



Nurturing the future

Lactalis Group Animal Welfare
2024 PROGRESS REPORT

Caring for animals all along our value chain



At Lactalis, contributing to animal welfare is not only a responsibility, but also a cornerstone for the sustainability of the group's activities. As the world's leading dairy group, Lactalis pays special attention to all the animals in its supply chain, in particular to the approximately five million dairy animals (cows, buffalos, sheep and goats) producing the milk the group processes daily. Lactalis fully recognises and respects them as sentient beings, capable of feeling emotions, that deserve both physical and mental health.

In this context, Lactalis has published the first version of its **Group Animal Welfare Policy in 2022**. The group aims to apply this

policy to all the animals in its supply chain, regardless of the related finished product. The version in force concerns three main products of animal origin in the group's supply chain: raw milk (dairy cows and calves), dairy ingredients (dairy cows and calves) and shell eggs¹ and egg products² (laying hens) used as ingredients.

In accordance with one of the commitments of its Group Animal Welfare Policy, Lactalis aims to publish each year its progress on animal welfare. With now four years of data collected, the present 2024 Progress Report reflects Lactalis' performances on animal welfare.

01

Scope and methodological approach

01. SCOPE AND METHODOLOGICAL APPROACH

The present 2024 Progress Report covers two main animal-based products Lactalis processes or uses: raw milk from dairy cows and shell eggs and egg products from laying hens. Scopes and methodological approaches are different between these two animal-based products.

Raw milk (dairy cows and calves)

The scope of the 2024 reporting on raw milk from cows includes the direct volumes³ of raw milk collected by Lactalis in 11 pilot countries: Australia, Belgium, Brazil, Canada, France, Germany, Italy (excluding the Ambrosi business unit acquired in 2023), Spain, Sweden, United Kingdom, and United States of America (Lactalis American Group and Lactalis US Yogurt business units). These direct volumes represent 43% of the total volume of cow raw milk collected by Lactalis in 2024 (around 9.7 billion litres, 14,300 partnering farms, 1.3 million dairy cows and 0.5 million dairy calves – cf. *Appendix 1 for details*).

The 2024 reporting on raw milk from cows is based on data collected on around 4,400 Lactalis' direct partnering farms⁴, i.e. 31% of the direct farms in the 11 pilot countries. The data were collected during 2024 through on-farm assessments, according to an internal assessment method. This method is inspired from recognised assessment protocols and programmes, such as the *Welfare Quality Assessment Protocol for cattle*, and has been discussed with international NGOs specialising in animal welfare.

(1) Whole raw eggs with the shell unbroken

(2) Processed and convenience forms of eggs, including liquid, frozen, dried, and pre-cooked products

(3) A volume of collected raw milk is considered as "direct" when coming from a "direct" farm (cf. next footnote). Otherwise, the volume is considered as "indirect" (including volumes coming from "brokers" and "spot milk")

(4) A farm supplying raw milk to Lactalis is considered as "direct" if a) There is an individual contract between Lactalis and the Farm Manager and/or b) Lactalis can propose to the Farm Manager individually, a plan to improve his farming practices, without having obtained a prior formal agreement of any third party (e.g. a cooperative). Otherwise, the farm is considered as "indirect" (including farms supplying milk to Lactalis via "brokers")

It is based on an on-farm visit lasting 2 to 3 hours, during which a Lactalis dairy technician trained for this purpose (or, in rare cases, an external service provider commissioned by Lactalis and trained

for this purpose) collects and analyses around 100 data points. It includes measurable criteria assessing the respect of the “Five Freedoms” for animal welfare.

Shell eggs and egg products (laying hens)

The scope of the 2024 reporting on shell eggs and egg products is global, including a dedicated section for the European Union. Purchases of shell eggs and egg products used by R&D departments, for the Marie-Morin Canada business unit (acquired in 2023) and in Russia are excluded.

The 2024 reporting on shell eggs and egg products is based on data collected during year 2024 from Lactalis’ Purchasing management control information system.

