



Animal Health and Welfare Procurement Policy

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1. Introduction

This document is the first version of the METRO Animal Health and Welfare Policy and a commodity-specific guideline relating to the overall [METRO Approach for Sourcing of Agricultural Raw Materials](#).

Products of animal origin, particularly meat and meat products, still play an important role in the everyday diet of consumers, and the global demand for meat is still growing. Per capita consumption of meat is expected to increase in the EU overall to 65.75 kilograms by 2020. At the same time, consumers are eating more consciously and mindfully, and they want to know what they are eating and where it comes from. More and more consumers are becoming flexitarians or even vegans. The reasons differ: some consumers have health and ethical reasons, while others believe that meat consumption is no longer environmentally sustainable.

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

METRO is known for its exceptional competence in fresh food ranges. As a result, customers expect us to ensure high standards of animal health and welfare. Moreover, they attach great importance to transparency concerning products originating from animals, such as the origins of livestock or animal welfare conditions.

METRO supports the United Nations Sustainable Development Goals (SDGs) and, with its commitment to a more sustainable product range, strives to achieve the global agenda. For this policy, the following goals are particularly relevant:

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

2. Objective

METRO recognises animals as sentient beings and strives to increase quality of life for animals by balancing mental and physical well-being as well as natural behaviour, wherever reasonable, by:

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

3. Scope

Operational scope

All METRO operations in all countries, including International Trading Offices and all Food Service Distribution (FSD) companies (for these operations and certain country operations, alternative timelines may apply).

Brand scope

- Focus is on Own Brand (Private Label) and no-name brand animal products purchased and sold by METRO.
- In addition, we will also work with producer brands, industry partners and other stakeholders on systematic changes towards animal welfare.

Definition

- Own Brand: An article/product that carries a registered METRO brand.
- No-name brand: Products not bearing a METRO brand but with METRO address. This also includes all in-house produced products and all products sold via counter and labelled with METRO address.
- Producer brand: Any product labelled with a supplier brand.

Product scope

- All fresh meat products and meat preparations (fresh or frozen) in accordance with the definition in Annex 3 (METRO's Own-Brand Meat Standard [QA 030]) with an initial focus on pork, poultry and beef
- Eggs
- Fish and seafood
- Crustaceans

4. Targets

METRO aims to improve its product range to meet higher animal health and welfare standards by achieving the following targets:

- 100% transparency of livestock origin (country, farm and slaughtering)
- 100% exclusion of preventive antibiotics and growth promoters
- 100% exclusion of cloned animals or genetically modified animals
- 100% exclusion of routine mutilation practices, such as castration, tail docking, teeth clipping, beak trimming, fin clipping
- 100% exclusion of cage eggs from the supply chain in accordance with the [Cage-Free Egg Procurement Policy](#)
- 100% humane stunning of animals prior to slaughtering
- Avoidance of long-distance travel wherever possible and keeping the live transportation of animals to a minimum

5. Reporting

METRO will make this policy publicly available. The progress in achieving the targets will be measured based on the following key performance indicators (KPIs):

General

- Share (%) of livestock providing meat for METRO which is certified in accordance with the animal welfare certification schemes mentioned in Annex 1
- Share (%) of livestock providing meat for METRO per meat type broken down by origin (country, farm and slaughtering)
- Share (%) of livestock providing meat for METRO which is free from cloning practices
- Share (%) of livestock providing meat for METRO which is free from genetically modified animals

- Share (%) of livestock providing meat for METRO which is free from any mutilation practices such as pig castration, tail docking, teeth clipping, beak trimming, fin clipping
- Share (%) of livestock providing meat for METRO which is pre-stunned before slaughter
- Average travel times (hours) of livestock providing meat for METRO

Eggs

- In accordance with METRO's [Cage-Free Egg Procurement Policy](#)

6. Policy framework

6.1 Five Freedoms for Animal Welfare

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

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

6.2 Cloning

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

Food from cloned animals is regulated and considered to be safe for human consumption within the EU (Regulation on novel foods). However, scientific opinions (e.g. of the European Food Safety Agency) have been published indicating that cloning entails serious health and welfare problems for the animals.

Moreover, we respect that our consumers usually do not accept meat derived from cloned animals for ethical reasons. Therefore, at METRO, cloned animals may not be used for our own-brand products in the scope of the policy.

