

WHITBREAD

Animal Welfare Key Performance Indicators 2020

Reference KPI	Version	Authorized By	Date
Whitbread	1	Lucas DGLISH	30 th September 2020

Background

We started our formal Animal Welfare journey with the implementation of our overarching Animal Welfare Policy and subsequent species-specific policies, across our direct suppliers from whom we source our primal meat, liquid milk and shell egg products for centre of plate products.

To ensure we have a transparent and collaborative approach to farm animal welfare policy implementation Whitbread work closely with their suppliers and third-party consultants. Our process for species specific welfare policy creation begins by consulting with recognised animal welfare experts to create a policy which reflects our sourcing strategy. A draft policy for a single species is created and shared with our key supplier(s) to allow a period of consultation to refine the initial draft. Once agreed our third-party welfare auditors will conduct a pilot audit against the welfare policy standard to ensure our requirements are achievable within day to day operations. Following the audit, a final welfare policy is circulated for sign off and then published on our website with principles of implementation requirements which supplier are required to agree and sign. To support this process and inform suppliers of our progress we hold an annual Food and Beverage supplier conference where Animal welfare is a key topic of our 'Force for Good' CSR agenda.

Through our Animal Welfare Policies, we publish commitments to improving the welfare of the animals within our supply chain. To ensure we are making progress on these commitments, we review these on an annual basis and publicly report on our achievements to our consumers through our Key Performance Indicator (KPI) Report.

This KPI report details this progress we have made against each commitment (stated in the blue boxes) published within our policy and reporting on outcome measures.

COVID 19 Pandemic impact on our supplier auditing schedule and performance reporting since March 2020.

We recognise that the current COVID-19 pandemic can have a negative impact on animal welfare across the food chain. In order to ensure we are not reducing our commitments, and taking a consistent approach, Whitbread have not changed any existing policies in relation to animal welfare and for some species we have made new commitments.

However, because of COVID-19 our audit programme has been impacted due to government social distancing restrictions and events within our supply chain to control human to human infection. The controls regarding external visitors implemented by our suppliers since March has restricted our ability to carry out the number of audits/visits we would expect in a normal year. For example, in 2019 we conducted a total of 31 animal welfare audits whereas in 2020 we have conducted 13 so far, a 42% reduction.

While we believe this is not unusual in the hospitality and retail sector given the current restrictions we are working with our third-party auditors and suppliers to facilitate remote audits where possible. We will continually review where we can make targeted progress to schedule outstanding audits or review recent supplier audits to recognised welfare standards, Red Tractor for example.

We have also seen our commitment to welfare training impacted due to staff being furloughed and limited training availability which we expect to resolve in 2021.

Reference KPI	Version	Authorized By	Date
Whitbread	1	Lucas Daghish	30 th September 2020

There will be no genetic engineering or cloning of animals used in Whitbread product

Genetic modification is governed under EU legislation which controls the presence of GM animals or derived products within the EU supply chain, namely:

- Directive 2001/18/EC on the deliberate release into the environment of genetically modified organisms.
- Regulation (EC) 1829/2003 on genetically modified food and feed.
- Implementing Regulation 503/2013 on applications for authorisation of genetically modified food and feed.

Whitbread set strict requirements within our overarching Animal Welfare Standard, as well as our species-specific standards, that no genetic engineering or cloning of animals is permitted. As such, we currently require 100% of all animals within our supply chain to be free of genetic engineering or cloning.

No illegal animal welfare or husbandry systems are in use throughout our supply chain

All of our suppliers are required to comply with UK and/or EU animal welfare legislation (or accepted National Equivalents) including statutory livestock codes of practice as a minimum: The Animal Welfare Act 2006, The Welfare of Farm Animals Regulations 2007 and The Welfare of Farmed Animals (Amendment) Regulations 2010, plus any subsequent revisions or associated Codes of Practice; EU Council Directive 98/58/EC and other EU Regulations and Directives relating to specific animal welfare standards for each species.

This requirement is clearly stated within our animal welfare policy which we circulate to our suppliers for agreement. In addition, we have developed species specific policies which clearly outline our expectations throughout our international supply chain, regardless of country of origin.

In order to validate compliance, welfare is now a key component of our independent supplier audits and we can confirm that 100% of these audits have shown compliance to legislative standards.

