

METRO Position on Animal Health and Welfare

1. Introduction

Products of animal origin, particularly meat and meat products, play an important role in the everyday diet of consumers. Consumers are eating more consciously and mindfully, and they want to know what they are eating and where it comes from. More and more consumers are becoming flexitarians or even vegans. The reasons differ: some consumers have health and ethical reasons, while others believe that meat consumption is no longer environmentally sustainable.

This change in consumer consciousness also includes placing an increasing value on ethical husbandry and on products with higher standards of animal welfare as opposed to intensive livestock production. According to the 2016 Eurobarometer report 'Attitude of Europeans towards Animal Welfare', 94% of Europeans believe it is important to protect the welfare of farmed animals and 59% are prepared to pay more for products sourced from animal welfare-friendly farming systems.

METRO is known for its exceptional competence in fresh food ranges and attach great importance to transparency concerning products originating from animals, such as the origins of livestock or animal health and welfare conditions.

METRO supports the United Nations Sustainable Development Goals (SDGs) and, with its aim to a more sustainable product range, contributes to achieving the global agenda. With regards to METROs animal welfare position, the following goals are particularly relevant:

- SDG 8 (Decent work and economic growth)
- SDG 12 (Responsible consumption and production)
- SDG 13 (Climate action)
- SDG 15 (Life on land)
- SDG 17 (Partnerships for the Goals)



2. Objective

METRO recognises animals as sentient beings and strives to increase quality of life for animals by balancing mental and physical well-being as well as natural behaviour, wherever reasonable. Therefore, METRO countries can engage on local level by:

- 1) Continuously developing METRO's product range, complying with higher animal health and welfare standards and local certification schemes (e.g. GLOBALGAP add-on, Beter Leven, Tierwohl Initiative, etc.; see Annex 1)
- 2) Increasing transparency throughout the supply chain by tracking and monitoring relevant animal health and welfare criteria, such as livestock origin, transportation times, prestunning, etc.
- 3) Promoting local multi-stakeholder initiatives and working with suppliers, customers, industry partner suppliers, relevant animal health and welfare experts, policymakers and nongovernment organisations to initiate a systematic transformation in the respective market for better farming systems and compliance with higher animal health and welfare standards.

METRO is closely monitoring the discussions on upcoming legislation at the European level and will review and update the framework of this position paper in due time.

3. Framework

3.1 Five Freedoms for Animal Welfare

We respect the Five Freedoms of the Farm Animal Welfare Committee as a reference definition of animal welfare:

- Freedom from hunger and thirst – by providing ready access to fresh water and a diet to maintain full health and vigour
- Freedom from discomfort by providing an appropriate environment including shelter and a comfortable resting area
- Freedom from pain, injury or disease – by means of prevention or rapid diagnosis and treatment
- Freedom to express natural behaviour – by providing sufficient space, proper facilities and company of the animal's own kind
- Freedom from fear and distress
 by ensuring conditions and treatment which avoid mental suffering

3.2 Cloning

Animal cloning is the process of replicating animals from the best gene pool to produce meat or eggs from the best livestock.

Food from cloned animals is regulated within the EU (Novel Food Regulation EU (2015/2283)). However, we respect that our consumers usually do not demand meat derived from cloned animals for ethical reasons. Therefore, at METRO, cloned animals may not be used for our own brand products.



3.3 Genetically engineered organisms

The use of genetically engineered organisms in foods, known as green genetic engineering, is a complex and controversial topic. For some it represents an important step into the future, while others see it as a threat to nature, biodiversity, and the health and welfare of animals.

The overall purpose of genetically engineering farm animals is to boost yield by enhancing growth rates or improving disease resistance, which is in conflict of interest with increasing the welfare and health of farm animals. Instead, aiming for less intensive farming systems is the preferred response for addressing diseases.

At METRO, genetically modified animals may not be used in our own brand supply chain.

3.4 Antibiotics and growth promoters

In recent years, the potential link between antibiotic usage in food animals and resistance in humans has been highly discussed by relevant experts on all levels – national, European and global. In the EU the routine use of antibiotics in farm animals is prohibited.

Ethical husbandry is known to increase animal health while decreasing the risk of infections and

many diseases. Consequently, the need to administer antibiotics can be reduced. At the same time, we acknowledge that some antibiotics are important medicines for animal health.

