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respeggt System Manual

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1. Preamble

Every year, several billion male chicks of egg-laying breeds are killed worldwide because they do not lay eggs and because it is economically unviable to fatten them. In Europe alone, around 330 million day-old male chicks are killed each year.

Various industry and political players as well as representatives of civil society have tried in different ways to end chick culling in the supply chains of egg production in the medium term. The decision of the Federal Administrative Court in Leipzig, dated 13 June 2019, confirmed that the culling of day-old male chicks is fundamentally incompatible with the German Animal Welfare Act and is only permitted as a transitional measure until efficient processes of gender identification in the hatching egg are available on the market. On 9 September 2020, the German Federal Minister of Agriculture, Julia Klöckner, introduced a previously announced draft bill for a ban on chick culling to be implemented by the end of 2021. A draft bill was also introduced in France. Various retailers had already responded to the announcement of the German draft bill by promising to purchase their entire fresh egg ranges from supply chains that are free of chick culling by 2022.

At respeggt GmbH, we aim to significantly contribute to solving the problem of chick culling. This objective can be achieved through two recognised processes: the fattening of male layer chicks and gender identification in the hatching egg.

This current version of the respeggt System Manual primarily defines "Sexing as a Service" (SaaS), which aims to provide the process of gender identification in the hatching egg to all supply chain partners in egg production.

In addition, this respeggt System Manual describes the service of supply chain control implemented to verify supply chains that are free of chick culling and to guarantee the product promise "Free of Chick Culling" to consumers. This control process is carried out via a blockchain-based Supply Chain Monitoring System (SCMS) that secures the respeggt supply chain and allows distributors to display the heart-shaped respeggt label "Free of Chick Culling" on the packaging of both fresh eggs and foodstuffs containing egg products in the market.

The respeggt System Manual is as a binding guideline for securing, controlling and implementing the respeggt process along the supply chain. It describes in detail the measures and obligations a system partner needs to implement and fulfil to become part of a respeggt supply chain.

All respeggt system partners must comply with the currently valid version of the respeggt System Manual and implement its requirements in a responsibly-minded manner. These requirements are to be accepted by signing the respeggt System Recognition Agreement or the respeggt Declaration of Consent.

All respeggt system partners contribute through their entrepreneurial actions to end chick culling in their industry.

All respeggt system partners are committed to fair and cooperative business conduct and strive to communicate openly and constructively.

All respeggt system partners must comply with the applicable legal framework and, furthermore, constantly focus on considering and improving the welfare and protection of animals.

2. Definitions

Definition of a respeggt supply chain:

A respeggt supply chain starts with the process of gender identification in the hatching egg performed by respeggt GmbH at a respeggt Sexing Centre or with the fattening of respeggt male layer chicks.

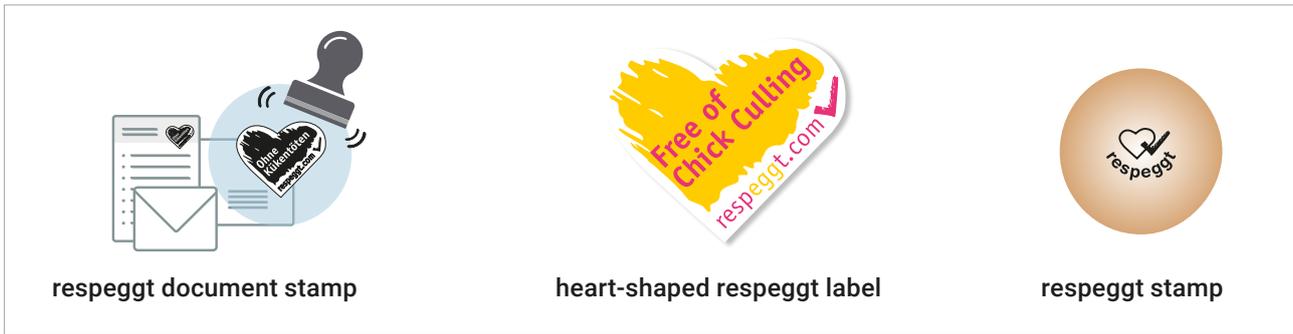
The respeggt supply chain comprises respeggt system partners that are designated as follows:

- **respeggt Sexing Centre (RSC):** The RSC is operated by respeggt GmbH. First, the fertilized hatching eggs delivered by respeggt hatcheries are pre-incubated at the RSC. Thereafter, the process of gender identification in the hatching egg is carried out. This process is performed free of charge for hatcheries. The female respeggt hatching eggs are then returned to the respeggt hatcheries where they are incubated until the female respeggt chicks hatch. The male hatching eggs are processed into animal feed.
- **respeggt hatchery (HAT):** The respeggt HAT delivers unincubated hatching eggs to the RSC. After sexing, the female hatching eggs are returned to the respeggt HAT where they are incubated until hatching. In this procedure, only the female respeggt chicks hatch at the respeggt HAT.
- **respeggt rearing farm (RF):** The respeggt RF receives respeggt chicks from a respeggt HAT, rears the chicks and delivers respeggt pullets to a respeggt laying hen farm.
- **respeggt laying hen farm (LHF):** The respeggt LHF receives respeggt pullets from a respeggt RF and delivers R1 eggs to its respeggt packing centre as soon as the hens begin laying eggs.
- **respeggt packing centre (PAC):** The respeggt PAC receives R1 eggs from the respeggt LHF and is responsible for their distribution. The respeggt PACs are the direct customers of respeggt GmbH. They act as the central representatives of the respeggt LHFs and deliver fresh eggs to food retailers. Furthermore, respeggt PACs deliver R1 eggs to respeggt egg processing plants so that the latter can produce respeggt egg products that are later processed by respeggt foodstuff producers.
- **respeggt egg processing plant (EPP):** The respeggt EPP receives R1 eggs from a respeggt PAC or directly from a respeggt LHF and uses them to produce respeggt egg products.
- **respeggt foodstuff producer (FP):** The respeggt FP receives respeggt egg products from a respeggt EPP and uses these to produce respeggt foodstuffs.

The life cycle of a respeggt laying hen includes different stages that are defined and designated as follows:

- **respeggt hatching eggs:** These are hatching eggs that have been identified as female and are delivered to the respeggt HAT after all hatching eggs have gone through the gender identification process and have been sorted at the RSC.
- **respeggt chicks:** The respeggt chicks hatch from respeggt hatching eggs at the respeggt HATs.
- **respeggt pullets:** The respeggt chicks are reared at a respeggt RF to become respeggt pullets.
- **respeggt laying hens:** After about 17 to 18 weeks of rearing, the respeggt pullets are housed at a respeggt LHF. From this point on, they are called respeggt laying hens.
- **respeggt flock:** All respeggt chicks, respeggt pullets and respeggt laying hens from the same hatch form a respeggt flock.

Further respeggt designations:



- **R1 eggs:** These are fresh eggs from respeggt laying hens that have not (yet) been given the respeggt stamp.
- **FoCC eggs:** These are R1 eggs that are marketed with a reference to the added value of “Free of Chick Culling” without using the respeggt stamp or the heart-shaped respeggt label.
- **respeggt eggs:** These are R1 eggs that display the respeggt stamp and are distributed with the heart-shaped respeggt label on their packaging.
- **respeggt egg products:** These are egg products, e.g., liquid whole egg, liquid egg white, liquid egg yolk, whole egg powder, egg white powder, egg yolk powder or boiled eggs, that have been produced using R1 eggs by a respeggt egg processing plant and are distributed with the heart-shaped respeggt label on their packaging.
- **respeggt foodstuffs:** These are foodstuffs, e.g., egg noodles, egg salad, pastries and confectionery, that contain (among other ingredients) respeggt egg products and that are distributed with the heart-shaped respeggt label on their packaging.
- **Fattening of respeggt male layer chicks (FMLC):** In addition to the recognised process of gender identification in the hatching egg, the fattening of respeggt male layer chicks is an alternative solution to ending chick culling.
- **respeggt layer chick fattening farms (LCFFs):** These are the fattening farms where the fattening of respeggt male layer chicks takes place.
- **Conventional chicks:** These are the hatched female chicks whose brothers have been culled, and that are therefore identified as chicks “With Chick Culling”. Chicks designated as respeggt chicks (whether through the process of gender identification in the hatching egg or the fattening of respeggt male layer chicks) are not conventional chicks.
- **Sexing as a Service (SaaS):** The process of gender identification in the hatching egg offered by respeggt GmbH is called “Sexing as a Service” and is performed at the RSC.
- **Supply Chain Monitoring System (SCMS):** A blockchain-based SCMS is used for controlling the supply chain to guarantee the product promise “Free of Chick Culling”. All respeggt system partners enter their relevant data into a restricted online area that is automatically compared with forecasting data on the laying performance of the respeggt flocks. The total quantity of respeggt eggs recorded by printers and other data then confirms whether this data is plausible and consistent. All respeggt system partners use the SCMS via their personal access area on the website www.respeggt-group.com. The use of the SCMS is described in detail in the document “Instructions for using the Supply Chain Monitoring System” that is attached to this System Manual as Annex 8.2 and that can also be downloaded from the website www.respeggt-group.com/de/#Documents.

