OUR APPROACH TO ANIMAL WELFARE



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FARM ANIMAL HEALTH AND WELFARE

Animal welfare is a broad term covering the general health, welfare and wellbeing of animals in our diverse farming systems. It covers all the elements associated with livestock production including housing, grazing, nutrition, disease prevention and control, transport right through to humane handling and slaughter. It means providing for the animal's physical and mental needs and ensuring that every animal in our supply chain has had a life worth living.

As a food specialist we have a significant impact on animal welfare standards. We have always been committed to ensuring that the welfare of all animals used in the production of our products is safeguarded. Our continued commitment to animal welfare has also been recognised by leading animal welfare groups such as the RSPCA and we've been awarded Tier 1 status in the Business Benchmark in Farm Animal Welfare since 2013, the longest recognised UK Retailer in this leading Tier.

Commitments and targets

We want to lead the retail sector in sustainable production and consumption, offering our customers the good value, high quality products and services they expect from M&S, while respecting planetary boundaries and the need for social equity. We recognise the integral role of animal health and welfare in sustainable food production and strive to continue progressing the highest welfare standards. As M&S we are committed to making sure that the welfare of the animals in our products is protected. Animal Welfare is a key pillar of our Environmental, Social and Covernance (ESC) framework which outlines our commitments on sustainability.



Our CEO is ultimately accountable for the whole sustainability Programme and oversight is provided by the Board and our ESC committee. More information on our Sustainability Plan can be found in our 2022 Report.

Our goal is to ensure that our suppliers adopt and implement the highest practical and commercially viable standards of farm animal welfare across our supply base and be able to demonstrate continuous improvement in farm animal health and welfare standards. We have reported our animal welfare indicators since 2018 and use this data to shape future production standards and drive a continual improvement culture across our farm supply base. Our aim is to also ensure that all our products are produced to the highest standards of food safety and quality by farms that are operating sustainably. This commitment applies right across our business and applies wherever we trade.

Approach

We have a strong heritage of sourcing with integrity. Over the years, we've taken significant steps to improve the sourcing of key raw materials in our products.

Milk, dairy products, eggs and many types of meats, fish and seafood are used as ingredients in our products, and we care greatly about the health and welfare of all the animals that feed into our supply chains. We believe that animal welfare has an impact on food quality, so we only want to use ingredients with have been farmed to good welfare standards.

Our overarching Farm Animal Health and Welfare Policy requires that high standards of animal welfare are met and maintained at all stages of the animal's life – on the farm, during transportation and at the place of slaughter. This commitment applies right across our business – from our fresh products to all the raw material proteins that are used as an ingredient in our prepared foods. These are global commitments and apply wherever we trade.

In developing our animal health and welfare policies and production specifications we have used the internationally recognised 'Five Freedoms' recommended by the UK Farm Animal Welfare Committee as a framework and for guidance. These freedoms are:

- Freedom from Hunger and Thirst by 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 prevention or rapid diagnosis and treatment
- Freedom to Express Normal Behaviour by providing sufficient space, proper facilities and company of the animal's own kind
- 5. Freedom from Fear and Distress by ensuring conditions and treatment which avoid mental suffering

Our farmers and suppliers must be committed to rear, handle, transport and slaughter under conditions of minimum stress, within minimal environmental impact and with full regard to animal welfare.

We have developed our own detailed standards and were the first retailer to pioneer a farm assurance scheme – M&S Select Farm Standards – to address our customers' concerns on food safety, animal welfare and animal health. We are working with our suppliers and a number of leading organisations (e.g. RSCPA, Compassion in World Farming (CIWF), the Humane Slaughter Association and FAI Farms) to further research and progress our animal welfare standards through the adoption of outcome measure assessments.

We have a dedicated team of agriculture and fisheries specialists responsible for defining and implementing our agriculture policies across our business. All our agriculture managers are externally trained in animal welfare and recertified every 3 years, and we have a requirement that our suppliers also undertake the same rigorous certification. Our aquaculture team has worked with industry experts, Fish Vet Group, to develop and launch a comprehensive training course on fish and shrimp welfare, which is followed by all our aquaculture partners.

All M&S food is clearly labelled with the method of production and the country of origin of the meat or fish and seafood. As a UK retailer we sell the largest range of RSPCA Assured products. The logo appears on our Oakham Gold chicken, Scottish farmed salmon, farmed trout, fresh eggs, pork and milk. Where we have specifically adopted higher welfare systems (e.g. Oakham™ chicken, M&S Scottish Salmon, Free Range Eggs etc) we promote these to our customers via a number of channels including our website, in-store décor and on pack messages and through our Fresh Market update adverts. We publish information about our approach to animal welfare on this website and at agricultural shows.

We have been widely recognised as a leader in farm animal welfare. We have topped the Compassion in World Farming annual Business Benchmark on Farm Animal Welfare since 2013. And since 2002 we've received 10 awards from CIWF including their inaugural Cage-Free Award in 2017 in recognition of the steps we've taken to end the use of all cages across all relevant species in our supply chains. We received Compassion in World Farming's (CIWF) Good Egg Award for our free range eggs policy in 2007 and 2002, a Good Dairy Commendation in 2011, a Good Chicken Award in 2010 and a special Animal Welfare Innovation Award for our Oakham™ chicken in 2007, and a Good Pig Award in 2012. In December 2017, we pledged our support to the European Broiler Ask (Better Chicken.Org Commitment) and have committed to meet the criteria by 2026. We received a Special Recognition Award in July 2021 from CIWF in response to our announcement that all our fresh Oakham chicken would meet the European Broiler Ask requirements by Autumn 2022.

Sitting alongside this, we have also been awarded several recognitions from RSPCA including the Sustained Excellence Award in the RSPCA Good Business Awards 2011 for achievements in animal welfare and our Milk Pledge Plus, free-range egg commitment, Oakham™ chicken range and recent move to 100% British, Outdoor Bred, RSPCA Assured pigs were highlighted in our top 5 achievements in animal welfare. Throughout 2021 we have expanded our offering so that we now have the biggest RSPCA range of products of any UK retailer.

In November 2015, we were named Retailer of the Year by the <u>British Free Range Egg Producers Association</u> for our leading standards in free range egg production.

ESTABLISHING AND MAINTAINING CLEAR MINIMUM STANDARDS

Minimum Sourcing Principles

Our Technical Terms of Trade set out our minimum technical expectations for suppliers, which includes animal welfare. It also sets out our position on a number of areas. For example, we do not permit the genetic engineering or cloning of livestock. Our Technical Terms of Trade are supported by our Farm Animal Health and Welfare Policy. Production and welfare requirements are detailed in our species-specific Codes of Practice (see Select Farm Sourcing Standards below).

