



The Co-operative
Progress Report on Animal
Welfare
and
Farming Groups

V3 – July 2015

The **co-operative** food
Here for you for life

Introduction

As part of our business commitment to animal welfare, sourcing British protein and supporting British Farming we will report on our progress. In this document we will be open and honest about where the food we sell comes from, our progress on animal welfare and ongoing development of our Farming Groups.

Welfare Standards

All our customers, no matter what their budget, should be able to enjoy meat, poultry and fish knowing it has come from animals reared to good welfare standards.

- All own brand meat and poultry products are produced as a minimum to Red Tractor Farm Assurance Scheme standards or equivalent where sourced outside of the UK
- In 2013 sales of products from animals reared to higher welfare standards totalled £270m (2012: £296m), with 466 higher welfare lines available in food stores (2012:393). Sales of these products decreased in 2013 as a result of customers trading down from premium range products, changes to product specification and availability of these ranges

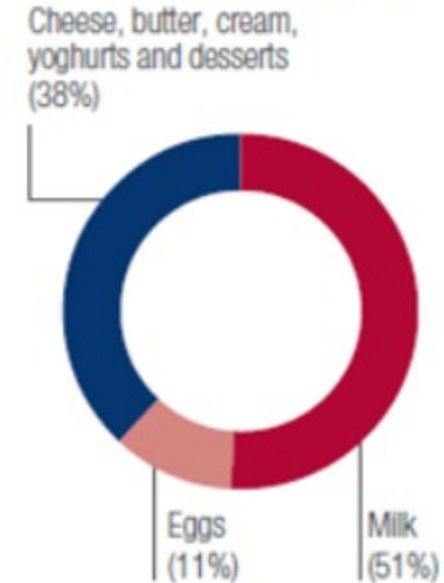
Higher welfare sales for fresh, frozen and prepared products (£m)

	2010	2011	2012	2013
Own-brand Higher Welfare ²²	£111m	£154m	£185m	£157m
RSPCA Welfare Freedom Food	£63m	£74m	£81m	£83m
Other higher welfare	£30m	£23m	£30m	£30m
Total	£204m	£251m	£296m	£270m

Eggs and Milk

- Since 2008 we have only sold free-range or free-range organic shell eggs and since 2010 we have only used free-range egg as an ingredient in own brand products
- In 2013, 97% of our own brand shell egg sales were RSPCA Welfare Freedom Food accredited (2012: 98%)
- In 2013, 96% of own-brand fresh milk was assured under National Dairy Farm Assurance Scheme (2012: 96%). The remainder was certified as organic by the Soil Association
- The Co-operative Dairy Group, the farming group dedicated to supplying the equivalent of approximately 90% of our own brand assured milk, maintains welfare standards, compliance with our grazing policy and audited monitoring of key herd health impacts.

Own-brand dairy: Proportion of sales by product type, 2013



Own-brand eggs and milk: Proportion of sales by welfare standard, 2013

	% of sales that are own-brand	Welfare standard		
		National Dairy Farm Assured Scheme	RSPCA Welfare Freedom Food Free-range	Organic
Eggs	84%		97%	3%
Milk	83%	96%		4%

Fresh Poultry, Meat and Fish

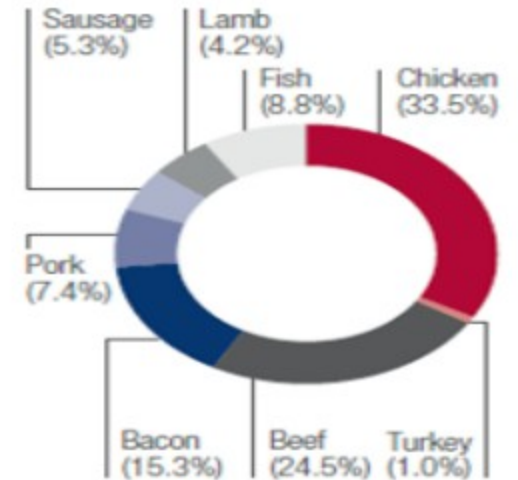
- Livestock standards for all species are detailed within our animal welfare policy technical standards document
- We continue to pursue good welfare standards across our range whilst offering choice for our customer to meet their needs
- The table below details the proportion of sales by welfare standard for own brand fresh poultry, meat and fish sold in 2013

Fresh poultry, meat and fish³⁴

Own-brand fresh poultry, meat and fish: Proportion of sales by welfare standard, 2013

	% of sales that are own-brand	Welfare standard				Wild caught
		Base-level Farm Assurance standard	Own-brand Higher Welfare standard ³⁵	RSPCA Welfare Freedom Food	RSPCA Welfare Freedom Food Free-range	
Chicken	99%		96%	4%		
Turkey	75%		99%		1%	
Beef	100%	100%				
Bacon	88%	92%		8%		
Pork	93%		97%	3%		
Sausage	49%	32%		68%		
Lamb	100%	96%		4%		
Fish	85%			44%		56%

Own-brand fresh poultry, meat and fish: Proportion of sales by product type, 2013



Performance on Pre-Slaughter Stunning

Religious Slaughter – Farm Animal Welfare at Slaughter

All meat and poultry sold under The Co-operative brand is produced to strict standards of animal welfare. All own-brand fresh and frozen meat and poultry sold in Co-operative stores has been humanely stunned prior to slaughter, and all abattoirs and processing plants supplying our own-brand products are required to work to the standards laid down by our strict animal welfare requirements as well as the Humane Slaughter Association in their Codes of Practice.