3. Services offered by respeggt GmbH

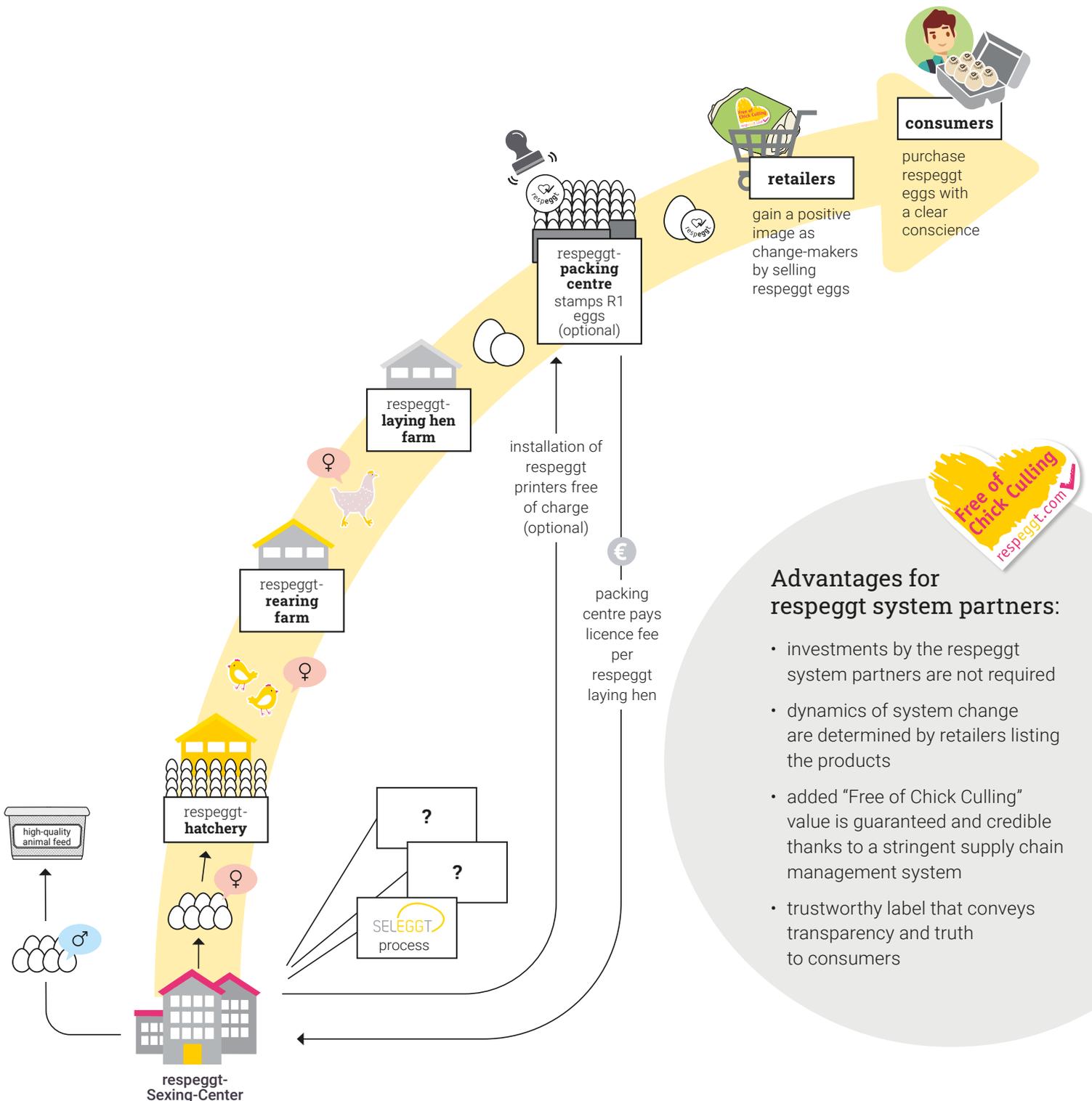
The company respeggt GmbH is entirely independent and is not in any way economically dependent on any other company along the supply chain of egg production. All entrepreneurial decisions are taken solely by the management of respeggt GmbH.

The independent service company respeggt GmbH offers two services to all system partners in egg production and distribution:

1. **Sexing as a Service:** The company respeggt GmbH operates respeggt Sexing Centres (RSCs) for gender identification in the hatching egg. All respeggt HATs can use this service free of charge for their hatching eggs, as the costs are charged to the respeggt PACs that pay a licence fee for each respeggt laying hen.
2. **Supply chain control:** To guarantee the added value of SaaS throughout the process up until the distributed end product, whether for fresh eggs or foodstuffs containing eggs, respeggt GmbH has developed a blockchain-based Supply Chain Monitoring System (SCMS) that provides a guarantee for the added-value promise "Free of Chick Culling". To ensure this promise is visible, eggs may display the respeggt stamp and both the respeggt egg boxes as well as the packaging of respeggt foodstuffs may display the heart-shaped respeggt label. Control of the supply chain can also be applied to the fattening of male layer chicks, where the fattening of male layer chicks organized by a respeggt PAC is verified according to the specific requirements of respeggt GmbH.

3.1. The first service: Sexing as a Service

For the first service described in the previous section, respeggt GmbH has developed the business model “Sexing as a Service” (SaaS) that comprises the steps shown in Figure 1.



Advantages for respeggt system partners:

- investments by the respeggt system partners are not required
- dynamics of system change are determined by retailers listing the products
- added “Free of Chick Culling” value is guaranteed and credible thanks to a stringent supply chain management system
- trustworthy label that conveys transparency and truth to consumers

Figure 1: “Sexing as a Service” for fresh eggs

Procedure for Sexing as a Service at the respeggt Sexing Centre:

1. Fertilized hatching eggs are delivered by a respeggt HAT.
2. Eggs are pre-incubated until they go through the process of gender identification (i.e., nine days in the SELEGGT process).
3. Gender identification in the hatching egg.
4. Sorting of the hatching eggs.
5. Delivery of the (female) respeggt hatching eggs to a respeggt HAT for final incubation until hatching (note that gender identification in the hatching egg is not invoiced to the HAT).
6. The male hatching eggs are delivered to an animal feed plant for further processing.

Procedure for Sexing as a Service at the other respeggt system partners:

1. The respeggt HAT delivers the respeggt chicks to a respeggt RF after hatching.
2. After about 17 to 18 weeks of rearing, the respeggt pullets are housed at a respeggt LHF. The licence fees for the housed respeggt laying hens are invoiced at this point by respeggt GmbH to the respeggt PAC.¹
3. When they are approximately 22 weeks old, the respeggt laying hens begin laying (unfertilized) "Free of Chick Culling" fresh eggs – so-called R1 eggs.
4. The R1 eggs are delivered by the respeggt LHF to the respeggt PAC, where they are packed into egg boxes. During this step, R1 eggs may be marked with the respeggt stamp. Together with the heart-shaped respeggt label on egg boxes, the respeggt stamp guarantees the added-value promise "Free of Chick Culling" to consumers. The stamping of the R1 eggs may be omitted for customers of respeggt PACs that choose to have unstamped R1 eggs (see Chapter 5.2).

All further steps for "Free of Chick Culling" egg products are described in Chapter 6.

¹ The modalities of the licensing are agreed with the respective respeggt system partners through the respeggt System Recognition Agreement.

3.2. The second service: supply chain control

3.2.1. All supply chains that are designated free of chick culling through SaaS are automatically controlled by respeggt GmbH. The blockchain-based Supply Chain Monitoring System (SCMS) of respeggt GmbH allows transparent control from the RSC up until the final product, i.e., respeggt eggs or respeggt foodstuffs. Plausibility checks, the regular control of all companies as well as clearly defined requirements and agreements means respeggt can guarantee the promise “Free of Chick Culling” on packaging, with the heart-shaped respeggt label, and on the egg, with the respeggt stamp. By licensing the respeggt hens to the respeggt PACs, respeggt can invoice not only the costs relating to SaaS, but also the costs for all services connected to the control of the supply chain.

The requirements associated with SaaS that system partners need to fulfil in order to allow the control of the supply chain are described in detail in Chapter 4.

3.2.2. Furthermore, respeggt GmbH also offers controls along complete supply chains that are free of chick culling through the option of fattening male layer chicks according to the requirements of respeggt GmbH. In this procedure, the respective respeggt PAC organizes and conducts the fattening of male layer chicks. This fattening of male layer chicks is verified by respeggt GmbH according to the requirements it has defined for the fattening of respeggt male layer chicks (see Annex 8.3). These requirements ensure the well-being of male layer chicks during rearing.