Close confinement systems are actively avoided and where present these shall be phased out and should not be used as a routine management practice for livestock. We recognise that close confinement of animals across all species is a serious welfare issue and confinement should be restricted to the restraint of animals for veterinary investigation or treatment only.

Whitbread has made progress across several species regarding the reduction of confinement within their supply chain. This includes:

- 100% of our lamb are farmed extensively.
- 100% of our cattle are extensively reared, with 100% having ready access to a wholesome diet which is appropriate for their age and body condition.

Reference KPI	Version	Authorized By	Date
Whitbread	1	Lucas DGLISH	30 th September 2020

- 100% of our dairy herd for liquid milk are farmed extensively and none are permanently housed.
- 100% of finfish are either wild caught or farmed in open water systems.
- 100% breeding females (dairy cattle, sows and ewes) are never tethered.
- 100% Poultry species for meat production are never housed in caged systems and meet or exceed the space requirements as defined in EU/UK legislation. Broiler birds are typically stocked at 38 kg/m² (or lower).
- 25% of our raw centre of plate broiler meat volume averages 30kg per m² stocking density.
- 100% of our Pig Meat is currently sourced from the EU, where there is a maximum of 28 days post service confinement.
- 100% of the UK pig supply base are not using stalls.
- 100% of the Dutch pig supply base do not exceed 4 days post service confinement.
- 100% of all pigs supplied to Whitbread have permanent access to environmental enrichment in order to satisfy their investigation and manipulation behavioural requirements.
- Finished pigs are housed in systems which meet or exceed EU legislative stocking density requirements and are never restrained or housed individually.

By 2020, all our whole, shell eggs will be cage free and by 2025 all ingredient egg will be cage free, across all brands in the UK and Germany

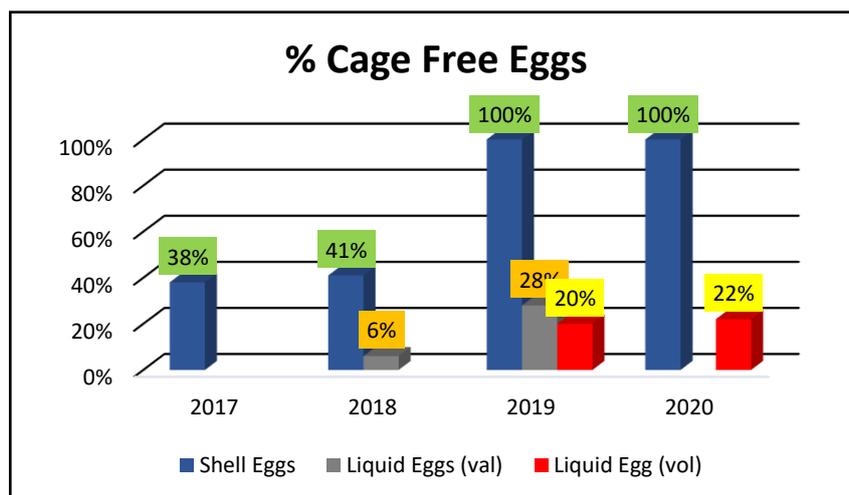
In 2016 Whitbread committed to achieving 100% cage free status on all whole shell eggs by the end of 2020 and sourcing 100% cage free eggs for all ingredient egg products by 2025 across all our brands in the UK and Germany.

The overarching Whitbread Animal Welfare Policy stipulates that close confinement systems must actively be avoided. This is ongoing, as indicated by the commitment to be 'cage free' for egg supply.

We have already achieved part of this objective ahead of our 2020 commitment, with 100% of our whole shell eggs now being cage free.

We have also completed the task of mapping our supply base for liquid egg used in manufactured product and for 2019 and 2020 we are able to report on volume used rather than spend. We intend to continue to report on volume used and value data will be removed for 2021 reporting.

Reference KPI	Version	Authorized By	Date
Whitbread	1	Lucas Daghish	30 th September 2020



Whitbread currently have 89 products containing egg as an ingredient across our business (down from 161 in 2019) and as of March 2020, 15 of these were using cage free egg making up 22% of our volume requirements.

In order to fulfil our commitment to sourcing all cage free liquid egg by 2025, we have identified the products which will need to be changed and are working internally across multi-disciplinary teams to ensure we fulfil our commitment. The working objectives include:

- Any new products containing egg as an ingredient will be developed using cage free eggs from 2020.
- Whitbread will work with suppliers of existing products to change any egg ingredient to cage free by 2025.

