

Nestlé Farm Animal Welfare Q&A – September 2020

Management Commitment and Policy

Q1. Is animal welfare a business issue for Nestlé?

Yes, animal welfare is a critical business issue for Nestlé. As the world's largest food and beverage company the health and welfare of the animals in our supply chain is important to us and our consumers. We source a significant amount of milk for our dairy business and we use meat, poultry and eggs in some of our food products – varying by region and business. Some of our major product categories, including coffee and water, do not use a high percentage of animal derived proteins.

Q2. Does Nestlé have a policy or commitment on farm animal welfare?

Yes, we have a [global animal welfare commitment](#), published in 2014. Between 2014 and 2019, we published additional commitments on specific welfare issues such as switching to [cage free eggs](#) and improving [broiler chicken welfare in Europe](#) and in [North America](#).

Q3. What scope does Nestlé's animal welfare commitment cover?

Our commitments are global, unless otherwise specified. For example, our commitments on broiler chicken welfare cover Europe and the United States.

Q4. What is Nestlé's position on the avoidance of close confinement and intensive systems for livestock?

As stated in our [Responsible Sourcing Standard](#) (Chapter 4.2.10.4.5), we believe in phasing out close confinement and permanent tethering systems for farm animals, including cages, crates or tie stalls in favor of group or free housing in pens, barns and free access stalls. We are working with our suppliers to establish action plans to eliminate close confinement. We promote continuous improvement of welfare standards as outlined in our 2014 farm animal welfare commitment.

Q5 What is Nestlé's position on the provision of effective species-specific environmental enrichment?

In our [Responsible Sourcing Standard](#) (Chapter 4.2.10.4) we outline our commitment to ensuring that all animals in our supply chain are housed in appropriate physical environments, including ensuring animals have the opportunity to perform natural and social behaviors, and that litter is provided in appropriate quantity and quality to animals.

We will ensure that chicken welfare standards for poultry used in all of our food products in Europe meet the criteria expectations set out in the European Broiler Ask/Better Chicken Commitment. This includes a commitment to ensuring that birds have access to at least two meters of usable perch space, and two pecking substrates, per 1000 birds.

We are committed to working with our US suppliers to improve the environment in which broiler chickens are kept in line with the new GAP standard. This includes access to natural light, improved litter, and enriched surroundings to help allow expression of natural behavior.

Q6. What is Nestlé’s position on using farm animals subject to genetic engineering or cloning and/or their progeny or descendants in Nestle products?

We do not produce any products, or use any ingredients from farm animals or their offspring that have been subject to genetic engineering or cloning. We prohibit farmers within our supply chains from using cloned or genetically modified animals and their derivatives. Our Responsible Sourcing Standard specifies this, which applies globally.

Q7. What is Nestlé’s position on growth promoting substances?

Nestlé does not support the use of veterinary medicines with performance enhancing effects in farm animals for the purposes of growth promotion. Any use of such medicines for purely therapeutic purposes should only be carried out under veterinarian advice.

Regulations and opinions on the use of performance enhancing medication vary significantly around the world. We will not advocate for the approval of performance enhancers in countries where they are not currently permitted for use.

Our 2014 Farm Animal Welfare Commitment includes a phase out of growth promoters and the responsible use of antibiotics.

Q8. What is Nestlé’s position on the reduction or avoidance of antibiotics for prophylactic use in farm animals?

The appropriate use of antimicrobials is essential for protecting human and animal health, and for ensuring correct standards of animal welfare. We share concerns over the emergence of antimicrobial resistance. As stated in our Nestlé Responsible Sourcing Standard, the use of antimicrobials should take place under veterinary prescription for therapeutic purposes. The prophylactic use of antimicrobials should be limited to the strictest minimum amount required, timed to prevent outbreaks of contagious diseases. Our 2014 Farm Animal Welfare Commitment includes provisions for the “responsible use of antibiotics”.

We oppose the use of antimicrobials for growth promotion in animals. We also oppose the use of antimicrobials categorized by the World Health Organization as “critically important” or “highly important” for human use, which are not approved for veterinary use.