The following minimum standards exist across our meat, fish and shellfish, dairy and egg supply chains:

- We require complete supply chain traceability.
- As a minimum all our farms must be independently assured to UK Red Tractor standards and additionally our fresh milk pool farms, Salmon, Trout, UK pork and Oakham Gold Chicken farms must be RSPCA Assured.
- Sourcing must be in accordance with our Farm Animal Health and Welfare Policy.
- UK labour providers used to provide temporary labour must have a valid license with the Gangmasters and Labour Abuse Authority.
- Suppliers and farms must comply with the relevant M&S Select Farm Sourcing Standards and M&S Codes of Practice (see below).
- We don't permit the use of production or confinement systems for any animals in our supply which don't meet our standards (e.g. sow stall or tether systems).
- All eggs whether shell egg or ingredient used in our products must be free range.
- We do not permit the use of sow stalls. All our continental pork from the end of 2022 will be sourced from higher welfare farms, meaning free farrowing for all sows. For longer than the first 28 days of pregnancy in our continental pork supply chains in line with EU legislation. For all our UK pork sow stalls are prohibited. Sows can only be confined for a maximum of 4 hours after service.
- We don't allow specific breeds that have inherent welfare issues associated with them, e.g. Barbary duck.
- We do not sell foie- gras.
- We don't allow genetic engineering or cloning of livestock.
- We do not allow meat, bone meal or any unauthorised feed products in our livestock diets.
- We do not permit the routine behavioural mutilation of farm animals and farmed fish (including tail docking and teeth clipping in pigs) unless veterinary advice deems it

- strictly necessary in order to protect the animals from subsequent loss of welfare due to injury. Where certain practices are currently unavoidable within the industry (e.g. castration or disbudding of male cattle) suppliers must utilise early intervention and best practice procedures with appropriate use of anaesthetic and analgesic for pain relief.
- Appropriate environmental enrichment must be provided in accordance with species-specific requirements.
- All the meat and poultry we sell must, without exception, come from animals that have been humanely slaughtered and animals must be pre-slaughter stunned.
- We insist that all live animal transport is kept to a minimum and that long-distance transport is avoided. To ensure this, we specify a maximum transport time of 8 hours and have a target of less than 4 hours (inclusive of loading/unloading). (Note: the only exception to this policy is the transportation of our RPSCA Assured farmed Atlantic salmon please see Transport times section and farmed scallops and mussels which are covered within species-specific Codes of Practice.
- We require that all animals are maintained in good health and those that are sick or injured receive prompt treatment. All producers must implement an animal health plan in conjunction with their veterinary surgeon that is regularly reviewed and updated.
- We insist that producers adhere to our policy on responsible antimicrobial use. We do not permit routine use of antimicrobials and the use of growth promoting antibiotics and hormones is prohibited.
- All abattoirs used in our supply chain have CCTV as part of our requirements. We regularly review footage and insist it is kept for a minimum of 90 days.
- Effective species-specific environmental enrichment is required across our chicken, turkey, duck, UK dairy, pork, laying hens and goose. Our lamb, venison, integrated beef, Wagyu and Dexter beef animals have all been grazed in extensive systems.

Adherence to our standards forms part of our terms of trade with our suppliers and is reviewed as part of our M&S Select Farm Sourcing Standards Assurance programme and Welfare Audit programme. As we've rolled out outcome measure assessments across our supply base, we've set new levels of minimum standards and drive continual improvement.

Find out more about our approach to supplier management.

M&S SELECT FARM SOURCING STANDARDS

All our producers must adhere to current legislative requirements and abide by the UK Red Tractor standard (or equivalent standard outside of the UK). We've also gone beyond these requirements by developing additional criteria that producers must meet to be accepted into our supply chains as an M&S Select Farm. Our M&S Select Farm Sourcing standards are set out in our Codes of Practice and include specifications on all areas of sustainability including animal welfare, people welfare, environment and efficiency. They are a fundamental link in an integrated chain of assurance from farm to store.

Our Codes of Practice set out our species-specific animal welfare requirements on training and competencies, housing, shelter and handling, health and nutrition, medication, feed and water, lairage and transport, and humane stunning and slaughter.

Seafood Sourcing Standards

Our <u>Seafood Sourcing Standard</u> for Wild-Caught, Farmed Fish & Shellfish covers every single piece of M&S fish and shellfish on our shelves, be it farmed or wild, fresh or frozen, in a can, a sandwich or a ready meal. And since we are almost exclusively own brand, you will not find branded seafood in our stores with different sourcing standards to our own. Find out more about where our wild-caught and farmed species are sourced from on our interactive sourcing map.

Our farms must be committed to rearing, handling, transport and slaughter under conditions of minimum stress, with minimal environmental impact and with full regard to animal welfare. Each site must also have a Veterinary Health Plan in place.

We require all sites to have and implement a site-specific Predator Exclusion Plan which is based on risk assessment and includes the potential physical interactions with local marine/ freshwater and avian wildlife. Measures must prevent predator problems occurring. These plans are required to be reviewed annually.

Medication such as antibiotics must not be used to promote growth or as an alternative to good husbandry practices (ie prophylactic use). However, fish displaying clinical symptoms can be treated with appropriate veterinary supervision. The fish cannot be harvested before all traces have faded. As an added precaution, if fish have required treatment, a sample is taken to ensure no medicine remains in the fish at the time of harvest. No hormones are used in the rearing of any of our farmed seafood.

Techniques for the harvesting and slaughter of farmed fish and seafood are evolving quickly. Methods used tend to be species specific and often depend on the size of the animals being harvested and slaughtered. We are committed to the adoption of best practice and to driving positive change in all our supply chains, with a common denominator being minimising stress and always with regard to good animal welfare.

We record welfare outcome measures for several species within our farmed fish supply chains. The following minimum standards exist across our entire farmed seafood supply chain:

- We require complete supply chain traceability
- As a minimum all our farms must meet at least one of the following standards: Aquaculture Stewardship Council (ASC) certified, Marine Stewardship Council (MSC) certified (relevant to certain farmed species such as rope grown mussels), Clobal GAP Aquaculture Standard assured, Best Aquaculture Practices (BAP) certified, or RSPCA Assured. We've adopted these as our base standards in recognition of the fact that we source in different locations and markets around the
- Compliance with our M&S Select Farm Sourcing Standards

Our aim is to be at the leading edge in all our aquaculture supply chains and support them in a process of continual improvement. We have developed Select Farm Sourcing Standards which are set out in species-specific Codes of Practice. These are our minimum standards and have been developed in collaboration with suppliers, industry experts and NGOs. They cover criteria such as site selection, environmental management, rearing of fish, fish health and welfare (including slaughter), the use of chemicals, waste disposal, employee welfare and broader community requirements.

All producers of farmed fish and seafood for M&S must be in full compliance with the relevant Select Farm Sourcing Standard.

We have currently developed seven Select Farm Sourcing Standards on salmon, seabream & seabass, rainbow trout, mussels, farmed shrimp, pangasius and halibut. We are developing a standard for farmed oysters.

Find out more about where our farmed species are sourced from.

Use of Independent Higher Welfare Assurance Standards

For some species our requirements are in line with current legislation and industry standards, but for many others we've gone beyond industry norms by adopting higher welfare standards.

