



Hilton Foods Animal Welfare Statement

September 2024

Introduction

At Hilton Foods, animal welfare is central to our values and integral to our business, enabling us to meet our customers' expectations for high quality, sustainably reared livestock and aquaculture. Our Animal Welfare Policy provides objectives which we, as a business, and our suppliers are committed to work towards across all animal species and all geographies.

Animal health and welfare is central to achieving nutrition and food security objectives as part of a thoughtful and sustainable food production system. Enhancing animal wellbeing is a key pillar of our Sustainable Protein Plan which outlines our commitments on sustainability.

Our core business is the supply of beef, lamb, pork, seafood, vegetarian and vegan products under retailer own label brands, and we work in close partnership with our customers and suppliers that lead in animal welfare in each of these markets. We also process a small volume of poultry meat and we utilise a very small volume of dairy and eggs as ingredients in added value products and sauces.

We have 24 state of the art facilities operating across the UK, Europe and Australasia. We do not own or operate abattoirs or farms. We purchase primal cuts of meat and seafood 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 obligations for all livestock suppliers to 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 the Leadership Board Plc. The Hilton Foods Board regularly reviews progress against the animal welfare objectives outlined in our Animal Welfare Policy through the Sustainability Committee. Our Sustainability Committee agrees our strategy through our Sustainable Protein Plan including targets and also measures progress against these targets. The Sustainability Committee is chaired by our Non-Executive Director, Rebecca Shelly, and she reports our progress to the main Board.

Our Approach to Animal Welfare

We have worked with our customers and suppliers to establish indicators, which include both input measures and output measures, as a means of assessing



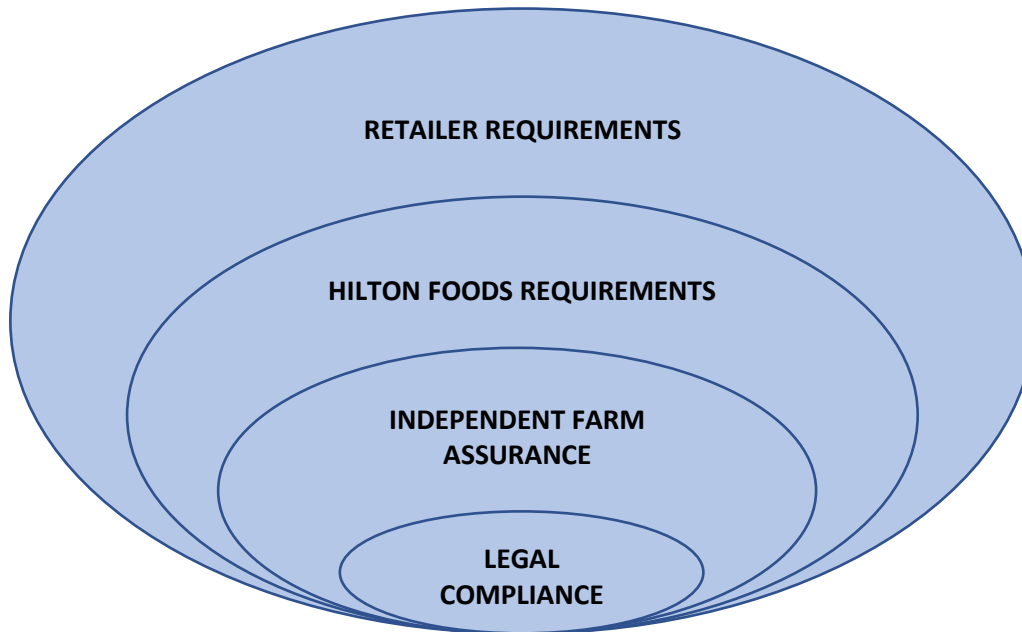
welfare at farm, during transport and up to and including the point of slaughter. We have agreed objectives with our partners and monitor progress using a combination of these welfare indicators and audit results. The data is then used to evidence compliance with our Animal Welfare Policy.

Hilton Foods employ our own team of auditors who receive specific animal welfare training, allowing them to audit slaughter and farm facilities. Our farmed fish auditors have received external training provided by the Fish Vet Group, Stirling University or NAFC. Our slaughterhouse auditors are trained by our internal animal welfare experts and undertake refresher training and upskilling throughout the year. Where we identify non-compliances, we work with our suppliers to develop actions plans to resolve the issue in a timely manner. Where critical animal welfare non-compliances are identified, we may temporarily suspend or, if necessary, cease supply.

As part of our ambition to support continual improvement and good practice, we share learnings across our different markets. We use our influence to drive standards in a way that is stretching but also achievable for our supplier base. We engage with animal welfare organisations such as Compassion in World Farming (CIWF) and the Human Slaughter Association (HSA) to further our own knowledge and identify areas for improvement. We sit on the stakeholder advisory board for the Animal Welfare Research Network (AWRN) where we provide input on the priority areas for animal welfare research. By sharing knowledge we allow suppliers to develop their own solutions to any challenges relevant to their geography whilst still ensuring that we drive animal welfare improvements.

How We Deliver Against Our Policy

We have a multi-layered approach to animal welfare assurance (illustrated 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.



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, slaughter facilities for farm animals, and farmed fish supplying Hilton Foods are certified to an approved assurance scheme, where one exists in that geography.

Hilton Foods Requirements

For all 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, including animal welfare. We also have an animal welfare outcome measurement process which all livestock suppliers across the whole of Hilton Foods must submit to.

Retailer Requirements

Many of our retail partners are themselves leaders in promoting high standards of animal welfare. In those supply chains pertinent to each retailer, it is our responsibility to ensure that their specific standards are being met.



