

At IKEA we believe that in order to achieve improved animal welfare, the environments animals are reared in, the way the animals are handled and standard on-farm practices must prioritize good physical health, good mental health, and the expression of natural behaviour.

THE SCOPE

- All stages of an animal's life and along all points in the supply chain – farm, transport, and slaughter.
- All animal derived raw materials used as food such as eggs, beef, dairy, chicken pork, and fish.
- All animal derived raw materials used in the home furniture range including leather, sheep skins, wool, down, and feathers.

ENSURING BETTER ANIMAL WELFARE

As a first step, species-specific programmes that frame the IKEA vision for more sustainable agriculture have been established. Central to these programmes are **sourcing criteria for better animal welfare.** The first of these programmes, *Better Chicken*, was published early 2018.

Across all species, there are a number of practices that we aim to phase-out in 2025 at the latest. These include:

- Extreme confinement (stocking densities that compromise the behavioral and/or physical needs of the animal or cage/crate systems)
- Routine physical alterations
- Routine use of antibiotics
- Use of growth promoters

In general, there are **certain practices we do not allow** within our supply chain:

- The use of cloned animals—either as breeding animals or progeny
- · Force-feeding or live-plucking
- Mulesing

SOURCING CRITERIA FOR BETTER ANIMAL WELFARE

We take a **holistic approach** to programme development by incorporating customer and coworker values, feedback from NGOs and suppliers, country specific legislation and animal welfare science.

A key animal welfare paradigm that guides the criteria development is called the **Five Provisions And Welfare Aims.** It represents a broadened and updated view of the **Five Freedoms**, widely accepted guiding principles on animal welfare.

Key to the five provisions paradigm is the importance of both minimizing negative emotional states and experiences and promoting positive emotional states and experiences.

The Five Provisions are:

good housing; good environment; good health; appropriate behavior; and positive mental experiences.

The ultimate aim is that on balance, animals in the supply chain will have more positive experiences than negative ones over the course of their life-time.



GOVERNANCE AND IMPLEMENTATION

Implementation of the species-specific *Better Programmes* occurs via internal governance processes and material specific requirement specifications in the supplier contracts.

Our *Better Programmes Steering Group and Working Group* has the specific aim of driving animal welfare

Group has the specific aim of driving animal welfare improvements within the IKEA supply chain – these groups are made of key internal and external stakeholders including suppliers and animal welfare consultants.

In the IKEA Food business the overarching responsibility of developing and driving animal welfare improvements within the supply chain sits at the global level with the purchasing and health & sustainability department (Category Area Managers; Sustainability Managers; Sustainable Agriculture Specialist). The global strategic direction related to animal welfare across IKEA business units are aligned and agreed upon by top level management.

VERIFICATION PROCESS

Verification will occur both through existing internal assurance methods (2nd party) and by using existing 3rd party certification bodies. In addition to sourcing from existing certifications, IKEA will directly engage with certifications to drive continuous improvement.

We are committed to transparency and reporting progress against our milestones. We will do this both internally and externally via the Inter IKEA Sustainability report.

LAYING HEN COMMITMENT

IKEA has committed to 100% of all whole, fresh, and liquid eggs sourced globally coming from **cage-free or free-range farms**. Animal welfare criteria for cage-free/free-range egg production aligns with EU legislation.

BETTER PROGRAMME: CHICKEN

Better Chicken is our first publicly available global sourcing criteria for chicken in the IKEA supply chain. It details 12 key areas for improvement which cover animal welfare, public health (antibiotics usage), deforestation-free feed, and manure management to avoid environmental pollution. The criteria is time-bound, with 75% to be fulfilled in 2020 and the rest in 2025.

For more details on the criteria please visit the $\underline{\text{Inter IKEA}}$ $\underline{\text{Newsroom}}.$

STAKEHOLDERS

We value the contribution of diverse stakeholders when driving improvements within our supply chain. This includes suppliers, internal and external experts, NGOs, and multistakeholder forums.

- We are a **founding member** of the Global Coalition for Animal Welfare (GCAW)
- We collaborate with the Food Animal Initiative (<u>FAI</u>)
- We consult with Compassion in World Farming and World Animal Protection
- We are a member of the Textile Exchange Responsible Leather Initiative and we are on the Advisory Group for the Responsible Wool Standard

ANTIBIOTIC USE IN FARM ANIMALS

The World Health Organization (WHO) warns that inappropriate use of antimicrobial medicines, including in animal agriculture, is contributing to antimicrobial resistance (AMR), "making the latest generation of antibiotics virtually ineffective." It is also resulting in increased human mortality and increased pressure on health care systems. While human antibiotic use is considered to be the main driver of AMR, the contribution of widespread antimicrobial use in food-producing animals is now widely acknowledged. Food animals can serve as a reservoir of resistant pathogens and resistance mechanisms. This can directly or indirectly result in antibiotic resistant infections in humans.

