

Reducing Stocking Density: Impact on chicken health and welfare in Sainsbury's supermarket supply chain

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11th October 2024

Sainsbury's



Happier and Healthier – Strategic Partnership



Sainsbury's



Better Welfare Standards



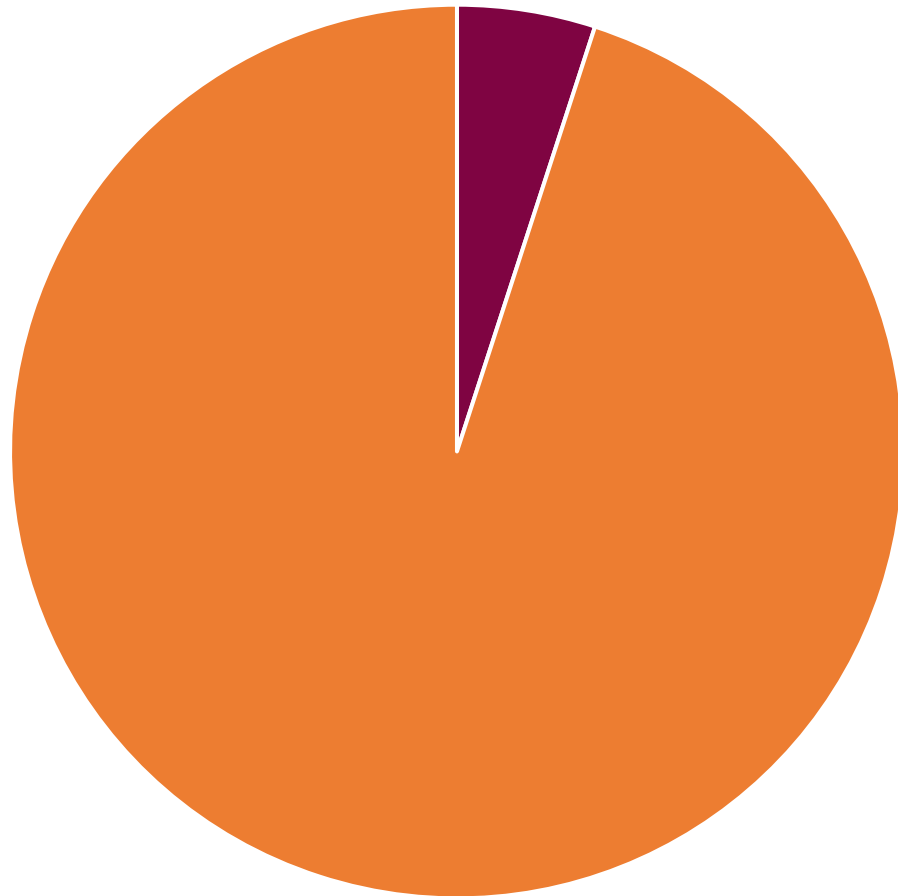
Market Leading Disruption



Delivering Positive Impact

“Better Chicken” is the new Sainsbury’s baseline

Fresh Chicken Sales (Volume)



■ Higher Welfare ■ Better Welfare



Higher Welfare ~5%

- Corn fed, Free range, Organic

- Slower growing breed

- Outdoor access (Free range/Organic)



Better Welfare ~95%

- *by Sainsbury’s*

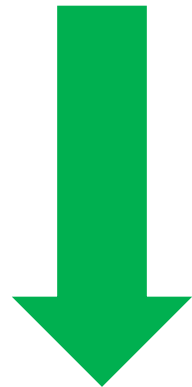
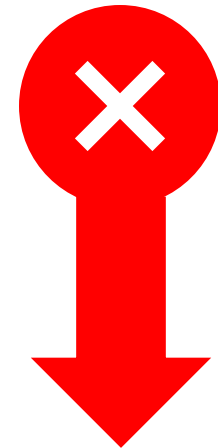
- 20% more space

- Enhanced enrichment



>100 million chickens/year impacted

Sainsbury's has led the wider retail market



~5%

~20%

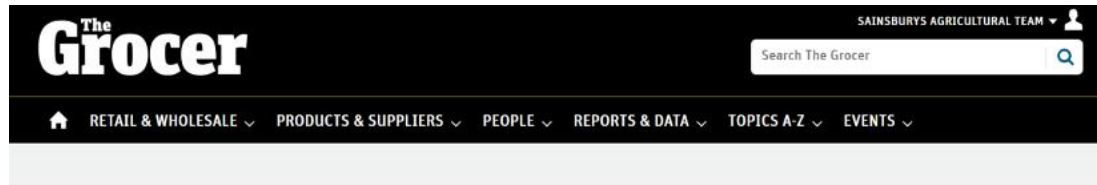
~25%

~45%

~85%

~95%

30kg/m² is delivering improvements



NEWS

Sainsbury's reports chicken welfare improvements following stocking density change

By Grace Duncan | 24 September 2024 | 3 min read



Source 1: 12 month comparison (March 22-23 vs. March 23-24) on chickens on farms supplying Sainsbury's;

Source 2: Scientific study conducted in conjunction with Bristol University;



Production Processing Business & Politics Welfare Feed Genetics New Products

BUSINESS & POLITICS

Sainsbury's claims lower stocking density has improved broiler welfare

By CHLOE RYAN — September 30, 2024 2 Mins Read



Chickens are “happier and healthier”



Better health outcomes



Better productivity outcomes



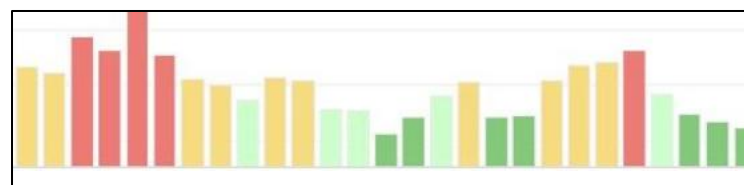
Better behaviour outcomes



Delivering for customers on welfare, sustainability, affordability



Industry leadership has driven change in wider UK retail market







~85%





**UK retail market
<30kg/m2 in 2025**

20% More Space = Better Health and Welfare



Physical Health

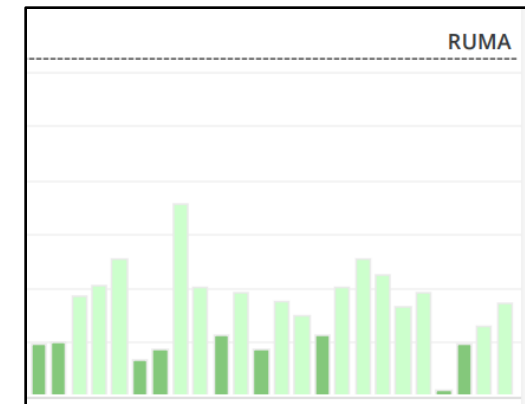
-  **28% improvement** in foot pad health
-  **35% improvement** in hock health
-  **13% reduction** in total mortality
-  **35% reduction** in factory rejects

Behavioural Health

-  **Resting 9.7X** more likely
-  **Preening 3.9X** more likely
-  **Foraging 2.2X** more likely
-  **Bird activity** increased

Antibiotic Usage

-  **<10mg/PCU** (below RUMA target)
-  **Zero use of CIAs** (EMA Category B)



Improvements have sustainability benefits

Total Mortality



Total Rejects

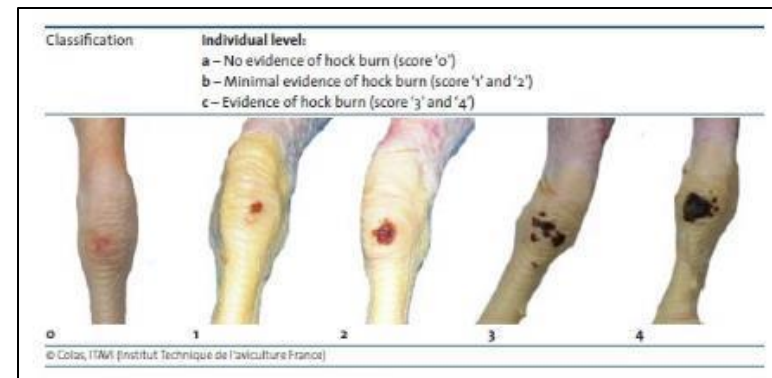
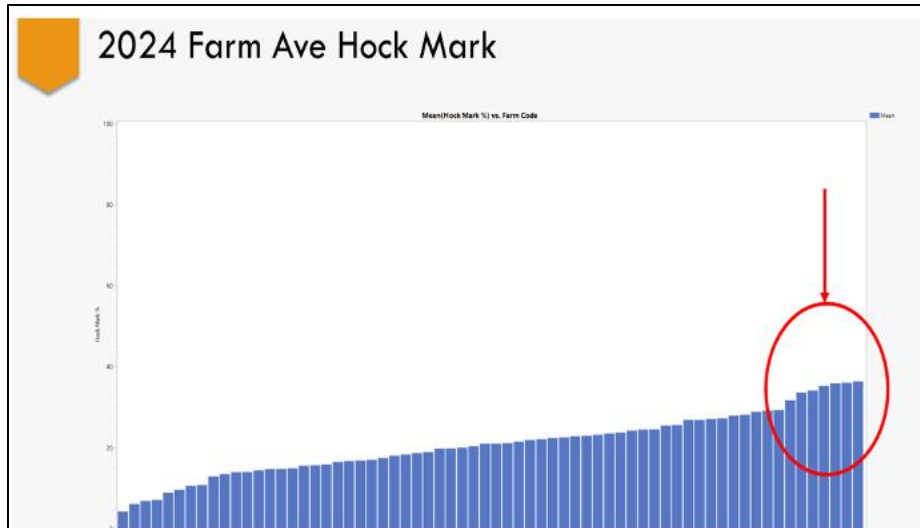


1% of 100 million = 1 million! This has an impact on food waste, carbon footprint etc

The Future: Performance push and innovation

Aligned Producers: Enabling targeted focus and “hypercare” for bottom performers

AI Technology: 24/7 monitoring of behaviour, impact of management interventions, improved KPI data capture



Transparency is key for trust and engagement



Animal health & welfare remains integral to our business strategy

In his first year as Chief Executive Officer, Simon Roberts reflects on the investment Sainsbury's has made in our agriculture team to build sustainable and transparent supply chains.