Animal Welfare Indicators

We use a combination of input measures and output measures to assess animal welfare on farm, during transport and up to and including the point of slaughter. Collectively these form our animal welfare outcome measures.

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. Input measures include space allowances and transport times.

Welfare output measures are obtained by directly observing animals. They include both physical and behavioural observations that provide a picture of animals' welfare experience. Some output 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. Animal welfare outcome measures are reported periodically by our suppliers and assist us, our retail partners and our suppliers in understanding how we are performing, where we can make improvements and to benchmark best practice and identify trends.

Delivering Against Our Objectives

Hilton Foods is committed to reporting publicly on progress against our animal welfare objectives which 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, fish and poultry:

1. Slaughter facilities and farms are certified to independent farm assurance schemes
2. No animals/farmed fish are from cloned stock or subject to genetic engineering
3. The avoidance of close confinement
4. Animals are provided with environmental enrichments that promote species specific behaviour
5. The avoidance of routine painful procedures and the use of suitable pain relief where they are used
6. Antibiotics are used responsibly



7. No use of hormonal growth promotants or production enhancers
8. Travel times are kept to a minimum and, for livestock, are not greater than eight hours
9. All animals and aquaculture are effectively stunned prior to slaughter
10. The use of animal welfare outcome measures to monitor standards objectively

Objective 1. Slaughter facilities and farms are certified to independent farm assurance schemes

Whilst both our suppliers themselves and our own Hilton Foods audit team monitor animal welfare performance, we believe that recognised farm animal welfare assurance schemes give an added level of confidence to our customers and to consumers that everything is being done to protect animal welfare. All farms and slaughter facilities for farm animals and aquaculture supplying Hilton Foods are certified to an approved assurance scheme where one exists in that geography. These assurance schemes are a combination of basic and higher welfare assurance schemes with higher welfare schemes being utilised where possible. Owing to the vast geographies across which Hilton Foods operates and sources products there is not always a farm assurance scheme present in those countries.

How are we doing?

Approved independent assurance schemes recognised within the Hilton Foods supply base:

Scheme	Sector
Aquaculture Stewardship Council (ASC)	Aquaculture
Australian Pork Industry Quality (APIQ)	Pigs (Australia)
Best Aquaculture Practices (BAP)	Aquaculture
Beter Leven 1 and 2 Star	Pigs (Dutch)
Bord Bia Quality Assurance	Cattle and Lambs (Irish)
Danish Product Standard	Pigs (Denmark)
GlobalGAP	Aquaculture and Pigs
IKB Varkens	Pigs (Dutch)
IP Gris Grundcertifiering	Pigs (Swedish)
KRAV	Cattle, Lambs and Pigs (Sweden)



Livestock Production Assurance	Cattle (Australian)
National Feedlot Accreditation Scheme	Cattle (Australian)
Northern Ireland Farm Quality Assurance Scheme	Cattle and Lambs (Northern Ireland)
Organic Certification (Naturland, Soil Association, Irish Organic Association)	Aquaculture
QS	Pigs and Cattle (Dutch and German)
Quality Meat Scotland	Cattle and Lambs (Scotland)
Red Tractor	Cattle, Lambs and Pigs (UK)
RSPCA & RSPCA Australia	Cattle, Chickens, Lambs, Pigs and Salmon (UK & Australia)
Together Into The Future	Cattle and Pigs (Poland)

For those animals producing dairy and egg ingredients for our supply chain we are committed to working towards sourcing from farm assured schemes.

Objective 2. No animals/farmed fish are from cloned stock or subject to genetic engineering

Hilton Foods does not permit the use of animals or farmed fish from cloned stock or which have been subject to genetic engineering and this is specified in our Animal Welfare Policy. 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.

Objective 3. The avoidance of close confinement

Hilton Foods is committed to the avoidance of close confinement of livestock and finfish across all species and geographies and is working towards continuously reducing the number of animals experiencing confinement within our supply chain.

How are we doing?



Cattle

- In our Australasian business, feedlots are used to finish a proportion of cattle after the greater part of their lives has been spent grazing. Feedlot beef is accredited by the National Feedlot Accreditation Scheme (NFAS) which incorporates a strict animal welfare component.
 - At least **59%** of beef cattle are free from confinement in concentrate animal feeding operations (CAFOs) or feedlots across our global supply chain.
- Hilton Foods understand that tethering cattle is an outdated practice and can have a negative impact on animal welfare. In certain countries, such as Poland, tethering cattle is still normal practice. We know that it also exists in small proportions in our wider European supply chain and we are exploring alternatives to tethering with these suppliers.
 - At least **65%** of dairy cattle providing dairy products for our global supply chain are free from tethering.
- At least **80%** of beef cattle in our global supply chain are group housed as calves from birth and throughout rearing.

Lamb

- **100%** of sheep across our global supply chain are free from close confinement.

Pigs

- In our Australasian supply chain 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. In the UK and Sweden, sows and gilts can only be held in stalls for veterinary and insemination purposes for up to 4 hours.
 - **14%** of sows across our global supply chain are free from gestation/sow stalls except for a maximum of 4 hours for management purposes.
- In some geographies and higher welfare assurance schemes within our supply chain farrowing crates are not permitted.
 - **14%** of sows across our global supply chain are free from farrowing crates.

Poultry

- **100%** of broilers in our Australasian supply chain come from higher welfare RSPCA approved farms. Birds are provided with environmental enrichment,



such as perches and pecking objects, good quality litter for dust bathing and are given space to be active and exhibit natural behaviours.

- **14%** of broiler chickens in our global supply chain are reared at lower stocking densities (30kg/m² or less).
- Breeds with the potential for slower growth rates are being used in our European and Australasian supply chains. Currently this represents **1%** of the total chickens in our global supply chain.

