



## Hilton Food Group Animal Welfare Statement

### Introduction

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At Hilton Food Group our customers expect us to take animal welfare seriously when sourcing their products. We have set out our thinking on animal welfare in our Animal Welfare Policy, which was updated in July 2019. It applies to all species, in all markets, however we recognise that the different markets in which Hilton Food Group operates are at different stages in their development and implementation of animal welfare standards.

Our core business is the supply of beef, lamb, pork and fish products under retailer own label brands, working in partnership with the suppliers that lead in animal welfare in each of the markets in which we operate. At Hilton Food Group we produce meat from the equivalent of almost half a million cattle, almost a million pigs, almost a million lambs and 7.5 million farmed Atlantic salmon each year. We currently operate across Europe and Australia, with the core of our business in the United Kingdom, Republic of Ireland, Denmark, Holland, Sweden, Poland, and Australia. Hilton Food Group also uses small amounts of other animal proteins, such as poultry, and very small amounts of dairy and eggs in some of our UK fish products.

Hilton Food Group does not own or operate abattoirs or farms. We purchase carcass meat into our cutting and packing operations from supplying partners through direct contracts in all our major markets. Animal welfare requirements are included within the contractual requirements for all suppliers to Hilton Food Group. In some markets we manage cutting and packing operations on behalf of our customers, but do not have a direct purchasing relationship with these suppliers. Here we work with our customers to influence their suppliers.

At Hilton Food Group, day to day responsibility for our animal welfare policy sits with our Group CSR Director reporting to the Chief Quality and CSR Officer who in turn reports directly to the Chief Executive Officer and main Board. The Hilton Food Group Board regularly reviews progress against the animal welfare objectives outlined in our Animal Welfare Policy through the CSR Committee.

We have worked with our customers and suppliers to establish indicators, which include both input measures and outcome measures, as a means of assessing welfare at farm, during transport and at slaughterhouse facilities. We are in the process of agreeing objectives with our partners and have started to monitor progress using a range of data points, including audit results and these indicators.

We provide specific animal welfare training for the auditors employed by Hilton Food Group to audit slaughter/farm facilities (e.g. in the case of our farmed fish auditors, all have received external training provided by the Fish Vet Group). We expect all 2<sup>nd</sup> and 3<sup>rd</sup> party auditors to also have received animal welfare training.

If we identify non-compliances, we work with our suppliers to develop actions plans to resolve them, working in collaboration to identify root causes and solutions. This may require multiple visits and longer-term actions to help build better understanding and capability. Where critical animal welfare non-compliances are identified, we may temporarily suspend or, if necessary, cease supply. It is always our objective to resolve animal welfare problems, rather than to walk away from them, so ceasing supply is only ever a last resort where we believe that the problem cannot be rectified.

Our approach is to share learnings across the different markets in which we operate, using our influence to drive improvements in standards in a way that is both stretching and achievable for our supplier base. By developing an approach that shares welfare outcome measures across markets, we can allow countries to develop their own solutions to any challenges, whilst still ensuring animal welfare is constantly improving.

## How we deliver against our policy

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We have developed a multi-layered approach to animal welfare assurance (illustrated in Fig 1 below) that builds upon minimum legal requirements using a range of additional standards and audit regimes. We believe this approach provides robust assurance and fosters continual improvements, as standards are reviewed and strengthened over time.