We do not stipulate Halal/Kosher in our product specifications, nor do we currently sell any Halal/Kosher certified meat and all of our meat comes from animals that are pre-stunned. There is currently no UK wide labelling scheme to cover whether an animal has been stunned prior to slaughter and to avoid confusing our customers, we would need a consistent approach across the UK food industry, including food service and catering.

Performance:

- 100% of animals within our supply chain have been humanely stunned prior to slaughter in 2014-2015
- Performance on this measure is audited by our team of dedicated animal welfare specialists and any issues are documented within the relevant documentation in our abattoirs and processing plants.
- All abattoirs slaughtering livestock for supply to The Co-operative Group shall have in place a CCTV system for the monitoring and recording of livestock up to the point of kill (including offloading, handling, stunning and sticking) for the purpose of managing animal welfare. The CCTV equipment should be capable of recording legible time and date stamped images and storing these images for a period of not less than 6 months. Footage from this CCTV system is to be checked by senior management on a routine basis and be available for audit by a representative from The Co-operative or an appointed agent/audit body at any time

Performance on live transport times for animals

Travelling Distance and Time

We ensure our supply base keep live animal transportation to a minimum and avoid unnecessary long distance travel. We specify specific transportation limits with each livestock standard. Overall a maximum transport time of 8 hours is permitted across our supply chain with key targets in place for all species. This data is reviewed through monthly data collection from our supply chain which is uploaded onto our animal welfare portal called Pyramid. We have previously been awarded RSPCA Hot Topic Award (Live animal transportation times) for our standards on transportation within our supply chain.

Performance:

- 98% of animals within our own brand supply chain through our farming groups have met our target for live animal transportation times.
- Performance on this measure is audited by our team of dedicated animal welfare specialists and any issues are documented within the relevant documentation in our abattoirs and processing plants.

Issue Management

- In 2014 we had an two issues where slaughter at two production sites had to be suspended. A decision was taken jointly with the onsite vet to extend the travel time until production was re-started in order to maintain the welfare of the birds and livestock.

Performance of farm indicator measurements

On a monthly basis we record input, outcome and health and quality measures from the farms within our Farming Group. We have set criteria and an agreed target for each species that our farmers and suppliers work to. This enables the us to show due diligence against our animal welfare targets but more importantly drives progress and action to any challenges for our farming and supplier base. Our welfare tracker is reviewed monthly by our team of dedicated experts in animal welfare. We feedback performance through farming group meetings so that individual farmers can see how they benchmark against the group and help drive further improvements and share best practice in in a practical manner. Our suppliers and farmers can review their performance and benchmark themselves against the wider farming base on our our Pyramid system.

Performance:

- We committed to reporting on our performance against our animal welfare measures within 2015. Our performance for input, outcome and quality measures is detailed on the following page

Performance of farm indicator measurements in 2014

	Farm Measure Level of Compliance %			
	Input Measures	Outcome Measures	Quality & Consistency Measures	Overall Measures
Species	2014	2014	2014	2014
Chicken	88.76	60.83	80.48	76.69
Beef	98.85	97.77	85.75	94.12
Pork	99.68	94.73	91.94	95.45
Lamb	100.00	97.83	91.94	96.59
Dairy	97.57	91.79	99.46	96.27
Overall	90.31	89.14	89.91	88.93

The table above details the % compliance of our supply chain for input, outcome and quality measures within 2014. This data is recorded for each species from our Farming Group farms on a monthly basis. Typical input measures include stocking density, medicine usage, travel times and days grazing. Typical outcome measures include body condition, hockburn, pododermatitis, mastitis, leg culls, condemnations, lameness, , tail docking and mortality. Typical quality and consistency measures include factory condemnations, disease incidence, bruising, microbiological performance. Bactoscan, carcass grade and live weight. Performance is reported on a monthly basis internally and action plans to improve performance on farm and through R&D are in place with all suppliers.

Progress on Farming Groups

Introduction

The Co-operative Food supports nearly 2,000 UK farmers and has dedicated long term relationships with over 400 carefully selected farmers, collectively known as The Co-operative Farming Groups. These 400 carefully selected farmers across key species are called foundation farms. They are focussed on growing and rearing The Co-operative's fresh protein with passion to the standards you expect. They provide chicken, pork, Hereford and Aberdeen Angus beef, Cambrian lamb and milk through a transparent supply chain.

Since the establishment of our Co-operative Dairy Group in 2011, we launched five additional Farming Groups for farmers supplying our own-brand fresh British meat and poultry. The six groups are helping to maintain The Co-operative's strict animal welfare policies and encourage long-term investment and improvements to farm efficiencies, training and sustainability.

Current Farming Groups

- **The Co-operative Chicken Group**
- **The Co-operative Dairy Group**
- **The Co-operative Pork Group – 2 groups within**
- **The Co-operative Beef Group – Hereford & Aberdeen Angus**
- **The Co-operative Cambrian Lamb Group**

Farming Groups Under Development

- **The Co-operative Egg Laying Group**
- **The Co-operative Turkey Group**
- **The Co-operative Beef Group – standard supply**
- **The Co-operative Lamb Group – standard supply**