Aquaculture

- For our farmed fish, suppliers work with science-based stocking densities according to individual species and farming system. Stocking densities are recorded across the life stages of the animals, with special emphasis on crowding monitoring before harvests. Crowding events are monitored through a combination of parameters including time, water quality (e.g. O₂ levels) and welfare outcome measures (e.g. fish behaviour).

Objective 4. Animals are provided with environmental enrichments that promote species specific behaviour

Hilton Foods are committed to ensuring that all animals in our global supply chain are provided with species specific enrichment that is evidenced by science. Environmental enrichment should be designed to improve the living conditions of the animals by encouraging the demonstration of a wider range of normal behaviours. We acknowledge that animals thrive better in stimulating environments leading to the notion of a 'life worth living'. Insufficient enrichment can result in stereotypic aberrant behaviours, such as tail biting in pigs, and in frank aggression towards other animals in their group.

Owing to the nature of the geographies in which we work and varying legislations, unfortunately not all animals in our supply chain have optimal environmental enrichment. We are continuing to work with our retail and supplier partners to address these issues.

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.

How are we doing?

Cattle

- **100%** of beef cattle in our Australasian and South American supply chains have access to grazing pasture during their lives allowing them to exhibit natural behaviours.
- In Northern Ireland suppliers who keep cattle indoors have installed rotating cow brushes in the pens to enhance natural grooming behaviour.
- In the UK suppliers who rear calves indoors have installed swinging balls to provide additional stimulation.

Lamb

- **100%** of lamb across our global supply chain is reared extensively and have access to pasture.

Pigs

- **100%** of pigs in our European supply chain must have environmental enrichment.
- In the Netherlands, **100%** of our pigs are reared to higher welfare standards and provided with greater space and an enriched environment. Enriched material must be edible, chewable, investigable and manipulable.
- In our Australasian supply chain **64%** of pigs have access to environmental enrichment. This is area on which we want to work with our suppliers and retail partner to improve.

Poultry

- **100%** of broilers in our Australasian supply chain come from higher welfare RSPCA approved farms. Birds are provided with environmental enrichment, such as perches and pecking objects, good quality litter for dust bathing and are given space to be active and exhibit natural behaviours.
- **100%** of broilers in our UK supply chain have permanent access to environmental enrichment including perching, natural light and objects for pecking.

Aquaculture



- We are exploring environment enrichment across the different species.
- 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.

Objective 5. The avoidance of routine painful procedures and the use of suitable pain relief where they are used

Routine procedures such as tail docking, castration and disbudding can cause pain and unnecessary suffering to animals. Hilton Foods is committed to the avoidance of these routine activities and will continue to collaborate with suppliers, retailers and other industry stakeholders to remove these procedures from the supply chain. In situations where they cannot be avoided and indeed may be required for the benefit of animal welfare, as documented by a veterinary surgeon, then pain relief should be administered at the time of the procedure.

How are we doing?

Cattle

- Surgical castration and disbudding of calves are routinely practiced in all our major markets by our farmers. There is insufficient data to say exactly how this is being performed and whether appropriate local anaesthetic and pain relief are being used.
- Some of our suppliers in Ireland and the UK have increased the volume of bull beef entering their supply chain thereby reducing the number of male animals being castrated.
 - From the data we do have we can verify that at least **4%** of the beef cattle in our supply chain are not castrated.
- Where appropriate genetics exist we advocate that polled sires are utilised in breeding programmes.
 - From the data we have we can verify that at least **2%** of the beef cattle in our global supply chain are polled and so not subjected to disbudding or dehorning.
- Routine tail docking of cattle is not permitted in any of our markets.

Lamb

- **100%** of sheep in our global supply chain are free from mulesing.



- Where castration or tail docking is practiced in our Australasian supply chain **100%** of lambs receive appropriate pain relief.

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.
- Our major supplier in the Netherlands is utilising an automated system for measuring tail length at post mortem inspection. The data being collected is being utilised to help drive an initiative to increase tail length across the supply base.
 - **11%** of pigs in our global supply chain are free from tail docking
- Surgical castration is prohibited under the assurance schemes used in our Australian, Dutch, Irish and UK supply chains.
 - **48%** of pigs in our global supply chain are free from castration
- **91%** of our Australasian pig supply chain is free from teeth clipping.

Poultry

- **100%** of our broiler chickens in Australasia are free from beak trimming

Aquaculture

- **100%** of fish in our global supply chain are free from fin clipping.
- See our [Crustacean Policy 2024](#) for further information.

Objective 6. Antibiotics are used responsibly

Antibiotics should be used responsibly, which means; use as little as possible without compromising animal welfare through good husbandry practices, good biosecurity and good farm health planning including appropriate vaccination strategies; and use as much as necessary by treating sick animals in accordance with instructions on the label and from the prescribing veterinary surgeon.

Hilton Foods is part of the Food Industry Initiative on Antimicrobials (FIIA) 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.



Hilton Foods does not permit the prophylactic or routine metaphylactic use of antibiotics within any species in across our global supply chain.

Where possible we encourage the use of national antibiotic monitoring systems to capture country specific data which can then be used for benchmarking and to support regional and national initiatives on the responsible use of antibiotics.

How are we doing?

Antibiotic usage is recorded by our suppliers and monitored as part of the farm audit programmes and in the case it the majority of the countries we purchase from, it is publicly reported. In addition some of our key suppliers report it publicly.