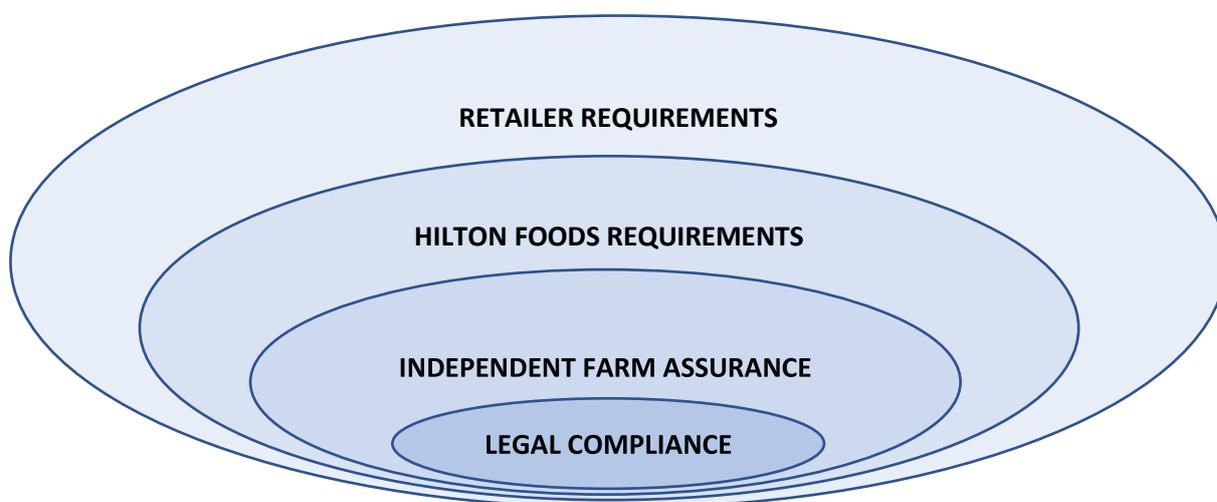


Fig 1: Hilton's multi-layered approach to animal welfare assurance

### Legal compliance

Hilton Food Group requires that all applicable laws and regulations relating to the welfare of animals used in our products are fully complied with wherever we operate.

### Independent Farm Assurance Standards

All farms, fish farms, livestock facilities and slaughter facilities for farm animals and farmed fish supplying Hilton Food Group UK, Ireland and Sweden, and the majority supplying to the other European and Australian markets are certified to independent farm assurance schemes. Where required assurance may be to higher welfare schemes or organic standards.

### Hilton Foods Requirements

Hilton Foods UK/ROI independently audits all livestock slaughter facilities to the Hilton Group Supplier Standard using a dedicated second party, during which standards of animal welfare are assessed by a welfare qualified auditor. Seachill directly employs farmed fish welfare officers to audit all farmed fish slaughter facilities and supplying fish farms including those outside the UK, e.g. pangasius in South East Asia. For our European operations, Hilton Food Group directly employs a dedicated team of auditors, who are trained in animal welfare, to audit all livestock slaughter facilities.

### Retailer Requirements

In addition to our own standards and audit programme described above, all livestock and farmed fish suppliers supplying to Hilton Foods UK and Seachill are required to meet and are audited to Tesco

Livestock Welfare Standards. These species-specific standards are independently audited by Integra Food Secure Ltd (an ISO 17020 accredited inspection body) who employ trained animal/fish welfare officers. A similar approach is taken in partnership with other retailers in our other major markets.

#### **Example: Tesco in UK**

In the UK, all supplying farms and abattoirs must comply with species specific industry leading Tesco Livestock Requirements encompassing the Five Freedoms, and covering all aspects of animal rearing including health, welfare, feed, production systems, environment, stocking, transport and slaughter across all livestock species including aquaculture.

Tesco Livestock Requirements stipulate that 100% of farms are assured to a recognised farm assurance standard, including Red Tractor and Bord Bia, throughout the United Kingdom and Ireland.

For farmed seafood, Tesco requirements are in compliance with the OIE Aquatic Animal Health Code and farm assurance standards including GlobalG.A.P. and the Aquaculture Stewardship Council. Tesco *finest\** salmon is reared in Scottish waters and certified to GlobalG.A.P. and RSPCA Welfare Standards. Tesco organic salmon is certified to independently assured organic standards, requiring lower stocking densities.

#### **Example: Woolworths in Australia**

Woolworths is committed to working with farmers and suppliers to focus attention on good animal welfare. Woolworths' animal welfare policies cover all aspects of animal rearing, health, welfare, feed, production systems, environment, stocking, transport and slaughter. Its approach is based on and endorses the Five Freedoms and applies to all dairy, beef, lamb, poultry, eggs, pigs and aquaculture species.

