

Sodexo Animal Welfare: Position Paper

This position paper deals specifically with Sodexo's animal welfare commitment within the framework of Sodexo's Corporate Responsibility roadmap, Better Tomorrow 2025.

What's the specific context?

Worldwide population is expected to rise from 6.7 billion in 2009 to 9.8 billion in 2050. In 2018, the worldwide population is 7.6 billion.

In addition to the global increase in demand for all types of food, economic development generates an even greater increase in demand for meat, fish, dairy, vegetables and fruit. Sixty billion animals are raised for food worldwide every year.

The intensification of animal production has allowed for increased productivity but is often associated with significant and widespread animal welfare concerns.

Transportation is stressful to animals and risks injury, suffering and the spread of disease. This applies especially to long journeys and to transport to slaughter.

Appropriate housing, good stockmanship and adequate husbandry practices have an important role in reducing animal welfare concerns. These practices are applicable throughout the life of the animal including rearing, transport and slaughter. Examples of good practices relate to areas such as housing, feeding, veterinary care, transport and slaughter methods.

Throughout the world, more than 1 billion farmers, stockmen and slaughtermen are involved in the rearing, handling, transportation and processing of animals.

Additionally, intensive livestock farming relies upon grain-based diets which can put farm animals in competition with people for food resources. Continuing to intensify livestock farming is likely to increase pressure on food availability, especially in areas where food security is already vulnerable. Well managed livestock farming however can utilize lower grade crops and land contributing positively to food security for people.

There is growing consumer concern about whether current practices match their values and expectations about the animal's health and welfare. This further supports the importance of animal welfare as a key component of a responsible sourcing strategy.

A number of countries have adopted specific legislation or guidelines aimed at protecting animals by defining minimum welfare standards.

How is Sodexo involved?

Sodexo believes that animal welfare is a key component of a sustainable supply chain alongside food safety, food security, nutrition, good environmental practices, fundamental rights for workers and economic viability.

Sodexo has established sustainable purchasing practices in its relationship with suppliers through its Sodexo Supplier Code of Conduct.

Sodexo sources and serves food products derived from animals. However, the company is not directly involved in the rearing, handling, transportation or processing of them, and takes animal welfare very seriously. Our approach requires successful implementation by our supply chain.

Sodexo has a diverse range of suppliers in many geographies with a wide range of products and practices. Sodexo works with its suppliers to ensure that they adopt and implement the highest practical and commercially viable standards of farm animal welfare and that they demonstrate continuous improvement.

Sodexo's presence in 80 countries employing 427 000 employees and its relations with many clients and suppliers put it in a unique position to:

- raise awareness internally amongst its 427 000 employees
- raise awareness externally amongst its community of clients and consumers
- raise awareness and work with its direct suppliers to improve conditions and animal welfare standards

What is Sodexo's Strategy on Animal Welfare?

Sodexo supports the globally-recognized "Five Freedoms" of animal welfare as an aspiration for its animal welfare strategy:

1. Freedom from Hunger and Thirst – by providing ready access to fresh water and a diet to maintain full health and vigor.

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

3. Freedom from Pain, Injury or Disease – by ensuring 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.

In recognition of the fact that animal welfare is a key component of a sustainable supply chain, Sodexo has developed a Sodexo Animal Welfare Strategy to meet its commitment to source sustainably reared products.

"Sodexo will work with its suppliers to improve animal welfare throughout its supply chain."

The implementation of this strategy includes, but is not limited to, the following aspects:

- set and regularly review annual and country specific objectives aimed at improving animal welfare throughout the supply chain
- publicize whenever possible animal welfare standards, targets, performance and achievements
- ensure that animal welfare is part of the group procurement requirements and addressed in suppliers contractual specifications wherever appropriate by having our suppliers signed Sodexo Animal Welfare Supplier Charter

- encourage and drive uptake of higher welfare animal products through appropriate communication to clients and consumers on key animal welfare issues

As part of our Animal Welfare strategy, Sodexo has identified, as a minimum, the following areas to be addressed which are applicable throughout its supply chain worldwide.

