SEAFOOD PROGRESS: LOBLAW



Legacy report of this retailer's Seafood Progress profile as published in July 2019.

Report generated on: August 8th, 2019

REPORTING PERIOD June 2019 - May 2020

LOCATION Across Canada

NUMBER OF STORES Almost 2,500

GROSS REVENUE \$45.4 billion (2015)

WEBSITE http://www.loblaw.ca

RETAILER SNAPSHOT

Loblaw's sustainable seafood commitment is that all seafood sold in its stores will be from sustainable sources. Loblaw define this as 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". In 2019, Loblaw's score for reporting progress against their procurement commitment increased as a result of their disclosure through Seafood Progress.

Loblaw's suppliers must sign a Code of Conduct that sets out mandatory minimum social responsibility standards and adherence to this Code is supported by independent, third party audits on all overseas suppliers. Loblaw is also committed to traceability for all its seafood products, by increasing the number of stores and distribution centers that have chain-of-custody certification (necessary for in-store labelling of MSC and ASC products) and by implementing a robust traceability system for non-ecocertified products.

SeaChoice recommends that Loblaw re-introduce a description of its sustainable seafood program for customers in store, continue to improve its labelling by introducing information such as scientific name and harvest method on its fresh and private label seafood products, and its transparency by disclosing information about its product sourcing through initiatives like the Ocean Disclosure Project.

In the process of developing this 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

Does the policy include time-bound objectives for addressing environmental issues, social concerns and traceability?

The step score is based on the average of Step 1 key performance indicators (KPIs, or step elements) listed below; click the + signs for more detailed information.

Note that the KPIs changed from 2018 to 2019 to move the assessment of retailers' traceability commitments from a standalone KPI to a component of the scoring for the KPIs relating to 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

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 wildcaught 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, 18/03/2019). Note that Loblaw's sustainable seafood commitment does not include extend to Arz, T&T Supermarkets, Real Canadian Wholesale Club, franchised stores or Shoppers Drug Mart/Pharmaprix store.

SCORING RUBRIC

0% No publicly available environmental sustainability commitment or policy

20% General commitment to environmentally sustainable seafood without clear objectives, traceability policy or timelines

40% 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
 80% 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

100% 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



SCORING RATIONALE

Loblaw's social responsibility policy is laid out in their <u>Ethical Sourcing policy</u> and <u>Supplier Code of Conduct</u> which sets out minimum standards that suppliers must meet. The Code addresses child labour, forced labour, discrimination, abuse or harassment, freedom of association, employment laws and overtime, reasonable living wages, safe working conditions, environmental protection, treatment of animals, and ethical conduct. All suppliers must sign this Code and be willing to submit to social responsibility audits at source by an independent third party. Loblaw has a traceability policy in place to support this commitment.

SCORING RUBRIC

o% No publicly available social responsibility commitment or policy

20% General commitment to socially responsible seafood without clear objectives, traceability policy or timelines

40% Commitment to social responsibility includes clear objectives for socially responsible procurement (for example by

referring to credible international standards such as ILO, UN Declaration, etc.), but no traceability policy or timelines

60% Commitment to social responsibility includes clear objectives and actions or expectations for seafood suppliers, but no traceability policy or timelines.

80% Commitment to social responsibility includes clear objectives, actions or expectations for seafood suppliers, and a clear and effective traceability policy, but no timeline

100% Commitment to social responsibility includes clear objectives, actions or expectations for seafood suppliers, a clear and effective traceability policy, and a timeline for meeting the commitment (unless the commitment has already been met).

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



National Average

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.

STEP ELEMENTS

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

bblaw collects data on species' scientific names for all seafood products sold (personal communication, J. Lambert, /03/2019).		Lob
CORING RATIONALE oblaw collects data on species' scientific names for all seafood products sold (personal communication, J. Lambert, /o3/2019). CORING RUBRIC No data collected (or no information)		
bblaw collects data on species' scientific names for all seafood products sold (personal communication, J. Lambert, /03/2019).	National Average	
No data collected (or no information)	SCORING RATIONALE Loblaw collects data on species' scientific names for all seafood products sold (personal communication, J. Lambert, 18/03/2019).	
	SCORING RUBRIC	
<mark>0%</mark> Data collected for some products	0% No data collected (or no information)	
	50% Data collected for some products	
00% Data collected for all products	100% Data collected for all products	

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



100% Data collected for all products

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

	Loblaw
National Average	
SCORING RATIONALE Loblaw collects data on whether all seafood products sold are wild or farmed (personal communication, J. Lambert, 18/03/2019).	
SCORING RUBRIC	
No data collected (or no information)	
50% Data collected for some products	
100% Data collected for all products	

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.