6.3 Genetically engineered organisms

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

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

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

6.4 Antibiotics and growth promoters

In recent years, the potential link between antibiotic usage in food animals and resistance in humans has been highly discussed by relevant experts on all levels – national, European and global. Over 70% of the antibiotics used globally are administered to farm animals.

Ethical husbandry is known to increase animal health while decreasing the risk of infections and many diseases. Consequently, the need to administer antibiotics can be reduced. At the same time, we acknowledge that some antibiotics are important medicines for animal health.

METRO aspires to achieve responsible and prudent usage of antibiotics in the food animal supply chain and to reduce the usage of antibiotics in the production of our own-brand products, particularly poultry and pork, without compromising animal health. The following measures are aimed at achieving that goal:

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

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

6.5 Animal transport

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

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

6.6 Slaughtering and pre-stunning

For own-brand products in the scope of this policy, we ensure that farm animals are slaughtered in compliance with the relevant legislation and in accordance with the Guidelines for the Slaughter of Animals for Human Consumption as outlined in the OIE World Organisation for Animal Health's 'International Animal Health Code – 2006'. We aim to ensure 100% humane stunning prior to slaughtering in order to minimise:

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

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

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

transparency concerning the use of the shechita slaughtering practice in its supply chain.

6.7 Mutilation

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

Together with our suppliers and relevant experts, we strive to increase animal welfare and health on the farm level for products in the scope of the policy and strive to exclude the routine mutilation of farm animals. We keep mutilation practices such as tail docking, teeth clipping, beak trimming and fin trimming to a minimum. If used, these practices are only undertaken under veterinary advice on the farm level. The aim is to prevent all mutilation practices in the future.

6.7.1 Castration

Most young pigs slaughtered in Europe are castrated without anaesthetic shortly after birth to prevent the meat from having an unpleasant smell, known as 'boar taint', when it is later cooked. In order to meet the demands of customers and animal welfare advocates, METRO is working with NGOs, government representatives and other partners in the supply chain to put an end to unanaesthetised castration. For that reason, the only meat we sell internationally comes from pigs that have been surgically castrated following an inhalation anaesthetic, as well as meat from intact male pigs and injected male pigs (immunocastration).

6.8 Eggs

In January 2020, METRO Wholesale updated its [commitment to phase out cage eggs](#) from its supply chain. This move goes beyond what is already required by legislation and contributes to the further improvement of farming conditions for laying hens by promoting alternative and more sustainable farming systems (e.g. floor and free-range systems) globally. METRO is committed to ensuring that 100% of the shell eggs and liquid egg products it sources are cage-free for all business operations it controls in Western and Southern Europe by the end of 2022 and in Eastern Europe, Russia and Ukraine by the end of 2025. In our remaining markets,

such as India, China, Pakistan and Japan, we are committed to achieving the same goal by 2027. In these markets, the sourcing of cage-free eggs is currently challenging, so we are working with the industry, government and business partners to help transform the market.

6.9 Fish and seafood

Billions of people already rely on seafood as their primary source of nutrition. Yet fish is a limited natural resource. Almost one third of the stocks in our oceans are overfished. Illegal fishing, high by-catch rates and the pollution of oceans are additionally reducing the stocks and biodiversity.

METRO is one of the leading fish wholesalers in Europe. Worldwide, we sell 200,000 tonnes of various species of fish per year in our wholesale stores. Fish is an extremely important product in our range, and professional customers are increasingly interested in sustainable fish sourcing. As a responsible partner for its customers and suppliers, METRO has defined criteria for sustainable sourcing with its Fish and Seafood [Procurement Policy](#).

6.9.1 Aquaculture

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

To ensure that farmed fish is a genuinely sustainable alternative to wild-caught fish, compliance with high animal welfare standards is a key aspect for sourcing fish from sustainable aquaculture. Aquaculture certification schemes accepted by METRO (see Annex 2) are a key instrument for METRO to ensure the compliance of sourced farmed fish with animal welfare criteria. As part of our Action Plan for Fish, we are in constant dialogue with relevant certification agencies to improve the aquaculture industry so that it complies with higher animal health and welfare certification requirements.