Note: Those countries with specific market requests, may implement additional animal welfare standards as appropriate.

✓ At Farm Level

Animals should be treated humanely as per all local and national regulations around animal welfare. Based on these local and national regulations for a given production system, this includes best practices around space, antibiotic use and physical alterations. Specific considerations include:

- Animals should not be kept in permanent darkness or permanent brightness
- Any sick or injured animals should be treated appropriately to minimize pain and distress. This should include veterinary treatment if required
- Animals should not be kept in isolation unless briefly required for veterinary procedures or to recover from illness or injury
- Animals should have adequate access to feed and fresh water
- Buildings, accommodation and equipment should be regularly and thoroughly cleaned and disinfected to minimize risk of disease
- Staff and stockmen should be properly and regularly trained in good animal husbandry including handling techniques. Training should be documented
- When potentially painful operations cannot be avoided, pain relief (anesthesia and analgesia) should be provided. Alternatives to routine mutilations, such as teeth clipping, caudal amputation and surgical castration, should be sought and actively encouraged
 - Regarding dehorning of beef and dairy cattle, we encourage alternative practices such as disbudding with efficient pain relief when removal of the horns cannot be avoided and the use of polled cattle
- Appropriate space should be given for specific species needs and close confinement should be avoided whenever possible
- The use of antibiotics should not be routine and where used each usage should be recorded. An antibiotic reduction plan should be implemented
- The use of growth promoters should not be routine and where used each usage should be recorded. A growth promoter reduction plan should be implemented

✓ During Transportation

Animals should be treated humanely as per all local and national regulations around animal welfare. Each given production and transportation system should follow these regulations and associated best practices around transporting animals, access to food and water and safety procedures. Specific considerations include:

- No animal should be transported if it has been deemed unfit to do so
- Transportation conditions and means will be maintained so as to limit injury and unnecessary suffering to animals

- Vehicles, ships, containers and equipment should be maintained to a suitable standard and in appropriate working order for the planned journey
- Vehicles, ships, containers and equipment such as loading ramps should be thoroughly cleaned and disinfected to minimize risk of disease
- Vehicles, ships or containers should not be overcrowded and should provide sufficient space and adequate ventilation
- Appropriate handling equipment and good handling practices should be used during loading, unloading and handling in order to minimize stress and injuries
- Staff including stockmen and drivers should be properly and regularly trained and training should be documented
- Staff should possess appropriate ability, knowledge and competence in animal husbandry and handling techniques
- Animals should be transported in conditions guaranteed not to cause injury or unnecessary suffering
- During loading, unloading and handling, animals should not be struck or kicked – sympathetic handling should be adopted at all times and appropriate handling equipment used e.g. no use of electric goads
- Appropriate driving styles should be employed to reduce risk of injury
- Loading ramps should be at the appropriate angle for species
- A preference should be given to value chains that minimize the journey time for transportation of live animals
- Where long journeys are unavoidable, suitable food, water and rest periods should be provided to animals at appropriate frequencies

✓ At Abattoir/Slaughter

Animals should be treated humanely as per all local and national regulations around animal welfare. Each given production and slaughter/abattoir system should follow these regulations and associated best practices around pain and stress during stunning and slaughtering, pre-stunning and sticking. Specific considerations include:

- Animals should be handled, stunned and killed by properly trained slaughtermen
- When animals are kept in lairage (holding pens) for extended periods, food and water should be provided and appropriate facilities and protections from adverse weather provided
- Buildings, resting areas and equipment should be regularly and thoroughly cleaned and disinfected to minimize risk of disease
- Equipment should be maintained and in good working order
- Staff and stockmen should be properly and regularly trained and training should be documented
- Staff should possess appropriate ability, knowledge and competence
- The slaughter should be conducted utilizing methods which minimize distress and suffering
- A preference should be made for pre-stunning of animals before slaughter
- Animals should be spared any avoidable excitement, pain, suffering and stress during stunning and slaughter
- It is preferable for animals not stunned before slaughter to be stunned immediately after sticking

These provisions are applicable to all meat and egg products supplied to Sodexo by its suppliers. The main types of animal protein sourced by Sodexo are poultry, beef, pork, veal and egg products. The welfare of farmed fish is covered by the Sodexo Sustainable Seafood Supplier Charter.

