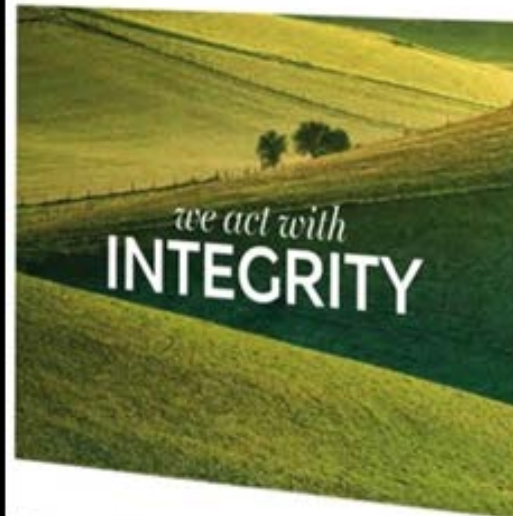


# Food safety, integrity and animal welfare challenges for M&S protein supply

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Agriculture Manager

**M&S**  
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# Some context...the grocery retail market

- Food retail very competitive
- Growth in discounters continues
- Big four struggling to maintain market share and profits are under huge pressure
- Retail food prices under pressure
- Customers seeking value



- Commodity price volatility likely to impact security of supply.
- Increasing pressure from climate disruption, resource utilisation, NGO activity, etc. will make food production more difficult
- Increased population will drive demand, particularly in emerging markets
  - China already consumes a third of all the world's soya and half of world's metal – huge resource issue in the future.
- 'Perfect storm' will make food security for retailers more of an issue

**It's tough out there...**

# Who we are



- 900+ UK stores
- 480 international stores (230 Food)
- 32 Countries
- Around 33 million customers purchase from us each week

# Who we are

- Established 129 years
- Grown from single market stall to international multi-channel retailer
- Employ 85,000 people
- Split 52% food and 48% general merchandise (clothing, homeware)



# Who we are

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- Revenue £10.4bn
- Food revenue £5.4bn
- Group profit before tax £483m
  
- One of the most trusted brands in the UK and beyond...

# Our values



We will engage, excite and inspire our customers.



We will create a deeper connection with our suppliers, our customers and their communities.



We will always strive to do the right thing. We will lead our sector in sustainable consumption & production.



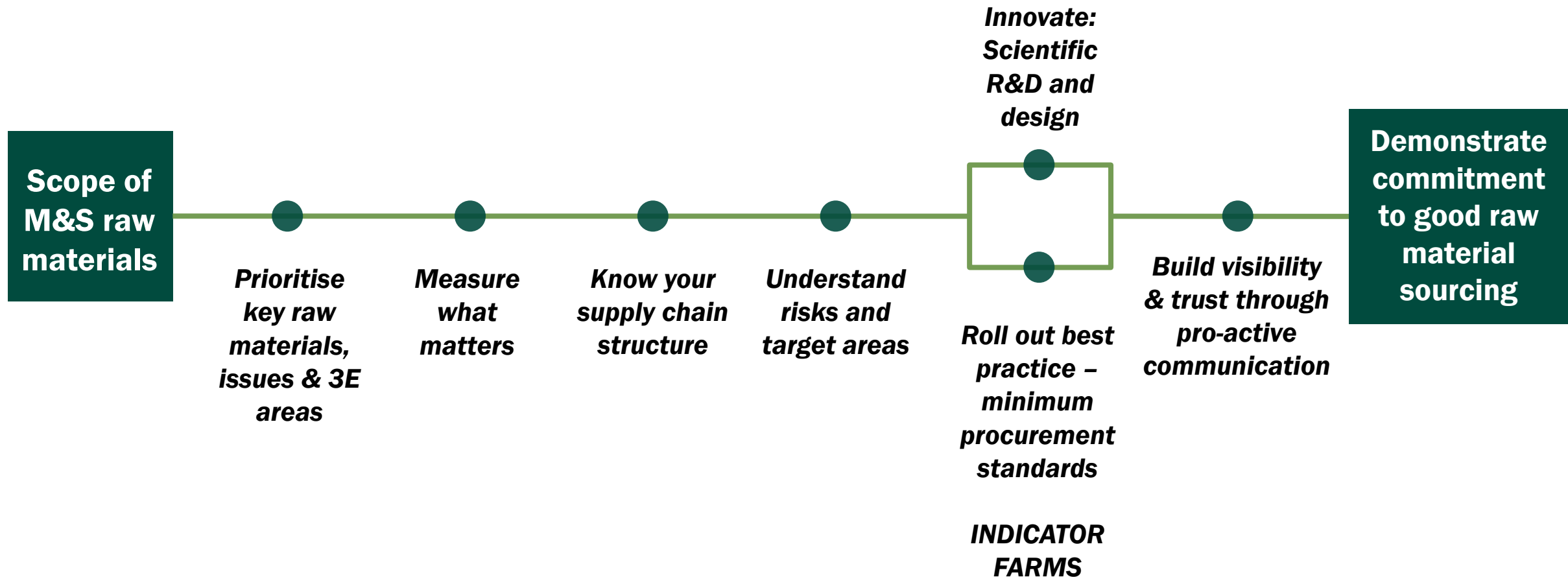
We are restless in our aim to improve things for the better.

