## Annual Progress Report on Chicken Welfare

A Report Prepared for KFC Western Europe **2023** 



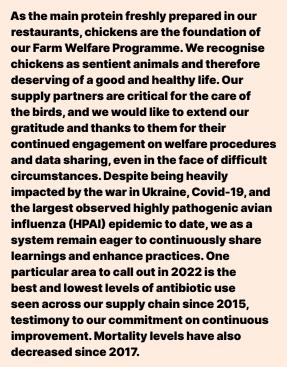
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## Contents

3	Foreword
4	Introduction
5	KFC Western Europe Farm Animal Welfare Programme
6	Animal Welfare Policy & Standards
8	Supply Chain Audits
9	Measurement of Key Welfare Indicators (Key Performance Indicators)
10	What's New?
11	Supplier Engagement & Beyond Welfare
13	KFC Western Europe Key Performance Indicators Performance for 2022
20	KFC France
23	KFC Germany, Denmark, Switzerland
26	<b>KFC Italy</b>
29	KFC Spain
32	KFC The Netherlands, Sweden, Belgium
35	KFC UK & Ireland
36	KFC Western Europe Closing Remarks & Future Focus
37	Appendix

We are delighted to share the fourth annual progress report on chicken welfare for our

**Western Europe region.** As we strive to advance the transparency of our animal welfare programme, we have provided greater detail on all KFC Western Europe's individual markets for the second consecutive year. This pioneering approach has been well received by NGOs, as it weights key welfare indicators (Key Performance Indicators) according to volumes used within each logistically linked region. This creates more transparency for stakeholders on areas that have improved and areas of opportunity.



At KFC, we also understand our responsibilities as part of the supply chain. This year, we accelerated the chicken welfare programme by establishing our Trust in Every Bite Cycle. This cycle drives continuous improvement through a series of supplier review sessions, which are supported by ranked, anonymous welfare data. During these sessions, we invite suppliers to collaborate with us on this journey, review their individual progress reports and develop action plans – with the aim of raising the bar on welfare.

Simultaneously, our technical team are working to track trends across the poultry industry and map the evolving legislation. In 2022, we began revising our current auditing standards, keeping the brand aligned with the regular updates undertaken by most certification schemes, whilst preparing to accommodate the new requirements from the EU Commission 'Farm to Fork Strategy'. As part of this, we acknowledge the role of soy in poultry feed and the need to link animal welfare to other elements of the ESG agenda. Therefore, we will publish our first soy report later this year.

As always, our intention is to provide an open and honest update of the outcomes of our farm welfare programme — demonstrating accountability by making sure animals are humanely raised, safeguarding quality and food safety, and supporting the growth of KFC franchisees. This is an ongoing journey, and we invite you to join us in reading about the progress made in 2022 on the following pages of this report.



**Rudi Van Schoor** Supply Chain Officer, KFC Pan Europe

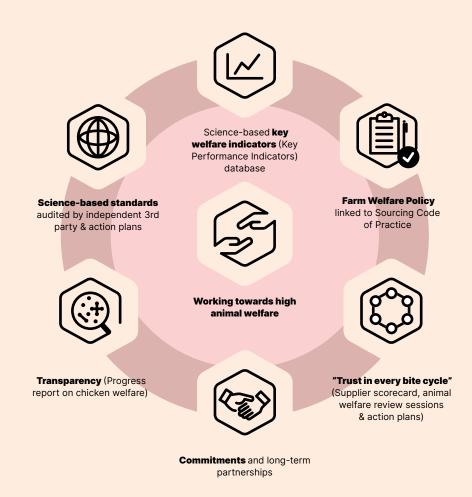
**This report provides an overview of KFC Western Europe's Farm Welfare Programme and a 2022 market context overview, outlining some new KFC initiatives.** It then summarises 2022 supply chain performance against several key welfare metrics. Suppliers report data for birds that are eligible for KFC Western Europe supply. The data is weighted to reflect the volume produced, in metric tonnes, by each supplier into each market.

The KFC Western Europe data is the total across all supply and all markets in Western Europe and includes: Germany, Switzerland and Denmark (these three are markets that are logistically linked); The Netherlands, Sweden and Belgium (these three are markets that are also logistically linked); France; Italy; Spain; the UK & Ireland. This report provides an overview for Western Europe as a whole, as well as a summary of the main contributing markets mentioned above.

## KFC Western Europe Farm Animal Welfare Programme

KFC Western Europe's welfare journey started in 2004, developing into the current programme of continuous work to improve welfare performance and increase KFC supply chain transparency. The programme aims to create consistency across the different geographies where KFC suppliers are located, and to improve data collection so that KFC can better communicate progress and challenges to their stakeholders.

As outlined in the diagram below, KFC's work towards high animal welfare performance is at the centre of the KFC Western Europe Farm Animal Welfare Programme. With its six main elements, the programme covers the different aspects of the poultry production chain. KFC is proud to have 100% of their poultry supply chain governed by this programme, which helps to identify, report and drive meaningful improvement on chicken welfare. With a Policy linked to the KFC Sourcing Code of Practice, which is signed by each of KFC's chicken suppliers, the programme reinforces KFC's commitment to always look for ways to accommodate the best welfare practices within its supply chain.



## Animal Welfare Policy & Standards

A summary of the KFC Western Europe animal welfare governance structure is provided in the Appendix. KFC Western Europe's Animal Welfare Policy and Standards, their supply chain audits and the measurement of Key Welfare Indicators (Key Performance Indicators) are described in more detail below.

#### KFC Western Europe acknowledge that animals are sentient beings and should experience positive health, wellbeing and no inhumane

**practices.** This is reflected in the 'Five Domains' model<sup>1</sup> of animal welfare, which recognises the importance of positive welfare states<sup>2</sup> and providing animals with a 'Good Life'. Starting with a review of its Welfare Policy and Standards, KFC are working to embed this concept and build from the globally recognised 'Five Freedoms'<sup>3</sup> currently outlined in their welfare policy.

Importantly, the KFC Western Europe Animal Welfare Policy also sets minimum standards for all supply. All EU Animal Welfare Legislation must be met as a minimum and the following are prohibited:

- Cages and multi-tier systems
- Genetically modified or cloned birds
- Antibiotic and hormonal growth promoters
- Live transport of birds for > 8 hours
- Maximum planned stocking density > 38kg/m<sup>2</sup>
- Broiler mutilations
- Production or selling of foie gras<sup>4</sup>

Of the KFC Western Europe suppliers included in this report, 100% also have their own company level welfare policies covering similar aspects of bird welfare. To help ensure policy implementation across the supply base KFC Western Europe's Standards cover the entire supply chain, as outlined on the next page.

Birds entering KFC Western Europe supply are also certified/assured to other third-party independent certification/assurance schemes used by individual suppliers for business purposes. These schemes include Red Tractor (100% of suppliers based in the UK and Ireland); Better Leven 1\*; Genesis; GlobalGAP; IKB; Lloyds Register Poultry Scheme, Platinum & Gold; QS Germany; and Nature d'Éleveurs.

#### A Note on Eggs

KFC Western Europe's focus on chicken welfare includes both chickens that lay eggs used in products and broiler chickens used for meat. The Laying Hen welfare policy requires that egg is sourced from hens kept in cage free systems. This means that 100% of all ingredient/ processed egg used within KFC Western Europe products is sourced from cage free systems. KFC Western Europe do not use any fresh shell egg.

- Mellor and Reid, 1994
- Mellor and Beausoleil, 2015
- Farm Animal Welfare Committee (FAWC), 2009
- Foie gras has never been a KFC menu item.