How does Sodexo ensure the implementation of this Position Paper?

All countries where we operate must apply this strategy and suppliers are requested to sign the charter. Sodexo is committed to adopting measures which ensure continuous improvement in the field of animal welfare. This commitment will be achieved in several stages:

- Ensure that the Sodexo Animal Welfare Supplier Charter is available in at least one official language of all Sodexo countries
- Ensure that the Charter is signed by all relevant suppliers worldwide
- Define and implement species specific animal welfare improvement strategies

During the objective setting (roadmap) process, countries are asked to confirm their objectives for the translation of the supplier facing documents and the acknowledgement of the Sodexo Animal Welfare Supplier Charter by the relevant suppliers and the implementation of the above strategies. The achievement of these objectives is checked through the annual Better Tomorrow survey and the status of the achievement of the objectives is reported back to regional management teams through the Better Tomorrow Dashboard. In addition, status reports are given in regular Supply Management meetings and Supply Management Directors are challenged on their progress. Sodexo's progress is publicly reported annually in the Registration Document.

Supply Management teams are responsible for communication to suppliers and the signature of the Sodexo Animal Welfare Supplier Charter when appropriate.

Better Tomorrow Champions are responsible for other internal and external communication and follow up with the central Better Tomorrow team.

When they sign the Sodexo Animal Welfare Supplier Charter, suppliers commit to ensure that the suppliers in their own supply chain are informed about Sodexo's requirements as laid out in the document, where appropriate.

Tools to facilitate the deployment of the strategy and the training of Sodexo teams are available to both the Supply Management and Better Tomorrow communities through internal knowledge sharing centers and in addition, a 6 monthly Responsible Sourcing webinar allows us to update and train our teams on our Responsible Sourcing Initiatives well as to answer their questions. Internal compliance with Sodexo animal welfare strategy is checked through the annual Better Tomorrow survey. Results are externally audited. In case of non-compliance, additional trainings and support are provided as well as other actions if needed.

What has been accomplished?

The Group strategy with regard to animal welfare is updated annually. A network of experts works in consultation with the major geographical regions and in collaboration with relevant suppliers and NGOs, and in particular Compassion in World Farming.

Neil Barrett, Group SVP, Corporate Responsibility and Michel Franceschi, Group SVP Supply Management are accountable for this animal welfare strategy.

As of 31st August 2017:

- the Sodexo Animal Welfare Supplier Charter had been translated into 18 languages making the Charter available in the national languages of countries representing 95% of On-site Services revenues.
- a total of 474 suppliers have signed the Sodexo Animal Welfare Supplier Charter
- Sodexo has committed to source only cage free shell and liquid eggs worldwide by 2025.
 - As of 31st August 2017, 26% of shell eggs were cage free
 - As of 31st August 2017, 29% of liquid eggs were cage free
 - For shell eggs:
 - Our objective is to have 30% by 2018, 50% by 2020 and 75% by 2022.
 - For liquid eggs:
 - Our objective is to have 15% by 2018, 35% by 2020 and 70% by 2022.
 - We will communicate on our progress on an annual basis.
- A toolkit for cage free eggs including a training webinar has been developed for Supply Management and Better Tomorrow teams

Within the framework of the Sodexo Animal Welfare Position Paper, regions are able to make additional commitments for specific species.

To date the following commitments have been made:

- Sodexo Australia is using 100% cage free shell eggs.
- Sodexo Belgium has implemented the following measures:
 - sourcing only cage-free eggs and a majority of free-range eggs
 - As of 31st August 2017, 100% of shell and liquid eggs were cage free
 - sourcing only pork from non-castrated piglets
 - As of 31st August 2017, 100% of pork were from non-castrated piglets
 - sourcing only meat from cage-free rabbits
 - As of 31st August 2017, 100% of rabbits were cage free

Additional actions are underway to improve animal welfare in our supply chain. For example, Sodexo Belgium was awarded a Good Rabbit Commendation by CIWF in 2018 recognized their commitment to use higher welfare systems for meat rabbits.

