SEAFOOD PROGRESS: LOBLAW

Seafood Progress profile as published in July 2021.

Loblaw Companies Limited

Report generated on: August 24th, 2021

REPORTING PERIOD

August 2020 - July 2021

LOCATION

Across Canada

NUMBER OF STORES

Almost 2,500

GROSS REVENUE

\$45.4 billion (2015)

WEBSITE

http://www.loblaw.ca

RETAILER SNAPSHOT

Environmental Sustainability Commitment. In 2015, Loblaw met its sustainable seafood commitment to source all of its seafood from fisheries certified by the Marine Stewardship Council (MSC), farms certified by the Aquaculture Stewardship Council (ASC) or products certified by an equivalent standard, "acceptable sources with conditions, or sources making meaningful progress toward sustainability." Loblaw's commitment is supported by an effective **traceability** policy. As of 2021, this commitment applies to 19 of its 23 store **banners**. Since meeting its sustainability commitment, Loblaw confirms with SeaChoice annually that all of its procurement continues to be in line with its commitment. Loblaw also continues to look for opportunities to expand its commitment scope, such as offering pet food that is MSC certified.

Social Responsibility Commitment. Loblaw's commitment to social responsibility includes clear objectives, expectations for seafood suppliers, a clear and effective <u>traceability</u> policy and a timeline for meeting the commitment.

Scope of Commitment. See below for information on which types of products are included in the scope of Loblaw's sustainable seafood policy.

COMMITMENT SCOPE

How retailers' sustainable seafood policies and commitments apply to different segments of their products.

Loblaw Companies Limited	FRESH	FROZEN	SHELF STABLE
Grocery store brand	4 ×	攀	A
Seafood company brand		攀	A
No brand		攀	A

- Retailer has made a commitment to all segments represented.
- Retailer does not sell products in this segment

Grocery store brands: Owned and controlled by Loblaw

Seafood company brands: Owned by companies that supply many retailers

No brand: Fresh and frozen seafood packaged without branding

WHAT CAN CONSUMERS DO TO HELP?

Take action!

Loblaw is well on its way towards best practice, but there is still important work to be done. Retailers listen closely to what **YOU** have to say. Leverage that power to drive important changes throughout the supply chain!

Select a topic to ADVOCATE for Loblaw to improve.

- ▶ Transparency
- ► Commitment
- ► Supporting Industry Improvements

Another way to take action is to let retailers know that their efforts are noticed and that you want them to continue on the path towards best practice.

Select a topic to ACKNOWLEDGE Loblaw's efforts.

- ▶ Social Responsibility
- **▶** Commitment
- ► Education

See below for the remainder of Loblaw's 2021 profile summary.

▶ Other retailer information

Note: In the process of developing Loblaw's 2021 profile, SeaChoice corresponded with Jennifer Lambert, Senior Manager of Sustainability at Loblaw Companies Limited.

STEP 1: DOES THE RETAILER HAVE A COMPREHENSIVE COMMITMENT ON SUSTAINABLE SEAFOOD?



National Average

If it looks like you are only seeing the score for one year it is because the score did not change from year to year.

1.1 Has a publicly available commitment or policy to source more environmentally sustainable seafood



SCORING RATIONALE

In 2009, Loblaw committed to procuring all of the seafood sold in its stores from sustainable sources by 2013 (for wild-caught seafood, meaning it is certified by the Marine Stewardship Council or an equivalent standard, and for farmed seafood, meaning it is certified by the Aquaculture Stewardship Council or an equivalent standard). All seafood is procured in line with Loblaw's environmental commitments and is supported by either third-party certified traceability (for eco-certified products) or Loblaw's traceability policy (for non-certified products; personal communication, J. Lambert, 05/20/2021).



SCORING RUBRIC

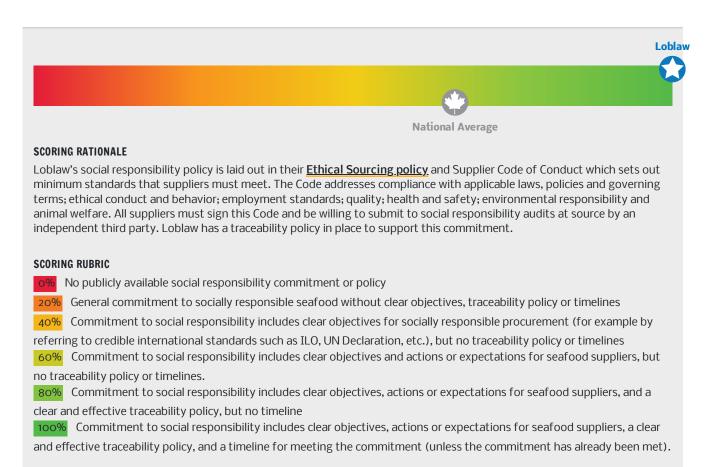
No publicly available environmental sustainability commitment or policy