## Animal Welfare Policy & Standards

**Feed mills:** Focusing on responsible sourcing and preventing use of growth promoters.

**Breeder rearing farms:** Ensuring birds are reared in litter-based system and enrichment is provided.

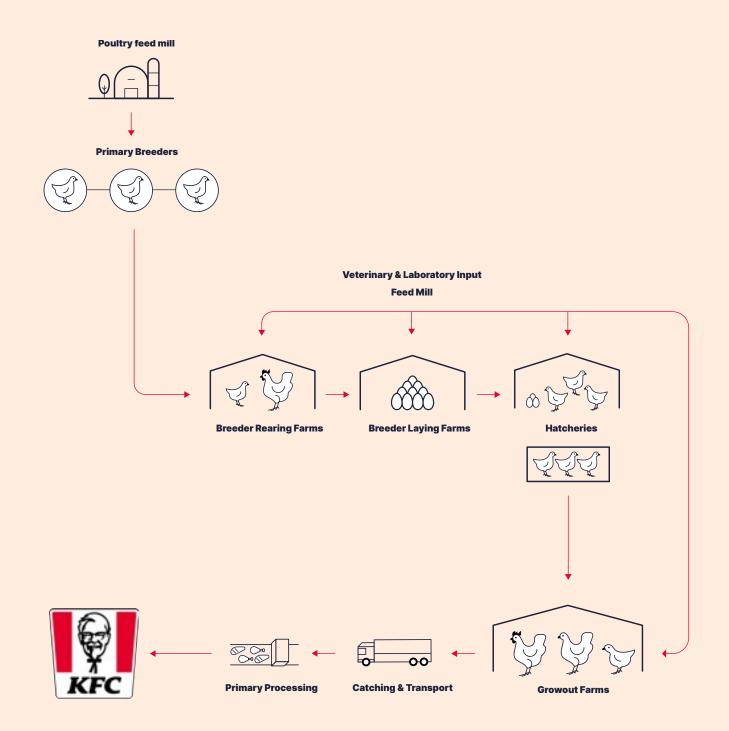
**Breeder laying farms:** Ensuring birds are reared in litter-based system and enrichment is provided.

**Hatchery:** Ensuring traceability, good handling and vaccinations.

**Broiler growing farms:** Ensuring birds are reared in litter-based systems meeting KFC stocking density, lighting, antibiotic use and enrichment standards.

**Catching:** Encouraging suppliers to use single-bird or automatic catching systems.

**Slaughter:** Ensuring all birds are stunned and humanely slaughtered through an approved slaughtering system.



7

## In 2022, 100% of suppliers and broiler chickens used within the company global supply were assessed by

**third party auditors.** All KFC Western Europe chicken suppliers are audited against the KFC Western Europe welfare standards by NSF International, an independent 3rd party. Audits are carried out every 12 months, recognising the length of the chicken production cycle and aligning with the schedule used by many poultry certification schemes. The audit scheduling process considers specific details related to the stages of broiler production, as follows:

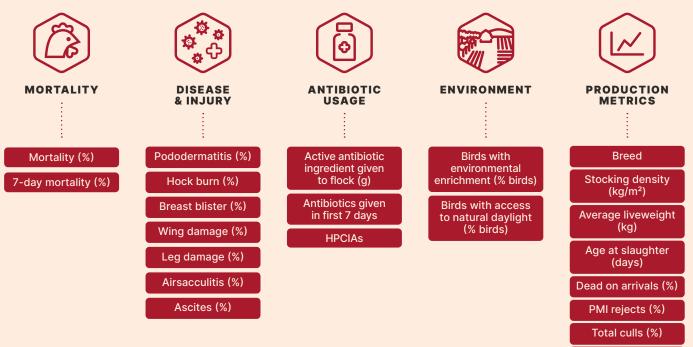
- 1× breeder rearing side (flock > 10 weeks of age)
- 1× breeder learning side (flock > 10 weeks of age)
  1× breeder laying site (flock > 45 weeks of age)
- 1× hatchery (during chick processing period)
- 1× feed mill
- 1× broiler growing site during the last week of the growing period
- 1× broiler growing site during catching
- All supplying slaughterhouse during processing (observed from arrival to exiting defeather)

The pass level required by the programme is >80% plus no critical non-conformances at each production stage. If suppliers receive a score of less than 80%, they will be subject to a re-audit after 60 days to verify that corrective actions have been implemented. Non-compliance against any of the critical audit points results in automatic failure of the audit and immediate suspension from the KFC supply chain.

## Measurement of Key Welfare Indicators (Key Performance Indicators)

As a key aspect of the welfare programme, KFC Western Europe has invested in **software to help monitor animal welfare** across their poultry supply base. Suppliers submit monthly, self-reported Key Performance Indicators data to the **FAI Data Portal**. Data is collected at both farm and slaughterhouse level and includes both 'input' and 'outcome' measures. **Input measures are linked to standards and are metrics that are known to have an impact on welfare**, for example daylight and enrichment. **Outcome measures are based on outcomes and tell us about the experience the chicken had when it was alive**. Examples include foot pad dermatitis and hock burn.

The different Key Performance Indicators collected from suppliers are summarised below, with more detail provided in the Appendix.



Leg culls (%)

## What's New?

#### **Market Challenges**

KFC Western Europe suppliers faced a challenging operating environment in 2022. The 2021-2022 highly pathogenic avian influenza (HPAI) epidemic season was the largest observed in Europe to date, with both an unprecedented geographical spread<sup>5</sup> and number of summer cases within Europe.<sup>6</sup> France experienced a particularly large number of HPAI outbreaks in 2022, with Germany and the Netherlands also seeing many outbreaks.<sup>7</sup> HPAI has caused challenges for some of KFC's suppliers in Western Europe, where local outbreaks of HPAI result in movement restrictions. These can delay the movement of birds, with knock-on impacts for stocking density and disease pressures. Suppliers have also experienced increased costs of production as well as market volatility, linked to the war in Ukraine. Rising feed and energy costs have been cited as particular challenges.

#### **Standards Review**

In line with the regular standard reviews undertaken by most certification schemes, KFC Western Europe initiated a review of their Animal Welfare Standards in 2022. The aim of the review is to develop revised standards that: ensure compliance with evolving EU legislation; reflect KFC and consumer welfare priorities; and ensure clarity for both KFC suppliers and auditors. This is an on-going initiative with more to report in future years.

European Centre for Disease Prevention and Control (ECDC), 2022: 2021-2022 data show largest avian flu epidemic in Europe ever (europa.eu)

European Food Safety Authority (EFSA), 2022: Avian influenza: unprecedented number of summer cases in Europe | EFSA (europa.eu)

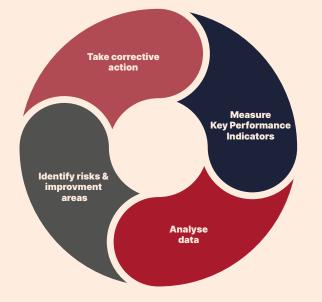
Animal Disease Information System (ADIS), EU, 2022: ad\_adns\_ overview\_2022.pdf (europa.eu)

## Supplier Engagement & Beyond Welfare

#### **Supplier Engagement**

Over the past year, KFC have worked hard to collaborate with suppliers on chicken welfare. KFC Western Europe engages suppliers each year through their annual supplier and slaughterhouse surveys, which cover a range of welfare topics. New supplier welfare reports were also developed and rolled out in 2022, with the aim of bringing useful and actionable welfare data into hands of the suppliers. KFC also meets with individual suppliers for regular welfare review sessions. The objective of these sessions is to work together to better understand performance, supplier challenges and any opportunities for positive change. In some cases, problem areas can be usefully tackled through the development of action plans. The aim is that the Key Performance Indicators data feeds into an ongoing improvement cycle.

