

INVESTOR STATEMENT ON ANTIBIOTICS STEWARDSHIP

We, the undersigned investors, recognise the routine non-therapeutic use of antibiotics in livestock production as a major risk to public health.

Worldwide, most antibiotics are used in farm animal production systems, often to promote growth and to prevent the spread of disease among animals housed in unsanitary conditions and in close confinement. In the US, an estimated 75% of antibiotics are being used on farm animals,¹ 70% in the European Union (EU), and 45% in the UK.² This overuse of antibiotics in livestock production is recognised by the World Health Organisation as an important factor in the emergence of antimicrobial resistance (AMR) worldwide.³

The global regulatory landscape is moving to phase out the routine non-therapeutic use, and consumers, civil society organisations and the media are increasingly scrutinising corporate practice on this issue. Companies that fail to act are likely to face significant impacts on their reputation and brand, threatening sales and profits.⁴

AMR is a material risk not only for food companies, but presents a systemic risk across multiple sectors including the pharmaceutical, healthcare and insurance industries. Immediate action is required to preserve the efficacy of antibiotics against diseases in both humans and animals. Thus, we the undersigned investors view reform of the non-therapeutic use of antibiotics in livestock production as both necessary to protect public health and as essential to risk mitigation and long-term value creation, and therefore material to evaluating a company's prospects and to our portfolios.

We therefore support the establishment of a comprehensive antibiotics policy that includes clear timelines for phasing out routine, prophylactic use of antibiotics across all livestock, seafood and poultry supply chains. We enclose a best practice policy on antibiotics stewardship that has been developed in consultation with leading industry and issue experts to provide guidance to food companies, including both meat producers and purchasers (such as retailers and restaurants) in the development of their individual policies.

This statement is coordinated by the Farm Animal Investment Risk & Return (FAIRR) Initiative
<http://www.fairr.org/>

¹ Review on Antimicrobial Resistance (December 2015). *Antimicrobials in agriculture and the environment: Reducing unnecessary use and waste*, pg. 1. Available online at: <https://amr-review.org/sites/default/files/Antimicrobials%20in%20agriculture%20and%20the%20environment%20-%20Reducing%20unnecessary%20use%20and%20waste.pdf>

² ECDC, EFSA and EMA (June 2017). Second joint report on the integrated analysis of the consumption of antimicrobial agents and occurrence of antimicrobial resistance in bacteria from humans and food-producing animals, pg. 31 Available online at: https://ecdc.europa.eu/sites/portal/files/documents/efs2_4872_final.pdf

³ World Health Organization (October 2017). *Antibiotic resistance*. Available online at: <http://www.who.int/mediacentre/factsheets/antibiotic-resistance/en>

⁴ The FAIRR Initiative (March 2017). *The restaurant sector and antibiotic risk*. Available online at: <http://www.fairr.org/resource/restaurant-sector-antibiotic-risk-progress-report-2017/>

INVESTOR SIGNATORIES

Aegon N.V.
Aviva Investors
Natixis Asset Management
Robeco
CANDRIAM Investors Group
University of California, Office of the CIO of the Regents
ACTIAM
Fidante Partners
Raiffeisen Capital Management
Hermes Investment Management
Strathclyde Pension Fund
Addenda Capital
Coller Capital
Calvert Research and Management
Mirova
Impax Asset Management
Trilogy Global Advisors
Dana Investment Advisors
NEI Investments
Öhman
Triodos Investment Management
EdenTree Investment Management
Solaris Investment Management
Trillium Asset Management
Boston Common Asset Management
Central Finance Board Methodist Church and Epworth Investment Management
Domini Impact Investments LLC
Australian Ethical
The Sustainability Group of Loring, Wolcott & Coolidge
Bridges Fund Management
UFCW Pension Plan for Employees
Everence and the Praxis Mutual Funds
Christian Super
Church of Sweden
Middletown Works Health Care VEBA
Zevin Asset Management
Azzad Asset Management
Green Century Capital Management
Friends Fiduciary Corporation
Sonen Capital

WHEB Asset Management
Sisters of St. Francis of Philadelphia
Mennonite Education Agency
Civic Capital Group, LLC
Quantum Financial Planning LLC
EBG Investment Solutions AG
Cruelty Free Super
JMG Foundation
Trinity Health Inc.
The LankellyChase Foundation
As You Sow
Shareholder Association for Research and Education
Starboard Wealth Planners
Miller/Howard Investments, Inc.
JLens Investor Network
Northwest Coalition for Responsible Investment
Dalhousie University
Confrapar Administração de Recursos s/a
Seventh Generation Interfaith Inc.
Congregation of St. Basil
Evangelische Bank eG
Socially Responsible Investment Coalition