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.

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STEP ELEMENTS

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





SCORING RATIONALE

After Loblaw met its target in 2013, the commitments laid out at that time have been incorporated in all subsequent purchasing decisions and all seafood is now procured in line with Loblaw's environmental and social commitments (personal communication, J. Lambert, 18/03/2019). Note that Loblaw's sustainable seafood commitment does not include extend to Arz, T&T Supermarkets, Real Canadian Wholesale Club, franchised stores or Shoppers Drug Mart/Pharmaprix store..

SCORING RUBRIC

0% Retailer has not reported in last three years how much of their seafood sold meets their sustainability commitment (or no information available)

25% Retailer can demonstrate that 25% or more of their seafood products sold meets their sustainability commitment

- 50% Retailer can demonstrate that 50% or more of their seafood products sold meets their sustainability commitment
- 75% Retailer can demonstrate that 75% or more of their seafood products sold meets their sustainability commitment
- 100% Retailer can demonstrate that 100% of their seafood products sold meets their sustainability commitment

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, 18/03/2019).

SCORING RUBRIC

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

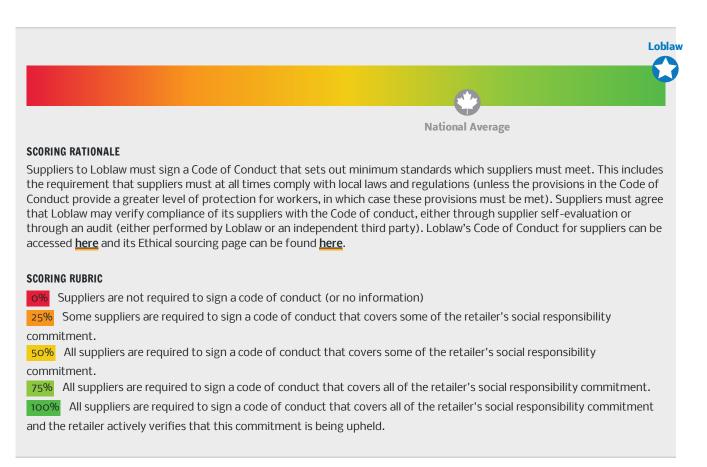
25% Some suppliers are required to sign a code of conduct that covers some of the retailer's environmental sustainability commitment

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

100% 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.



STEP 4: IS THE RETAILER TRANSPARENT ABOUT THEIR COMMITMENT?



National Average

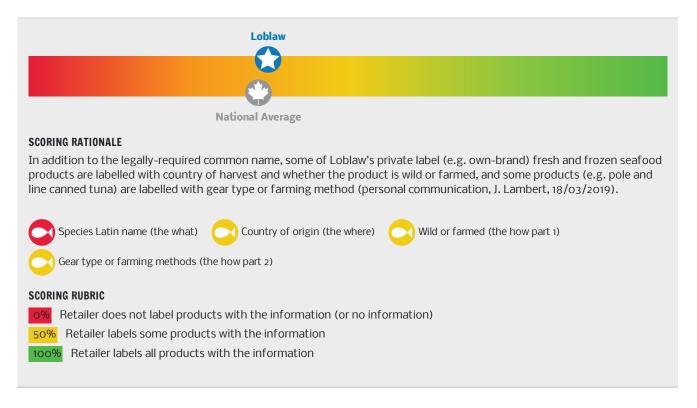
Is the retailer making information regarding the environmental and social performance of their seafood products publicly available and are they reporting on progress against their sustainable seafood commitment?

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.

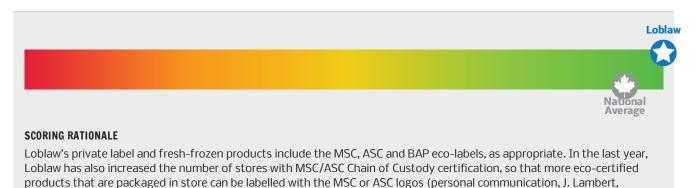
If it looks like you are only seeing the score for one year it is because the score did not change from year to year. Try clicking off the 'June 2019' button below the score bar.

