

Sodexo Animal Welfare: Position Paper

This position paper deals specifically with Sodexo's animal welfare commitment within the framework of Sodexo's Corporate Responsibility roadmap, Better Tomorrow 2025.

What's the specific context?

Worldwide population is expected to rise from 6.7 billion in 2009 to 9.8 billion in 2050. In 2018, the worldwide population is 7.6 billion.

In addition to the global increase in demand for all types of food, economic development generates an even greater increase in demand for meat, fish, dairy, vegetables and fruit. Sixty billion animals are raised for food worldwide every year.

The intensification of animal production has allowed for increased productivity but is often associated with significant and widespread animal welfare concerns.

Transportation is stressful to animals and risks injury, suffering and the spread of disease. This applies especially to long journeys and to transport to slaughter.

Appropriate housing, good stockmanship and adequate husbandry practices have an important role in reducing animal welfare concerns. These practices are applicable throughout the life of the animal including rearing, transport and slaughter. Examples of good practices relate to areas such as housing, feeding, veterinary care, transport and slaughter methods.

Throughout the world, more than 1 billion farmers, stockmen and slaughtermen are involved in the rearing, handling, transportation and processing of animals.

Additionally, intensive livestock farming relies upon grain-based diets which can put farm animals in competition with people for food resources. Continuing to intensify livestock farming is likely to increase pressure on food availability, especially in areas where food security is already vulnerable. Well managed livestock farming however can utilize lower grade crops and land contributing positively to food security for people.

There is growing consumer concern about whether current practices match their values and expectations about the animal's health and welfare. This further supports the importance of animal welfare as a key component of a responsible sourcing strategy.

A number of countries have adopted specific legislation or guidelines aimed at protecting animals by defining minimum welfare standards.

How is Sodexo involved?

Sodexo believes that animal welfare is a key component of a sustainable supply chain alongside food safety, food security, nutrition, good environmental practices, fundamental rights for workers and economic viability.

Sodexo has established sustainable purchasing practices in its relationship with suppliers through its Sodexo Supplier Code of Conduct.

Sodexo sources and serves food products derived from animals. However, the company is not directly involved in the rearing, handling, transportation or processing of them, and takes animal welfare very seriously. Our approach requires successful implementation by our supply chain.

Sodexo has a diverse range of suppliers in many geographies with a wide range of products and practices. Sodexo works with its suppliers to ensure that they adopt and implement the highest practical and commercially viable standards of farm animal welfare and that they demonstrate continuous improvement.

Sodexo's presence in 72 countries employing 460 000 employees and its relations with many clients and suppliers put it in a unique position to:

- raise awareness internally amongst its 460 000 employees
- raise awareness externally amongst its community of clients and consumers
- raise awareness and work with its direct suppliers to improve conditions and animal welfare standards

What is Sodexo's Strategy on Animal Welfare?

Sodexo supports the globally-recognized "Five Freedoms" of animal welfare as an aspiration for its animal welfare strategy:

1. Freedom from Hunger and Thirst – by providing ready access to fresh water and a diet to maintain full health and vigor.

2. Freedom from Discomfort – by providing appropriate environment including shelter and a comfortable resting area.

3. Freedom from Pain, Injury or Disease – by ensuring prevention or rapid diagnosis and treatment.

4. Freedom to Express Normal Behavior – 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.

In recognition of the fact that animal welfare is a key component of a sustainable supply chain, Sodexo has developed a Sodexo Animal Welfare Strategy to meet its commitment to source sustainably reared products.

"Sodexo will work with its suppliers to improve animal welfare throughout its supply chain."

The implementation of this strategy includes, but is not limited to, the following aspects:

- set and regularly review annual and country specific objectives aimed at improving animal welfare throughout the supply chain
- publicize whenever possible animal welfare standards, targets, performance and achievements
- ensure that animal welfare is part of the group procurement requirements and addressed in suppliers contractual specifications wherever appropriate by having our suppliers sign Sodexo Animal Welfare Supplier Charter

- encourage and drive uptake of higher welfare animal products through appropriate communication to clients and consumers on key animal welfare issues

As part of our animal welfare strategy, Sodexo has identified, as a minimum, the areas to be addressed which are applicable throughout its supply chain worldwide. The requirements are detailed in the Supplier Animal Welfare Charter.

For more information, please consult the document – Supplier Charter

We are currently prioritizing practices to be addressed and assessing how best to tackle them.

Over the last three years, Sodexo made several animal welfare commitments and has identified the following priority areas in its animal welfare strategy:

1. Confinement of laying hens – Sodexo has committed to source only cage free shell and liquid eggs worldwide by 2025 and by 2020 in the US. Sodexo will continue to seek and support cage-free alternatives with its suppliers for other egg products, as well as for other species (rabbits, sows...)
2. Broiler chicken – Sodexo has committed to improve welfare standards of all our chicken meat sourcing in the US by 2024 and in Europe by 2026 as a priority, by signing up to the European Broiler Ask/Better Chicken Commitment.

