was rapidly increasing (about ten percentage point progress between 2019 and 2020) has slowed (one percentage point progress between 2020 and 2021).

The retail and manufacturing sectors are still leading the way, with all French retailers having cage-free commitments for shell eggs (both branded and own brands products) and egg products (own brands). Regarding implementation, the transition in the food service sector is slower, with some companies still reporting very little progress even though their 2025 deadline is quickly approaching.

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<sup>21</sup> United Kingdom. (2022). UK Egg Packing Station Throughput and Prices Datasheet. <https://www.gov.uk/government/statistics/egg-statistics>

### Italy

**4 of 5**  
retailers have a  
**cage-free**  
commitment

Italy has seen a 4.3 percentage point increase in cage-free production from last year, with 64.3% of eggs now cage-free. Almost all Italian supermarkets included in this year's report have extended their commitments to include ingredient eggs in addition to shell eggs. Thanks to Selex committing to cage-free in November 2021, now four of the main five retailers in Italy have a full cage-free commitment. There is nevertheless a large gap between sectors, with only a few leading food service companies committed to cage-free and a number of major manufacturers that have yet to publicly clarify their position on cages.

### Spain

Throughout Spain, the production of cage-free hens increased 4.8 percentage points since 2021, with 26.8% of eggs now cage-free. While this shows progress, the transition must be accelerated to meet the number of cage-free commitments in just a few years. Companies are demonstrating their commitment to meet consumer demand as the number of cage-free commitments have increased and - apart from Mercadona - major in-country retailers have made cage-free commitments covering both shell eggs and egg ingredients in the last year. Reporting in Spain is not as strong as in other European countries, with very few companies disclosing progress against their commitments. Companies must expedite their transition significantly and start reporting if they want to meet their commitment deadlines.

### Poland

**140+**  
companies  
in Poland are  
committed to  
cage-free eggs

In Poland, more than 140 companies are committed to cage-free eggs by 2025, including twenty-nine major supermarket chains. This is reflected in the growing share of cage-free production: up from 19% in 2021 to 23.8% in 2022, a 4.8 percentage point increase. Unfortunately, this number is still lower than France, Italy, or the UK, which calls for an improved implementation strategy and tighter collaboration with producers.



## Asia-Pacific Overview

### Key Headlines



Of the 18 companies with Asia-Pacific commitments, **8 reported progress (44.4%)**.



As of July 2022, 0 companies met their Asia-Pacific-level commitments.



There are 0 companies that have missed 2021 commitment deadlines.

### State of the Asia-Pacific Market

The Asia-Pacific market is the fastest-growing cage-free market due to increased demand, product innovation, and increased disposable income.<sup>22</sup> China, the world's second-largest economy, is forecast to reach a projected market size of US \$1.2 billion by the year 2027.<sup>23</sup> The cage-free egg movement has also been growing in countries like Thailand and Malaysia, encouraging companies in neighboring countries like Vietnam and Indonesia to invest in such systems in anticipation of the expansion of demand.<sup>24,25</sup>

<sup>22</sup> Market Data Forecast. (2022, January). Cage Free Eggs Market Analysis. <https://www.marketdataforecast.com/market-reports/cage-free-eggs-market>

<sup>23</sup> Research and Markets. (2022, April). Cage Free Eggs - Global Market Trajectory & Analytics. <https://www.researchandmarkets.com/reports/5141017/cage-free-eggs-global-market-trajectory-and>

<sup>24</sup> Whitehead, J. (2021, April 28). Cracking it: Retailers and producers line up to embrace cage-free egg market. Food Navigator. <https://www.foodnavigator-asia.com/Article/2021/04/28/Cracking-it-Retailers-and-producers-line-up-to-embrace-cage-free-egg-market#>

<sup>25</sup> Staff. (2021, July 14). Nam Huong launches Vietnam's first commercial cage-free barn. Far Eastern Agriculture. <https://www.fareasternagriculture.com/live-stock/poultry/nam-huong-launches-viet-nam-s-first-commercial-cage-free-barn>