General commitment to environmentally sustainable seafood without clear objectives, traceability policy or timelines
Commitment to environmental sustainability that includes clear objectives for sustainable procurement, but no traceability policy or timelines

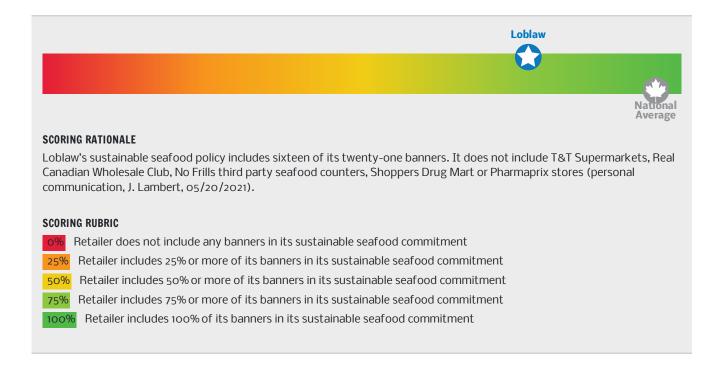
60% Commitment to environmental sustainability includes clear objectives that are supported by references to credible standards (such as Seafood Watch or Ocean Wise rankings, eco-certifications, etc.), but no traceability policy or timelines Commitment to environmental sustainability includes clear objectives that are supported by references to credible standards and a clear and effective traceability policy, but no timeline

Commitment to environmental sustainability includes clear objectives that are supported by references to credible standards, a clear and effective traceability policy, and a timeline for meeting the commitment (unless the commitment has already been met).

1.2 Has a publicly available commitment or policy to source more socially responsible seafood?



1.3 Does the retailer cover all banners that sell seafood in its sustainable seafood commitment?



1.4 Does the retailer cover all shelf stable and national brand products in its sustainable seafood commitment?



STEP 2: IS THE RETAILER COLLECTING DATA TO SUPPORT THEIR COMMITMENT?

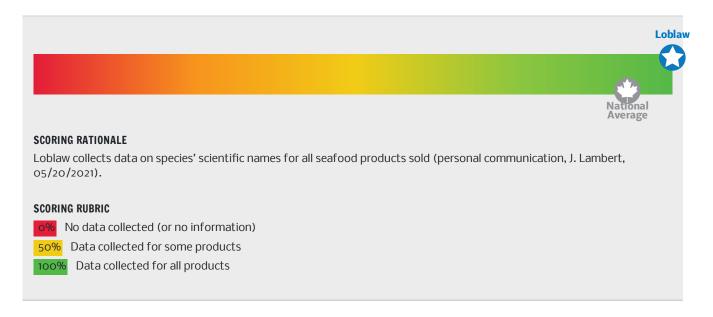


What information is the retailer collecting to monitor the environmental and social sustainability of their seafood products?

The step score is based on the average of Step 2 key performance indicators (KPIs, or step elements) listed below; click the + signs for more detailed information.

If it looks like you are only seeing the score for one year it is because the score did not change from year to year. Try clicking off the 'June 2019' button below the score bar.

2.1 Retailer collects data on species scientific (Latin) name for seafood products being sold - the "what"



2.2 Retailer collects data on country of origin of seafood products being sold - the "where"



2.3 Retailer collects data on whether the seafood products being sold are wild or farmed - the "how"



2.4 Retailer collects data on the gear type or farming methods for seafood products being sold - the "how"



STEP 3: IS THE RETAILER MAKING RESPONSIBLE SOURCING DECISIONS?



Are the retailer's procurement decisions supporting their environmental and social sustainability commitments?

The step score is based on the average of Step 3 key performance indicators (KPIs, or step elements) listed below; click the + signs for more detailed information.

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Note that KPI 3.3 was changed in 2019 from "Retailer works with suppliers to address potential human rights and labour abuses, and support sustainable livelihoods for producers" to more specific indicators around retailers' agreements with their suppliers/vendors to uphold their environmental and social commitments.

