

KFC PAN EUROPE FARM ANIMAL WELFARE PROGRAMME

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Our vision

The greatest product responsibility for KFC is to ensure that the highest standards of food quality and safety are always maintained in its supply chain. At KFC we believe that good quality food starts with high animal welfare standards. It is also an important ethical concern, and KFC works closely with its suppliers to ensure that the animals reared for KFC are well cared for and in the right way.

KFC Pan Europe acknowledges that animals are sentient beings and should experience positive health, wellbeing, and no inhumane practices. For this reason, this animal welfare program is based on the concept of the 5 domains of animal welfare, which is a development of the 5 freedoms established in 1979 by the Farm Animal Welfare Council (FAWC). The 'Five Domains' recognises the importance of positive welfare states and provide animals with a 'Good Life' by working based on the following items:

- 1. Good nutrition: Proper consumption of nutritious food for a pleasant experience.
- 2. Good environment: Conditions that offer comfort and safety.
- 3. Good health: Animal care procedures for robustness and vitality.
- 4. Appropriate behavioural interactions: Varied activities and rewarding challenges.
- 5. Positive mental state: Prioritizing comfort, interest, and trust to avoid negative experiences.

Data accuracy and confidentiality

Accurate data is key for KFC to be transparent with its customers and other stakeholders. Therefore, KFC counts on its suppliers to collect and share data on the required format and frequencies. KFC recognises the sensitivity of the data shared by suppliers and we are committed to protecting the privacy and the security of it. The confidentiality of the data provided by the suppliers is assured by KFC and its stakeholders through a Confidentiality Agreement.

Non-conformances management

If a punctual non-conformance to the program or standards is detected, the AW Lead should work with the supplier to create a time-measured plan to correct the situation as quickly as possible. If the situation persists or happens again in the following cycle, a visit to the supplier's facility should be scheduled and a deeply investigation instituted. The leadership team should be informed about the matter.

Implementation of the KFC Pan Europe Farm Animal Welfare Programme

To make sure that the program is properly implemented within each stakeholder's chain, and with employees trained on it, this is part of the suppliers' contract, which is a prerequisite to becoming a KFC supplier. Suppliers are expected to establish management systems for delivering compliance and to maintain records demonstrating this. Suppliers must take appropriate steps to ensure that there is regular engagement with relevant management teams about compliance and employees' training.

KFC expects its suppliers to provide due diligence records of the controls that they have in place within their own supply chains who are in any way involved in the production of KFC products. These records must meet the requirements of the Policy throughout. Suppliers are also required to permit KFC representatives (including third party auditors) access to supplier documentation, management, and workers to determine compliance and progress against the Policy.

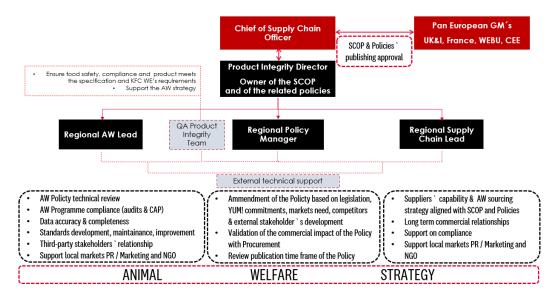
Governance

The SCOP is sponsored by the General Managers of the related business units. As per below picture, the ownership of the SCOP and related policies, sits with the Product Integrity Director who approves any amendment of these documents with the markets through the Chief Supply Chain Officer (CSCO).

The AW Lead owns the Policy from a technical point of view, while works on the development of the Programme and its compliance management, working also as a facilitator of science-based activities related to AW.

The Policy Manager works on the amendment of the SCOP and the related policies, getting it aligned with legislation and commitments in place as with its commercial impact. The review publication time frame of these documents is also part of the Policy Manager responsibility.

The establishment of long term and sustainable relationships with suppliers capable to deliver the KFC SCOP and AW Programme sits with the Supply Chain Lead.



<u>Scope</u>

The KFC Pan Europe Farm Animal Welfare Programme applies to all animal proteins served at our restaurants. This document provides an overview of our approach to animal welfare and specific requirements for each specie as well as, the overarching antibiotic policy which is applicable to all species. The details related to each species are described within the following appendices:

- KFC Pan Europe Poultry Welfare Policy & Poultry Welfare Programme
- KFC Pan Europe Pig Welfare Policy
- KFC Pan Europe Beef & Cattle Welfare Policy
- KFC Pan Europe Dairy Welfare Policy
- KFC Pan Europe Wild Caught Seafood Welfare Policy
- KFC Pan Europe Egg & Laying Hen Welfare Policy
- KFC Pan Europe Antimicrobial Stewardship & Policy

As per following, for each specie there is a set of key requirements broken into 3 types:

- Mandatory: these are minimum standards for supply and must be met.
- Encouraged: standards for suppliers to move towards, they support welfare improvements and go beyond the legal minimum. Over time these standards may become mandatory.
- Recommendation: these are examples of best practices.

Farm animal welfare program `s minimum requirements

- Suppliers must practice the Five Domains of animal welfare.
- Animals should not experience inhumane practices within all steps of the supply chain.
- Suppliers must meet & work towards exceeding EU and other relevant legal requirements.
- None of the animals should have been subjected to genetic modification or cloning.
- All animals must be stunned pre-slaughtering.
- All suppliers must adhere to our policy on responsible antibiotic use.
- KFC Pan Europe does not sell foie gras.
- The use of growth promotors is strictly forbidden (banned in Europe since 2006).
- According to EC Regulation No 1069/2009 KFC does not work with feeding of terrestrial animals of a given species with processed animal protein from the bodies of animals of the same species (intra-species recycling).

KFC PAN EUROPE POULTRY WELFARE POLICY & PROGRAMME

Our Vision

The vision of KFC in Europe is to source chicken from birds that have had a good life because at KFC we believe that good quality food starts with high animal welfare standards within the supply chain.

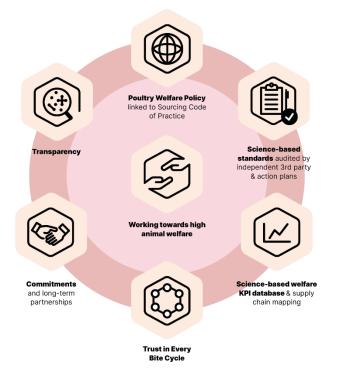
KFC is committed to animal welfare and fully supports the Five Domains of animal welfare:

- 1. Good nutrition: Proper consumption of nutritious food for a pleasant experience.
- 2. Good environment: Conditions that offer comfort and safety.
- 3. Good health: Animal care procedures for robustness and vitality.
- 4. Appropriate behavioural interactions: Varied activities and rewarding challenges.
- 5. Positive mental state: Prioritizing comfort, interest, and trust to avoid negative experiences.

