

 GLOBAL ENVIRONMENTAL SOCIAL GOVERNANCE POLICIES	CATEGORY ENVIRONMENTAL SOCIAL GOVERNANCE, ETHICS & COMPLIANCE	DATE OF ISSUE 8/12/2021	SUPERSEDES ISSUE DATED 10/27/2017
TITLE GLOBAL ANIMAL WELFARE POLICY			

Our Commitment

At The Kraft Heinz Company, we are committed to responsible sourcing, and to identifying better and more sustainable ways to operate. In support of our commitments, we are dedicated to the humane treatment of animals, and to prioritizing continuous improvement in animal welfare¹.

Although we do not raise animals, we understand that we are an important partner in improving the welfare of animals in our supply chain. We seek to cultivate and nurture relationships with suppliers who share similar values. As such, we are committed to securing responsibly sourced products from suppliers who adhere to the standards set forth in this Global Animal Welfare Policy, including the Animal Welfare Policy Implementation Guide attached (collectively, this “Policy”) and who treat animals with care, understanding and respect.

Scope of this Policy

This Policy applies to The Kraft Heinz Company, its global subsidiaries, business units and zones (collectively, “Kraft Heinz”) as well as its suppliers, including external manufacturers,-that use animals or animal products in, or supply animals or animal products for use in, Kraft Heinz branded products. All suppliers must commit to adhering to the applicable requirements of this Policy and are required to have an implemented program to assure its suppliers, all the way to the farm level, comply with the applicable aspects of this Policy, and any subsequent updates. Where Kraft Heinz acts as an external manufacturer on behalf of a client, we will work with our client on continuous improvements in animal welfare consistent with this Policy. Additional requirements and guidance may be adopted by Kraft Heinz on a regional basis with the approval of the Head of Global Environmental Social Governance.

Elements of Good Animal Welfare

Kraft Heinz believes that good animal welfare includes three elements²:

- Health and Productivity - quality shelter, feed, water, and veterinary care provided
- Emotional Well-Being - negative experiences minimized and positive experiences enhanced

- Naturalness- important species - specific behaviors can be performed

This concept of animal welfare builds upon the internationally recognized “Five Freedoms”³ of animal welfare which include the fundamental principles of 1) freedom from hunger and thirst; 2) freedom from physical and thermal discomfort; 3) freedom from pain, injury or disease; 4) freedom to express normal behaviors; and 5) freedom from fear and distress.

Overall Supplier Expectations

Our suppliers are our partners in humane animal care and its continuous improvement. We expect suppliers to comply with this Policy, to maintain strict standards of animal care, to implement practices and pursue continuous improvement consistent with the Five Freedoms and elements of good animal welfare, and to raise animals in accordance with the applicable laws and ordinances in their locale.

Additionally, suppliers are required to have a zero-tolerance⁴ policy for acts of animal abuse and neglect. The zero-tolerance policy must define what constitutes abuse and neglect, and it must identify potential consequences of such behaviors. All individuals who may work with or around live animals must be trained on the zero-tolerance policy. Additionally, suppliers must have an accompanying “whistleblower” policy that urges individuals to report any incidents of abuse, neglect or improper animal handling practices. When evidence of abuse, neglect, improper animal handling practices, or other non-compliance with this Policy exists, Kraft Heinz may suspend the supplier, indefinitely or until appropriate corrective actions have been implemented. Suppliers who fail to comply with the requirements of this Policy, or who do not make continuous and positive improvements to meet the requirements, risk losing Kraft Heinz as a customer.

Administration, Governance and Management of this Policy

The Head of Animal Welfare, in partnership with the Head of Global Environmental Social Governance and the Global Steering Group, is responsible for monitoring, administering and updating this Policy. This Policy is reviewed biennially to ensure it remains consistent with current science, best production practices, and societal values. The Global Steering Group may include representatives of Corporate Affairs, Environmental Social Governance, Food Safety and Quality, Government Affairs, Legal, Procurement and Research and Development functions.

In 2019, we established an advisory committee composed of livestock, poultry, aquaculture, and fisheries welfare experts. This committee provides guidance to Kraft Heinz on science and best practices, animal welfare assessments, and emerging topics in animal welfare. A Kraft Heinz animal welfare specialist provides training on this Policy, farm animal best management practices and animal welfare to cross-functional team members within Kraft Heinz.

Animal science plays a key role in guiding this Policy but does not always provide clear direction. We make animal welfare decisions through a combination of science and societal ethics. There is a growing public interest in farming and animal care, with consumers inquiring whether current production practices match their values and expectations. Kraft Heinz will continue to be transparent about our supply practices and progress for the knowledge of all stakeholders and greater benefit of animal welfare.

