

GUIDE TO FULFILLING CAGE-FREE COMMITMENTS



This guidance document is intended to support global companies with their cage-free egg progress reporting and fulfillment, and was created by The Open Wing Alliance.

CHECKLIST TO CAGE-FREE FULFILLMENT

- ☒ Publish a time bound commitment to source 100% cage-free eggs throughout entire supply chain
- ☒ Add cage-free egg sourcing to brand standards
- ☒ Communicate this commitment with all global locations *(including franchises, non-branded locations and partners)*
- ☒ Communicate this commitment with your suppliers, incorporating it into contracts
- ☐ Procure data on cage-free egg percentage *(ideally by volume, but this can also be spend, or locations exclusively sourcing cage-free eggs)*
- ☐ Report publicly on progress regularly, annually as a minimum (globally and by region)
- ☐ Secure impact incentives for regions with low cage-free availability *(current only available in Asia)*
- ☐ Publish a fulfillment statement on your website

WHY DO WE NEED TO REPORT?

There are now over 2,600 companies across the globe committed to sourcing exclusively cage-free eggs.

Consumers, investors and stakeholders are now focused on a company's intention to reach 100% cage-free procurement in all countries it operates in to ensure global equity. With the vast majority of companies reporting or accelerating progress, often from a granular approach, this level of transparency is fast becoming the industry standard.

WHAT DO WE NEED TO PUBLISH?

We suggest reaching out to each of your suppliers to gather data on their cage-free progress. This information should be summarized as percentages by region and a total global percentage.

You can share your raw data confidentially with our corporate relations team; our team will draft a suggested statement in line with industry standards as well as your brand communication style to publish to your website.

Below is an example of the necessary information for reporting progress. This information can be published on your website, as an update to your current cage-free statement:

2024 update: [COMPANY NAME] is committed to sourcing 100% of our eggs (shell, liquid, and egg products) from cage-free sources throughout our global operations for all owned, managed, and franchised properties by the end of [DEADLINE YEAR]. [COMPANY NAME] will publish annual progress reports towards this commitment. In line with this commitment, as of [MONTH] 2024, X% of our global egg supply comes from cage free sources and we are committed to achieving our targets to be 100% cage-free globally by [DEADLINE YEAR].	Regional Breakdown
	Europe - X%
	Middle East - X%
	Africa - X%
	North America - X%
	Latin America - X%
	Asia - X%
	Oceania - X%

You are also required to publish proof of your fulfillment, in the form of a statement, on your website or in your annual CSR report. See examples below:

[Barilla - 100% cage-free globally since 2019](#)

[Travel + Leisure - 100% cage-free in the United States since 2020](#)

[AmRest - 100% cage-free in Europe since 2021](#)

HOW DO WE SHARE OUR PLANS FOR FULFILLMENT?

We strongly encourage companies to talk about their planned milestones on their journey to fulfillment. This can be talked about in your update, or alternatively you can publish a glidepath setting out the planned percentages of compliance.

The percentages on your glidepath will depend on what progress your supply has made to date; we can discuss suitable milestones together.

Glidepath example:

[COMPANY NAME] Cage-free Glidepath						
	2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	2025
Europe	X%	X%	X%	X%	X%	X%
Middle East	X%	X%	X%	X%	X%	X%
Africa	X%	X%	X%	X%	X%	X%
North America	X%	X%	X%	X%	X%	X%
Latin America	X%	X%	X%	X%	X%	X%
Asia	X%	X%	X%	X%	X%	X%
Oceania	X%	X%	X%	X%	X%	X%
Global	X%	X%	X%	X%	X%	X%

WHAT IF WE HAVE ACCELERATED OUR TIMELINE OR FULFILLED OUR COMMITMENT?

If you plan to fulfill your cage-free commitment early, or have already fulfilled, let us know! We can provide positive press to celebrate these achievements. This information can be published on your website as an update to your current cage-free statement.

WHAT ARE CAGE-FREE IMPACT INCENTIVES?

”[Impact Incentives](#)”—also known as “cage-free credits”—were established by [Global Food Partners](#) to mitigate supply concerns and other variables impeding the egg industry’s transition away from cage systems in emerging markets.

Cage-free impact incentives, in the form of financial credits, help you to achieve your 100% cage-free supply chain, even if the cage-free supply is not yet developed enough in all the regions you operate in. They are currently established in Asia. In this region you can elect to purchase cage-free credits that enable local egg producers to produce cage-free eggs. The credits help the producers to offset the higher costs associated with shifting to cage-free production, therefore increasing the supply in that region. You continue to buy as many caged eggs as you need, sponsoring the production of the same number of cage-free eggs through the credit system.

Global Food Partners explain them as: [a new-and-improved Book and Claim credit system for eggs](#).

The impact incentives program works this way:

1. You [the company with a cage-free commitment] sources as many cage-free eggs as is available in the region.
2. For the remaining eggs you require, you continue to source caged eggs.
3. For all the caged eggs you continue to source, you buy cage-free credits.
4. The cage-free credits go to a local farmer, to enable them to produce cage-free eggs at the cost of caged eggs. Each credit is equal to the extra (on top of caged egg production) the producer needs produce cage-free eggs instead of caged.
5. You can publicly announce you have fulfilled your cage-free egg commitment, with the help of impact incentives in that specific country/region.
6. Through the impact incentives, you are ensuring that the exact number of cage-free eggs, equal to the number of eggs you source, are produced. This also helps to build up cage-free infrastructure in the country/region.

7. Impact incentives are a temporary solution; when you are able to purchase enough cage-free eggs in that country/region, you can withdraw from the program and source them directly.

[Read more on impact incentives here.](#)

WHAT IS THE OPEN WING ALLIANCE FULFILLMENT REPORT?

Each year, the Open Wing Alliance releases a [cage-free fulfillment report](#).

This report shares the cage-free fulfillment data for all cage-free commitments with deadlines up to the previous year (because companies have until December 31st of their deadline year to fulfill their commitments). This report can be used as a snapshot of cage-free progress, and details the progression of cage-free year by year.

Since 2021 the cage-free fulfillment rate has increased, from 86 - 89%.

This means that, on average, just over 1/10 of cage-free commitments are not fulfilled on time. Companies are making cage-free commitments, and following through on them. The benefits of fulfillment include:

- **Positive advertising** - you can advertise your cage-free status on your website and social media. Open Wing Alliance groups often put out press releases congratulating companies for achieving their commitments, or may name a company who has fulfilled its commitment in a report.
- **Consumer approval** - recent studies have shown that consumers prefer to purchase cage-free eggs, and consider ethics when choosing which brands to buy or which companies to support.

ANY QUESTIONS?

If you have any questions regarding cage-free commitment progress reporting that are not covered in the information above, or would like to discuss this further, please contact one of the members of our corporate relations team using the details below, and we will be happy to assist:

Companies HQ'd in Europe:

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ADDITIONAL RESOURCES

The Benefits of Cage-Free

A guide for companies transitioning to cage-free

The Life of Laying Hens

Overview of how laying hen systems work

Welfare Issues in Laying Hens?

Technical solutions to welfare issues on farms

Optimising Laying Hen Welfare in Cage-Free Systems

How to work towards a smooth transition in egg production

Cage-Free Housing

Problems associated with 'combi' systems

Higher Welfare Housing

Practical options for higher welfare housing for laying hens

EU Egg Market Dashboard

Breakdown of egg prices and production method by EU country