

UK & IRELAND

KFC Annual
Progress Report
on Chicken Welfare

July
2021

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Foreword



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**MANAGING DIRECTOR, KFC UK
AND IRELAND**

We're really pleased to publish our 2nd annual, chicken welfare progress report providing an open and honest account of our performance to improve the lives of chickens.

COVID-19 made 2020 a year like no other, impacting everyone from our farmers to franchisees but the welfare of our chicken remains a top priority for the KFC business in UK & Ireland.

Alongside COVID-19 our suppliers and farmers also had to contend with the challenge of Avian Influenza over the winter. In this year's report you will see that we have improved in some measures and not in others. Both COVID-19 and Avian Influenza may have contributed to this. However, we are confident that animal husbandry and welfare has been, and continues to be, a high priority for our suppliers and farmers.

Despite huge challenges, we've been in ongoing discussions with our suppliers on the roadmap to delivering the Better Chicken Commitment, undertaking work looking at innovation in the supply chain, ranging from housing, to feed and carcass utilisation. We've supported a series of workshops with suppliers, academics, assurance bodies and farmers looking

at the challenges and opportunities of system change. We have been actively supporting our partners Moy Park and Compassion In World Farming (CIWF) on approval of a new breed of chicken that has the potential to deliver the welfare benefits associated with slower growing birds, while mitigating some of the associated commercial and environmental challenges highlighted in last year's report. If approved this could be a significant milestone in driving adoption of slow growing breeds across the industry.

Our animal welfare programme continues to evolve, and we have credible partners in both NSF and FAI Farms to help us on our journey. NSF are undertaking our animal welfare audits, whilst FAI Farms work with us on our KPI programme and are supporting work with our suppliers to help deliver continuous improvement in animal welfare within our chicken supply chain through data and tailored advice.

The KFC Continuous Improvement Programme

The purpose of KFC UK & Ireland's welfare programme is to identify, report and drive meaningful improvement on key welfare issues. All suppliers provide FAI with monthly submissions of key performance indicators (KPI) that cover critical areas of health, production, and welfare of chicken on farm and at slaughter. Through analysis and supplier benchmarking, KFC UK & Ireland identify where good levels of welfare are achieved, and where improvement efforts should be targeted.

Alongside the established audit and KPI programme, KFC UK & Ireland are now supporting suppliers to develop their own specific improvement plans. During meetings with suppliers, held with FAI either onsite or remotely, supplier specific data is reviewed in detail and advice is provided to help develop targeted Improvement Plans. Supplier implementation and performance will be tracked against these plans. Priority is given to the 30% lowest performing suppliers weighted by the volume of product they supply to KFC UK & Ireland.

KFC Welfare Standards

KFC Western Europe's animal welfare standards cover the entire chain from breeder rearing through the slaughter.

These standards require suppliers to adhere to the following requirements:

- All EU animal welfare legislation must be met as a minimum.
- The use of cages or multi-tier systems is prohibited.
- The use of birds from genetically modified or cloned livestock is prohibited.
- The use of antibiotic or hormonal growth promoters is prohibited.
- Maximum live animal transport times must not exceed 8 hours.
- Suppliers must work to a maximum planned stocking density of 38kg/m².
- All birds must be stunned prior to slaughter.
- Mutilations of broilers is prohibited.

All supplies are audited by an independent 3rd party against these standards. In 2020, KFC moved from a 15-month to 12-month auditing frequency.

More details on the KFC Western Europe Farm Animal Welfare Programme can be found [here](#).

KPI Performance for 2020

All data within this report has been independently collated and reported by FAI from the KPI data provided by KFC suppliers. Results have been weighed based on volume supplied to KFC UK & Ireland.