If it looks like you are only seeing the score for one year it is because the score did not change from year to year. Try clicking off the 'June 2019' button below the score bar.

STEP ELEMENTS

3.1 Retailer uses an established seafood certification or ranking standard to inform purchasing decisions.



3.2 Retailer can demonstrate that X% of their seafood sold in the last three years meets their sustainability criteria by volume/value.



3.3 Suppliers are required to sign a code of conduct to uphold the retailer's environmental sustainability commitment.



SCORING RATIONALE

All suppliers are required to sign a company-wide Code of Conduct and abide by commodity-specific procurement guidelines to ensure that all products they supply meet Loblaw's environmental commitment (personal communication, J. Lambert, o5/20/2021). Suppliers must agree that Loblaw may verify compliance of its suppliers with the Code of conduct, either through supplier self-evaluation or through an audit (either performed by Loblaw or an independent third party). Loblaw's Code of Conduct for suppliers can be accessed here and its Ethical sourcing page can be found here.

SCORING RUBRIC

Suppliers are not required to sign a code of conduct (or no information)

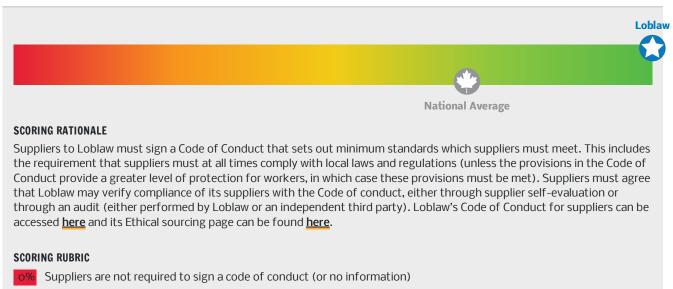
Some suppliers are required to sign a code of conduct that covers some of the retailer's environmental sustainability commitment

50% All suppliers are required to sign a code of conduct that covers some of the retailer's environmental sustainability commitment

75% All suppliers are required to sign a code of conduct that covers all of the retailer's environmental sustainability commitment

All suppliers are required to sign a code of conduct that covers all of the retailer's environmental sustainability commitment and the retailer actively verifies that this commitment is being upheld.

3.4 Suppliers are required to sign a code of conduct to uphold the retailer's social responsibility commitment.



Some suppliers are required to sign a code of conduct that covers some of the retailer's social responsibility commitment.

50% All suppliers are required to sign a code of conduct that covers some of the retailer's social responsibility commitment.

75% All suppliers are required to sign a code of conduct that covers all of the retailer's social responsibility commitment.

100% All suppliers are required to sign a code of conduct that covers all of the retailer's social responsibility commitment and the retailer actively verifies that this commitment is being upheld.

STEP 4: IS THE RETAILER TRANSPARENT ABOUT THEIR COMMITMENT?



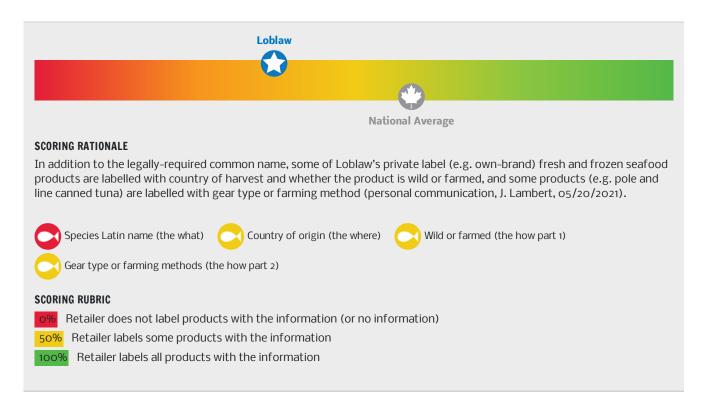
National Average

Is the retailer making information regarding the environmental and social performance of their seafood products publicly available and are they reporting on progress against their sustainable seafood commitment?