Putting animal health first, METRO only allows for a responsible and prudent usage of antibiotics in the food animal supply chain and – if usage is necessary – to reduce the usage of antibiotics in the production of our own brand products, particularly poultry and pork through the following measures:

- Treatment of animals with antibiotics only under the supervision of a food animal veterinarian as the key expert on the farm level
- No preventive administration of antibiotics, which should only be used as a last resort when they are considered necessary for ensuring animal health based on a farm veterinarian's treatment plan
- No usage of antibiotics as growth promoters for the food animals in our own brand meat supply chain

To continuously improve and reduce antibiotic usage, we take into account the views of the World Health Organization (WHO), the World Organisation for Animal Health (OIE) and the European Medicines Agency (EMA).



3.5 Animal Transport

Every day, thousands of animals are transported for slaughter, fattening and breeding within Europe and abroad. Transport conditions differ from journey to journey, and high animal welfare standards responding to the specific needs of each animal species must also apply during this transportation.

As a minimum requirement, expect our business partners to comply with existing local and European legislation on the protection animals during transport. Moreover, we request that our suppliers implement the European Guides of Good Practices (e.g. cattle, pigs, poultry) to go beyond what is prescribed by legislation for the transportation of livestock. We strive to avoid unnecessary long-distance travel wherever possible and ensure live transportation of animals is kept to a minimum. As a first basic step, we are striving for more transparency concerning journey times and the respective transport conditions for livestock that provide meat to METRO.

3.6 Slaughtering and prestunning

For own brand products, we ensure that farm animals are slaughtered in compliance with the relevant legislation and in accordance with the Guidelines for the Slaughter of Animals for Human Consumption as outlined in the OIE World Organisation for Animal Health's 'International

Animal Health Code – 2006'. We aim to ensure 100% humane stunning prior to slaughtering in order to minimise:

- anxiety, pain and suffering and
- the distress experienced by animals by using proper stunning techniques carried out by competent and qualified personnel familiar with animal behaviour.

This also applies to the halal meat products we sell at METRO, particularly in Islamic countries or where we see significant customer demand, such as in Germany and Austria. Islam allows stunning under certain conditions.

Wherever realistic and enforceable, METRO aims to produce all own brand halal and kosher meat by using short-term electronic anaesthetisation in order to save the animal from feeling pain during slaughter.

3.7 Mutilation

Stress is the root cause of certain types of animal mutilation, such as teeth-biting or feather and vent pecking in laying hens and is usually the result of inadequate husbandry conditions and poor management practices. To stop the routine mutilation of farm animals in the METRO supply chain, we understand that it is necessary to improve animal conditions husbandry and the management of animal welfare systems.

Together with our suppliers and relevant experts, we strive to increase



animal welfare and health on the farm level and to exclude the routine mutilation of farm animals. We expect our suppliers to keep mutilation practices such as tail docking, teeth clipping, beak trimming and fin trimming to a minimum. If used, these practices are only undertaken under veterinary advice on the farm level.

3.7.1. Castration

Most young pigs slaughtered Europe are castrated without anaesthetic shortly after birth to prevent the meat from having an unpleasant smell, known as 'boar taint', when it is later cooked. For that reason, the only meat we sell internationally comes from pigs that have been surgically castrated without causing pain by a veterinarian or authorized persons with appropriate means and under hygienic conditions, as well as meat from intact male pigs and injected male pigs (immunocastration).

3.8 Eggs

METRO supports the further improvement of farming conditions for laying hens by promoting animal welfare housing systems, such as: indoor barn systems and outdoor access systems (free range, organic). METRO countries are working locally with the industry, government and business partners to help transform the market.

3.9 Fish and Seafood

Fish is an extremely important product in our range, and as a responsible partner for our customers and suppliers, METRO has defined criteria for sustainable sourcing with its <u>Fish and Seafood Procurement Policy.</u>

3.9.1. Aquaculture

Half of the fish consumed globally already comes from aquaculture. Aquaculture is playing an increasingly important role in METRO's sustainable fish sourcing strategy, respecting environmental and social standards as well as animal welfare indicators, as it reduces the pressure on wild-capture fisheries.

To ensure that farmed fish is a genuinely sustainable alternative to wild-caught fish and compliant with welfare hiah animal standards. certification schemes are a key instrument (see Annex 2 for certifications accepted by METRO as well as more information in our Fish and Seafood Procurement Policy) As part of our Action Plan for Fish, we are in constant dialogue with relevant certification agencies to improve the aquaculture industry S0 that complies with higher animal health certification and welfare requirements.