These objectives will be managed and monitored by multidisciplinary teams across our business including; technical, product development, food policy and procurement, in collaboration with our suppliers.

Animals are always provided with the appropriate veterinary care when needed, but medicines including antibiotics will only be used where it is absolutely necessary to ensure good health and welfare. Our species policies outline our approach to antibiotic usage dependent on their specific requirements. With these, we are committed reducing the use of Highest Priority Critically Important Antimicrobials (HP-CIA) and prophylactic use of all antimicrobials unless these have been clinically substantiated to protect Animal Health and Welfare and are used under veterinary direction.

We work with our suppliers and advocate the responsible use of antibiotics at farm level; specifically, the reduction of Highest Priority Critically Important Antibiotics (HP-CIA), as defined by the European Medicines Agency. In practice this means limited use of fluoroquinolones, 3rd and 4th generation cephalosporins, and colistin i.e. where no other product will be effective for the condition being treated.

Reference KPI	Version	Authorized By	Date
Whitbread	1	Lucas Daghish	30 th September 2020

To this end Whitbread ensures utilization of raw materials which are fully traceable and from known supply chains which advocate operating a responsible medicine use policy (devised in conjunction with their vet). We also welcome schemes which monitor and recommend practices to reduce the use of HP-CIA's such as the recently implemented Red Tractor initiative to monitor the UK Beef, Lamb and Dairy sectors and other monitoring and antibiotic reduction schemes from Holland and Denmark.

We are also working to reduce the use of prophylactic use of antibiotics within our supply chain. It is widely recognised across the industry that different approaches to the use of antimicrobials are required for different livestock species, and we have set strict guidelines within our species-specific policies for this. Where ANY prophylactic use is permitted, this must be clinically substantiated with a demonstrable need to protect the welfare of the animals and must be administered under veterinary direction and governance.

The latest European Surveillance of Veterinary Antimicrobial Consumption (ESVAC) report, published in October 2019, shows that sales of antibiotics for use in animals in Europe fell by more than 32% between 2011 and 2017.

Sales of antibiotics for the countries in the Whitbread pig meat supply chain fell by more than 51% in the same period (see table)

Table 8. Annual sales of veterinary antimicrobial agents for food-producing species, in mg/PCU, by country¹, from 2010 to 2017

Country	2010	2011	2012	2013	2014	2015	2016	2017	Trends 2010-2017
Netherlands ⁴	146.1	113.8	74.9	69.9	68.4	64.4	52.7	56.3	
Denmark	47.5	42.6	44.1	44.9	44.2	42.2	40.8	39.4	
Germany		211.5	204.8	179.7	149.3	97.9	89.2	89.0	
United Kingdom ¹⁰	67.9	51.1	66.3	62.1	62.5	56.8	39.3	32.5	

Our approach towards responsible antibiotic use within our supply chain has been reviewed and benchmarked by FAIRR, and we were ranked joint-second out of the 20 companies evaluated in their latest report. The full report can be downloaded here:

<https://www.fairr.org/article/improving-antibiotics-stewardship-in-livestock-supply-chains/>

Reference KPI	Version	Authorized By	Date
Whitbread	1	Lucas Daghish	30 th September 2020

Substances such as growth promoter hormones will never be used.

The use of growth promoting hormones in farm animals is banned through the EU and controlled under Directive 96/22/EC as amended by Directive 2003/74/EC. Imports of meat from animals treated with growth promoting hormones from countries outside of the EU is also not permitted.

We have also implemented this restriction into all of our published policies to require that 100% of the animals within our supply chain have not been treated with growth promoting hormones, due to their potential effect both on animal welfare and human health.

Permissible routine activities such as tail docking, teeth clipping, castration of pigs and beak trimming on poultry are to be avoided wherever possible. Where there is a demonstrable animal welfare need for them to be carried out this must be in accordance with legal and best practice requirements. Our species-specific policies outline the types of routine activities this might include for each species.

Whitbread encourages farming practices that reduce the need for routine activities. At present tail docking of dairy cattle used for liquid milk supply, beak treatment in commercial meat chickens and mulesing of lambs is not practiced by producers within any of our global direct supply chains. UK finished pigs are not castrated, Whitbread is aware of and support the work of the EU pig innovation group; exploring methods of raising entire male pigs within EU pig supply chains <https://www.eupig.eu/best-practice?tags=Castration%20Methods>

Our achievements to date:

- 100% of Commercial Meat Chickens are free of any beak treatment.
- 100% of Dairy Cattle used for liquid milk supply are not tail docked.
- 100% of Sheep are free from Mulesing
- 100% of our global pig supply are not subjected to routine mutilations of any kind unless advised by a veterinarian as part of a documented health plan.