3.2.3. The respeggt PACs are the contractual partners of respeggt GmbH for the fattening of respeggt male layer chicks. By signing the System Recognition Agreement, the respeggt PACs accept the requirements relating to the fattening of respeggt male layer chicks and commit to comply with them. The control of the fattening of respeggt male layer chicks according to the specific requirements is paid for by the respeggt PACs.²

3.2.4. The fresh eggs from a respeggt laying hen that are classified as “Free of Chick Culling” owing to the process of fattening the respeggt male layer chicks are also designated as R1 eggs. The requirements for the rearing of respeggt flocks, as well as for the separation of both R1 eggs and respeggt eggs from all other eggs, are the same as when SaaS is applied (see Chapters 4 and 5).

3.2.5. Consumers can search for the producer code on the consumer website www.respeggt.com. On this website, consumers can type in the code that is printed on the respeggt egg and thereby check whether the egg really comes from a respeggt flock. In addition, they can see which solution was applied to ensure the added value of “Free of Chick Culling” – either with the message *“Free of Chick Culling” thanks to gender identification in the hatching egg using the SELEGGT process* or *“Free of Chick Culling” thanks to respeggt’s fattening of male layer chicks*. This offers consumers a high level of transparency and a high degree of safety in terms of product promise.

² The modalities for the settlement of costs are agreed with the respective respeggt system partners through the respeggt System Recognition Agreement.

4. Requirements for respeggt system partners regarding SaaS

Any hatchery, rearing farm, laying hen farm, packing centre, egg processing plant or foodstuff producer may become part of a respeggt supply chain. To do this, packing centres need to sign a respeggt System Recognition Agreement, whereas hatcheries, rearing farms, laying hen farms, egg processing plants and foodstuff producers need to sign a respeggt Declaration of Consent; they should all meet the applicable legal standards and requirements.

The relevant financial framework conditions are defined in the respeggt System Recognition Agreement and in the respeggt Declaration of Consent; these include, e.g., the licence fee, the terms of payment or the prerequisites for compensation payments by respeggt GmbH to the respeggt system partners.

In the case of faulty deliveries of respeggt chicks or shortfalls in deliveries of respeggt pullets, respeggt GmbH will pay a compensation if the cause can be clearly traced back to the process of gender identification in the hatching egg or if it can be proven that the fault has been caused by respeggt GmbH.

The signing of the System Recognition Agreement does not constitute an active business relationship between the signing parties. The relationship is not established until the steps that are described in the following section have been carried out.

4.1. Procedure for establishing a respeggt supply chain

The respeggt supply chain is established as follows:

1. First, the packing centre evaluates whether its customers are interested in distributing "Free of Chick Culling" fresh eggs through their supply chains. If customers are interested, the respeggt supply chain may be implemented.
2. The packing centre then initiates the establishment of a respeggt supply chain by sending an email to respeggt GmbH (at kristin.hoeller@respeggt-group.com).
3. The packing centre signs the respeggt System Recognition Agreement, thus becoming a respeggt packing centre (PAC).
4. In the course of the establishment of a respeggt supply chain, the respeggt PAC receives login data for its personal access to the Supply Chain Monitoring System (SCMS) area on the website www.respeggt-group.com. The system lists the gender identification capacities in the RSC per calendar week. Where there is free capacity, the respeggt PAC may reserve this for their respeggt flocks.³

The functions and requirements of respeggt system partners are described in detail in the following sections.

³ The exact procedure is described in Annex 8.2. ("Instructions for using the Supply Chain Monitoring System").

4.2. The respeggt Sexing Centre (RSC)

4.2.1. All RSCs are operated by respeggt GmbH and perform the required pre-incubation process as well as the process of gender identification in the hatching egg. Although only the pre-incubation process and the process of gender identification in the hatching egg are performed in the RSCs, they are required to fulfil the same constructional, veterinary and legal requirements that generally apply to hatcheries. The necessary biosecurity at the RSC is ensured through a hygiene station for the hatching eggs at the goods receiving area, specially trained and skilled staff and strict hygiene requirements.

4.2.2. The RSC agrees with each participating respeggt HAT from where, when and how many hatching eggs are to be delivered to the RSC. The system partners also agree when and how respeggt hatching eggs will be returned to the respeggt hatchery.

4.2.3. The RSC and the respeggt HAT are jointly responsible for ensuring that a sufficient number of hatching eggs of sufficient quality are delivered to the RSC where they will be housed to achieve the required number of ordered respeggt laying hens. The desired specifications of the hatching eggs (e.g., age of parents, duration of housing, health status of parents) shall be communicated to the RSC at least 30 days prior to the housing of the respective hatching eggs. At least 14 days prior to hatching of the respeggt chicks, the respeggt HAT communicates the expected hatching rate, the expected proportion of infertile eggs as well as any other relevant and requested information to the RSC. On the basis of the provided data, the RSC calculates how many hatching eggs will be delivered and informs the respeggt HAT of the determined quantity.

4.2.4. If the delivered hatching eggs do not correspond to the agreed specifications, the RSC assumes no responsibility for the analysis results of the hatching eggs. Furthermore, the RSC reserves the right to refuse to accept the delivered hatching eggs and to refrain from performing the process of gender identification on them.

4.3. Requirements for a respeggt hatchery

4.3.1. Hatcheries may become part of a respeggt supply chain by signing the applicable Declaration of Consent. After signing, they become respeggt hatcheries (HATs).

4.3.2. The respeggt HAT delivers the agreed quantities of hatching eggs to the RSC. These hatching eggs remain the property of the respeggt HAT and pass only temporarily into the possession of the RSC for the purpose of performing the processes of pre-incubation and of gender identification in the hatching egg. The respeggt hatching eggs are returned to the respeggt HAT by the RSC at the appointed time, passing back into the possession of the respeggt HAT.

The male hatching eggs that have been sorted from the batch remain at the RSC and pass into the ownership of the RSC free of charge.

4.3.3. The respeggt HAT shall properly inform its employees about the special character of the delivered respeggt hatching eggs and the special handling that is consequently required for these eggs. The employees of the respeggt HAT must know and fulfil the requirements relating to the incubation and hatching of the respeggt chicks.

The respeggt HAT will receive the respeggt poster "*The 7 respeggt rules – requirements for respeggt hatcheries*" (see Figure 2), blank flock passports and (upon request) the respeggt document stamps from respeggt GmbH.

The main requirements for a respeggt HAT are listed on the respeggt poster.

The respeggt HAT shall display the respeggt poster permanently in a convenient place where it is easy to see for all employees.

4.3.4. At the respeggt HAT, the respeggt hatching eggs and the respeggt chicks must be permanently separated from conventional hatching eggs and conventional chicks. There must be no mixing of respeggt chicks and conventional chicks during the entire incubation, hatching and vaccination processes of a respeggt flock. The respeggt system partners may agree to the use of labels, boxes and brood trays in different colours for this purpose.

4.3.5. All respeggt system partners in a respeggt supply chain shall always mark any relevant documentation, e.g., brood tray labels, delivery notes, transport documents and invoices, with the acronym "OKT" (Ohne Kükentöten) or "FoCC" (Free of Chick Culling) or with the respeggt document stamp provided by respeggt GmbH.

4.3.6. Prior to delivering the respeggt chicks to the respeggt RF, the employees of the respeggt HAT shall take the following steps:

The employees of the respeggt HAT shall enter the delivery data into the respeggt flock passport provided by respeggt GmbH and then send a photograph of the updated passport via email to ana.blanco@respeggt-group.com.

The employees of the respeggt HAT shall forward the respeggt flock passport with the transport documents of the respeggt chicks to the respeggt RF.

4.3.7. The respeggt HAT is responsible for entering all the required data and uploading all the necessary documentation into the SCMS after the respeggt chicks have hatched. This includes, e.g., the delivery notes for the respeggt chicks, the number of respeggt chicks, the hatching date of the respeggt chicks, etc.⁴

4.3.8. At least once per year, respeggt GmbH will organize a visit to the respeggt HAT in order to verify the correct implementation of the requirements in the respeggt System Manual. The respeggt HAT commits to submitting all the necessary documentation required for this purpose during this visit.

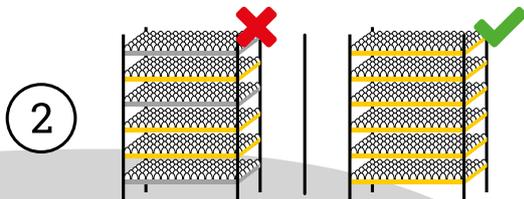
⁴ The required data and necessary documentation as well as the implementation of the requirements are listed and explained in detail in Annex 8.2. ("Instructions for using the Supply Chain Monitoring System").