Woolworths' Animal Welfare policies are implemented through the supplier excellence program covering own brand products with animal welfare progress reported annually as part of the Corporate Responsibility report.

Woolworths has trained its beef purchasing team on animal welfare to Aus-meat Animal Welfare Certification System (AAWCS). Using Compassion in World Farming Animal Welfare training – Basic level 1 as a template it has started training colleagues on animal welfare of pigs.

All Woolworths' Own Brand fresh pork is independently audited to the Australian Pork Industry Quality (APIQ) standard. In addition to this it has implemented its Woolworths Pork Blueprint, which includes higher animal welfare components. Woolworths' beef cattle are grazed and finished in feedlots that are accredited by the National Feedlot Accreditation Scheme (NFAS), which incorporates animal welfare components. Only 20% of Woolworths' sheep are sourced from sale yards with 80% sourced straight from farm. No Woolworths lamb is mulesed.

#### **Other proteins**

We are working with our suppliers of dairy and poultry products to confirm animal welfare standards in this supply. We already stipulate that all the dairy products and eggs used in our Seachill business for sauces and fishcake fillings must meet Tesco Livestock Welfare Standards. The eggs must be from free range flocks.

## Assessing animal welfare

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We use a combination of input measures and output measures to assess animal welfare on farm, during transport and at slaughter.

Input measures include things like space allowances, transport times or volumes of antibiotic used in a farming system. Input measures are linked to animal welfare outcomes and are important in managing livestock systems; however, they do not directly provide an assessment of the animal's welfare experience and therefore may not by themselves provide a complete picture of animal welfare.

Welfare outcome measures are obtained by directly observing animals. They include both physical and behavioural observations that provide a picture of animals' welfare experience. Some outcome measures, such as body condition, mobility or effectiveness of stunning, are common to all species. Others may be species-specific, for example incidence of particular diseases or vocalisation at the slaughterhouse.

These measures help us and our suppliers to understand how well we are doing, where we can make further improvements and to benchmark best practice and identify trends. Our suppliers report them periodically to us and we review them together during all supplier visits.

### **Example: Welfare outcome measures at the slaughterhouse**

Our UK lamb suppliers monitor the following outcome measures for every animal and report it on a monthly basis:

- total number of animals monitored
- lame animals
- falling at unloading
- acceptable cleanliness score
- stun fails
  - stun fail (movement)
  - stun fail (equipment)
  - stun fail (ineffective)
- bleed rail recovery
- presence of liver fluke

### **Example: welfare indicators for farmed Atlantic salmon**

As well as periodic veterinary examination of the fish for routine health checks, our salmon producers monitor the following welfare indicators on every farm during the growing period:

- survival%
- sea lice numbers
- antibiotic use

## Delivering against our objectives

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Hilton Food Group is committed to reporting publicly on progress against our animal welfare objectives. These objectives are outlined in our Animal Welfare Policy. They drive our programmes of work on animal welfare with our retail partners and suppliers and are focused on the key farm animal welfare issues relating to beef, lamb, pork and fish.

Our animal welfare objectives reflect how Hilton and its partners and stakeholders see animal welfare developing in the mid-term. They align with our Values and Goals and are as follows:

1. No animals are from cloned stock or subject to genetic engineering
2. Animals are free from close confinement
3. Animals are provided with environmental enrichments that promote species typical behaviour
4. Animals are free from routine painful procedures. Where procedures are deemed necessary, appropriate anaesthetic and pain relief are used.
5. No routine use of antibiotics. Antibiotics are used judiciously to treat sick animals only when withholding treatment will negatively impact their welfare.
6. Travel times are kept to a minimum and are not greater than eight hours
7. All animals and farmed fish are effectively stunned prior to slaughter.
8. Slaughter facilities and farms are certified to recognised farm animal welfare assurance schemes.

We are working with our retail partners and suppliers to develop consistent metrics for each of these objectives with baselines, timelines and targets for each species in each market. We intend to incorporate these into future animal welfare updates.