- Sodexo Netherlands is externally certified for using the Better Life hallmark. As part of this process, an awareness campaign for consumers is displayed on all food services sites. As of 31st August 2017, 100% of shell and liquid eggs were cage free.
- Sodexo Czech and Slovak Republic have implemented the following actions:
 - To cooperate with their suppliers to use only antibiotic-free meat
 - To have contracts with the suppliers, who have in assortment products:
 - cage free eggs
 - friendly cattle breeding
- Sodexo Poland have implemented the following actions:
 - As of 31st August 2017, 100% of eggs were cage free
 - As of 31st August 2017, 100% of meat were antibiotic-free
- Sodexo in Austria, Germany and Switzerland have been sourcing 100% cage free eggs since 2015.

- Sodexo in France has for many years worked with its suppliers to improve animal welfare conditions in its supply chain. Sodexo in France has developed an Animal Welfare supplier evaluation. During this process, Sodexo works with each supplier to raise awareness as well as to benchmark and share best practices. Following each evaluation, the supplier receives an individual improvement plan.

Since 2015, 45% of suppliers who have integrated production systems (including slaughtering activities) have been evaluated.

Additional actions are underway to improve animal welfare in the supply chain:

- free-range eggs and egg products have been implemented in the catalogue
 - these products are available for all Clients (on demand)
 - two offers in the Corporate Services segment include free-range eggs and egg products (i.e. Inspiration)
 - Sodexo is involved in a roundtable with suppliers and inter-branch organization representatives of eggs products in order to measure the impacts in the supply chain and to collaborate in an intelligent manner
- Sodexo North America has made and is working towards the achievement of commitments on specific areas of animal welfare in addition to other action:
 - Starting in July 2014, all of the 39 million shelled eggs we purchase each year will be sourced from cage-free hens.
 - As of 31st August 2017, 86% of shell eggs were cage free
 - to source all of liquid eggs solely from cage-free hens by the end of 2020
 - As of 31st August 2017, 16% of liquid eggs were cage free
 - to work with pork suppliers to phase out the use of gestation crates (beyond the legally authorized period) in its supply chain by 2022.
 - As of 30th March 2018, 13% of pork bought in the US was from sows in open sow housing
 - to work with US suppliers to further improve the treatment of broiler chickens in its supply chain by 2024 by reaching the following goals for 100% of the chicken it sources:
 - Transitioning to strains of chicken that measurably improve welfare issues associated with fast growth rates per Global Animal Partnership's (GAP) standards.
 - Reducing maximum stocking density to equal to/less than 6 lbs./sq. ft. (29kg/m²) per GAP standards.
 - Providing chickens with enriched environments including natural light, hay bales, litter, perches and lighting that meet GAP standards.
 - Rendering chickens unconscious prior to shackling using a multi-step controlled atmosphere processing system that's widely hailed as more humane.
 - Providing details on compliance by a third-party auditor.

In addition, Sodexo North America:

- has engaged in dialogue around the development of animal welfare standards with groups such as the Global Roundtable for Sustainable Beef.
- and requires third party animal welfare audits from our fully integrated suppliers with annual passing scores.

- Sodexo Canada is committed to promoting the humane raising and harvesting of broiler chickens. Sodexo Canada is proud of the following standards to which our partners in the Canadian chicken farm industry currently adhere:
 - Hormone and steroid free
 - Regulated system
 - Annual independent third-party audit
 - Transitions to Controlled Atmosphere Stunning
 - Sodexo Canada supports Canadian chicken farmers