To help address antimicrobial resistance, we endorse international efforts, including the tripartite (FAO-OIE-WHO) approach to promote the responsible use of antimicrobial agents, aimed at minimizing the development of antimicrobial resistance. Alongside this, we continue to work with our suppliers to support practices and innovations that reduce the need to use antimicrobials in our supply chain, while maintaining animal welfare.

Q9. What is Nestlé’s position on the avoidance of painful procedures for farm animals?

As stated in our [Responsible Sourcing Standard](#), we require our suppliers to avoid using painful procedures for farm animals and to review and use alternatives where possible. Where painful procedures cannot be avoided, veterinarian support is needed, and pain should be managed using anesthesia and analgesia where available. Our Standard also states that farmers should phase out tail docking (cattle & pigs), dehorning, disbudding without anesthesia and analgesia, castration without anesthesia and analgesia (cattle & pigs), and non-therapeutic beak trimming (laying hens). The phase out of these practices is also clearly stated in our 2014 Nestlé Farm Animal Welfare Commitment.

Q10. What is Nestlé’s position on the avoidance of meat from animals that have not been subjected to pre-slaughter stunning? Do you also have a position on avoiding ingredients from finfish that have not been rendered insensible?

Our [Responsible Sourcing Standard](#) sets out our requirement that for chickens, farmers should stop live shackle slaughter and implement Low Atmospheric Pressure Stunning or Controlled Atmosphere Killing – multi-stage or with inert gas. Non-stun slaughter is currently permitted in certain regions where it is legally required. On a global basis, Nestlé supports the principle of pre-slaughter stunning and the five freedoms of animal welfare. This is reflected in the minimal incidence of animals which have not been pre-slaughtered stunned in our supply chain. For 2019: based on a survey conducted in 2020, we estimate that 100% of our beef and pork supply is subject to pre-slaughter stun as is 99.5% of our broiler supply.

Q11. What is Nestlé’s position on long distance live transportation of animals?

The welfare of animals at all stages of our supply chain, including during transport, is important to us. Requirements on live transportation form part of our publicly available [Responsible Sourcing Standard](#) (Chapter 3.3.3). In addition to following all local laws and regulations regarding transportation, our standard lays out the minimum requirements we expect our suppliers to follow, covering equipment, space, water, feed, and loading.

Governance and Management

Q12. Who is in charge of overseeing animal welfare at Nestlé?

Nestlé’s Executive Director for Operations has responsibility for overseeing farm animal welfare. All employees are required to uphold Nestlé’s values of respect, including respect for animals.

Q13. What are Nestlé’s objectives and targets for managing farm animal welfare?

We have made several time bound public objectives for improving farm animal welfare, such as our commitments on [cage free eggs](#) and improved [broiler chicken welfare in Europe](#) and [North America](#). Work continues on other important issues based on our public [global animal welfare commitment](#), including the elimination of on farm practices such as close confinement.

Q14. Does Nestlé report on its performance against its animal welfare policy and/or objectives?

Yes, we report publicly on specific commitments and policies, such as progress against our cage free commitment in Europe.

Q15. What are Nestlé’s internal processes for ensuring farm animal welfare policies and commitments are implemented effectively?

Nestlé has a global steering group overseeing policy, advocacy, responsible sourcing and operational implementation and progress on animal welfare. This meets four times per year, supplemented by additional discussions where required. We report on progress against public commitments.

We train our buyers on responsible sourcing and we assess our suppliers against our Responsible Sourcing Standard, which includes requirements on animal welfare, labour practices and

environmental impact. We engage with independent auditors such as SGS and Bureau Veritas, who carry out farm assessments using a responsible sourcing assessment tool. If these assessments find that our suppliers are in breach of the Nestlé Responsible Sourcing Standard and do not commit to actions to remediate gaps, then we reserve the right to review commercial relationships.

Nestlé also has an official partnership with the not-for-profit organization Compassion in World Farming (CIWF), which supports us on topics related to animal welfare. For example, CIWF leads a twice-yearly dedicated internal training session on animal welfare for Nestlé staff working with animal products.

Q16. How does Nestle implement its animal welfare policy through the supply chain?