IKEA believes that peoples' well-being is absolutely linked to the health of the animals we rely on for our food. We are dedicated to helping curb the emergence of AMR. This requires the farms that supply us to use antibiotics in a responsible way to **reduce** overall use and reliance on antibiotics, **replace** the use of highest priority antibiotics critical to human health with effective and sustainable alternatives, and **refine** their administration where use is necessary.

This will be done via the species-specific **Better Programmes** which aim for no use of antibiotics for growth promotion or group prophylaxis purposes and which ask suppliers to phase out use of antibiotics defined as 'highest priority critically important' to human health (Notably 3rd and higher generation Cephalosporins, Fluoroquinolones, Macrolides, and Colistin), other than as treatments of last resort, following veterinary advice and the use of relevant diagnostic tests by 2025.



NEXT STEPS

We continue to pilot the **Better Chicken Criteria** in close collaboration with suppliers in order to mitigate challenges and to ensure that both the 2020 and 2025 milestones will be reached.

Currently a roadmap for our **Better Pig Programme** is under development. Following this the criteria for **Better Pig** will be published.

We have committed to transforming our **wool supply chain** to **Responsibly Sourced Wool** by 2025 with a focus on animal welfare and land management.

We continue to pilot our **Transport and Slaughter standard** for cattle, sheep, and goats. Pilots have been conducted in Europe, South America, Australia, and New Zealand. These pilots will allow us to refine the criteria in our standard to ensure global relevance and identify key areas for improvement within our supply chain.

In FY18 we began updating the IKEA supplier code of conduct, IWAY. IWAY forms the foundation for how we work with suppliers across the total IKEA business and we have now included general animal welfare requirements that will complement our species-specific requirements. We expect the updated standard to be rolled-out in 2020.

FEWER ANIMALS FROM BETTER SOURCES

Our commitment to more sustainable agriculture and better animal welfare is central to the IKEA Food business direction. As a part of this we will increase plant-based ingredients and low impact meats in our range while simultaneously reducing food waste – indirectly reducing the number of animals in our supply chain. The aim is to source fewer animals from better sources. The IKEA food range already includes a number of vegetarian and vegan products such as the veggie ball, the veggie hot dog and plant-based soft ice.

Launched in August 2018 the IKEA veggie hot dog has already been sold over 7 million times, proving that plant-based food can be a delicious option for the many. Following this success IKEA Food is currently developing an alternative meatball made from plant-based proteins - sales start is planned for August 2020 (read also via IntertitleAnewsroom).

For further information on the IKEA Food view on animal welfare please contact: priya.motupalli@ikea.com.

References

- Fraser D, Weary DM, Pajor EA, Milligan, BN. A scientific conception of animal welfare that reflects ethical concerns. Animal Welfare. 1997;6:187–205.
- Mellor, D. J. Moving beyond the "Five Freedoms" by Updating the "Five Provisions" and Introducing Aligned "Animal Welfare Aims." Animals. 2016; 6:59.
- http://www.oie.int/en/animal-welfare/animal-welfare-at-a-glance/
- http://www.who.int/mediacentre/factsheets/fs194/en/

MILESTONES ACHIEVED

EGGS

89% of the global egg volume is free-range or cage free*

CHICKEN

21% of the chicken volume for our global range comes from sources where broiler chickens are reared at low stocking densities**

PORK >

100% of the pork sourced for the Swedish meatballs in Europe is gestation-crate free***

SEAFOOD 1

93.7% of the global seafood volumes are ASC/MSC certified****

DOWN -

100% of duck down (geese down is not permitted) comes from sources where there is no live-plucking or force-feeding and we set additional animal welfare requirements based on the Responsible Down Standard*****

- *Figure represents whole, fresh, and liquid eggs not egg ingredients. Egg ingredients are currently being mapped in order to move the entire volume to cage-free or free-range. IKEA committed to 100% of all whole, fresh, and liquid eggs sourced globally coming from cage-free or free-range farms by August 2015 and we are continuing to make progress towards this goal.
- **This figure represents chickens sourced from Beter Leven 1* and RSPCA Assured Farms which among other better welfare criteria require low stocking densities of 25 kg/m² and 30 kg/m² respectively.
- ***Approximately 20% of pigs sourced are reared according to RSPCA Assured Outdoor Bred Standards and 80% according the QS Scheme. The QS Scheme follows EU legislation which allows for confinement in gestation crates for a fixed period after service.
- ****the ASC standard contains resource-based criteria relevant to animal welfare. Crayfish and seaweed pearls are not certified as of the end of FY18.
- *****We have secured traceability down to farm level and audit against our welfare criteria.

Note: Above arrows indicate development from previous year. All figures are based on IKEA retail/supplier reported data for FY18. For more details on how IKEA works with sustainability see also Inter IKEA Sustainability Report FY18.