2020 Welfare KPI Performance Summary – weighted data

OUTCOME	KFC KPI DATA POINT	2019	2020	% SUPPLY REPORTED 2020
Enrichment	Daylight Provision %	52.28	66.95	98.4
	Enrichment Provision %	52.25	64.88	98.1
Abx Use	Overall (mg/kg)	21.32	16.47	100
	7 Day (mg/kg)	4.95	4.31	95.4
	HPCIA (mg/kg)	4.45	2.85	99.7
Breed	High Welfare %	2.65	1.73	97.8
Stocking density	Below 30 kg/m ²	1.0	1.6	100
Welfare	Mortality	4.0	4.37	100
	Leg culls	0.86	0.84	90.1
	Foot pad dermatitis	34.94	37.07	100
	Hock burn	12.17	14.42	100
	Breast blister	0.25	0.15	100
Stunning	Controlled Atmosphere Stun %	62.0	57.1	100

The above table summarizes KFC UK and Ireland's performance across the key welfare KPIs. Measures which have improved this year have been highlighted in green. Please note that both hock burn and foot pad dermatitis are reported based on an absence/presence not on level of severity. We measure in this way to help ensure standardize recording across supply.

COVID-19 and Avian Influenza

In this report, there has been a decline in performance on some key measures such as hock burn, foot pad dermatitis and mortality as well as an increase in average stocking densities from certain suppliers. COVID-19 and Avian Influenza may be factors contributing to this. Suppliers and farmers reported challenges due to delays in moving birds from farm because of operational issues at factories or biosecurity restrictions, alongside staff having to self-isolate. Delays in bird movements and keeping them on farm for longer can lead to planned stocking densities being exceeded and increased mortalities. This in turn will make bird husbandry and housing management more difficult. There can lead to increased pressure on the bedding condition in the houses, which can have a direct impact on hock burn and footpad dermatitis.

Daylight and Environmental Enrichment Provision

The KFC Welfare standard encourages suppliers to provide both natural daylight and environmental enrichment. These two factors play an important role in encouraging birds to exhibit their natural behaviors. This is beneficial for both the physical and mental wellbeing of the birds to improve their quality of life.

Daylight and enrichment provision have both increased across the KFC supply. The figure reported for 2020 is based on supply reported to KFC in December. This amount will vary due to the nature of the supply base and the production cycles during the year. Currently, 55% of KFC UK and Ireland supply is sourced from suppliers who have 100% daylight

provision across all farms. 60% of supply for KFC UK & Ireland is sourced from suppliers who have 100% environmental enrichment provision across all farms. During 2021 the way these measures are being collected is changing to allow more accurate reporting moving forward.

Use of Higher Welfare Breeds

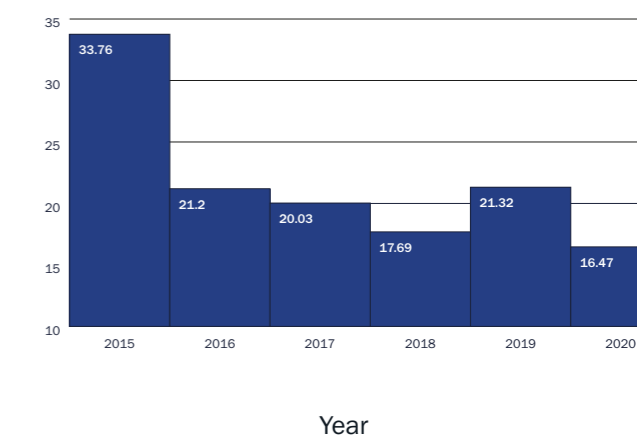
Compared to last year KFC UK and Ireland have a lower percentage of higher welfare breeds within their supply chain. This is an unintended consequence of volume changes.

Antibiotic Usage

There has been a downward trend across all KPIs relating to antibiotic use, highlighting the improvements suppliers are making to their management practices to help address issues around antibiotic resistance.