These provisions are applicable to all meat, egg and dairy products supplied to Sodexo by its suppliers. The main types of animal protein sourced by Sodexo are poultry, beef, pork, veal, dairy cow and egg products. The welfare of farmed fish is covered by the Sodexo Sustainable Seafood Supplier Charter.

Note: Those countries with specific market requests, may implement additional animal welfare standards as appropriate.

How does Sodexo ensure the implementation of this Position Paper?

A network of experts works in consultation with the major geographical regions and in collaboration with relevant suppliers and NGOs, and in particular Compassion in World Farming.

Neil Barrett, Group SVP, Corporate Responsibility and François Blanckaert, Group SVP Supply Management are accountable for this animal welfare strategy.

All countries where we operate must apply this strategy and suppliers are requested to sign the charter. Sodexo is committed to adopting measures which ensure continuous improvement in the field of animal welfare. This commitment will be achieved in several stages:

- Ensure that the Sodexo Animal Welfare Supplier Charter is available in at least one official language of all Sodexo countries
- Ensure that the Charter is signed by all relevant suppliers worldwide
- Define and implement species specific animal welfare improvement strategies

During the objective setting (roadmap) process, countries are asked to confirm their objectives for the translation of the supplier facing documents and the acknowledgement of the Sodexo Animal Welfare Supplier Charter by the relevant suppliers and the implementation of the above strategies. The achievement of these objectives is checked through the annual Better Tomorrow survey and the status of the achievement of the objectives is reported back to regional management teams

through the Better Tomorrow Dashboard. In addition, status reports are given in regular Supply Management meetings and Supply Management Directors are challenged on their progress. Sodexo's progress is publicly reported annually in the Registration Document.

Supply Management teams are responsible for communication to suppliers and the signature of the Sodexo Animal Welfare Supplier Charter.

Better Tomorrow Champions are responsible for other internal and external communication and follow up with the central Better Tomorrow team.

When they sign the Sodexo Animal Welfare Supplier Charter, suppliers commit to ensure that the suppliers in their own supply chain are informed about Sodexo's requirements as laid out in the document, where appropriate. Suppliers are encouraged to demonstrate continuous improvement or achievement with respect to this strategy as well as to report on their own performance.

Tools to facilitate the deployment of the strategy and the training of Sodexo teams are available to both the Supply Management and Better Tomorrow communities through internal knowledge sharing centers and in addition, a 6 monthly Responsible Sourcing webinar allows us to update and train our teams on our Responsible Sourcing Initiatives well as to answer their questions. Internal compliance with Sodexo animal welfare strategy is checked through the annual Better Tomorrow survey. Results are externally audited. In case of non-compliance, additional trainings and support are provided as well as other actions if needed.

Sodexo believes that industry-wide change cannot be led by one company alone; we must engage with companies in our industry and leverage our combined size to drive progress.

To this end, in 2018 Sodexo led the creation of the Global Coalition for Animal Welfare (GCAW), the world's first food industry-led initiative aimed at advancing animal welfare globally. The global platform unites major companies and animal welfare experts in improving animal welfare standards at scale and in meeting consumer demand for food products from animals reared in systems that promote good welfare.

What has been accomplished?

Sodexo reports annually on its performance regarding its animal welfare strategy.

For more information, please consult the document – Performance

What are our next steps?

- Continue to raise the level of awareness internally through the Supply Management and the Better Tomorrow Champion network about the importance of improving animal welfare within our supply chain
- Continue to raise awareness amongst the supplier community about the importance of improving animal welfare
- Continue to raise awareness amongst our clients and consumers about the importance of improving animal welfare
- All our Supply Management teams will seek to source from suppliers who are demonstrating progress in animal welfare where possible evidenced by the use of third-party certification programs.
- Continue to implement our cage free eggs commitment: based on the collected information, we have developed a deployment plan per region
- Implement our broiler chicken commitment:

- First we will work with our suppliers, to assess the current industry practices in each country
- We will also take advice from NGO partners
- Based on this information, we will collaboratively develop a deployment plan per region

Through our annual Corporate Responsibility reporting process, we will monitor the progress that we are making on our commitments.

Sodexo is committed to adopting measures which ensure continuous improvement in the field of animal welfare.

GLOSSARY

Broiler chickens – chickens reared for meat production

USEFUL LINKS

GCAW – <http://www.gc-animalwelfare.org/>

SODEXO SUPPLIER CHARTER – <https://www.sodexo.com/home/about-us/what-we-do/growing-responsibly.html>

SODEXO FAQ – <https://www.sodexo.com/home/about-us/what-we-do/growing-responsibly.html>

SODEXO PERFORMANCE – <https://www.sodexo.com/home/about-us/what-we-do/growing-responsibly.html>