Implementation of the requirements laid out in our Responsible Sourcing Standard, including on animal welfare, are mandatory for our suppliers. Nestlé’s global Responsible Sourcing team works with suppliers to organize farm assessments. These identify practices at farm level and assess if and how far they comply with our Responsible Sourcing Standard. We are also increasingly working with suppliers to fund impactful and innovative projects supporting advancements in animal welfare (see Q18). The objective with such projects is to go beyond standard farm assessments and be part of the “solution”, supporting suppliers and farmers in their transformation journey.

Q17. Does Nestle require adherence to farm animal welfare schemes to a prescribed standard in its supply chain?

We work on improving farm animal welfare in our supply chain through specific public commitments and pilot projects. Farm-level assurance standards do form part of our supply chain alongside our own Responsible Sourcing standard, although we do not currently require the use of such schemes by our suppliers. As part of our commitments on [cage free eggs](#) and improved [broiler chicken welfare in Europe](#) and [North America](#) we are reviewing on a regional basis which farm animal welfare schemes best apply.

Innovation and Leadership

Q18. Is Nestle investing in projects to advance farm animal welfare practices in the industry?

We partner with our suppliers and other industry stakeholders in value-adding projects. These projects aim to improve animal welfare and the environmental sustainability of livestock production. As a company, we do not only want to identify the issues; we also want to be part of the solution.

Recent examples include:

- **Improving the environment for raising pigs in the US:** In 2019, Nestlé and supplier Tyson Foods joined forces with the Foundation for Food and Agriculture Research in the US. Together, we funded one of the first studies to test three different environmental enrichment devices that appear suitable for US pig production systems. The ongoing work by scientists with the US Department of Agriculture’s Livestock Behavior Research Unit at Purdue University is focused on assessing pig welfare, including measures of behavior, health and growth. With the resulting information, pig farmers will have the potential to apply environmental enrichment management strategies on their farms to improve animal welfare.
- **Avoiding tail docking of piglets in France:** In 2019, Nestlé Herta financially supported two studies in France to end the tail docking of piglets. The studies were carried out in collaboration with two cooperative suppliers, Evel’up and Porc Armor Évolution. The aim was

to test the impact of stopping the tail docking of piglets and determine if enriching their environment makes it possible to limit or avoid tail biting among animals. The study showed that environmental enrichment alone is not enough to manage tail biting, and there was even some cannibalism among the group during the test. It was clear that the management of piglets with entire tails requires more time and animal surveillance, so the studies will continue in 2020 using other production conditions (less density and greater distribution of straw).

- **Monitoring cows' well-being in Brazil:** A pilot scheme launched in Brazil in 2019 is providing new levels of information on the health and well-being of dairy cows. Sensors are placed on cows' necks and provide farmers with 24/7 data on their animals' condition and behavior. The sensors have been tested successfully on 1250 cows. The technology is enabling farmers to see increases in yields and incomes as a result of reduced stress in the cows. And it's not just the farmers who can follow the progress of their animals. A QR code on milk cartons enables consumers to scan and track the herds from which the milk originated and gain reassurance that the cows are healthy, less stressed and able to move naturally.
- **Testing the use of natural light in broiler chicken production:** As we transition to higher standards of broiler chicken, meeting the "Better Chicken" commitment, we are piloting the use of natural light in a Nestlé/Supplier co-funded project. In this project, natural light is provided through curtains, amounting to 8-9% of the total floor space. Two houses, one with standard artificial light and one with natural light are included in the project. The study provides a side-by-side comparison of the effects of lighting sources on bird well-being and welfare. Parameters such as stocking density, lighting, calmness of the flock, dust bathing, preening, eating, drinking, mortality, morbidity, frequency of cuts and scratches, pododermatitis, bird leg and gate conditions, flock uniformity, and overall in-house conditions are being measured.

Q19. What awards has Nestle received for its work on farm animal welfare?

Nestlé received the 2018 Good Egg award from Compassion in World Farming (CIWF) for our commitment on sourcing cage free eggs worldwide by 2025.

Q20. Does Nestle promote higher farm animal welfare to consumers through education and/or awareness-raising activities?