The past year has seen unprecedented change within our business due to the global pandemic and we had to adapt to increased demand and shifting customer expectations. I'm proud that despite these challenges we have achieved some significant animal health and welfare milestones which support our core business vision of 'growing with integrity'. We continue to perform well in the annual Business Benchmark on Farm Animal Welfare (BBFAW), retaining our Tier 1 position which makes Sainsbury's one of only 21 companies globally to be ranked in the top ten tier.

This achievement is the result of many years of hard work and commitment by our business to source animal products in a responsible way and create sourcing models and supplier relationships which allow us to flourish and improve animal welfare standards. As demonstrated by our BBFAW Tier 2 winning farm animal welfare 'imprints to our business strategy' and an issue that I will remain a key concern for our customers in the future.

I'm also extremely proud that despite the unprecedented demand for eggs in 2023 we were able to not only maintain our cage free commitment on shell and ingredient eggs, but also deliver our commitment to source our locally free range small eggs going forwards. This is a significant milestone for our business and demonstrates our commitment to improve animal health and welfare even in the face of unprecedented supply challenges.

Looking ahead to the future it is clear the global pandemic has accelerated shifting of agricultural supply chains across the world and local businesses will need to collaborate. They are managing their supply chains appropriately to mitigate risks such as disease outbreaks, animal welfare, and antibiotic resistance.

This report is a step forward for our business in terms of providing evidence of the progress we have made and will need to make on our journey towards improved transparency of our most important supply chains. We continue to demonstrate thought leadership and innovation in this space recently releasing our data driven, outcome based approach which promotes continuous improvement of animal health and welfare performance. We have reached substantially to build internal expertise in animal welfare, veterinary medicine, and data science to enable our agri. Here I want to draw the agenda forwards.

This means we may have extensive animal health and welfare databases for many species - datasets which, for our knowledge, are truly industry leading and unique in their breadth of data and scope of KPIs assessed. This enables us to make objective and scientific assessments based on accurate data, work with suppliers to identify best practice and scientific insights, and allocate future research and development priorities and ensure that we are in a position to be able to inform us in the most important.

Ultimately, our pioneering approach is providing our agriculture team with innovative supply chain management tools to facilitate continuous improvement of animal health and welfare.

Simon Roberts
Chief Executive Officer

Data Coverage 100% fresh chicken

Total Antibiotic Use (mg/kg)

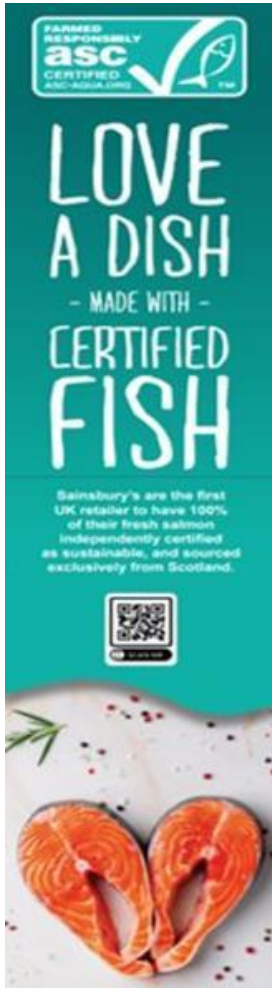
<25 (mg/kg)	2017 below target ✓	2018 below target ✓	2019 below target ✓	2020 below target ✓	2021 below target ✓
	2023 below target ✓	2022 below target ✓			

Our average antibiotic use was ~10mg/PCU (2017-2023), achieved by our suppliers focusing on health planning, feed quality and biosecurity to deliver continuous improvements to bird health.

Critically Important Antibiotic^(CIA) Use

↓ **CIA's not used** at all between 2017-2023



Sainsbury's has a history of leading the way



FARMED RESPONSIBLY
asc
CERTIFIED
ASC ASCA ASCA

**LOVE
A DISH**
- MADE WITH -
**CERTIFIED
FISH**

Sainsbury's are the first UK retailer to have 100% of their fresh salmon independently certified as sustainable, and sourced exclusively from Scotland.



All our
fresh eggs
are sourced from



**free range
hens.**



**More room to
perch and play.**

With 20% more space than the industry standard; our fresh by Sainsbury's chickens have a happier and healthier life.*



Sainsbury's

*Best Practice Standard - from March 2021. Visit about.sainsbury's.co.uk/chicken-welfare-for-more



**LESS CARBON
MORE
DELICIOUS**



New!

Aberdeen Angus beef that's grass & forage fed.
Head to our fresh beef aisle to find the new range.

Our Aberdeen Angus beef uses 29% less carbon* than the industry standard.

*Based on average 1000g retail weight. For more details visit about.sainsbury's.co.uk

*See about.sainsbury's.co.uk for more details.

Customers want **sustainability** at **competitive prices**

30kg vs 38kg
vet perspective



PILGRIM'S IN EUROPE



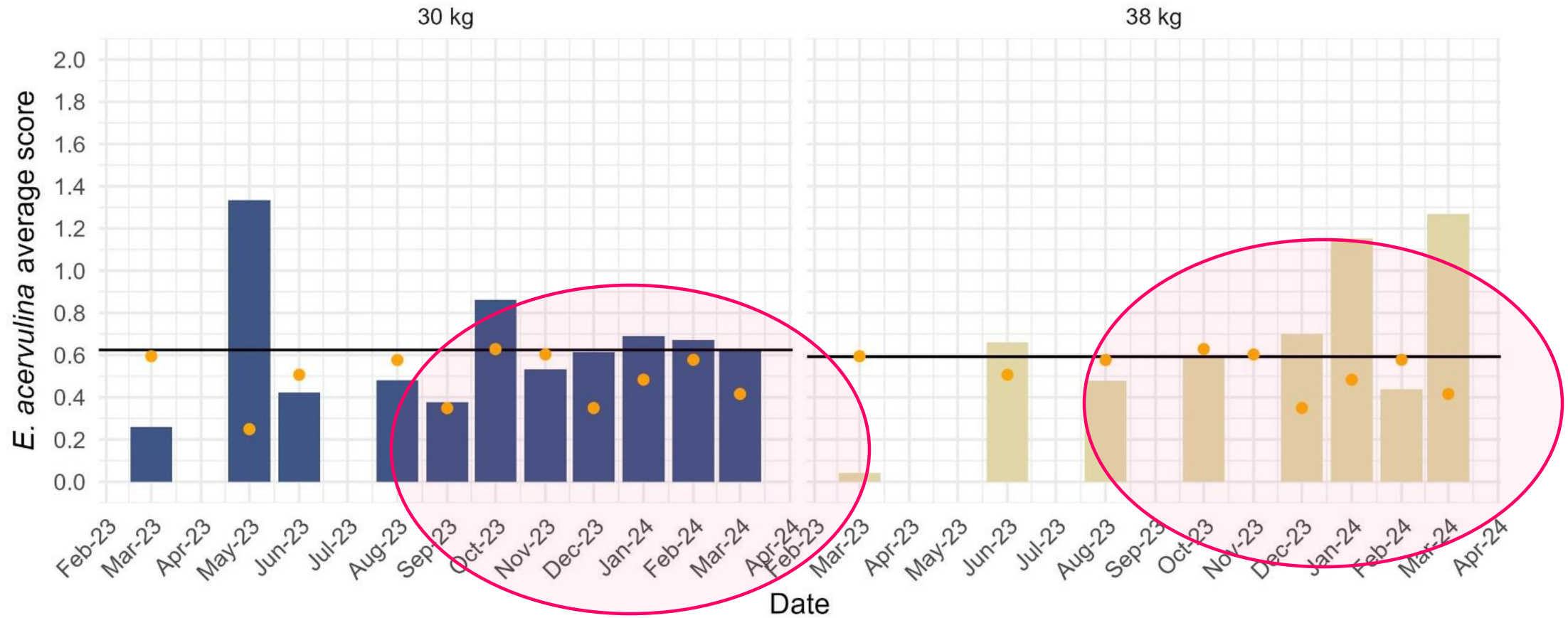
Leader in **meat and plant-based** fresh, prepared, frozen and chilled food production in the UK

- **20,000+ Pilgrim's Europe team members** across UK, Ireland, France & The Netherlands
- **35 well-invested manufacturing and food production centres** (25 in the UK, 4 in NI, 2 in ROI, 3 in FR, 1 in NL)
- **UK's largest pig farmer &** producer of high welfare pork
- Leading provider of **fresh locally farmed poultry** and innovative convenience products
- Two of the top 5 **UK's biggest plant-based brands** – Pilgrim's Food Master's Richmond & Vivera



