



Sustainable

Fish & Seafood

Sourcing Guidelines and Commitments



Version 1. July 2020

1. Why is Sustainable Fish & Seafood Important to Sobeys Inc.?

Over 3 billion people around the world rely on fish and seafood as their primary source of protein (1). When improperly managed, harvesting fish and seafood can lead to overfishing, bycatch (unintended catch) and habitat damage.

As a company with Atlantic roots, fish and seafood is an important component of our company's offering. Our commitment is straightforward: Sobeys Inc. wants to ensure that fish and seafood is available to meet the needs of families today and in the future.

We strive to ensure the long-term viability of natural resources and the fair treatment of people through our sustainable fish and seafood sourcing practices.

2. What is Sustainable Fish & Seafood?

Sustainable fish and seafood can be defined as species that are caught or farmed in a way that ensures the long-term health and stability of that species, as well as the greater marine ecosystem. Sobeys Inc. defines sustainable fish and seafood as:

- All fish and seafood recommended by Ocean Wise; AND/OR
- Fish and seafood certified by a third-party eco-certification as recognized by the Global Sustainable Seafood Initiative (GSSI);

- For canned tuna, we also recognize the products from suppliers sourcing from packers that are members of the International Seafood Sustainability Trade Association (ISSA).

Sourcing sustainable fish and seafood also means that the people working to catch, farm and process fish and seafood must do so under accepted global standards for safe and fair working conditions.

3. Scope of the Guidelines

These guidelines apply to Sobeys Inc.'s private label fish and seafood products such as *Compliments*, *Sensations*, *Panache* and *8 Treasures* – fresh, frozen and canned, wild and farmed. Our private label products are available in our stores across Canada and in the following banners: Sobeys, Safeway, IGA, Thrifty Foods, Foodland and FreshCo.

Over time, we aim to continuously improve these Guidelines. We intend to expand the scope of our guidelines to include as much of our fish and seafood assortment as possible, including National brand products, as well as our fresh/service counter and in-store packaged products.

4. Specific Standards or Eco-certifications

Sobeys Inc. prefers third-party recommended or certified products whenever possible. The standards or eco-certifications that inform Sobeys Inc. purchasing decisions are the following:

Fresh and frozen fish and seafood:

- 1 All products recommended by Ocean Wise;
- 2 We also recognize the certification of the Marine Stewardship Council (MSC) for the wild-caught fish and seafood, the certification of the Best Aquaculture Practices (BAP) for farmed fish and seafood, as well as any other third-party certification approved by the Global Sustainable Seafood Initiative (GSSI);
- 3 For a product which wouldn't be third-party certified, the producer will be required to engage in a Fishery Improvement Project (FIP) or Aquaculture Improvement Project (AIP) working towards obtaining a certification. We are committed to maintain sourcing as long as improvements continue.

Canned fish and seafood:

- 1 Canned tuna: we recognize the products from suppliers sourcing from packers that are members of the International Seafood Sustainability Trade Association (ISSA). ISSA member companies agree to comply with and support conservation measures adopted by the International Sustainable Seafood Foundation (ISSF) that are designed to advance the long-term health of global tuna industry. All members are annually audited against in-force ISSF resolutions and conservation measures. Audit results are published each year on the ISSF website.
- 2 All canned fish and seafood: we will provide third-party certified or recommended options (e.g. Ocean Wise recommended, Marine Stewardship Council (MSC) certified) where available at accessible price points for our customers.
- 3 As part of our commitment to continuous improvement, we will work toward aligning our requirements for canned fish and seafood with our fresh & frozen fish and seafood supply.

Traceability

Certification programs also help improve fish and seafood traceability in the supply chain, a growing concern for fish and seafood procurement. As such, Global Food Safety Initiative (GFSI) certification is required of all vendors supplying products to Sobeys Private Label Programs.

5. Social Responsibility and Food Safety

Social responsibility

Sobeys Inc. is determined to carry out its activities lawfully and ethically and has the same expectations of its supplier partners. All suppliers have an obligation to conduct business in a safe and ethical manner.

The responsibilities and requirements suppliers must meet in order to do business with Sobeys Inc. include compliance with all applicable laws and industry standards, environmental protection and fair working conditions.

We believe that the people working to catch, farm and process fish and seafood must do so under accepted global standards for safe and fair working conditions. Sobeys Inc. partners with industry suppliers that share our values in responsibly sourcing fish and seafood. All vendors supplying products from high risk countries to Sobeys Inc.'s Private Label Programs are required to ensure the producers maintain acceptable Social Compliance Audit standards:

Sobeys Inc. recognizes the following social compliance audit standards: GSCP Reference Code, SA 8000, BSCI Code of Conduct, Fair Working Conditions (FWC)

Sobeys Inc. recognizes the following organizations: GSCP, BSCI, Intertek, Bureau Veritas, SMETA (Sedex), SGS

Food Safety

Sobeys Inc. requires that food products are grown, manufactured, packaged, stored, and transported in accordance with established food safety requirements in the country of origin and comply with all relevant Canadian regulatory requirements when entering our supply chain. Sobeys Inc. requires that food products entering our supply chain be traceable, meet or exceed applicable Canadian regulatory requirements and follow any additional standards set by the Food Safety, Quality and Regulatory Affairs teams. Where applicable, private certification schemes such as Global Food Safety Initiative (GFSI) recognized schemes, will be required of suppliers to evaluate food safety management through third party audits.

6. Our Commitments

Sobeys Inc. commits to the following:

- Fresh and frozen private label fish and seafood:
 - By 2025, a minimum of 95% of the total weight of the products will be third-party certified or recommended by Ocean Wise. All of the remaining will have to be involved in FIP/AIP.
- Canned private label tuna:
 - As of 2020, all of our canned tuna suppliers will be sourcing from packers that are ISSA members.

Beginning in 2021, we will annually report our progress against these commitments on our corporate website.

7. Education of Staff, Customers and Suppliers

Sobeys Inc. will participate in raising awareness about sustainable fish and seafood in different ways among its employees, customers and suppliers. A partnership has been established with Ocean Wise, a conservation program that educates and empowers consumers about the issues surrounding sustainable fish and seafood. Ocean Wise helps us to communicate sustainable fish and seafood choice to our customers.

Employees: Staff training is conducted for regional managers and a training session is available on Sobeys Inc. staff training platform so that all employees involved with fish and seafood do the training module on sustainable fish and seafood, as part of their training requirements.

Suppliers: All existing and new fish and seafood suppliers for Sobeys Inc. private label brands are required to adapt their offer according to the criteria set out in these guidelines. These will be shared as part of our on boarding process.

Customers: Sobeys Inc. will educate our customers on our practices regarding sustainable fish and seafood through the Ocean Wise partnership. Various channels will be used, such as in-store Point-of-Sale (POS) marketing material and owned media channels (website, flyers, etc.). We will also facilitate in store experience to easily identify sustainable choices available through Ocean Wise label.

Guidelines Update

Sobeys Inc. recognizes that sustainability is a long-term commitment. We will review these guidelines annually and we will update them by 2025, or earlier as our supply chain evolves.

- (1) Global Fishing Watch <https://globalfishingwatch.org/>, Monterey Bay Aquarium <https://www.montereybayaquarium.org/act-for-the-ocean/sustainable-seafood/the-challenge>