KFC Pan Europe Poultry Welfare Programme

By recognizing chickens as sentient animals and as the main protein freshly prepared in our restaurants, chickens are the foundation of our Farm Animal Welfare Programme. Therefore, since 2004 KFC has deeply invested on this supply chain by establishing a Poultry Welfare Programme, developed in partnership with FAI Farms for KFC Pan Europe to further improve chicken welfare. The program is aligned with the most important poultry certification schemes, and it keeps evolving based on scientific research, while supporting the program's goal of working towards high animal welfare performance.

As outlined in the diagram below, the KFC Pan Europe Poultry Welfare Programme is based on six main elements which apply to 100% of the poultry supply chain governed by this programme in Europe and abroad, helping to identify, report and drive meaningful improvement on chicken welfare. With the Policy linked to the Sourcing Code of Practice, which is a prerequisite to becoming a KFC supplier, the programme reinforces KFC's commitment to drive transparency and always look for ways to accommodate the best welfare practices within its supply chain.



Poultry Welfare Policy

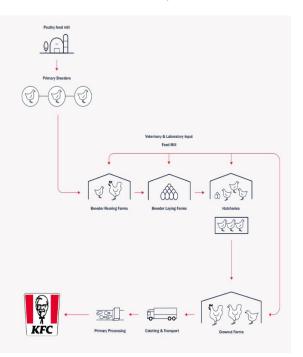
All suppliers to KFC Pan Europe must comply with the Poultry Welfare Policy wherever they are based. This policy applies to any chicken products sold within the restaurants. KFC is committed to partnering with suppliers to deliver continuous improvement to further reduce its impact on the environment and drive-up standards. The policy should not be used to prevent any suppliers from exceeding these standards.

Science-based standards audited by independent third-party audit & action plans

KFC works closely with its suppliers to ensure that animals reared for KFC are well looked after. Wherever they operate in the world, all suppliers to KFC in Europe must meet and work towards exceeding EU legal requirements and comply with KFC own robust, independently audited poultry welfare standards.

As follows, the KFC Pan Europe Poultry Welfare Programme cover all the seven steps of the poultry production chain with a required annual pass level of \geq 80% at each one of the steps:

- 1. <u>Feed mills</u>: Focusing on responsible sourcing and preventing use of growth promoters.
- 2. <u>Breeder rearing farms</u>: Ensuring birds are reared in litter-based system and enrichment is provided.
- 3. <u>Breeder laying farms</u>: Ensuring birds are reared in litter-based system and enrichment is provided.
- 4. <u>Hatchery</u>: Ensuring traceability, good handling and vaccinations.
- 5. <u>Broiler growing farms</u>: Ensuring birds are reared in litter-based systems meeting KFC stocking density, lighting, antibiotic use and enrichment standards.
- 6. <u>Catching</u>: Encouraging suppliers to use single-bird or automatic catching systems.
- 7. <u>Slaughter</u>: Ensuring all birds are stunned and humanely slaughtered through an approved slaughtering system.



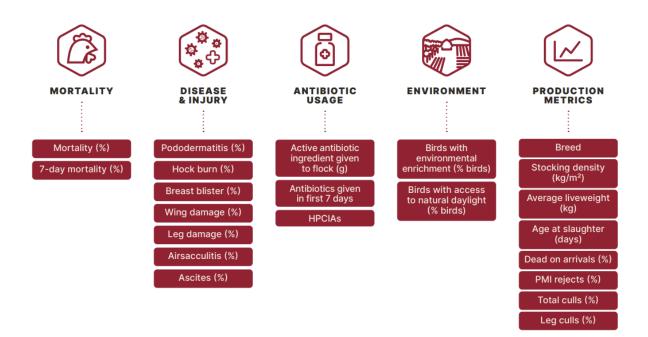
To protect the brand and address a consistent global message around farm to fork integrity, driving consumer trust (food safety, better quality, ethical sourcing) new suppliers and/or facilities to KFC Pan Europe receive a 'pre-supply three-parts audit' (steps 5, 6 & 7: overview of welfare at the key stages prior to any supply commitment) with a follow up 7 months later when they receive a four-parts audit (steps 1, 5, 6 & 7: another assessment of broilers & slaughter within a relatively short time frame). Then, 12 months after the initial pre-supply audit, suppliers receive a full seven-parts audit. After that, suppliers continue on a 12-month audit frequency.

NSF International is the KFC Pan Europe partner making sure that the auditing program is applied globally in an aligned way. With experienced auditors and a team of animal welfare specialists, NSF works from audit scheduling plan till the approval of the corrective action plans. Also, KFC has invested in a system that accommodates all audit reports as its corrective action plans, linking the supply chain and monitoring compliance.

Science-based welfare KPI database & supply chain mapping

The program has evolved over time and FAI Farms is the KFC partner mapping the supply chain in use and making sure KFC has an objective and quantified understanding of its poultry welfare performance. For such, KFC has defined a set of robust KPI for supplier data capture covering key health and production criteria that are important indicators of the welfare of a chicken.

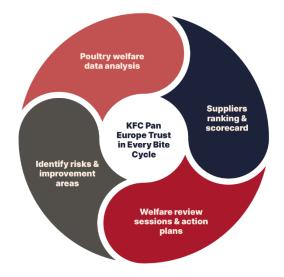
KFC has invested in software (FAI Data Portal) where suppliers submit monthly, self-reported data collected at both farm and slaughterhouse level and includes both 'input' and 'outcome' measures. Input measures are linked to standards and are metrics that are known to have an impact on welfare, for example daylight and enrichment. Outcome measures are based on outcomes and tell us about the experience the chicken had when it was alive (e.g., foot pad dermatitis and hock burn), covering the positive and negative experiences of the birds. The different key performance indicators collected from suppliers are summarised in the following picture.



Trust in Every Bite Cycle

The poultry chain is complex and specialized sector. Monitoring it closely and keeping a good relationship with suppliers allows KFC to be intrusive at different stages within the value chain, being able to detect the most pressing challenges in the chain.

The KFC Pan Europe Poultry Welfare Programme works constantly on continuous improvement. This means benchmarking the supplier base and engaging with suppliers through regular welfare review sessions. The objective of these sessions is to work together to better understand performance, supplier challenges and any opportunities for positive changes.



Commitments & long-term relationships

Considering animal welfare as an ethical concern, KFC Pan Europe is committed to continue improving its Poultry Welfare Programme by working towards high animal welfare standards. Despite being heavily impacted by the war in Ukraine, Covid-19, and the largest observed highly pathogenic avian influenza (HPAI) epidemic (2022-2023), we as a system remain eager to continuously share learnings and enhance practices.