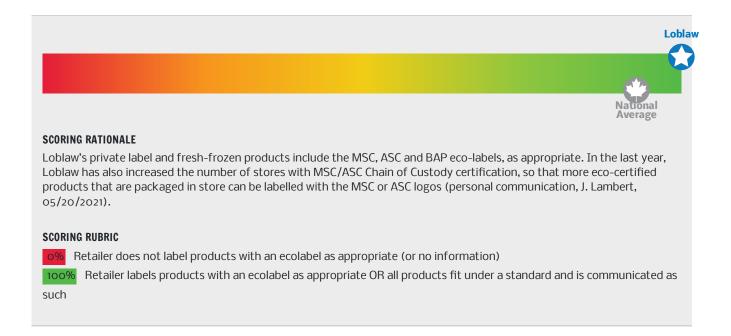
The step score is based on the average of Step 4 key performance indicators (KPIs, or step elements) listed below; click the + signs for more detailed information.

If it looks like you are only seeing the score for one year it is because the score did not change from year to year. Try clicking off the 'June 2019' button below the score bar.

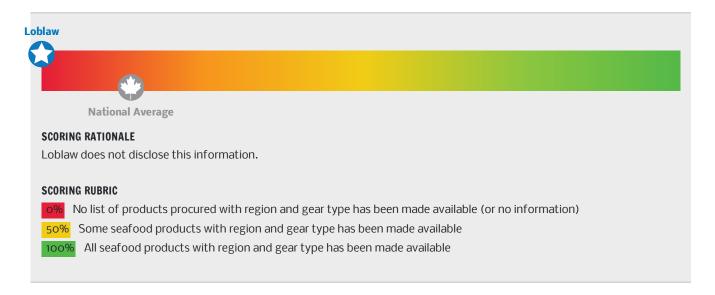
4.1 Retailer labels seafood with the information that allows consumers to make informed decisions - what (species' scientific name), where (country or region of origin), and how (wild/farmed and harvest method)



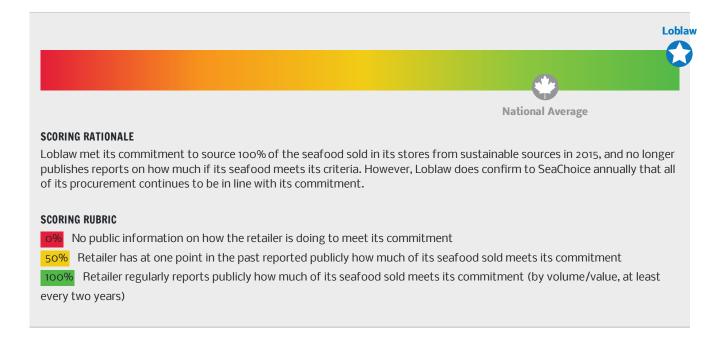
4.2 Retailer labels products with an ecolabel, allowing consumers to make informed decisions OR all products fit under a standard and is communicated as such



4.3 List of products procured with region and gear type data has been made available (e.g. as per Ocean Disclosure Project)



4.4 Retailer publicly reports how much of its seafood meets its sustainability criteria (by volume or value of sales).



STEP 5: DOES THE RETAILER EDUCATE STAFF, CUSTOMERS AND/OR VENDORS ABOUT THE IMPORTANCE OF THEIR COMMITMENT TO SUSTAINABLE SEAFOOD?



Is the retailer educating their employees, customers, suppliers and other key stakeholders about their sustainable seafood commitment, environmental and social issues in seafood, and the importance of traceability?

Loblaw - SeaChoice

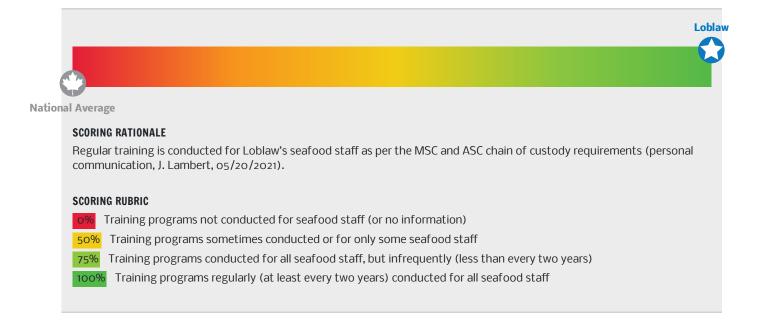
The step score is based on the average of Step 5 key performance indicators (KPIs, or step elements) listed below; click the + signs for more detailed information.

