

## **Introduction**

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At Hilton Foods 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 August 2022. It applies to all farmed species, in all markets for the calendar year 2021, however we recognise that the different markets in which Hilton Foods operates are at different stages in their development and implementation of animal welfare standards. Animal welfare is also a key focus area of our Sustainable Protein 2025 strategy.

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 Foods the majority of what we produce is meat from cattle, pigs, lambs and farmed Atlantic salmon each year. The only wild animals we source are seafood species. We currently operate across the UK, Europe and Australia. Hilton Food also uses small amounts of other animal proteins, such as poultry and other seafood species, and very small amounts of dairy and eggs in some of our UK fish products.

Hilton Foods does not own or operate abattoirs or farms. We purchase seafood raw material and 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 Foods. 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 Foods, day to day responsibility for our animal welfare policy sits with our Group Sustainability Director reporting to the Chief Quality and Sustainability Officer who in turn reports directly to the Chief Executive Officer and main Board. There is a dedicated sustainability committee including board members and executive leadership team this committee responsible for monitoring progress against our sustainability and animal welfare objectives as outlined in our animal welfare policy and our goals and targets in our Sustainable Protein Plan. The sustainability committee reports to the board sharing minutes in meeting and reviewing progress annually.

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 have agreed objectives with our partners and have started to monitor progress using a range of data points, including audit results and these indicators.

We provide species specific animal welfare training for the auditors employed by Hilton Foods to audit slaughter/farm facilities. Our seafood auditors have also received external animal welfare training provided by the Fish Vet Group, Stirling University and/or NAFC which includes every species. Our slaughterhouse auditors are trained by our internal animal welfare experts this includes annual in person workshops, short upskilling sessions throughout the year which are held virtually and shadowing audits. 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.

Throughout this report Hilton Foods will mean that the point is relevant the entire group, UK relevant to everything sold in the UK market, Australia means the product sold into the Australian market and Europe refers to everything in the European markets.