### State of the Asia-Pacific Market continued

In 2016, Sodexo was the first in their sector to commit to source only cage-free eggs (both shell and liquid) worldwide by 2025.<sup>26</sup> Only a couple of years later, more than 200 companies from across industries joined the cage-free movement in the Asia-Pacific region by making commitments.<sup>27</sup> In recent years, a growing list of hospitality, retail, restaurant and packaged food brands have pledged to use only cage-free eggs throughout Asia, showing where the market is headed.<sup>28</sup>

Despite a global increased awareness of animal welfare and many commitments by multinational companies with operations in Asia to source eggs solely from cage-free farms, the predominant commercial method of housing for laying hens in the region is still conventional / barren battery caged systems.<sup>29</sup>

### China

China is  
**34.1%**  
of global egg  
production, the  
biggest egg  
producer in the  
world

China has been the biggest egg producer in the world for nearly 40 years, representing 34.1% of global egg production in 2019, according to the Food and Agriculture Organization of the United Nations.<sup>30</sup> In the past, layer farms were run mainly by small households with 100 to 1,000 layers per farm. Over the past decades, egg production in China has developed toward standardization and expansion of production systems, and many of these modern intensive farms raise millions of layers. Eggs are the second largest source of animal protein for Chinese consumers after pork due to their affordable price. Average egg consumption per capita is around 18 kg per year, higher than in other developed countries. Over 95% of eggs are sold as table eggs for direct consumption, a higher percentage compared to the worldwide average of 70%, while only 5% are sold as egg products.<sup>31</sup> In 2019, cage-free egg production made up just 10% of Chinese egg production.<sup>32</sup> However, no concrete policies are currently enforced that specify housing systems for laying hens in the country.

<sup>26</sup> Schalk, L. (2016, July 25). Sodexo: First Company in its Sector to Make Worldwide Commitment to Cage Free Eggs. Sodexo. <https://www.sodexo.com/home/media/press-releases/newsList-area/press-releases/commitment-cage-free-eggs@commitment-cage-free-eggs.html>

<sup>27</sup> Pointing, C. Food Industry Leaders In Asia Commit To Sourcing Cage-Free Eggs. Live Kindly. <https://www.livekindly.com/food-industry-leaders-in-asia-commit-to-sourcing-cage-free-eggs/>

<sup>28</sup> Staff. (2022, June 8). Hatten Hotels Commits to Source Only Cage-Free Eggs by 2025. Travel News Asia. <https://www.travelnewsasia.com/news22/86-HattenHotels.shtml>

<sup>29</sup> Berkhout, N. (2020, June 1). Promoting cage-free egg production in SE Asia. Poultry World. <https://www.poultryworld.net/poultry/promoting-cage-free-egg-production-in-se-asia/><sup>30</sup> Guyonnet, V. (2021, December 16). Chinese egg companies increasingly large scale. WATT Poultry. <https://www.wattagnet.com/articles/44105-chinese-egg-companies-increasingly-large-scale>

<sup>30</sup> Guyonnet, V. (2021, December 16). Chinese egg companies increasingly large scale.

<sup>31</sup> Soriano, M. (2022, May 25). Review of the meat and egg production in China. Veterinaria Digital. <https://www.veterinariadigital.com/en/articulos/review-of-the-meat-and-egg-production-in-china/>

<sup>32</sup> Staff. (2019, June 12). Five steps to going cage-free in China. The Poultry Site. <https://www.thepoultrysite.com/articles/five-steps-to-going-cage-free-in-china>

### China continued

To facilitate the adoption of cage-free systems in China, FAI Farms, IQC, China Chain Store & Franchise Association (CCFA), and China Animal Health and Food Safety Alliance (CAFA), jointly released the “Evaluation Guidelines of Cage-Free Egg Production” Group Standard in October 2021. This set of guidelines not only informs interested producers on how to improve their farms but allows retail and catering enterprises to evaluate their suppliers and ensure best practice. A unified definition of “cage-free” helps consumers and retailers to differentiate products on the market, ensuring the healthy and sustainable growth of cage-free eggs in China.<sup>33</sup> Given the number of global commitments by companies with operations in or supply from China, it is essential that producers in the country ramp up the cage-free implementation process or deadlines will be missed.