### **Objective 1. No animals are from cloned stock or subject to genetic engineering.**

Hilton Food Group does not permit the use of animals or farmed fish from cloned stock or which have been subject to genetic engineering. We do not prohibit the use of genetically engineered animal feed in the production of our non-organic meat or fish.

We monitor this by checking breeding and intake records at each farm inspection.

#### **How are we doing?**

We have found no evidence of the use of cloned or genetically engineered animals or fish in our supplier assessment programme.

100% achieved

## **Objective 2. Animals are free from close confinement.**

Hilton Food Group is committed to the avoidance of close confinement of livestock and finfish across all species and is working towards continuous improvement in this respect. We believe that animals thrive better when given adequate space and many animal health and welfare problems are avoided.

We monitor this by reviewing supplier records and checking the space provided for animals at all lifecycle stages at each farm inspection.

### **How are we doing?**

#### **Cattle**

- The majority of cattle used in our European businesses are not subject to close confinement.
- Although in cold Northern climates, winter housing of cattle is normal practice in most countries for animal and farmer welfare reasons, our suppliers and customers have clear guidelines on space requirements for cattle to avoid close confinement. Our Swedish customer, ICA also defines how many days cattle must spend grazing each year.
- Tethering beef cattle is normal practice in Poland. Since 95% of the beef used in our Polish business is sourced in Poland, it is probable that all of these animals are tethered for at least part of their lives. We are exploring alternatives to tethering with our Polish suppliers.

92% achieved in our European businesses

- In our Australian business, feedlots are used to finish cattle after the greater part of their lives has been spent grazing, although we only source from feedlots accredited by the National Feedlot Accreditation Scheme (NFAS), which includes animal welfare provisions.

#### **Lamb**

- Close confinement is not a feature of sheep farming in our supply.

100% achieved

#### **Pigs**

- No sows in our supply are tethered or confined in stalls after successful service has been confirmed.
- In Australia, our retailer partner Woolworths has committed to ensuring all own brand fresh pork is sourced from farms that only use gestation stalls for less than 10% of the sow's gestation period.

100% achieved

#### **Farmed fish**

- For our farmed fish, Seachill set science-based stocking densities according to individual species and farming system. For salmon there is a particular focus on salmon densities during harvesting to ensure fish are not overcrowded. This is measured through a combination of parameters including time, water quality (e.g. O2 levels) and welfare outcome measures (e.g. fish behaviour).

100% achieved

**Objective 3. Animals are provided with environmental enrichments that promote species typical behaviour**

Animals thrive better in stimulating environments. Insufficient enrichment can result in stereotypic behaviours, aberrant behaviours, such as tail biting in pigs, and in frank aggression towards other animals in their group. Hilton Food Group is working with our retailer and supplier partners to share best practice in species specific, effective enrichment.

We monitor this by observing the provision and appropriate use of enrichment materials at each farm inspection.

**How are we doing?**

We are still collecting data on this objective.

- In the Netherlands, all our pigs are grown to higher welfare standards and provided with greater space and an enriched environment.
- In Denmark, our suppliers report that 88% of pigs have enrichment, such as straw.
- In Sweden, under the Frilandsgris (Swedish Free range pigs) scheme, pigs are outdoor reared and finished in strawed pens with indoor/outdoor access. Cattle in the Beef Nature scheme are grazed on conservation status, biodiverse pastures.

**Objective 4. Animals are free from routine painful procedures. Where procedures are deemed necessary, appropriate anaesthetic and pain relief are used.**

Routine procedures such as tail docking, fin clipping and disbudding of calves can cause distress and pain to animals. Hilton Food Group is committed to the avoidance of routine activities such as tail docking, and we have joined the newly formed UK Cattle Sustainability Programme (UKCSP) and the overarching European Roundtable for Beef Sustainability (ERBS), where we have set the goal to require 100% of farmers to use suitable pain relief where they cannot be avoided.