#### **Trust in Every Bite Cycle**



#### **Beyond Welfare**

Recognising that good welfare sits as part of a wider landscape of sustainable production, KFC Western Europe is also looking beyond welfare to focus on other sustainability issues.

Aware of the potential environmental impacts of soy in chicken feed, KFC Western Europe will publish its first soy report in 2023. This will explore the use of soy and palm in their supply base. KFC Western Europe has also engaged suppliers<sup>8</sup> on the sustainability initiatives they have in place within their own operations. This has revealed a range of positive supplier initiatives already underway, including:

- Renewable energy generation (e.g., solar and biogas)
- Generation of energy from waste using chicken manure
- Projects to reduce the carbon and environmental impact of chicken feed (e.g., the inclusion of alternative pulses in chicken feed to reduce reliance on South American soy)
- Carbon footprint reduction initiatives and net zero commitments

Recognising the need to reduce reliance on animal sourced foods as a business issue and that vegetarian food plays a role in sustainable diets, KFC Western Europe also offers vegetarian options.<sup>9</sup> For example, KFC's Original Veggie Strips are offered as a classic bucket, burger, wrap or with a dipping sauce. KFC is innovating in this area to help reduce reliance on animal sourced food.

- <sup>3</sup> Through the 2023 Supplier Survey.
- For example: KFC: Veggie

## KFC Western Europe Key Performance Indicators Performance for 2022

All data within this report has been independently collated and reported by FAI from the key welfare indicator (Key Performance Indicators) data provided by KFC suppliers. Results have been weighted based on the volume supplied to KFC Western Europe (WE).

The table on the next page summarises KFC Western Europe's performance across the Key Performance Indicators. Please note that both hock burn and foot pad dermatitis figures are reported based on absence/presence not on level of severity. This is done to help ensure standardised recording across supply. Key Performance Indicators results and trends are illustrated in the following table and graphs and discussed within the following sections of the report.

## Western Europe Welfare Key Performance Indicators. Performance Summary — Weighted Data

OUTCOME	KFC KWI DATA POINT	RESULTS 2021	RESULTS 2022	% SUPPLY REPORTED 2022*
Stocking Density	Below 30kg/m² (% birds)	2.85	1.45	100
	30 to 33kg/m² (% birds)	17.88	9.31	100
	33 to 38kg/m² (% birds)	78.06	83.44	100
	38 to 42kg/m² (% birds)	1.21	5.60	100
Stunning	Controlled Atmosphere Stun (% birds)	56.76	62.90	100
Welfare	Mortality (% birds)	3.70	3.68	100
	Leg Culls (% birds)	0.78	0.73	87.70
	Foot Pad Dermatitis (% birds)	28.87	30.54	100
	Hock Burn (% birds)	9.53	12.08	100
	Breast Blister (% birds)	0.14	0.23	100
Abx Use	Overall (mg/kg)	18.04	14.70	96.8
	7 day (mg/kg)	4.96	3.64	95.02
	HPCIA (mg/kg)	3.91	1.74	95.84
Enrichment <sup>1</sup>	% Daylight Provision (% birds)	46.76	49.17	96.33
	Enrichment Provision (% birds)	44.56	54.79	96.22
Breed <sup>2</sup>	High Welfare (% birds)	4.60	5.8	100

KFC Western Europe Welfare Key Performance Indicators Summary table, weighted data.

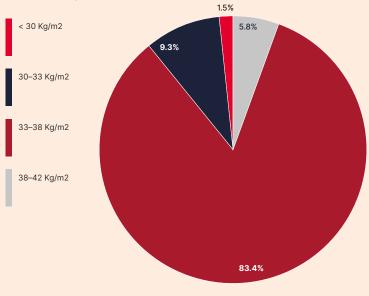
% reported of those suppliers that submitted data (excludes 3 KFC Western Europe suppliers).

1 2021 data shows % houses providing daylight/enrichment while 2022 data shows % birds with access to daylight/enrichment, meaning the data is not directly comparable.

<sup>2</sup> Higher welfare breeds reported in 2022 include: Hubbard JA57 (includes 957, 787); Hubbard JA87 (includes 987 and 787); JA 987/787; JA 787/Redbro; Ranger Gold; Ranger Classic; Rowan Ranger.

#### Weighted Broiler Stocking Density (% birds)

Western Europe (2022)

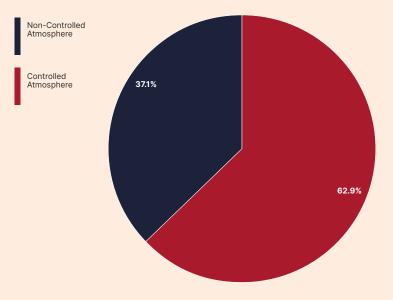


#### **Maximum Stocking Density**

The maximum planned stocking density permitted by KFC Western Europe is 38kg/m<sup>2</sup>. Exceeding this limit at audit is a critical indicator of failure to comply with KFC standards, and suppliers consistently exceeding this level are excluded from supply. Suppliers are encouraged to reduce planned densities further to 30kg/m<sup>2</sup>.

This year the majority of birds were stocked at 33-38kg/m<sup>2</sup>. There were negative trends in the stocking density categories in 2022, with fewer birds stocked at <30kg/m<sup>2</sup> (down to 1.5% from 2.9% in 2021) and 30-33kg/m<sup>2</sup> (down to 9.3% from 17.9% in 2021) and more at 38-42kg/m<sup>2</sup> (up to 5.8% from 1.2% in 2021). Pressures from avian influenza may have had an impact, since movement restrictions can delay the movement of birds. For actual stocking density, two suppliers exceeded the limit of 38kg/m<sup>2</sup> (one by 0.10kg/m<sup>2</sup> and the other by 0.37kg/ m<sup>2</sup> based on their annual average stocking densities for 2022). These issues have been discussed and actions implemented to avoid reoccurrence.

KFC encourages farmers to depopulate flocks on the principle of 'all in all out'.



#### Weighted Stunning Method (% birds)

Western Europe (2022)

#### **Stunning System**

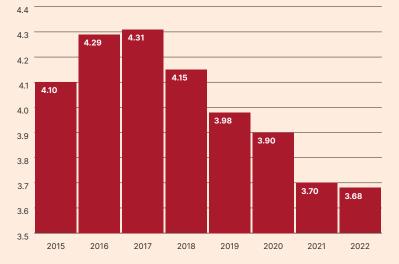
KFC Western Europe requires that suppliers into all markets use humane methods of pre-slaughter stunning for all birds. Suppliers must ensure that all slaughter facilities follow regulations and best practices around pain and stress during handling, pre-stunning, stunning and slaughtering. The stunning methods reported by suppliers in 2022 included: controlled atmosphere stun (multi-phase, bi-phase and single-phase), electric water bath and halal electric water bath. In 2022, 62.9% of birds were stunned with Controlled Atmosphere Stunning (CAS), an increase of 6.1% from 56.8% in 2021.

KFC is committed to transitioning as much of their supply chain as possible to humane methods, as specified in the Better Chicken Commitment (BCC). These include multi-phase CAS, inert gas or effective electrical stunning without live inversion.<sup>10</sup> KFC Western Europe will continue to publicly report their progress on an annual basis and will aim to provide better granularity on the stunning methods used.