The 7 respeggt rules

Requirements for respeggt hatcheries

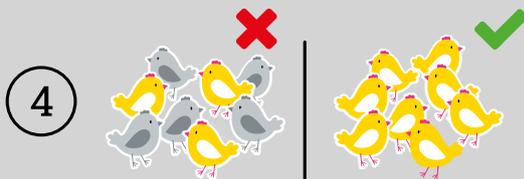


- 1 All employees must know and follow the respeggt rules for the handling of respeggt hatching eggs and respeggt chicks.



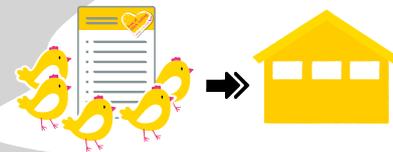
The respeggt hatching eggs must **never** be mixed with conventional hatching eggs.

- 3 After the respeggt chicks have hatched, the respeggt hatchery is responsible for entering all the required data (and for uploading all the necessary documents) into the Supply Chain Monitoring System of respeggt GmbH.



The hatched respeggt chicks must **always** be examined, vaccinated, housed and transported **separately** from conventional chicks.

- 5 The **respeggt flock passport** must be delivered together with the respeggt chicks to the downstream respeggt rearing farms.



- 6 All relevant documentation, such as delivery notes, transport documents and invoices, must always be marked with the acronym **FoCC** (Free of Chick Culling) or with the respeggt document stamp.



- 7 Employees of **respeggt GmbH** may visit the hatchery at any time.



Figure 2: Poster of "The 7 respeggt rules – requirements for respeggt hatcheries"

4.4. Requirements for a respeggt rearing farm

4.4.1. Rearing farms may become part of a respeggt supply chain if they or their superordinate rearing structure sign the applicable respeggt Declaration of Consent. After signing, they become respeggt rearing farms (RFs).

4.4.2. The respeggt RF may rear conventional chicks and respeggt chicks at the same time. In this case, the respeggt chicks shall be permanently separated from the conventional chicks by fences, partitions or similar barriers. There must be no mixing of respeggt chicks and conventional chicks during the entire life cycle of a respeggt flock.

On its website, www.respeggt-group.com/de/#Documents, respeggt GmbH provides a sign (that can be downloaded as PDF file) for the correct marking of barns housing respeggt flocks.

4.4.3. The respeggt RF shall properly inform its employees about the special character of the delivered respeggt chicks and the special handling that is consequently required for these chicks.

The employees of the respeggt RF must know and fulfil the requirements relating to the rearing of respeggt chicks.

The respeggt RF will receive the respeggt poster *"The 7 respeggt rules – requirements for respeggt rearing farms"* (see Figure 3) and (upon request) a respeggt document stamp from the respeggt HAT.

The main requirements for a respeggt RF are listed on the respeggt poster.

The respeggt RF shall display the respeggt poster permanently in a convenient place where it is easy to see for all employees.

4.4.4. On delivery of the respeggt chicks, the respeggt RF receives the respeggt flock passport from the respeggt HAT that the latter has filled out with the relevant data.

The employees of the respeggt RF shall control the respeggt flock passport and supplement it with further data. The employees shall subsequently display the respeggt flock passport in a convenient place in the rearing barn of the respeggt chicks where it is easy to see.

Prior to delivering the respeggt pullets to the respeggt LHF, the employees of the respeggt RF shall take the following steps:

The employees of the respeggt RF shall enter the delivery data into the respeggt flock passport provided by respeggt GmbH and then send a photograph of the updated passport via email to ana.blanco@respeggt-group.com. The employees of the respeggt RF shall forward the respeggt flock passport with the transport documents of the respeggt pullets to the respeggt LHF.

4.4.5. If the mortality rates and/or proportions of incorrectly sexed male chicks are lower than expected, this may lead to a surplus of respeggt pullets at a respeggt RF. All respeggt system partners are jointly responsible for finding a solution for handling this surplus after consultation with respeggt GmbH. A surplus of female respeggt pullets might, for example, be housed at a different respeggt LHF or, if necessary, at a conventional LHF.

The culling of surplus female respeggt chicks or respeggt pullets, where these excess quantities cannot be housed by another respeggt LHF, is prohibited.

4.4.6. The delivered respeggt chicks comprise a small percentage of male chicks. This error rate cannot be avoided in gender identification in the hatching egg.

The culling of these male chicks during rearing, merely because they have no economic value, is prohibited.

The male chicks must be reared until they are at least 12 weeks old, whereafter the cockerels may be delivered to a slaughterhouse.

Compensation for cockerels in a respeggt flock will only be paid by respeggt GmbH after delivery to a slaughterhouse has been proven.⁵ For this, the respeggt system partner must send proof of the slaughtering via email to respeggt GmbH at ana.blanco@respeggt-group.com.

4.4.7. All respeggt system partners in a respeggt supply chain shall always mark any relevant documentation, e.g., delivery notes, transport documents and invoices, with the acronym "OKT" (Ohne Kükentöten) or "FoCC" (Free of Chick Culling) or with the respeggt document stamp provided by respeggt GmbH.

4.4.8. In principle, the respeggt RF may not send cockerels downstream to the respeggt LHF. However, there is one exception: the respeggt RF may deliver cockerels to the respeggt LHF only if the latter expressly requests this. In this case, no compensation will be paid by respeggt GmbH to the respective respeggt system partner.

4.4.9. At least once per year, respeggt GmbH will organize a visit to the respeggt RF in order to verify the correct implementation of the requirements in the respeggt System Manual. The respeggt RF commits to submitting all the necessary documentation required for this purpose during this visit.

⁵ The modalities for compensation payments are stipulated in the respeggt Declaration of Consent.

The 7 respeggt rules

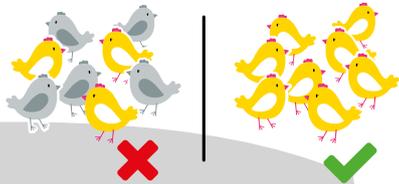
Requirements for respeggt rearing farms



1 All employees must know and follow the respeggt rules for the rearing of respeggt chicks.



2 The respeggt chicks must **never** be mixed with conventional chicks.



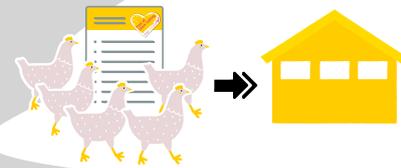
3 The male chicks of respeggt flocks must be reared until they are at least **12 weeks old** and may only be slaughtered from this point onwards.



4 The **respeggt flock passport** must be visibly displayed on the **entrance door of the rearing barn** of the respeggt chicks.



5 The respeggt flock passport must be delivered **together with** the respeggt pullets to the downstream respeggt laying hen farms.



6 All relevant documentation, such as delivery notes, transport documents and invoices, must always be marked with the acronym **FoCC** (Free of Chick Culling) or with the respeggt document stamp.



7 Employees of **respeggt GmbH** may visit the rearing farm at any time.



Figure 3: Poster of "The 7 respeggt rules – requirements for respeggt rearing farms"

4.5. Requirements for a respeggt laying hen farm

4.5.1. Laying hen farms may become part of a respeggt supply chain by signing the applicable Declaration of Consent. After signing, they become respeggt laying hen farms (LHFs).

4.5.2. The respeggt LHF shall properly inform its employees about the special character of the delivered respeggt laying hens and the special handling that is consequently required for these laying hens.

The employees of the respeggt LHF must know and fulfil the requirements relating to the rearing of respeggt laying hens.

The respeggt LHF will receive the respeggt poster "*The 7 respeggt rules – requirements for respeggt laying hen farms*" (see Figure 5) and (upon request) a respeggt document stamp from its respeggt PAC.

The main requirements for a respeggt LHF are listed on the respeggt poster.

The respeggt LHF shall display the respeggt poster permanently in a convenient place where it is easy to see for all employees.

4.5.3. The respeggt LHF may rear conventional laying hens and respeggt laying hens at the same time, as long as it uses a separate producer code for each respeggt flock. The producer code of a respeggt flock may not be used for any conventional flock. There must be no mixing of respeggt hens and conventional hens during the entire life cycle of a respeggt flock. On its website, www.respeggt-group.com/de/#Documents, respeggt GmbH provides a sign (that can be downloaded as PDF file) for the correct marking of barns housing respeggt flocks.

4.5.4. On delivery of the respeggt pullets, the respeggt LHF receives the respeggt flock passport from the respeggt RF that the latter has filled out with the relevant data.

The employees of the respeggt LHF shall control the respeggt flock passport and supplement it with further data. The employees shall subsequently display the respeggt flock passport in a convenient place in the barn of the respeggt laying hens where it is easy to see.

After housing the respeggt flock, they shall send a photograph of the fully completed respeggt flock passport via email to ana.blanco@respeggt-group.com.