We monitor this by collecting farm record data via our suppliers and asking the certification programmes to verify records of pain relief use. This is also verified by observation of animals and by examination of animal health and welfare protocols and records at each farm inspection.

**How are we doing?**

**Cattle**

- Surgical castration and disbudding of calves are routinely practiced in all our major markets by our suppliers' farmers. There is a lack of data to prove that farmers are using appropriate local anaesthesia and analgesia for painful procedures, although we expect it is the normal routine. We are collecting data together with other members of the UKCSP and the ERBS.
- We believe that these procedures may be performed without adequate pain relief in up to 3% of our beef supply, mainly originating in the US and Latin America. We are working with suppliers to provide data and eliminate the practice if it occurs.
- Routine tail docking of cattle is not permitted in any of our markets.
- Our suppliers Foyle Food Group and ABP Food Group have been working on improving the welfare of Irish cattle destined for Hilton Food Group Holland. The joint initiative will focus on the painful procedures of castration and disbudding, as well as provision of soft bedding and ensuring a minimum grazing requirement, aspects which all have a significant impact on animal welfare, and which address concerns of consumers.

Tail docking of cattle - 97% achieved

More data required to verify use on pain relief. We have joined a collaborative process in Europe to achieve this.

#### **Lamb**

- Mulesing of sheep is not permitted in our supply.

100% achieved

#### **Pigs**

- Our supplier partners are working to develop husbandry systems that address the behavioural problems that create the need for tail docking in pigs.
- In Australia, our retailer partner Woolworths has rolled out its Pork Blueprint which prohibits surgical castration, teeth clipping and grinding, and is conducting research to phase out tail docking.
- Currently 100% of Hilton's supply of pigs in the Netherlands are reared to higher welfare schemes which prohibit castration of boars.
- We are still collecting data in our Polish, Swedish and Danish businesses, but believe that only 10-20% of pigs here are not docked, meaning that 44% of our pork supply to our European businesses is likely to have come from pigs which were not docked.

More data required

#### **Farmed fish**

- Fin clipping is not permitted in our supply.

100% achieved

### **Objective 5. No routine use of antibiotics. Antibiotics are used judiciously to treat sick animals only when withholding treatment will negatively impact their welfare.**

We recognise the importance of antibiotics in both human and animal medicine and the threat from improper use in livestock husbandry. We believe that routine use of antibiotics should be avoided through improved biosecurity, better site hygiene and husbandry procedures and other preventative measures, such as vaccination. Hilton Food Group does not permit the prophylactic use of antibiotics or their use for growth promotion. Antibiotics are only used for therapeutic purposes, under veterinary control to ensure they are effective and that no residues remain at slaughter. Hilton Food Group does permit the use of hormones or other growth promoting substances in any species in our European markets.

Hilton Food Group is an active member of the UK Food Industry Initiative on Antimicrobials (FIIA) where we are supporting mapping the controls in place for the prescription and monitoring of use of antibiotics in animals sold in the UK market. We are collaborating with the Global Aquaculture Alliance to map their use in aquaculture globally.

We monitor this objective by regular review of periodic reports of antibiotic use by suppliers and by examination of veterinary medicines records as well as inspection of feed materials at each farm inspection.

## How are we doing?

We are still collecting data on this objective; however, antibiotic usage is recorded by our suppliers and monitored as part of the farm audit programmes and in the case of our key Dutch supplier, publicly reported.

In its 2018 CSR Report, Vion Food Group says:

“Vion’s management strategy regarding antibiotic use on farms involves a use of antibiotics that is as low as realistically possible, while maintaining a balance between public health, veterinary health and animal welfare. ...We expect a further decrease to be achieved through coaching individual farmers and also by finding an optimal balance between animal health, welfare and productivity. To study this concept in more detail, Vion enrolled in an EU-funded research project to look at the potential of precision livestock farming to reduce antibiotic usage further. The project started in February 2019.”