Health and welfare parameters

E. acervulina and UK

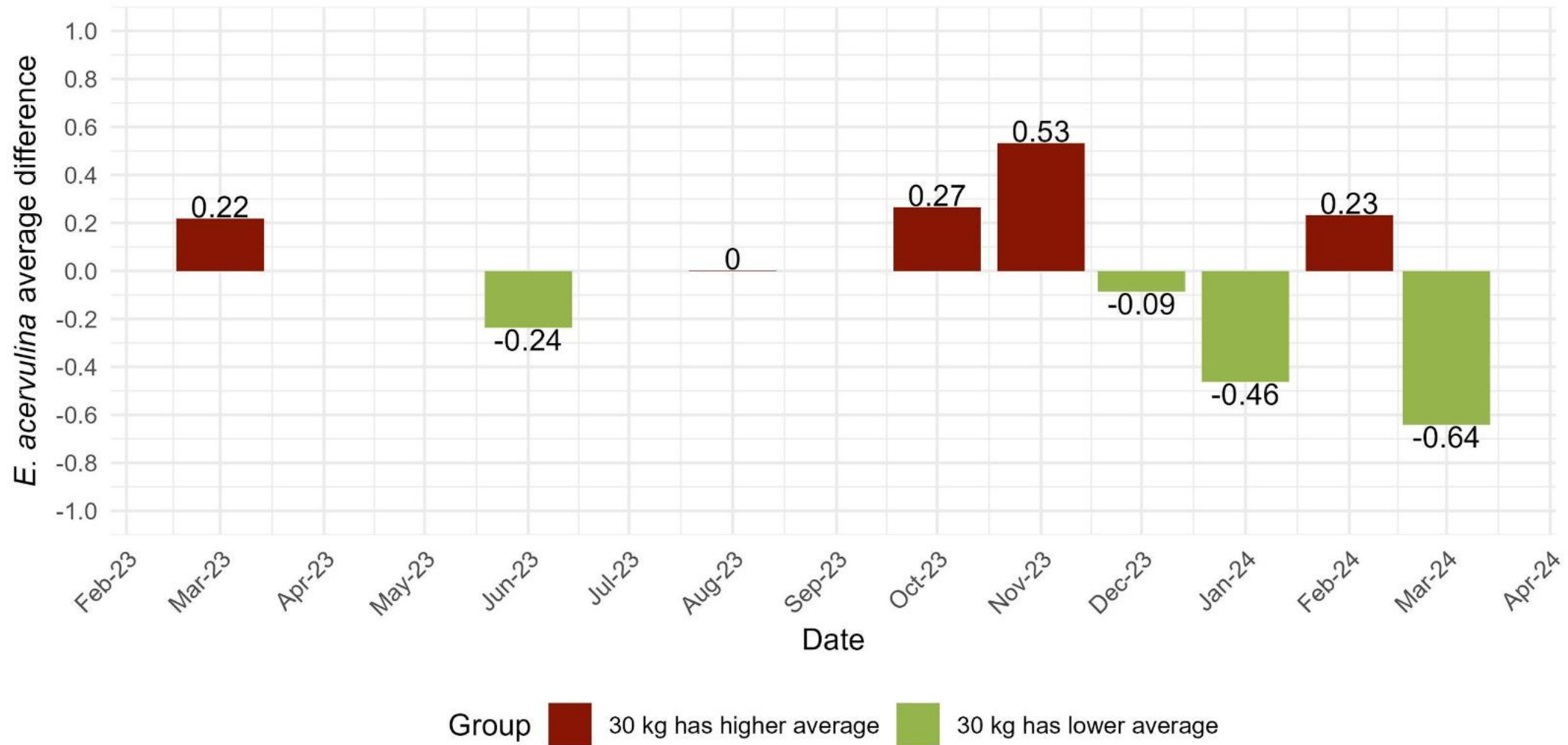


0.14 higher compared to benchmark

● 30 kg ● 38 kg

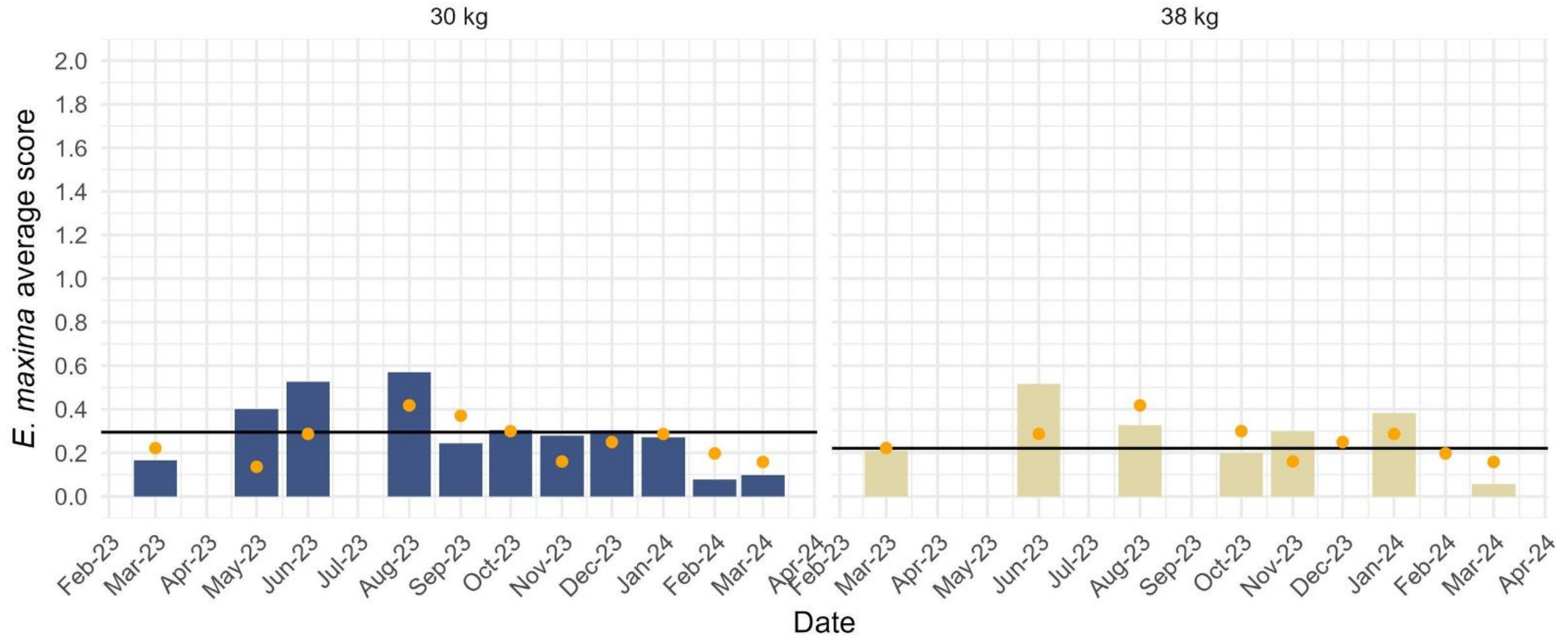
0.07 higher compared to benchmark

E. acervulina



A * indicates if the difference was significant at the 0.05 level. No significant difference was found