In the UK national level data supporting the reduction of antibiotic usage in the cattle and sheep is excellent however individual livestock farm level data is poor. We actively support the use of AHDB's Medicine Hub to increase reporting and transparency at the farm level and to support both UK farmers in meeting their RUMA targets and the UK as whole in meeting EU requirements for national antibiotic reporting for the cattle and sheep sectors as part of the Farm to Fork Strategy.

- 100% of our suppliers have made commitments to responsible antibiotic use on farm.
- All antibiotics use in our farmed seafood is monitored and controlled. No prophylactic use is allowed in any farmed seafood.
- The use of antibiotics in salmon supply chain is reported publicly in Norway and UK.
- All our aquaculture supply chain, excluding salmon, has recorded 0 uses of antibiotics in 2023.
- Many of our European producers have made significant progress in reducing antibiotic usage on farm
 - The 2023 European Surveillance of Veterinary Antimicrobial Consumption (ESVAC) report cited a **reduction of 10.7mg/PCU** in antibiotic usage across the EU in 2022

Objective 7. No use of hormonal growth promotants or production enhancers

The use of hormonal growth promotants and in feed production enhancers is controversial and banned in many geographies. The use of antimicrobial feed additives specifically for growth-promotion purposes as opposed to the treatment



or control of bacterial infection does not demonstrate the responsible use of antimicrobials and raises concerns of antimicrobial resistance. Hilton Foods does not permit the use of hormonal growth promotants or production enhancers in any species across our global supply chain.

How are we doing?

We have found **no** evidence of the use of hormonal growth promotants or production enhancers in our global supply chains.

Objective 8. Travel times are kept to a minimum and, for livestock, are not greater than eight hours

Extended transport times can be associated with welfare challenges in all livestock species. Hilton Foods objective is to, where possible, limit transport times to less than 8 hours across all species in our global supply chain. All suppliers are aware of this objective and report independently on livestock transport to us as part of our welfare outcomes measurements. Transport times in excess of 8 hours must only be undertaken in superior vehicles (where animals are provided opportunity to drink in transit) and those personnel conducting the journey are assessed as competent to undertake extended transport. Transport in excess of 12 hours must never be a planned event but only occur as a consequence of exceptional circumstances e.g. traffic incidents. In our Australasian business the very large distances between farms and slaughterhouses make an 8 hour maximum journey time difficult to achieve and impossible for some.

We aim to work 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 welfare outcome measurements and by direct observation of transport records at each supplier slaughterhouse inspection.

How are we doing?

In 2023 the percentage of our global supply chain transported in under 8 hours (under 4 hours for poultry):

Species	% Global supply chain
Cattle	90%
Lamb	93%
Pigs	98%
Poultry	76%



Objective 9. All animals and aquaculture are effectively stunned prior to slaughter

It is a condition of supply to Hilton Foods that all animals and aquaculture 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 aquaculture suppliers to Hilton Food Group have systems in place to ensure they meet this requirement. For information relating to crustaceans please see our [Crustacean Policy 2024](#).

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?

Hilton Foods does not allow the use of non-stun slaughter within our supply base. **100%** of animals producing meat for our global supply chain are pre-slaughter stunned and there is a further requirement that an effective secondary stunning system is available in the event of primary failure. Incidences of secondary stun are reported in our animal welfare outcome measurements.

Within our pork supply chain, controlled atmosphere stunning (CAS) is the most commonly used stunning method as approved by the European Food Safety Authority (EFSA). We acknowledge industry concerns around the use of CAS and, along with our suppliers, support research in to finding a suitable alternative.

In our poultry meat supply chain currently **32%** of chickens are stunned using either CAS systems or effective electrical stunning without live inversion.

The following table shows percentage of animals stunned across our global supply chain:

Species	2019	2020	2021	2022	2023
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 or electric	100% Electrical or percussive	100% Electrical or percussive	100% Electrical or percussive	100% Electrical or percussive
Sea Bass	100% Electrical	100% Electrical	100% Electrical	100% Electrical	100% Electrical



Sea Bream	100% Electrical	100% Electrical	100% Electrical	100% Electrical	100% Electrical
Warm Water Prawns	100% Thermal shock/stunning	50% Electric Stun 50% Thermal shock/stunning	80% Electric Stun 20% Thermal shock/stunning	80% Electric Stun 20% Thermal shock/stunning	87% Electric stunner 13% Thermal shock/stunning
Cattle (including calves and cull dairy cows)	100%	100%	100%	100%	100%
Lamb	100%	100%	100%	100%	100%
Pigs	100%	100%	100%	100%	100%
Poultry (including end of life hens)	100%	100%	100%	100%	100%

Where dairy products and eggs are used as ingredients in our supply chain, we are working with suppliers to understand the methods of stunning used for end of life laying hens and dairy cows which do not enter our supply chain. These animals account for 0.66% of our global animal sourced protein supply chain.

Objective 10. The use of animal welfare outcomes measures to monitor standards objectively

Hilton Foods has a commitment to upholding high standards of animal welfare throughout the supply chain, up to and including final slaughter. To support this commitment we introduced a system of animal based Welfare Outcome Measures (WOM) in 2022, which are continuously reported across our beef, lamb and pork supply chains, in order to evidence good practice and identify trend incidence and drive best practice across the countries from which we source.

WOM data is now submitted by livestock suppliers on a monthly basis and is verified as part of our ongoing programme of abattoir assessments. We now have over 2 years of data and moving forward this will now allow us to track and trend relative performance within any given sector and monitor individual supplier performance over time. Crucially, this assessment approach is designed to emphasis positive outcomes and not simply report on an absence of negatives and now having an extended data set we will start to be able to evaluate factors such as seasonal impact on welfare metrics

Transport & Fitness to Travel

Figure 1 illustrates that in the year to date over **97%** of all livestock journeys (averaged across all sectors) in our European supply chain were completed in 8



hours or less. This is an improvement on 2023 datasets. There is some interspecies variance, with lamb showing a proportionately higher journey times of more than 8 hours, primarily associated with specific geographies.