The responsible use of antibiotics within KFC UK & Ireland supply chains remains a key priority. KFC acknowledge that to maintain and protect bird welfare standards, there may be times when birds need treating with antibiotics. Ensuring that antibiotics are used only when needed and under direction of a vet can help mitigate antimicrobial resistance and protect human and animal health. 2020 reporting shows total antibiotic use at its lowest levels since 2015 at 16.47 mg/kg compared to 33.76mg/kg in 2015. This coincides with a reduction in the use of Highest Priority Critically Important (HPCIA) antibiotics for human health. Many of KFC Suppliers have stopped the use of HPCIA within their broiler supply chains. The decline in HPCIA usage indicates

Weighted Total Antibiotic Usage (mg/Kg)
KFC Database – 2015-2020



Mortality

This year has seen a slight increase in mortality levels to 4.37% up from 4.00% in 2019. There are many factors that can influence mortality rates on farm. Using the KPI data collected, mortality levels are trended and tracked. This allows trends to be investigated with suppliers to understand the cause, identify best practice or target areas for improvement.

Leg culls

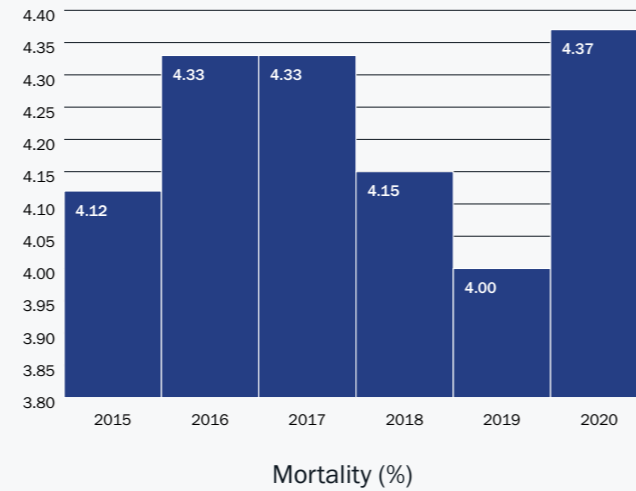
Leg culls are monitored as an indicator of leg health and walking ability. 2020 levels remain largely unchanged compared to previous years. This is not a metric on which reduction targets are set to ensure that farmers cull birds that are lame or that have reduced walking ability and therefore prevent suffering. As part of KFC's on-farm audits, birds' walking ability and the farmers approach to culling is assessed. Leading up to 2026 we expect this KPI to improve as more slow growing birds, which demonstrate improved walking ability, enter the KFC supply chain.

Breast blister

Levels of breast blisters within the KFC UK & Ireland supply chain remains low. Incidences of breast blisters are linked to bedding management and bird husbandry. There has been a decrease in breast blister prevalence in 2020 to 0.15% compared to 0.25% in 2019, accompanied by an increase in the number of suppliers reporting against this KPI. This indicates an improvement on the already low levels.

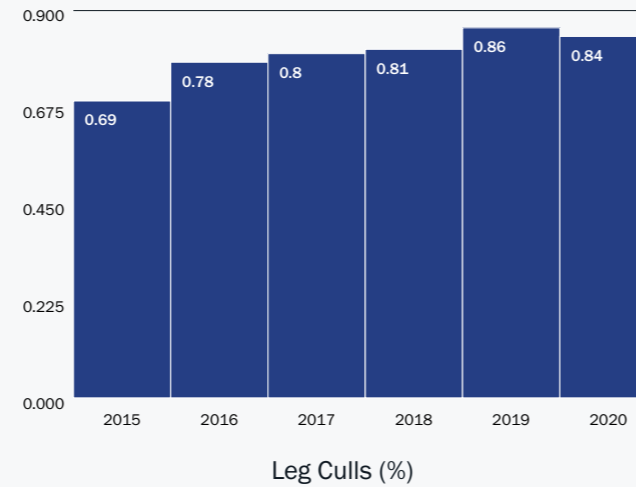
Weighted Mortality (%)

