



## **Cage Free Eggs Policy**

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# 1. Introduction

In accordance with the METRO [Policy for Sustainable Sourcing](#), our core business is providing our customers with products that comply with the highest quality and safety standards and have been produced by socially and environmentally responsible means.

Within this framework, the health and welfare of animals is one of our key priorities. Together with our suppliers and in close dialogue with further stakeholders, such as NGOs, we continuously strive to improve farming conditions as well as transparency concerning the origin of products within our own-brand supply chain.

The [EU Council Directive 1999/74/EC \(July 1999\)](#) has banned keeping and marketing of 'battery eggs' since 2012. However, the Directive's requirements allow eggs from 'enriched' cage farming systems to be sold. 'Enriched cages' are not considered cage free. Some EU countries have since effectively strengthened and incorporated the Directive into country legislation (banning all cage eggs, 'battery' and 'enriched') whereas other countries are currently in the process of doing so. In non-EU countries, there is no equivalent provision in place to improve the welfare and health of laying hens.

Animal welfare has also been an important issue on consumers' agendas for years. An increasing number of people are interested in how livestock is raised and want to be assured that animals are handled with due care. That includes, for example, standards for laying hens.

This **METRO Cage-Free Egg Policy** is related to METRO's overall Policy for Sustainable Sourcing, METRO's Animal Health and Welfare Policy, and METRO's Approach for Sourcing of Agricultural Raw Materials, all of which can be found on our website<sup>1</sup>.

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. In regard to this policy, METRO is particularly working towards the following goals:

- SDG 8 (Decent work and economic growth)
- SDG 12 (Responsible consumption and production)
- SDG 13 (Climate action)

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<sup>1</sup> <https://responsibility.metroag.de/focus-areas/raw-material-sourcing>

- SDG 15 (Life on land)
- SDG 17 (Partnerships for the goals)

## 2. Objective

METRO takes responsibility at various stages of the value chain.

With this policy, METRO wants to go beyond what legislation prescribes and contribute to further improvements in farming conditions for laying hens at a global scale by promoting higher animal welfare housing systems, such as:

- Indoor barn systems
- Outdoor access systems (free range, organic) in accordance with Annex 1.

## 3. Scope

The METRO Cage-Free Egg Policy applies to the following scopes:

### 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

The commitment covers all shell and liquid egg products purchased and sold by METRO. Focus is on Own Brand (Private Label) and no-name brand egg products purchased and sold by METRO. In addition, we will also work with producer brands, industry partners and other stakeholders on systematic changes towards Cage-Free Eggs.

### Product scope

Shell egg and liquid egg products and products where egg is the main ingredient<sup>2</sup>.

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<sup>2</sup> Ingredient accounting for the largest portion of the product by weight (liquid medium should be excluded). This is usually the first ingredient listed.

## 4. Targets

In line with the Policy brand scope (Own brand/Private Label and no name brand egg products), METRO is committed to sourcing **100% cage-free shell eggs** by:

- The end of FY 2022 in Western and Southern Europe (DE|AT|IT|PT|ES|BE|NL|FR)
- The end of FY 2025 in Eastern Europe – EU (HU|HR|PL|CZ|SK|RO|BG)
- The end of FY 2027 in Eastern Europe (non-EU) and remaining markets, such as MD|RS|TR|UA|IN|PK and RU<sup>3</sup>.

In markets with a 2027 target, the sourcing of cage-free eggs is currently challenging, and we are working with the industry to resolve the issue.

In line with the Policy brand scope (Own brand/Private Label and no name brand egg products), METRO is also committed to sourcing **100% cage-free liquid egg products** by end of FY 2027<sup>4</sup>.

For **products where egg is the main ingredient** the target is under review due to data availability and quality. Target will be included in subsequent policy revision(s).

## 5. Reporting

METRO will make this policy publicly available and the below indicators will be monitored:

- Total number (SKUs) of shell eggs
  - thereof the number (SKUs) of cage-free shell eggs
- Total number (SKUs) of liquid egg products
  - thereof the number (SKUs) of cage-free liquid egg products
- Total number (SKUs) of products where egg is the main ingredient
  - thereof the number (SKUs) of products where cage-free egg is the main ingredient

In line with the Policy brand scope (Own brand/Private Label and no name brand egg products), we will publicly disclose our performance against targets in line with

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<sup>3</sup> Some countries in the 2025 and 2027 brackets work on shorter timelines. You can access more information on country performance and reporting in the [‘Commitments’ section of our METRO Sustainable Website.](#)

<sup>4</sup> Subject to review in countries where sourcing of cage free liquid egg products is challenging.

timelines set (2022 / 2025 / 2027). Information will be disclosed in our Annual Corporate Responsibility Report and METRO Sustainable Website.

## **6. Policy framework**

### **6.1 Human Rights Principles and Code of Conduct**

To enhance its business impact and to benefit its customers, society and the environment, METRO has stated its respect for human rights as a fundamental value in its [Human Rights Principles](#) and formulated the [METRO Code of Conduct for Business Partners](#), which it expects all its suppliers to adhere to.

### **6.2 Quality and food safety requirements**

METRO requests that factories have a valid certification and audit report recognised by the [Global Food Safety Initiative](#) (GFSI) to ensure quality standards and maintain food safety.

METRO requires its suppliers to comply with the latest version of the METRO Supplier Qualification and Management Standard (QA036).

### **6.3 Environmental / Science Based Targets**

METRO is committed to reducing absolute Scope 3 CO2 emissions (supply chain) by 15% by 2030 compared to 2018. Scope 3 emissions account for more than 90% of our total carbon footprint.

### **6.4 Packaging**

METRO is working on improving its product packaging. Therefore, METRO expects its suppliers to comply with the principles described in the [METRO own brand Packaging Policy](#).

## Annex 1: Higher animal welfare housing systems<sup>5</sup>

Eggs from ‘enriched cages’ are not considered cage-free and therefore do not comply with the METRO Cage-Free Eggs Policy’s requirements, while ‘combination’ systems are not accepted as well, as they are comparable to conventional caged systems. METRO Cage-Free Eggs Policy requirements and compliance evidence are listed in the table below.

Level	Example of system	Stocking density	Enrichment	Evidence/proof
Better	Indoor barn	9 hens/m <sup>2</sup>	Nest boxes (1 per 7 hens), litter on floor, perches (15 cm per hen), scratching areas. May be with or without natural light.	METRO Supplier Compliance Declaration and/or local certificate
Best	Free range	9 hens/m <sup>2</sup>	Nest boxes (1 per 7 hens), litter on floor, perches (15 cm per hen), scratching areas, natural light outdoors. Outdoor access during entire laying period. Shelter may or may not be provided.	
	Organic	6 hens/m <sup>2</sup>	Nest boxes (1 per 7 hens), litter on floor, perches (18 cm per hen), scratching areas, natural light outdoors, shade and shelter. Outdoor access during entire laying period. Smaller flock size (usually 2,000 birds in a house).	EU organic certificate

<sup>5</sup> Source: <https://www.compassioninfoodbusiness.com/media/6887901/welfare-potential-matrix-laying-hens.pdf>