Animal Welfare Due Diligence

Across the globe, all existing suppliers and potential suppliers of animal or animal-derived products must complete an annual animal welfare risk assessment. The Kraft Heinz Head of Animal Welfare reviews the risk assessments. In addition, to better monitor supplier performance, all suppliers are subject to the Kraft Heinz auditing program.

Animal Health and Management

In line with the three elements of good animal welfare and the “Five Freedoms”, we support housing designs that support an animal’s ability to perform species-specific behaviors. Examples include, but are not limited to, cage-free housing with perches and nest boxes for laying hens and group housing for gestating sows.

Antimicrobials

Disease prevention strategies such as husbandry, hygiene, and vaccinations must be the primary defenses against animal disease; however, even with excellent care, farm animals sometimes become ill. When this occurs, antimicrobial treatment, including antibiotics, can be an important component of humane animal care. Antimicrobials should only be used after careful review by a veterinarian, and therapeutic antimicrobial treatment should be limited to only ill and at-risk animals, treating the fewest number of animals possible. Suppliers are required to follow applicable governmental requirements related to antimicrobials. Alongside good farm management, responsible antimicrobial use can help enhance food quality and safety.

In the United States, where most of our meat ingredients are purchased, we require our suppliers to meet or exceed the American Veterinary Medical Association (AVMA) or World Organisation for Animal Health (OIE) guidelines for the judicious use of antimicrobial agents^{5,6}.

Kraft Heinz’s meat and dairy products meet or exceed government regulations related to the use and administration of antimicrobials, including compliance with bans on antibiotic use for growth promotion.

Hormones

In the United States, hormones are not allowed to be used for growth promotion in veal calves, pigs or poultry. In some countries, growth hormones are approved for use in beef cattle. We do not restrict their use in those instances.

Recombinant bovine somatotropin (rBST) can increase milk production in dairy cattle. Globally its usage varies widely in accordance with government regulations. Where rBST is approved for use in dairy cattle we do not restrict its use. However, we support industry initiatives to eliminate rBST from the supply.

Pain mitigation

As sentient animals, poultry and livestock can experience pain. We are working with farmers and the industry to develop and adopt practical alternatives that eliminate painful procedures. This includes developing alternatives to painful procedures such as disbudding cattle and adopting practices such as using decision trees, to help determine whether animals are fit enough for transport. When painful procedures need to be performed, we encourage pain mitigation, such as the use of anesthetics or

analgesics. We expect our suppliers to adhere to industry guidelines, which were developed to provide safe, quality products while keeping both animals and humans safe.

Humane Endings

At Kraft Heinz, we believe animals should be provided a respectful and humane death. Compromised animals must be euthanized in a timely manner that aligns with AVMA⁷ or OIE⁸ euthanasia guidelines. Similarly, slaughter must align with the AVMA⁹ or OIE¹⁰ slaughter guidelines and applicable governmental slaughter regulations. Efficient stunning prior to slaughter is an important aspect of animal welfare. Therefore, animals must be stunned prior to slaughter, except when complying with religious or governmental regulations.

Laying hens

Globally, we are transitioning to purchasing only cage-free eggs. Hens housed in cage-free barns can roam inside a barn and are provided enrichments such as perches, scratch areas and nest boxes that encourage them to exhibit natural behaviors¹¹. In North America, we are on track to achieve this goal by 2025. As of 2021, in Europe we purchase 100% of our eggs from free-range systems. Hens housed in free-range systems have outdoor access in addition to the ability to roam in a barn.

Sows

In accordance with the three elements of animal welfare and the “Five Freedoms”, we believe that pregnant sows should be safely housed in social groups with enough space to perform normal behaviors. The industry faces challenges to meet the demand, especially for pork that complies with strict regional legislation. Kraft Heinz is working with our pork suppliers to transition pregnant sows from conventional gestation stall housing to alternative gestation housing.

Broiler chickens

We have committed to improving broiler welfare by 2024. We continue to incorporate leading science into our assessment of broiler welfare, while we engage with the industry at-large as it redefines its guidelines for enhanced broiler welfare. We will incorporate a combination of outcome-based and practice-based metrics that are shown to demonstrably increase animal welfare. Targets may include stocking density, litter quality, enrichment provision, and controlled atmosphere stunning and will incorporate supplier verification, such as auditing. In the United States, we continue to engage with our supply partners in meeting enhanced broiler chicken welfare standards.

