



Perdue Foods

COMMITMENTS TO
ANIMAL
care
2017





PART 1

Chickens



PART 2

Farmers



PART 3

Transparency



PART 4

Continuous
Improvement

In 2016 we announced a
Four-Part Plan to accelerate
our progress in poultry care.

We promised to:



PART 1

Chickens

Based on the **“Five Freedoms,”** Perdue will evaluate and implement production systems specifically designed to go beyond just the “needs” of our chickens to also include **what our chickens “want.”**



PART 2

Farmers

Perdue will re-commit to our efforts to **transform our relationship with the farmers** who raise our animals. We will listen and communicate effectively, evaluate our pay structures to incent best practices, and also consider their well-being when implementing production systems.



PART 3

Transparency

We will be **transparent** in our programs, goals, and progress in order to build lasting trust and relationships with our stakeholders.



PART 4

Continuous Improvement

Raising animals should be a journey of **continuous improvement.** We will continue to build an Animal Care Culture within Perdue.

This report is the first comprehensive update on our progress since that announcement.



PART 1

THE NEEDS AND WANTS OF OUR ANIMALS

Based on the Five Freedoms, a Global
Standard for Animal Husbandry

As we progress from meeting the needs of chickens to providing for their wants, we are charting our progress using the Five Freedoms.

Here are the Five Freedoms, as defined by the Farm Animal Welfare Council.

①

Freedom from Hunger and Thirst
by ready access to fresh water and diet to maintain health and vigor.

②

Freedom from Discomfort by providing an appropriate environment including shelter and a comfortable resting area.

③

Freedom from Pain, Injury or Disease by prevention or rapid diagnosis and treatment.

④

Freedom to Express Normal Behavior by providing sufficient space, proper facilities and company of the animal's own kind.

⑤

Freedom from Fear and Distress
by ensuring conditions and treatment which avoid mental suffering.



Originally developed in Europe in 1965, and formalized by the UK Farm Animal Welfare Council in 1979, the Five Freedoms are a globally accepted standard for animal husbandry. The Five Freedoms have been endorsed by The World Organization for Animal Health, the Royal Society for the Prevention of Cruelty to Animals and the American Society for Prevention of Cruelty to Animals.

①
Freedom from
**HUNGER
& THIRST**



PART 1





WHAT WE PROMISED:

We will design and implement an approach to baby chick (starter) nutrition that better supports our birds as they are developing their immune, skeletal and other foundational systems that help keep them healthy later in life.



WHAT WE DID:

Tested three alternatives to soybean meal in chick pre-starter diets. One has been incorporated into organic diets and we continue to study another.

Conducted studies on different feed forms for starter diets to deliver consistent nutrition in each bite.



WHERE ARE WE GOING:

Continue testing alternative feed ingredients.

Continue to study a mini-pellet versus a traditional crumble feed form.



Freedom from
**HUNGER
& THIRST**

² Freedom from **DISCOMFORT**





WHAT WE PROMISED:

We will study and implement new space criteria for chickens based on bird activity and health.

We will evaluate and implement a six-hour minimum 'lights off' resting period for all our poultry.

We will continue to study "play" and activity levels, and implementation of enrichments that address comfort levels appropriate for different stages of a bird's life.

Our goal is to double the rate of play/activity by our chickens in the next three years.

These modifications will be specifically designed to address broiler chicken growth rates that cause discomfort to birds, and could include breeds of birds that grow slower and more uniformly.



Freedom from
DISCOMFORT



WHAT WE DID:

Space:

Partnered with farmers to construct an additional 210 chicken houses to be able to increase layout time and space for chickens.

As a precursor to increasing space, increased layout times between flocks by 10%, from an average of 16.8 days to 18.4 days. Increased layout time correlates to significantly improved bird health. Now that layout time increases have been accomplished, additional housing and square footage will be utilized to increase space.

Increased overall bird space on Perdue-contracted farms by 3%, by decreasing stocking density from an average of 7.06 pounds per square foot at processing to 6.85 pounds per square foot.

To understand the benefit of significantly increasing housing space (providing at least 10% more space), in one southern growing area we gave birds 14% more space. We are still evaluating the impact on health and welfare of the birds in these houses.

Lights Off:

Implemented a 6-hour minimum 'continuous lights off' resting period for all our poultry (except for short chick acclimatization and pre-harvest intervals).