34.62% of total animals supply was reared to higher welfare standards in 2021 and 5.20% of total chicken supply was reared to higher welfare standards over the same time period.

*This includes RSPCA Assured and Organic standards.

We continually seek to improve our standards and carry out an annual independent review of our codes of practice alongside our partners.

M&S Select Farm Sourcing Standards Audits

We have put appropriate assurance arrangements in place to check that our suppliers meet our requirements.

If a supplier fails to meet the standards, we will work with them to make changes to improve performance. However, if our standards continue not to be met, they will be removed from our supply. Find out more about our approach to supplier management.

Our direct supplier (usually the primary processor) is responsible for undertaking the M&S Select Farm Sourcing Standards Audit to our standards. The Select Farm auditor (employed or contracted to the supplier) is trained to our requirements by FSIC, an independent specialist audit company and must be retrained every three years.

During 2021 FSIC step changed our Select Farm training and helped integrate our select farm and factory audits to ensure we have a more coordinated and holistic approach to improving back to farm. In 2021/22 146 Select Farm Audit Assessors were trained by FSIC.

All M&S Select Farms are required to have an M&S Select Farm Sourcing Standards Audit to a specified frequency (typically every 12 to 18 months depending on species). Farms must pass this audit to be part of our supply chain. In 2021/22, 11,511 farms were audited and 'passed' their Select Farm Assurance audits.

M&S Animal Welfare Abattoir Audits

During 2021/22, FSIC carried out Welfare Audits of the primary processors to ensure transport, lairage and slaughter all meet our requirements.

Based on the results of the audit, suppliers are assigned a rating based on the number and type of non-conformances and how they are progressing with addressing non-conformances from previous audits.

Audit findings and corrective actions are stored on Connect – our online Quality Management System. The supplier must sign off all audit actions within agreed timescales via FSIGs audit system-AuditHub.

All sites receiving live animals and carrying out slaughter on site are required to have a Welfare Audit each year. A total of 41 abattoirs were audited during 2021/22, 33 of these were rated as 'Good' or above.

Where sites that fail to meet our standards are required to undertake immediate and robust corrective action. Re-audits are generally carried out within 3 months of the original audit date to verify that improvements have been made and sites meet our requirements.

All fresh milk farms are also independently audited by a specialist veterinary surgeon on an annual basis to ensure that animal health and welfare standards are maintained at the highest possible standard.

M&S Select Farm Sourcing Standards - Milk Production

Dairy is very important to M&S. We source a range of fresh cheese and dairy products, in addition to those for use as ingredients in our products, from the UK and across Europe including France, Italy, Republic of Ireland and the Netherlands. We source in the region of 90 million litres of fresh milk each year from a dedicated and segregated pool of circa 38 dairy farms who receive a price linked to the cost of production. Their milk is also used in all our M&S Cafés. The farms are all RSPCA Assured and milk is produced in accordance with our M&S Select Farm Sourcing Standards. We sell British, Scottish and Northern Irish regional fresh milk. We also sell British Organic and Scottish Organic milk.

Our M&S Select Farm Assurance standards for fresh milk production have been developed in collaboration with suppliers, a specialist veterinary surgeon and other industry experts and NGOs. They cover criteria such as traceability and integrity, dairy and milking facilities, general hygiene, chemicals, water supplies, facilities for housing and shelter, feed and water, calf management and calving facilities, animal health and welfare, medicines and biosecurity, casualty and fallen stock, livestock transport, vermin control, environmental protection, documentation, and worker health, safety and welfare.

We prohibit dairy production systems that house cattle all year round. As a minimum we require milking cows to be provided with access to grazing for at least 110 days for at least 4 hours per day. In addition, our farmers are encouraged to provide pasture access whenever weather conditions permit and the welfare of the cows is not compromised. Many of our farmers exceed our minimum grazing requirement.

All housing allows ample room and bedding for the cattle to move around freely, with access to fresh water, natural light and air. Housing must be of sufficient size to allow appropriate group sizes and stocking densities as determined by type of stock, age, size and social groupings.

We do not permit the use of antibiotics for growth promotion. Where veterinary medicines are administered due to ill health strict withdrawal periods are met to ensure no traces of the medicine remain in the milk. None of our farms are permitted to administer growth-promoting hormones which are illegal in the EU.

In 2020 we have also introduced the requirement that all calves must be able to have sight and contact of another calf from birth but then be paired or group housed post 21 days of age.

Our milk producers are required to participate in Bovine Viral Diarrhoea (BVD) control programmes (if available) and must compile a Johne's disease control plan in conjunction with their vet.

Our milk producers are also required to meet our Milk Pledge Plus sustainability requirements. Producers must be willing to undertake a regular carbon footprint of their dairy operation. Any farm may be removed from the pool if there is potential for M&S's brand integrity to be compromised or there is a significant risk to animal health or welfare.

Farms producing milk for M&S organic milk must comply with the organic standards for milk laid down by UK approved Certification Bodies listed by the <u>Department for Environment</u>, Food and Rural Affairs (Defra).



M&S Code of Practice - Goat Milk Production

All our fresh goat milk is procured direct from known UK farms operating to the standards set out in our M&S Goat Milk Production Code of Practice.

Our M&S Code of Practice for Goat Milk Production has been developed in collaboration with suppliers, industry experts and NGOs. It covers criteria such as traceability and integrity, dairy and milking facilities, goat cleanliness, general hygiene, chemicals, water supplies, facilities for housing and shelter, feed and water, kid management and kidding facilities, animal health and welfare, medicines and biosecurity, casualty and fallen stock, livestock transport, vermin control,

environmental protection, documentation, and worker health, safety and welfare.

Housing must be of sufficient size to allow appropriate group sizes and stocking densities as determined by type of stock, age, size and social groupings.

We do not permit the feeding of antibiotics or hormones for purposes of growth promotion. Where veterinary medicines are administered due to ill health strict withdrawal periods are met to ensure no traces of the medicine remain in the meat.

Other Dairy Products

All other dairy products we sell use milk that is sourced from a farm that meets an industry-standard assurance scheme (i.e. <u>UK Red Tractor</u>) or is an M&S Select Farm and clearly labelled with the country of origin.

All cheese must be sourced from the M&S approved list of suppliers and manufactured in accordance with M&S requirements. The processing of cheese must take place at one of our approved processors. Find out more about our approach to raw materials, commodities and ingredients.

We would ideally like to move to a position where all milk used in our products is produced to our high standards. However, due to the nature and complexities of the wider dairy supply chain this is extremely difficult to achieve.

We are committed to achieving greater supply chain transparency and traceability. We are working closely with our suppliers to understand how we can improve our level of traceability over the next few years.

For example, some of the cheese we source has been awarded Protected Designation of Origin (PDO) status which specifies where the milk used in its production comes from. We also work with a number of small artisan producers who use their own milk to produce their dairy products which contributes to the specific nature of their products.