METRO prefers responsible and controlled aquaculture farms, including enhanced animal health and welfare criteria regarding:

- 1) Stock management/animal welfare
 - Having an appropriate stock density
 - Humanely stunning prior to slaughtering

- Not using genetically modified or cloned fish
- Using antibiotics responsibly
- Not practising routine mutilation like fin trimming
- Using cages appropriate to each species
- Reducing negative effects on flora and fauna
- Minimising escapes of animals into the ocean
- Using a functioning water and waste management system

2) Feed

- Avoiding the use of hormones that stimulate growth
- Avoiding the preventive use of antibiotics
- Complying with the requirements related to animal feed (including fish) of the [Soy Procurement Policy](#)
- Providing information about the usage of genetically modified organisms. More details can be found in our [Policy on Genetically Modified Organisms \(GMO\)](#).

6.10 Crustaceans

Lobster and other crustaceans are still important products in international and professional cuisine. In order to respond to this demand from high-quality restaurants, METRO offers lobster from the live pool in selected countries.

Live lobsters are very sensitive. To ensure their treatment in accordance with the highest possible animal health and welfare standards throughout the entire supply chain, the METRO Live Lobster Quality Control Technical Manual is in place. This maintains the quality of live lobsters and protects them from any harm and unnecessary stress. This manual covers transportation, platforms and store operations, and its intention is to outline:

- The conditions of transportation and how to keep live lobsters in stores
- The methods of inspection on the platforms
- In-store water tank parameters and the frequency of checks

The inspections are managed by the respective METRO country team, logistics service provider staff or an external inspection, verification, testing and certification company, such as SGS, Bureau Veritas, etc., depending on the local organisation. All inspection results are documented and reported, and an escalation process is in place for non-conformity cases.

Annex 1: Certification schemes promoting higher animal welfare standards – meat

- This is not an exhaustive list. It shows a number of examples of certification schemes covering animal welfare criteria for different meat types which might be relevant for your market and an instrument for complying with animal welfare criteria addressed in this policy.

Initiative and label	Geographic area	Meat type	Explanation
EU organic label 	Europe	All meat types	<p>The EU organic logo gives a coherent visual identity to organic products from the European Union. This makes it easier for consumers to identify organic products and helps farmers to market them across the entirety of the EU.</p> <p>The organic logo can only be used on products that have been certified as organic by an authorised control agency or body.</p>
GLOBALGAP animal welfare add-on 	Global	Broiler poultry, finishing pigs	<p>The GLOBALGAP Stakeholder Committee on Animal Welfare has worked on the establishment of criteria for animal welfare which go beyond legal requirements and which define the contents of complementary and voluntary add-on certifications for livestock producers. Members worked on 2 sets of criteria: broilers and finishing pigs. The criteria are science-based, feasible, economically viable and auditable.</p>
Beter Leven 1* 	Netherlands	Broiler poultry, calves, pigs, laying hens	<p>One star stands for regular farming with additional requirements to improve the most urgent animal welfare issues for each animal species, e.g. slower-growing breeds of broilers, pigs with more space and enrichment, and veal calves with more roughage feed and prevention of anaemia.</p>
Beter Leven 2**	Netherlands	Broiler poultry, calves,	<p>2 stars mean that the animals have access to an outdoor area and many of</p>

Initiative and label	Geographic area	Meat type	Explanation
		pigs, laying hens	the animal welfare issues need to be resolved or need further improvement.
Beter Leven 3*** 	Netherlands	Broiler poultry, calves, pigs, laying hens	3 stars are awarded to organic farms and farming systems with a comparable level of animal welfare.
Für mehr Tierschutz – entry level 	Germany	Broiler poultry, pigs, dairy cows, laying hens	The animal welfare label Für mehr Tierschutz (For More Animal Welfare) comprises 2 requirement levels: an entry level and a premium level . Both levels are based on binding requirements for animal husbandry, animal transport and slaughter. With more space, structures and things to occupy them, the entry-level standard offers animals clear added value – beyond the minimum legal standards.
Für mehr Tierschutz – premium level 	Germany	Broiler poultry, pigs, dairy cows, laying hens	
Label Rouge 	France	Pigs, laying hens	<p>The Label Rouge is open to all products, regardless of their geographical origin (including outside the European Union).</p> <p>At all stages of its production and its development, a Label Rouge product must meet the requirements defined in the specifications, validated by the Institut national de l'origine et de la qualité (INAO) and approved by a ministerial order published in the Official Journal of the French Republic.</p>
NEULAND 	Germany	Broiler poultry, pigs, laying hens, cattle,	Quality meat from animal-friendly and environmentally friendly husbandry. NEULAND is not an organic programme, but a programme for particularly animal-friendly and environmentally friendly husbandry. In some points,

Initiative and label	Geographic area	Meat type	Explanation
		sheep	guidelines are even stricter than in the organic sector. The organisation's conviction: the future of agriculture does not lie in the production of mass-produced goods, but in quality food, produced by farms with a focus on the welfare of animals and the environment.