Note that KPI 5.3 changed in 2019 from "Suppliers are required to sign a Code of Conduct to uphold the retailer's sustainable seafood policy" (now covered by KPIs 3.3 and 3.4) to an indicator of what actions retailers have taken to educate their suppliers/vendors about their sustainable seafood commitment.

If it looks like you are only seeing the score for one year it is because the score did not change from year to year. Try clicking off the 'June 2019' button below the score bar.

STEP ELEMENTS

5.1 Training programs are conducted for seafood staff.



5.2 There is a description of the retailer's sustainable seafood program for customers in store



5.3 The retailer has taken actions to ensure its suppliers or vendors are aware of its sustainable seafood commitment or policy.



SCORING RATIONALE

Loblaw shares their sustainable seafood policy with their suppliers and vendors and engages them to ensure the products they supply meets Loblaw's requirements. If needed, Loblaw will work with suppliers to find eco-certified sources for private brand products.

SCORING RUBRIC

o% The retailer has taken no actions OR no information available

The retailer sends its suppliers or vendors a copy of its sustainable seafood commitment or policy

50% The retailer shares its sustainable seafood commitment or policy and sometimes engages with its suppliers to help ensure the products they supply meet the retailer's expectations.

75% The retailer shares its sustainable seafood commitment or policy and regularly engages with its suppliers to help ensure the products they supply meet the retailer's expectations.

The retailer shares its sustainable seafood commitment or policy, has a clear strategy to engage with its suppliers and provides direct support (e.g. training, resources) to help ensure all seafood product are procured in line with its policies.

STEP 6: DOES THE RETAILER SUPPORT IMPROVEMENTS IN FISHERIES AND AQUACULTURE?



Does the retailer sell 'Priority Seafood' products (seafood that has high volume of sales in Canadian retail stores and that is generally not recommended by the Ocean Wise Seafood Program), and if so, do they support improvement and how?

The step score is based on the average of Step 6 key performance indicators (KPIs, or step elements) listed below; click the + signs for more detailed information.

Note that this Step was changed significantly in 2019 to introduce two additional 'Support Improvement' actions for each of the Priority Seafood products. This means that if a retailer was engaged in the same actions in 2019 as in 2018, and no more, their score will appear to have decreased). Additionally, KPIs 6.4 and 6.5 on other SeaChoice priority seafood products were generalized into a new KPI that allows retailers to showcase any other actions they are taking to support improvement of specific seafood products (besides shrimp, farmed salmon and skipjack), or to support improvements in seafood sustainability in general.

If it looks like you are only seeing the score for one year it is because the score did not change from year to year. Try clicking off the 'June 2019' button below the score bar.

6.1 Does the retailer support improvements in the production of farmed Atlantic salmon (either Canadian produced or imported)?



SCORING RATIONALE

Loblaw worked closely with the ASC and BAP certification programs on standard development and supply chain expansion. It aims to source its farmed salmon from closed containment or organic certified open water net pens. Loblaw preferentially sources ASC certified salmon for its private label products, and if this is unavailable then it will source BAP 2 star plus or organic certified products. All suppliers are required to meet Loblaw's general social responsibility commitments and traceability requirements (personal communication, J. Lambert, 05/20/2021).

- χ Only sells farmed salmon products that meet the highest bars for sustainability, i.e. are certified by ASC, Recommended by Ocean Wise and/or ranked Best Choice by Seafood Watch (100 pts)
- χ^{Outreach} to policymakers to advocate for salmon farming management to be more environmentally sustainable and/or socially responsible
- ✓ Collaborating with other companies pre-competitively to improve salmon aquaculture practices.
- Works with suppliers or producers directly to improve salmon farming practices
- Refrains from advertising versions of this product that are not ASC certified, Not Recommended by Ocean Wise and/or ranked Avoid by Seafood Watch
- Preferentially procures farmed salmon from sources that are ASC certified, Recommended by Ocean Wise or ranked Best Choice by Seafood Watch
- ✓ Sourcing decisions also prioritize products with high levels of social responsibility and traceability

- o% Sells the product and does not support improvements by doing any of the actions listed or no information available
- 17% Retailer is engaged in one action to support improvement
- 34% Retailer is engaged in two actions to support improvement
- 51% Retailer is engaged in three actions to support improvement
- 68% Retailer is engaged in four actions to support improvement
- 85% Retailer is engaged in five improvement activities or doesn't sell the product
- 100% Retailer is engaged in all improvement activities or doesn't sell the product

6.2 Does the retailer support improvements in the production of imported farmed shrimps and prawns?



SCORING RATIONALE

Loblaw worked with the ASC and BAP certification standards on development and are now working on supply chain expansion. It preferentially sources ASC certified shrimp and prawns (which are also recommended by Ocean Wise) when available but note that currently there is a limited supply. When ASC certified products are not available, Loblaw sources shrimp and prawns that are at least BAP 2-star certified. All suppliers are required to meet Loblaw's general social responsibility commitments and traceability requirements (personal communication, J. Lambert, 05/20/2021).

