



MONITOR DE INICIATIVAS
CORPORATIVAS POR LOS ANIMALES



MERCY FOR
ANIMALS

Report 2021-2022

MICA

Monitor de Iniciativas Corporativas por los Animales (MICA) analyzes the animal welfare performance of Latin America's most influential food and hospitality companies.

In our first edition, we focused on laying hen confinement for 34 companies across food industry segments in Latin America, ranking them according to their stance and progress on this matter. For this second edition, we have added 18 other companies.

Cage confinement of hens by the egg industry is one of the cruelest food industry practices, as hens cannot express most of their natural behaviors, such as nesting, spreading their wings, dustbathing, and foraging.

Besides entailing numerous animal welfare deficiencies, conditions in this production system also affect other relevant issues, such as public health—for example, drug resistance linked to excessive use of antibiotics in farmed animals—environmental degradation, including the impacts of mismanaged waste on communities near farms; and human rights violations. For this reason, modifying confinement conditions for laying hens will also safeguard human health and provide a better environment for farmworkers. In addition, animal welfare policies can drive strategies to meet the sustainable development goals adopted by the United Nations to protect our planet and ensure peace and prosperity for all by 2030.¹ In fact, thousands of companies around the world have pledged to ban cage confinement from their supply chains.

Most deadlines for implementing these bans are approaching; therefore, companies must start making **considerable progress** on their transitions and **publicly report this progress on an annual basis** to show consumers and stakeholders transparency in their operations, as well as accountability in terms of social responsibility.

After analyzing public information and collecting data through WelfareProgress.com and our MICA questionnaire, we ranked the 52 companies' performance on this critical animal welfare issue. With each new edition of MICA, the deadline for implementing cage bans draws nearer, so the criteria of each edition will reflect greater expected progress.

NOTE: We expect retailer commitments to cover 100% of shell eggs. For all other company categories, we expect commitments to cover 100% of egg sourcing, including shell eggs, liquid eggs, and eggs used as ingredients.



New



Level up



Same level



Level down



Gold Level: 100% Cage-Free

- BRF
- Danone



Silver Level: Close to Fulfillment

- Silver-level companies **publicly report** that their Latin American supply chains are **more than 90%** cage-free.

- Costco



Bronze Level: Significant Progress, Public Reporting

- Bronze-level companies **publicly report** that their Latin American supply chains are **more than 30%** cage-free.

- Arcos Dorados²
- GPA
- JBS³
- Subway



Green Level: Some Progress, Demonstrated Transparency

- Green-level companies **publicly report** that their Latin American supply chains are **more than 15%** cage-free. As of this MICA edition, to enter the green level, companies must publicly report their progress through their websites, sustainability reports, or WelfareProgress.com.

- Carrefour



Yellow Level: Little or No Progress, Some Transparency

- Yellow-level companies have publicly committed to 100% cage-free egg sourcing throughout Latin America but have made **insufficient or no progress**. In addition, these companies report their progress **publicly** or **privately** through our questionnaire. This is the last MICA edition to allow companies to enter the yellow level without publicly reporting their progress.

- Accor
- Aramark
- Barceló⁴
- Bimbo⁵
- BFFC
- Compass
- Crepes & Waffles⁶
- Ferrero⁷



• Kraft Heinz ⁸	✖
• Marriott International	✓
• Pif Paf	*
• Puratos	=
• Sodexo	=
• Unilever ⁹	✖
• Walmart Brasil (Big) ¹⁰	✖

Orange Level: Not Transparent or Not Committed

- Orange-level companies fall into one of the following categories:
 1. Publicly committed to 100% cage-free egg sourcing across Latin America but have not reported any progress publicly or privately
 2. Not publicly committed to 100% cage-free egg sourcing across Latin America but demonstrate some transparency by responding privately to our MICA questionnaire

• Alsea	=
• Arcor	*
• Best Western	*
• Cargill	*
• Cencosud	✓
• Colombina	*
• DIA ¹¹	=
• Grupo Herdez	✓
• HEB	*
• Hershey	*
• Hilton	=
• InterContinental Hotel	✖
• Kellogg's	*
• Mondelēz	✖
• Nestlé	=
• PepsiCo	=
• RBI	=
• Royal Caribbean	=

Red Level: No Commitment and No Transparency

- Red-level companies have not publicly committed to 100% cage-free egg sourcing in Latin America, have not publicly reported any progress, and have refused or failed to complete our private questionnaire. Orange-level companies from MICA's last edition (no commitment) that made no progress this year (despite having filled out the questionnaire) drop to this level.

• Alicorp	*
• Camil ¹²	*
• Carozzi	*
• Chedraui	*
• Falabella	*
• FEMSA	=
• Grupo Éxito	✖
• Jeronimo Martins	✖
• Mars	✖
• Soriana	=
• Walmart Mx y Centroamérica	=

¹Diana Paola Molina Negrete, "Hacia una nueva normalidad: la Responsabilidad Social Corporativa y el bienestar animal como una oportunidad para las empresas", en *Responsabilidad social y sostenibilidad: disrupción e innovación ante el cambio de época*, coords. Lorena Miranda Navarro y Miguel Ángel Santinelli Ramos (Huixquilucan, México: Universidad Anáhuac, 2021), 474–492.

²Arcos Dorados reported challenges in operating their cage-free egg supply chain in all countries. At the same time, the company reported decreasing their egg usage considerably due to changes on their menu. In Brazil, for example, the company no longer offers eggs as a breakfast option. With a 23% reduction in egg purchases, Arcos Dorados remained in the bronze level yet made a tremendous positive impact on the plight of laying hens.

³The report covers all JBS operations in Brazil, which is the only country in which JBS uses eggs.

⁴Although Barceló reported enough progress to enter the green level, the lack of a publicly available report at the assessment date kept the company from ranking at this level.

⁵Grupo Bimbo publicly reported more than 30% progress in implementing their cage-free policy; however, their report does not cover all Latin American countries in which the company operates, including Mexico, so we estimate that actual progress is below 15%.

⁶The progress that Crepes & Waffles [reported through WelfareProgress.com](#) is significant; however, 4% of their Latin American branches (Panama and Chile) have not committed to eliminating cages, which prevents the company from ranking higher, since MICA evaluates companies on all operations in Latin America.

⁷On their global cage-free policy, Ferrero Group publicly reports a high percentage of completion; however, MICA's assessment considers only operations in Latin America. Accordingly, Ferrero Group's classification is yellow.

⁸In their [ESG report for 2021](#), Kraft Heinz stated that 2020 data was not available. This invalidates Kraft Heinz's previous MICA bronze-level classification, which was based on the company's [ESG report for 2020](#), which declared that 50% of their eggs used in Latin America came from cage-free systems.

⁹Despite the progress reported by Unilever, the lack of a publicly available report at the time of the assessment prevents the company from ranking at a higher level.

¹⁰In light of Walmart Brasil's last report and the company's failure to report any progress for 2021, Walmart Brasil drops a level, as the criteria for ranking at each level become more demanding with each edition of MICA.

¹¹DIA lacks a commitment that covers all their Latin American operations, since DIA Argentina has not adopted a cage-free policy; however, DIA Brazil pledged to eliminate cages in their egg supply chain. For this reason, DIA does not drop to the red level.

¹²In August 2021, Camil acquired Santa Amália, a pasta brand previously owned by Alicorp. With this purchase, Alicorp stopped operating in the Brazilian food industry, and Camil is now in charge of the country's fourth-largest pasta brand.