### Thailand

Thailand is a leading egg producer in Southeast Asia, with millions of animals reportedly still being kept in barren battery cages.<sup>34</sup> The country currently has about 50 million laying hens that produce around 40 million eggs per day, mostly for the domestic market, according to the Layer Chickens Association.<sup>35</sup> Charoen Pokphand Foods (commonly known as CP Foods), one of the world’s leading agro-industrial and food conglomerates, announced in 2018 their plans to phase out the use of battery cages for 100% of company-owned egg-laying hen farms in Thailand.<sup>36</sup> With this announcement, CP Foods joined other major Asian egg producers in Thailand such as Betagro and Saeng Thong Saha Farm in providing higher welfare eggs to the Southeast Asian market.<sup>37</sup> The commitment lacks a deadline, but the group has increased cage-free egg production annually, aiming to achieve 20 million eggs in 2022.<sup>38</sup>

In the retail segment, most companies have yet to commit to a 100% cage-free supply. Siam Makro, an important wholesaler and part of the CP Group, mentions the issue in their Corporate Sustainability sections but fails to have a clear pledge with a defined scope and deadline,<sup>39</sup> while Central Food Retail has a commitment to phase out only 50% of its caged eggs sales.<sup>40</sup> Despite the lack of commitments in general, cage-free eggs can be easily found at stores in and around Bangkok.

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<sup>33</sup> Williams, L. (2022, January 13). First cage-free production standard launched in China. The Poultry Site. <https://www.thepoultrysite.com/news/2022/01/first-cage-free-production-standard-launched-in-china>

<sup>34</sup> Staff. (2020, September 7). The cruelty behind egg production in Thailand. Eurogroup for Animals. <https://www.eurogroupforanimals.org/news/cruelty-behind-egg-production-thailand>

<sup>35</sup> Staff. (2022, January 11). Egg vendors warned over price gouging. Bangkok Post. <https://www.bangkokpost.com/thailand/general/2245227/egg-vendors-warned-over-price-gouging>

<sup>36</sup> Charoen Pokphand Foods. (2018). Sustainable... Kitchen of the World. [https://www.cpfworldwide.com/storage/sustainability\\_report/CPF\\_SD\\_ENG\\_2018\\_Link\\_20190710.pdf](https://www.cpfworldwide.com/storage/sustainability_report/CPF_SD_ENG_2018_Link_20190710.pdf)

<sup>37</sup> Johnson, R. (2018, August 9). Cage free in Thailand: CP Foods transition highlights cage-free trend in Asia. The Poultry Site. <https://www.thepoultrysite.com/news/2018/08/cage-free-in-thailand-cp-foods-transition-highlights-cagefree-trend-in-asia>

<sup>38</sup> Johnson, M. (2022, March 4). CP Foods aims to raise 2022 cage-free production by 25%. WATT Poultry. <https://www.wattagnet.com/articles/44642-cp-foods-aims-to-raise-2022-cage-free-production-by-25?v=preview>

<sup>39</sup> Makro. (n.d.). Makro is Committed to Support Cage-free Egg Production to Elevate Animal Welfare. Retrieved July, 2022, from [https://www.siammakro.co.th/en/animal\\_welfare.php](https://www.siammakro.co.th/en/animal_welfare.php)

<sup>40</sup> Central Food Retail. (n.d.). Cage Free Eggs. News and Events. Retrieved August 4, 2022, from <https://www.sinergiaanimalinternational.org/single-post/central-food-retail-is-moving-away-from-cages>