STEP ELEMENTS

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



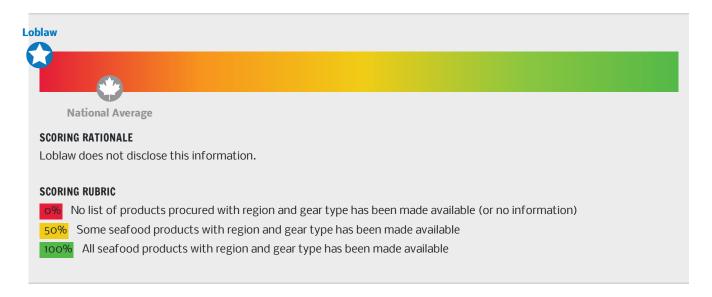
19/03/2019).

SCORING RUBRIC

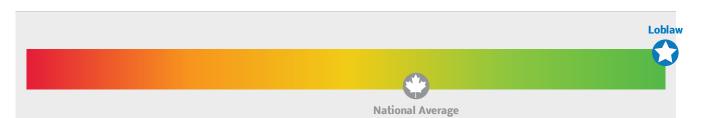
o% Retailer does not label products with an ecolabel as appropriate (or no information)

100% Retailer labels products with an ecolabel as appropriate 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).



SCORING RATIONALE

Loblaw's Corporate Social Responsibility (CSR) **report for 2015** (page 13) stated that by the end of 2015, 94% of its seafood procurement was in line with its commitment (unit sales; does not include sales from Arz, T&T Supermarkets, Real Canadian Wholesale Club, franchised stores or Shoppers Drug Mart/Pharmaprix stores). Although Loblaw's CSR reports for 2016 and 2017 did not include updates on progress against its seafood commitments, Loblaw disclosed this information through Seafood Progress in 2018 and 2019.

SCORING RUBRIC

0% No public information on how the retailer is doing to meet its commitment

50% Retailer has at one point in the past reported publicly how much of its seafood sold meets its commitment

Retailer regularly reports publicly how much of its seafood sold meets its commitment (by volume/value, at least every two years)

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?

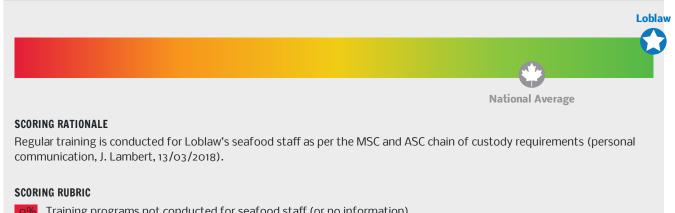
The step score is based on the average of Step 5 key performance indicators (KPIs, or step elements) listed below; click the + signs for more detailed information.

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.



- **0%** Training programs not conducted for seafood staff (or no information)
- 50% Training programs sometimes conducted or for only some seafood staff
- 75% Training programs conducted for all seafood staff, but infrequently (less than every two years)
- 100% Training programs regularly (at least every two years) conducted for all seafood staff

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

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	National Average
CORING RATIONALE	
6	ption of Loblaw's sustainable seafood program in store because it changed the structure of its details of the program are online (personal communication, J. Lambert, 18/03/2019).
CORING RUBRIC	
7% There is no descript	on of the sustainable seafood program in store (or no information)
50% This is some descri	ption of the sustainable seafood program in store
100% There is a compre	hensive description of the sustainable seafood program 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

- The retailer has taken no actions OR no information available
- 25% 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?



National Ave

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?

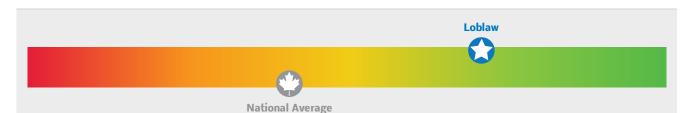
The step score is based on the average of Step 6 key performance indicators (KPIs, or step elements) listed below; click the + signs for more detailed information.

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.

STEP ELEMENTS

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, 18/03/2019).

Construction of the set of the

XOutreach to policymakers to advocate for salmon farming management to be more environmentally sustainable.