02

2024
performances
and discussions

02. 2024 PERFORMANCES AND DISCUSSIONS

Raw milk (dairy cows and calves)

As a first step on raw milk from cows, Lactalis is committed to focusing its efforts regarding animal welfare on the direct volumes collected in 11 pilot countries and, more precisely, on 10 sensitive topics.

The 2024 group’s performances on these 10 sensitive topics are reported and analysed in the table below. All the key performance indicators (KPI) reported in this table are presented as percentages of the total direct volume of cow raw milk collected by Lactalis in the 11 pilot countries.

For comparison purposes, the 2022 results are also included in the table below, as the 2023 results are unavailable due to technical reasons. In general, there is no significant difference between 2024

and 2022. This is because all farmers assessed in 2024 were actually assessed by Lactalis for the first time this year, meaning the 2024 results reflect their initial performance. Indeed, it was only in 2021 that Lactalis started performing on-farm assessments on animal welfare, and it will take until the end of 2025 to assess all 14,300 Lactalis direct partnering farms. Therefore, significant improvements are not expected until 2026, when the second round of assessments begins and progress can be measured against initial baseline.

In addition to the following table, Lactalis’ performances on all animal welfare topics on raw milk from cows are reported in the Appendix 2 of this document.

02

2024 performances and discussions

Reminder: Lactalis' commitments and positions (and related scopes)		Lactalis' initial performances				Explanations & analyses
		Key performance indicators (KPI)	2022 values	2024 values	Optimal values	
Tethering						
Lactalis encourages loose housing systems and is committed to raising farmers' awareness not to build new tie-stall barns	All 11 pilot countries	Percentage of direct volume coming from farms where lactating cows are free from tethering	99%	99%	100%	Over the years, on-farm assessments have shown that most of the cows are free from tethering within Lactalis' partnering farms. However, traditional tie-stall systems are still in place in some regions of the world, especially in mountain areas where it can be challenging for farmers to switch to loose housing systems (regarding land availability, needs for investments, etc.). While taking care of potential social and rural impacts, Lactalis will therefore continue raising farmers' awareness on this topic.
Bedding space						
Farms supplying milk to Lactalis should provide cows with satisfying bedding space ⁵	All 11 pilot countries	Among direct volume coming from farms where lactating cows are housed and not tethered (loose housing and free-stall systems) ⁶ , percentage of volume coming from farms where lactating cows have a satisfying bedding space	65%	67%	100%	In some countries, national guidelines on this topic are still less ambitious than Lactalis' recommendations (for example, 100 cubicles for 110 cows). Lactalis has therefore launched actions to communicate its recommendations widely and convince farmers of the benefits (e.g. a cow with a satisfying bedding space will produce more milk). In France, for example, Lactalis published in 2024 a technical guide on bedding space for the attention of the farmers. Moreover, Lactalis firmly believes that its dairy technicians, whose daily work includes providing technical support to farmers, have a key role to play on this topic. That's why since 2023, all dairy technicians in the 11 pilot countries have been trained with an enhanced and standardised training on animal welfare (via the CowSignals® Training Company). Lactalis is confident that these efforts will encourage more farmers to adopt best practices over the next few years.

(5) See details after the table

(6) Percentage of direct volume coming from partnering farms where lactating cows are housed and not tethered: 84% (scope: all 11 pilot countries)