## 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.

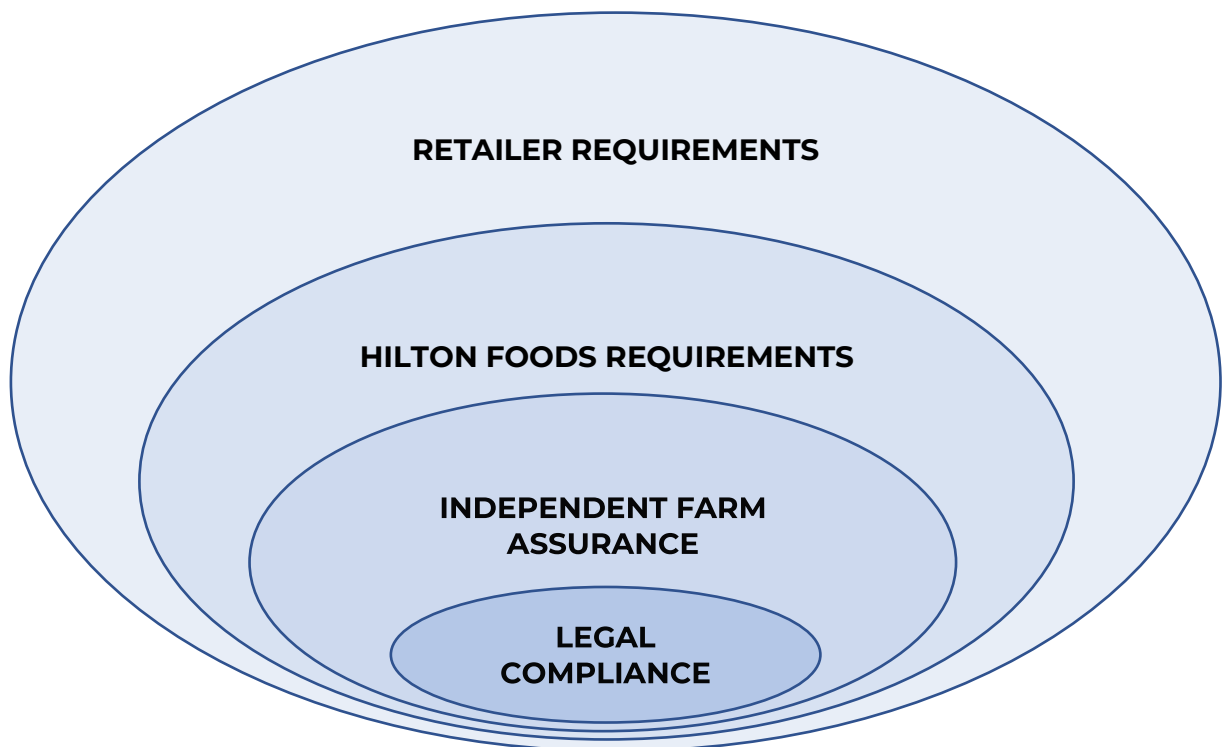


Fig 1: Hilton's multi-layered approach to animal welfare assurance



### **Legal compliance**

Hilton Foods 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, livestock facilities and slaughter facilities for farm animals, including seafood 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. Higher welfare schemes like RSPCA in the UK and/or organic standards are also present in our supply chain across the different proteins.

### **Hilton Foods Requirements**

Hilton Seafood UK directly employs welfare officers to audit all slaughter facilities and supplying fish farms including those outside the UK, e.g. pangasius in South East Asia. For our UK and European operations, Hilton Foods directly employs a dedicated team of auditors, who are trained in animal welfare, to audit all livestock slaughter facilities against the Hilton Foods Supplier Standard which includes animal welfare. We also have an outcome measure process which all suppliers must submit to on a regular basis.

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

In the UK, Tesco UK account for 100% of Hilton's beef and lamb. In addition to beef and lamb we also do a small amount of chicken and pig meat. 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.

All of the products in the UK must be Tesco Welfare Approved this means meeting Tesco Livestock Requirements including that farms are assured to a Tesco 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, Best Aquaculture Practice (4 Star) and the Aquaculture Stewardship Council. Tesco *finest\** salmon is reared in Scottish waters and certified to Global G.A.P. and RSPCA Welfare Standards. Tesco organic salmon is certified to independently assured organic standards, requiring lower stocking densities.

#### **Example: Tesco in Ireland**

In Ireland we supply all beef, lamb and pig meat to Tesco Ireland, all of which must be approved by Tesco. All of the supplying farms and abattoirs are Tesco welfare approved in addition to being farm assured by Bord Bia.

**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 Hilton Seafood UK 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 stocking densities, 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. Particularly in our farmed seafood supply chain we also make sure that water quality parameters are carefully controlled to ensure high 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, our retail partners 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.

Our recent progress:

- In 2019 we developed our animal welfare and sustainability annual questionnaire and extended it in 2020
- In 2021 we extended out our abattoir outcome measure programme to encompass remaining suppliers
- In 2022 we developed and implemented a group wide monthly outcome measure reporting systems. Bringing each of our businesses together in the same process and centrally managing the process.
- All of our suppliers are audited as animal welfare is a key component of our food safety standard. However we also built a more in depth animal welfare standard at abattoir level in 2021

In Australia our retail partner Woolworths manage animal welfare on behalf of the supply chain and shares this data with Hilton Food Group.

[https://www.woolworthsgroup.com.au/page/community-and-responsibility/group-responsibility/responsible-sourcing/Animal\\_Welfare](https://www.woolworthsgroup.com.au/page/community-and-responsibility/group-responsibility/responsible-sourcing/Animal_Welfare)

In the UK we partner with Tesco for more detail on this supply chain follow the link.

<https://www.tescopl.com/media/756483/animal-health-and-welfare-report-201920.pdf>

## **Delivering against our objectives**

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Hilton Foods 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. We do not allow animal testing for any of our products
3. Animals are free from close confinement
4. Animals are provided with environmental enrichments that promote species typical behaviour
5. Animals are free from routine painful procedures. Where procedures are deemed necessary, appropriate anaesthetic and pain relief are used.
6. No routine use of antibiotics. Antibiotics are used judiciously to treat sick animals only when withholding treatment will negatively impact their welfare.
7. Travel times are kept to a minimum and are not greater than eight hours
8. All animals and farmed fish are effectively stunned prior to slaughter.
9. 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 Foods does not permit the use of animals 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 seafood .

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. We do not allow animal testing for any of our products**

Hilton food is committed to the avoidance of the use of animals for testing. We are compliant and have never used animals for this purpose.