The Policy Better Chicken Commitment EU The Policy — BCC [EU] (betterchickencommitment.com)

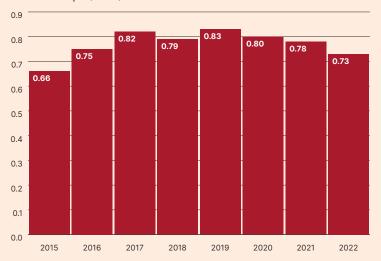
#### Weighted Mortality (% birds)

Western Europe (2022)



#### Weighted Leg Culls (% birds)

Western Europe (2022)



#### Weighted Breast Blister (% birds)

Western Europe (2022)



#### Mortality

Mortality levels on a farm give an indication of breed robustness and bird health. This Key Performance Indicators includes all chickens that die or are culled for any reason, including disease, injury or lameness. Within the KFC Western Europe supply chain, mortality has been decreasing over recent years. At 3.68% of birds in 2022, it is now at its lowest level since 2015. It is encouraging to see this trend alongside a decrease in total antibiotic use.

#### **Leg Culls**

Leg culls are monitored as an indicator of leg health and walking ability. This is not a metric on which reduction targets are set to ensure that farmers cull birds that are lame, or have reduced walking ability, to prevent suffering. As part of KFC's on-farm audits, birds' walking ability and the farmers approach to culling is assessed. At 0.73% in 2022, leg culls were down by 0.05% from 2021 levels. This metric has remained relatively stable over recent years, with a maximum variation of 0.17% seen over the past 8 years.

#### **Breast Blister**

Breast blister incidence is linked to bedding management and bird husbandry. Breast blister levels within KFC Western Europe's supply chain increased to 0.23% of birds in 2022, from a low base of 0.14% of birds in 2021. This was linked to the relatively poor performance of two KFC Western Europe suppliers in 2022, which is being followed up in the supplier welfare review sessions.

#### Weighted Foot Pad Dermatitis Usage (% birds)

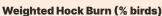
Western Europe (2022)



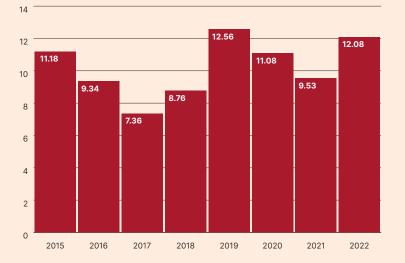
**Please note:** in order to help ensure standardized recording, foot pad dermatitis figures are reported based on an absence/presence not the level of severity.

#### **Foot Pad Dermatitis**

Footpad dermatitis is linked to housing environment, litter type and bird husbandry. In 2022, footpad dermatitis affected 30.54% of birds, an increase of 1.67% compared to the previous year. This remains the second lowest level recorded over the past eight years, with a largely downward trend noted since 2015. In 2020, suppliers reported problems with moving birds due to COVID-19. This had knock on effects for increased stocking densities and disease levels, including foot pad dermatitis. Movement restrictions due to avian influenza may have played a similar role in 2022. Often considered as an 'iceberg indicator' of broiler welfare, foot pad dermatitis is a priority Key Performance Indicators for KFC Western Europe. It represents an important focus area for supplier welfare reviews and action plans.



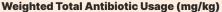
Western Europe (2022)



**Please note:** in order to help ensure standardized recording, hock burn figures are reported based on an absence/presence not the level of severity.

#### **Hock Burn**

Like foot pad dermatitis, hock burn is another key indicator for chicken welfare. Independent auditors assess levels of hock burn and bedding quality as part of the KFC Western Europe audit programme, and suppliers are required to take corrective actions when unacceptable levels are identified. At a prevalence of 12.08% in 2022, hock burn levels increased by 2.55% compared to 2021. Similar to footpad dermatitis, avian influenza movement restrictions may have played some role in the increased levels of hock burn seen in 2022 (by causing knock on impacts for stocking density, litter quality and disease). Hock burn is another focus Key Performance Indicators for KFC collaborative supplier reviews.



Western Europe (2022)



#### **Antibiotic Usage**

Positive trends have been seen for all measures of antibiotic use in KFC Western Europe's supply chain in 2022. Total antibiotic use fell from 18.04mg/ kg active ingredient in 2021 to 14.70mg/kg in 2022. HPCIA use and antibiotic use in the first 7 days also fell (by 2.17mg/kg and 1.32mg/kg respectively).

The responsible use of antibiotics is a key priority for KFC Western Europe. While recognising that antibiotics will sometimes be required to safeguard bird health and welfare, KFC Western Europe seek to reduce antibiotic use as far as possible. Only medicines licensed for use in the European Union are permitted for use in their supply chains. These must be used only when needed, under the direction of a vet and their use must be recorded. At audit, suppliers must be able to: provide information on the reason for treatment; show the medicine book entries; and provide the associated veterinary prescriptions upon request. The use of antibiotics as growth promoters is strictly forbidden by KFC Western Europe (in line with EU legislation), as is the routine prophylactic use of antibiotics.

With antimicrobial resistance (AMR) identified as one of the greatest global health challenges of our time<sup>11</sup>, KFC Western Europe supports the RUMA approach to the use of Highest Priority Critically Important Antimicrobials (HPCIAs) – i.e. as a treatment of last resort, only after diagnosed illness and prescribed under veterinary supervision. In line with their Welfare Policy, the elimination of HPCIAs from the supply chain is a priority for KFC Western Europe. In 2022, suppliers representing 71% of the volume supplied to KFC Western Europe used no HPCIAs within their broiler supply chains.

Total antibiotic and HPCIA use are focus Key Performance Indicators for supplier reporting and welfare review sessions. For example, unexpectedly high or low usage might be discussed with suppliers and considered alongside their reported levels of disease.<sup>12</sup> Through the provision and discussion of usage data, the aim is to help suppliers recognise any challenges and identify opportunities for reducing antibiotic use over time.

WOAH: https://www.woah.org/en/what-we-do/global-initiatives/ antimicrobial-resistance/

<sup>&</sup>lt;sup>12</sup> Aiming to ensure that low disease is not consistently linked to high antibiotic usage, or vice versa.

#### Meaningful Environmental Enrichment Provision

Enrichment plays an important role in encouraging birds to exhibit their natural behaviours. This is beneficial for both the physical and mental wellbeing of the birds, and it helps to improve their quality of life.

KFC Western Europe's welfare standards state that suppliers should be able to demonstrate that they are actively managing their birds by providing suitable resources to enable them to exhibit a wide range of natural behaviours, such as dust bathing, wing flapping and pecking. Practical enrichments, such as bales and pecking objects, should be provided on or before day seven. These should be evenly spaced throughout the house and meet the following requirements:

- Bales (straw or shavings) or other objects to encourage perching behaviour: supplied at a rate of 1 bale per 1000 birds and 2m of perches per 1000 birds or 0.3m<sup>2</sup> of platform per 1000 birds.
- Pecking objects (e.g., strings, blocks) a minimum of 1 pecking object per 1000 birds should be provided.

Dry, friable litter should also be maintained to encourage dust bathing. Both enrichment provision and litter condition are assessed at audit. Poor litter condition, with no evidence of remedial action, that is compromising bird welfare results in automatic audit failure.

The data included on environmental enrichment is based on suppliers who have reported providing their birds with one or more of the following enrichments: perches, bales<sup>13</sup>, pecking objects and/ or perching platforms. Overall enrichment provision was at 54.79% of birds in 2022. Of those suppliers providing enrichment, 37% of volume was covered by suppliers using pecking objects, 38.3% by suppliers using perches, 20.1% by suppliers using platforms and 7.7% by suppliers using other enrichment including bales, with some suppliers providing more than one type of enrichment. In 2022, 28.7%<sup>14</sup> of supply for KFC Western Europe was sourced from suppliers who provided 100% of their birds with environmental enrichment. In 2022, enrichment reporting was improved to provide % birds with access to enrichment, rather than % houses with enrichment. While an improvement, this means the 2022 data is not directly comparable to 2021 performance. Increasing enrichment provision is a priority area for KFC Western Europe, and one that they are looking to strengthen in the next revision of the KFC Western Europe welfare standards.