### Japan

Japan is the eighth largest egg producer in the world and has no regulations on the maximum rearing density and no bans on battery cages, debeaking, or forced molting by fasting, which is performed on 66% of the farms in the country.<sup>41</sup> There, the transition to cage-free systems is slow. Only 1% of Japanese eggs were cage-free in 2020, although large cage-free facilities were introduced in the country in 2018. Currently, 92% of egg farms use battery cages and 99% of the eggs sold in the country originate from this kind of production system.<sup>42</sup> On a positive note, cage-free eggs, or hiragai eggs as they are called in Japan, are rising in popularity and have become easier to obtain. According to a survey conducted by the Animal Rights Center in 2019, 51% of domestic supermarkets sell hiragai eggs, up from 22% found in a similar survey conducted in 2015.<sup>43</sup>

### Australia

#### Australia plans to outlaw battery cages by 2036

In Australia, 70% of the population is concerned about hens in battery cages<sup>44</sup> but cage eggs still make up about 40% of supermarket egg purchases, according to the Australian Eggs Association.<sup>45</sup> The catering sector uses a higher proportion of eggs from caged hens<sup>46</sup> and caged layer hen farming still makes up more than 60% of total egg production.<sup>47</sup> The country plans to outlaw battery cages by 2036 and although many argue that this could be achieved in a much shorter timeline,<sup>48</sup> it is still unclear if the plan will in fact be implemented.<sup>49</sup>

As momentum towards a cage-free future continues to grow, Compassion remains positive that the increase in commitments across Asia-Pacific and the implementation of global pledges to achieve a 100% cage-free supply chain will help the region to progress.

<sup>41</sup> Staff. (2022, January 22). Egg production in Japan continues growing positively. Veterinaria Digital. <https://www.veterinariadigital.com/en/noticias/egg-production-in-japan-continues-growing-positively/>

<sup>42</sup> Eurogroup for Animals. 2022. Animal welfare in the implementation of the EU-Japan Economic Partnership Agreement. <https://www.eurogroupforanimals.org/library/animal-welfare-implementation-eu-japan-economic-partnership-agreement>

<sup>43</sup> Miyazawa, T. (2019, December 20). Conscious consumers drive boom in cage-free eggs. The Japan News. <https://www.pressreader.com/japan/the-japan-news-by-the-yomiuri-shimbun/20191220/281582357529391>

<sup>44</sup> Richardson, L. (2021, May 7). Free the hens. RSPCA Queensland. <https://www.rspcaqld.org.au/blog/animal-welfare/Free-The-Hens>

<sup>45</sup> Australian Eggs. (n.d.). What Are Cage Eggs? Retrieved July, 2022, from <https://www.australianeggs.org.au/farming/cage-eggs>

<sup>46</sup> Berkhout, N. (2021, July 14). Australia: Caged hens could be phased out by 2036. Poultry World. <https://www.poultryworld.net/poultry/australia-caged-hens-could-be-phased-out-by-2036/#:~:text=The%20draft%20report%2C%20Australian%20Animal,earlier%20than%20the%20industry%20demanded>

<sup>47</sup> Richardson, L. (2021, May 7). Free the hens. RSPCA Queensland. <https://www.rspcaqld.org.au/blog/animal-welfare/Free-The-Hens>

<sup>48</sup> Berkhout, N. (2021, July 14). Australia: Caged hens could be phased out by 2036. Poultry World. <https://www.poultryworld.net/poultry/australia-caged-hens-could-be-phased-out-by-2036/#:~:text=The%20draft%20report%2C%20Australian%20Animal,earlier%20than%20the%20industry%20demanded>

<sup>49</sup> Bainbridge, A. & Branley, A. (2021, November 3). Australia was planning to phase out caged eggs by 2036, but one state is threatening to derail that. ABC News. <https://www.abc.net.au/news/2021-11-04/australia-plans-to-phase-out-battery-hens-cage-eggs-at-risk/100566732>



**Looking  
Forward**



## Conclusions and next steps for Companies

With the consistent upward demand in cage-free egg production, the future of the egg industry will no longer involve this cruel method of housing. When cage-free houses are well managed, these systems offer birds the ability to express natural behaviors such as spreading their wings, stretching their legs, and even dust bathing to naturally keep themselves clean.<sup>50</sup> The transition away from cages can lead to improved physical and psychological health, eliminating many of the stress behaviors exhibited in conventional production systems.<sup>51</sup> Promoting a positive mental wellbeing is just as vital as eliminating stressful and frustrating emotions from the everyday lives of these animals.