02

2024 performances and discussions

Calves in groups						
Lactalis promotes group housing for calves from 4 weeks of age	All 11 pilot countries	Among direct volume coming from farms rearing calves “on-farm” from at least 4 weeks of age, percentage of volume coming from farms rearing calves in groups from at least 4 weeks of age	52% ⁷	52%⁷	100%	<i>Same analyses as for Bedding space above.</i>
In European Union Countries*, the UK*, Australia and Brazil, all dairy calves within Lactalis supply chain must be reared in groups from at least 8 weeks of age <i>*According to local regulations</i>	Belgium, France, Italy, Spain, UK, Australia, Brazil	Among direct volume coming from farms rearing calves “on-farm” from at least 8 weeks of age, percentage of volume coming from farms rearing calves in groups from at least 8 weeks of age	95%	92%	100%	In some EU countries, a few Lactalis’ partnering farms were identified as not complying with applicable regulations in 2024. As a first step and given that these farmers were assessed by Lactalis for the first time this year, a reminder has been addressed to the farm managers. In Brazil, rearing calves in groups is not a common practice among Lactalis’ partnering farms (only 47% of the farms rear calves in groups from 8 weeks of age). The Lactalis’ local teams are therefore actively working to raise awareness on this topic among farmers and convince them of the benefits (e.g. grouping dairy calves before 4 weeks fosters social bonding and lowers stress). In 2024, training courses (addressing various animal welfare topics including rearing calves in groups) were organised, gathering around 426 Brazilian farmers, i.e. around 10% of Lactalis’ partnering farmers in Brazil.
Access to pasture						
Lactalis endorses pasture grazing for dairy cows wherever appropriate	All 11 pilot countries	Percentage of direct volume coming from farms where lactating cows have access to pasture at least 120 days per year (at least 6 hours per day)	56%	55%	/	In some milk production systems, grazing is limited due to low pasture availability or very wet or cold weather conditions. Lactalis’s main objective on this topic is to support farmers in decision-making and to highlight the benefits of pasture grazing, adapted to local realities.

(7) France is not included in 2022 and 2024 values (data not available for technical reason)

Effective species-specific environmental enrichment						
Lactalis encourages partnering farms to implement enrichment tools to give animals the opportunity to express their natural behaviours	All 11 pilot countries	Among direct volume coming from farms where lactating cows are housed ⁸ , percentage of volume coming from farms where lactating cows have access to effective species-specific environmental enrichment (access to an outdoor loafing area at all times and/or to cow brushes)	49% ⁹	52%⁹	100%	In some countries, cow brushes are not common, and their benefits seem not to have been widely communicated to farmers yet. Lactalis will continue to raise awareness among farmers on this topic.
Growth promoting substances						
In European Union Countries*, the UK*, Australia and the USA, growth hormones are not permitted within Lactalis supply chain <i>*According to local regulations</i>	Belgium, France, Italy, Spain, UK, Australia, USA	Percentage of direct volume coming from farms not using growth promoting substances on lactating cows (including, among others, rBST, oxytocin and antibiotics at low dose in the feed)	100%	100%	100%	Since 2022, all farms assessed in the listed countries have complied with Lactalis' position on this topic, namely that they do not use growth promoting substances on lactating cows.
In Brazil, Lactalis is committed to eliminate artificial growth hormones (rBST) by 2030	Brazil		65%	54%	100%	Use of growth promoting substances is still relatively common in Brazil. Lactalis has just started a long journey to encourage and support farmers to eliminate this practice. As previously mentioned, trend analysis will only be possible from the 2026 assessment round, comparing results against a complete baseline.

(8) Percentage of direct volume coming from farms where lactating cows are housed: 85% (scope: 11 pilot countries)

(9) France is not included in 2022 and 2024 values (data not available for technical reason)

Antibiotics						
Lactalis aims to fight against antimicrobial resistance and supports partnering farms to reduce prophylactic use of antibiotics	All 11 pilot countries	Percentage of direct volume coming from farms not using antibiotics for prophylactic use on dairy animals (i.e. in a preventive way)	44%	59%	100%	Traditionally, most of Lactalis' partnering farms do not use antibiotics for prophylactic use on cows except at the time of drying off. Indeed, it was a common practice to use antibiotics at this time when cows are at high risk of developing mastitis. Therefore, to avoid antibiotic resistance that creates issues for both animal and human health, Lactalis' local teams recommend farmers to implement selective dry cow treatment (only cows with high level of somatic cell counts should be given antibiotics). Based on field feedback and thanks to a global effort, the prophylactic use of antibiotics is beginning to decline among Lactalis' partnering farmers in 2024. This is encouraging, but further efforts are needed to ensure continued progress.
In European Union Countries, according to local regulations, prophylactic use of antibiotics is prohibited since 2022 (except in certain exceptional cases as described in the regulations)	Belgium, France, Italy, Spain, UK		50%	72%		Since 2022, the prophylactic use of antibiotics has gradually decreased in EU countries and the UK due to increasing regulatory pressure. In this context, significant progress has been observed in this regard in 2024. However, Lactalis must continue to raise awareness among farmers of this topic until the 100% target is reached.