#### **Lighting & Daylight Provision**

Light and dark periods within a broiler house over the course of 24 hours are important to support natural behaviours and bird wellbeing. Light periods encourage activity, while adequate dark hours allow birds a period of uninterrupted rest. KFC Western Europe's welfare policy requires that all birds have a minimum of 6 hours of daily darkness with at least four hours of continuous darkness.

Daylight provision is also important in encouraging birds to exhibit their natural behaviours, and it is beneficial for both the physical and mental wellbeing of the birds. In 2022, 49.17% of birds had access to daylight and 30.3% 15 of KFC Western Europe suppliers provided 100% of their birds with access to daylight. Of those suppliers providing daylight, the average minimum lux level in houses normally used to supply KFC Western Europe was 24 lux.16 In 2022, daylight reporting was improved to provide % birds with access to daylight rather than % houses with daylight. While an improvement, this means the 2022 data is not directly comparable to 2021 performance. KFC encourages suppliers to provide daylight and is keen to improve on the 2022 level. KFC will be consulting suppliers on daylight provision, with the aim of strengthening requirements in the next revision of the KFC Western Europe welfare standards.

#### **Use of Higher Welfare Breeds**

The percentage of higher welfare breeds within the KFC Western Europe supply chain increased slightly in 2022 (from 4.6% in 2021 to 5.8% in 2022). This may reflect the wider change that is occurring as companies look towards 2026 and delivering against the Better Chicken Commitment. The higher welfare breeds reported in 2022 include: Hubbard JA57 (includes 957, 787); Hubbard JA87 (includes 987 and 787); JA 987/787; JA 787/Redbro; Ranger Gold; Ranger Classic and Rowan Ranger. The list includes the Hubbard Redbro, a newer slower growing breed of broiler developed by Hubbard with the Better Chicken Commitment in mind.

- <sup>3</sup> Based on an annual survey result in which suppliers representing 76% of the KFC Western Europe volume responded to the question requesting a breakdown of enrichment types.
- <sup>4</sup> This is a conservative estimate, with any suppliers not answering the survey question assumed to be non-compliant.
- <sup>15</sup> This is a conservative estimate, with any suppliers not answering the survey question assumed to be non-compliant.
- Average figure based on the lux data reported by suppliers answering the KFC Western Europe Annual survey.

## **KFC France**

## This section of the report focuses on KFC France and the data presented reflects only supply to the French market.

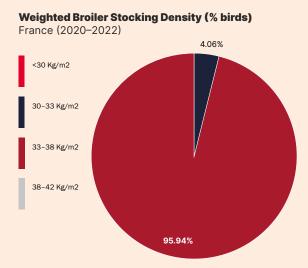
The table on the next page summarises KFC France's performance across the key welfare indicators (Key Performance Indicators). Please note that both hock burn and foot pad dermatitis figures are reported based on absence/presence not on level of severity. This is done to help ensure standardised recording across supply. Key Performance Indicators results and trends are illustrated in the following table and graphs and discussed in the market performance summary below.

## KFC France — Key Performance Indicators Performance Summary

OUTCOME	KFC KWI DATA POINT	RESULTS 2021	RESULTS 2022	% SUPPLY REPORTED 2022·
Stocking Density	Below 30kg/m² (% birds)	0.00	0.00	100
	30 to 33kg/m² (% birds)	19.24	4.06	100
	33 to 38kg/m² (% birds)	78.14	95.94	100
	38 to 42kg/m² (% birds)	2.62	0.00	100
Stunning	Controlled Atmosphere Stun (% birds)	43.16	60.10	100
Welfare	Mortality (% birds)	3.05	2.99	100
	Leg Culls (% birds)	0.59	0.41	84.18
	Foot Pad Dermatitis (% birds)	44.88	41.01	100
	Hock Burn (% birds)	7.27	9.61	100
	Breast Blister (% birds)	0.38	0.66	100
Abx Use	Overall (mg/kg)	29.46	23.04	100
	7 day (mg/kg)	7.99	5.63	100
	HPCIA (mg/kg)	9.11	2.86	100
Enrichment <sup>1</sup>	% Daylight Provision (% birds)	20.65	31.74	99.52
	Enrichment Provision (% birds)	18.07	36.90	99.52
Breed	High Welfare (% birds)	6.57	8.31	100

KFC France Welfare Key Performance Indicators Summary table, weighted data.

% reported of those suppliers that submitted data (excludes 3 KFC Western Europe suppliers). 2021 data shows % houses providing daylight/enrichment while 2022 data shows % birds with access to daylight/enrichment, meaning the data is not directly comparable.

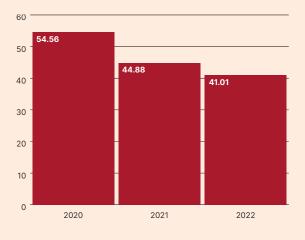


#### Weighted Mortality (% birds)

France (2020-2022)



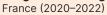
#### Weighted Foot Pad Dermatitis Usage (% birds) France (2020-2022)

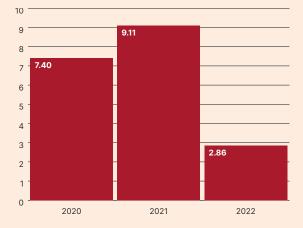


#### Weighted Breast Blister (% birds) France (2020-2022)



#### Weighted Stunning Method (% birds)





#### Weighted Leg Culls (% birds) France (2020-2022)



#### Weighted Hock Burn (% birds) France (2020-2022)



#### Weighted Total Antibiotic Usage (mg/kg) France (2020-2022)



22

## KFC Germany, Denmark, Switzerland

This section of the report focuses on KFC Germany together with Denmark and Switzerland, markets logistically linked to the German market supply. The data presented reflects supply to these three logistically linked markets.

The table on the next page summarises the market's performance across the key welfare indicators (Key Performance Indicators). Please note that both hock burn and foot pad dermatitis figures are reported based on absence/presence not on level of severity. This is done to help ensure standardised recording across supply. Key Performance Indicators results and trends are illustrated in the following table and graphs and discussed in the market performance summary below.

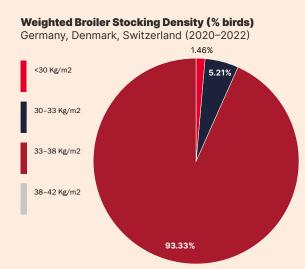
## Germany, Denmark, Switzerland — Key Performance Indicators Performance Summary

OUTCOME	KFC KWI Data point	RESULTS 2021	RESULTS 2022	% SUPPLY REPORTED 2022
Stocking Density	Below 30kg/m² (% birds)	1.37	1.46	100
	30–33kg/m² (% birds)	33.81	5.21	100
	33–38kg/m² (% birds)	63.7	93.33	100
	38–42kg/m² (% birds)	1.12	0.00	100
Stunning	Controlled Atmosphere Stun (% birds)	45.32	32.60	100
Welfare	Mortality (% birds)	2.87	2.68	100
	Leg Culls (% birds)	0.82	1.31	86.85
	Foot Pad Dermatitis (% birds)	17.37	34.23	100
	Hock Burn (% birds)	3.52	4.95	100
	Breast Blister (% birds)	0.08	0.18	100
Abx Use	Overall (mg/kg)	19.41	16.67	100
	7 day (mg/kg)	5.17	3.93	100
	HPCIA (mg/kg)	3.22	2.30	100
Enrichment <sup>1</sup>	Daylight Provision (% birds)	18.14	11.85	98.97
	Enrichment Provision (% birds)	7.81	15.08	98.97
Breed	High welfare (% birds)	9.07	7.29	100

KFC Germany, Denmark, Switzerland Welfare Key Performance Indicators Summary table, weighted data.