With some markets committed to deliver BCC, the aligned work from different stakeholders of the company is key to map supply chain and partner with the right suppliers. Commercial long-term

relationships with suppliers capable to deliver the KFC sourcing strategy is supported by the outcomes of the Poultry Welfare Programme.

Transparency

KFC Pan Europe is committed to share the main outcomes of its Poultry Welfare Programme with its stakeholders. To do so, since 2020 the company uses a set of KPI data gathered from previous year weighting it to reflect the volume produced, in metric tonnes, by each supplier into each market, sharing a pioneer supply chain performance overview through its Annual Progress Reports on Chicken Welfare.

Initially there were two reports one for UK&I and another one providing an overview for Western Europe as a whole. With the implemented improvements, every year the reports are increasing markets` visibility bringing a summary for the main contributing markets as well.

Key requirements - Poultry

Housing

We are committed to ensuring that all KFC chickens are reared in spacious barns with well-maintained dry litter, typically wood shavings. All birds have access to periods of light and dark, suitable ventilation, a nutritionally balanced diet and unrestricted clean water. KFC ensures that all birds raised have a minimum of six hours of daily darkness with at least four hours of continuous darkness. The birds are free to roam within these barns and all chicken products sold in our restaurants are 100% cage-free. Multi-tier systems for production of KFC chicken are strictly forbidden. We stipulate a maximum stocking density of 38kg/m², and we are encouraging farmers to further reduce planned densities to 30kg/m². We discourage our suppliers to practice thinning and encourage farmers to depopulate flocks to the principle of "all in - all out". KFC Pan Europe does not permit more than one thin per flock.

Mutilations

Mutilations such as beak trimming are strictly forbidden in KFC Pan Europe Supply Chain. Broiler birds bred to produce our chicken products are not beak trimmed.

Antibiotic usage and growth promoters

KFC is committed to ensure that suppliers use any medicines responsibly, with all treatments prescribed by veterinarians in response to specific diagnosed illness. Only medicines licensed in the EU are permitted to be prescribed. The routine use of antibiotics as a preventative measure is strictly forbidden. All KFC suppliers follow EU legislation which does not permit the use of growth promotors or hormones.

KFC suppliers should meet our long-term goals of continuous reduction & eventual elimination of antibiotics important to human medicine according to WHO classification. We discourage suppliers from using Highest Priority Critically Important Antimicrobials (HPCIA), and to support the Responsible Use of Medicines in Agriculture (RUMA)'s approach of using HPCIAs only as treatment of a last resource, where no other viable treatment is available to prevent animal welfare issues and only after diagnosed illness prescribed under veterinary supervision. The responsible use, overall reduction of antimicrobials used and eventual elimination of antimicrobials where possible, is a priority to KFC Pan Europe.

Responsible use is critically important to KFC, but it is only part of the challenge. As well as treating all outbreaks of disease in a responsible manner, it is logical that we can only reduce antibiotic use further by improving the health of our livestock. In very simple terms: the healthier our animals, the less we need to treat them!

Our suppliers are engaging with these values and are always looking at ways to reduce the use of antimicrobials as a first resort treatment with other practices including the use of vaccinations, improvement to husbandry practices, increased farm biosecurity/hygiene and reducing the stress of birds in their care. The guiding principle for suppliers is to use antibiotics responsibly as it is an important part to treat illness within a poultry flock to ensure welfare.

Slaughter

100% of chicken sourced through the KFC supply chain is effectively pre-stunned before slaughter, meeting EU slaughter legislation; this also includes our Halal chicken. We believe that whatever method of stunning is used, the system must be humanely carried out; birds must die without any unnecessary pain or distress, and suppliers must ensure that all slaughter facilities follow regulations and best practices around pain and stress during handling, pre-stunning, stunning and slaughtering.

Genetic Modification (GM) / Cloning statement

No poultry sourced for KFC have undergone any genetically modification. No cloned poultry or their progeny shall get access to our supply chain. GM or cloning is strictly forbidden by KFC WE.

Breed selection

Commercially bred breeds are sourced that are suited to the local environment, housing and management used. Key criteria in selecting a suitable breed include leg strength, health and welfare. KFC is following a leg health monitoring which consists of a two-step approach. Suppliers are monitoring key leg health indicators at farm and slaughterhouse. Additionally, our trained independent welfare audit experts are validating walking ability during the farm inspections using the Bristol Gait scoring method.

Environmental enrichment

KFC Pan Europe encourages all suppliers to adopt natural lighting and environmental enrichment. We have plans in place with our suppliers to increase the percentage of farms with windows and environmental enrichment such as perches, straw bales and pecking materials. KFC monitors this development closely with the target to increase these numbers year on year and, we are aware that due to the nature of the supply base and production cycles, these might fluctuate throughout the year.

Live transport times

We are committed to minimizing journey times, and work with suppliers to ensure that they are kept under four-hours and definitive below the legal requirement of eight-hours. On rare occasions such as factory breakdown or biosecurity zoning due to Avian Influenza, travel times up to eight-hours might be needed but are not routinely practiced or accepted by KFC.

Mandatory	 Suppliers must collect and share data (e.g., welfare KPI, volumes, surveys, etc.) according to KFC templates and frequencies. Suppliers must practice the Five Domains of animal welfare and avoid inhumane practices experiences to the animals. Suppliers must meet & work towards exceeding EU and other relevant legal requirements. Housing. Mutilations. Antibiotics usage. Growth promoters. Slaughter. GM/Cloning statement. No feeding of terrestrial animals of a given species with processed animal protein from animals of the same species (intra-species recycling).
Encourage	 Breed selection Environmental enrichment Live transport times
Recommendation	

Summary of Poultry Key Requirements

- Council Directive (EC) 1998/58 Protection of animals kept for farming purposes.
- Council Regulation (EC) No1/2005 Protection of animals during transport.
- Council Regulation (EC) No 1099/2009 Protection of animals at the time of killing.
- Council Directive (EC) 2007/43 Minimum rules for the protection of chickens kept for meat production.
- Council Regulation (EC) No 1069/2009 Health rules as regards animal by-products and derived products not intended for human consumption and repealing Regulation (EC) No 1774/2002 (Animal by-products Regulation).
- Council Regulation (EC) No 04/2019 manufacture, placing on the market and use of medicated feed.
- Council Regulation (EC) No 06/2019 Veterinary medicinal products.

Associated Certification Schemes / Advisory Bodies / Non-Governmental Organizations

QS (Qualität und Sicherheit GmbH)

- Checklist Agriculture Poultry Production
- Checklist Agriculture Hatcheries
- Checklist Slaughtering/deboning

IKB KIP Certification Scheme

- IKB KIP Regulations for Hatcheries, Abattoirs & Gutting Plants.
- IKB KIP Regulations for Poultry Farms.