As the global egg industry is shifting to cage-free production, and implementation deadlines are quickly approaching, it is essential that companies effectively collaborate with their suppliers to ensure their value chain is on track for fully implementing cage-free commitments, exclusive of combination and limited access systems, by the expected timeline. We strongly encourage companies to develop roadmaps and publicly report progress toward implementation on an annual basis. Investing in cage-free production, while it does involve capital, is a smart investment, as this global trend is only

going to be accelerated by both consumer and corporate demand.

Making progress in shell and liquid egg supply chains is crucial, but we do not want to stop there. Beginning in 2023, Compassion will expand the egg categories captured in EggTrack to include egg ingredients. Thus, we will expect companies to ensure that any eggs used as ingredients in the products they purchase - baked goods, prepared foods, etc. - are also produced in 100% cage-free housing systems. In any future public disclosures, companies should report progress for shell eggs, egg products, and egg ingredients where these types are part of their supply.

Integrating annual progress reporting into a business plan not only assist procurement teams in meeting commitments, but also showcases to stakeholders and investors a company's dedication to a more responsible business model. Until our food system eliminates inhumane cages, EggTrack will continue to work with both reporting and non-reporting companies to highlight industry leaders and laggards. We look forward to advancing this work with businesses across the industry to improve the lives of billions of laying hens together.

<sup>50</sup> Compassion in World Farming. (2017). Summary: Hen Welfare in Alternative Systems. <https://www.compassioninfoodbusiness.com/resources/laying-hens/summary-hen-welfare-in-alternative-systems/>

<sup>51</sup> Ibid.

# Appendix



## Calculations

### Calculation 1: US Total and cage-free (CF) flock sizes.

| Month Represented | Total Table Egg Laying Flock (birds) | CF Flock (birds)         | Proportion of Total Flock CF (%) <sup>1</sup> |
|-------------------|--------------------------------------|--------------------------|---|
| September 2016    | 302,295,000 <sup>2</sup>             | 30,500,000 <sup>3</sup>  | 10.09%  |
| August 2021       | 319,310,000 <sup>4</sup>             | 91,282,000 <sup>5</sup>  | 28.59%  |
| August 2022       | 297,515,00 <sup>6</sup>              | 103,553,833 <sup>7</sup> | 34.81%  |

#### Notes:

1. "CF flock (birds)" divided by "total table egg-laying flock (birds)"
2. USDA NASS. (2016, September 23). Chickens and Eggs. Retrieved from <https://usda.library.cornell.edu/concern/publications/fb494842n?locale=en#release-items>
3. USDA AMS. (2016, September). Cage-Free Shell Egg Report. Retrieved from requested USDA archives.
4. USDA NASS. (2021, August 23). Chickens and Eggs. Retrieved from <https://usda.library.cornell.edu/concern/publications/fb494842n?locale=en#release-items>
5. USDA AMS. (2021, September 13). Cage-Free Shell Egg Report. Retrieved from <https://usda.library.cornell.edu/concern/publications/rj4304553?locale=en>
6. USDA NASS. (2022, June 23). Chickens and Eggs. <https://usda.library.cornell.edu/concern/publications/fb494842n?locale=en#release-items>
7. USDA AMS. (2022, July 1). Cage-Free Shell Egg Report. Retrieved from <https://usda.library.cornell.edu/concern/publications/rj4304553?locale=en>

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<sup>1</sup> Food and Agriculture Organization of the United Nations. (2020). FAOSTAT, Crops and Livestock Products. <https://www.fao.org/faostat/en/#data/QCL>

<sup>2</sup> Ibid.