% reported of those suppliers that submitted data (excludes 3 KFC Western Europe suppliers).

1 2021 data shows % houses providing daylight/enrichment while 2022 data shows % birds with access to daylight/enrichment, meaning the data is not directly comparable.

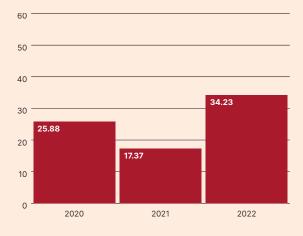


#### Weighted Mortality (% birds)

Germany, Denmark, Switzerland (2020-2022)



#### Weighted Foot Pad Dermatitis Usage (% birds) Germany, Denmark, Switzerland (2020–2022)

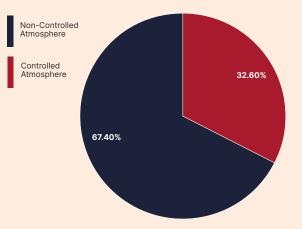


#### Weighted Breast Blister (% birds) Germany, Denmark, Switzerland (2020–2022)



#### Weighted Stunning Method (% birds)

Germany, Denmark, Switzerland (2020-2022)



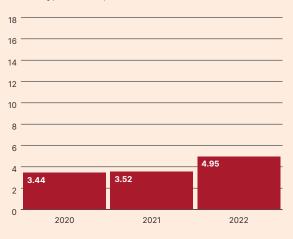
#### Weighted Leg Culls (% birds)

Germany, Denmark, Switzerland (2020-2022)



#### Weighted Hock Burn (% birds)

Germany, Denmark, Switzerland (2020-2022)



#### Weighted Total Antibiotic Usage (mg/kg)

Germany, Denmark, Switzerland (2020-2022)



## **KFC** Italy

## This section of the report focuses on KFC Italy and the data presented reflects only supply to the Italian market.

The table on the next page summarises KFC Italy's performance across the key welfare indicators (Key Performance Indicators). Please note that both hock burn and foot pad dermatitis figures are reported based on absence/presence not on level of severity. This is done to help ensure standardised recording across supply. Key Performance Indicators results and trends are illustrated in the following table and graphs and discussed in the market performance summary below.

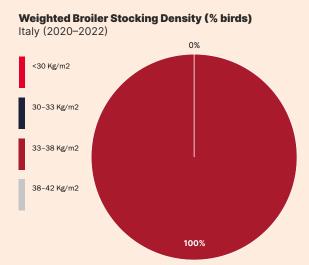
## Italy — Key Performance Indicators Performance Summary

OUTCOME	KFC KWI DATA POINT	RESULTS 2021	RESULTS 2022	% SUPPLY REPORTED 2022
Stocking Density	Below 30kg/m² (% birds)	0.00	0.00	100
	30–33kg/m² (% birds)	15.75	0.00	100
	33–38kg/m² (% birds)	82.67	100.00	100
	38–42kg/m² (% birds)	1.58	0.00	100
Stunning	Controlled Atmosphere Stun (% birds)	25.03	33.80	100
Welfare	Mortality (% birds)	2.89	2.69	100
	Leg Culls (% birds)	1.01	1.09	100
	Foot Pad Dermatitis (% birds)	25.05	34.13	100
	Hock Burn (% birds)	2.15	4.69	100
	Breast Blister (% birds)	0.22	0.19	100
Abx Use	Overall (mg/kg)	44.56	16.34	100
	7 day (mg/kg)	9.99	3.70	100
	HPCIA (mg/kg)	9.28	2.02	100
Enrichment <sup>1</sup>	Daylight Provision (% birds)	5.92	16.49	95.92
	Enrichment Provision (% birds)	7.47	17.66	95.92
Breed	High welfare (% birds)	2.10	7.21	100

KFC Italy Welfare Key Performance Indicators Summary table, weighted data.

 % reported of those suppliers that submitted data (excludes 3 KFC Western Europe suppliers).

<sup>&</sup>lt;sup>1</sup> 2021 data shows % houses providing daylight/enrichment while 2022 data shows % birds with access to daylight/enrichment, meaning the data is not directly comparable.

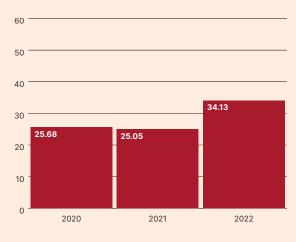


#### Weighted Mortality (% birds)

Italy (2020-2022)



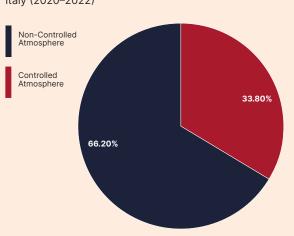
#### Weighted Foot Pad Dermatitis Usage (% birds) Italy (2020–2022)



#### Weighted Breast Blister (% birds) Italy (2020–2022)



#### Weighted Stunning Method (% birds) Italy (2020–2022)



#### Weighted Leg Culls (% birds) Italy (2020–2022)

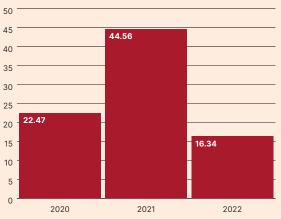


#### Weighted Hock Burn (% birds) Italy (2020–2022)



#### Weighted Total Antibiotic Usage (mg/kg) Italy (2020–2022)

(aly (2020-2022



## **KFC Spain**

## This section of the report focuses on KFC Spain and the data presented reflects only supply to the Spanish market.

The table on the next page summarises KFC Spain's performance across the key welfare indicators (Key Performance Indicators). Please note that both hock burn and foot pad dermatitis figures are reported based on absence/presence not on level of severity. This is done to help ensure standardised recording across supply. Key Performance Indicators results and trends are illustrated in the following table and graphs and discussed in the market performance summary below.

## Spain — Key Performance Indicators Performance Summary

OUTCOME	KFC KWI DATA POINT	RESULTS 2021	RESULTS 2022	% SUPPLY REPORTED 2022
Stocking Density	Below 30kg/m² (% birds)	0.00	0.00	100
	30–33kg/m² (% birds)	41.20	46.10	100
	33–38kg/m² (% birds)	58.08	53.90	100
	38–42kg/m² (% birds)	0.72	0.00	100
Stunning	Controlled Atmosphere Stun (% birds)	29.61	83.00	100
Welfare	Mortality (% birds)	3.21	4.34	100
	Leg Culls (% birds)	0.70	0.34	48.93
	Foot Pad Dermatitis (% birds)	21.60	17.44	100
	Hock Burn (% birds)	3.45	2.33	100
	Breast Blister (% birds)	0.21	0.26	100
Abx Use	Overall (mg/kg)	32.72	15.22	100
	7 day (mg/kg)	6.28	3.28	100
	HPCIA (mg/kg)	5.55	2.23	100
Enrichment <sup>1</sup>	Daylight Provision (% birds)	16.44	28.00	53.33
	Enrichment Provision (% birds)	13.18	30.17	53.33
Breed	High welfare (% birds)	2.10	6.18	100

KFC Spain Welfare Key Performance Indicators Summary table, weighted data. % reported of those suppliers that submitted data

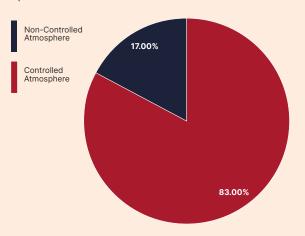
(excludes 3 KFC Western Europe suppliers).

<sup>2021</sup> data shows % houses providing daylight/enrichment while 2022 data shows % birds with access to daylight/enrichment, meaning the data is not directly comparable.