In addition, Sodexo Canada has committed to the following by 2024

- GAP aligned litter, lighting and enrichment standards
 - Full conversion to Controlled Atmosphere Stunning
 - Transition to GAP aligned breeds with higher welfare outcomes
 - Incorporating new criteria into third party audits
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- Sodexo Nordic Region will be 100% cage free for shell eggs by 2019.
 - As of 31st August 2017,
 - 100% shell eggs and 77% liquid eggs were cage free in Denmark
 - 69% of shell eggs and 94% liquid eggs were cage free in Sweden
 - 100% of shell eggs were cage free in Finland
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- Sodexo UK and Ireland has implemented the following measures:
 - all fresh beef, lamb, pork, chicken and turkey is Red Tractor accredited
 - all block cheddar and commodity butter is Red Tractor accredited
 - all milk and cream is Red Tractor accredited
 - all our eggs are Lion Egg branded
 - all pork is raised without gestation crates with the absence of teeth clipping, tail docking except for medical reasons
 - As of 31st August 2017, 100% of pork were from pork raised without gestation crates

Sodexo UK has been recognized as “First caterer” by RSPCA.

What are our next steps?

- Continue to raise the level of awareness internally through the Supply Management and the Better Tomorrow Champion network about the importance of improving animal welfare within our supply chain
- Continue to raise awareness amongst the supplier community about the importance of improving animal welfare
- Continue to raise awareness amongst our clients and consumers about the importance of improving animal welfare
- All our Supply Management teams will seek to source from suppliers who are demonstrating progress in animal welfare where possible evidenced by the use of third-party certification programs.
- Implement our cage free eggs commitment:
 - First we will work with our suppliers, to assess the current industry practices in each country
 - We will also take advice from NGO partners
 - Based on this information, we will collaboratively develop a deployment plan per region

Through our annual Corporate Responsibility reporting process, we will monitor the progress that we are making on our commitments.

Sodexo is committed to adopting measures which ensure continuous improvement in the field of animal welfare.

GLOSSARY

Antibiotics (routine use of) – when antibiotics are given in prevention before any medical need is diagnosed (prophylactic), that is practiced routinely through a production system, for instance at a certain time of day.

Broiler chickens – chickens reared for meat production

Caudal amputation or tail-docking – is a procedure typically performed without anesthetic in order to reduce tail biting when animals are older

Close confinement – provision of very limited space, representing inadequate space to allow an animal to move around or express normal patterns of behavior.

Dehorning – removal of the horns of adult animals by cutting or sawing

Gestation crates – a narrow metal crate used to confine individual sows for their 16-week pregnancy, without sufficient room for sows to turn around; also called. Sow stall

Growth promoters (known as growth hormones) – used to increase the muscle (meat) or milk production of animals farmed for food.

Long journey – any transport of a live animal that exceeds 8 hours, from loading to unloading; welfare has been shown to decrease significantly in journeys lasting more than 8 hours

Mutilation – a painful surgical procedure that interferes with the bone structure or sensitive tissues of an animal, usually to prevent an abnormal behavior such as tail biting (amputation of the pigs' lower half of the tail) and injurious pecking (amputation of the hen's beak).

Routine Mutilations – the mutilation of all animals at a certain stage (often on newborns or very young animals) to help prevent problems associated with abnormal behaviors. Routine mutilations are carried on all animals of a flock or herd before the problem occurs, and does not address the underlying issues that may lead to the abnormal behaviors

Stunning – is a process that renders animals unconscious, making them insensible to pain, discomfort and stress until death occurs.

Sticking – is when an animal's throat is cut, using a very sharp knife, severing the major blood vessels in its neck/chest that supply the brain, ensuring rapid blood loss and therefore death.

Teeth clipping – reduction (cutting) of a piglet's 8 sharp needle teeth shortly after birth using sharp clippers or pliers; routine teeth clipping is not permitted by EU legislation

USEFUL LINKS

SODEXO FAQ - <http://www.sodexo.com/home/corporate-responsibility/sustainable-development/environment/responsible-sourcing/local-seasonal-or-sustainab.html>

RSPCA - <https://www.rspca.org.uk/home>

Better Leven - <https://beterleven.dierenbescherming.nl/>

Red Tractor - <https://www.redtractor.org.uk/choose-site>

Global Animal Partnership GAP standard - <https://globalanimalpartnership.org/>