RSPCA Assured

- RSPCA Welfare Standards for Chickens
- RSPCA Welfare Standards for Hatcheries

Red tractor Assurance Farm Standards

- Chicken Standards: Broilers
- Chicken Standards: Hatchery
- Livestock Transport Standards
- Meat Processing Standards

Bord Bia (Irish Food Board)

- Poultry Products Quality Assurance Scheme Producer Standard
- Meat Processor Quality Assurance Scheme Processor Standard

GLOBAL G.A.P

• Integrated Farm Assurance

FAWC (Farm Animal Welfare Committee)

CiWF (Compassion in World Farming) Food Business

KFC PAN EUROPE PIG WELFARE POLICY

Our Vision

The vision of KFC in Europe is to source pork from pigs that have had a good life because at KFC we believe that good quality food starts with higher animal welfare standards on farms. KFC works closely with its suppliers to ensure that animals reared for KFC are well looked after. All KFC suppliers must meet European legislation and industry best practices.

Scope of the Policy

This policy applies to any pig-based products sold in our KFC European restaurants.

What Pig welfare means for KFC

KFC is committed to animal welfare and fully supports the Five Domains of animal welfare:

- 1. Good nutrition: Proper consumption of nutritious food for a pleasant experience.
- 2. Good environment: Conditions that offer comfort and safety.
- 3. Good health: Animal care procedures for robustness and vitality.
- 4. Appropriate behavioural interactions: Varied activities and rewarding challenges.
- 5. Positive mental state: Prioritizing comfort, interest, and trust to avoid negative experiences.

Key requirements - Pig

	Suppliers must practice the Five Domains of animal welfare and avoid
	inhumane practices experiences to the animals.
	 Suppliers must meet & work towards exceeding EU and other relevant legal requirements.
	 No genetically modified or cloned pigs are permitted.
	• Antibiotics will only be prescribed under veterinary supervision in response to specific diagnosed illness. The routine use of it as a preventative measure is strictly forbidden.
	• All suppliers to KFC in Europe follow European legislation which does not permit the use of growth promotors.
	 Dry sows and gilts must be kept in groups and not enter farrowing crates more than 7 days before their due farrowing date. Sows must not be kept in farrowing crates after weaning. The use of free-farrowing crates is encouraged. Feed is provided daily, to allow easy access to enough feed capable of
	satisfying pigs' dietary requirements & maintain good health.
Mandatory	 Pigs have continual access to potable water. Enough drinkers are provided & adjusted to the optimum height for the size and age of the pig & to minimize the risk of fouling. Where castration is carried out: pigs are castrated within 7 days & receive pain relief & anaesthetic. Encourage the use of alternative methods to surgical castration, which can prevent "boar taint" developing in the meat of
	 Mutilations (e.g., tail docking, teeth clipping, castration, nose ringing) are only permissible via derogation from the supervising veterinarian.
	 Buildings provide a safe, hygienic comfortable environment for the pigs. There are no sharp edges or protrusions likely to cause injury or distress to the pigs. All surfaces within the housing are durable, smooth & easy to clean. Houses
	with food grade linings are used or they are of brick / block construction.
	 Pig accommodation allows each pig to stand up, lie down, turn around & rest without difficulty. A clean, comfortable, adequately drained place must be
	available where pigs can rest. Enough space must be provided to allow all animals to lie down at the same time. A comfortable temperature must be
	maintained. Each pig must be able to see other pigs unless isolated for vet reasons.
	• Lying areas for all housed pigs must be dry & clean. Where bedding is used, it
	must be checked daily & replenished to ensure that all animals are physically comfortable & dry.

	 To aid full traceability, pigs which are 12 months of age or older must, in order to be moved from a holding, have a permanent mark. Ear tagging and/or tattooing must be carried out by trained operatives. All pigs are stunned pre-slaughter: CCTV footage must be recorded at all times in lairage, stunning & slaughter areas & recordings kept for 90 days (available on request). Including in gas chamber where gas stunning is used. 						
	No feeding of terrestrial animals of a given species with processed animal protein from animals of the same species (intra-species recycling).						
	 Herd health on individual farms is overseen by a contracted veterinarian. A written Veterinary Health Plan (VHP) is drawn up & regularly updated by the attending veterinary surgeon. There must be appropriate facilities for sows and gilts to farrow. In the week before expected farrowing date, sows and gilts must be given suitable nesting material in sufficient quantity. 						
	• If needed, pigs are castrated within 7 days & receive pain relief & anesthetic						
Encourage	(alternative methods to surgical castration are available which can prevent "boar taint" developing in the meat of heavier boars, such as use of a vaccine).						
	 No use of gestation cages or farrowing cages. Sows are kept in group throughout gestation and farrow in stalls where they have room to turn around. Nesting materials and bedding are provided. Dry sows and gilts must not be kept in tethers or stalls. 						
	 Stockmen are trained & competent (training conducted by an approved trainer/course). Training is reviewed periodically, refreshed & records maintained. Key tasks (depending on operative's role): emergency procedures, pig behaviour/welfare, herd health, humane slaughter, operation of equipment, general hygiene, health & safety, thermal stress procedures, vaccine/medicine administration. Operatives to have formalized job description. 						
	• All pigs must have permanent access to enrichment materials which provide them with the opportunity to enable proper investigation, manipulation and foraging activities. Enrichment materials should enable pigs to fulfil their essential behavioural needs without compromising their health. They must be safe and hygienic.						
	 Pigs are not subjected to live journey times exceeding 8 hours. All breeding stock and semen is obtained from farm assured units, which are 						
Recommendation	 identified and recorded. Pork meat supplied is accredited to at least one European standard. All suppliers to KFC Europe submit welfare outcome measures monthly. These measures are an indicator of animal welfare on the farm. 						

- EC Council Directive 98/58/EC Protection of animals kept for farming purposes.
- EC Council Regulation (EC) No1/2005 Protection of animals during transport.
- EC Council Regulation (EC) No 1099/2009 Protection of animals at the time of killing.
- EC Council Directive 2008/120/EC Minimum standards for the protection of pigs.
- Council Regulation (EC) No 1069/2009 Health rules as regards animal by-products and derived products not intended for human consumption and repealing Regulation (EC) No 1774/2002 (Animal by-products Regulation).
- Council Regulation (EC) No 04/2019 manufacture, placing on the market and use of medicated feed.
- Council Regulation (EC) No 06/2019 Veterinary medicinal products.
- Animal Welfare Act 2006.