<30 Kg/m2 30-33 Kg/m2 33-38 Kg/m2 38-42 Kg/m2 46.10%

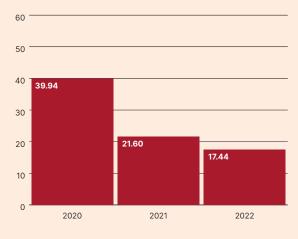
#### Weighted Stunning Method (% birds) Spain (2020–2022)



#### Weighted Mortality (% birds) Spain (2020–2022)



#### Weighted Foot Pad Dermatitis Usage (% birds) Spain (2020–2022)



#### Weighted Breast Blister (% birds) Spain (2020–2022)



#### Weighted Leg Culls (% birds)



### Weighted Hock Burn (% birds)

## Spain (2020-2022)



#### Weighted Total Antibiotic Usage (mg/kg) Spain (2020–2022)



31

## KFC The Netherlands, Sweden, Belgium

This section of the report focuses on KFC The Netherlands together with Sweden and Belgium, markets logistically linked to Dutch market supply. The data presented reflects supply to these three logistically linked markets.

The table on the next page summarises the market's performance across the key welfare indicators (Key Performance Indicators). Please note that both hock burn and foot pad dermatitis figures are reported based on absence/presence not on level of severity. This is done to help ensure standardised recording across supply. Key Key Performance Indicators results and trends are illustrated in the following table and graphs and discussed in the market performance summary below.

# The Netherlands, Sweden, Belgium — Key Performance Indicators Performance Summary

OUTCOME	KFC KWI DATA POINT	RESULTS 2021	RESULTS 2022	% SUPPLY REPORTED 2022
Stocking Density	Below 30kg/m² (% birds)	0.00	0.00	100
	30-33kg/m² (% birds)	76.97	0.84	100
	33–38kg/m² (% birds)	22.41	99.16	100
	38-42kg/m² (% birds)	0.57	0.00	100
Stunning	Controlled Atmosphere Stun (% birds)	89.89	88.90	100
Welfare	Mortality (% birds)	2.24	2.48	100
	Leg Culls (% birds)	0.39	0.31	91.56
	Foot Pad Dermatitis (% birds)	26.20	22.20	100
	Hock Burn (% birds)	5.01	5.33	100
	Breast Blister (% birds)	0.11	0.19	100
Abx Use	Overall (mg/kg)	14.70	16.80	100
	7 day (mg/kg)	14.70	4.60	100
	HPCIA (mg/kg)	3.33	2.15	100
Enrichment <sup>1</sup>	Daylight Provision (% birds)	46.32	40.20	99.78
	Enrichment Provision (% birds)	4.62	31.60	99.78
Breed	High welfare (% birds)	25.17	24.99	100

KFC The Netherlands, Sweden, Belgium Welfare Key Performance Indicators Summary table, weighted data.

% reported of those suppliers that submitted data (excludes 3 KFC Western Europe suppliers).

<sup>1</sup> 2021 data shows % houses providing daylight/enrichment while 2022 data shows % birds with access to daylight/enrichment, meaning the data is not directly comparable.

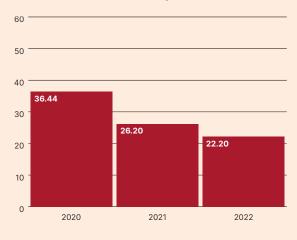
## Weighted Broiler Stocking Density (% birds) The Netherlands, Sweden, Belgium (2020–2022) 0.84% 30-33 Kg/m2 33-38 Kg/m2 38-42 Kg/m2 99.16%

#### Weighted Mortality (% birds)

The Netherlands, Sweden, Belgium (2020-2022)



#### Weighted Foot Pad Dermatitis Usage (% birds) The Netherlands, Sweden, Belgium (2020–2022)



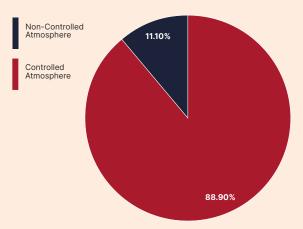
#### Weighted Breast Blister (% birds)

The Netherlands, Sweden, Belgium (2020–2022)



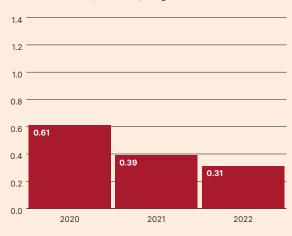
#### Weighted Stunning Method (% birds)

The Netherlands, Sweden, Belgium (2020-2022)



#### Weighted Leg Culls (% birds)

The Netherlands, Sweden, Belgium (2020-2022)



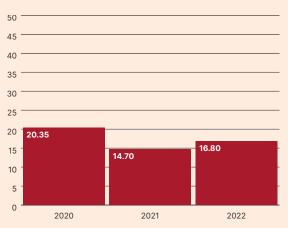
#### Weighted Hock Burn (% birds)

The Netherlands, Sweden, Belgium (2020-2022)



#### Weighted Total Antibiotic Usage (mg/kg)

The Netherlands, Sweden, Belgium (2020–2022)



## **KFC UK & Ireland**

KFC UK & Ireland is an important market within the KFC Western Europe region. For more information on this market please find a separate KFC UK & Ireland Annual Welfare Report for 2023 available here:

www.kfc.co.uk/behind-the-bucket/our-chicken

## KFC Western Europe Closing Remarks & Future Focus

At a regional level, KFC 's Western Europe's performance across the focus key welfare indicators (Key Performance Indicators) was mixed in 2022. This was not unexpected given the tough market conditions facing suppliers over recent months.17 However, performance still improved for several Key Performance Indicators, most notably across all antibiotic measures. Total antibiotic use for KFC Western Europe reached its lowest level for 8 years in 2022. Other Key Performance Indicators showing improvement in 2022 were the use of controlled atmosphere stun, high welfare breeds, mortality and leg culls. Due to a change in measurement approach, daylight and enrichment provision were not directly comparable from 2021 to 2022. In 2022, performance worsened for stocking density, hock burn, foot pad dermatitis and breast blister and these will be areas of focus for the coming year. Other important areas for ongoing focus will include antibiotic and HPCIA use, enrichment, daylight, stunning system and exploring the potential for the use of more higher welfare breeds.

In 2022, performance varied across the individual and logistically linked markets supplying into KFC Western Europe. KFC is keen to better understand the variation in performance across individual markets so that lessons learned from leading markets and suppliers can, where possible, be applied elsewhere. For example, The Netherlands, Sweden and Belgium leads on higher welfare breeds, while the UK&I leads on antibiotic use, daylight and enrichment. At an individual market level, the Key Performance Indicators for improvement are typically very similar to those highlighted above for the WE region.

FAI continues to work with KFC Western Europe suppliers to implement a more detailed level of data collection. With farm level data collection and more metrics now collected on a monthly basis, improved welfare reporting is possible across KFC Western Europe's complex and interconnected supply base. For example, for 2022, it has been possible to report daylight and enrichment provision on the basis of % birds, rather than the % houses reported in previous years. During 2022, there has also been an increased emphasis on sharing accessible and actionable Key Performance Indicators data with suppliers. New supplier welfare reports have been developed to help feed Key Performance Indicators performance back to suppliers, enabling them to understand and ultimately improve their welfare practices over time. A regular schedule of supplier welfare review sessions now also allows KFC Western Europe and their suppliers to work more collaboratively towards the joint goal of improved bird welfare.

Through Key Performance Indicators analysis, supplier benchmarking and reporting, the KFC Welfare Programme helps identify where good welfare levels are being achieved and where improvements can be made. Over time, the programme will help improve the lives of many chickens within the KFC Western Europe supply base. None of this would be possible without the hard work, support and trust of the KFC Western Europe suppliers, who form the bedrock of the programme. FAI are pleased to be collaborating with both KFC Western Europe and their suppliers on this important welfare programme.