**Objective 3. Animals are free from close confinement.**

Hilton Foods is committed to the avoidance of close confinement of livestock 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**

- Through our vice chair role on the European Roundtable on Beef Sustainability we agreed a welfare outcome target of loose housing. Also through our work with the UK Cattle Sustainability Platform we supported a standard development in Red Tractor which prohibits tethering cattle routinely
- All most all of the 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. The beef used in our Polish business is sourced in Poland and Ireland, it is probable that all of these animals sourced from Poland 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 for entire group

**Pigs**

- No sows in our supply are tethered
- All of our pigs come from loose house systems. No pig that enters any of Hilton Foods supply chain comes from a stall system
- All of the pig meat that enters our European businesses come from supply chains where all sows must be moved to group housing no later than four weeks after insemination.
- In Australia, sows and gilts are kept in loose housing from at least five days after service until one week before farrowing in accordance with the APIQ GSF standard
- We use a very small amount of pig meat that comes from the UK where the sows and gilts can only be held in stalls for veterinary and insemination purposes for up to 4 hours

100% achieved for entire group

**Farmed fish**

- For our farmed seafood, Hilton Seafood UK set science-based stocking densities according to individual species, life stage 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 for entire group

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

At Hilton Foods we are committed to ensuring that all of the animals destined for our supply chain are provided with species specific enrichment that is driven by science. We acknowledge that 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.

For enrichment to fulfil its intended purpose and fulfil a pig's needs it needs to be made of edible materials, chewable materials, investigable materials and manipulable materials. It is often necessary to use a combination of enrichment materials to meet these needs. The enrichment materials need to be of sustainable interest, accessible to all pigs at all times, in sufficient quantity and must be kept clean. We class enrichment as optimal, suboptimal and of marginal interest we strive for optimal enrichment and are working with our suppliers in implementing this. Sub optimal and marginal interest materials can be used in combination with other materials to meet the pig's needs. We understand that not all pigs have a combination of enrichment that is optimal and this is why we are working with our retailer and supplier partners to share best practice in species specific, effective enrichment.

Environmental enrichment has been studied in recent years and has been shown to provide beneficial advantages in some aquaculture species. Few of these studies have taken place in commercial farm conditions and as such, we are cautious when fully encouraging its wide implementation as the potential negative impacts have not been sufficiently studied.

Hilton Seafood UK collaborate with suppliers to support research on enrichment in aquaculture. One of the cases more studied is in relation to environmental enrichment of companion species in Atlantic Salmon. All companion species used in our supply chain are provided with environmental enrichment such as artificial seaweed and shelter to improve the husbandry conditions of these animals.

We monitor this through our annual animal welfare questionnaire, through farm assurance audits and by observing the provision and appropriate use of enrichment materials during farm inspections.

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

- All of the pigs entering the Hilton supply chain are farm assured. Each of the farm assurance schemes cover enrichment to varying degrees. Our suppliers are engaged in moving supply chains towards the implementation of optimal enrichment.
- All of the pigs in Europe and UK must have enrichment.
- In the Netherlands, all our pigs are grown to higher welfare standards and provided with greater space and an enriched environment. In this standard enrichment must be edible, chewable, manipulable and allow the pig investigate it. The material must be of lasting interest, accessible to oral manipulation and provided in a clean and hygienic way ensuring there is enough quantity. Where the material is loose (straw) it must be replenished daily.
- The British pigs destined for our Dutch market are RSPCA assured and outdoor breed.
- In Denmark, our suppliers report that 88% of pigs have enrichment, such as straw.
- In Australia 84% of our pigs have straw bedding material, enrichment blocks, nesting material and 36% of our sows have nesting material
- 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.



- Almost all of the cattle and lambs destined for the Hilton are extensively reared, meaning they have the ability to express their natural behaviours such as grazing and grooming. They have access to other animals which we recognised as important for their wellbeing. We are currently mapping the variation of production systems in our beef supply chains and will target those that require additional support to meet the animal's needs through enrichment.
- In Australia 100% of our lamb and beef have pasture access
- All companion fish species in salmon farms (that graze on sea lice) used in our supply chain are provided with environmental enrichment such as artificial seaweed and shelter to improve the husbandry conditions of these animals.
- All of the chicken used in the UK is red tractor approved in addition to being Tesco Welfare approved and enrichment is verified at audit.

100% Achieved for Pigs

N/A for Sheep

100% Achieved for salmon companion species

N/A for 95% of cattle

100% achieved for UK chicken

**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 are founding members of the UK Cattle Sustainability Programme (UKCSP) and on the board of the 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.
- Through our work with UK Cattle Sustainability Platform, we supported the development of wider use of pain relief at farm level by strengthening the clauses in Red Tractor
- We believe that these procedures may be performed without adequate pain relief in up to 3% of our beef supply, mainly originating in 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 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.