M&S Select Farm Sourcing Standard - Pork Production

We source fresh pork annually from over 300 farms in the UK. We are strong supporters of the UK farming industry and try to source locally wherever possible to deliver the freshest food for our customers. As a minimum all our farms must be independently assured to UK Red Tractor standards (or M&S approved EU equivalent), additionally all Outdoor Bred Pork is RSPCA assured.

All our Pork is produced on specially selected, known and audited farms. All our fresh pork is British and is clearly labelled with the country of origin. Our strict traceability means we can trace our fresh pork to the farms where it was produced.

100% of our fresh and ingredient pork is Outdoor Bred RSPCA assured, Free Range or Organic. By the end of December 2022, our continental meats will be produced from Pork reared in free farrowing systems.

Where possible, we have chosen specific breeds of pig that are well suited to outdoor breeding and show good mothering ability. Their offspring are weaned at around 28 days, and they are then housed in deep straw bedded barns. Compared to national assurance schemes we insist on 100% outdoor breeding, straw for bedding and comfort and provide pigs 25% more space. We do not permit castration and we are working with our supply base to develop plans to phase out the routine tail docking and tooth clipping of pigs.

Our M&S Select Farm Sourcing Standards for pork have

been developed in collaboration with suppliers, industry experts and NGOs. They cover criteria such as traceability and integrity, animal health and welfare, medicines and biosecurity, feed and water, vermin control, facilities for housing and shelter, casualty and fall stock, transport, environmental protection, documentation, outdoor pig production, free range production, and worker health safety and welfare.

We have developed our own specification for the feeding of our pigs which ensures animals are fed a wholesome diet to maintain optimum health and welfare.

We prohibit the addition of any animal or avian derived byproducts in any of our pig feed (the only exception to this is milk and milk by-products). The diets are generally:

- Barley, wheat or maize whole or processed (milled, etc)
- Legumes and oilseeds whole or processed

We do not permit the feeding of antibiotics or hormones for purposes of growth promotion. Where veterinary medicines are administered due to ill health strict withdrawal periods are met to ensure no traces of the medicine remain in the meat.

Farms rearing pigs for M&S organic pork must comply with the organic standards for pork laid down by UK approved Certification Bodies listed by the Department for Environment, Food and Rural Affairs (Defra).

Production of Pork for Further Processing

100% of pork sourced for processed products manufactured in the UK such as standard tier ham, bacon, gammon and sausage is sourced from the UK and is Outdoor Bred RSPCA assured.

All Charcuterie and Continental meats manufactured in the EU must come directly from EU farms that meet an M&S approved industry-standard Red Tractor Equivalent assurance scheme, to higher welfare, free farrowing systems.

All pork must be processed by an abattoir on the M&S approved list of facilities for slaughter. It is the responsibility

of the abattoir to ensure animals come from an M&S Select Farm

Stocking densities (max):				
Outdoor bred pork	30 sows per hectare			
Free range pork	No more than 100 pigs per paddock with each paddock being at least 0.5 acres in area			

M&S Select Farm Sourcing Standard - Beef

Ruminants such as beef cattle, sheep and deer are essential for maintaining our landscapes and habitats and the farms that rear them are an important part of local communities and the food system.

Fossil fuel markets are likely to become more volatile and unpredictable, potentially impacting the availability and cost of synthetic fertilisers and negatively impact farming practices accepted as the norm today. There is a perception that intensive livestock practices can lead to the pollution of air and water, deplete soil and diminish biodiversity.

We source in the region of 37,000 tonnes of beef, lamb and venison annually from over 7,000 farms. We are strong supporters of the UK farming industry and try and source locally wherever possible to deliver the freshest food for our customers.

Beef	All M&S beef comes from the UK, with the only exception being Irish beef for stores in Ireland. All our beef is DNA traceable back to the farm and individual animal.
Lamb	All M&S lamb is produced in the UK or New Zealand and is labelled clearly with the country of origin. Since June 2020 100% of our fresh lamb comes from M&S Select Farms in the UK.
Venison	We only sell farmed venison as we believe it offers better taste and is a more consistent product. Our strict traceability means we can trace each joint of venison to the farms where it was produced. Since April 2021, all our farmed venison has been sourced from the UK.

In 2022, we updated our interactive supplier map to include more details about our farm supply chains. It now includes beef, dairy, lamb, pork, venison, duck, turkey and chicken. We also map our farmed and wildcaught fish.

As a minimum all our farms must be independently assured to UK Red Tractor standards (or equivalent) as well as meeting our own M&S Select Farm standards.

Beef is an important raw material for M&S and with a decreasing number of beef farmers across the UK we wanted to adapt our sourcing approach to ensure we had improved security of supply moving forward.

Historically, we operated two different procurement methods for beef dependent on whether it was used for fresh supply or used as an ingredient.

We have a strong heritage of sourcing with integrity. One of the reasons why we weren't affected by the horsemeat scandal of 2013 was due to the controls we already place on ingredients. Whilst we believe our audit standards are robust and industry-leading, we know we cannot be complacent. All beef used in M&S for both fresh and ingredient use must be sourced from M&S Select Farms and comply with our beef traceability requirements. We have also introduced a single cattle standard that requires beef to come only from steers and heifers up to 36 months of age with all animals having to be sired by bulls on an approved breed list.

Our M&S Select Farm Assurance standards for beef have been developed in collaboration with suppliers, industry experts and NGOs. They cover criteria such as traceability and integrity, animal health and welfare, medicines and biosecurity, feed and water, vermin control, facilities for housing and shelter, calf rearing, transport, environmental protection and biodiversity, documentation, and worker health, safety and welfare.

We have introduced DNA traceability across our beef supply chain that enables us to trace beef in a pack on shelf back to the exact animal it came from.

We do not permit the rearing of calves for white veal, only rose veal.

We prohibit the addition of any animal or avian derived byproducts in any of our cattle feed (the only exception to this is milk and milk by-products). The diets are generally:

- Grass (preserved as silage or hay in winter)
- Barley, wheat or maize whole or processed (milled, etc)
- Legumes and oilseeds whole or processed

We do not permit the feeding of antibiotics or hormones for purposes of growth promotion. Where veterinary medicines are administered due to ill health strict withdrawal periods are met to ensure no traces of the medicine remain in the meat.

Farms raising cattle for M&S organic beef must comply with the organic standards for beef laid down by UK approved Certification Bodies listed by the Department for Environment, Food and Rural Affairs (Defra).

M&S Select Farm Sourcing Standard - Lamb

All fresh lamb is from UK farmers that have been audited and are M&S Select Farm Approved.

Currently all M&S lamb is produced on specially selected known and audited farms to M&S Select Farm Assurance standards.

These standards have been developed in collaboration with suppliers, industry experts and NGOs. They cover criteria such as traceability and integrity, animal health and welfare, medicines and biosecurity, feed and water, vermin control, facilities for housing and shelter, casualty and fallen stock, transport, environmental protection, documentation, and worker health safety and welfare.