WHAT WE DID:

Activity and Enrichments:

A 2016 intern project compared activity in houses with and without windows, activity differences between breeds and whether activity changes as birds age. We did not find a difference in activity between window and windowless housing using this technique; however we plan to continue to evaluate the effect of windows on activity.

Began investigating a new method to measure bird activity that utilizes hanging scales.

Funded two Poultry Science Master's students to study poultry house enrichments. One study evaluated two perch designs and found design and shape significantly impact utilization by chickens. Perches are being incorporated into a Perdue Research farm for further study.

Growth Rate:

Raised and processed two slower growing breeds for small bird production.

Placed slow growing breed males in our breeder program and crossed them with conventional hens for evaluation. Raised the progeny and processed them for commercial sale.

Met with four breeding companies to discuss slower growing breed options and tested breeds from each company.

Conducted pen studies with 11 different breeds in 9 crosses and evaluated the results for health, growth rate, feed efficiency, meat quality and other characteristics.

Hired an experienced geneticist to consult with us to refine our selection and evaluation of different breeds and breed crosses.





WHERE WE ARE GOING:

Continue to study the effects of increased space on bird activity and health for two additional growing programs within Perdue

Define and implement a consistent method for evaluating activity.

Utilize this methodology to establish baselines to quantify the impact of increased space, light, enrichments and outdoor access on bird health and activity.

Continue to test slower growing breeds to understand the difference in performance metrics and activity.



Freedom from
DISCOMFORT

③
Freedom from
**PAIN, INJURY
AND DISEASE**





WHAT WE PROMISED:

We are committed to implementing Controlled Atmosphere Stunning (CAS) at all Perdue harvest plants. Our standards mandate CAS without possibility of regaining sensibility.

Our goal is to have the next CAS installation operational by the end of 2017, followed by gradual implementation at all our harvest facilities.



WHAT WE DID:

Visited 7 countries to evaluate Controlled Atmosphere Stunning (CAS) systems.

Selected a CAS system and have begun installation at one chicken harvest facility. The system will be operational in November 2017. When fully operational, this system will deliver 3 key elements: 1) insensibility prior to shacking; 2) irreversible insensibility; and 3) insensibility prior to bird removal from transport crates. The chosen application will utilize state-of-art multi-stage, dual gas technology specifically targeted to induce insensibility with minimum trauma to the birds.

Completed the transition to 100% of our chickens raised with No Antibiotics Ever (NAE) protocols.



WHERE ARE WE GOING:

To determine the optimum at-plant conditions to minimize trauma and distress for birds that have been transported to processing facilities, we will construct a fully enclosed, climate-controlled de-stress staging area (lairage) at one harvest plant. If successful, we will evaluate implementation at additional Perdue harvesting facilities.



Freedom from
**PAIN, INJURY
AND DISEASE**

④
Freedom to express
**NORMAL PATTERNS
OF BEHAVIOR**





WHAT WE PROMISED:

By the end of 2016, we will install windows in 200 existing poultry houses and use those houses to compare bird health and activity to enclosed housing. If effective in increasing bird activity, we will establish annual targets for retrofitting houses with windows.

We are mandating windows in all new construction of chicken houses that will be used to raise our chickens.



Freedom to express
**NORMAL PATTERNS
OF BEHAVIOR**



WHAT WE DID:

Implemented new light intensity standards across all growing programs.

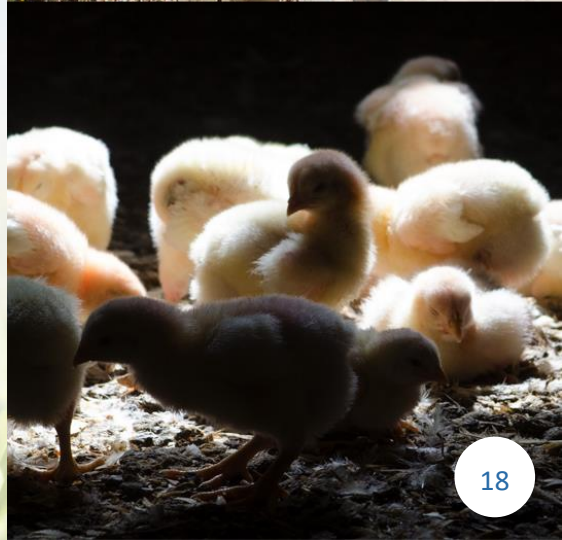
Windows were installed in 200 houses on farms in all growing locations and programs, and in both new and existing houses.