Supported by initiatives such as this and by our own antibiotic monitoring programmes, we are actively working to reduce antibiotic usage further. For example:

- In ROI, our key pig supplier has further developed their approach on antibiotics based around the Responsible Use of Medicines in Agriculture Alliance (RUMA) Guidelines: “Responsible use of antimicrobials in pig production”. RUMA advocate the importance of good farm management and health planning to reduce disease challenge and, by doing so, reduce the need to use medicines such as antibiotics.
- In UK, our key beef supplier has developed, in conjunction with nutritional and veterinary partners, a programme aimed to give guidance to farmers on practices they can follow to reduce the risk of disease and thus the need for antibiotics, including ways to reduce animal stress, improve hygiene and improve bio-security.
- In Norway, our suppliers of farmed salmon have been successful in reducing antibiotic usage through use of vaccines and good husbandry.
- All antibiotic use in our farmed seafood is monitored and controlled. No prophylactic use is allowed in any farmed seafood. Our use of therapeutic antibiotics is zero in the majority of our supplier farms and our supply is well below the RUMA maxima for farmed salmon. – some examples – Leroy seafoods zero use in 2018, Greig Seafoods Norway zero use in 2018 and Cermaq 0.3 Grams Active Pharmaceutical Ingredients (API) per tonne live weight (LWE) produced. Away from Salmon in 2018 – our Fjord trout – zero use and Warm Water prawns – zero use. Some suppliers of Seabass, Seabream and Basa have zero antibiotic use.

More data required for cattle, sheep and pigs

100% achieved on farmed fish

There is no evidence of growth promoting substance being used in any of our European markets; however more data is required to verify whether there is any use in the Australian domestic market.

100% achieved in our European business

**Objective 6. Travel times are kept to a minimum and are not greater than eight hours**

Minimising livestock travel times is critical to reduce discomfort, risk of injury and distress for transported animals. Our objective is to keep travel times to a minimum and never to exceed 8 hours.

All suppliers to our major markets are aware of this objective and many report independently on livestock transport themselves. We are also aware that in our Australian business, the very large distances between farms and slaughterhouses make an 8 hour maximum difficult to achieve and impossible for some. We are working with our suppliers to ensure, in line with our customer's requirements, that all livestock transport times are kept to a minimum.

We monitor this by regular review of periodic supplier reports and by direct observation of transport records at each supplier slaughterhouse inspection.

**How are we doing?**

In most situations typical travel times are significantly less than 8 hours.

- In Denmark, the maximum transport times for approximately 90% of the pigs handled by our key pork supplier does not exceed two hours
- In Sweden, our principal supplier achieves average transport times of less than four hours
- In ROI, the typical journey time for pigs supplied to Hilton Foods Ireland is three hours and for cattle can be as low as 45 minutes
- In the UK, cattle typically travel less than four hours to our major suppliers

We are still collecting data for this objective and believe that compliance is actually very close to 100% in our European businesses. However, at the time of writing we have documented confirmation that travel times less than 8 hours are achieved as follows:

confirmation of travel times	cattle %	lamb %	pigs %
HFG UK & ROI	100	100	
HFG Netherlands	69	86	100
HFG Denmark	55	83	88
HFG Sweden	100	100	100
HFG Poland	12		29
HFG Europe total	86	99	68

Woolworths livestock requirements specify that transport times must be kept to a minimum. They have set up a welfare in transport standard in association with the Australian Transport Association that covers all species and is best in class.

More data required to verify maximum transport times for Australia and South America.

**Objective 7. All animals and farmed fish are effectively stunned prior to slaughter.**

It is a condition of supply to Hilton Food Group that all animals and farmed fish must be effectively stunned prior to slaughter, and for records to be kept and reviewed to monitor the efficacy of the stunning process and take further actions where necessary. All livestock and farmed fish suppliers to Hilton Food Group have systems in place to ensure they meet this requirement.

We monitor this by regular review of periodic supplier reports and by direct observation of the stunning process, equipment and records at each supplier slaughterhouse inspection.

**How are we doing?**

All cattle, sheep, pigs and farmed fish in all markets are routinely stunned prior to slaughter. All suppliers are required to have in place procedures to monitor the effectiveness of stunning of each animal. All suppliers must have in place backup equipment and procedures in case for whatever reason stunning is not completely effective first time.