KFC Database – 2015–2020



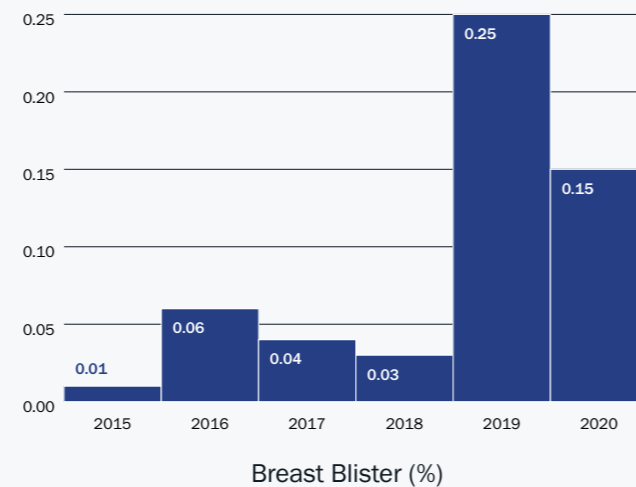
Weighted Leg Culls (%)

KFC Database – 2015–2020



Weighted Breast Blister (%)

KFC Database – 2015–2020



Foot pad dermatitis

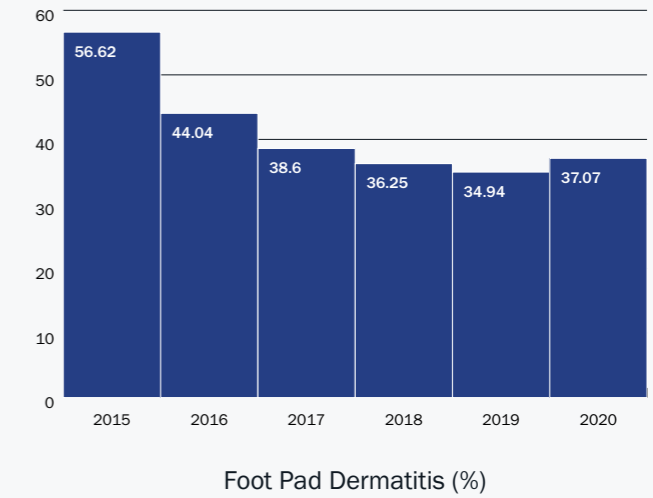
In general, KFC UK and Ireland's foot pad dermatitis levels have been trending downwards since 2015, however there was a slight increase in 2020 with a prevalence of 37.07%. Foot pad dermatitis is linked to the housing environment, type of bedding being used and bird husbandry. Foot pad dermatitis is one of KFC's focus areas for the 2021/2022 continuous improvement programme with suppliers.

Hock burn

Hock burn is another key indicator for chicken welfare. Reported levels have increased since last year. KFC's independent auditors assess levels of hock burn and bedding quality as part of the KFC audit programme. Suppliers are required to take corrective actions when unacceptable levels are identified. The continuous improvement programme over 2021/2022 will focus on providing targeted, best practice advice and support to help address hock burn levels.

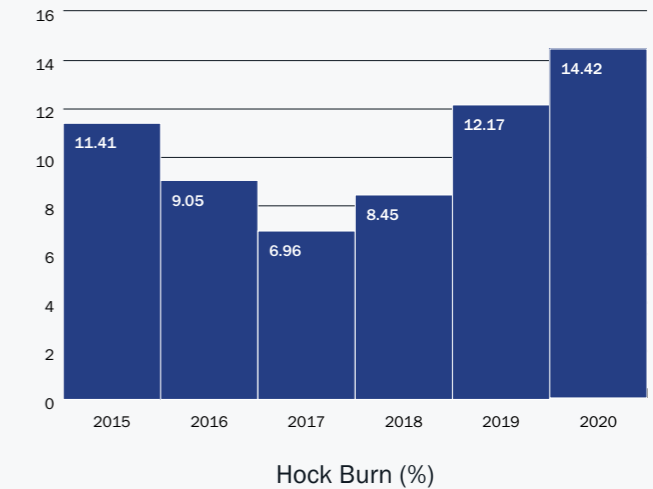
Weighted Foot Pad Dermatitis (%)