E. maxima and UK



0.04 higher than benchmark



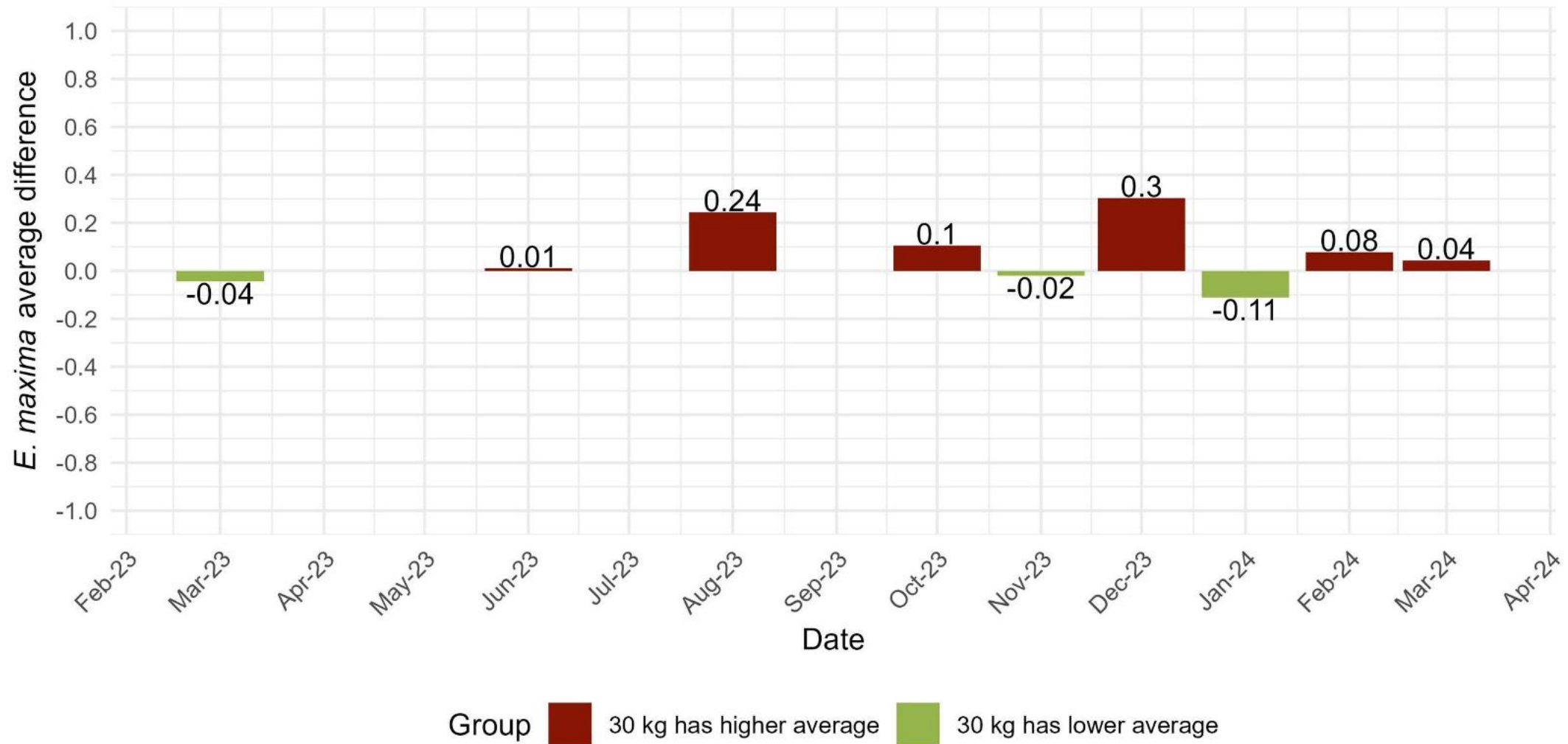
30 kg



38 kg

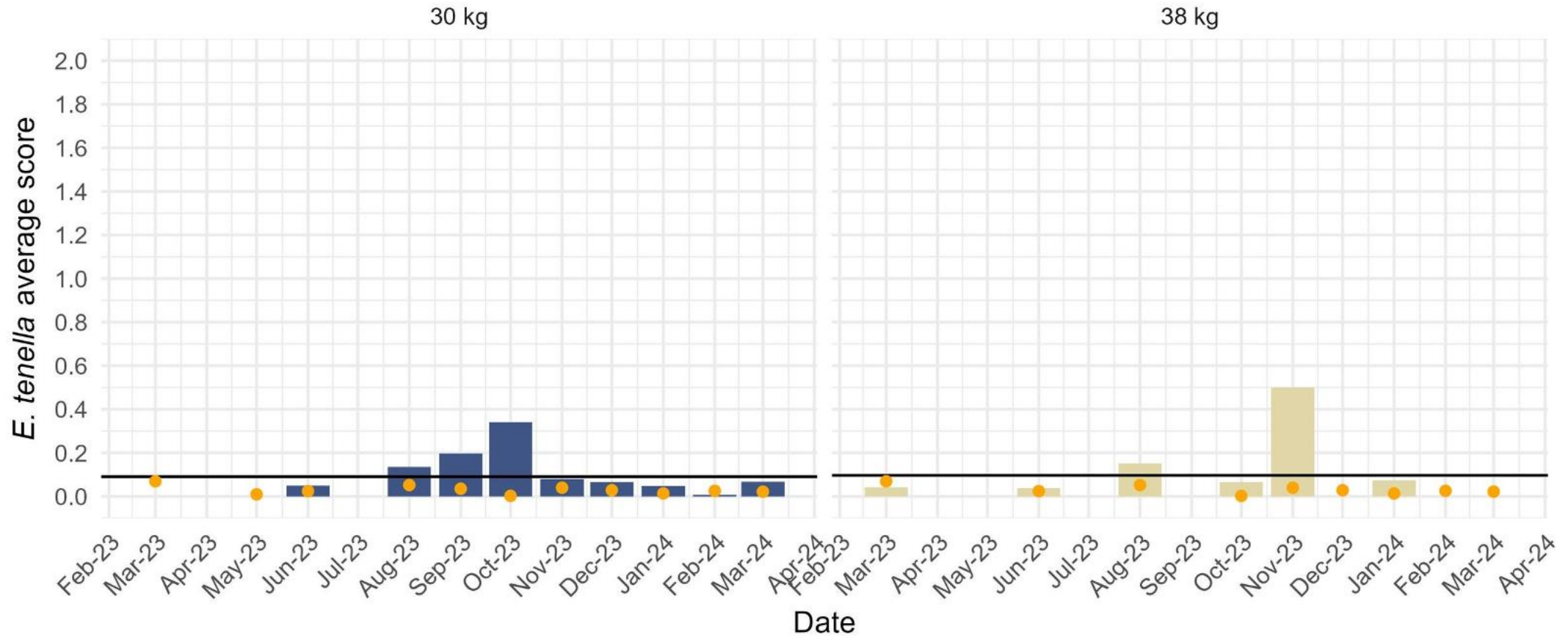
0.03 lower than benchmark

E. maxima



A * indicates if the difference was significant at the 0.05 level. No significant difference was found

E. tenella and UK



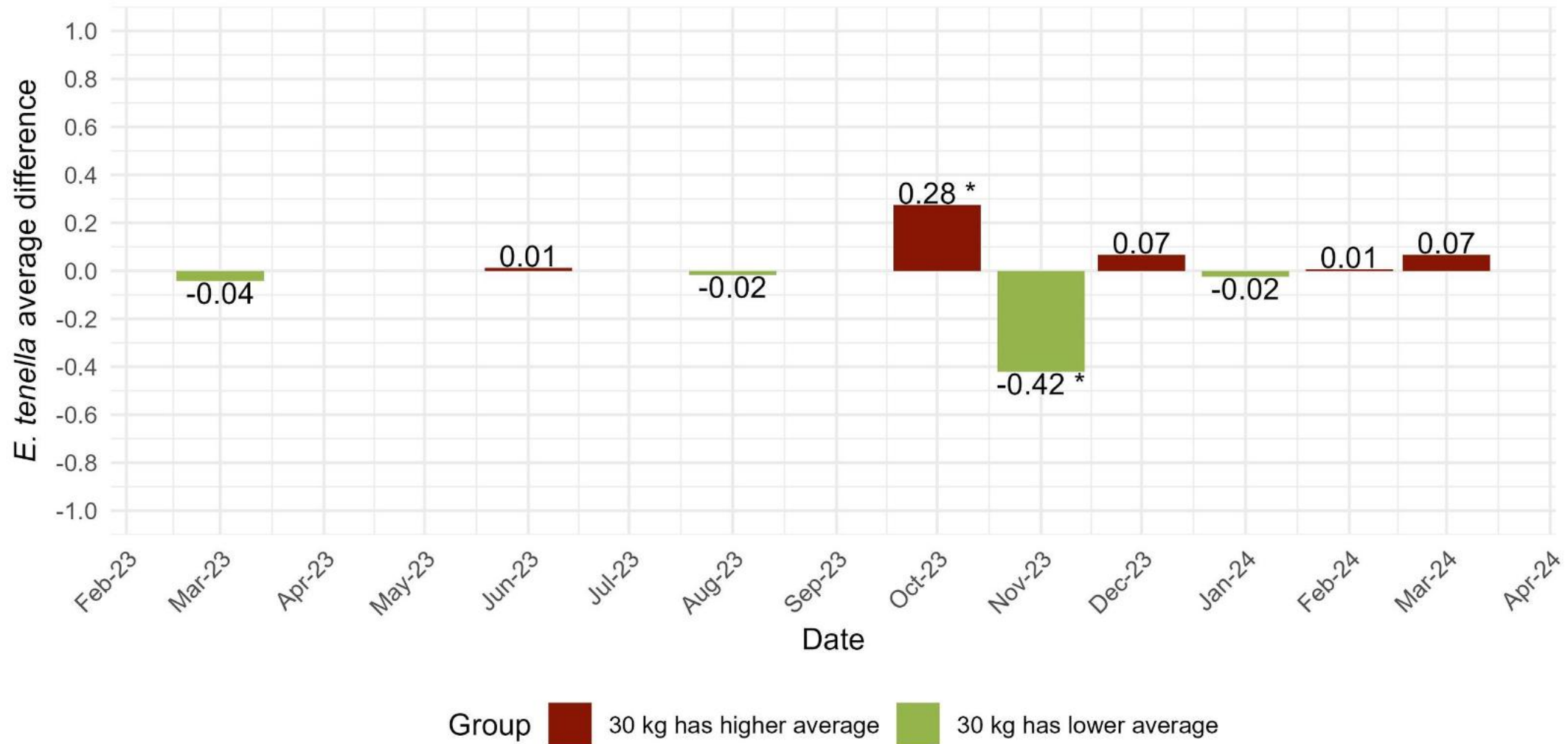
0.06 higher than benchmark

30 kg

38 kg

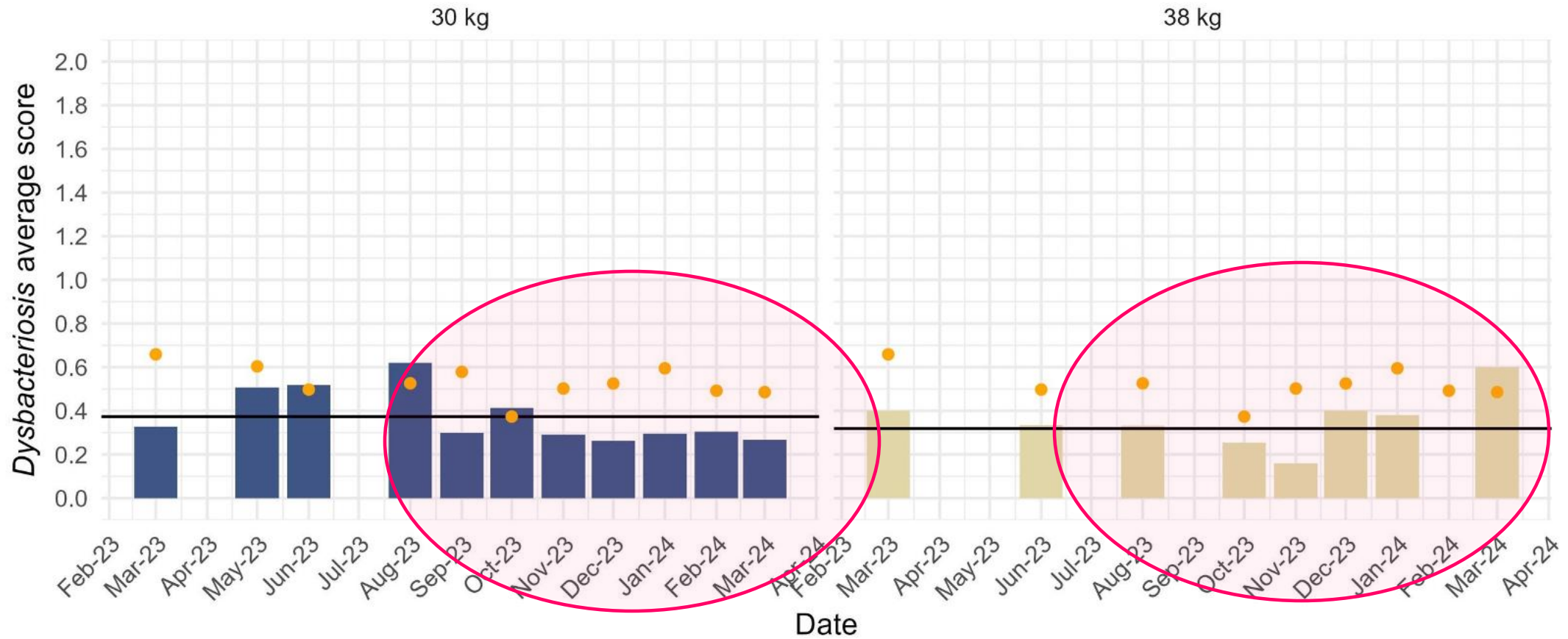
0.07 higher than benchmark

E. tenella



A * indicates if the difference was significant at the 0.05 level. No significant difference was found