Annex 2: Certification schemes for farmed fish covering the animal welfare indicator

- Schemes as set out in the METRO Fish and Seafood Procurement Policy. In addition, METRO accepts any other certification standard that has been recognised by the GSSI (Global Sustainable Seafood Initiative).

Initiative and label	Geographic area	Fish species	Explanation
Aquaculture Stewardship Council 	Global	All farmed fish	<p>The logo provides companies with a competitive advantage and is proof of achievement in a market-leading programme for the production of responsibly farmed seafood.</p> <p>ASC standards already include requirements that cover animal welfare, but the organisation has been working to expand and standardise these, using the very latest science to address the concerns and demands of consumers and other NGOs.¹</p>
GLOBALGAP 	Global	Salmon, shrimp, common mussels, sea bream, sea bass, trout, striped catfish, scallops	<p>The GLOBALGAP Aquaculture Standard covers the entire production chain from spawning fish stocks to fattening and slaughter. The scope of the standard includes animal welfare, environmental protection, safety at work (including a risk assessment for the social concerns of workers) and food safety. The standard is being developed further and refined by aquaculture producers, environmentalists and other stakeholders.²</p>
BAP (Best Aquaculture Practices) 	Global	Salmon, shrimp, common mussels, sea bream, sea bass, trout,	<p>BAP is the world's most trusted, comprehensive and proven third-party aquaculture certification programme. Certification verifies that producers are following best practices to deliver farmed seafood safely and responsibly. Best Aquaculture Practices (BAP) is a seafood-</p>

¹ <https://www.asc-aqua.org/asc-shares-expertise-with-eu-group-on-the-welfare-and-conservation-of-animals/>

² <https://aquaculture.ggn.org/en/the-globalg-a-p-standard-for-aquaculture.html>

Initiative and label	Geographic area	Fish species	Explanation
		striped catfish, scallops	specific certification programme that addresses the 4 key areas of sustainability – environmental, social, food safety, and animal health and welfare – at each step of the aquaculture production chain. ³
Friend of the Sea 	Global	All farmed fish	Friend of the Sea’s mission is to protect the oceans for future generations, promoting certified sustainable seafood and omega-3 fatty acids from sustainable fishing and sustainable aquaculture. As far as aquaculture is concerned, Friend of the Sea’s requirements all cover potential impacts which would be detrimental to fish welfare. Thus, compliance involves improving the welfare of fish in the wild and in the aquaculture plant. These requirements include, but are not limited to, the following: protection of critical habitat from site development; passive systems for protection from predators; no use of growth hormones; appropriate use of antibiotics; feed; and water quality. ⁴
EU organic label 	Europe	All farmed fish	The EU organic logo gives a coherent visual identity to organic products from the European Union. This makes it easier for consumers to identify organic products and helps farmers to market them across the entirety of the EU. The organic logo can only be used on products that have been certified as organic by an authorised control agency or body.

³ <https://www.bapcertification.org/WhoWeAre>

⁴ <https://friendofthesea.org/marine-conservation-projects-and-awareness/fish-welfare/>

Annex 3: Definitions of meat and meat preparations

(In accordance with METRO's Own-Brand Meat Standard [QA030])

Meat	<p>Fresh or frozen Lamb, Mutton, Beef and other bovine species, Pork, Poultry, Goat, Wild and Farmed Game, Rabbit, Horse, Exotic species (including Kangaroo, Crocodile, Ostrich).</p> <p>fresh meat: <i>meat that has not undergone any preserving process other than chilling, freezing or quick-freezing, including meat that is vacuum-wrapped or wrapped in a controlled atmosphere(853/2004)</i></p> <p>minced meat: <i>boned meat that has been minced into fragments and contains less than 1% salt</i></p>
Meat preparations	<p>meat preparations: <i>fresh meat including meat that has been reduced to fragments, which has had foodstuffs, seasonings or additives added to it or which has undergone processes insufficient to modify the internal muscle fiber structure of the meat and thus to eliminate the characteristics of the fresh meat (853/2004)</i></p> <p>This definition includes:</p> <ul style="list-style-type: none"> - minced meat - not completely marinated meat (not through to the centre) - meet, where curing is not complete