Disbudding / dehorning						
Lactalis promotes recognised best practices for disbudding (including before 8 weeks of age)¹⁰. More precisely, Lactalis will eliminate routine dehorning (after 8 weeks of age) by 2025*	All 11 pilot countries	Among direct volume coming from farms practicing disbudding or dehorning of dairy animals "on-farm" ¹¹ , percentage of volume coming from farms practicing disbudding before 8 weeks (i.e. not practicing routine dehorning)	92%	90%	100%	Same analyses as for Bedding space above.
		Among direct volume coming from farms practicing disbudding or dehorning of dairy animals "on-farm", percentage of volume coming from farms practicing disbudding according to recognised best practices	28%	32%	100%	
*2026 for the last farms who will be assessed in 2025						
Tail docking						
Practicing routine tail docking is not permitted within Lactalis supply chain	All 11 pilot countries	Percentage of direct volume coming from farms not practicing routine tail docking on dairy animals	100%	100%	100%	Since 2022, all farms assessed in the 11 pilot countries have complied with Lactalis' position on this topic, namely that they do not practice routine tail docking on dairy animals.

(10) See details after the table

(11) Percentage of direct volume coming from farms practicing disbudding or dehorning of dairy animals "on-farm": 87% (scope: all 11 pilot countries)

Animal derived proteins in feed						
All Lactalis partnering farms must be in compliance with national regulations regarding the use of animal derived proteins in dairy animal feed. In European Union Countries and Australia, according to local regulations, this practice is strictly forbidden for ruminants	All 11 pilot countries	Percentage of direct volume coming from farms not feeding dairy animals with animal derived proteins	99%	100%	100%	The geographical areas have different laws on the prohibition of feeding dairy animals with animal derived proteins, which differ in the list of exceptions. In 2024, all farms assessed using feed with animal derived proteins comply with local regulations.

Definitions:

Satisfying bedding space for lactating cows

Lactating cows have a satisfying bedding space when there is at least:

- In loose housing system with loafing area integrated: 10 m² per large-sized* cow or 7.5 m² per small-sized* cow
- In loose housing system with distinct loafing area: 7 m² per large-sized* cow or 5.5 m² per small-sized* cow
- In free-stall system: 1 stall per cow

**Large-sized cow: average live weight of cows ≥ 600 kg
Small-sized cow: average live weight of cows < 600 kg*

Recognised best practices for disbudding

The 3 following situations (method + age of the calves + analgesic and/or anaesthetic) are considered as “recognised best practices for disbudding”:

- Chemical disbudding before 2 weeks with analgesic and/or anaesthetic
- Thermal disbudding before 4 weeks with analgesic and/or anaesthetic
- Thermal disbudding between 4 and 8 weeks with analgesic and anaesthetic

02

2024 performances and discussions

Shell eggs and egg products (laying hens)

As a first step on shell eggs and egg products, Lactalis is committed to focusing its efforts on the cage-free transition at European Union and at global level. The group's performances on this topic are reported and analysed in the table below.