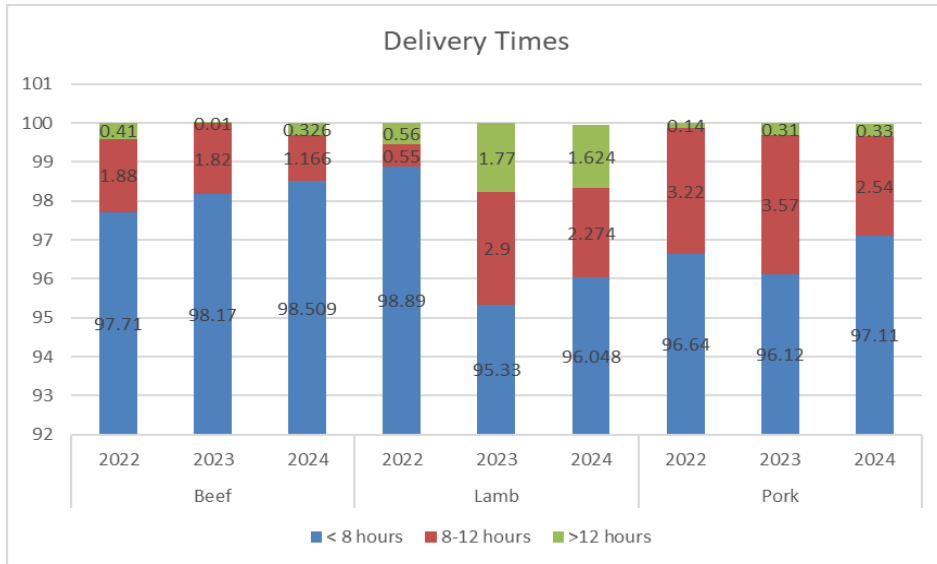


Figure 1: Percentage of Deliveries (Cattle, Sheep and Pigs) Completed within 8 hours

In aquaculture, our seabass and prawns are slaughtered pen side and so there is no additional transportation pre-slaughter. In our salmon supply chain, there is occasional pen side harvest but the majority of fish are transported prior to slaughter with journey times, on average, greater than 12 hours.

Only animals that are physically fit should be loaded for transport and journeys should be completed with due regard for animal wellbeing throughout. Animals in the latter stages of pregnancy, unweaned young stock or animals that are physically injured or unable to weight bear on all 4 limbs must not be transported.

The proportion of animals detained on arrival and/or reported as casualties provides a measure of fitness at time of loading as illustrated in Figure 2.

The proportion of casualty animals overall is exceptionally low. However in 2024 all sectors have shown a marginal increase in casualties since 2023.

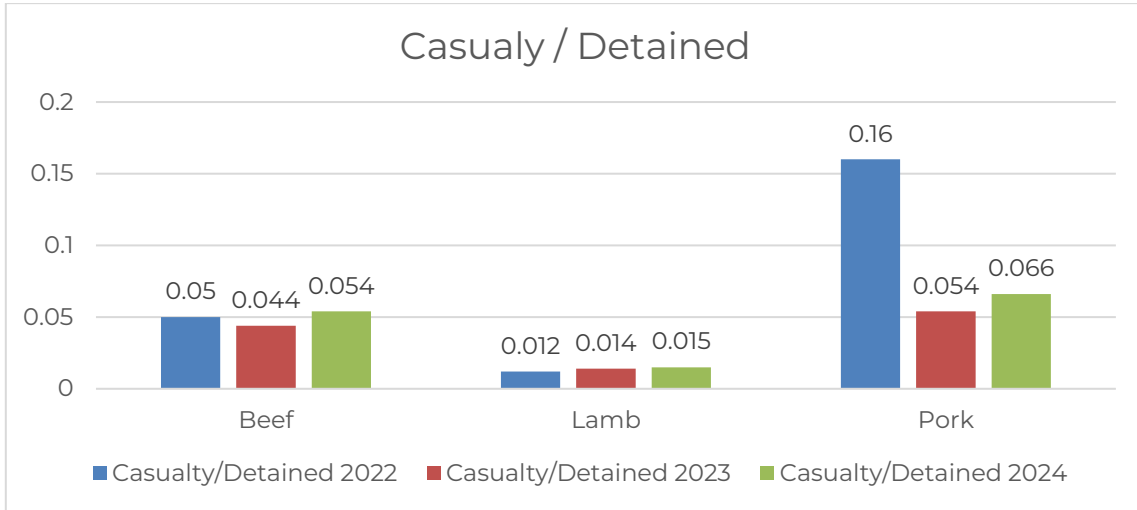


Figure 2. Percentage Incidence of Casualty/Detained Animals (Cattle, Sheep and Pigs)

Animal Handling

Careful and compassionate animal handling, together with well-designed unloading and holding facilities, is crucial to animal well-being prior to slaughter. All sites are required to make an assessment of slips (in cattle and pigs) and falls (in cattle, sheep and pigs) at time of unloading.

Figure 3 illustrates the relative incidence of slips and the total occurrence is low. The pork sector has shown a significant increase compared to 2023 but still remains considerably lower than in 2022.