We prohibit the addition of any animal or avian derived byproducts in any of our lamb feed (the only exception to this is milk and milk by-products).

The diets are generally:

- Crass (preserved as silage or hay in winter)
- Root crops
- Barley, wheat or maize whole or processed (milled, etc)
- Legumes and oilseeds whole or processed

We do not permit the feeding of antibiotics or hormones for purposes of growth promotion. Where veterinary medicines are administered due to ill health strict withdrawal periods are met to ensure no traces of the medicine remain in the meat.

Farms rearing lambs for M&S organic lamb must comply with the organic standards for lamb. In the UK these are laid down by UK approved Certification Bodies listed by the Department for Environment, Food and Rural Affairs (Defra).

M&S Select Farm Assurance - Venison

All M&S venison is produced on specially selected known and audited farms and parklands to M&S Select Farm Assurance standards.

These standards have been developed in collaboration with suppliers, industry experts and NGOs. They cover criteria such as traceability and integrity, animal health and welfare, medicines and biosecurity, feed and water, vermin control, facilities for housing and shelter, fawn rearing, casualty and fallen stock, transport, environmental protection, documentation, and worker health, safety and welfare. All deer are required to calve outside in fields.

We prohibit the addition of any animal or avian derived by-

products in any of our venison feed (the only exception to this is milk and milk by-products). The diets are generally:

- Grass (preserved as silage or hay in winter)
- Barley, wheat or maize whole or processed (milled, etc)
- Legumes and oilseeds whole or processed

We do not permit the feeding of antibiotics or hormones for purposes of growth promotion. Where veterinary medicines are administered due to ill health strict withdrawal periods are met to ensure no traces of the medicine remain in the meat

M&S Select Farm Sourcing Standard - Egg Production

Eggs are very important to M&S. We were the first UK retailer to respond directly to consumer concerns about laying hen welfare. We have a 100% free range egg policy covering both whole eggs (since 1997) and eggs used as ingredients in our prepared foods (since 2002), additionally our standard retail shell Eggs are always sourced from RSPCA assured farms. We also sell organic free range eggs, free range white shelled eggs, free range Omega 3 eggs, and free range speciality eggs such as duck, quail, and blue Arancunaduck eggs.

We source in the region of 6 million eggs a week from over 700 known approved farms. We are strong supporters of the UK farming industry and try and source locally wherever possible to deliver the freshest food for our customers. However, we do source from the M&S select farms in the Republic of Ireland and Continental Europe for ingredient egg supply to improve our resilience against the outbreak of notifiable diseases such as Avian Influenza.

As a minimum all our farms must be independently assured to <u>Code of Practice for Lion Eggs</u>, <u>Duck Assurance Scheme</u> (<u>DAS</u>) – <u>Eggs</u>, <u>Bord Bia Egg Quality Assurance Scheme</u> (<u>EQAS</u>), or <u>KAT Standard</u>.

All shell eggs and all ingredient eggs (excluding other avian species such as duck) must be sourced from an approved supplier and, in the case of ingredient egg, processed to the standards detailed in our M&S Code of Practice for the Processing of Free Range Egg Products. Find out more about our approach to raw materials, commodities and ingredients.

All Eggs sold by M&S or used as an ingredient are 100% Free Range.

All our fresh eggs are produced on specially selected, known and audited farms in the UK and Republic of Ireland. These

farms are audited to our Select Farm Sourcing Standard and our strict traceability means we can trace these eggs back to the farm where they were produced.

Egg used as an ingredient has been sourced from free range farms audited to UK farm assurance schemes (e.g. Code of Practice for Lion Eggs) or the KAT farm standard in continental Europe without a dedicated or segregated approach. These farms are also audited to our Select Farm Sourcing Standard

Our M&S Select Farm Sourcing Standards for eggs have been developed in collaboration with suppliers, industry experts and NGOs. They cover criteria such as traceability and integrity, environmental protection, vermin control, facilities for housing and shelter, free range, feed and water, animal health and welfare, medicines and biosecurity, casualty and fallen stock, end of lay handling and transport, egg storage and transport and worker health, safety and welfare.

Birds are housed in spacious houses with sufficient room to perform normal behaviours and have constant access to food and water. They also have constant daytime access to open pasture which have trees to provide cover and shade.

We do not permit the feeding of antibiotics or hormones for purposes of growth promotion. Where veterinary medicines are administered due to ill health prescribed withdrawal periods must be strictly observed and treated stock clearly identified.

Farms producing eggs for M&S organic eggs must comply with the organic standards for eggs laid down by UK approved Certification Bodies listed by the <u>Department for Environment</u>, Food and Rural Affairs (Defra).

Ingredient Egg

As well as rolling out our Select Farm Sourcing Standard and buying model to our ingredient egg supply chain, we are also introducing a requirement for suppliers to purchase eggs from approved suppliers in specific geographic locations. We have established three zones of production:

- Continental Europe
- Great Britain (England, Scotland and Wales)
- Island of Ireland / Northern Ireland and Republic of Ireland

Any manufacturer using more than 120 tonnes of ingredient egg will need to split their purchase across at least two geographic zones (with the UK being half and either Ireland or Continental Europe being the other half). This will provide us with resilience against the outbreak of notifiable diseases such as Avian Influenza.

Hen Diets

We prohibit the addition of any animal or avian derived by products in any of our feed.

M&S egg laying hens are fed a wholesome cereal based diet to ensure optimum nutrition and health. We are very specific about what ingredients are used in our hen diets. Diets will contain the following ingredients: wheat, barley, oats and maize as well as soy, peas, beans as sources of protein. No artificial yolk colours are added to the birds' diet.

Free range and organic hens also consume grass and seeds on the range. We strictly prohibit the use of any animal or avian derived proteins or fats in all our poultry diets. Neither do we allow the use of antibiotics for growth promotion.



M&S Select Farm Sourcing Standards - Chicken

Poultry is very important to M&S. We source chicken, turkey, duck and goose for sale as M&S fresh products as well as for ingredient use in our food.

All our fresh chicken is British and is clearly labelled with the country of origin. Our strict traceability means we can trace our fresh chicken to the farms where it was produced.

All M&S fresh chicken is reared to our M&S Oakham™ specification. Within our speciality range we have a corn fed slower growing bird, corn-fed free range and organic chicken.

Our M&S Select Farm Assurance standards for chicken have been developed in collaboration with suppliers, industry experts and NGOs. They cover criteria such as traceability and integrity, animal health and welfare, medicines and biosecurity, feed and water, vermin control, facilities for housing and shelter, casualty and fallen stock, depopulation, transport, slaughter, environmental protection and biodiversity, documentation, and worker health, safety and welfare.

We do not permit the feeding of antibiotics or hormones for purposes of growth promotion. Where veterinary medicines are administered due to ill health strict withdrawal periods are met to ensure no traces of the medicine remain in the meat.

We prohibit the addition of any animal or avian derived by-products in any of our poultry feed. This applies to the breeding birds as well as the growing chickens.

