

## <u>Laying Hens and Cage-Free Eggs – Our Position</u>

Eggs and egg derivatives are used as ingredients in a range of our chocolate and biscuit brands as well as in our Miracle Whip dressing in Europe.

We recognize concerns for the welfare of laying hens and we've taken a number of steps to switch to cage-free supplies.

We strive for 100% of our egg supply globally to be cage-free. We'll fully transition in the United States and Canada by 2020 and in Europe and the rest of the world by 2025, except for Russia and Ukraine where the supply chain will need more time to develop and require a longer period. Recognizing our limited influence in the market for egg products, we'll maintain a dialogue with suppliers and stakeholders to encourage the availability of viable cage-free supplies and aim to establish timelines for Russia and Ukraine as soon as possible. We report progress towards our goals annually.

We want all eggs ultimately to be produced cage-free. We are encouraged by reports that major egg buyers have started the transition to cage-free. We hope this will lead to a general transformation in the market, so that cage-free eggs become the mainstream option. We are pleased to lend our support.

## Supplier engagement

We currently use 100% cage-free eggs in all of our European chocolate brands as well as in our biscuit products sold in Belgium and the Netherlands. From 2016, we've increased our EU purchases of cage-free eggs to around 15% of total use (from about 5%), and we're working with suppliers to incentivize cage-free egg production.

This move follows years of progress, including improving the welfare of laying hens in the supply chain. For example, in 2008, our Cadbury Crème Egg brand committed to use only freerange eggs and received a Good Egg Award from Compassion in World Farming.

## Further welfare considerations for laying hens

As part of our engagement with suppliers on the transition to cage-free production, we expect progress in the following areas:

Male chicks: to support the development and adoption of methods to determine the sex of chicks before they hatch to eliminate the culling of male chicks.

Antibiotics: responsible use of medically important antibiotics is needed to support health and welfare. However, we believe antibiotics should be used only as necessary and appropriate to maintain animal health.



Beak trimming: to reduce or eliminate beak trimming.

## Reporting

We report progress towards our goals annually.

Updated: September 2019