Dysbacteriosis and UK

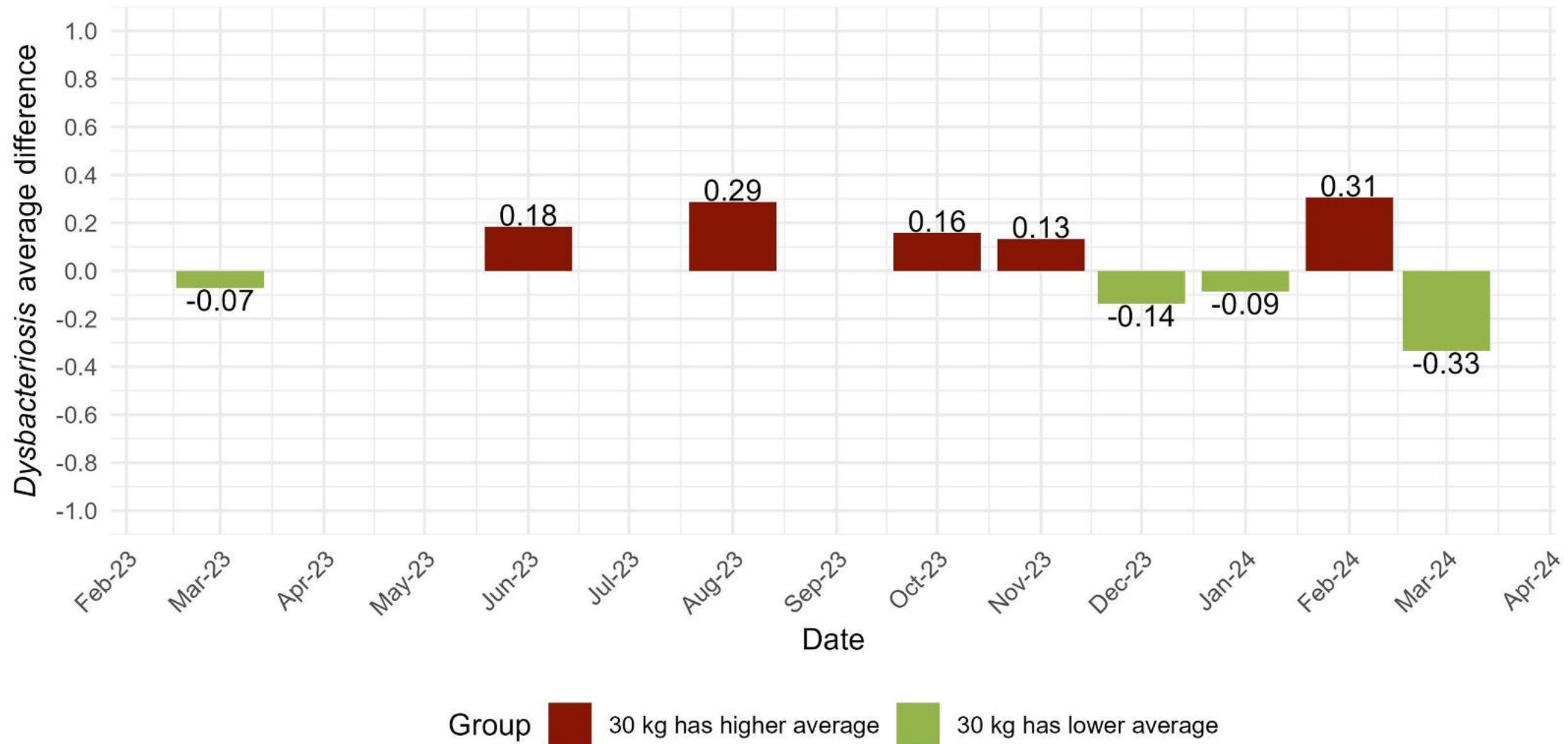


0.16 lower than benchmark

30 kg 38 kg

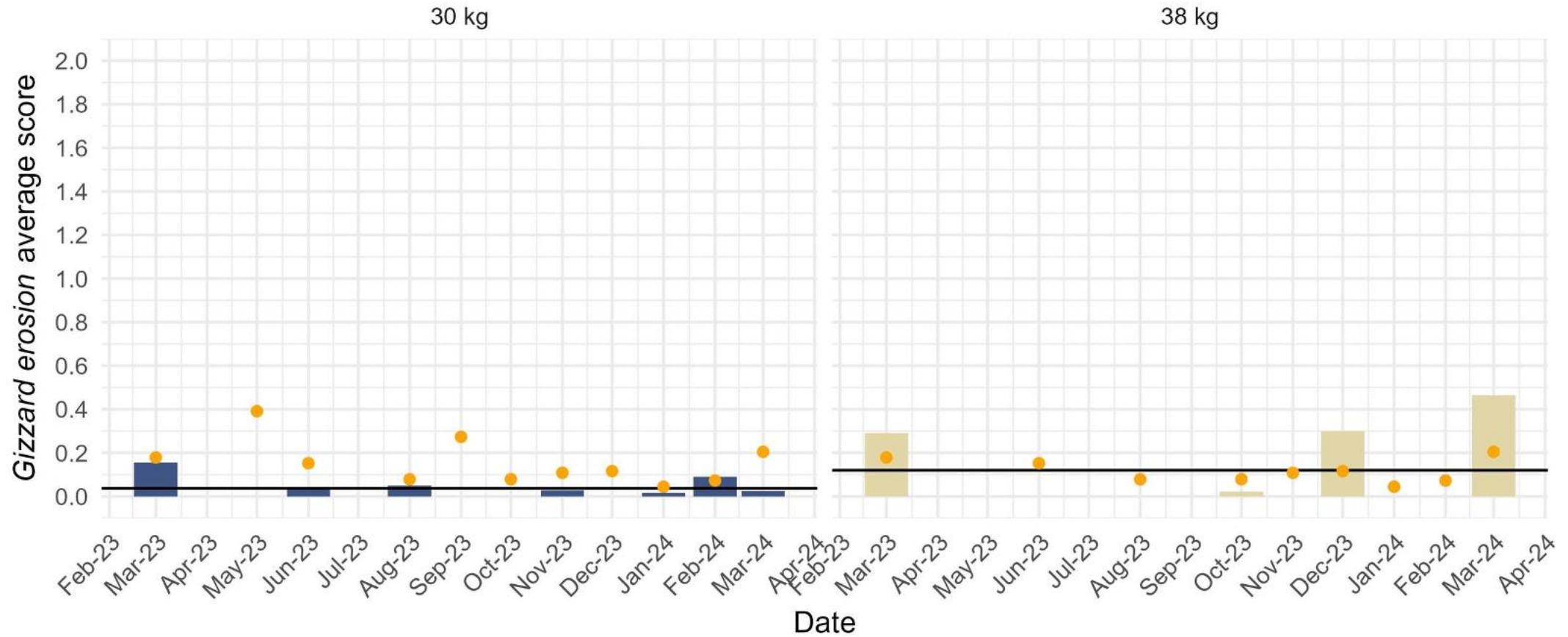
0.20 lower than benchmark

Dysbacteriosis



A * indicates if the difference was significant at the 0.05 level. No significant difference was found

Gizzards and UK



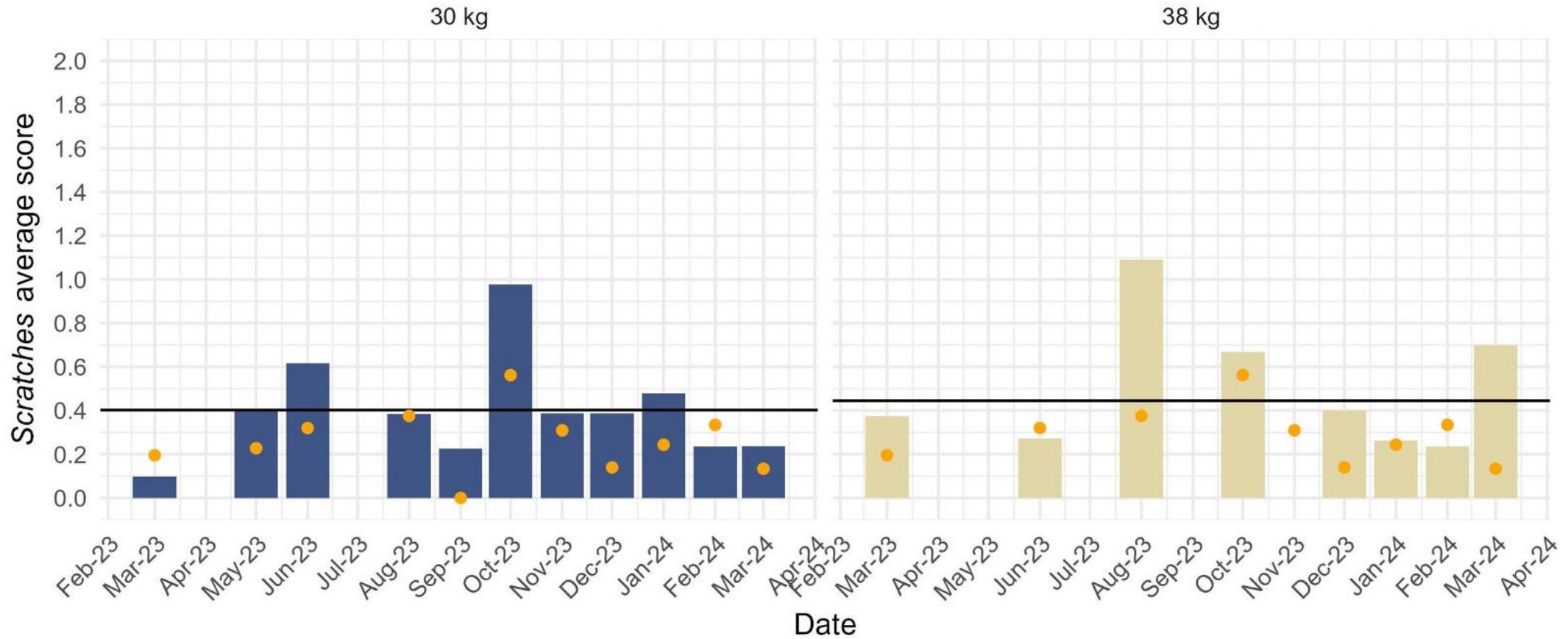
0.11 lower than benchmark 30 kg 38 kg Equal to benchmark

Gizzard Erosions



A * indicates if the difference was significant at the 0.05 level. No significant difference was found

