

Animal Welfare

Rabobank Group



Rabobank

→ Our objective

Sustainability is one of the core values of Rabobank Group, next to respect, integrity and professionalism. We aim to contribute to the sustainable development of society in economic, social and ecological terms. Companies face a number of sustainability challenges, among which animal welfare. This implies that sustainable solutions need to be found and integrated into daily operations and that positive and negative impacts of companies' activities on society and on the environment throughout the supply chain need full consideration in Rabobank Group's decision-making process.

The assessment of how our clients deal with ensuring or promoting animal welfare is guided by our Code of Conduct, our Food & Agribusiness Principles and our Animal Welfare Policy. The objective of our Animal Welfare Policy is to clarify Rabobank's vision on animal welfare in order to prevent animal abuse. The policy serves as a guideline for assessment and decision making. We will encourage clients to act in accordance with these principles, where necessary providing support and advice on alternative solutions (engagement approach). This will enable Rabobank Group to positively affect our clients while reducing risks for our company.

Framework of Animal Welfare Policy

A number of external directives have been used as the foundation for Rabobank Group's Animal Welfare Policy. These include:

- (1) the Terrestrial Animal Health Code of the World Organisation for Animal Health,
- (2) the European Convention for the Protection of Animals,
- (3) the animal welfare directives of the European Union and
- (4) the Good Practice Note: Animal Welfare in Livestock Operations by the International Finance Corporation (IFC).

Our Animal Welfare Policy is also based on the Five Animal Freedoms as defined by the Farm Animal Welfare Council. Although these freedoms define ideal states, they provide a comprehensive framework for the assessment of animal welfare on farm, in transit and at the place of slaughter, as well as presenting an important element of farm assurance requirements.

Five animal freedoms

1. **Freedom from hunger and thirst:** by ready access to fresh water and a diet to maintain full health and vigour.
2. **Freedom from discomfort:** by providing an appropriate environment including shelter and a comfortable resting area.
3. **Freedom from pain, injury or disease:** by prevention or rapid diagnosis and treatment.
4. **Freedom to express normal behaviour:** by providing sufficient space, proper facilities and company of the animal's own kind.
5. **Freedom from fear and (chronic) distress:** by ensuring conditions and care which avoid mental suffering.

Focus of Animal Welfare Policy

Rabobank's Animal Welfare Policy applies to animals (including fish, reptiles and amphibians) reared or kept for the production of food, wool, skin or fur or for other farming purposes, household pet industry and to experimental/ laboratory animals and to wildlife. It also applies to animals intended for use in sporting or cultural events (shows).

→ Principles of animal welfare

The Animal Welfare Policy clarifies Rabobank's expectations concerning customer conduct (= customer's responsibility) with regard to animal welfare issues. The following is an overview of the principles that Rabobank Group in its financial services applies to:

- (1) farmed animals,
- (2) animals used for experimental purposes,
- (3) use of (wild) animals in entertainment shows and circuses and
- (4) wildlife conservation.

Although Rabobank recognises that, given the internationally highly divergent views, the starting points will differ from country to country, the following principles apply to all clients worldwide. In translating the principles in more detailed criteria, the local differences within the framework of this policy will be respected. As social views on the desired level of animal welfare change over time, farming companies will be given time to implement new standards, taking account of the investment rhythms.

Protection of farmed animals (including household pet industry)

Rabobank will encourage clients to comply with the 'accepted good practice' as published by the IFC guidelines in the Good Practice Note: Animal Welfare in Livestock Operations. The accepted good practices are grouped into 8 topics. Below is a brief specification of the Rabobank principles on these topics.

Proper housing systems: For Rabobank it is important that the housing system used supports the behavioural needs of the animals regarding movement, functional areas, environmental enrichment, resting as well as social habits. The housing system must protect the animals from injury and distress. Rabobank supports companies' initiatives to improve housing systems.

Feed and water: All animals must have access to sufficient feed and water to meet the physiological and behavioural requirements. Medicated or enriched food and water should only be used on professional advice or when it is not detrimental to animal health and welfare.

Husbandry practices: The husbandry practices used should minimise the distress and pain for animals and avoid injury.

Health and disease: A preventative health program is established, animals are periodically tested and remedial action is taken when necessary.

Transport: Animals are not transported over unnecessary long distances or during unnecessary long time. During long distance transports, the animals shall be fed and watered. The practices used should minimise the distress and risk of injuries.

Genetics and breed selection: The selection of breeds and breeding objectives is not only based on maximum production and/or profit, but animal welfare topics are also taken into account.

Slaughter: Animals are handled and slaughtered in the least distressing and most pain-free manner possible. Rabobank recognises that it is necessary to take account of the particular requirements of certain religious rites, such as 'Halal slaughter houses'¹. In this case, reversible stunning should be practised if possible.

Stockmanship: Clients who are owners or keepers of animals must look after the welfare of their animals and see that they are not caused any unnecessary pain, suffering or injury. Rabobank stresses the importance and need of appropriate training for a stock breeder's employees and appropriate incentives to ensure good management practices are implemented.

Protection of animals used for experimental purposes

In the view of Rabobank Group, animal experiments must only take place if there is no alternative method that does not entail the use of animals. In addition, animals involved must be those with the lowest degree of neurophysiological sensitivity. This provision applies to the use of animals for the following purposes: the development, manufacture and quality, effectiveness and safety testing of drugs, foodstuffs and other substances or products:

- in treating diseases or health problems in man, animals or plants;
- in treating physiological conditions in man, animals or plants;
- for the protection of the natural environment in the interests of man or animal.

In the event that, after the experiments have finished, the well-being of the animal cannot be guaranteed, it must be killed by a humanitarian method as soon as possible. Persons who carry out experiments or take part in them must be scientifically competent and have the appropriate education and training. The involved breeding, supplier and user establishments must be approved by the competent authorities.

Rabobank does not finance the use of endangered species or primates for experimental purposes. Financing of the use of such animals may only be permitted in specific cases:

- if the aim of the experiment/research in question is the preservation of the species concerned;
- if this species is patently the only one suitable for the biomedical purpose.

¹ The religious authority on whose behalf slaughter is carried out shall be competent for the application and monitoring of the special provisions which apply to slaughter according to certain religious rites. That authority shall operate under the responsibility of the official veterinarian.