**Lamb**

- Mulesing of sheep is not permitted in our supply chain.

100% achieved

**Pigs**

- Our supplier partners are working with our farmers to understand the need for tail docking in their individual farms. We strongly believe and support our farmers in moving their production systems away from tail docking but understand that this needs to be done on a case by case basis with the correct support mechanisms.
- 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 Hilton Holland are reared to higher welfare schemes (Beter Leven 1 & 2 star) which prohibit castration of boars.
- In Ireland Hilton's supply of pigs are all farm assured by Bord Bia, which prohibits castration.
- In the UK all of our pigs are Red Tractor and RSPCA assured which prohibit the use of castration.
- All of our Swedish pigs are castrated with anaesthesia.
- 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.

We are confident that all of the pigs entering our UK, Swedish, Dutch and Irish markets are compliant in not being castrated.

**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.**

Hilton Food Group is part of the **Food Industry Initiative on Antimicrobials** which has the stated vision of **'Retailers, manufacturers, processors and food service companies coming together to promote and support responsible antimicrobial use and action on antimicrobial resistance.**

The intention of this initiative is to support and engage with existing industry groups working in this area, ensuring work is aligned, avoiding duplication of effort.

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 **NOT** permit the use of hormones or other growth promoting substances in any species in our European or UK markets. We believe that high priority critically important antibiotics as defined by either the European Medicines Agency or World Health Organisation depending on geography should be used only as a last resort and have seen reductions in both CIA's and total use in many of our supply chains.

We recognise that different supply chains are in different stages on their responsible use journey. In the UK in 2018 we supported FIIA to map the controls and monitoring systems in place for all of our animals sold in the UK market. We believe where possible and appropriate to use national monitoring systems to prevent duplication and confusion to farmers. For all of our animals produced in the UK we recommend using the E Medicines hub and are working towards making it compulsory. In Germany all of the animals destined for the Hilton supply chain use QS, in Denmark Vet Stat is used and in Germany Maran system is used all of these systems allow and encourage benchmarking between similar farming systems.

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 the majority of the countries we purchase from, it is publically reported. In addition, some of our key suppliers such as Vion publically report it on their website.

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 the UK we are supporting the use of the E- Medicines hub in cattle. Currently there is a relatively small sample of farms supplying data and we are supporting developing a industry plan to increase engagement. We are supporting and implementing the Responsible Use of Medicines in Agriculture Alliance (RUMA) targets in our UK supply chain, which was a total reduction of 10% by 2020. Unfortunately the hole in the data means we cannot verify this success. We are working in partnership with Tesco to measure and drive continuous improvement in the UK. To achieve this through the Tesco

farming groups farmers are paid a premium for submitting their antibiotic use. A 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 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 Norway, our suppliers of farmed salmon have been successful in reducing antibiotic usage through use of vaccines and good husbandry.

Sales of antibiotics and harvested volume of farmed fish 1986 - 2019

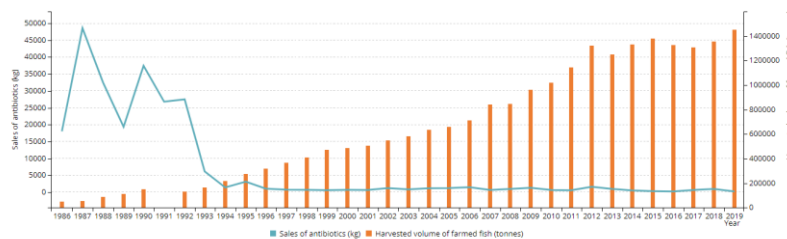


Figure 1. Norwegian Institute of Public Health's statistics

- All antibiotic use in our farmed seafood is monitored, controlled and review on a yearly basis. No prophylactic use is allowed in any farmed seafood. Our use of therapeutic antibiotics is zero in the majority of our supplier farms. We continue to see the same zero use of antibiotics trend in other aquatic species such as seabass, seabream and pangasius/ basa
- In Holland, Germany and Denmark our producers have made significant progress in the reduction of antibiotics. This has been achieved through measurement, benchmarking and targeting support at those farms that were historically high users.

More usage data required for cattle, sheep and pigs

100% usage data and responsible use compliance achieved for aquaculture species

100% achieved for growth promoting substances as there is no evidence of use in our supply chain.