Scratches and the UK

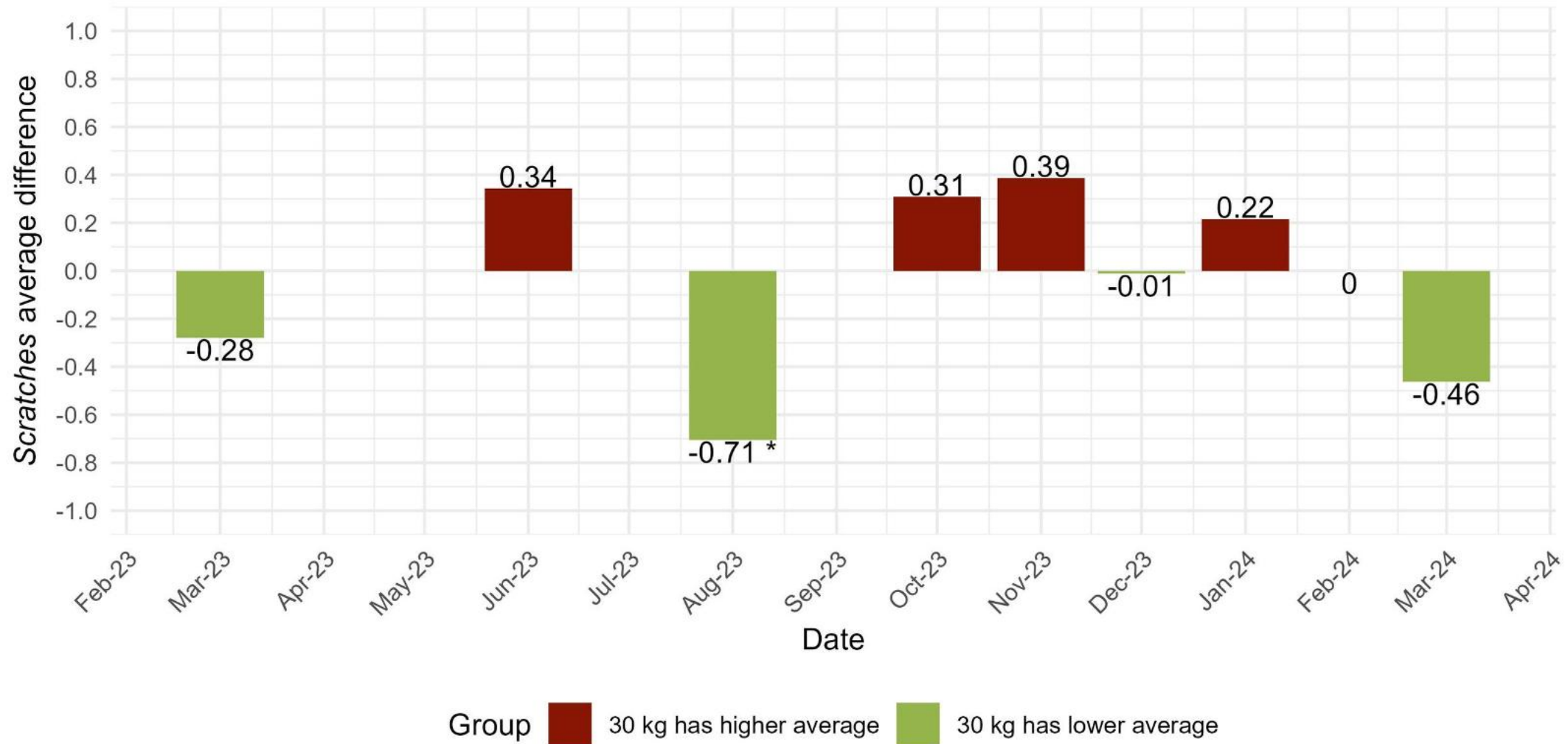


0.14 higher than benchmark

30 kg 38 kg

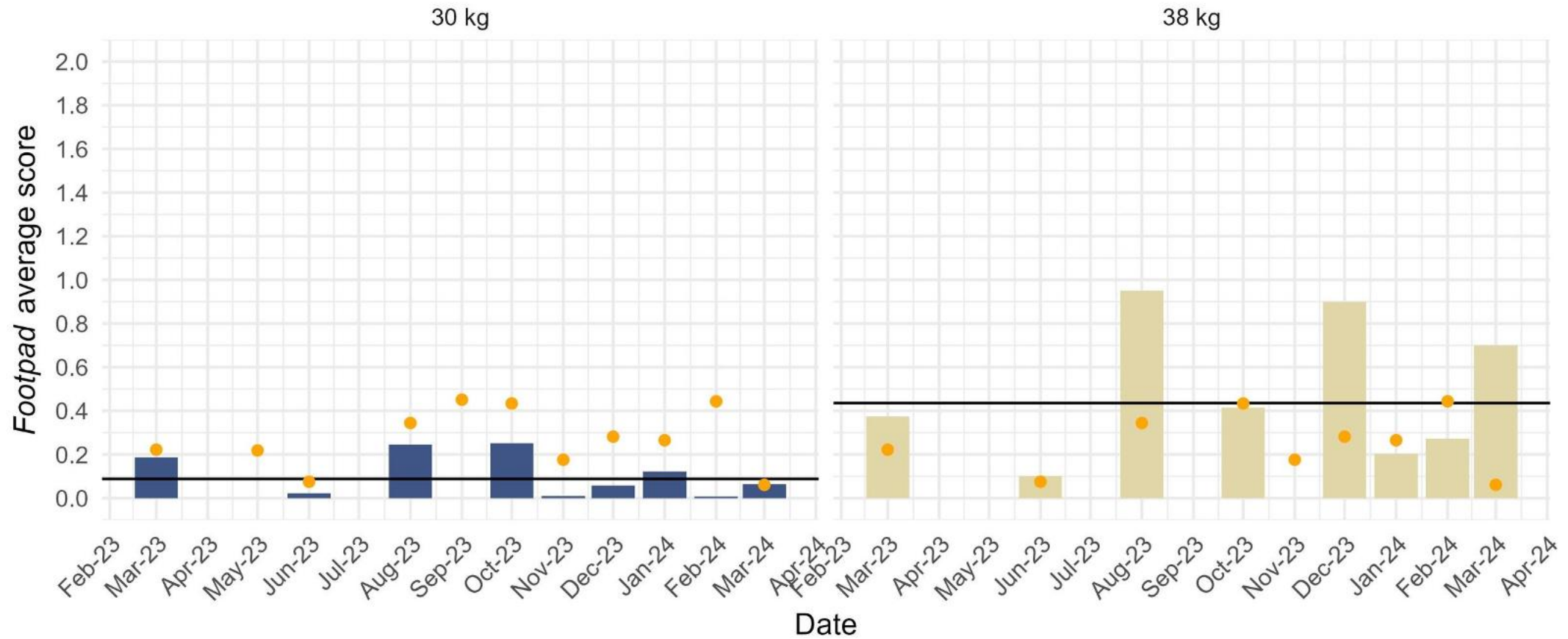
0.16 higher than benchmark

Scratches



A * indicates if the difference was significant at the 0.05 level. No significant difference was found