<sup>3</sup> Chicken Watch. (2022). Progress Tracker. Retrieved August 1, 2022, from <https://chickenwatch.org/progress-tracker>

<sup>4</sup> European Food Safety Authority. (2021). Avian Influenza Overview September - December 2021. <https://www.efsa.europa.eu/en/efsajournal/pub/7108>

<sup>5</sup> European Food Safety Authority. (2022). Avian Influenza Overview December 2021 - March 2022. <https://www.efsa.europa.eu/en/efsajournal/pub/7289>

<sup>6</sup> European Food Safety Authority. (2022). Avian influenza overview March - June 2022. <https://www.efsa.europa.eu/en/efsajournal/pub/7415>

<sup>7</sup> European Food Safety Authority. (2021). Avian Influenza Overview September - December 2021. <https://www.efsa.europa.eu/en/efsajournal/pub/7108>

## Calculations

### Calculation 2: Current cage-free (CF) flock versus that required to meet current cage-free commitments captured by USDA.

| CF Flock (birds) <sup>8</sup> | Total Hens Required for CF Commitments (birds) <sup>9</sup> | Additional CF Hens Required (birds) <sup>10</sup> |
|-------------------------------|---|---|
| 103,553,833                   | 221,000,000   | 117,446,167                                       |

#### Notes:

8. USDA AMS. (2022, July 1). Cage-Free Shell Egg Report. Retrieved from <https://usda.library.cornell.edu/concern/publications/rj4304553?locale=en>
9. USDA AMS. (2022, July 1). Egg Markets Overview.
10. "CF flock (birds)" subtracted from "total hens required for CF commitments (birds)"

### Calculation 3: Cage-free flock size and average growth rate.

| CF Flock Size 9/2016 (birds) <sup>11</sup> | CF Flock Size 6/2016 (birds) <sup>12</sup> | Total Growth (birds) | Time Period (months) <sup>14</sup> | Average Growth Rate (birds/month) <sup>15</sup> | Average Growth Rate (birds/month) <sup>16</sup> |
|--|--|----------------------|------------------------------------|---|---|
| 30,500,000                                 | 103,553,833                                | 73,053,833           | 69                                 | 1,058,751                                       | 12,705,014                                      |

#### Notes:

11. USDA AMS. (2016, September 6). Cage-Free Shell Egg Report. Retrieved from requested USDA archives.
12. USDA AMS. (2022, July 1). Cage-Free Shell Egg Report. Retrieved from <https://usda.library.cornell.edu/concern/publications/rj4304553?locale=en>
13. "CF flock size 9/2016 (birds)" subtracted from "CF flock size 6/2022 (birds)"
14. Number of months September 2016 through June 2022.
15. "Total growth (birds)" divided by "time period (months)"
16. "Avg. growth rate (birds/month)" multiplied by 12 months/year

<sup>8</sup> European Food Safety Authority. (2022). Avian Influenza Overview December 2021 - March 2022. <https://www.efsa.europa.eu/en/efsajournal/pub/7289>

<sup>9</sup> European Food Safety Authority. (2022). Avian influenza overview March - June 2022. <https://www.efsa.europa.eu/en/efsajournal/pub/7415>

<sup>10</sup> Compassion in World Farming. (2017, May). Do not compromise your cage-free housing, Combination ('combi') housing for layer hens. Retrieved August 2, 2022, from <https://www.compassioninfoodbusiness.com/our-news/2017/06/dont-compromise-your-cage-free-housing-for-laying-hens>

<sup>11</sup> Appendix: Calculation 1.

<sup>12</sup> Ibid.

<sup>13</sup> Appendix: Calculation 2.

<sup>14</sup> Appendix: Calculation 3.

<sup>15</sup> Appendix: Calculation 4.