In December 2017, we pledged our support to the <u>European</u>

<u>Broiler Ask</u> and have committed to meet the criteria by
2026

All poultry must have originated from a hatchery that is Red Tractor, or equivalent, assured. And all feeds must be sourced from a feedmill that is Universal Feed Assurance Scheme certified and manufactured in accordance with M&S requirements (see below)

All fresh poultry must be processed by a site on the M&S approved list of facilities for processing poultry. It is the responsibility of the processor to ensure animals come from an M&S Select Farm. Find out more about our approach to raw materials, commodities and ingredients.

In December 2017, we pledged our support to the European Broiler Ask and have committed to meet the criteria by 2026. This means by 2026, we will require our suppliers to meet the following requirements for 100% of the fresh, frozen, and processed chicken in our supply chain:

- Comply with all EU animal welfare laws and regulations, regardless of the country of production.
- Implement a maximum stocking density of 30kg/m2 or less. Thinning is discouraged and if practiced must be limited to one thin per flock.
- Adopt breeds that demonstrate higher welfare outcomes: either the following breeds, Hubbard JA757, 787, 957, or 987, Rambler Ranger, Ranger Classic, and Ranger Gold, or others that meet the criteria of the RSPCA Broiler Breed Welfare Assessment Protocol.
- Meet improved environmental standards including:
 - » At least 50 lux of light, including natural light.
 - » At least two metres of usable perch space, and two pecking substrates, per 1,000 birds.
 - » On air quality, at least the requirements of Annex 2.3 of the EU broiler directive, regardless of stocking density.
 - » No cages or multi-tier systems.
- Adopt controlled atmospheric stunning using inert gas or multi-phase systems, or effective electrical stunning without live inversion.
- Demonstrate compliance with the above standards via third-party auditing and annual public reporting on progress towards this commitment

We received a Special Recognition Award in July 2021 from CIWF in response to our announcement that all our fresh Oakham chicken would meet the European Broiler Ask requirements by Autumn 2022.

Oakham™

Oakham[™] chicken is exclusive to M&S and the breed has been specially selected to provide our customers with a succulent flavour. The birds have a bespoke diet which is cereal based with a minimum inclusion of 5% maize.

Oakham[™] chickens are reared in controlled environment barns. The birds are housed on wood shavings and have constant access to food and water. The farm controls the temperature and lighting levels in the house to provide the best environment for the birds.

The environment in which the birds are housed is enriched to encourage bird movement and activity and to allow them to exhibit natural behaviours. The bird's environment is enriched with natural daylight and straw bales which the birds use for pecking and perching behaviours.

Birds must not be stocked at a density greater than 30kg/m2 (the industry standard stocking density is 38kg/m2).

Oakham™ Gold

The birds are from a slower growing breed. No artificial pigments are permitted in the feed. These birds are RSPCA Assured within a maximum stocking density of 30kg/m2.

Corn-fed free range

Free range chickens are housed in similar houses to Oakham™ birds but have constant daytime access to the range on which they are free to roam.

The birds have a bespoke diet which is cereal based with a minimum inclusion of 50% maize. No artificial pigments are permitted in the feed.

Birds must not be stocked at a density greater than 27.5kg/m2 with only one thinning permitted and the area of range is determined on the basis of 1m2 per bird.

Organic

Organic chickens are fed and stocked to the same specifications as free range birds.

Farms rearing birds for M&S organic chicken must comply with the organic standards for chicken laid down by UK approved Certification Bodies listed by the <u>Department for Environment</u>, Food and Rural Affairs (Defra).

Halal

We also sell a range of Shazan's branded Halal chicken in a selection of stores, which has been certified by the Halal Food Authority (HFA). Birds reared for Shazan's products are from farms that meet our Select Farm requirements and are pre-slaughter stunned. Find out more about the HFA's Halal food certification.

Ingredient Chicken

All our ingredient chicken is sourced from UK M&S Select Farms that meet the Red Tractor Standard. Birds sourced from farms assured to industry-standard schemes will be operating to a maximum stocking density of 38kg/m2 or less.



M&S Select Farm Assurance - Turkey

All our turkey is British and is clearly labelled with the country of origin. Our strict traceability means we can trace our fresh and ingredient turkey to the farms where it was produced.

All M&S turkey for both fresh and ingredient use is produced to higher welfare standards including increased space and enrichment provision on M&S Select Farms to our M&S Select Farm Assurance standard. Within our speciality range we have free range and organic turkey too.

These standards have been developed in collaboration with suppliers, industry experts and NGOs. They cover criteria such as traceability and integrity, animal health and welfare, medicines and biosecurity, feed and water, vermin control, stock and handling, facilities for housing and shelter, free range, casualty and fallen stock, depopulation, transport, slaughter, environmental protection and biodiversity, documentation, and worker health, safety and welfare.

Birds must not be stocked a density greater than:

- Red Tractor Standards minus 10%
- Free range 25kg/m2
- Organic 21kg/m2

We do not permit the feeding of antibiotics or hormones for purposes of growth promotion. Where veterinary medicines are administered due to ill health strict withdrawal periods are met to ensure no traces of the medicine remain in the meat

We prohibit the addition of any animal or avian derived by-products in any of our poultry feed. This applies to the breeding birds as well as the growing turkeys.

Farms rearing birds for M&S organic turkey must comply with the organic standards for turkey laid down by UK approved Certification Bodies listed by the <u>Department for Environment</u>, Food and Rural Affairs (Defra).

M&S Select Farm Assurance - Duck

All our duck is British and is clearly labelled with the country of origin. Our strict traceability means we can trace our fresh duck to the farms where it was produced.

All M&S duck for both fresh and ingredient use is produced to higher welfare standards including increased space and enrichment provision on M&S Select Farms to our M&S Select Farm Assurance standard. We do not sell foie-gras or its byproducts.

These standards have been developed in collaboration with suppliers, industry experts and NCOs. They cover criteria such as traceability and integrity, animal health and welfare, medicines and biosecurity, feed and water, vermin control, stock and handling, facilities for housing and shelter, casualty and fallen stock, depopulation, transport, slaughter, environmental protection, documentation, and worker health, safety and welfare.

Birds must not be stocked at a density greater than 23.8kg/m2 and must not be exceeded at any time during the growing period.

We do not permit the feeding of antibiotics or hormones for purposes of growth promotion. Where veterinary medicines are administered due to ill health strict withdrawal periods are met to ensure no traces of the medicine remains in the meat.

We prohibit the addition of any animal or avian derived by-products in any of our poultry feed. This applies to the breeding birds as well as the growing ducks.

Farms rearing birds for M&S organic duck must comply with the organic standards for duck laid down by UK approved Certification Bodies listed by the <u>Department for Environment</u>, Food and Rural Affairs (Defra).

M&S Code of Practice - Goose

All our goose is British and is clearly labelled with the country of origin. Our strict traceability means we can trace our fresh goose to the farms where it was produced.