KFC Database – 2015–2020



Weighted Hock Burn (%)

KFC Database – 2015–2020



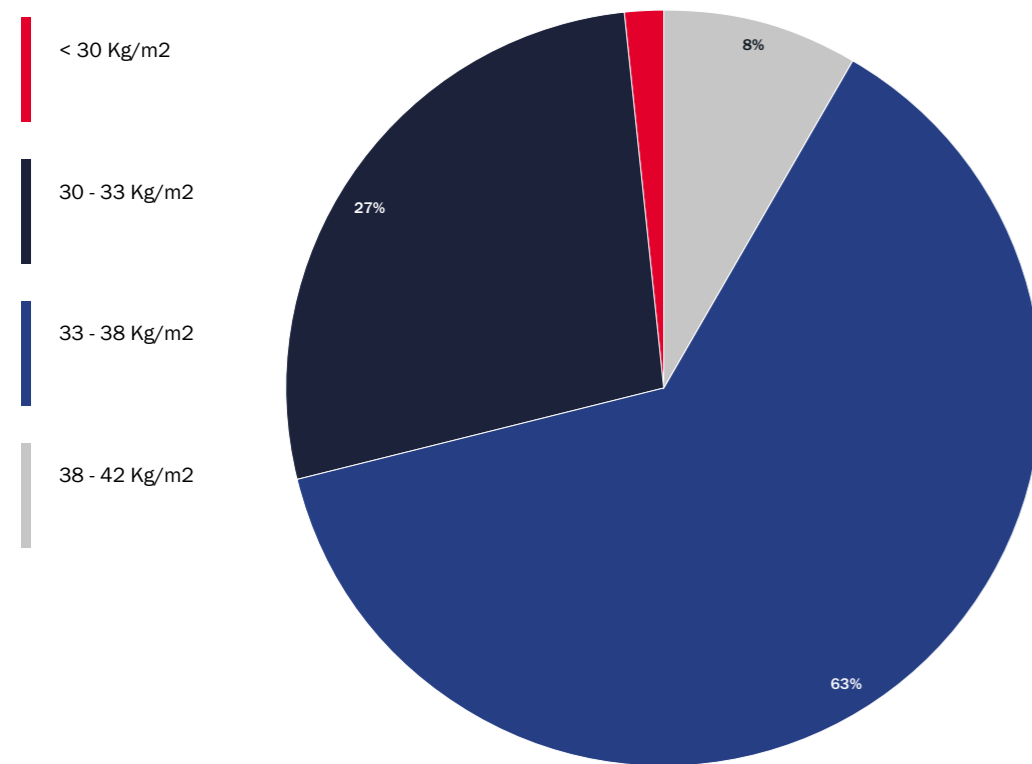
Maximum Stocking Density

KFC UK and Ireland's welfare standards state that the maximum planned stocking density permitted is 38kg/m². Stocking densities which exceed this limit at audit are a critical indicator of failure to comply with the key standards. Suppliers consistently exceeding this level are excluded from KFC supply.

Suppliers are encouraged to reduce planned maximum stocking densities to 30kg/m². This year the number of birds within KFC supply grown at actual maximum stocking densities of 30kg/m² has increased slightly to just over 2%. 27% of KFC supply had an actual maximum stocking density of between 30 and 33kg/m². There has been an increase in actual maximum stocking densities of over 38kg/m², to 8%. There was no incidence of this exceeding 40kg/m². This issue relates to a small number of suppliers. Where this has occurred, it has been investigated. KFC suppliers have confirmed that this is associated with the impact of COVID-19 and Avian Influenza resulting in delays in moving birds from the farm.