Evaluated the effect of windows on bird performance, and whether breed, season or bird size affected the response to windows. Overall data shows small disadvantages in feed conversion when windows are added, but overall weight gain, livability and condemnations are essentially the same.

Surveyed farmers about their experience with windows. Of 62 total responses, 94% contained positive comments and 6% contained negative comments; 20% reported spending more time in the house with windows.

As of June 30, 2017, Perdue new house construction specifications include windows

17% of all Perdue-contracted houses now have windows.



Freedom to express
**NORMAL PATTERNS
OF BEHAVIOR**



WHERE WE ARE GOING:

Expand outdoor access/free range
by 200 additional houses by the end
of 2017.

Increase percentage of houses with
windows to 25% by the end of 2017.



Freedom to express
**NORMAL PATTERNS
OF BEHAVIOR**



⑤
Freedom from
**FEAR AND
DISTRESS**





WHAT WE PROMISED:

We will implement video monitoring of catching crews and transport vehicles, with weekly spot checking of video recordings.

We will implement additional pay incentives for farmers and others who handle live birds to further promote appropriate handling of live chickens.

To address stress and potential for injury from shackling prior to stunning, we are committed to converting all of our harvest facilities to Controlled Atmosphere Stunning (CAS) systems. Our standards mandate CAS without possibility of regaining sensibility.

Next CAS installation operational by end of 2017, followed by gradual and systematic implementation at all Perdue facilities.



WHAT WE DID:

Completed live video monitoring pilot in entire live bird receiving and handling areas of one harvest plant. Full implementation in all Perdue plants will be scaled in by 2020.

Evaluated two proposals for catch-crew video monitoring and will pilot one in 2017.

Starting March 1, 2017, our contract catching supplier offers a weekly bonus to crew members in two growing areas based on successful bird condition through catching and transportation to the harvest facilities.

Installing a Controlled Atmosphere Stunning system in one harvest plant to be operational in November 2017.



Freedom from
**FEAR AND
DISTRESS**



WHERE WE ARE GOING:

Pilot a video surveillance application for catching crews. We will complete the evaluation in one growing area by the end of 2017.

Continue implementation in plant receiving areas. Full implementation in all Perdue plants will be scaled in by 2020.



A GROWING PARTNERSHIP:

Perdue and the Farmers Who Work with Us

We are going to build closer relationships with the farmers who raise our chickens on their farms

We recognize that the farmers who raise our chickens on their farms are critical stakeholders in our efforts to elevate our animal care programs. They, and those who work with them, make an incredible commitment to care for our chickens 24 hours a day, seven days a week.





WHAT WE PROMISED:

Just as we know we can and should do a better job in our relationship with farmers, we recommit to our relationship and will focus on three critical areas:



We commit to doing a better job listening to farmers and communicating with them.

We will modify our business relationships with contracts that connect care and welfare performance, in addition to production and efficiency, to pay and incentives.

We will consider the farmer's well-being when establishing housing standards, space allotments, and flock rotation cycles.



WHAT WE DID:

Listening and Communicating:

Established 17 farmer councils, one in each of our growing areas, and have held three meetings with each council.

Asked farmers to rate Perdue on multiple attributes to learn what we do well and what we can improve.

Hired 17 additional full-time flock advisors to increase daily interaction with farmers. This lowers the farms and houses each is responsible for by 25%, giving Perdue flock advisors additional time to spend with each farmer and the birds they raise.

Began a flock advisor communication training program to provide tools and skills to better communicate with the farming community.

Incentives:

Initiated “space pay” in areas where we have moved to more space in the chicken house to ensure farmer income is not negatively impacted by fewer pounds marketed per house.

Initiated “rest pay” to ensure farmer income is not negatively impacted by increased layout time between flocks.

Initiated an “audit-ready bonus” to compensate farmers for additional documentation needed to show animal care requirements are being met.

Farmer Well-Being

Surveyed farmers about their experience with windows, what went well and what could be improved.





WHERE WE ARE GOING:

Establish a Perdue Farmer's website to enhance communications by January 2018.

Publish our Farmer Relationship Index, a measure of farmer satisfaction with raising chickens for Perdue, on the Perdue Farmer's website by March 2018.