4.5.5. The producer code shall be printed on the eggs, either in the barn or in a building adjacent to the barn at the respeggt LHF. If this is not possible, respeggt GmbH must be informed. The respeggt LHF shall print the producer code onto the belly side of the R1 eggs, so that the respeggt PAC can print the respeggt stamp onto the head side of the R1 eggs; in this way, the overlapping of the imprints from the two successive printing processes can be avoided.

4.5.6. The respeggt LHF must keep the clutches of R1 eggs from respeggt laying hens separate from conventional eggs during each working step. The R1 eggs are collected, internally transported, sorted, packed on trays and palletised.

The respeggt LHF and its respeggt PAC shall jointly define appropriate internal procedures to prevent R1 eggs becoming mixed or confused with conventional eggs.

The following procedure is recommended: Mark pallets and delivery notes of R1 eggs using a different colour from the one normally used and always use the respeggt document stamp or the heart-shaped respeggt label in the voucher and merchandise management systems (see Figure 4).



Figure 4: Marking of R1 eggs with the respeggt document stamp on the corresponding documentation

4.5.7. All respeggt system partners in a respeggt supply chain shall always mark any relevant documentation, e.g., R1 pallet labels, delivery notes, transport documents and invoices, with the acronym “OKT” (Ohne Kükentöten) or “FoCC” (Free of Chick Culling) or with the respeggt document stamp provided by respeggt GmbH.

4.5.8. If there is a shortfall in the delivery of respeggt pullets to the respeggt LHF due to the process of gender identification in the hatching egg, the latter is entitled to financial compensation from respeggt GmbH.

If respeggt GmbH has for any other reason been solely responsible for a shortfall in delivery, the respeggt LHF is also entitled to financial compensation from respeggt GmbH.

In the event of any other shortfalls in delivery, e.g., shortfalls arising through default by the respeggt RF, by damages during transport or by force majeure events, no compensation shall be paid by respeggt GmbH. Once the laying hens are 50 weeks old, the compensation will be negotiated individually, amicably and fairly between respeggt GmbH and the respective respeggt system partner.

4.5.9. At least once per year, respeggt GmbH will organize a visit to the respeggt LHF in order to verify the correct implementation of the requirements in the respeggt System Manual. The respeggt LHF commits to submitting all the necessary documentation required for this purpose during this visit.

⁶ The modalities for compensation payments are stipulated in the respeggt System Recognition Agreement and in the respeggt Declaration of Consent.

The 7 respeggt rules

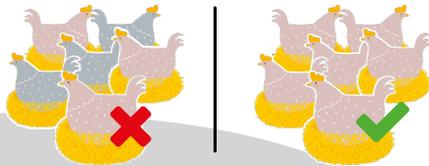
Requirements for respeggt laying hen farms



1 All employees must know and follow the respeggt rules for the rearing of respeggt laying hens.



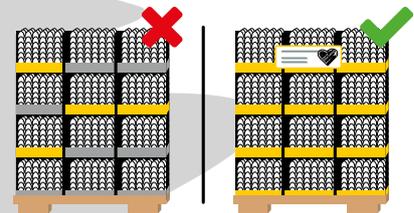
2 The respeggt laying hens must **never** be mixed with conventional hens.



3 The **respeggt flock passport** must be visibly displayed in the **barn of the respeggt laying hens**.



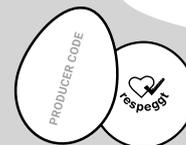
4 The eggs of the respeggt laying hens must always be collected, internally transported, sorted, packed on trays and palletised **separately** from conventional eggs.



5 All relevant documentation, such as delivery notes, transport documents and invoices, must always be marked with the acronym **FoCC** (Free of Chick Culling) or with the respeggt document stamp.



6 The **producer code** must be printed onto the **belly side of the eggs** at the laying hen farm to allow the respeggt packing centres to print the respeggt stamp onto the head side of the eggs.



7 Employees of **respeggt GmbH** may visit the laying hen farm at any time.



Figure 5: Poster of "The 7 respeggt rules – requirements for respeggt laying hen farms"

4.6. Requirements for a respeggt packing centre as a distributor of fresh eggs

4.6.1. Packing centres may become part of a respeggt supply chain by signing the applicable respeggt System Recognition Agreement. After signing, they become respeggt packing centres (PACs). Prior to the first delivery of R1 eggs, an employee of respeggt GmbH shall visit the respeggt PAC. During this visit, the respeggt PAC shall be informed about the special character of the delivered R1 eggs and the special handling that is consequently required for these eggs.

4.6.2. It is up to the respeggt PAC to decide under which brands it wants to distribute the respeggt eggs and the FoCC eggs. The respeggt PAC shall also select the distribution channels for the respeggt eggs and the FoCC eggs.

4.6.3. The respeggt PAC determines which LHF shall become a respeggt LHF and which laying hen flock shall, from that point on, comprise respeggt laying hens. The respeggt PAC forwards the respeggt Declaration of Consent signed by the respeggt LHF to respeggt GmbH.

After consultation with respeggt GmbH, the respeggt PAC and the respeggt LHF jointly determine both the respeggt HAT and the respeggt RF as pre-suppliers for respeggt pullets.

4.6.4. The housing of respeggt laying hens is subject to licensing. The respeggt PAC commits to paying a fixed licence fee per housed respeggt laying hen to respeggt GmbH. At the time of housing of the respeggt laying hens (i.e., when they are around 17 weeks old) at a respeggt LHF, the respeggt PAC shall receive an invoice⁷ from respeggt GmbH for the licence fees for the respeggt laying hens; these are licensed per respeggt flock.

4.6.5. The respeggt PAC shall properly inform its employees about the special character of the delivered R1 eggs and the special handling that is consequently required for these eggs.

The employees of the respeggt PAC must know and fulfil the requirements relating to the handling of R1 eggs.

The respeggt PAC will receive the respeggt poster "*The 7 respeggt rules – requirements for respeggt packing centres*" (see Figure 6) and (upon request) a respeggt document stamp from respeggt GmbH.

The main requirements for a respeggt PAC are listed on the respeggt poster.

The respeggt PAC shall display the respeggt poster permanently in a convenient place where it is easy to see for all employees.

4.6.6. The respeggt PAC provides the respeggt poster "*The 7 respeggt rules – requirements for respeggt laying hen farms*" and (upon request) a respeggt document stamp to the respeggt LHF. This poster and stamp will be conveyed by respeggt GmbH to the respeggt PAC.

4.6.7. The respeggt PAC shall be responsible for and ensure that the R1 eggs are never mixed or confused with conventional eggs during any movement of goods.

The respeggt PAC shall organize all movements of goods from the respeggt LHF, both during transport and during the internal storage, sorting and packaging at the PAC, in such a way that ensures there is no confusion with conventional eggs.

⁷ The modalities for the settlement of licence fees are stipulated in the respeggt System Recognition Agreement.

The respeggt PAC shall organize its merchandise management systems as well as its pallet and batch labelling in such a way that the R1 eggs can be immediately and unequivocally identified at all times. The same applies to internal data processing and voucher management.

The following procedure is recommended: Mark pallets and delivery notes of R1 eggs using a different colour from the one normally used and always use the respeggt document stamp or the heart-shaped respeggt label in the voucher and merchandise management systems (see Figure 4).

4.6.8. All respeggt system partners of a respeggt supply chain shall always mark any relevant documentation, e.g., labels of R1 pallets, delivery notes, transport documents and invoices, with the acronym "OKT" (Ohne Kükentöten) or "FoCC" (Free of Chick Culling) or with the respeggt document stamp provided by respeggt GmbH (see Figure 4).

4.6.9. The respeggt PAC is obligated to report the total number of R1 eggs that have been delivered to it in the previous week, at the latest on the third working day of each calendar week, to respeggt GmbH through the SCMS.

4.6.10. The respeggt PAC shall be responsible for and ensure that R1 eggs and respeggt eggs are delivered to the market in accordance with the applicable legal requirements and existing standards.

4.6.11. The respeggt PAC may trade R1 eggs with other respeggt PACs.

The respeggt PAC is committed to reporting the total number of R1 eggs that have been delivered to it from another respeggt PAC or from another respeggt LHF in the previous week, at the latest on the third working day of each calendar week, to respeggt GmbH through the SCMS. In this report, it shall also state whether the R1 eggs have been purchased directly from a respeggt LHF or from another respeggt PAC.⁸

To organize trading between respeggt PACs in a safe and transparent way, the delivery documentation and pallets of R1 eggs shall always be marked with the acronym "OKT" (Ohne Kükentöten) or "FoCC" (Free of Chick Culling) or with the respeggt document stamp (see Figure 4).

4.6.12. The requirements for a respeggt PAC concerning the distribution of R1 eggs with or without marking are described in Chapter 5. The requirements for a respeggt PAC concerning the use of R1 eggs for producing "Free of Chick Culling" egg products through an egg processing plant are described in Chapter 6.