Whitbread will continue to actively monitor industry research, advances and developments with regards to permissible mutilations.

All live animal transport across all species is kept at a minimum. Our aim is that this should not exceed a target of 8 hours and will be recorded for each delivery

Our species-specific standards limit transport time to <8 hours. Our direct suppliers have committed to implementing this requirement and compliance to this is checked during our independent auditing scheme. Our audits this year have demonstrated that 100% of our direct suppliers visited had transported their animals in <8 hours, regardless of geography.

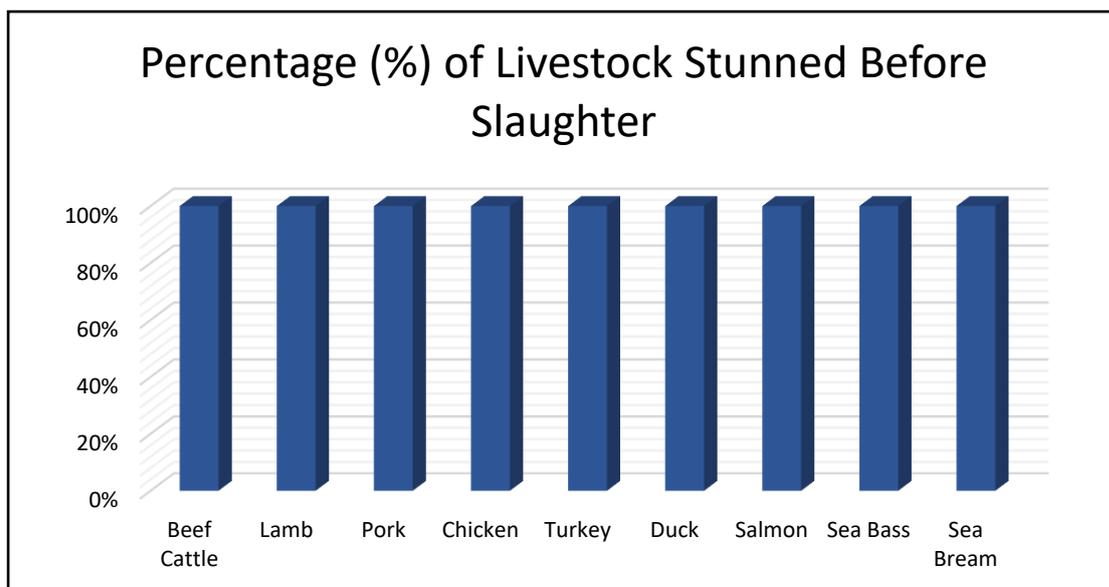
Reference KPI	Version	Authorized By	Date
Whitbread	1	Lucas Daghish	30 th September 2020

Species	Transported in <8 Hours (Audit Results)	Average Transport Time (Supplier Requested Data)
Beef	100%	<4 Hours
Chicken	100%	<6 Hours
Turkey	100%	3 Hours
Pork	100%	3 Hours
Lamb	100%	3.5 Hours
Farmed Fin Fish (Salmon)	TBC	<6 Hours

As demonstrated by the table, 100% of the direct suppliers audited were compliant with the Whitbread Welfare Policy regarding limiting transport time to <8 Hours. Furthermore, data collected from our international direct suppliers indicates that the average transport times within our direct supply chain were well within this. Transport times are typically 3-4 hours for red meat species and 3-6 for poultry and farmed fin fish.

All meat and poultry used in Whitbread product is humanely slaughtered, specifically requiring pre-slaughter stunning. Abattoirs are required to comply with Regulation 1099/2009 EC and/or equivalent associated national law.

The Whitbread Animal Welfare Policy requires that all livestock species are pre-stunned in accordance with European regulatory requirements (Regulation 1099/2009 EC). This is irrespective of geography or species. This means that while there is currently no statutory requirement for fish to adhere to prescribed methods of stun and slaughter Whitbread suppliers of salmon, sea bass and sea bream have adopted industry best practice i.e. electrical stunning prior to slaughter. Where poultry and lamb species may be sourced from Halal approved sites this is strictly limited to those that accept electrical and/ or gas stunning as part of the process.