100% of our supply chain have made commitments to responsible antibiotic use on farm.

### **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. No journey exceeded 8 hours.
- In Sweden, our principal supplier achieves average transport times of less than four hours and none exceeded 8 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 this is monitored at audit and no beef, lamb or pig meat exceeded 8 hours.
- In the UK, cattle and lambs typically travel less than four hours to our major suppliers. We verify this at audit and have no evidence of any journey that exceeded 8 hours in 2020.
- The transport of live aquatic animals is within controlled water systems and as short and direct as possible- water quality and density are the two main parameters that we required our suppliers to record. In many examples, harvest and slaughter is done at pen side with no live transport required, for those that undertake travel, we require additional data to verify maximum transport times. Hilton Seafood is currently working on a system to better present transport times in aquatic animals to the public domain.
- 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. In 2020 100% of beef, lamb and pigs were transported in less than 8 hours. In addition to this 74% of beef was transported in less than 6 hours which is a 9% increase on last year. 93% of lamb was transported in less than 6 hours and increase of 8% since last year. 100% of pigs were transported in less than 6 hours a 2% increase since last year.

We are still collecting data for this objective and believe that compliance is actually very close to 100% in our European businesses and all of our largest suppliers have confirmed this.

We have achieved 100% compliance in the UK, Ireland, Sweden and Holland.

We have achieved 100% compliance in Australia

Hilton Food Group have a total compliance of more than 99%

**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 Foods have systems in place to ensure they meet this requirement.

Hilton Foods are committed to the avoidance of live sale of decapod crustaceans to the public or untrained handlers.

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 farmed animals 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 as an outcome measure the incidence of ineffective stunning. This is detailed below as an outcome measure.

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 2019 Compassion in World Farming issues a report on their visit to Turkey to view the improvements made to the sea bass and sea bream slaughter process, that endorsed the effectiveness of the new electrical stunning systems.

We can now announce that 100% of our Atlantic salmon, pangasius, sea bass and sea bream are stunned prior to slaughter. This is independently audited by Lloyd's Register and all farms are certified to independent farm assurance standards e.g. BAP, Global GAP, or ASC.

Species	2016	2017	2018	2019	2020	2021
Atlantic Salmon	100% Electrical or Percussive	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% Electrical or Percussive	100% Electrical or percussive	100% Electrical or percussive
Sea Bass	10% Electrical 90% Thermal	60% Electrical 40% Thermal	100% Electrical	100% Electrical	100% Electrical	100% Electrical
Sea Bream	10% Electrical 90% Thermal	60% Electrical 40% Thermal	100% Electrical	100% Electrical	100% Electrical	100% Electrical

Warm Water Prawns	100% Thermal Stun	100% Thermal Stun	100% Thermal Stun	100% Thermal Stun	50% Electrical Stun 50% Thermal stun	80% Electrical Stun 20% Thermal stun
Brown Crab				100% (Electrical stun)	100% (Electrical stun)	100% (Electrical stun)
Lobster Homarus sp				100% (electrical stun)	100% (electrical stun)	100% (electrical stun)
Cattle	100%	100%	100%	100%	100%	100%
Lamb	100%	100%	100%	100%	100%	100%
Pigs	100%	100%	100%	100%	100%	100%
Chicken	100%	100%	100%	100%	100%	100%

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

In 2021 we received an innovation award from Compassion in World Farming for bringing electrical stunning to Warm Water Prawns as the first to market. More information on this work can be seen in our case study below.

The method used in this supply chain was a dry electric stunner and we continue to investigate in-water electric stunner as an option for other suppliers.

**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, livestock facilities and slaughter facilities for farm animals, including seafood, 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 Hilton Seafoods, 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 either the Beter Leven 1 or 2 star certification (Good Farming Star programme) which are higher welfare standards.

- In Australia, this includes the National Feedlot Accreditation Scheme (NFAS) and the Australian Pork Industry Quality (APIQ) standard.
- Where farm assurance schemes are available in other countries we endeavour to source from certified facilities and farms.
- 100% of Hilton Seafood UK farmed seafood come from certified farms.