PART 3

A PROMISE TO ALL OUR STAKEHOLDERS

Openness, Transparency,
and Trust

We will be transparent and will build lasting relationships with our stakeholders

Making these commitments is just the first step in building greater trust in the way we raise animals. We pledge to be transparent in our programs, goals and progress to build lasting trust and relationships with our stakeholders.





WHAT WE PROMISED:

We will annually share key animal care metrics in a clear and concise manner.

We will openly criticize ourselves when appropriate.

We will honestly and respectfully answer those who constructively criticize us.

We will embark on an “engagement” process designed to open a dialogue with a wide-variety of animal welfare stakeholders, including animal welfare advocates, academics, and animal industry experts.

We will celebrate with our partners as we achieve our milestones.





WHAT WE DID:

Developed three metrics to measure different components of animal health and welfare to publicly share on a periodic basis:

1

Livability, which for 2016/17 was 95.66%. Livability has improved each year for the last three years, and has been better than the industry average for the last two years.

2

Foot pad health, as measured in the chicken house prior to shipment by calculating the percentage of paws that are “Grade A”. Paw health is an indicator of how well the house environment is being managed, which impacts air quality, litter moisture and bird comfort. During the summer paw health is typically 80%. Grade A but declines in the winter as farmers balance keeping birds warm with appropriate ventilation.

3

Farms requiring antibiotic treatment, which for 2016/17 was 3.2% of all flocks raised. Although we start all birds in the field as No Antibiotics Ever, our veterinarians will treat a flock with antibiotics immediately when appropriate and necessary.



WHAT WE DID:

After criticism of another poultry company for using a nasal implant (Noz Bonz), to prevent breeder chickens from overeating, Perdue implemented a mid-year initiative to discontinue their use in our breeder flocks by modifying feeders. As of June 2017 we have modified feeders on 96% of our breeder farms. The balance will be completed by January, 2018. All breeder flocks with previously inserted nasal implants will be out of the field by August 1, 2017.

Encouraged transparency by opening our farms and facilities to a wide array of stakeholders. We estimate that tours and visits have quadrupled in the past two years. Visitors include customers, government officials, media, students, advocacy groups, and community members.

Holding an Animal Care Summit in July 2017 to bring together multiple perspectives on animal care. The agenda includes an update on the Perdue Animal Care Commitments, invited speakers from academia, a farmer panel, and an advocacy panel.





WHERE WE ARE GOING:

Design and evaluate viewing rooms to facilitate viewing of all stages of a bird's life in chicken barns. Pilot barns in two different regions will be implemented by the end of 2017.

Publish audit results from third-party audits.





ONLY THE BEGINNING:

A Journey of Continuous Improvement

We will continuously
improve by learning,
listening and responding

Our “Next Generation of Poultry
Care” is the beginning of the journey
that does not end. We will reflect on
what we learn along the way, and
utilize a formal framework to support
continuous improvement.





WHAT WE PROMISED:

We will study “what a chicken wants” to continue to evolve our approach to raising and caring for chickens in a respectful way.

We will work to establish a working definition for an Animal Care Culture within a company that raises animals for food. We intend to determine how this might be measured in order to hold ourselves accountable to our continuous improvement aspirations.

Our Poultry Welfare Council, which has existed for more than 15 years, will continue to be a key element going forward. In addition, in 2015, Perdue established a dedicated executive position of Vice President, Chief Animal Care Officer & Farmer Relationship Advocate.

We will have senior leadership (Vice President level and above) participation in all audit exit reviews to assure that concerns or deviations reported via our third-party audits are heard at the highest level of our organization.

We will study and invest in new technology when appropriate.

Perdue’s Commitment to Animal Care is not meant to be a static statement. We will update our positions on an annual basis to reflect key learning from this journey.





WHAT WE DID:

Helped fund two Master's students' research.

Established an Animal Care Steering Committee to advise senior leadership on initiatives, track results of commitments, and manage the process of change within Perdue.

Establish a process to document events requiring immediate attention.

Poultry Welfare Council meets quarterly.

Are establishing a process to document leadership participation in audit exit reviews

Invested in Controlled Atmosphere Stunning, video monitoring and research farm upgrade.

Published our first annual report July 2017.





WHERE WE ARE GOING:

We will keep a log of behaviors representing a culture of animal care and publish examples of behavioral changes by March 2018.





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care
2017