Reminder: Lactalis' commitments and positions (and related scopes)		Lactalis' performances				Explanations & analyses
		Key performance indicators (KPI)	2023 values	2024 values	Optimal values	
In the European Union, Lactalis has committed to stop purchasing shell eggs and egg products coming from caged systems ("Code 3") from 2021	EU	Percentage of annual volume of purchased shell eggs in the EU coming from cage-free systems	100%	100%	100%	For several years now, the Lactalis' global and local buyers have been engaged in discussions with suppliers of eggs and egg products used as ingredients by the group to ensure that all volumes purchased come from cage-free systems. In the European Union, this is already the case for 100% of the volumes.
		Percentage of annual volume of purchased egg products in the EU coming from cage-free systems	100%	100%	100%	
At global level, Lactalis will stop purchasing shell eggs and egg products coming from caged systems ("Code 3") by the end of 2025	Global	Percentage of annual volume of purchased shell eggs worldwide ⁽¹²⁾ coming from cage-free systems	100%	100%	100%	At global level, for shell eggs, 100% of volumes purchased come from cage-free systems. However, for egg products work is still ongoing. The group now plans to continue its efforts with a view to converting the remaining volumes of cage eggs by the end of 2025, particularly in Brazil, Türkiye and for the Marie-Morin Canada business unit acquired by Lactalis in 2023.
		Percentage of annual volume of egg products worldwide ⁽¹²⁾ coming from cage-free systems	91.85%	92.06%	100%	

(12) Excluding Russia and the Marie-Morin Canada business unit acquired in 2023

APPENDIX 1: OUR SCOPE ON RAW MILK FROM COWS

		Volume of cow raw milk collected by Lactalis in 2024 (billion litres)	Estimated number of partnering farms* (thousand)	Estimated number of dairy cows* (million)
Worldwide (47 countries)		22.5	287.1	3.4
Direct volumes in 11 pilot countries	Values	9.7	14.3	1.3 (+ 0.5 dairy calves)
	% of Worldwide	43%	5%	38%

*Number of partnering farms and number of dairy cows (and dairy calves) have been estimated, country by country, based on “Volumes of cow raw milk collected by Lactalis in 2024” and:

- For 21 countries (Australia, Belgium, Brazil, Canada, France, Germany, Italy, Spain, Sweden, the United Kingdom and the United States of America, Croatia, Czech Republic, the Netherlands, Poland, Portugal, Romania, Slovenia, South Africa, Switzerland and Türkiye): data collected in 2024 during on-farm assessments;
- For the other countries: average 2023 data from IFCN¹³.

(13) Hemme, 2023: IFCN Dairy Report 2023, IFCN, Kiel, Germany

APPENDIX 2: FULL REPORTING ON ANIMAL WELFARE FOR RAW MILK FROM COWS (SCOPE: 11 PILOT COUNTRIES)

Animal welfare topics	Key performance indicators (KPI)	2022 values	2024 values	Optimal values
Freedom from hunger, malnutrition and thirst				
Body condition	Percentage of direct volume coming from farms where more than 10% of lactating cows are very skinny (body condition score < 2)	1%	1%	0%
Access to water	Percentage of direct volume coming from farms where lactating cows have a satisfying access to water (2 water troughs per area, 6 cm linear access at water trough per cow and water troughs are clean)	71%	68%	100%
Freedom from heat stress or physical discomfort				
Cleanliness condition	Percentage of direct volume coming from farms where more than 10% of lactating cows have an unsatisfying cleanliness condition (cleanliness score)	15%	21%	0%
Tethering	Percentage of direct volume coming from farms where lactating cows are free from tethering	99%	99%	100%
Access to pasture and/or to an outdoor loafing area	Percentage of direct volume coming from farms where lactating cows have access to pasture at least 120 days per year (at least 6 hours per day)	56%	55%	/
	Among direct volume coming from partnering farms where lactating cows do not have access to pasture at least 120 days per year, percentage of volume coming from farms where cows have access to an outdoor loafing area at all times	14%	11%	100%
Bedding space	Among direct volume coming from farms where lactating cows are housed and not tethered (loose housing and free-stall systems), percentage of volume coming from farms where lactating cows have a satisfying bedding space ¹⁴	65%	67%	100%
Freedom from pain, injury and disease				
Lameness	Percentage of direct volume coming from farms where more than 5% of lactating cows have severe lameness	13%	13%	0%
Integument alterations	Percentage of direct volume coming from farms where more than 10% of lactating cows have integument alterations (hairless patches, lesions or swellings)	10%	18%	0%
Udder health	Percentage of direct volume coming from farms with a worrying udder health level (geometric average at farm level > 250,000 cells/ml)	24%	26%	0%