100% achieved

We have also asked our suppliers to report on the incidence of ineffective stunning if it happens. The data is not yet complete, but for cattle and sheep, back-up provisions are required for less than 0.5% and for pigs, less than 0.1%, the majority of pigs being gas stunned.

For farmed fish, we have worked hard with our suppliers to drive improved standards of humane slaughter and in 2014 set ourselves the target of 100% fish stunned prior to slaughter (see the table below). In late 2018 Seachill facilitated a visit by Compassion in World Farming to Turkey to view the improvements made to the sea bass and sea bream slaughter process and an opportunity to review the welfare of the fish at the farm.

We can now announce that 100% of our Atlantic salmon, pangasius, salmon, sea bass and sea bream are stunned prior to slaughter. This is independently audited by Integra Food Secure Ltd. In addition, all farms are certified to independent farm assurance standard GlobalG.A.P. or ASC.

Species	2014	2015	2016	2017	2018
Atlantic Salmon	100% Electrical or percussive	100% Electrical or percussive	100% Electrical or percussive	100% Electrical or percussive	100% Electrical or percussive
Pangasius	100% percussive	100% percussive	100% percussive	100% percussive	100% percussive
Sea Bass	100% Thermal Stun	100% Thermal Stun	10% Electrical 90% Thermal	60% Electrical 40% Thermal	100% Electrical
Sea Bream	100% Thermal Stun	100% Thermal Stun	10% Electrical 90% Thermal	60% Electrical 40% Thermal	100% Electrical
Warm Water Prawns	100% Thermal Stun	100% Thermal Stun	100% Thermal Stun	100% Thermal Stun	100% Thermal Stun
Tilapia	Manual percussive Stun 100%	None purchased			

Table 1 – Results of progress towards 100% pre-slaughter stunning

We have also commissioned work on electrically stunning warm water prawns with field trials due to start later in 2019. Although prawns are invertebrates and not currently subject to animal welfare

legislation, there is growing evidence that decapod crustaceans, which include crabs, lobsters and prawns, possess a level of sentience that means they can experience pain as well as positive emotions.

**Objective 8. All slaughter facilities and farms in major markets are certified to recognised farm animal welfare assurance schemes.**

Although both our suppliers themselves and our own Hilton Food Group team monitor animal welfare performance, we believe that recognised farm animal welfare assurance schemes, where they are available, give an added level of confidence to our customers and to consumers that everything is being done to protect animal welfare.

We monitor this by checking records of farm assurance schemes at each supplier and farm inspection.

**How are we doing?**

All farms, fish farms, livestock facilities and slaughter facilities for farm animals and farmed fish supplying Hilton Food Group UK, Ireland and Sweden, and the majority supplying to the other European and Australian markets are certified to independent farm assurance schemes.

- For Hilton Foods UK/ROI and Seachill, this includes Red Tractor, Bord Bia Quality Assurance, Best Aquaculture Practices (BAP), GlobalG.A.P. and Aquaculture Stewardship Council (ASC).
- For our other major European markets, this includes IKB Varken (benchmarked to GlobalG.A.P.) and QS for pigs reared in Holland, the Danish Product Standard in Denmark, and IP Gris Grundcertifiering (Quality Assured Pig Production) in Sweden. In Holland all pigs supplied to Hilton meet the Good Farming Star programme and 'De Groene Weg' standards – both of which are higher welfare standards.
- In Australia, this includes the National Feedlot Accreditation Scheme (NFAS) and the Australian Pork Industry Quality (APIQ) standard.
- In addition to baseline farm assurance schemes, Hilton Food Group provides certified higher welfare and organic animal products in many markets. In the Netherlands, currently 100% of Hilton's supply of pigs in Holland are reared either to UK RSPCA Assured or the Good Farming Star with a small percentage meeting the higher welfare Beter Leven Keurmerk '3' start criteria through the De Groene Weg' organic standard.
- Where farm assurance schemes are available in other countries we endeavour to source from certified facilities and farms.