For our Thomy brand of mayonnaise, Nestlé communicates our use of free-range eggs as ingredients in appropriate markets. (see for examples - <https://www.thomy.ch/fr/nos-engagements>)

The [Herta S'Engage – Filière Preference](#) program put in place by our Herta charcuterie brand includes animal welfare information for consumers both on pack and online. This program started in 2013 and now includes more than 300 pig-producing farmers in France. We communicate directly with consumers on the animal welfare benefits. For example, we have produced a 3D virtual film visit to a pig farm to allow consumers to view the production conditions at one of our Filière Préférence farms.

In Brazil, Nestlé Ninho Organic is using technology and sensors to monitor the conditions of every single cow, ensuring all animals are treated individually and signs of discomfort or pain which often translate into changes of postures and productions are rapidly identified. Nestlé Brazil is communicating on this pioneering project both on our [website](#) and in a [YouTube video](#), making direct reference to animal welfare.

Q21. What is Nestlé’s position on promoting non-animal devised protein products alongside animal protein products? Through this, are you aiming to reduce or substitute a proportion of the animal protein you sell?

Whether they come from plant based or animal sources, our aim is to source sustainably and efficiently produced agricultural raw materials for use as ingredients. Alternative proteins can be produced through an efficient use of resources (e.g. land and water) and have a role to play in delivering increasingly sought-after protein-rich diets. To meet this evolving consumer demand, we are investing in plant-based alternatives for some of our food and beverage portfolio. At the same time, we continue to offer products using animal proteins and to work on improving the sustainability of their production through, for example, supporting the cross industry Dairy Sustainability Framework (DSF) where Nestlé is a significant and active member.

For more detail on Nestlé and plant based protein, visit our dedicated website:

<https://www.nestle.com/stories/meat-alternative-plant-based-proteins>

Performance Reporting and Impact

Nestlé recently conducted a representative survey with our dairy, meat, poultry and egg suppliers to map out animal welfare practices in our supply chain. The data collected are not exhaustive. The information provides a snapshot of expected performance taking into account significant regional variations - based on differing regulatory regimes and farming practices.

Q22. What proportion of animals for your own-brand products in your global supply chain are free from confinement (i.e. those in barn, free range, indoor group housed, outdoor bred/reared)?

The use of confinement systems varies significantly depending on local regulations, practices and the type of animal.

In 2017, Nestlé made a formal global commitment regarding the confinement of laying hens and the use of [cage free eggs](#). The current implementation of this commitment varies regionally. In Europe, as of August 2020, 100% of our supply is Cage-Free. In the US we will reach 100% of our supply Cage-Free by the end of the 2020. Our latest survey indicates that we are continuing to move towards our 2025 commitment of sourcing 100% cage free eggs. The proportion of cage free globally has now increased to between 18 and 21% By 2025, our commitment is to reach 100%.

Regarding pig production, and more precisely sow housing, regulatory changes are influencing the situation. In Europe, Canada and an increasing number of states in the US, individual confinement of sows, 4 weeks after service, is now illegal. This is not the case in other major pig producing countries, regions and states. As a company, we support the adoption of open sow housing systems. For example, we organized and sponsored a seminar on this topic in 2019 in Iowa, a major pig producing state. We have also tested and supported the testing of dynamic farrowing crates in sow housing systems in France in 2019. Dynamic farrowing crates are crates that can open when the risk of piglets crushing by their heavy mother is reduced, allowing more space for the sow to move and turn around.

Based on the data gathered from our survey, our estimate is that globally, around 56% of our pork volume now comes from open sow housing systems (4 weeks after service). This is slightly lower than last year due to an increase of our volume sourced in North America - a region where sow stalls are still used by suppliers.

Q23. What proportion of animals in your global supply chain are provided with effective species-specific enriched environments?

Our latest surveys have gathered data on the use of enrichments across our supply chain.

Our pork suppliers have introduced enrichments such as chains, ropes and toys, as well as increasing the use of loose bedding in their systems. Our latest survey revealed that 62% of the pigs in our supply chain are now being reared with at least one form of enrichment.

Our chicken meat suppliers have started to introduce perches, straw bales and supplementary grain into their systems. 23% of our laying hens have their environment enriched with a wide variety of devices including perches, dust bathing boxes, scratch rails and pecking objects.