Achieved for over 90% of Hilton Food Group

## Working together to improve standards

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:

- During the pandemic we have continued our audit process in person where possible and when not we embraced technology and accesses the sites digitally.
- In 2021 we supported the development of the animal welfare goals for the Global Roundtable for Sustainable Group
- In 2020 we developed animal welfare questionnaire which mapped the current position of all of our beef, lamb and pig meat suppliers. We have concentrated on developing an outcome measure approach which has been submitted by our suppliers through FoodsConnected. We are now developing category plans with our retail partner to ensure target improvement in animal welfare across their retail range.
- In 2021 we developed the Animal Welfare Supplier Standard, which is a in depth animal welfare standard
- We have developed a group wide outcome measure reporting system to drive continuous improvement
- Hilton Seafood has been working in 2020 with a potential pangasius supplier to improve and reduce the time out of water and to achieve a greater efficiency in the electric stunner.
- Hilton Seafood Uk participated in a project commissioned by Tesco to Fresh Studio to benchmark the pangasius industry in Vietnam in reference to different standards and Tesco own Welfare standard. The report emphasised that our current supply chain goes beyond industry norm and market demand for animal welfare in the specie.
- We have joined as members of Sustainable Agriculture Initiative and have supported the development of their animal welfare position paper
- We are members of the European Roundtable on Beef Sustainability and our Group CSR Director is currently vice chair of the board. Each member country must report progress against 4 key areas one of which is welfare. Member's platforms must be able to demonstrate progress against 3 outcomes.
  - Target mortality rates are below 1.5%. For systems with mortality rates above this target, a year on year reduction of 20% should be achieved
  - All animals have access to loose housing (when housed) by 2030.
  - All animals are given pain relief (analgesics) for all surgical procedures and for all forms of castration, dehorning
  -



In the UK the UKCSP are responsible for delivering these outcomes, we were founding members and are actively involved in ensuring that the UK can demonstrate progress against each of the outcomes to maintain ERBS approval. .

- 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
- Our Aquaculture and Fisheries Manager is currently the Vice Chair of the Global Gap Technical Committee with international aquaculture scope
- We have supported the practical guidance for the UN Global Compact Sustainable Ocean Principles- Aquaculture, which includes principle 6; concerning supporting the development of standards and sharing best practices in certification
- 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
- Taking learnings from our welfare audit programme; for example, the findings from an audit of a salmon slaughter plant in South Norway 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.
- Hilton Food Group is a member of the Food Industry Initiative on Antimicrobials (FIIA), where we have agreed 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 have incorporated the resulting principles into our policy.
- We hold a position on the Stakeholder Advisory Board for the Animal Welfare Research Network
- 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. In addition to supporting training for example, Hilton Seafood UK facilitated the provision of fish welfare training by European experts for fish farmers in Turkey and Vietnam

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

In Norway, our salmon farmers continuously work 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.

Hilton Seafood recognise the need to increase our efforts to improve animal welfare in the wild capture sector. We are working in collaboration with Optimar the designer and manufacturer for

electrical stunning farmed salmon and shrimp to introduce this electrical stunning into wild capture finfish. These systems are being installed in new in Norwegian and Russian trawler for cod and Haddock. One of the major obstacles in animal welfare for the wild capture sector is the lack of scientific evidence attending to specific species and geographical locations and therefore we see that as the focus point in the coming years. We would be reviewing factors like fishing gear vs. animal welfare, impacts on hauling duration, slaughter methods and other impacts pertinent to our supply chain.

**Celebrating Success**

Hilton Seafood's won a Compassion in World Farming Good Farm Animal Welfare Award for Innovation in Animal Welfare in 2021. We are committed to the development and implementation of high animal welfare standards from breeding and rearing through to transportation and slaughter across our global supply chains.

One of our objectives is to ensure that all animals and farmed fish are effectively stunned prior to slaughter. This project has helped to further evaluate humane slaughter in warm water prawns and demonstrate that technology is available and effective.

The New Development- Electrical Stunner in Warm Water Prawns (P.vannamei)

This was a two year project which resulted in the first commercial trial and the adoption of electric stunner in warm water prawns (P.vannamei).

The electric stunner for finfish had to be modified to fit prawn production. The stunner had to be fitted in a moving platform to allow the transfer of the stunner at the side of the many ponds in a farm. The delivery of the animals had to be adapted to a dual entry ensure an even distribution of the prawns along the conveyor belt.