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- One of our core values
  - Absolutely central to what we do in M&S Foods business
  - Covers sourcing standards, audits, food safety, provenance, traceability, sustainability, animal welfare
  - Delivered through our Farming for the Future programme, part of Plan A, which is our eco- and ethical- approach to doing business



- Security of supply
  - Right raw materials, right volume, spec
- Brand protection
  - Sourcing with integrity & ethics from the right partners
- Product differentiation and innovation
  - Where appropriate

# Raw material sourcing framework



- Raw materials sourced from M&S Select Farms we know and trust
- These farms must operate to our Codes of Practice and are audited annually to check compliance
- Codes of Practice cover welfare, farm standards, breed selection, feeding, environmental performance, ethical standards, water use, pesticide use, etc.



- We also have Codes of Practice and audit covering all aspects of food processing and manufacture to ensure quality, food safety, traceability and sustainability

**We trace it, so you can trust it**



- Committed to delivering leading standards of animal welfare in our supply chains
- Developed a series of Welfare Outcome Measures (WOMs) in conjunction with NGOs and our welfare advisers, FAI
- These are being rolled out and will be monitored and externally reported, with targets set to help drive improvements and support given where necessary

# DNA verification

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- Only major retailer not affected by Horsegate
- Implemented a major DNA verification programme to check:
  - Breed verification
  - Traceability at supplier level (farm and abattoir)
  - Traceability at retail pack level
  - Traceability at store level
  - Beef authenticity – maturation times, chilling regimes, grade, etc.
- In products like burgers we can identify contributing carcasses, individual animal attributes and verify supplying farms

- Not only about traceability
- DNA traceback also helps us to improve products in the future
- Ability to identify animals or production systems that deliver the right product criteria and tailor future procurement around that to differentiate and deliver exceptional quality and consistency





# Campylobacter

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- Industry-wide challenge
- Naturally-occurring bacteria
- Can avoid food poisoning by following proper cooking, handling and storage advice
- Hit the headlines when FSA made it a priority to address campylobacter levels in chickens
- FSA set a target of fewer than 1 in 10 birds having the bug by the end of 2015

# What we did...

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- Worked poultry suppliers to research and test ways of making an impact
- Action required throughout supply chain, from farm to customers' homes
- Suppliers have adopted different practices/technologies.



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- Integrity core to how we do business
  - Supports quality, provenance, customer trust, sustainability
  - M&S leading the industry
    - Robust audit programme at farm and processor level focused on food safety, provenance and animal welfare
    - DNA verification
    - Campylobacter plan
  - Integrity is a business priority and one of the values that makes M&S food different

Thank you for your time