Our fresh milk producers reported that 69% of their systems included enrichment in 2019 (e.g. access to grazing, loafing areas, access to cow brushes) and our dairy ingredient producers provided enrichment to 87% of their livestock.

Q24. What proportion of animals in your global supply chain do not undergo painful procedures?

In conventional producing systems, farmers perform procedures such as tail docking for pigs or carry out pig castration to avoid cases of tail biting (pigs are naturally curious and in intensive systems will play / chew each other's tails) and meat quality defects (boar taint).

As defined in our Responsible Sourcing Standard, we believe in avoiding painful procedures for animals wherever possible. Producers should carefully review and, where possible, use alternatives. We are financially supporting projects that test environmental enrichment devices both in Europe and in North America. These projects aim to create a more interesting / interactive environment for the animals, therefore reducing the need for painful procedures like tail docking.

The same approach applies to pig castration. In France, we are financially supporting farmers who are currently testing management approaches that end the need to castrate pigs. We also source from European suppliers and countries (e.g. Spain) that have already stopped castration.

This year our survey has highlighted the progress being made in our pork supply chain, where we have seen the number of piglets being tail docked reduced by 13%, and there has been no increase in the amount of tail biting recorded at the slaughterhouse. This is still running between 1.4 and 4.5%. Both our fresh milk and dairy ingredients suppliers report that over 99% of our herds are not tail docked.

Over 90% of the cows in our dairy ingredients supply chain are now disbudded, rather than being subject to the more severe process of dehorning. Less than 5% of the animals in that supply chain were dehorned in the last 12 months.

Q25. What proportion of animals in your global supply chain are subject to pre-slaughter stunning?

Pre-slaughter stunning is an important process to avoid pain during slaughter. On a global basis, Nestlé supports the stunning of animals before slaughter. Based on our supplier survey for 2019: we estimate that 100% of our beef and pork supply is subject to pre-slaughter stun as is 99.5% of our broiler supply.

Q26. What proportion of animals in your global supply chain are ineffectively stunned, i.e. are subject to back-up or repeat stunning?

Reporting of this data has now been introduced and we are building this dataset.

Our results for 2019 indicate that between 0 and 0.22% of pigs required a back-up stun and this figure was between 0 and 0.69% for beef cattle. Our broiler producers reported that 0.83% of their production needed intervention from the back-up slaughterman.

Q27. What is the average, typical or maximum permitted live transport times for the animals in your global supply chain?

Our Responsible Sourcing Standard (Chapter 3.3.3) sets the requirements our suppliers must apply during the transport of animals. We collaborate with suppliers and encourage the roll out of training programs for staff that transport animals.

Pigs in our supply chain are transported under regular planned circumstances for an average of 3.7 hours in one journey. In the case of beef cattle, they are generally transported over longer distances/periods for an average of 6.5 hours. In the case of chickens, distances are shorter, with regular, planned transport. The average is 2.4 hours. These data are indicative only and require further analysis to identify where improvements may be required.

Q28. What information do you have on welfare outcome measures in your supply chain (i.e. measures linked to the physical, emotional and/or behavioral wellbeing of animals)?

Data shows that the level of tail biting in pigs (inspected at slaughter) in our supply chain is on average 1.4 to 4.5%, whilst lameness detected at slaughterhouse was 1.1 to 1.9%

For dairy cows, the level of severe lameness for dairy cows is on average 2.3%-3.7% in our supply chain. In Germany, we are now collaborating with one of our suppliers to train farmers on reducing the level of lameness in dairy cows.

For broilers in our supply chain farm mortality rates were reported as 3.3% to 4.3%. and for laying hens bone breakages (e.g. keel bone fractures) were reported at 0.78% to 3.89%.

Q29. What do you report on regarding farm animal welfare?

We report publicly on specific commitments, such as progress against our cage free commitment in Europe. Our annual farm animal welfare survey, carried out with our dairy, meat, poultry, and egg suppliers, provides more information.

Q30. What proportion of laying hens (for shell eggs and fresh/frozen products and ingredients) in your global supply chain are now cage-free?