4.6.13. At least once per year, respeggt GmbH will organize a visit to the respeggt PAC in order to verify the correct implementation of the requirements in the respeggt System Manual. The respeggt PAC commits to submitting all the necessary documentation required for this purpose during this visit.

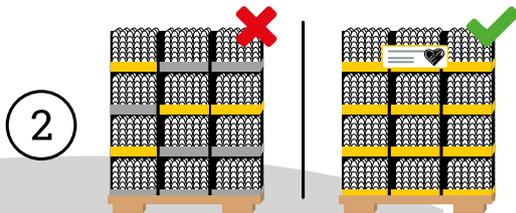
⁸ The required data and the implementation of the requirements are listed and explained in detail in Annex 8.2. ("Instructions for using the Supply Chain Monitoring System").

The 7 respeggt rules

Requirements for respeggt packing centres



1 All employees must know and follow the respeggt rules for the handling of respeggt eggs.



2 The R1 eggs and respeggt eggs must always be collected, internally transported, sorted, packed on trays and palletised **separately** from conventional eggs.

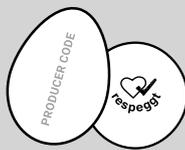
3 Upon receipt of the R1 eggs, the respeggt packing centre is responsible for entering all the required data (and for uploading all the necessary documents) into the Supply Chain Monitoring System of respeggt GmbH.



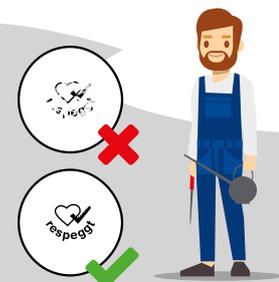
4 All relevant documentation, such as delivery notes, transport documents and invoices, must always be marked with the acronym **FoCC** (Free of Chick Culling) or with the respeggt document stamp.



5 Only R1 eggs may be marked with the round respeggt stamp before the egg packs are closed. This stamp must always be printed **onto the head side** of the R1 eggs.



6 The respeggt stamp must always be printed correctly and **legibly** onto the eggs. The respeggt printer must always be professionally **serviced and maintained**.



7 Employees of **respeggt GmbH** may visit the packing centre at any time.



Figure 6: Poster of "The 7 respeggt rules – requirements for respeggt packing centres"

5. Marking of respeggt eggs

The marking of R1 eggs has three essential benefits for respeggt GmbH and therefore also for its system partners:

1. Through the counting function of the respeggt printers, the number of marked R1 eggs is recorded automatically and transmitted to respeggt GmbH through the SCMS. In addition to controls that are performed regularly by respeggt GmbH, the plausibility of the internal flow of goods through the respeggt PAC is verified through the printing on and counting of the respeggt eggs. For this reason, respeggt eggs provide the highest level of safety so that the product promise "Free of Chick Culling" can be guaranteed.
2. The complementary service, where consumers can verify the producer code on the website www.respeggt.com, offers a high level of transparency and product safety. By entering the producer code into a search field, consumers can check whether the respeggt eggs they have purchased really come from a respeggt laying hen. Furthermore, they will be informed whether the product promise "Free of Chick Culling" was achieved by gender identification in the hatching egg or by the fattening of respeggt male layer chicks.
3. The respeggt stamp has a strong communicative after-sales effect. Although a strong product message is always conveyed to consumers through every egg pack and sometimes also through displays, leaflets, etc. at the point of sale (POS), this message usually diminishes after the eggs have been packed away in the fridge. In contrast, the respeggt stamp remains on the eggs, even after boiling, and thus still reminds consumers at the breakfast table of the added-value promise "Free of Chick Culling" (see examples at #respeggt).

As requested by our system partners, respeggt GmbH also offers the option of selling fresh eggs from supply chains that are free of chick culling that do not bear the respeggt stamp.

The distribution channels for respeggt eggs or FoCC eggs are described in detail in the following sections.

Neither the selected distribution channel nor the implemented communication strategy affects the license fees for respeggt laying hens.

5.1. Distribution of respeggt eggs

5.1.1. The required number of respeggt printers is provided by respeggt GmbH to the respeggt PACs; this number is jointly determined by taking the ordered quantities of respeggt laying hens as well as the features of the sorting and packing equipment of the respeggt PACs into account. The respeggt printers remain the property of respeggt GmbH during their period of use at a respeggt PAC. The respeggt printers are installed on the outgoing goods conveyor belts of the sorting and packing machines.

The respeggt stamp is printed on the R1 eggs by the respeggt printers before the egg packs are closed.

The costs for the installation of printers and respective consumables are covered by respeggt GmbH.

The respeggt PAC shall immediately and exclusively inform respeggt GmbH in the event of any issues with the respeggt printers or where parts require replacing. In these cases, respeggt GmbH shall arrange all further steps with the producers of the respeggt printers.

5.1.2. R1 eggs that have been marked with the respeggt stamp are, from this moment on, designated as respeggt eggs. The egg packs of the respeggt eggs must bear reference to the added value of these eggs (e.g., the heart-shaped respeggt label) during distribution.

When using the heart-shaped respeggt label on egg packs or on any other advertising material, the specifications of the respeggt Style Guide (see Annex 8.1) must be strictly adhered to.

5.1.3. The respeggt stamp may only be printed on R1 eggs using official respeggt printers. The respeggt stamp shall always be printed on the head side of the R1 eggs.

5.1.4. The respeggt PAC shall be responsible for and ensure that the respeggt stamp is always printed correctly and legibly on the head side of the R1 eggs (see Figure 7).

5.1.5. The employees of the respeggt PAC shall service and maintain the respeggt printers according to the specifications of the producer of the printers.

The employees of the respeggt PAC shall replace the printer rubbers at regular intervals.

The employees of the respeggt PAC shall refill the printer ink at regular intervals and thus ensure a perfect print image on the respeggt eggs.

When the respeggt printers are installed, the printer producer, Nuovo, will provide the associated service and maintenance instructions to the respeggt PAC. These instructions contain all relevant specifications for the service and maintenance of the respeggt printers that the respeggt PAC must follow. The respeggt PAC can order consumables, e.g., printer rubbers and refill ink, directly through its personal access area in the SCMS via the "Order ink" button in the "Report" section. The required quantities of consumables (ink and rubbers) are determined by and paid for by respeggt GmbH on the basis of the recorded data.⁹

5.1.6. In cases where a respeggt PAC has sorting machines that are incompatible with the respeggt printers or has no printers for any other reason, it is obligated to manually report the number of distributed respeggt eggs through the SCMS.¹⁰

5.1.7. To distribute the highest possible proportion of R1 eggs as value-added eggs, respeggt GmbH also offers respeggt PACs the possibility of distributing R1 eggs through respeggt egg processing plants (EPPs) (see Figure 7: Examples of stamp print quality).

⁹ The modalities for the settlement of costs are stipulated in the respeggt System Recognition Agreement.

¹⁰ All required data and implementation of the requirements is listed and explained in detail in Annex 8.2. ("Instructions for using the Supply Chain Monitoring System").

Good print quality of the respeggt stamp:



Acceptable print quality of the respeggt stamp:



Bad print quality of the respeggt stamp:



Figure 7: Examples of stamp print quality

5.2. Distribution of FoCC eggs

5.2.1. FoCC eggs are R1 eggs that, in their distribution, have reference to the added value of “Free of Chick Culling”, but do not bear the respeggt stamp and have no heart-shaped respeggt label on their packaging.

5.2.2. If eggs are not marked with the respeggt stamp, this automatically implies that the heart-shaped respeggt label may not be printed on their packaging. Using the heart-shaped respeggt label without the respeggt stamp on the eggs is not permitted; this is only allowed in exceptional cases that require the prior explicit consent of respeggt GmbH.

5.2.3. Even where eggs are not marked with the respeggt stamp, the respeggt PAC is still obligated to report the total number of R1 eggs that have been delivered to it in the previous week, at the latest on the third working day of each calendar week, to respeggt GmbH.

5.2.4. As requested by our system partners, respeggt GmbH offers the option for respeggt PACs to distribute FoCC eggs. However, it should be noted that this distribution channel is not recommended by respeggt GmbH. The reasons for this are given at the beginning of Chapter 5.

5.2.5. When using this distribution channel, references to the added value on egg boxes or on any other advertising material, e.g., “Free of Chick Culling”, shall be without reference to respeggt GmbH and shall not in any way allow conclusions to be drawn about respeggt GmbH.

6. “Free of Chick Culling” egg products and processed foodstuffs

After increasingly intense calls for “Free of Chick Culling” fresh eggs by both politicians and society, there is now a growing focus on the food industry, which consequently has an increased interest in establishing supply chains that are free of chick culling for its products. Eggs of size XS, S, XL and XXL, eggs with irregularities and seasonal surpluses are regularly used by egg processing plants as important raw material in the food industry. For this reason, “Free of Chick Culling” egg products are a natural consequence of this paradigm shift and of the associated transition in egg production to supply chains that are free of chick culling.