Footpads and the UK



0.18 lower than benchmark

30 kg 38 kg

0.18 higher than benchmark

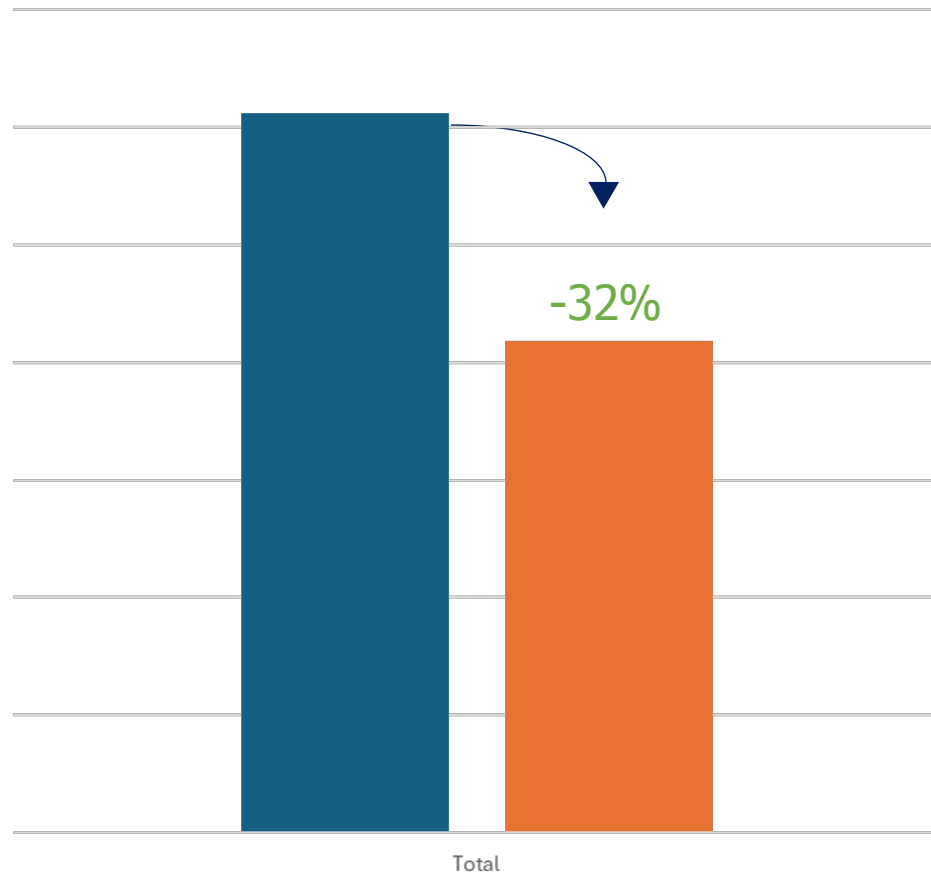
Footpads



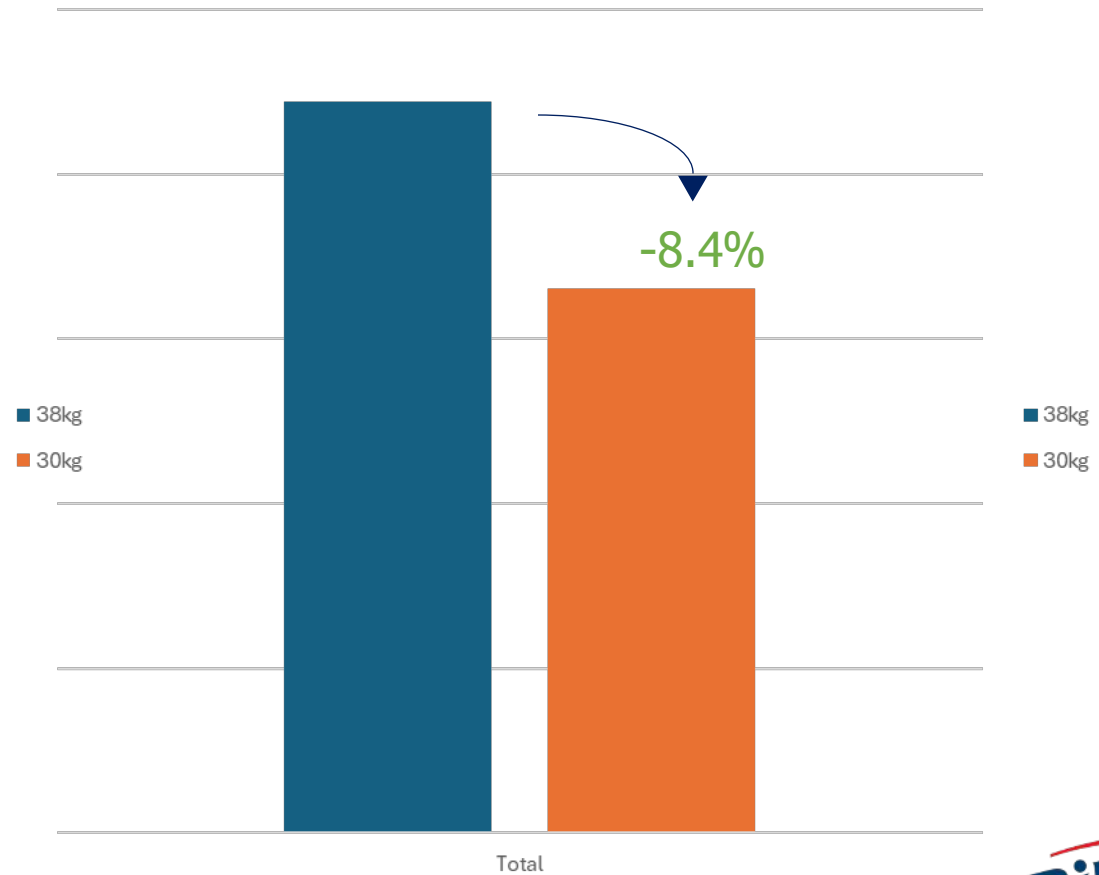
A * indicates if the difference was significant at the 0.05 level. No significant difference was found