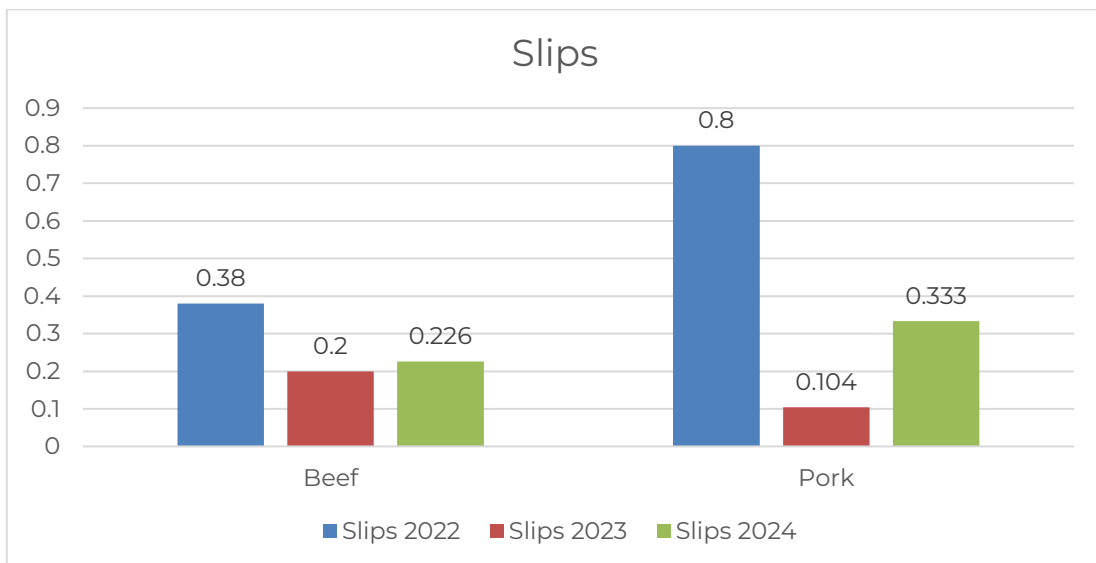


Figure 3: Percentage Incidence of Slips (Cattle and Pigs)



Figure 4 illustrates the percentage of recorded falls. Figures are exceptionally low and beef have recorded a decrease in incidence for year to date. There has been an increase in figures reported across the pork and lamb supply base.

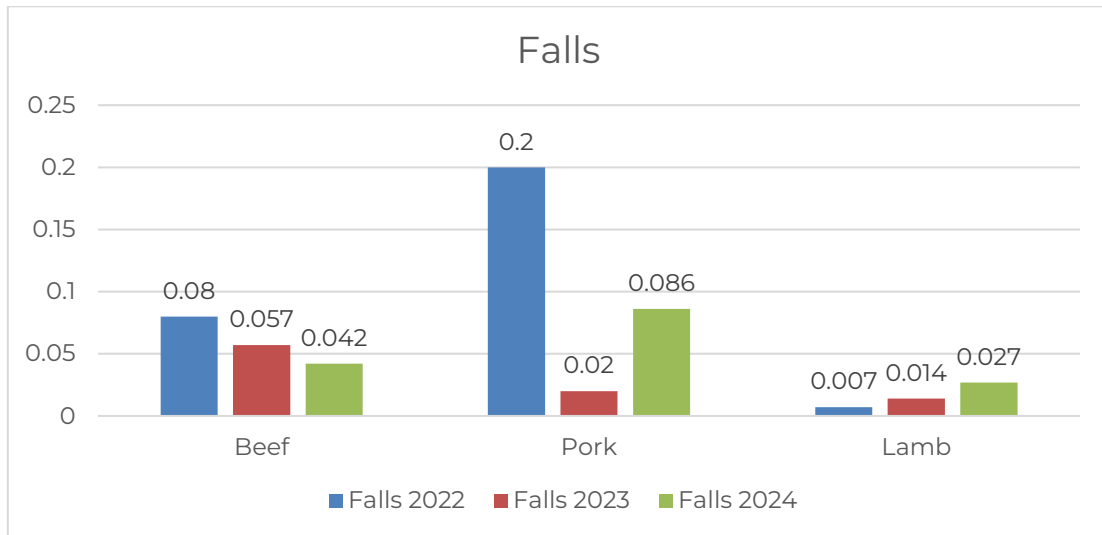


Figure 4: Percentage Incidence of Falls (Cattle, Pigs and Sheep)

The use of goads for handling juvenile animals is prohibited. Goad use in cattle is restricted to adult animals (over 12 months), applied only on the hind quarters and when the animal has an unobstructed pathway in the direction of travel. Repeated use on any individual animal should be avoided. Processors are therefore required to report on the total number of animals goaded and the total number of times the goad is used (a big discrepancy between these two measures being indicative of repeated use).

Figure 5 illustrates these two reporting metrics and indicates that only a minority of cattle are goaded (4.27%) across the Hilton Foods supply base, which represents a year on year reduction. However, the data shows that on average 0.52% have been multiply goaded as reflected in total goad use (4.79%). The focus will be on those sites reporting higher values; particularly where use suggests a systematic shortfall e.g. in lairage and/or handling facilities