- Only sells farmed shrimp and prawn products that meet the highest bars for sustainability, i.e. are certified by ASC or BAP, Recommended by Ocean Wise and/or ranked Best Choice by Seafood Watch (100 pts)
- χ Outreach to policymakers to advocate for shrimp and prawn farming management to be more environmentally sustainable and/or socially responsible
- X Collaborating with other companies pre-competitively to improve shrimp and prawn farming practices
- XWorks with suppliers or producers directly to improve shrimp and prawn farming practices
- \mathbf{x} Refrains from advertising versions of this product that are not ASC or BAP certified, Not Recommended by Ocean Wise and/or ranked Avoid by Seafood Watch
- $\mathbf{x}^{\mathsf{Preferentially}}$ procures shrimp and prawns from sources that are ASC or BAP certified, Recommended by Ocean Wise or Best Choice by Seafood Watch
- XSourcing decisions also prioritize products with high levels of social responsibility and traceability

- Retailer sells the product and does not support improvements by doing any of the actions listed or no information available
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- 51% Retailer is engaged in three actions to support improvement
- 68% Retailer is engaged in four actions to support improvement
- 85% Retailer is engaged in five actions to support improvement
- 100% Retailer is engaged in all support improvement activities or doesn't sell the product

6.3 Does the retailer support improvements in the production of skipjack tuna?



SCORING RATIONALE

While Loblaw prefers to source MSC certified skipjack tuna, availability and cost are common barriers. To try to address this, Loblaw has been working with suppliers to try and decrease the price point and increase availability. All suppliers are required to meet Loblaw's general social responsibility commitments and traceability requirements (personal communication, J. Lambert, 05/20/2021). In August of 2020, Loblaw signed the NGO Tuna forum's global advocacy letter that addressed the core elements of long-term tuna stock sustainability.

- Only sells skipjack tuna products that meet the highest bars for sustainability, i.e. are certified by MSC, Recommended by Ocean Wise and/or ranked Best Choice by Seafood Watch (100 pts)
- Outreach to policymakers to advocate for skipjack fishing methods and management to be more environmentally sustainable and/or socially responsible
- *Collaborating with other companies pre-competitively to improve skipjack fishery management practices
- ✓ Works with suppliers or producers directly to improve skipjack fishing practices
- Refrains from advertising versions of this product that are not MSC certified, Not Recommended by Ocean Wise and/or ranked Avoid by Seafood Watch
- Preferentially sources from more sustainable sources that are MSC certified, Recommended by Ocean Wise or Best Choice by Seafood Watch
- ✓ Sourcing decisions also prioritize products with high levels of social responsibility and traceability

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- 100% Retailer is engaged in all support improvement activities or doesn't sell the product

6.4 Is the retailer engaged in any actions to improve production of any other seafood products?



SCORING RATIONALE

Loblaw is a Steering Committee member for the Sustainable Supply Chain Initiative (SSCI, run by the Consumer Goods Forum) and a partner of the Global Seafood Sustainability Initiative (GSSI).

- Only sells versions of this product that meet the highest bars for sustainability, i.e. are certified by MSC/ASC, Recommended by Ocean Wise and/or ranked Best Choice by Seafood Watch (100 pts)
- $_{\chi}$ Outreach to policymakers to advocate for harvest or farming method and management to be more environmentally sustainable and/or socially responsible
- ✓ Collaborating with other companies pre-competitively to improve fishing or aquaculture practices
- XWorks with suppliers or producers directly to improve fishing or farming practices
- \mathbf{x} Refrains from advertising versions of this product that are not MSC/ASC certified, Not Recommended by Ocean Wise and/or ranked Avoid by Seafood Watch
- Preferentially sources from more sustainable sources that are MSC/ASC certified, Recommended by Ocean Wise or Best Choice by Seafood Watch
- ✓ Sourcing decisions also prioritize products with high levels of social responsibility and traceability

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