Once these adjustments were in place the suitability of electric stunner under commercial circumstances was evaluated. The evaluation concluded that the use of the stunner presented several benefits including:

- Reduced handling
- Reduction in crowding times (in pond)
- Easier access to measure effectiveness

- Better consistency of stun delivery
- Faster method to render animals unconscious and insensible to pain.
- Greater efficiency and reduction in labour during the harvest process, although the initial investments was significantly high.
- Not detrimental to product quality

Prior to this we were a key stakeholder in an initiative led by Tesco which introduced the electric stunner in seabass and seabream and sharing these learning with the rest of the industry. Tesco won the Best Retailer Innovation Award from Compassion in World Farming in 2017 for this work. We then took these learning and adopted them to meet the needs of warm water prawns (*P.vannamei*) as we believed it could deliver a more instant stun than the current thermal shock and therefore improve welfare at slaughter.

Our Fisheries, Aquaculture and Supply Chain Manager presented this project at the Animal Welfare Research Network to share the learnings with the scientific community who may be able to adapt the technology to meet the needs of other species.<sup>1</sup>

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

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At Hilton Foods, 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.

Our Sustainable Protein Plan has three pillars people, planet and product, each pillar has three areas of focus one of which is dedicate to enhancing animal wellbeing which is focused on animal health, welfare and reducing antibiotic use. This strategy includes working with our retail partners to assess their category and target areas for welfare improvement.

We work with our retail partners to support their buying and technical teams including explaining the issues and opportunities to promote best practice in animal welfare. Welfare is a key part of this upskilling ensuring they understand its importance to customers and how welfare adds value to a product.

We have developed a broad approach to evaluating and communicating the positive role of meat and fish in human nutrition. Our purpose is to demonstrate the nutritional benefits of eating these products with due consideration of the need to minimise their environment impact and maximise animal welfare.

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

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<sup>1</sup> W Davies, T Fernandez and E Fardy (2021). *Electrical Stunner in Warm Water Prawns. A conference publication. Animal Welfare Research Network (AWRN)*



Previously we held a number of Tesco Future Farmer Foundation events where animal welfare was a key part of the agenda. This included communicating welfare at shelf edge and how to progress humane slaughter.

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.

As detailed in the section on stunning in early 2020 we have carried out successful practical trials of a new design of electrical stunner for use in shrimp farms alongside the pond during harvest. We are sharing the results of this with our retail partners and carrying out an independent welfare assessment with a view to implementing this system throughout our supply chain.

We have encouraged our suppliers of wild caught cod and haddock to invest in pre slaughter electrical stunning on existing and new build trawlers and have been successful in promoting the benefits of this technology. There are several trawlers under construction being fitted with Optimar electrical stunners.

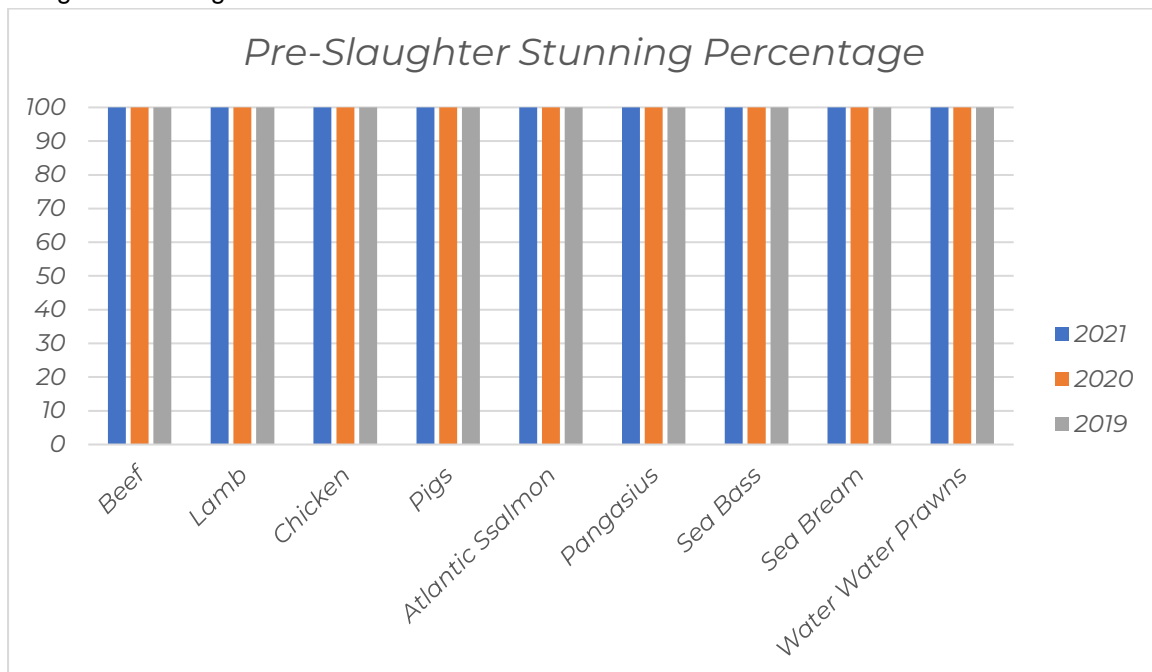
Examples of promoting higher welfare on social media