(14) See details above

Animal welfare topics	Key performance indicators (KPI)	2022 values	2024 values	Optimal values
Mortality	Percentage of direct volume coming from farms where the cow mortality rate is above 3.5%	53%	58%	0%
Disbudding / dehorning	Percentage of direct volume coming from farms with disbudded or dehorned dairy animals	96%	96%	/
	Among direct volume coming from farms practicing disbudding or dehorning of dairy animals "on-farm", percentage of volume coming from farms practicing disbudding before 8 weeks (i.e. not practicing routine dehorning)	92%	90%	100%
	Among direct volume coming from farms practicing disbudding or dehorning of dairy animals "on-farm", percentage of volume coming from farms practicing disbudding according to recognised best practices ¹⁵	28%	32%	100%
Tail docking	Percentage of direct volume coming from farms not practicing routine tail docking on dairy animals	100%	100%	100%
Growth promoting substances	Percentage of direct volume coming from farms not using growth promoting substances on lactating cows (including, among others, rBST, oxytocin and antibiotics at low dose in the feed)	97%	95%	100%
Antibiotics for prophylactic use	Percentage of direct volume coming from farms not using antibiotics for prophylactic use on dairy animals (i.e. in a preventive way)	44%	59%	100%
Animal derived proteins in feed	Percentage of direct volume coming from farms not feeding dairy animals with animal derived proteins	99%	100%	100%
Freedom to express normal patterns of behaviour				
Non-housing systems	Percentage of direct volume coming from farms where lactating cows are always in pasture (never housed)	11%	15%	/
Access to pasture	<i>See above</i>			
Effective species-specific environmental enrichment	Among direct volume coming from farms where lactating cows are housed, percentage of volume coming from farms where lactating cows have access to effective species-specific environmental enrichment (access to an outdoor loafing area at all times and/or to cow brushes)	49% ¹⁶	52%¹⁶	100%
Freedom from fear and distress				
Human avoidance	Percentage of direct volume coming from farms where more than 30% of lactating cows show sign of human avoidance	4%	4%	0%

(15) See details above

(16) France is not included in 2022 and 2024 values (data not available for technical reason)

Animal welfare topics	Key performance indicators (KPI)	2022 values	2024 values	Optimal values
Calves				
Colostrum intake	Percentage of direct volume coming from farms giving colostrum to the calves during the first 6 hours	85%	99%¹⁷	100%
Fibres intake	Among direct volume coming from farms rearing calves "on-farm" from at least 2 weeks of age, percentage of volume coming from farms giving ad libitum fibres (hay or straw) to the calves from at least 2 weeks of age	94%	92%	100%
Space allowance	Percentage of direct volume coming from farms where calves have a satisfying space (criteria depending on the age) ¹⁸	98%	98%	100%
Rearing in groups	Among direct volume coming from farms rearing calves "on-farm" from at least 8 weeks of age, percentage of volume coming from farms rearing calves in groups from at least 8 weeks of age	93%	89%	100%
	Among direct volume coming from farms rearing calves "on-farm" from at least 4 weeks of age, percentage of volume coming from farms rearing calves in groups from at least 4 weeks of age	52% ¹⁹	52%¹⁹	100%

(17) France is not included in 2024 value (data not available for technical reason)

(18) Satisfying space for calves: :

- Calf weighing less than 150 kg: 1.5 m²/calf
- Calf weighing between 150 and 219 kg: 1.7 m²/calf
- Calf weighing 220 kg or more: 1.8 m²/calf

(19) France is not included in 2022 and 2024 values (data not available for technical reason)



Nurturing the future

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The version of this document available on the Lactalis Group website shall prevail.