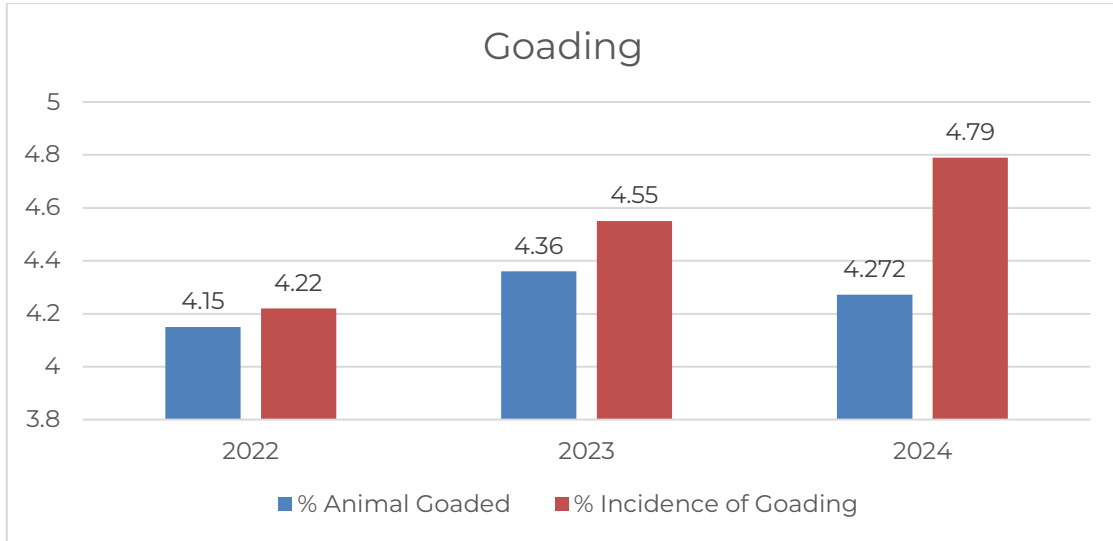


Figure 5: Percentage Incidence of Goad Use (Cattle)

Stunning and Slaughter

Hilton Foods does not allow the use of non-stun slaughter within its supply base. 100% of animals are stunned and there is a further requirement that an effective secondary stunning system is available in the event of either primary failure, or for what are termed 'health and safety' stuns i.e. where the extent of post-stun movement that occurs as part of an effective percussive or electrical stun is such that ensuring the slaughter process is delivered swiftly and effectively could be compromised, and a secondary stun is advised. Additionally, when electrically stunning sheep there can be occasions where individual animals 'jump through' the restrainer unstunned, requiring deployment of the backup method in the first instance. Figure 6 illustrates the relative incidence of each of the scenarios described.

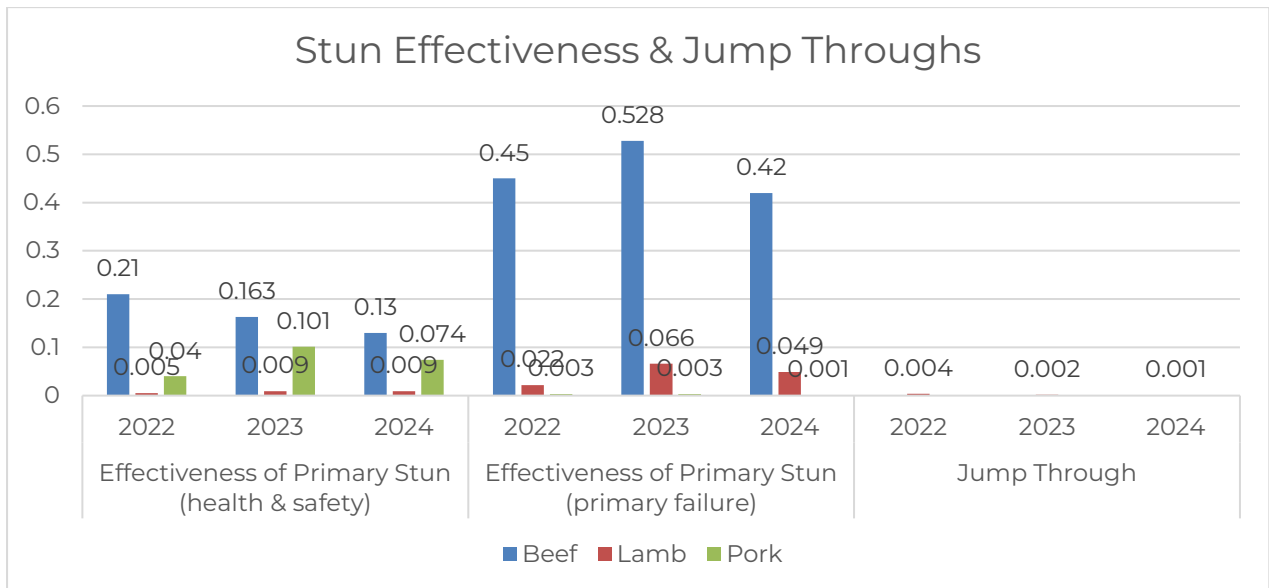


Figure 6: Percentage Incidence of Secondary Stunning (Cattle, Sheep and Pigs)

The extremely low level of secondary stunning across the pork supply base is reflective of the use of controlled atmosphere stunning (CAS) across a significant proportion of the supply chain. Recorded instances of secondary stunning have declined to single figure occasions across sites using CAS.

In our salmon supply chains all systems combine electric stunning followed by secondary percussive stunning. These systems have 100% effectiveness.

Condemnation Reporting

The incidence of condemnations is an important metric to understand the health and welfare status of the animal and identify where challenges have arisen on farm. For cattle and sheep a total loss is reported (Figure 7) whereas for pigs there are three specific metrics of interest which reflect the most common issues.