<sup>16</sup> United States Department of Agriculture. (2022). Shell Eggs: USDA Weekly Retail Shell Egg and Egg Products Feature Activity Report (Fri). <https://usda.library.cornell.edu/concern/publications/q237hr94j?locale=en#release-items>

## Calculations

### Calculation 4: Additional hens and eggs needed per year from (June 2022 to EOY 2025)

| Time period<br>6/2022–12/2025<br>(months) <sup>17</sup> | Additional<br>CF Hens<br>Required<br>(birds) <sup>18</sup> | Required Growth<br>Rate<br>(birds/month) <sup>19</sup> | Required Growth<br>Rate<br>(birds/year) <sup>20</sup> | Current Average<br>Growth Rate<br>(birds/years) <sup>21</sup> | Required Increase<br>in Growth Rate <sup>22</sup> |
|---|--|--|---|---|---|
| 42  | 117,446,167  | 2,796,337  | 33,556,048  | 12,705,014  | 20,851,033  |

#### Notes:

1. Time from data collection for EggTrack 2022 to cage-free transition commitment deadline
2. See Calculation 2: “Additional cage-free hens required”
3. “Additional CF hens required (birds)” divided by “Time period 6/2022 – 12/2025 (months)”
4. “Required growth rate (birds/month)” multiplied by 12 months
5. See Calculation 3: “Avg. growth rate (birds/year)”
6. “Current avg. growth rate (birds/year)” subtracted from “Required growth rate (birds/year)”
7. “Required growth rate (birds/year)” divided by “Current avg. growth rate (birds/year)”

<sup>17</sup> United States Department of Agriculture. (2009 – 2021). Weekly Retail Shell Egg and Egg Products Feature Activity Report. Retrieved from requested USDA archives.

<sup>18</sup> United States Department of Agriculture. (2021). WIC Program. <https://www.ers.usda.gov/topics/food-nutrition-assistance/wic-program/>

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## Egg Category Definitions

### Terms Defined:

- **Shell Eggs:** Whole, raw eggs with the shell unbroken.
  - o **Own-Brand:** Egg supply controlled by a retailer, referring to the full range of own-brand products which include retailers' tertiary brands as well.
  - o **Branded:** Eggs sold under brands independent of the retailer.
- **Egg Products:** Processed and convenience forms of eggs, including liquid, frozen, dried and pre-cooked products.
  - o **Liquid Eggs:** Broken eggs where the yolk and white could be separated or blended (also could have ingredients added to the liquid).
  - o **Processed Eggs:** Processed egg products where egg is either the only or primary product, such as (but not limited to) dried egg mix, egg white solids, egg yolk solids, whole egg solids, scrambled egg mix, pre-cooked egg patties and hard-boiled eggs.
- **Combined:** Where companies report a combined percentage for multiple, specified egg categories, we categorize that reporting as combined.
- **Unspecified:** Where companies fail to specify the type of eggs to which reporting applies, progress has been marked as unspecified.

*Note: These definitions were updated in 2020 and 2021 to better represent the range of egg products that companies source on a global scale, also taking into account how the companies themselves refer to these products.*

## Key Region & Sector Differences:

European “Egg Product” commitments made by Retailers and Manufacturers are understood to include all egg ingredients - from those purchased by the company for use in their own products/meals or for sale to the final customers as egg products (i.e., scrambled egg mix, dried egg whites, sugared egg yolks, etc.) to those used in the manufacturing of products purchased from third parties for use in the company’s own operations (i.e., mayo, muffins, cakes, pasta, etc.).

US, Asia-Pacific, and Global “Egg Product” commitments across all sectors are understood to include only those egg ingredients that are purchased by the company for use in their own products/meals or for sale to the final customers as egg products (i.e., scrambled egg mix, dried egg whites, sugared egg yolks, etc.) unless otherwise specified. This understanding also applies to European “Egg Product” commitments made by Restaurants and Food Service & Hospitality companies.

EggTrack highlights those companies that have chosen to go beyond this baseline by ensuring that all third-party products are manufactured using cage-free egg ingredients and micro-ingredients. This information is conveyed via an information pop-up box in the tracker.