Associated Certification Schemes / Advisory Bodies / Non-Governmental Organizations

QS (Qualität und Sicherheit GmbH)

- Checklist Agriculture Pig Farming
- Checklist Livestock Transport
- Checklist Slaughtering/deboning

RSPCA Assured

• RSPCA Welfare Standards for Pigs

Red tractor Assurance Farm Standards

- Pig Standards
- Livestock Transport Standards
- Meat Processing Standards

Bord Bia (Irish Food Board)

- Pigmeat Quality Assurance Scheme Producer Standard
- Meat Processor Quality Assurance Scheme Processor Standard

GLOBAL G.A.P

• Integrated Farm Assurance

IAWS / Interporc

SEGES (Danish Pig Research Centre)

• Danish Product Standard

FAWC (Farm Animal Welfare Committee)

CiWF (Compassion in World Farming) Food Business

KFC PAN EUROPE BEEF CATTLE WELFARE POLICY

Our Vision

The vision of KFC in Europe is to source beef from cattle that have had a good life because at KFC we believe that good quality food starts with higher animal welfare standards on farms. KFC works closely with its suppliers to ensure that animals reared for KFC are well looked after. All KFC suppliers must meet European legislation and industry best practice.

Scope of the Policy

This policy applies any beef-based products sold in our KFC European restaurants.

What Cattle welfare means for KFC

KFC is committed to animal welfare and fully supports the Five Domains of animal welfare:

- 1. Good nutrition: Proper consumption of nutritious food for a pleasant experience.
- 2. Good environment: Conditions that offer comfort and safety.
- 3. Good health: Animal care procedures for robustness and vitality.
- 4. Appropriate behavioural interactions: Varied activities and rewarding challenges.
- 5. Positive mental state: Prioritizing comfort, interest, and trust to avoid negative experiences.

Key requirements - Cattle

Mandatory	 Suppliers must practice the Five Domains of animal welfare and avoid inhumane practices experiences to the animals. Suppliers must meet & work towards exceeding EU and other relevant legal requirements. No genetically modified or cloned cattle are permitted. Antibiotics will only be prescribed under veterinary supervision in response to specific diagnosed illness. The routine use of antibiotics as a preventative measure is strictly forbidden. All suppliers to KFC in Europe follow European legislation which does not permit the use of growth promotors. Feed is provided daily, to allow easy access to sufficient feed capable of satisfying animals' dietary requirements & maintain good health. Beef cattle have continual access to potable water. Beef cattle are reared in conditions and systems which comply with EU and local legislations. Cattle identification & registration must be carried out in line with current local legislation, or a system is in place to allow full traceability. E.g., individual 			
	 animals must have 2 forms of id – primary & secondary ear tags. Mutilations (e.g., disbudding, dehorning, castration and removal of supernumerary teats), should be carried out under veterinary guidance and in accordance with legislation. Anesthesia and analgesia should be used. All cattle are stunned pre-slaughter: CCTV footage must be recorded at all times in lairage, stunning & slaughter areas & recordings kept for 90 days (available on request). 			
Encourage	 Herd health on individual farms is overseen by a contracted veterinarian. A written Veterinary Health Plan (VHP) is drawn up & regularly updated by the attending veterinary surgeon. Stockmen are trained & competent (training conducted by an approved trainer/course). Training is reviewed periodically, refreshed & records maintained. Operatives to have formalized job description. Cattle are not subjected to live journey times exceeding 8 hours. 			
Recommendation	 All breeding stock and semen is obtained from farm assured units, which are identified and recorded. Beef products supplied are accredited to at least one European standard. All suppliers to KFC Europe submit welfare outcome measures monthly. These measures are an indicator of animal welfare on the farm. 			

- EC Council Directive 98/58/EC Protection of animals kept for farming purposes.
- EC Council Regulation (EC) No1/2005 Protection of animals during transport.
- EC Council Regulation (EC) No 1099/2009 Protection of animals at the time of killing.
- EC Council Directive 2008/119/EC Minimum standards for the protection of calves.
- Animal Welfare Act 2006
- The Cattle Identification Regulations 2007.

Associated Certification Schemes / Advisory Bodies / Non-Governmental Organizations

QS (Qualität und Sicherheit GmbH)

- Checklist Agriculture Cattle Farming
- Checklist Livestock Transport
- Checklist Slaughtering/deboning

RSPCA Assured

• RSPCA Welfare Standards for Beef Cattle

Red tractor Assurance Farm Standards

- Beef and Lamb Standards
- Livestock Transport Standards
- Meat Processing Standards

Bord Bia (Irish Food Board)

- Beef and Lamb Quality Assurance Scheme Producer Standard
- Meat Processor Quality Assurance Scheme Processor Standard

GLOBAL G.A.P

• Integrated Farm Assurance

FAWC (Farm Animal Welfare Committee)

CiWF (Compassion in World Farming) Food Business

KFC PAN EUROPE DAIRY CATTLE WELFARE POLICY

Our Vision

The vision of KFC in Europe is to source dairy products from cattle that have had a good life because at KFC we believe that good quality food starts with higher animal welfare standards on farms. KFC works closely with its suppliers to ensure that animals reared for KFC are well looked after. All KFC suppliers must meet European legislation and industry best practice.

Scope of the Policy

This policy applies to any dairy products sold in our KFC European restaurants.

What Cattle welfare means for KFC

KFC is committed to animal welfare and fully supports the Five Domains of animal welfare:

- 1. Good nutrition: Proper consumption of nutritious food for a pleasant experience.
- 2. Good environment: Conditions that offer comfort and safety.
- 3. Good health: Animal care procedures for robustness and vitality.
- 4. Appropriate behavioural interactions: Varied activities and rewarding challenges.
- 5. Positive mental state: Prioritizing comfort, interest, and trust to avoid negative experiences.

Key requirements - Dairy cattle

	• Suppliers must practice the Five Domains of animal welfare and avoid					
	inhumane practices experiences to the animals.					
	 Suppliers must meet & work towards exceeding EU and other relevant legal 					
	requirements.					
	• Antibiotics will only be prescribed under veterinary supervision in response to					
	specific diagnosed illness.					
	• All suppliers to KFC in Europe follow European legislation which does not					
	permit the use of growth promotors.					
	Cattle identification & registration must be carried out in line with current local					
	legislation, or a system is in place to allow full traceability. E.g., individual					
Mandatory						
Manual Or y	animals must have 2 forms of id – primary & secondary ear tags.					
	• Dairy cows are reared in conditions free from confinement: confinement of the					
	animals does not permit movement and exercise and grooming, and social					
	interaction are impaired.					
	• Housing should have enough space for all the animals to: lie in comfort at the					
	same time, interact with each other, and stand up & move freely.					
	 Tethering of dairy cows is not permitted. 					
	• Mutilations (e.g., Disbudding, dehorning, castration, and removal of					
	supernumerary teats), should be carried out under veterinary guidance and in					
	accordance with legislation. Anaesthesia and analgesia should be used.					
	• Tail docking of dairy cows is not permitted.					
	• All dairy cattle at the end of their productive life are stunned pre-slaughter:					
	CCTV footage must be recorded at all times in lairage, stunning & slaughter					
	areas & recordings kept for 90 days (available on request).					
<u> </u>	• Herd health on individual farms is overseen by a contracted veterinarian. A					
	written Veterinary Health Plan (VHP) is drawn up & regularly updated by the					
	attending veterinary surgeon.					
Encouraça	• If using cubicles, at least one cubicle for each cow should be provided (about					
Encourage	5% more cubicles than the number of cows in the management group is					
	recommended).					
	Animals are not allowed to be housed all year. Where climate permits, access					
	to pasture enables the cows to exhibit a greater range of natural behaviours.					
	• Dairy heifers are introduced to the adult herd at least 4 weeks before calving.					
	This gives heifers time to get used to their new and unfamiliar surroundings					
	(including the milking parlor).					