All M&S goose for both fresh and ingredient use is free range produced on known and approved farms in accordance with our Code of Practice for Goose. We do not sell foie-gras or its by-products.

These standards have been developed in collaboration with suppliers, industry experts and NGOs. They cover criteria such as traceability and integrity, animal health and welfare, medicines and biosecurity, feed and water, vermin control, stock and handling, facilities for housing and shelter, casualty and fallen stock, depopulation, transport, slaughter,

environmental protection and biodiversity, documentation, and worker health, safety and welfare.

We require geese to have constant daytime access to pasture and have access to straw bedding at night.

We do not permit the feeding of antibiotics or hormones for purposes of growth promotion. Where veterinary medicines are administered due to ill health strict withdrawal periods are met to ensure no traces of the medicine remain in the meat.

We prohibit the addition of any animal or avian derived by-products in any of our poultry feed. This applies to the breeding birds as well as the growing geese.

Hatcheries

All hatcheries must as a minimum be independently assured to the following:

- Red Tractor Assurance Poultry Scheme Hatcheries, or equivalent standard.
- Humane Slaughter Association Code of Practice for the Disposal of Chicks in Hatcheries

M&S Code of Practice for Game Species Production

Came is growing in popularity as an alternative to more traditional everyday meats. Its value for money, versatility and nutritional benefits (e.g. it's low in fat and rich in iron) have helped maintain this popularity. Came birds and ground game (e.g. rabbit) are free range and eat a natural foraged diet. Came also makes an important contribution to the livelihoods of remote rural communities and the local food system. M&S only source game that has been shot with nontoxic shot as of 2022, removing lead shot completely from our supply chain.

Management of game estates is essential in helping to preserve the countryside and enhances biodiversity. However, natural habitats can be impacted if game becomes heavily populated and stocking densities are not managed carefully. Conservation groups have also expressed concerns about the way in which birds of prey have been managed on some estates in order to protect animal populations.

We work with one single expert supplier to responsibly source game from a very limited number of known and trusted estates. This ensures full accountability and traceability throughout the chain as well as protecting and enhancing natural habitats for a biodiverse landscape and managing animal welfare to the highest standards. We are working with estate managers to help them address the ethical, environmental and economic challenges they face in order to maintain a long-term sustainable and secure supply.

We are committed to offering a range of game for our customers when in season. Our offer currently includes pheasant, red legged partridge, rabbit and wood pigeon.

We currently only sell farmed venison as we believe it offers better taste and is a more consistent product. Find out more about our approach to sourcing venison.

We will not tolerate any illegal practices. We source all our game through one expert supplier. They source from 7 estates located across Northern England and the Scottish Borders which are well-known to us. Whilst we don't source from these locations directly, we have developed close relationships with all of them.

We have our own Came standards which the estates are audited to, and we also work with the industry assurance body the British Came Alliance. The relevant laws relating to game are covered in the Department for Environment, Food and Rural Affairs (Defra) 'Code of Practice for the Welfare of Camebirds Reared for Sporting Purposes'. Codes specific to these guidelines are indicated throughout and should be strictly adhered to. Recommendations for releasing reared game are covered in The Game & Wildlife Conservation Trust's (GWCT) Guidelines for Sustainable <u>Gamebird Releasing</u>. Guidelines for shooting rearing/released and wild game are outlined within the British Association for Shooting and Conservation's Code of Good Shooting Practice. None of these codes though meet all of our sourcing requirements so we have spent several years working with estate managers, our supplier and leading conservation bodies to develop our own specific Codes of Practice.

As a minimum all our game estates must adhere to Defra's Code of Practice for the Welfare of Gamebirds Reared for Sporting Purposes, the Game & Wildlife Conservation Trust's Guidelines for Sustainable Gamebird Releasing.

All game for both fresh and ingredient use must be sourced from estates which are well-known to us and protect and enhance natural habitats for a bio-diverse landscape. All the estates are required to adhere to legislation and base codes referred to above. But to go one step further, we've developed and are implementing our own Code of Practice for Came Species Production.

This Code covers pheasant, red legged partridge, wood pigeon and rabbit.

Animal Feed Policy

All our livestock are fed either home produced feeds or feeds certified under the Feed Material Assurance Scheme (FEMAS).

We are regularly engaging with all our suppliers on animal feed to ensure that all our agricultural livestock and farmed

fish species source animal feed which is in complaince with our Animal Feed policy.

Find out more about our approach to protecting forests.

Antibiotics

We work with our farmers to ensure they are responsible in the way that they use antibiotics whilst delivering the very highest standards of animal welfare.

For some time, we've had a policy in place to reduce antibiotic use. It states that no animal grown for M&S is ever treated with antibiotics unless it is ill and the vet and farmer have considered all other available treatments. All our farmers must record antibiotic usage and we are committed to achieving annual reduction targets. We also monitor animal welfare through the recording of outcome measures, so that we can be certain that animal welfare is safeguarded.

Because there are some important antibiotics that the government has identified as being critical to human

health, our policy also prohibits farmers using these (e.g. fluroquinolones, fourth and fifth generation cephalosporins and macrolides) and Colistin has also been removed in response to latest evidence.

We will continue to work closely with our farmers, and with leading scientists, to find alternative approaches that reduce the need to use antibiotics whilst maintaining or enhancing animal welfare. It is a complex area, but we are committed to leading the way on this important issue for the benefit of us

Our full policy on antibiotic use on farms can be found here.



SUPPORTING PROGRAMMES THAT FURTHER OUR UNDERSTANDING AND BUILD CAPABILITY WITHIN OUR SUPPLY CHAIN

Farming for the Future

We introduced M&S Farming for the Future in 2010 as our programme of initiatives which champions sustainability, innovation and continual improvement. It exists so that we can deliver our commitment to source our raw materials for food products from the most sustainable sources possible.

Farming for the Future is about us helping the farmers and growers in our supply base meet our M&S Select Farm Sourcing Standards and address the challenges ahead by finding opportunities to improve efficiency, environmental performance and ethical practice. This will make their businesses more resilient and profitable, ensuring that they can continue to deliver quality and innovation for the long term whilst reducing their impact on the world around them. In turn, this delivers security of supply for M&S. Animal health and welfare is a key element of this approach.

We have worked with our farms to identify the key sustainability hotspots that impact each sector, which include:

- Feed
- Nutrition
- Animal welfare
- Fertility and health
- Outcome scores (e.g. tail docking, bruising)
- Environment
- Grassland management
- Carbon

- Soils and nutrients
- Water & water quality
- Slurry disposal
- Energy consumption
- Litter quality
- Heating/ventilation
- Ethical / labour standards
- Supply chain structure and producer engagement

We are working to address these challenges through our supply base who have been supported in making changes in their businesses to drive sustainability.

Within the dairy sector, our dedicated pool of fresh milk farms undertake benchmarking for health and welfare, farm standards, carbon emissions and wider sustainability, with the support of a specialist veterinary surgeon, a nutritionist and our suppliers. A number of workshops are held during the year to tackle hotspot issues and provide advice and examples of best practice.