Mortality & Rejects

Farm Rejects – Mar 23 – Mar 24

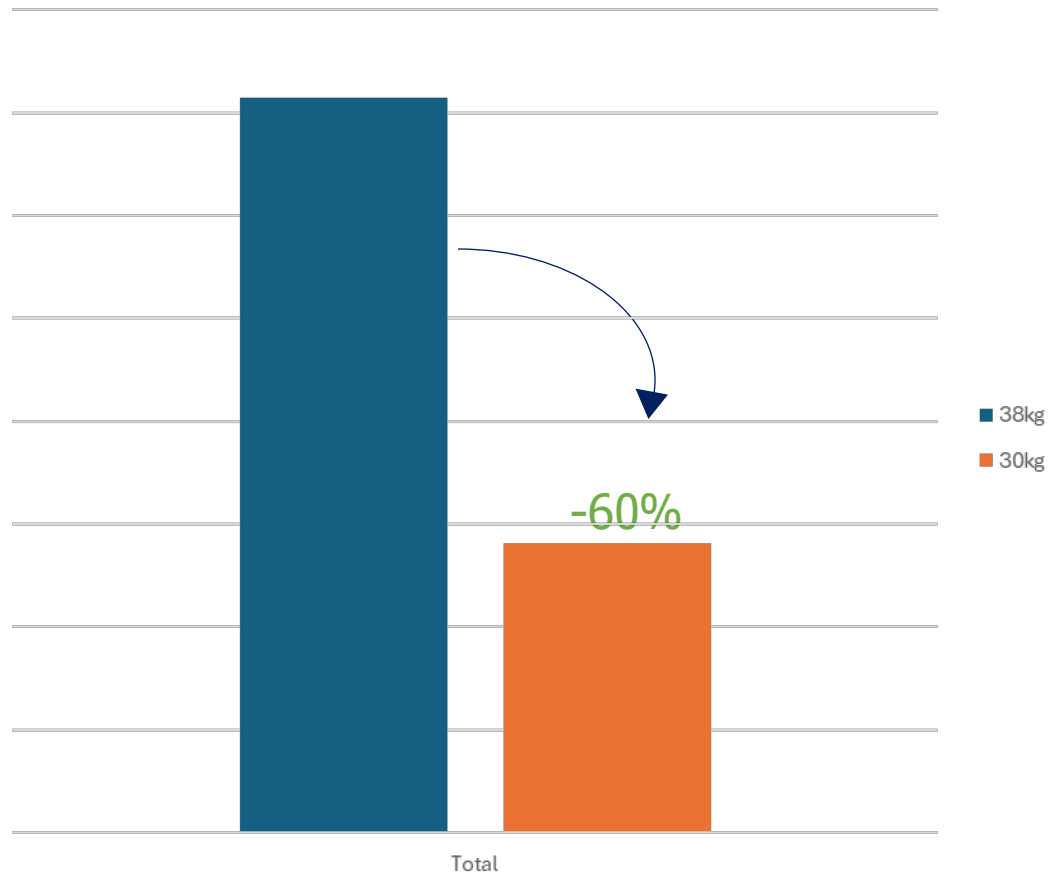


Total Mortality – Mar 23 – Mar 24

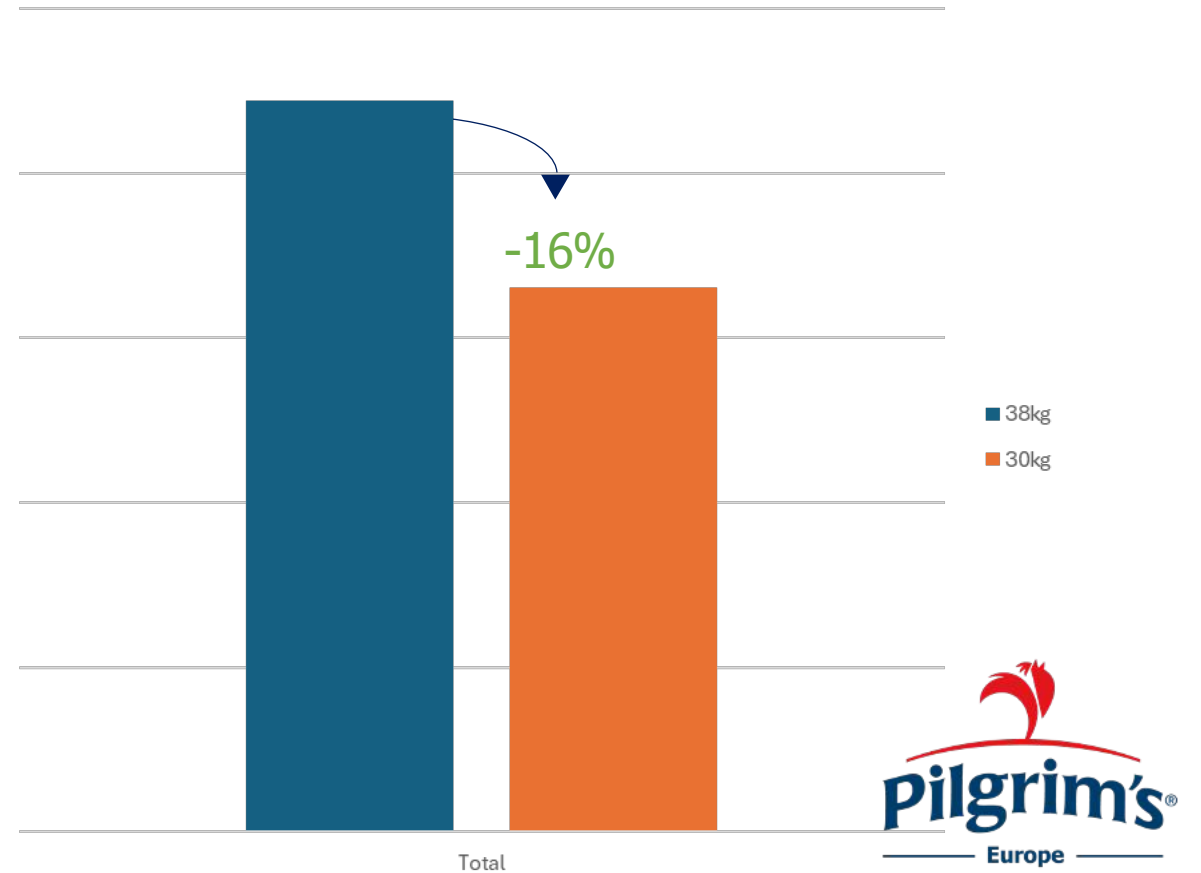


Hock Mark & Pododermatitis

Pododermatitis – Mar 23 – Mar 24



Hock Mark – Mar 23 – Mar 24



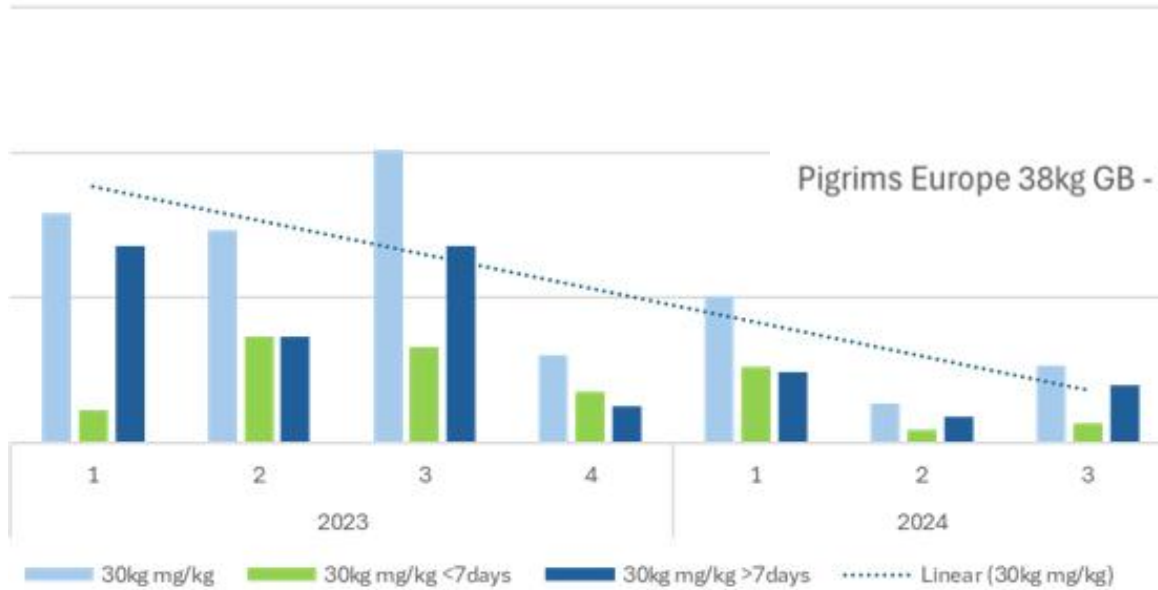
AB usage



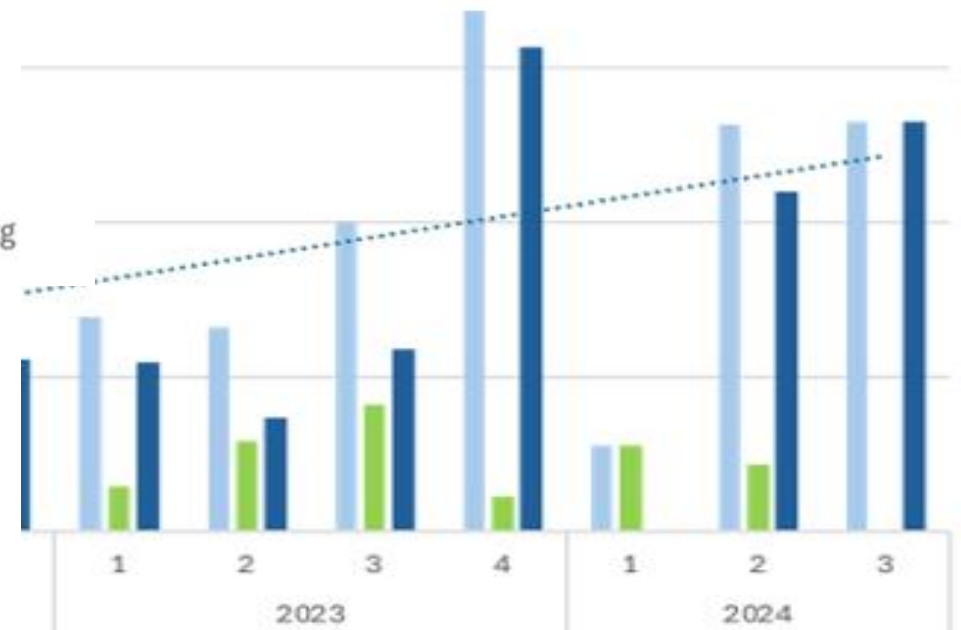
Antibiotic use

38kg mg/kg 38kg mg/kg <7days 38kg mg/kg >7days Linear (38kg mg/kg)

Pilgrims Europe 30kg GB - mg/kg



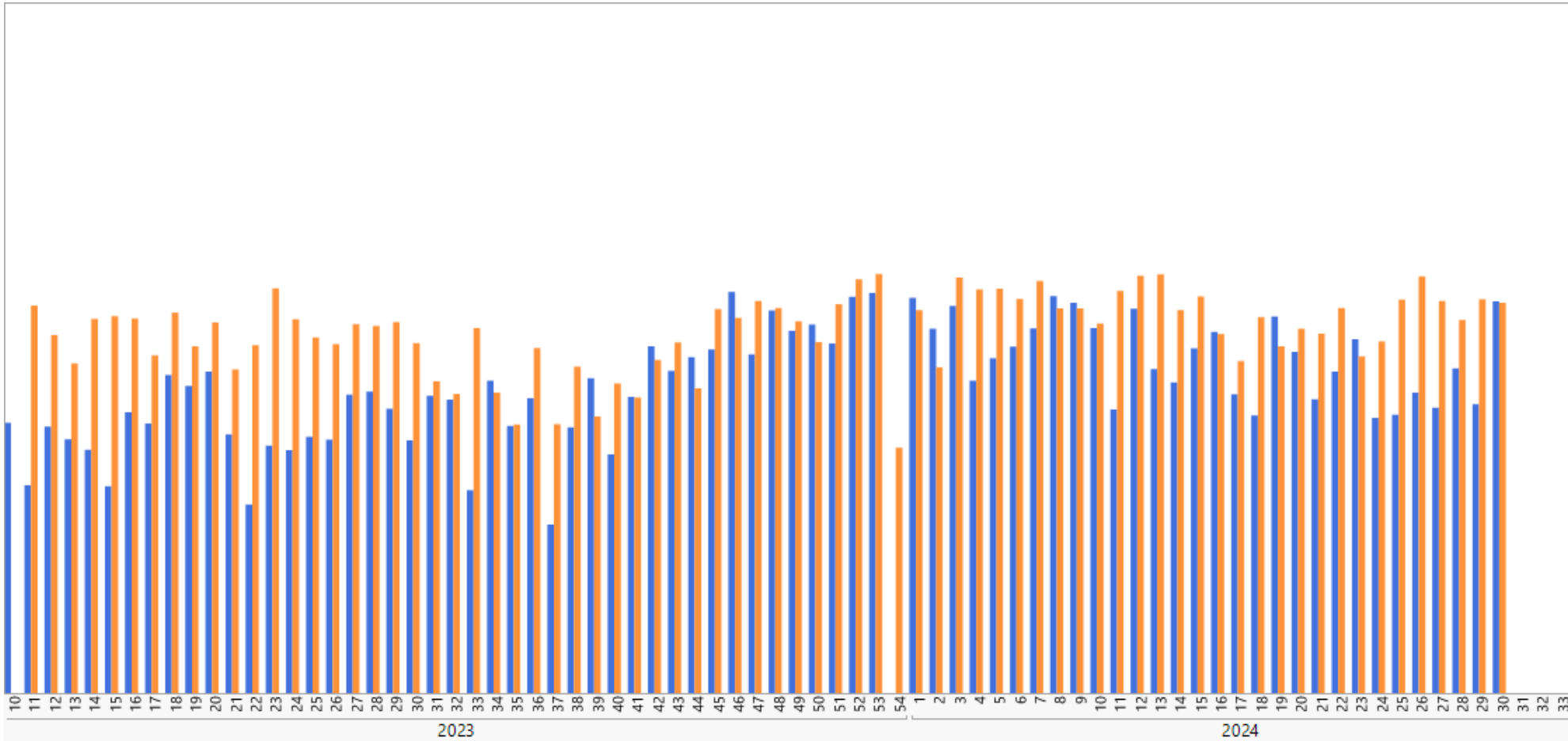
Pilgrims Europe 38kg GB - mg/kg



Performance



ADG

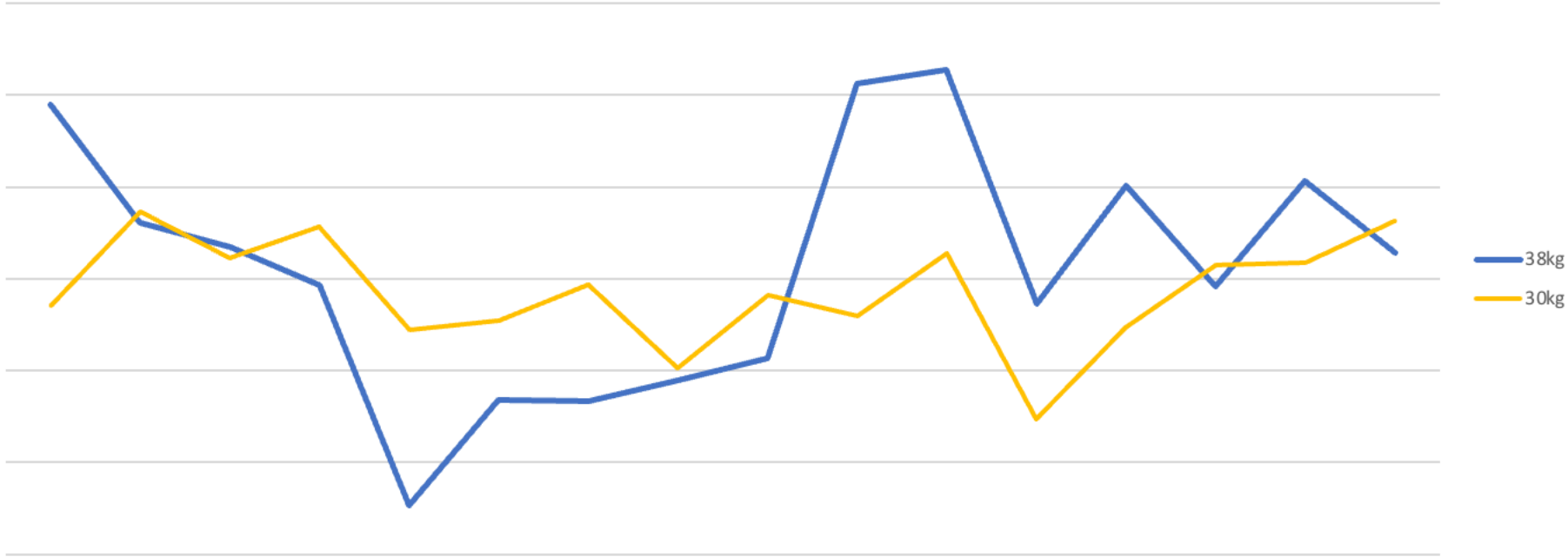


30kg
38kg

Sustainability



Carbon Footprint



We have reduced the stocking density by 20%, yet carbon footprint is as good as if not better than 38kg.



**What do our
farmers think**



Testimonials

“The new higher welfare standards are extremely important to us as farmers and means creating better environments for our birds and providing them with that environmental enrichment.”

“For me, the move to a new better welfare standard will greatly increase our productivity and that of our birds, which will be even better than before”

“I would have to consider my position in the industry if we went back to growing 38kg”



Thank you!

Sainsbury's