In Europe, as of August 2020, 100% of our volume of eggs is already cage-free. In the US we will be reaching 100% by the end of the year. Based on our latest purchasing information and the data obtained from our recent supplier survey, globally 17.8% to 21% of the volume of eggs we use is cage-free. By 2025, our commitment is to reach 100%.

Q31. What proportion of the fresh/frozen pork products and ingredients that you use is sourced from pigs that are free from sow stalls?

Globally 56% of our pork volume consumption comes from open sow housing systems (4 weeks after service). This is slightly lower than last year due to an increase of our volume sourced in North America - a region where sow stalls are still used by suppliers.

As a company, we continue to support the adoption of open sow housing systems around the world. In Europe, Canada and an increasing number of states in the United States, individual confinement of sows in stalls, more than 4 weeks after service, is illegal. This is not the case in other major pig producing countries, regions and states.

Q32. What proportion of fresh/frozen milk or milk products and ingredients that you use is sourced from cows that are free from tethering?

The adoption of free tethering dairy production systems varies by country and region. In developing countries, where farmers typically own only three or four cows, the use of tethering systems is still common practice.

In Indonesia, Nestlé is financially supporting the construction of a pilot for a free stall calve facility together with one of our dairy cooperative partners. This project aims to serve as a model and example for other dairy cooperatives and farmers to adopt free tethering systems.

Globally 92% of the milk volume we source directly from farmers comes from free tethering systems (up from 86% last year). In the case of dairy ingredients, which we buy from suppliers in New Zealand, North America and Europe, around 95% of the global volume we source comes from free tethering systems (unchanged from last year).

Q33. What proportion of broiler chickens for your fresh/frozen products and ingredients that you use is reared at lower stocking densities (specifically, 30 kg/m² or less)?

Nestlé has made a commitment to improve [broiler chicken welfare in Europe](#) and [North America](#). This includes the eventual reduction of stocking densities to 30 kg/m². In the United States this will happen by 2024 while in Europe the change will happen by 2026. We will begin reporting on progress in 2021.

Q34. What proportion of laying hens in your global supply chain is free from beak trimming or tipping?

The practice of beak trimming of laying hens varies upon countries and regions. In some countries, such as Germany, the practice is already illegal. Around 34% of the global volume of eggs we source comes from hens that have not been beak trimmed.

Q35. What proportion of the pigs in your global supply chain are free from tail docking?

We are financially supporting projects testing pig environmental enrichment devices both in Europe and in North America. The objective of these projects is to create a more interesting / interactive environment for the pigs and therefore reduce the need for tail docking. This year our survey showed that 25% to 27% of pigs were free from tail docking (an improvement of 13% from last year).

Q36. What proportion of dairy cows in your global supply chain is free from tail docking?

Historically, cows were tail docked to improve hygiene and facilitate operations during milking. With time, regulatory changes and the introduction of national dairy production schemes (e.g. the US FARM Program), the frequency of tail docking cows has significantly reduced.

Based on our recent survey of suppliers of dairy ingredients, along with farmers who supply fresh milk directly to Nestlé, almost all (99%) of the dairy cows in our supply chain are free from tail docking (unchanged from last year).

Q.37 What proportion of the supply of chicken meat (fresh/frozen/processed and ingredient) comes from strains of birds with improved welfare outcomes and with a slower growth potential?

Nestlé has recently made a commitment to improve [broiler chicken welfare in Europe](#) and [North America](#). This commitment includes the transition to breeds of chicken recognized as having improved welfare outcomes. We will begin reporting on progress in 2021. With time, we look forward to integrating the outcome of ongoing scientific research in this domain in Europe as well as in North America.

Q38. What proportion of animals (excluding fin fish) in your global supply chain is transported within specified maximum journey times?

We do not define specific maximum transport journey times and follow local regulations on this in the countries where we operate. Our Responsible Sourcing Standard (Chapter 3.3.3) sets the requirements for conditions that our suppliers must put in place during the transport of animals.

We do monitor transportation times. Based on the data collected in our recent survey, we see that 19% of our pork producers reported that maximum transport times can exceed 8 hours. For our broiler producers 6.7% reported that maximum transport times can exceed 8 hours.