<sup>&</sup>lt;sup>17</sup> For example, the impacts of an unprecedented bird flu outbreak in Europe and rising production costs linked to the war in Ukraine.

## KFC Western Europe Farm Animal Welfare Governance

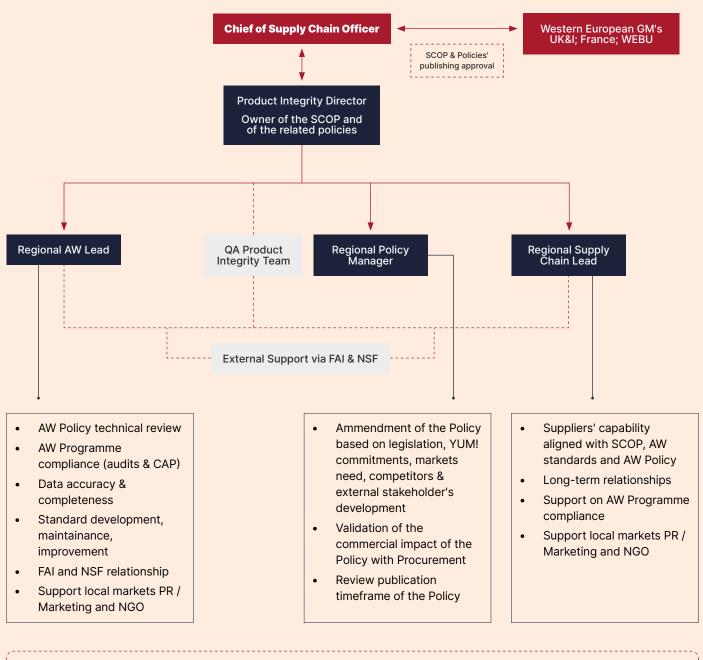
As welfare is integral to KFC Western Europe, KFC has defined strong policies and included the Animal Welfare Programme as part of the Sourcing Code of Practice (SCOP), which is a prerequisite to becoming a KFC supplier.

The SCOP is sponsored by the General Managers of the related business units. As per the picture below, the ownership of the SCOP and related policies sits with the Product Integrity Director, who approves any amendment of these documents with the markets through the Chief Supply Chain Officer (CSCO).

The Regional Animal Welfare (AW) Lead is responsible for the technical review of the AW Policy and works on the development of the Farm AW Programme and its standards and owns its compliance management. The Regional AW Lead also works with the QA Poultry Team on the suppliers' management and on third-party company relationships as a facilitator of science-based activities related to animal welfare. The Regional Policy Manager works on the amendment of the SCOP and the related policies, getting it aligned with legislation and commitments in place and with its commercial impact. The review publication timeframe for these documents is also part of the Policy Manager's responsibility.

The establishment of long term and sustainable relationships with suppliers capable of delivering the KFC Western Europe SCOP and AW standards sits with the Supply Chain Lead.

## KFC Western Europe Farm Animal Welfare Governance



## **Animal Welfare Strategy**

## Key Performance Indicators: Why does KFC collect this information?

Broiler welfare outcome measure data is collected as absolute figures on an individual house or farm basis for each flock depopulation. Percentages and averages are calculated within the data portal (FAI Insite) to show trends at a slaughterhouse or supplier level. In the table below, 'input measures' show how the broiler system is managed (i.e., stocking density). 'Input' criteria do not capture the actual impact of the system. Therefore, FAI also records 'outcome measures' (e.g., hock burn). Animal welfare 'outcome measures' are simple metrics that indicate how an animal has experienced the environment in which it has lived.

OUTCOME	DATA POINT	WHY DOES KFC COLLECT THIS INFORMATION? What does this welfare outcome measure indicate?
Enrichment	% Daylight provision	Unlike humans, chickens' visual acuity extends into the infrared (IR) spectrum of light. IR light is easily provided with natural light. Natural light is therefore important for the expression of natural behaviours and has been shown to improve broiler welfare and leg health, with a significant effect on fast-growing birds (Ballie, 2013).
	% Enrichment provision	Objects appear to be successful point-source enrichment for broiler chickens with respect to increasing species-specific behaviours (Riber et al., 2018). Different certification or retailer requirements vary in their expectations for enrichment provision. According to the RSPCA guidelines, for every 1000 birds, there must be at least two items of environmental enrichment inside the house which must: a) be permanently available to the birds and b) include some destructible forms of enrichment.
Antimicrobial use	Overall (mg/kg)	It is crucial that we report the quantity and type of anti- microbial treatments used within our food supply chain. RUMA targets and guidelines are in place to support the responsible use of antibiotics in the UK and the use of Highest Priority Critically Important Antibiotic (HPCIA) antibiotics is analyzed. Inappropriate antibiotic use, particularly HPCIAs, can lead to antibiotic resistance (AMR), with wider implications for both human and animal health.
	7 day (mg/kg)	For antibiotic reporting, the active ingredients used are reported by suppliers. The FAI system then classifies these by antibiotic class and calculates the mg/kg based on the indicated dose.
	HPCIA (mg/kg)	High usage of antibiotics at one time can indicate the presence of a disease, but high usage over a long period of time/ across several crops would require further investigation.
Breed	Breed	Welfare problems, such as high mortality, are commonly associated with fast-growing broilers (Dixon, 2020). Collecting breed information furthers our understanding of the welfare benefits and challenges associated with different breeds.

OUTCOME	DATA POINT	WHY DOES KFC COLLECT THIS INFORMATION? What does this welfare outcome measure indicate?
Stocking density	Stocking density (kg/m²)	Stocking density is the kilograms of body weight per meter square and maximum stocking density regulations have been put in place by UK Government bodies and the EU. Suppliers will need to consider the impact of increased stocking density on the available space to the birds, ventilation, feeding and drinking space availability, and the challenges posed by disease. Lower stocking densities, are considered better for broiler welfare as it allows sufficient space for animals to lie down, demonstrate natural behaviour and escape aggressors. It is important to record stocking density to ensure suppliers do not exceed legal limits and to better inform our understanding of the impact of stocking density on broiler welfare.
Welfare	Mortality %	High mortality results in production losses and it is vital to record as an indicator of overall house or farm performance. High mortality rates can be due to environmental factors, poor management practices, disease, or a lack of preventative measures e.g., vaccination and biosecurity protocols.
	Leg culls %	The walking ability of broilers can be associated with rate of growth (breed/genotype), age, feed type, high stocking density and antibiotic use (Knowles et al., 2008). The total number of birds culled with the worst gait scores (gaits 4 & 5 according to the 6-point Kestin scoring system) can indicate a variety of welfare problems. Lameness is most associated with fast-growing breeds.
	Foot pad dermatitis %	Pododermatitis is a bacterial infection of the avian foot. PMI checks will reveal birds with marks and lesions associated with these conditions. Like hock burn, pododermatitis can be associated with breed, litter moisture, general housing conditions and engagement with environmental enrichment. Levels can be affected by season and increased levels may be seen over the wetter winter months.
	Hock burn %	Hock burn is a skin pathology occurring on the hock region of the leg. PMI checks will reveal birds with marks and lesions associated with hock burn. Hock burns are marks on the bird's skin most associated with decreased bird activity levels and high ammonia levels from bird waste within the litter and litter moisture. Levels can be affected by season and increased levels may be seen over the wetter winter months.
	Breast blister %	Breast blister is the inflammation of the sternal bursa along the keel bone of the broiler. It is usually seen in birds that spend most of their time lying down and therefore can be a good indication of disease, poor mobility, over-stocking or poor litter management.