<https://www.linkedin.com/feed/update/urn:li:activity:679819978119311872>

<https://www.linkedin.com/feed/update/urn:li:activity:6780492829350277120>

## Welfare Outcome Measures at Slaughterhouse

Total Hilton Food Group data including all animals destined for all markets are subjected to pre-slaughter stunning.





All of our suppliers of chicken, aquaculture, pigs, beef and lamb entering our UK and Australian business must monitor and submit outcomes. Our suppliers are collating and submitting outcome measures.

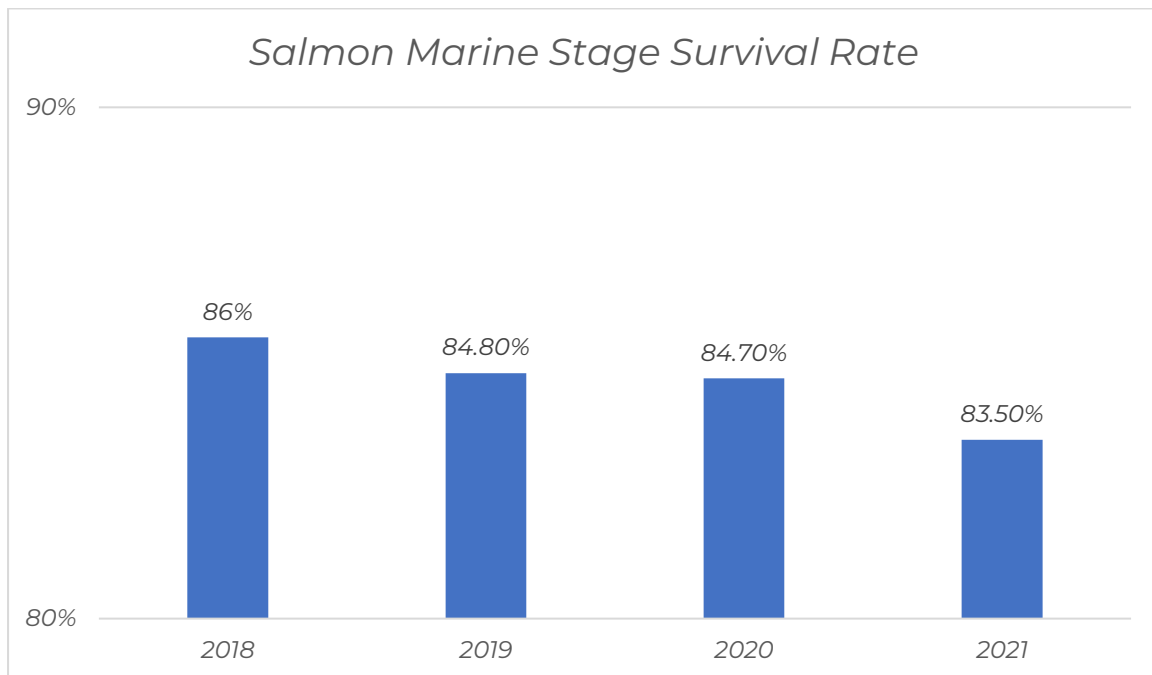
These include slips and falls at unloading, lameness, live clipping, goad use, vocalisation, secondary stunning and antimicrobial use for beef. For lamb falls at handling, lameness, killed in situ, dead on arrival, live clipping, tail coverage and secondary stun. For chicken total number of leg culls, pododermatitis, hockburn, dead on arrival. For pig's vocalisation, slips and falls at unloading, lameness, dead on arrival and killed in situ.

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### Salmon Specific Outcome Measures

All our salmon producers monitor survival, sea lice numbers and antibiotic use. Which are reviewed as part of their veterinary health plans and supported by periodic veterinary examination of the fish for routine health checks.

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Hilton Food Group  
Animal Welfare Statement  
November 2022