For traditional foods in particular, e.g., egg noodles, egg salad, mayonnaise, fresh egg waffles, etc., the added value of “Free of Chick Culling” can have a very positive effect on consumers and thus accelerate the transition to supply chains that are free of chick culling.

The respeggt PACs are permitted to sell surplus R1 eggs at all times to egg processing plants.

However, if the plan is to produce a specific “Free of Chick Culling” egg product using R1 eggs, then the general possibility also exists of also marking and distributing both the particular egg product (i.e., the raw material for the food industry) and the food produced using it with the heart-shaped respeggt label. If R1 eggs are used as raw material for an egg product that carries the heart-shaped respeggt label, these R1 eggs must be processed by a respeggt egg processing plant. For this procedure, the system partners need to fulfil further requirements, which are described in the following section.

In principle, a foodstuff may only display the heart-shaped respeggt label, if the eggs or the egg products that it contains are provably **at least 95% R1 eggs** or have provably been made with **at least 95% R1 eggs**.

In order for the requirements described above to be met, respeggt GmbH has expanded its service of supply chain control to respeggt foodstuffs (see Figure 8).

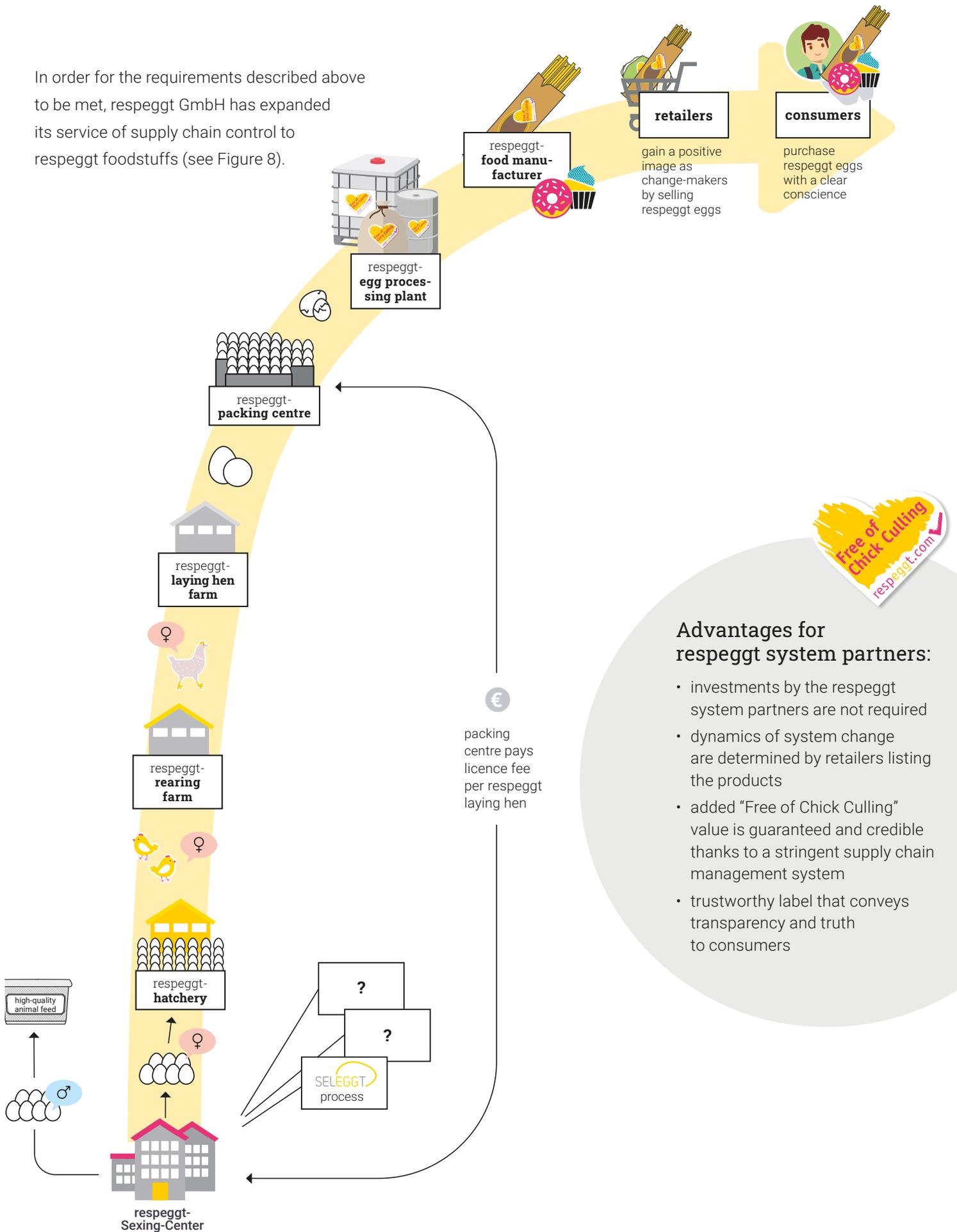


Figure 8: Supply chain control for respeggt foodstuffs

6.1. Requirements for respeggt packing centres as pre-suppliers to respeggt egg processing plants

6.1.1. The respeggt PAC is responsible for ensuring that the R1 eggs are never mixed or confused with conventional eggs during any movement of goods.

The respeggt PAC shall organize all movements of goods during transport from the respeggt LHF, internal storage and sorting at the PAC and the onward transport of the R1 eggs to a respeggt EPP in such a way that ensures there is no confusion with conventional eggs. The respeggt PAC shall organize its merchandise management systems as well as its pallet and batch labelling in such a way that the R1 eggs can be immediately and unequivocally identified at all times. The same applies to internal data processing and voucher management.

The following procedure is recommended: Mark pallets and delivery notes of R1 eggs using a different colour from the one normally used, and always use the respeggt document stamp or the heart-shaped respeggt label in the voucher and merchandise management systems (see Figure 4).

6.1.2. All respeggt system partners of a respeggt supply chain shall always mark any relevant documentation, e.g., brood tray labels, delivery notes, transport documents and invoices, with the acronym "OKT" (Ohne Kükentöten) or "FoCC" (Free of Chick Culling) or with the respeggt document stamp provided by respeggt GmbH (see Figure 4).

6.1.3. If the R1 eggs are delivered directly from the respeggt LHF to the respeggt EPP, the respeggt PAC is responsible for informing the respeggt LHF about the correct marking of the corresponding documentation and pallets to ensure that there is no confusion with conventional eggs. If a respeggt LHF does not cooperate with a packing centre but only produces R1 eggs for a respeggt EPP, this respeggt LHF must comply with all the requirements for a respeggt PAC as a pre-supplier to a respeggt EPP.

6.2. Requirements for respeggt egg processing plants

6.2.1. Egg processing plants may become part of a respeggt supply chain by signing the applicable Declaration of Consent. After signing, they become respeggt egg processing plants (EPPs). Prior to the first production of respeggt egg products, an employee of respeggt GmbH shall visit the respeggt EPP. During this visit, the respeggt EPP will be informed about the special character of the delivered R1 eggs and the special handling that is consequently required for these eggs.

6.2.2. The respeggt EPP shall properly inform its employees about the special character of the delivered R1 eggs and the special handling that is consequently required for these eggs. The respective employees of the respeggt EPP must know and fulfil the requirements relating to the handling of the R1 eggs. The respeggt EPP will receive the respeggt poster "*The 7 respeggt rules – requirements for respeggt egg processing plants*" (see Figure 9) and (upon request) a respeggt document stamp from respeggt GmbH.

The main requirements all display the respeggt poster permanently in a convenient place where it is easy to see for all employees.

6.2.3. The respeggt EPP shall be responsible for ensuring that there is no confusion of R1 eggs with conventional eggs during any movement of goods.

The respeggt EPP shall organize all movements of goods during their receipt, transport, storage, processing and packaging in such a way that ensures there is no confusion with conventional eggs.

To achieve a higher output quantity, it is possible to mix different batches of R1 eggs. In this case, the producer codes used must be recorded in the merchandise management system of the respeggt EPP.

6.2.4. The respeggt EPP shall organize its internal merchandise management systems as well as its pallet and batch labelling in such a way that ensures that R1 eggs can be immediately and unequivocally identified at all times. The same applies to the internal data processing and voucher management. A specification for "respeggt eggs – Free of Chick Culling" must be created in the merchandise management system.

6.2.5. During the control of incoming goods, the R1 eggs must be checked for authenticity by examining their producer codes. This can be checked on the website www.respeggt.com. System partners can enter the producer code(s) of the delivered R1 eggs into the corresponding search field and thus verify whether the eggs really come from respeggt laying hens and are therefore correctly designated as R1 eggs.