## Progress Badge Methodology

### What do the different progress badges mean?

- **100% Cage-Free:** A company has transitioned 100% of its supply chain to cage-free eggs. This means that global companies that have met regional commitments but have not yet made a global commitment will not receive a 100% cage-free badge until they have transitioned 100% of their relevant egg supply to cage-free.
- **Good Progress:** Based on public information, the company appears to be on track to meet its commitment deadline(s) and is reporting against all (or most) of the egg categories relevant to its egg supply chain/commitment.
- **Slow Progress:** Based on public information, the company appears to be behind on meeting its public commitments. A company may be reporting good progress for one region but not reporting any for another.
- **Not Reporting:** A company is not reporting any progress at all against any of its commitments.
- **Missed Target:** A company has missed its commitment deadline(s).
- **Commitment Not Public:** A company was originally included in EggTrack because it had a public commitment, but that commitment is no longer publicly available. However, it is possible that there is still awareness of the commitment internally.
- **Commitment Retracted:** A company has clearly retracted its commitment and no longer has intentions of moving towards sourcing of 100% cage-free eggs.

## How were the Good Progress and Slow Progress badges assigned?

Good Progress and Slow Progress badges were assigned based on how much progress a company had reported and what their commitment timeline was. For example, a company with a 2024 commitment reporting 75% progress would receive a Good Progress badge since this figure is greater than the 70% baseline standard for that timeline. Any progress below this baseline would receive a Slow Progress badge. The following are the standards for each commitment year:

- **2022 Thresholds**
- **2021-2022: > 80%**
- **2024: > 70%**
- **2025: > 50%**
- **After 2025: > 10%**

After reviewing how companies measured up to these standards for each individual region and egg type, we also considered the overall picture of their progress using criteria such as:

- Is a company reporting against all the commitments it has made?
- What is the balance between commitments that have been met and commitments that have not yet been reported against?
- Even if progress slipped in some regions or for some egg types, did the company make progress overall?
- Did the company report against all egg types relevant to its supply chain?
- Are the commitment and reporting comprehensive, or are there caveats? (i.e., commitment applies to company-owned stores only, reporting only represents certain brands, etc.)
- Did we track global progress this year? Did they report it?

Overall, we wanted to capture if it was clear that a company was making good, proactive progress against its cage-free target with a Good Progress Badge. Alternatively, if there was some progress being made, but it was limited to certain regions or egg types, we assigned a Slow Progress Badge.

## Compassion Resources

### **Global Certification Matrix**

- o A comparison of available global third-party certifications for laying hens and how they stack up to Compassion's standards.

### **US Certification Matrix**

- o A more detailed comparison of US third-party certifications for laying hens and how they stack up to Compassion's standards.

### **WIC & Cage-Free Eggs Fact Sheet**

- o An overview of new state cage-free egg laws and the implications for the Womens, Infants, Children (WIC) program for US retailers.

### **WIC & Cage-Free Eggs Fact Sheet**

- o Cage-free eggs and the implications for US retailers serving state Women, Infants, Children (WIC) recipients

### **Cage-Free Systems: Fit for Purpose, Fit for Future**

- o An overview of key features for building and managing cage-free housing systems to meet expectations for cage-free egg production today and in the future

### **Building a Better Hen House**

- o A comprehensive guide to designing higher welfare systems for laying hens for the US and North American markets.

### **Higher Welfare Systems for Laying Hens**

- o A comprehensive guide to designing higher welfare systems for laying hens for the UK and European markets.

### **Additional Guidance for Multi-Tier Systems**

- o A guide for maximizing the use of available space in a cage-free system without compromising the welfare needs of the hens.

### **Why Combination (Combi) Systems Are Not Appropriate for Laying Hen Welfare**

- o A summary of why combination (combi) or convertible housing systems are not a suitable alternative cage-free system for laying hens.

### **Good Pullet Rearing Prevents the Need for System Doors**

- o This resource outlines key considerations for good pullet rearing, including a detailed case study of Noble Foods' fully cage-free pullet and laying hen housing systems.

### **Case Study on the Conversion of Combination Systems**

- o How to convert your combination system into a true aviary barn system for better laying hen welfare: Fattoria Roberti Case Study

### **The Compassionate Food Guide**

- o A guide explaining the differences between animal welfare certifications for US shoppers, including which labels ensure laying hens are always cage-free

### **Investors Guide for EggTrack**

- o An overview for investors on the value of transparent cage-free corporate commitments and using Eggtrack as a tool in the investment process.



# Egg Track

## 2022 Report



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