

Animal Welfare Policy

Coles is committed to using suppliers who have animal welfare standards that meet the high expectations of Coles and our customers. We care about how the food we sell is produced and sourced and are committed to working towards a sustainable future that supports local farmers and food producers, while looking after the welfare of animals. Coles' vision is to 'become the most trusted retailer in Australia and grow long-term shareholder value', and we believe that protecting and improving the welfare of animals in our supply chains is central to gaining and maintaining customer trust.

Purpose

The purpose of this Policy is to set out Coles' expectations regarding the treatment of animals in our global supply chains for Coles Own Brand products. To do this we have used the five freedoms as a framework to help guide standards that address the identified welfare risks for each species. The five freedoms were developed in 1965 by the United Kingdoms' Farm Animal Welfare Council to address the welfare of farmed animals.

The five freedoms are:

- Freedom from hunger and thirst;
- Freedom from discomfort;
- Freedom from pain, injury and disease;
- Freedom to express normal behaviour; and
- Freedom from fear and distress.

Scope

This Policy applies to the following Coles Own Brand¹ products and ingredients sourced both domestically and internationally:

- All Coles Own Brand fresh and frozen meat from cattle, lambs, pigs, chickens and turkeys;
- All Coles Own Brand cured or processed meats;
- All Coles Own Brand fresh and frozen meat from farmed fin fish;
- All Coles Own Brand shell eggs and ingredients;
- All Coles Own Brand fresh white milk sourced directly by Coles from dairy farmers (Coles Milk Pool); and
- All Coles Own Brand non-food and general merchandise.

The following products and ingredients are **out of scope**:

- Animal fat as an ingredient in Coles Own Brand products where the fat comprises less than 5% of the finished product by weight as per the recipe declared;
- Non-meat products of animal origin used as ingredient in Coles Own Brand products, e.g. casings, stocks, meat extracts, meat powders, bone scrapings, tallow and gelatins;
- Egg ingredients in Coles Own Brand products used as processing aides or glues;
- Egg ingredients in Coles Own Brand products comprising less than 1% of recipe except where egg is a characterising ingredient (e.g. potato, egg and bacon salad);
- Coles Own Brand pet food;

¹ 'Coles Own Brand' refers to the portfolio of food, drink and non-food product brands owned by Coles. It includes Own Brand grocery, fresh produce and meat products sold in our Coles supermarkets and Coles Express convenience stores unless otherwise specified.

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- Coles Own Brand medicinal products; and
- Proprietary and Exclusive Proprietary Brand products.

Definitions and abbreviations

For the purposes of this Policy, the term 'farm animal' is used to refer to the following species: cattle, sheep, pigs, chickens and turkeys.

For the purposes of this Policy, the term 'Fin Fish' is used to refer to the following farmed species; Basa, Barramundi, Trout, Kingfish and Salmon.

For the purposes of this Policy, the term 'Coles Milk Pool' refers to the sourcing model in which Coles sources milk directly from farmers in Victoria, south coast New South Wales, South Australia, Western Australia and Tasmania for Coles Own Brand fresh white milk. This does not include milk sourced from dairy farmers by dairy processors.

The Farm Program is a tool that Coles utilises to manage Coles Own Brand cage-free shell egg and *Graze* brand beef and *Graze* brand lamb supplier pools. All suppliers must complete a self-assessment when joining the program which is reviewed by the Coles Responsible Sourcing team to confirm adherence to the program requirements.

RSPCA (Australia) – Royal Society for the Prevention of Cruelty to Animals.

Our Policy

Farm and processing requirements

Production system requirements

- All Coles Own Brand chicken and turkey meat sold in Coles supermarkets must be sourced from farms that are certified to the RSPCA Approved Farming Scheme.
- All Coles Own Brand shell eggs must be sourced from cage-free farms.
- From 2025, all eggs used as ingredients in Coles Own Brand products must be sourced from cage-free farms.
- All Coles Own Brand pork, ham and bacon sold in Coles supermarkets must be sourced from sow-stall free farms.
- All Coles Own Brand beef sold in Coles supermarkets must be free from hormone growth promotants (HGP).
- All milk sourced from the Coles Milk Pool must be from cows free from 'tie stall' systems and free from tail docking.
- No Coles Own Brand products are to source fresh meat from goats or sheep classed as mutton.
- All farm animals for Coles Own Brand products sold in Coles supermarkets are to be sourced from operations that do not use artificial growth promotants, including antibiotics, beta-agonists and hormones for growth promotion purposes.
- All farm animals for Coles Own Brand meat products must be sourced from operations that stun animals prior to slaughter.
- Slaughter operations for all Coles Own Brand beef, lamb and pork sold in Coles supermarkets must be accredited to the Animal Welfare Certification System (AAWCS) or an international equivalent.
- No Coles Own Brand products are to be sourced from, or have ingredients sourced from,

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operations that involve the force feeding of animals (such as foie gras).

- No Coles Own Brand seafood, including wild caught species (excluding molluscs and bivalves), are to be sold live within the Coles supply chain.
- Coles Own Brand fresh turkey and pork must be sourced from operations that do not transport animals for periods longer than eight hours.

Product Requirements

- No Coles Own Brand products are to be tested on animals.
- No Coles Own Brand products are to be sourced from genetically modified or cloned farm animals.
- All Coles Own Brand products containing wool must be sourced from certified non-mulesed sources, as per the National Wool Declaration (NWD) scheme categories 'Non Mulesed' (NM) and 'Ceased Mulesing' (CM) or equivalent.

Audits, Compliance and Reporting

Animal welfare is a critical, executive level, governance and strategic sustainability issue for Coles. Our Animal Welfare Policy objectives are assessed through the relevant audits of food manufacturing sites, certification to farm assurance standards or the assessment of farms against our Farm Program requirements.

These results, including non-conformances to the Policy, are either noted in Coles Fusion or the Coles Farm Program and communicated to the Responsible Sourcing Manager – Agriculture for review and resolution. The supplier must close out any non-conformances within the agreed timeframes to remain an approved supplier.

Critical breaches of the Animal Welfare Policy will result in a high-level management meeting between the supplier's senior staff and Coles.

Transport Accident Process

In the event of a transport incident such as a truck rollover or traffic accident, involving animals owned by or consigned to Coles, the below process is to be followed:

- If a relevant member of the emergency services, government or animal welfare officer attends the scene, all directions by this responsible person must be followed.
- If no relevant member of the emergency services, government or animal welfare officer attends the scene, a representative of the transport provider will act as the responsible person.
- Impacted animals must be assessed as quickly as possible by the responsible person for injury, or signs of life if observed unconscious.
- If any animals are deemed to be unfit to be moved, travel or found to be suffering they must be euthanised humanely and as soon as possible.
- The representative of the transport provider must make contact as soon as possible with the owner of the livestock and the incident then reported through to their Coles Livestock contact.
- The Coles Livestock contact must alert the Coles Media Team and pass on the initial report to the Coles Responsible Sourcing Manager – Agriculture.
- Further reports as appropriate on the condition of impacted animals should be provided to the Coles Livestock contact by the responsible person(s).

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- If the incident is not the result of a transport accident, for example livestock dying whilst being transported, further investigation must be undertaken to determine the root cause of the incident, and a corrective action undertaken and the outcome communicated to Coles within seven days of the incident occurring.

Further information and links:

Links: RSPCA: <http://rspca.org.au/what-we-do/rspca-approved-farming-scheme>

National Wool Declaration Scheme: <http://www.awex.com.au/publication/national-wool-declaration-nwd/>