	 Lactating dairy cows should not be left un-milked or with over-full udders. Anyone who milks cows - including relief milkers - needs to be fully competent to perform all milking operations. Enrichment must be provided for calves from 6 weeks (hanging chains/brushes). Enrichment enables the cows to exhibit a greater range of natural behaviours, particularly for permanently housed animals. Stockmen are trained & competent (training conducted by an approved trainer/course). Training is reviewed periodically, refreshed & records 				
	 maintained. Operatives to have formalized job description. Cattle are not subjected to live journey times exceeding 8 hours. 				
Recommendation	 All breeding stock and semen is obtained from farm assured units, which are identified and recorded. No genetically modified or cloned cattle are permitted. Dairy products supplied are accredited to at least one European standard. 				
	 Dairy products supplied are accredited to at least one European standard. All suppliers to KFC Europe submit welfare outcome measures monthly: a minimum of monitoring lame & mastitis rates in all cattle. 				

- EC Council Directive 98/58/EC Protection of animals kept for farming purposes.
- EC Council Regulation (EC) No1/2005 Protection of animals during transport.
- EC Council Regulation (EC) No 1099/2009 Protection of animals at the time of killing.
- EC Council Directive 2008/119/EC Minimum standards for the protection of calves.
- Animal Welfare Act 2006.
- The Dairy Products (Hygiene) Regulations 1996.
- Control of Pollution (Silage, Slurry and Agricultural Fuel Oil) Regulations 1991 SI No. 324, as amended 1997 (SI No. 547).
- The Cattle Identification Regulations 2007.

Associated Certification Schemes / Advisory Bodies / Non-Governmental Organizations

QS (Qualität und Sicherheit GmbH)

- Checklist Agriculture Cattle Farming
- Checklist Livestock Transport
- Checklist Slaughtering/deboning

RSPCA Assured

• RSPCA Welfare Standards for Dairy Cattle

Red tractor Assurance Farm Standards.

- Dairy Standards
- Livestock Transport Standards

Bord Bia (Irish Food Board)

Sustainable Dairy Assurance Scheme Producer Standard

GLOBAL G.A. P.

• Integrated Farm Assurance

FAWC (Farm Animal Welfare Committee)

CiWF (Compassion in World Farming) Food Business

KFC PAN EUROPE WILD CAUGHT SEAFOOD WELFARE POLICY

Our Vision

KFC in Europe sources wild caught fish (namely pollack) from the Alaska pollock fishery: the largest fishery in North America.

Alaska pollock (also known as 'walleye pollock') are schooling, midwater to bottom-dwelling fish, usually found between 100m to 300m in depth. They can live up to 15 years and reach a length of 100 cm. Pollock occurs across the entire northern Pacific.

Scope of the Policy

This policy applies to any fish products sold in our KFC European restaurants.

Key requirements - Wild caught fish

Mandatory	 Wild caught fish are from a MSC certified source. Fishery regulations are in place to minimize fishing impacts on sea lions and other protected species.
Encourage	• Proportions of bycatch are very low (below 1%).

Relevant Legislation

- EC Council Regulation No 104/2000 of 17 December 1999 on the common organization of the markets in fishery and aquaculture products.
- EC Council Regulation No 1224/2009 of 20 November 2009 establishing a community control system for ensuring compliance with the rules of the common fisheries policy Regulation (EC) 404/2011
- EC Council Regulation No 404/2011 of 8 April 2011 laying down detailed rules for the implementation of Council regulation (EC) No 1224/2009 establishing a community control system for ensuring compliance with the rules of the common fisheries policy.

Associated Certification Schemes / Advisory Bodies / Non-Governmental Organizations

MSC – Marine Stewardship Council

KFC PAN EUROPE LAYING HEN WELFARE POLICY

Our Vision

The vision of KFC in Europe is to source egg products from hens that have had a good life because at KFC we believe that good quality food starts with higher animal welfare standards on farms. KFC works closely with its suppliers to ensure that birds reared for KFC are well looked after. All KCF suppliers must meet European legislation and industry best practice.

Scope of the Policy

This policy applies to any products containing eggs sold in our KFC European restaurants.

What Laying hen welfare means for KFC

KFC is committed to animal welfare and fully supports the Five Domains of animal welfare:

- 1. Good nutrition: Proper consumption of nutritious food for a pleasant experience.
- 2. Good environment: Conditions that offer comfort and safety.
- 3. Good health: Animal care procedures for robustness and vitality.
- 4. Appropriate behavioural interactions: Varied activities and rewarding challenges.
- 5. Positive mental state: Prioritizing comfort, interest, and trust to avoid negative experiences.

Key requirements - Laying hens

Mandatory	 Suppliers must practice the Five Domains of animal welfare and avoid inhumane practices experiences to the animals. Suppliers must meet & work towards exceeding EU and other relevant legal requirements. All laying hens are reared in cage-free systems. During the production cycle, all laying hens are cage-free. No genetically modified or cloned laying hens are permitted. Antibiotics will only be prescribed under veterinary supervision in response to specific diagnosed illness. The routine use of antibiotics as a preventative measure is strictly forbidden. Mutilations such as beak trimming are strictly forbidden in KFC Europe Supply Chain. 			
	 All suppliers to KFC in Europe follow European legislation which does not permit the use of growth promotors. End of lay hens are stunned prior to slaughter. CCTV footage must be recorded at all times in lairage, stunning & slaughter areas & recordings kept for 90 days (available on request). Grinding of male chicks is forbidden. 			
Encourage	 Flock health on individual farms is overseen by a contracted veterinarian. A written Veterinary Health Plan (VHP) is drawn up & regularly updated by the attending veterinary surgeon. Journey times for laying hens do not exceed 8 hours. Stockmen are trained & competent (training conducted by an approved trainer/course). Training is reviewed periodically, refreshed & records maintained. Operatives to have formalized job description. Hatchery: Methods such as "in-ovo" sexing or male broilers should be used to separate male and female groups. 			
Recommendation	 Egg products supplied are accredited to at least one European standard. All suppliers to KFC Europe submit welfare outcome measures monthly: e.g., feather wear, leg and wing damage, and keel bone scoring. 			