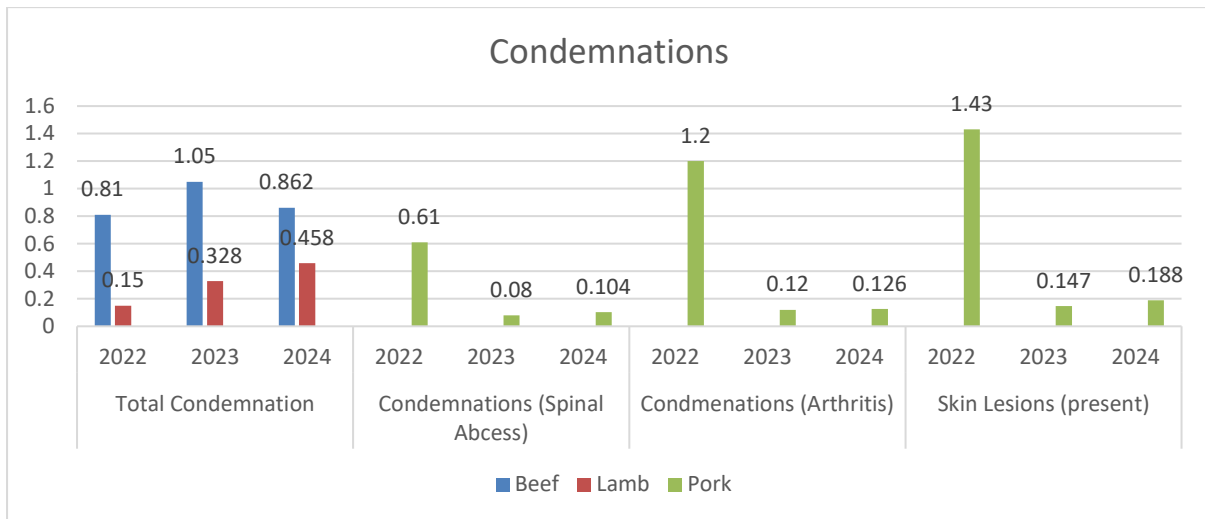


Figure 7: Percentage Incidence of Condemnations (Pigs, Sheep and Cattle)

Condemnations for arthritis can be illustrative of general housing conditions e.g. flooring type and integrity, where the incidence of spinal abscesses can be an indication of tail biting (even if healed and no longer evident at time of loading for transport). The prevalence of skin lesions associated with fight damage in pigs can also be indicative of poor/inappropriate group mixing either on farm, in transit or during lairage and these data sets are carefully monitored to allow processors to implement targeted interventions where indicated.

There has been a significant reduction in beef condemnations whilst lamb condemnations have risen from the previous year. There has been no significant change in pig condemnations and levels remain well below those of 2022.

Improving Animal Welfare Standards

At Hilton Foods, we are proud of the work we carry out on a day to day basis in collaboration with our suppliers, our retail partners and the wider industry to improve the welfare of the animals in our supply chains. Hilton Foods has a history of actively engaging in the development and improvement of global standards, looking to identify and support projects dedicated to advancing farm animal welfare practices within the industry. Most recent examples:

- We are board members of the European Roundtable on Beef Sustainability (ERBS) and also hold the position of Technical Working Group Chair
- We are members of the Global Roundtable for Sustainable Beef (GRSB) and have supported the development of their animal welfare goals
- Hilton Foods is a member of the Food Industry Initiative on Antimicrobials (FIIA), where we have agreed a common set of principles with regard to the



responsible use of antibiotics. We have incorporated the resulting principles into our policy

- We hold the co-chair for GlobalGAP technical committee with international and aquaculture scope
- We are continuing to develop how we collect animal welfare outcome measurements. This includes the onboarding of 15 new livestock suppliers in the last 12 months. We are now exploring how we can benchmark this data and target improvements in animal welfare across the supply base
- 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.
- We continue to develop our inhouse animal welfare training for our auditors and in the last year also supported our retail partner Rimi Baltic Group by providing bespoke animal welfare training for their team.
- 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 species.
- We have collaborated with our retailers in the UK to introduce electric stunners into our prawn supply chain. We are now investigating the rollout of this across the group.

Examples of promoting higher welfare on social media:

[Hilton Foods promoting high animal welfare standards](#)

[Hilton Foods promoting sustainable, transparent and ethical practices at 'Marine Week'](#)

[Hilton Foods Denmark promoting pig welfare](#)

Ending The Use Of Inhumane Practices

Hilton Foods are committed to:

- Not produce or sell foie gras or meat from birds reared for foie gras across our global supply chain
- Not permit the live plucking or live harvesting of geese across our global supply chain



Non-Animal Sourced Foods

Hilton Foods recognise the need to reduce our reliance on animal-sourced foods across our entire operations. Hilton Foods have a commitment through our Sustainable Protein Plan, as detailed in our Annual Report 2023, to increase the sales of our plant-based, vegetarian and flexitarian products by 50% compared to a 2020 baseline by 2025. The responsibility for this growth lies with regional CEO's who in return report to our Group CEO.

We acknowledge that there is a risk of changing consumer purchasing preferences to lower emissions alternatives. Our mitigation strategy includes achieving significant reductions in the emission intensity of beef and lamb supplied to Hilton Foods and creating a diversified portfolio of proteins that aligns with consumer demand. We are committed to doubling production of plant-based proteins by 2025 across our global business and are actively expanding our plant-based facilities at several sites including a dedicated facility in the UK. Our commitment is reinforced through the purchase of Dalco and investment in Cellular Agriculture. We have also developed a tool to assess the environmental and nutritional impacts of ingredients to support new product development.

In 2023 we have collaborated with retailer partners across the Group to introduce a range of products aimed at increasing vegetable intake and providing vital additional nutrients like Omega-3 fatty acids. With Tesco Central Europe we have produced beef burgers containing beetroot and pumpkin. With Sonae in Portugal we collaborated to produce beef burgers comprising of 25% vegetables.

Examples of promoting non animal-sourced foods on social media:

[Cellular Agriculture promoting cultivated protein](#)

[Cellular Agriculture promoting cultivated protein 2](#)