77% achieved

## Working together to improve standards

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Within the industry, we are committed to engaging in the development and improvement of global standards dedicated to advancing farm animal welfare practices. Hilton Food Group also actively engages in the development and improvement of global standards, looking to identify and support projects dedicated to advancing farm animal welfare practices within the industry. We work with our supplier and retail partners, for example:

- In the UK, we work collaboratively with Tesco and other leading protein producers as members of Tesco Producer Groups to assist in developing their welfare and environmental farming standards. This includes the Tesco Sustainable Farming Salmon Group and the Tesco Sustainable Farming Lamb Group
- We have been involved for over 15 years in the development and improvement of global welfare standards, for example providing expert fish welfare input into the development of the fish welfare standards within GlobalG.A.P. and other standards
- Seachill has been collaborating with Tesco to develop new aquaculture standards over late 2018 and into 2019 to improve welfare and audits of farmed seafood supply chains.

As market leaders, our suppliers are also actively involved in their own research and standards development, for example:

- In the Netherlands, our supplier, Vion, alongside other stakeholders including Albert Heijn and the Animal Welfare Organisation, worked together to develop the Beter Leven Keurmark, a higher welfare standard

We work closely with our supplying partners on a day to day basis to understand where further improvements can be made on animal welfare. Here are some examples:

- Hilton Food Group is a member of the Food Industry Initiative on Antimicrobials (FIIA), where we are agreeing a common set of principles with regard to responsible use of antibiotics, and a reduction of antibiotic usage without compromising standards of animal welfare. We will be incorporating the resulting principles into our policy.
- Supporting training: for example, Seachill facilitated the provision of fish welfare training by European experts for fish farmers in Turkey and Vietnam.
- Taking learnings from our welfare audit programme; for example, the findings from an audit of a salmon slaughter plant in South Norway during 2017 revealed an opportunity to improve the flow of salmon into the entrance of the electrical stunner to ensure a head first alignment and thus a more effective stun. In Norway, actions agreed from a salmon slaughter audit led to improved segregation of lumpfish (that help clean sea lice from salmon) during live grading, to ensure both species are stunned correctly.

### **R&D in fish welfare**

During 2018, Seachill has started working in collaboration with feed companies and salmon producers about alternative marine ingredients that provide EPA and DHA to the fish to ensure levels in feed remain high enough to support good fish welfare.

In Norway, we are currently working with our salmon farmers to reduce the number of sea lice treatments required per farm as part of a sea lice mitigation strategy, as sea lice infections and the physical treatments needed to remove them can cause stress to the fish. Our suppliers are investing in the exploration of farming technology innovations including closed containment systems and offshore salmon farming, and research into breeding fish with greater resistance to sea lice infection. This offshore farming research is being coordinated in the EXPOSED (SFI) project which is researching technologies for open water aquaculture operations which today are unavailable to industrial fish farming due to remoteness and exposure to harsh wind, wave and current conditions.

In Vietnam, Seachill has been working with a Pangasius (Basa) supplier to implement a more efficient method of stunning the fish so that it can be used on the whole harvest rather than just the fish destined for Seachill. Initial site visits have happened in 2017 and 2018 with trials happening in 2019. We have also commissioned the development of an electrical stunner for warm water prawns.

### **Promoting higher welfare to our consumers**

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At Hilton Food Group, we are proud of the work we carry out on a day to day basis to improve animal welfare, in partnership with our suppliers, our retail customers and the wider industry.

We look for opportunities to communicate this through our website and directly with consumers, for example through our attendance at UK agricultural shows alongside our retailer partner Tesco.

We have a graduate scheme and, in the UK, support the Tesco Future Farmer Foundation; through which we aim to support a wider understanding of the livestock industry including the importance of animal welfare.

In the Netherlands, products supplied to Albert Heijn promote their higher welfare 'Good Farming Star' programme through a QR Code on the final product packaging through which customers can have traceability back to the farmer and farm.