- EC Council Directive 98/58/EC Protection of animals kept for farming purposes.
- EC Council Regulation (EC) No1/2005 Protection of animals during transport.
- EC Council Regulation (EC) No 1099/2009 Protection of animals at the time of killing.
- EC Council Directive 1999/74/EC Minimum standards for the protection of laying hens.
- EC Council Regulation (EC) No. 1308/2013 and Commission Regulation (EC) No. 589/2008. The EU regulatory provisions which apply to the marketing of eggs for consumption.
- EC Council Regulation (EC) No. 2160/2003 on the control of Salmonella and other specified food-borne zoonotic agents.

Associated Certification Schemes / Advisory Bodies / Non-Governmental Organizations

QS (Qualität und Sicherheit GmbH)

- Checklist Agriculture Poultry Production
- Checklist Agriculture Hatcheries
- Checklist Slaughtering/deboning

IKB KIP Certification Scheme

- IKB KIP Regulations for Hatcheries, Abattoirs & Gutting Plants.
- IKB KIP Regulations for Poultry Farms.

RSPCA Assured

- RSPCA Welfare Standards for Chickens
- RSPCA Welfare Standards for Hatcheries
- RSPCA Welfare Standards for Laying Hens

Red tractor Assurance Farm Standards

- Chicken Standards: Layers
- Chicken Standards: Hatchery
- Livestock Transport Standards
- Meat Processing Standards

Bord Bia (Irish Food Board)

- Poultry Products Quality Assurance Scheme Producer Standard
- Meat Processor Quality Assurance Scheme Processor Standard

GLOBAL G.A.P

• Integrated Farm Assurance

KAT (Association for Controlled Alternative Animal Husbandry)

• Guide for laying farms

British Egg Industry Council (BEIC)

• Lion Code of Practice

FAWC (Farm Animal Welfare Committee)

CiWF (Compassion in World Farming) Food Business

KFC PAN EUROPE ANTIMICROBIAL STEWARDSHIP & POLICY

Objective

The overall KFC objective is to target the use of antibiotics in a way that promotes animal welfare while reducing potential antimicrobial resistance (AMR) due to the overuse of antibiotics. This document aims to outline how to move forward on both.

Basis and background

KFC Pan Europe supports the objectives of AMEG (EU), RUMA and FIIA (UK&I) as an active member. *

Additionally, KFC follows the World Health Organization (WHO) categorization to safeguard antibiotics remain effective and prevent antibiotic resistance. *

The Antimicrobial Advice Ad Hoc Expert Group (AMEG) was set up in 2013 with the aim to provide guidance on the impact on public health and animal health of the use of antibiotics in animals, and on the measures to manage the possible risk to humans. The AMEG is composed by representatives of the European Medicines Agency (EMA), the European Food Safety Authority (EFSA) and the European Centre for Disease Prevention and Control (ECDC).

Since its formation in late 2017, the Food Industry Initiative on Antimicrobials (FIIA) has brought together retailers, manufacturers, processors, and food service companies in order to promote and support responsible antimicrobial use and action on antimicrobial resistance (AMR). FIIA is linked to the British Poultry Council and works aligned to the AMEG principles and guidelines.

The Responsible Use of Medicines in Agriculture (RUMA) is a not-for-profit cross sectoral Alliance of 26 organisations representing supply chains from farm to fork, established to promote the highest standards of food safety, animal health and animal welfare in the British livestock industry. The organisation has an ongoing focus on antimicrobial resistance (AMR) as well as supporting the message of responsible use beyond AMR. The RUMA Alliance is a FIIA member.

*The KFC brand is part of YUM! Brands operating on a global scale. While we benchmark KFC Pan Europe's performance against the WHO targets globally, we follow the European Medicines Agency (EMA) targets in Europe. To ensure we do not fall out with differentiating standards the *strictest will always apply*.

Addressing antimicrobial resistance (AMR) at farm level

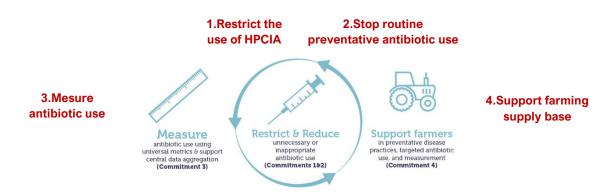
KFC fully supports the FIIA's Responsible Use of Antibiotics Policy and Commitments.

FIIA`s commitments

Since its inception, FIIA has achieved the following:

- Agreed Responsible Use Principles for ensuring the consistent and responsible use of antibiotics within members' supply chains, including the adoption of EMA AMEG categorisation.
- Developed Policies and/or Codes of Conduct on measurement of antibiotic use, sales or prescriptions, data sharing, and farmer support.

These have been translated into four commitments (see below) that aim to optimise responsible use of antibiotics while safeguarding animal health and welfare.



Commitments 1 and 2 can only be achieved by actioning Commitments 3 and 4.

FIIA's Responsible Use of Antibiotics Policy

The FIIA's Responsible Use of Antibiotics Policy is based on five elements.

1. The last EMA AMEG categorisation of antibiotics (EMA/688114/2020) which ranks antibiotics by considering the AMR risk, the availability and the stewardship advice attached to the use of active ingredients in each category, as follows:

Category A Avoid	Category B Restrict	
 antibiotics in this category are not authorised as veterinary medicines in the EU should not be used in food-producing animals may be given to companion animals under exceptional circumstances 	 antibiotics in this category are critically important in human medicine and use in animals should be restricted to mitigate the risk to public health should be considered only when there are no antibiotics in Categories C or D that could be clinically effective use should be based on antimicrobial susceptibility testing, wherever possible 	
	Category D	
Caution	Prudence	
 for antibiotics in this category there are alternatives in human medicine 	 should be used as first line treatments, whenever possible 	
 for some veterinary indications, there are no alternatives belonging to Category D 	 as always, should be used prudently, only when medically needed 	
 should be considered only when there are no antibiotics in Category D that could be clinically effective 		

The update takes into account the experience gained since the initial categorisation of antibiotics in 2014, which proposed three categories for the antibiotics classified as Critically Important Antimicrobials (CIA) in the WHO list (i.e., those of most relevance for human health). The revised categorisation considers all classes of antibiotics and includes additional criteria such as the availability of alternative antibiotics in veterinary medicine.