Research and Innovation

We are committed to driving further improvement in our animal husbandry and welfare standards based on good scientific advice and where necessary investing in animal welfare advice and R&D.

Research and innovation is a key element of our M&S Select Farm Sourcing Standards. We have chosen the independent FAI Farms as our strategic partner for farm animal welfare innovation and R&D.

We also work closely with animal welfare centres of excellence (e.g. universities, agricultural colleges, and research institutes) to ensure our specifications remain up to date and leading. As the only retailer to stock RSPCA milk, we are developing our partnership to expand this product range with RSPCA and improve welfare standards on farm.

Working with FAI Farms and other expert organisations we have prioritised our key innovation activities on farm animal welfare. Our current research priorities include:

- Ongoing development of Welfare Outcome Measures
- Indoor non-confinement farrowing systems for pigs
- Reduction of Campylobacter in broiler chickens on farm and at slaughter
- Environmental enrichment for chicken production
- Avoidance of beak tipping for laying hens
- Responsible use of animal medicines in all supply chains

- Improved foot health in dairy cattle
- Humane slaughter methods for sea bass and sea bream
- Salmon safe technology for predator management on salmon farms
- The effect of breed and stocking density on welfare and behaviour in indoor broilers
- Carbon reduction with an animals lifecycle.

Our current priority areas for research of relevance to each sector are:

Dairy	Laying hens & eggs	Poultry	Beef, lamb & venison	Pork
Ongoing development and rollout of Welfare Outcome Measures	Ongoing development and rollout of Welfare Outcome Measures	Ongoing development and rollout of Welfare Outcome Measures	Ongoing development and rollout of Welfare Outcome Measures	Ongoing development and rollout of Welfare Outcome Measures
Responsible use of animal medicines	Understanding of bone health in laying hen flocks	Optimum space allowances for chicken production	Responsible use of animal medicines	Indoor non- confinement / free- farrowing systems for pigs
Improved foot health in dairy cattle	Avoidance of beak tipping for laying hens	Environmental enrichment for chicken production	Crassland utilisation	Responsible use of animal medicines
Improved cow comfort for dairy cattle	Responsible use of animal medicines	Optimal bedding substrates to reduce risk of footpad dermatitis in broiler chickens	Carbon reduction programmes	Tail biting
Carbon reduction programmes		Responsible use of animal medicines		Survivability
		Reduction of Campylobacter in broiler chickens on farm and at slaughter		Alternatives to CO2 stunning methods
		Developing tools to capture behavioural outcome measures		

Find out more about our approach to food research and technical innovation.

IMPROVING PERFORMANCE THROUGH SCIENCE-BASED OUTCOME MEASURES

Sustainability Outcome Measures

In recent years there has been a shift away from focusing on farming systems and input standards towards measuring and seeking to improve the impact of supply chains on the environment, ethics (for people and animals) and economic elements of a production system.

This outcomes-based approach helps to provide robust information about the standards on farm, but importantly, allows farmers to pioneer their own solutions and innovations to make progress. This flexibility and creativity is crucial for tackling some of the long-standing challenges to sustainable food production.

Published measures are those that have been agreed with suppliers and are already collected or in progress for collection for fresh and ingredient farmed raw materials. Sustainability measures address animal health and welfare and environmental metrics currently. Social metrics will be considered in the future.

At present, some outcome measures are not validated or practical to collect therefore 'input' measures are used in the interim to provide information on these areas. We trend and track our progress against our welfare outcome measures and commitments. Please see our Animal Welfare Performance 2021 Report.

We also engage with our NGO partners on outcome measure findings to drive continued improvement in our supply chains.

Having established outcome measure collection for all key species within the M&S supply, we are using the data collected to set targets to drive continual improvement, in line with our Plan A commitment.

Outcome measures have been embedded into our M&S Select Farm Sourcing Standards and are integral to the way we do business. Outcome measure reviews are part of our internal governance process and form part of our quarterly supplier reviews. Supplier are asked to provide action plans for improvement. We aim to use this data to shape future production standards and drive a continual improvement culture across our farm supply base.

SUPPORTING PROGRAMMES WHICH ENHANCE THE LIVES OF PEOPLE AND COMMUNITIES

Milk Pledge Plus - Fair Milk Prices

We launched the M&S Milk Scheme in 1999. We developed the principle of the scheme in collaboration with the farmers who supplied our milk, resulting in a dedicated pool of farmers paid using a mechanism that delivered a long term stable milk price. In 2004 we developed the scheme further by introducing our 'payment pledge' and since then it has evolved into the industry's leading dairy scheme.

The M&S liquid milk pool is split into four regional pools – England, Scotland, Wales and Northern Ireland. Our farmers have a contractual relationship with their milk processor.

We pay a milk price which reflects the key costs of milk production. We review the core price at six-monthly intervals and changes are driven by the costs of production as well as animal health and welfare and farm standards.

We pay one of the highest prices of milk in the UK.

In 2020, the Milk Pledge Plus scheme introduced new standards (which we build on each year) and encompass key issues of staff management, local community engagement and environmental impact alongside the well-established focus on animal health and welfare and farm standards (see M&S Select Farm Sourcing Standards – Milk Production above).

Agricultural Education

To help encourage young people into the agricultural industry, and to support the development of those already in it, we have set up an education programme. This was developed collaboratively with our suppliers and aims to equip individuals with the necessary skills, knowledge and experience they need at several stages of their agricultural careers.

We are working with colleges, supporting apprenticeships and offering bursaries, work placements and study scholarships too. So far over 200 young people have benefited from this investment in their future. For example, we are supporting a degree student at Harper Adams University College, with a scholarship in partnerships with Rabobank. This will see the student spend their year-out work placement with M&S working on projects with our agriculture or agronomy teams.

We also run 'walk the supply chain' events with colleagues annually to enable students to get an insight and an understanding around the issues and challenges in food production and retail.

We have also developed a unique executive education programme – the M&S Agricultural Leadership Programme – in association with Cranfield University School of Management. This five-day programme sees high potential young people learn about leadership, sustainability and supply chain management. So far the programme has had 70 delegates from across our supply base taking part and feedback has been excellent.

Working with others

Listening, learning, responding and working in partnership is an important part of how we do business.

To develop our approach to animal welfare, we've worked with many industry experts and scientists. We continue to work with these leading organisations (e.g. RSPCA, Compassion in World Farming, the Humane Slaughter Association, and FAI Farms) to further research and progress our animal welfare standards. Operationally, we're supported by our suppliers

and expert organisations such as <u>Bristol University</u>, <u>Fish Vet Group</u>, <u>RSPCA</u>, <u>FAI Farms</u> and specialist independent audit companies to implement our policies.

We have a long-term partnership with <u>FAI Farms</u> who provide us with animal welfare knowledge and direction and are responsible for managing our independent data collection and supply chain research and outcome measures.