- Collaborating with other companies pre-competitively to improve salmon aquaculture practices
- ✓ Works with suppliers or producers directly to improve salmon farming practices

 ${\it x}$ Refrains from advertising versions of this product that are Not Recommended by Ocean Wise and/or ranked Avoid by Seafood Watch

Preferentially procures farmed salmon from sources that are either Recommended by Ocean Wise or ranked Best Choice by Seafood Watch

✓ Preferentially sources from farms that are ASC certified

Sourcing decisions also prioritize products with high levels of social responsibility and traceability

SCORING RUBRIC

- Sells the product and does not support improvements by doing any of the actions listed or no information available
- 14% Retailer is engaged in one action to support improvement
- 26% Retailer is engaged in two actions to support improvement
- 43% Retailer is engaged in three actions to support improvement
- 57% Retailer is engaged in four actions to support improvement
- 71% Retailer is engaged in five improvement activities or doesn't sell the product
- 85% Retailer is engaged in six 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?



National Average

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, 18/03/2019).

×Only sells farmed shrimp and prawn 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)

 $x^{\rm Outreach}$ to policymakers to advocate for shrimp and prawn farming management to be more environmentally sustainable.

*Collaborating with other companies pre-competitively to improve shrimp and prawn farming practices

✓ Works with suppliers or producers directly to improve shrimp and prawn farming practices

*Refrains from advertising versions of this product that are Not Recommended by Ocean Wise and/or ranked Avoid by Seafood Watch

Preferentially procures shrimp and prawns from sources that are either Recommended by Ocean Wise or Best Choice by Seafood Watch

✓ Preferentially sources from farms that are ASC or BAP certified

Sourcing decisions also prioritize products with high levels of social responsibility and traceability

SCORING RUBRIC

Retailer sells the product and does not support improvements by doing any of the actions listed or no information available

- 14% Retailer is engaged in one action to support improvement
- 26% Retailer is engaged in two actions to support improvement
- 43% Retailer is engaged in three actions to support improvement
- 57% Retailer is engaged in four actions to support improvement
- 71% Retailer is engaged in five actions to support improvement
- 85% Retailer is engaged in six 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, 18/03/2019).

Construction of the set of the

xOutreach to policymakers to advocate for skipjack fishing methods and management to be more environmentally sustainable.

X 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 Recommended by Ocean Wise and/or ranked Avoid by Seafood Watch

 ${\it x}$ Preferentially sources from more sustainable sources that are either Recommended by Ocean Wise or Best Choice by Seafood Watch

XPreferentially sources from fisheries that are MSC certified

Sourcing decisions also prioritize products with high levels of social responsibility and traceability

SCORING RUBRIC

o% Retailer sells the product and does not support improvements by doing any of the actions listed or no information

available

- 14% Retailer is engaged in one action to support improvement
- 26% Retailer is engaged in two actions to support improvement
- 43% Retailer is engaged in three actions to support improvement
- 57% Retailer is engaged in four actions to support improvement
- 71% Retailer is engaged in five actions to support improvement
- 85% Retailer is engaged in six actions to support improvement

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 funding partner of the Global Seafood Sustainability Initiative (GSSI). Loblaw engages as needed with policymakers on potential regulatory changes.

- ×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)
- \checkmark Outreach to policymakers to advocate for harvest or farming method and management to be more environmentally sustainable.
- Collaborating with other companies pre-competitively to improve fishing or aquaculture practices
- X Works with suppliers or producers directly to improve fishing or farming practices
- ${\bf x}^{\rm Refrains}$ from advertising versions of this product that are Not Recommended by Ocean Wise and/or ranked Avoid by Seafood Watch
- ${\bf x}^{\rm Preferentially}$ sources from more sustainable sources that are either Recommended by Ocean Wise or Best Choice ${\bf x}^{\rm by}$ Seafood Watch
- XPreferentially sources from fisheries/farms that are MSC/ASC certified

X Sourcing decisions also prioritize products with high levels of social responsibility and traceability

SCORING RUBRIC

Retailer sells the product and does not support improvements by doing any of the actions listed or no information available

- 14% Retailer is engaged in one action to support improvement
- 26% Retailer is engaged in two actions to support improvement
- 43% Retailer is engaged in three actions to support improvement
- 57% Retailer is engaged in four actions to support improvement
- 71% Retailer is engaged in four actions to support improvement
- 85% Retailer is engaged in four actions to support improvement
- 100% Retailer is engaged in all support improvement activities