European Chicken Commitment

In late 2019, Kraft Heinz expanded its animal welfare commitments to improving chicken welfare by 2026 as part of the [European Chicken Commitment](#). Kraft Heinz continues to assess and work to transition its European supply chain accordingly and looks forward to future updates on progress.

Dairy cattle

In the United States, where we source most of our dairy products, we require our suppliers and their farmers to follow the National Dairy Farmers Assuring Responsible Management (FARM) Animal Care guidelines¹² which prohibit routine tail docking. This program establishes best on-farm animal management practices and includes second-party evaluations and third-party verification. Similarly, in Canada, our suppliers must follow the National Farm Animal Council’s Code of Practice for the Care and Handling of Dairy Cattle¹³, which also prohibits routine tail docking. For the small volume of dairy products supplied from outside the United States and Canada, we will partner with our suppliers to end routine tail docking in our supply. We support industry initiatives to eliminate cow tail docking.

Animal Testing of Food Ingredients

Kraft Heinz supports the use of the three R's of animal research: replace animals with alternative techniques when possible, reduce the number of animals to the minimum, and refine the research techniques to improve animal welfare¹⁴. We do not support or condone animal use for research not essential to food safety and quality, and we do not maintain any animal testing facilities. When governmental agencies require animal testing for ingredient safety testing, the research is completed by an accredited third-party facility that follows proper animal welfare guidelines.

References

- ¹ Animal welfare is the physical and mental state of an animal in relation to the conditions in which it lives and dies. An animal experiences good welfare if the animal is healthy, comfortable, well nourished, safe, is not suffering from unpleasant states such as pain, fear and distress, and is able to express behaviors that are important for its physical and mental state. Adopted from the World Organisation for World Health's (OIE) Terrestrial Animal Health Code 2019: http://www.oie.int/index.php?id=169&L=0&htmfile=chapitre_aw_introduction.htm. Site accessed August 2020.
- ² Fraser, D., et al. (1997). "A scientific conception of animal welfare that reflects ethical concerns." *Animal Welfare* 6: 187-205.
- ³ OIE Terrestrial Animal Health Code Chapter 7. Available at: http://www.oie.int/index.php?id=169&L=0&htmfile=titre_1.7.htm. Site accessed August 2020.
- ⁴ Zero tolerance. Substantiated abuse and neglect claims must have acceptable corrective actions that focus on the welfare of the animals. Failure to comply may result in elimination of a supplier from our supply chain.
- ⁵ AVMA Judicious Therapeutic Use of Microbials. Available at: <https://www.avma.org/KB/Policies/Pages/Judicious-Therapeutic-Use-of-Antimicrobials.aspx>. Site accessed August 2020.
- ⁶ OIE Standards, Guidelines and Resolution on antimicrobial resistance and use of antimicrobial agents. Available at: http://www.oie.int/fileadmin/home/eng/Media_Center/docs/pdf/PortailAMR/EN-book-AMR.PDF. Site accessed August 2020.
- ⁷ AVMA Guidelines for the Euthanasia of Animals: 2020 Edition. Available at: <https://www.avma.org/sites/default/files/2020-02/Guidelines-on-Euthanasia-2020.pdf>. Site accessed August 2020.
- ⁸ OIE Terrestrial Animal Health Code Chapter 7. Available at: http://www.oie.int/index.php?id=169&L=0&htmfile=titre_1.7.htm. Site accessed August 2020.
- ⁹ AVMA Guidelines for the Humane Slaughter of Animals: 2016 Edition. Available at: <https://www.avma.org/KB/Resources/Reference/AnimalWelfare/Documents/Humane-Slaughter-Guidelines.pdf>. Site accessed August 2020.
- ¹⁰ OIE Terrestrial Animal Health Code Chapter 7. Available at: http://www.oie.int/index.php?id=169&L=0&htmfile=titre_1.7.htm. Site accessed August 2020.
- ¹¹ United Egg Producers Certified. Available at: <https://uepcertifiedcagefree.com/>. Site accessed August 2020.
- ¹² FARM Animal Care Reference Manual Version 3. Available at: <https://nationaldairyfarm.com/wp-content/uploads/2018/10/Version-3-Manual-1.pdf>. Site accessed August 2020.
- ¹³ Code of Practice for the Care and Handling of Dairy Cattle. Available at: http://www.nfacc.ca/pdfs/codes/dairy_code_of_practice.pdf. Site accessed August 2020.
- ¹⁴ The 3Rs. Available at: <https://nc3rs.org.uk/the-3rs>. Site accessed March 2021.