Reference KPI	Version	Authorized By	Date
Whitbread	1	Lucas Daghish	30 th September 2020

As demonstrated within the table, 100% of direct suppliers across all of our species are using pre-slaughter stunning. Stunning practice and procedure are verified during independent audit and the effectiveness of stun now constitutes an element of recently introduced outcome measure data which will be monitored by the site on an ongoing basis.

The welfare condition of all animals is assessed by an animal welfare officer or equivalent on arrival at slaughter

The animal welfare officers ensure compliance with the standards laid out in Whitbread's Audit Standard for Slaughterhouses and will regularly inspect the state of health of the animals in lairage. Where required, corrective actions are carried out to ensure compliance with Whitbread's standard. If suppliers demonstrate persistent disregard for corrective action against any non compliance, Whitbread will cease trading.

Historically Whitbread has relied predominantly on self-reporting by suppliers to ensure compliance with welfare requirements. However, welfare KPI assessment is now an element of the independent abattoir inspections that are ongoing across the Whitbread supply chains.

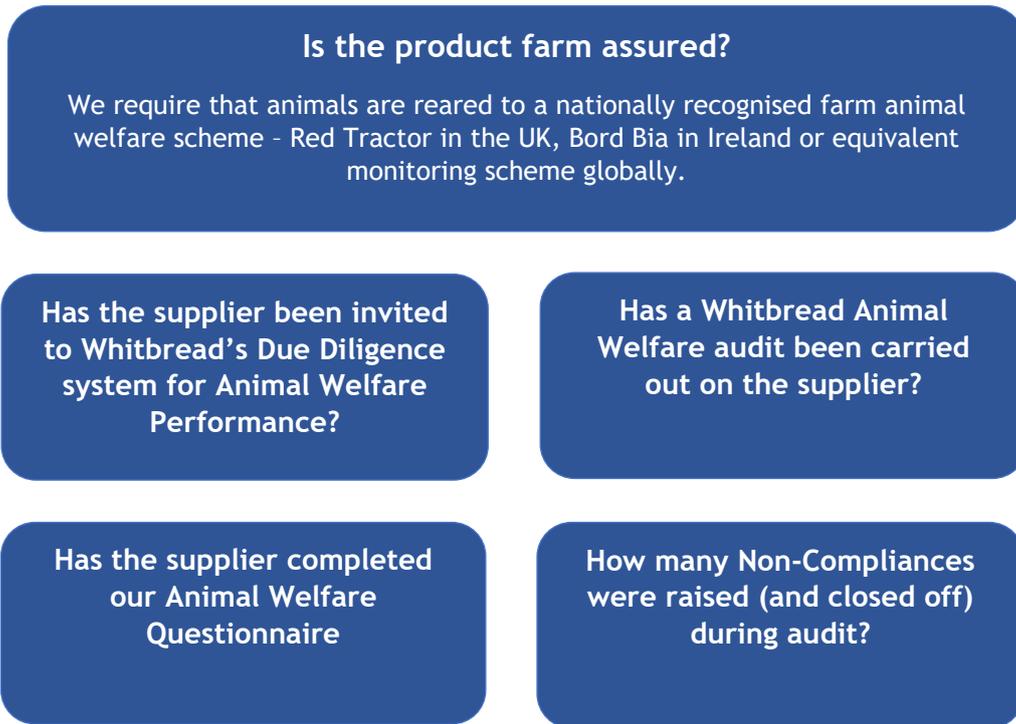
As of June 2018, this monitoring process allows performance against the Whitbread Animal Welfare policies to be measured and provides an overview of emerging health and welfare trends.

Typically, the areas covered within the abattoir audit include:

- Livestock handling (slips and falls at unloading, goad use in cattle, vocalisation)
- Fitness for transport (casualty animals and dead on arrival)
- Effectiveness of stun and slaughter processes
- Physical Injury (attributed to farm conditions e.g. hock burn in poultry)
- Key Measures are illustrated below, with the current associated policy and an overview provided of Whitbread's planned improvement approach. Year-on-year performance progress against our objectives is evaluated and is pivotal to Whitbread's approach to driving future welfare improvements.