Veterinarians are encouraged to check and consider EMA AMEG's updated scientific advice on the categorisation of antibiotics when prescribing these medicines for animals in their care. As the route of administration should also be taken into account alongside the categorisation when prescribing antibiotics, the EMA AMEG evaluated the impact of the route of administration on the selection of antibiotic resistance.

Rank from lower to higher estimated impact on antibiotic resistance

Local individual treatment (e.g., udder injector, eye, or ear drops).

Parenteral individual treatment (intravenously, intramuscularly, subcutaneously).

Oral individual treatment (e.g., tablets).

Injectable group medication (metaphylaxis*), only if appropriately justified.

Oral group medication via drinking water/milk replacer (metaphylaxis*), only if appropriately justified.

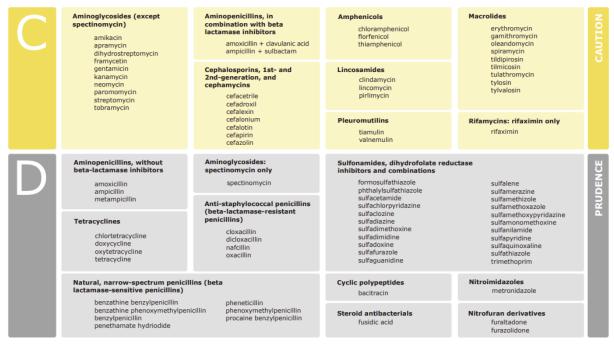
Oral group medication via feed or premixes (metaphylaxis*), only if appropriately justified.

*Metaphylaxis: the administration of a medicinal product to a group of animals after the diagnosis of clinical disease in part of the group has been established, with the aim of treating the clinically sick animals and controlling the spread of the disease to animals in close contact and at risk which may already be sub-clinically infected.

EMA AMEG's categorisation (EMA/688114/2020) of antibiotics classes for veterinary use, with examples of substances authorised for human or veterinary use

A	Amdinopenicillins mecillinam pivmecillinam Ketolides telithromycin Monobactams aztreonam	Carbapenems meropenem doripenem Lipopeptides daptomycin Oxazolidinones linezolid	Drugs used solely to treat tuberculosis or other mycobacterial diseases isoniazid ethambutol pyrazinamide ethionamide	Glycopeptides vancomycin Glycylcyclines tigecycline Phosphonic acid derivates fosfomycin	AVOID
	Rifamycins (except rifaximin) rifampicin	bicin clofazimine other cephalosporins and penems (ATC code J01DI),	Pseudomonic acids mupirocin		
	Carboxypenicillin and ureidopenicillin, including combinations with beta lactamase inhibitors piperacillin-tazobactam	Sulfones dapsone	including combinations of 3rd-generation cephalosporins with beta lactamase inhibitors ceftobiprole ceftaroline ceftolozane-tazobactam faropenem	Substances newly authorised in human medicine following publication of the AMEG	
		Streptogramins pristinamycin virginiamycin		categorisation to be determined	
В	Cephalosporins, 3rd- and 4th-generation, with the exception of combinations with β-lactamase inhibitors cefoperazone cefovecin cefquinome ceftiofur	Polymyxins colistin polymyxin B	Quinolones: fluoroquinolones and cinoxacin danofloxacin difloxacin enrofloxacin flumequine ibafloxacin	other quinolones marbofloxacin norfloxacin orbifloxacin oxolinic acid pradofloxacin	RESTRICT

Category B = Highest Priority Critically Important Antibiotics (HPCIA). A 2004 list created to address the public health consequences associated with the use of antimicrobial agents in food-producing animals.



- The second basic element of the FIIA's Responsible Use of Antibiotics Policy is the support of The Responsible Use of Medicines in Agriculture (RUMA)'s policy. This policy also addresses the restricted use of HPCIAs* and describes the routine preventative use of antibiotics treatments only acceptable when they are:
 - To treat animals diagnosed at high risk of bacterial disease.
 - Prescribed by vets who have direct responsibility for those animals.
 - Not used as compensation for poor hygiene or in place of improvements in husbandry which could reduce the need for treatment.
 - Preventative treatments should be administered to individual animals where possible, except in species which cannot be treated individually without stress or harm, and where group treatment is in accordance with veterinary best practice.

*While colistin is a Category B antibiotic, its use in the UK has fallen to virtually nil (sales of 1.2kg in total for 2019, or 0.0002 mg/kg). It can therefore be assumed that colistin use has currently stopped in almost all UK supply chains, and some FIIA members have stated their supply chains do not currently use it.

3. A consistent, non-competitive, and best-practice approach to stewardship is key; however, some specific variances are acknowledged.

Sector-level exceptions to adopting the EMA AMEG's categorisation and approach to stewardship of antibiotics are as follows:

- In the UK poultry meat sector only, where macrolides (Category C) are treated as Category B products (or HPCIAs under WHO categorisation) with the same 'restrict' approach applied. This recognises the risk of campylobacter in poultry meat as a food-borne pathogen, and the need to treat severe campylobacteriosis, particularly in children, with macrolide products.
- In the UK laying hen sector only, there is an historic precedent that colistin (Category B) is no longer used for laying hens managed under the Lion Code.
- 4. FIIA members should adopt the definitions of prophylaxis (preventative use) and metaphylaxis from European Union Regulation 2019/6.

a) "Prophylaxis means the administration of a medicinal product to an animal or group of animals before clinical signs of a disease, in order to prevent the occurrence of disease or infection."

b) "Metaphylaxis means the administration of a medicinal product to a group of animals after the diagnosis of clinical disease in part of the group has been established, with the aim of treating the clinically sick animals and controlling the spread of the disease to animals in close contact and at risk which may already be sub-clinically infected"

5. Finally, the FIIA Policy on Responsible Use of Antibiotics will be reviewed annually.

Relevant Links

European Law <u>EU law - EUR-Lex (europa.eu)</u> <u>EUR-Lex - 32019R0006 - EN - EUR-Lex (europa.eu)</u>

AMEG - European Medicines Agency Antimicrobial Advice Ad hoc Expert Group Antimicrobial Advice Ad Hoc Expert Group | European Medicines Agency (europa.eu)

EMA - European Medicines Agency European Medicines Agency | (europa.eu)

EFSA - European Food Safety Authority EFSA | Science, safe food, sustainability (europa.eu)

ECDC - European Centre for Disease Prevention and Control Homepage | European Centre for Disease Prevention and Control (europa.eu)

FIIA - Food Industry Initiative on Antimicrobials <u>Home FIIA - FIIA</u> <u>FIIA-Policy-on-Responsible-Use-of-Antibiotics.pdf</u>

RUMA - Responsible Use of Medicines in Agriculture RUMA – Responsible Use of Medicines in Agriculture Alliance

WHO - World Health Organization World Health Organization (WHO)