6.2.6. When the respeggt egg products (e.g., liquid whole eggs, liquid egg white, liquid egg yolk, whole egg powder, white egg powder, egg yolk powder or boiled eggs) leave the EPP, it must be ensured that they can be immediately and unequivocally identified at all times. All respeggt system partners in a respeggt supply chain shall always mark any relevant documentation, e.g., brood tray labels, delivery notes, transport documents and invoices, with the acronym "OKT" (Ohne Kükentöten) or "FoCC" (Free of Chick Culling) or with the respeggt document stamp that is provided by respeggt GmbH (see Figure 4).

The following procedure is recommended: Mark pallets and delivery notes of R1 eggs as well as containers and packaging of respeggt egg products using a different colour from the one normally used, and always use the respeggt document stamp or the heart-shaped respeggt label in the voucher and merchandise management systems (see Figure 4).

6.2.7. The respeggt EPP shall inform its customers (= foodstuff producers) about the potential for processing respeggt egg products, as well as the respective added value.

6.2.8. In cases where there are no orders for already delivered R1 eggs or only orders for a subset thereof, R1 eggs may be processed into conventional egg products and also mixed with conventional eggs. In these cases, these egg products shall not be marked with any reference to the added value of "Free of Chick Culling" or with the heart-shaped respeggt label.

6.2.9. At least once per year, respeggt GmbH will organize a visit to the respeggt EPP in order to verify the correct implementation of the requirements resulting from the respeggt System Manual. The respeggt EPP commits to submitting all the necessary documentation required for this purpose during this visit.

The 7 respeggt rules

Requirements for respeggt egg processing plants

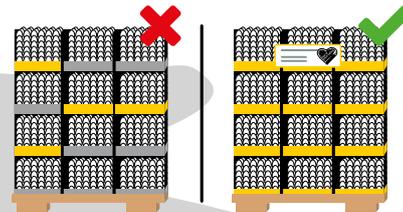


1 All employees must know and follow the respeggt rules for the handling of R1 eggs.



2 During the **control of incoming goods**, the R1 eggs must be checked for authenticity by referring to the producer code.

3 The R1 eggs must always be internally transported and stored **separately** from conventional eggs.



4 The use of R1 eggs for producing respeggt egg products always requires the **specification "respeggt eggs – Free of Chick Culling"** in the merchandise management system. The R1 eggs must never be mixed with conventional eggs.

5 The finished respeggt egg products must be marked with the heart-shaped respeggt label and the **specification "respeggt eggs – Free of Chick Culling"** in the merchandise management system.



6 All relevant documentation, such as delivery notes, transport documents and invoices, must always be marked with the acronym **FoCC** (Free of Chick Culling) or with the respeggt document stamp.



7 Employees of **respeggt GmbH** may visit the egg processing plant at any time.

Figure 9: Poster of "The 7 respeggt rules – requirements for respeggt egg processing plants"

6.3. Requirements for respeggt foodstuff producers

Foodstuff producers often use egg products as ingredients in the foodstuffs they produce. There is a rising call to use egg products from supply chains that are free of chick culling for this in order to contribute to ending chick culling and at the same time providing added value to the respective foodstuff, e.g., by using the heart-shaped respeggt label. The use of the heart-shaped respeggt label on foodstuff products is permitted by respeggt GmbH if all the requirements are fully implemented.

6.3.1. Foodstuff producers may become part of a respeggt supply chain by signing the applicable Declaration of Consent. After signing, they become respeggt foodstuff producers (FPs). Prior to the first production of respeggt foodstuffs, an employee of respeggt GmbH shall visit the respeggt FP. During this visit, the respeggt FP shall be informed about the special character of the delivered respeggt egg products and the special handling that is consequently required for these egg products.

6.3.2. The respeggt FP shall properly inform its employees about the special character of the delivered respeggt egg products and the special handling that is consequently required for these egg products. The employees of the respeggt FP must know and fulfil the requirements relating to the handling of respeggt egg products.

6.3.3. The respeggt FP shall be responsible for ensuring that there is no confusion of respeggt egg products with conventional egg products during any movement of goods and that they will be exclusively used without the addition of any conventional egg products to produce foodstuffs that are marked with the heart-shaped respeggt label.

The respeggt FP shall organize all movements of goods during their receipt, transport, storage, processing and packaging in such a way that ensures there is no confusion with conventional egg products or foodstuffs.

The respeggt FP shall organize its merchandise management systems in such a way that the respeggt egg products can be immediately and unequivocally identified at all times. The same applies to internal data processing and voucher management. A specification for "respeggt eggs – Free of Chick Culling" must be created in the merchandise management system.

All respeggt system partners in a respeggt supply chain shall always mark any relevant documentation, e.g., brood tray labels, containers, packaging, repackaging, delivery notes, transport documents and invoices, with the acronym "OKT" (Ohne Kükentöten) or "FoCC" (Free of Chick Culling) or with the respeggt document stamp provided by respeggt GmbH (see Figure 4).

The following procedure is recommended: Mark pallets, packages and repackaging as well as delivery notes of respeggt egg products and respeggt foodstuffs using a different colour from the one normally used, and always use the respeggt document stamp or the heart-shaped respeggt label in the voucher and merchandise management systems (see Figure 4).

6.3.4. During the control of incoming goods, the respeggt egg products need to be checked for their authenticity with the help of the producer codes of the R1 eggs that the respeggt EPP has noted on the delivery note. This can be checked on the website www.respeggt.com. System partners can enter the producer code(s) of R1 eggs into the corresponding search field and verify whether the eggs that were used for the egg product really came from respeggt laying hens.

6.3.5. During all stages of production, respeggt foodstuffs must be immediately and unequivocally identifiable at all times. This is visually implemented by using the heart-shaped respeggt label on the product and also by using the specification “respeggt eggs – Free of Chick Culling” in the merchandise management system.

6.3.6. When the respeggt foodstuffs leave the premises of the FP, they must be immediately and unequivocally identifiable at all times. This is visually implemented by using the heart-shaped respeggt label on transport packaging and repackaging. The use of the heart-shaped respeggt label on packaging for end consumers is only permitted following compliance with the requirements of the respeggt Style Guide and after approval by respeggt GmbH (see Annex 8.1).

6.3.7. If respeggt egg products are not used up when producing respeggt foodstuffs, it may be possible to process these respeggt egg products into conventional foodstuffs or to mix them with conventional egg products. In these cases, these foodstuffs shall not be marked with any reference to the added value of “Free of Chick Culling” or with the heart-shaped respeggt label.

6.3.8. At least once per year, respeggt GmbH will organize a visit to the respeggt FP in order to verify the correct implementation of the requirements in the respeggt System Manual. The respeggt FP commits to submitting all the necessary documentation required for this purpose during this visit.

7. The respeggt advisory board

Typically, a system manual is a type of document that requires revision. New developments and changing framework conditions mean that system manuals have to be amended or adapted from time to time. A respeggt advisory board has been constituted for this purpose. This advisory board consists of four members – one representative each from the respeggt PACs, the respeggt HATs, the respeggt EPPs and respeggt GmbH – that are all entitled to vote. The representative of the packing centres is appointed by the respeggt PACs, the respeggt hatcheries elect the respeggt HAT representative and the representative of the egg processing plants is appointed by the respeggt EPPs. Since 2020, the respeggt advisory board members are all appointed by the respective institutions (hatcheries, packing centres, egg processing plants and respeggt GmbH) for a period of two years. To ensure the smooth establishment of the respeggt advisory board, Dr Ana Blanco of respeggt GmbH, Mr Wim Lettink, CEO of the hatchery Ter Heerdt, Mr Hermann-Josef Hennes, managing partner of Eierhof Hennes GmbH, and Mr Alexander Grewe of Bouwhuis-Enthoven B.V. agreed to form the first respeggt advisory board.

The respeggt advisory board convenes at least once per year, primarily to make decisions on any necessary adjustments to the respeggt System Manual. The advisory board appoints a chairperson that may not be a representative of respeggt GmbH. The chairperson represents the respeggt advisory board in its external relations.

Upon request, each member of the advisory board may at any time convene a conference call of the advisory board to discuss amendments, supplements or deletions of text passages relating to the respeggt System Manual. Any modifications must be adopted unanimously by the advisory board. If modifications are made, the representative of respeggt GmbH is responsible for immediately informing all respeggt system partners about the amendments and for publishing them on the website www.respeggt-group.com.

The respeggt advisory board representative of respeggt GmbH convenes, presides over and takes the minutes of meetings.

The respeggt advisory board may, by unanimous decision, accept additional stakeholders or industry representatives as its members until it reaches a maximum number of 5 persons or institutions.

8. Annexes

8.1 The respeggt Style Guide

8.2. Instructions for using the Supply Chain Monitoring System

8.3. Requirements for the fattening of respeggt male layer chicks