Weighted Broiler Stocking Density

KFC Database – 2020

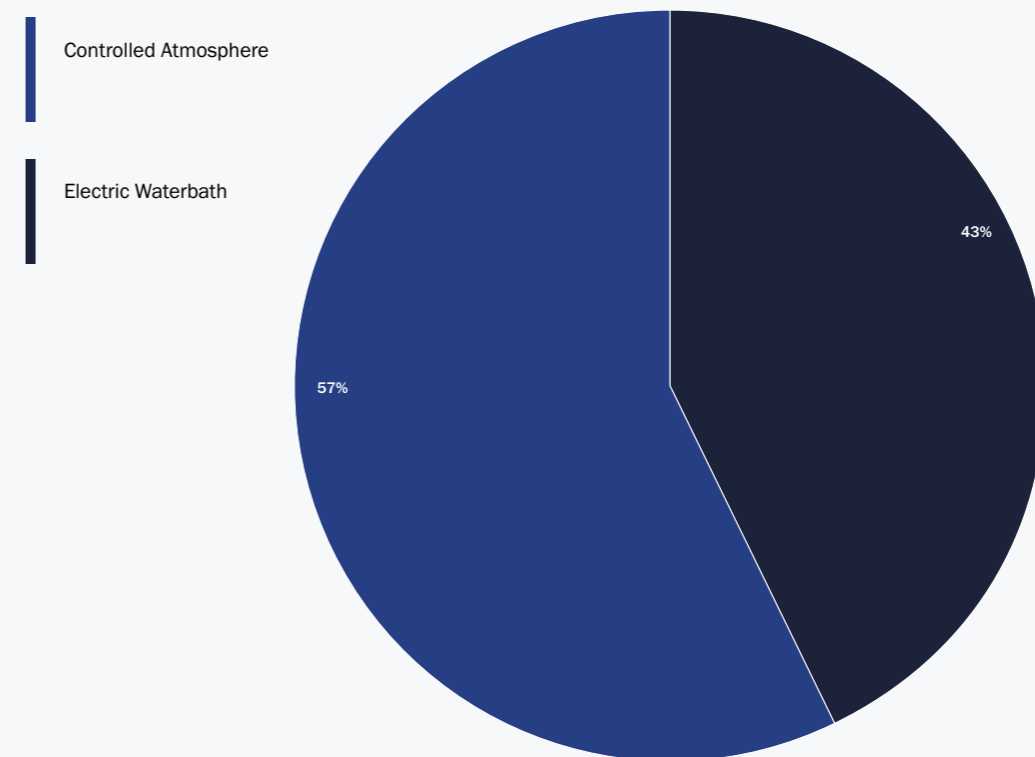


Stunning System

KFC UK & Ireland require that all birds are stunned prior to slaughter. There has been a slight reduction in the proportion of birds killed using Controlled Atmosphere Stunning (CAS) from 62% in 2019 to 57% in 2020. The remaining 43% of birds were killed using electric water bath. This slight change is linked to changes in purchased volumes.

Weighted Broiler Stocking Density

KFC Database – 2020



Focus Areas for 2021/22 and Closing Remarks

For 2021 and 2022 the priority areas for the continuous improvement programme are:

- Antibiotic usage, in particular the use of HPCIA
- Hock marking
- Foot pad dermatitis

Alongside this, FAI is working with suppliers to implement a more detailed level of data collection allowing for greater insights into performance across the KFC supply base. This will enable more targeted support and advice.

Collecting data from a supply base increases transparency and understanding of a supplier's performance and practices. However, simply collecting data alone doesn't necessarily drive change. The way people use their data does. Change takes effort and collaborative working, with every part of the supply chain having a role to play.

KFC work with suppliers to continue to improve the welfare of the animals that all their businesses rely on. FAI are pleased to be supporting the implementation of KFC's continuous improvement programme. By collecting supply chain data, we can make targeted improvements while truly quantifying the welfare benefits to the animals involved.