Reference KPI	Version	Authorized By	Date
Whitbread	1	Lucas DGLISH	30 th September 2020

- We measure our performance against the following five KPIs:



Animal Welfare

Key Performance Indicators (August 2019-March 2020)

Direct Suppliers (Centre Plate)	Beef	Laying Hen Eggs	Broiler Chicken	Pork	Lamb	Turkey	Milk
Farm Assured product (Red Tractor in UK or equivalent)	100%	100%	42%	100%	100%	100%	100%
Whitbread welfare audits carried out (% of current supply base to date)	100% Completed	0% Completed	33% Completed	23% Completed	100% Completed	100% Completed	0% Completed
Number of welfare audits conducted (2019-2020)	3	0	4	3	2	1	0
Number of Non-Compliances identified.	7	0	10	5	8	2	0
Number of Non-Compliances managed & closed post audit	100%	n/a	100%	100%	100%	100%	n/a
On-boarded to Whitbread's due diligence system	100% completed	100% completed	100% completed	100% completed	100% completed	100% completed	100% completed
2019 Animal welfare policy signed and agreed	100%	100%	100%	100%	100%	100%	100%

Reference KPI	Version	Authorized By	Date
Whitbread	1	Lucas Daghish	30 th September 2020

We have worked with our suppliers to ensure that all non-conformances detected at site have been managed and closed post audit.

We prefer to source from farms who are independently assessed against a Farm Assurance Scheme (e.g. Red Tractor, Bord Bia or in country equivalent). We have made good progress through the implementation of our policies across our direct suppliers to ensure that protein is farm assured, with a plan to achieve this across all of our suppliers, including indirect protein suppliers, by 2025.

We publish our approach to animal welfare on our website to promote transparency and to communicate our animal welfare standards to our customers.

We are committed to continue publishing our standards and progress to ensure our consumers are aware of our Animal Welfare commitments and our achievements to date. We are continuing to develop our species- specific policies in line with the following plan, which involves time and commitment from various departments within our business (e.g. Policy, Technical and Procurement), independent Animal Welfare consultants and our suppliers.

Species	Policy Published	Completion Date	Outstanding Activity
Dairy (Liquid Milk)	October 2020	December 2020	Trial Audit
Laying Hens	October 2020	December 2020	Trial Audit
UK Lamb	October 2020	December 2020	Trial Audit
Aquaculture (Finfish)	TBC (anticipate mid 2021)	TBC (anticipate mid 2021)	Consultation, Trial Audit
Dairy (Non Milk)	TBC (anticipate late 2021)	TBC (anticipate late 2021)	Create Policy, consultation, Trial Audit

We are committed to ensuring that all our species-specific policies are written and implemented with our direct suppliers (centre plate) by the end of 2020. To achieve this, we will:

- Review our current sourcing standards per species against industry practice and NGO guidance
- Create draft standards, which are shared with our suppliers for consultation and subject to a trial audit.
- Finalise standards and obtain formal agreement from our suppliers.

As an example of this implementation process in 2020 we started sourcing UK lamb which required our previous Lamb welfare policy to be re-written. A draft version was shared with our new supplier and after some minor adjustments we published a revised version on our website.

Reference KPI	Version	Authorized By	Date
Whitbread	1	Lucas Daghish	30 th September 2020

Following this, we will roll out a plan for their implementation across our indirect suppliers with completion anticipated by 2025.

We are also committed to share our progress with our guests via press releases and online communications.

An example of this can be found here:

<https://www.whitbread.co.uk/media/press-releases/2019/12-08-2019a>

This is one of several press releases where we publicly communicate our policy commitment to cage free eggs on our unlimited breakfast menu in Premier Inn.

FARM ANIMAL WELFARE OUTCOME MEASURES

Over the past year we have created Outcome Measure (OM) policies for several of our key species. The OM data will be collated and utilised by our suppliers to help monitor management practices and their efficacy. This data is available to Whitbread on request and is monitored during our audit process.

We have relevant OM for each species aligned to industry best practice with frequency and number of animals stated for each OM.

Red meat (Beef, Pig Meat and Lamb). Abattoirs are required to regularly monitor DOAs, Slips and Falls, Fitness for transport, Emergency procedures, Transport times and Second stuns. In addition, we ask for monitoring of Goad use (>12 months of age) and Vocalizations for beef cattle and Skin lesions for Pigs.

As an example, supplier reports from July and August 2020 for Beef supply indicate that <1% of animals of the total experienced slips or falls while being unloaded or in the lairage.

In addition, data provided by our pig supply base shows the following welfare outcomes for 2019 (as an average across the supply base)

DOA's = 0.025%.

Slips & Falls = 0.095%

Second stuns = 0.047%

Laying Hens. Suppliers are required to regularly monitor Bird Cleanliness, Feather Cover, Beak Trimming, Mortality, Transport time to slaughter and Antibiotic use (Daily doses per 100 bird days)

Dairy Cattle. Suppliers are required to regularly monitor Mastitis levels, Lameness, Body Score Condition, Hair Loss and Lesions and Mortality.

Reference KPI	Version	Authorized By	Date
Whitbread	1	Lucas Daghish	30 th September 2020

Poultry. (Broilers, Turkey and Duck) Suppliers are required to regularly monitor Pododermatitis, Time between loading and killing, DOAs, Antibiotic usage to end of life Ineffective Stun and Bleed procedure (electric water bath stun only). In addition, we ask for monitoring of Hock burn for broilers and Breast blisters for Turkeys.

For broilers we are monitoring our current supply against the criteria of the CIWF Better Chicken Commitment (BCC) and can report that currently 25% of our chicken meat products are sourced from farms with an average stocking density of 30kg per m² and two of our suppliers, which represents 14% of our supply, provide additional environmental enrichment in line with BCC guidelines. In addition, 36% of raw material is sourced from chicken primary producers that had adopted controlled atmospheric stunning in line with BCC requirements.

'Achieving more sustainable British beef and sheep food systems in a changing environment'

From the beginning of 2020 Whitbread have been participating in a project with the University of Hertfordshire and the Royal Veterinary College. The project will investigate how beef and sheep food systems in Great Britain can continue to deliver valuable products to consumers and support livelihoods while promoting sustainable land use and management including environmental and antimicrobial stewardship and minimising the impact on animal health and welfare. Animal Health has been identified as a key sustainability category in the project.

A stakeholder workshop was held with participants to invite feedback and discuss opportunities for collaboration aiming to ensure that the project is relevant in the post Brexit agricultural and food policy context. Stakeholder participants included DEFRA, Red Tractor, The Sustainable Food Trust, The National Sheep Association, Pasture Fed Livestock Association, Whitbread and The Texel Sheep Society.

Whitbread's role in this project includes participation in working groups, interviews with researchers, proposing additional food industry participants and to provide a food industry end user perspective to inform policy recommendations.

In 2020 Whitbread continued to invest in engaging with independent food technical and animal welfare experts to assist with animal welfare policy development and monitoring. All supplier audits are undertaken by third party, independent auditors to maintain robustness within the programme with Whitbread notified of audit outcomes for any potential follow up.

Reference KPI	Version	Authorized By	Date
Whitbread	1	Lucas Daghish	30 th September 2020

Governance Structure

Whitbread are committed to protecting the welfare of all animals within their supply chain and have invested heavily within their resource structure (see table below) to ensure that the companies' objectives and policies can be devised, implemented and monitored.

Position	Role in Animal Welfare Commitments and Policy
General Council	Reports into CEO. Responsible for Whitbread's "Force for Good" implementation programme
Group Operations Director	Overall responsibility for Supply Chain and IT Infrastructure. Decision maker at committee level.
Procurement and Supply Chain Director	Overall responsibility for procurement and supply chain internationally.
GFR Head of Procurement	Direct responsibility for the procurement of food and drink products, including animal welfare sustainability.
Head of Sustainability	Responsible for the communication of Whitbread's overall sustainability policies.
Food Policy Manager	Day to day management responsibility for all animal welfare policies and interface with procurement team, food development, technical, external consultants and suppliers.
Chief Marketing Officer (Restaurants)	Responsibility for marketing and communications in relation to animal welfare
Procurement Managers	Overall category responsibility to support the animal welfare agenda.
Technical	Third Party (Independent) technical standards and auditing team. Responsible for verifying the implementation of welfare policy.
Head of Food and Beverage Development	Responsibility for implementing animal welfare policies in product development and associated operations.
Food Development	Responsible for ensuring that all menus reflect animal welfare policy requirements
Strategic Direct Protein Suppliers	Facilitate the implementation, monitoring and maintenance of Whitbread Animal Welfare Policies.

Reference KPI	Version	Authorized By	Date
Whitbread	1	Lucas DGLISH	30 th September 2020