SEAFOOD PROGRESS: METRO



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

Quebec and Ontario

NUMBER OF STORES

942 food stores

GROSS REVENUE

Over \$12 billion (2016)

WEBSITE

https://www.metro.ca

RETAILER SNAPSHOT

METRO's Sustainable Fisheries and Aquaculture Policy is detailed in its scope, which standards it is based on and its timeline. It includes the goals that by 2021:

- All of METRO's private brand canned tuna will be from sustainable sources, meaning not sourced from stocks that are
 clearly threatened, developing new products from green ranked sources, and working with suppliers to improve the
 sustainability of the gears they use.
- All of METRO's private brand farmed shrimp and farmed salmon products will be at least Best Aquaculture Practices (BAP) 2 star certified.

SeaChoice commends METRO for improving the transparency of its procurement practices by publicly disclosing how much of the seafood it sells meets its commitment. METRO has also implemented a new initiative called 'Fraîcheur traçable', or 'Freshness you can trace', that allows its customers to easily find out where the majority of its products came from and how they were produced. METRO is currently the only major retailer in Canada to publicly disclose procurement information on both wild and farmed products.

METRO has an extensive data collection program, which includes the scientific name, country or region of origin, and gear type or farming method for all seafood they source. This data allows METRO to label all of its fresh and private brand seafood products with the information consumers need to make informed choices. To support its comprehensive seafood labelling, METRO has an ongoing training program in place for store staff that covers general sustainable fishing issues, seafood certification systems, and implementation of METRO's Sustainable Fisheries and Aquaculture Policy. Additionally, METRO's suppliers are subject to a detailed Code of Conduct that includes a commitment to both environmental and social responsibility.

SeaChoice recommends that METRO expand its activities to support improvement in the production of farmed salmon, farmed shrimp and tuna, for example through advocating for changes to government policy and/or engaging directly with producer groups.

In the process of developing this profile, SeaChoice corresponded with Alexandra Leclerc, Sustainable Fisheries and Animal Welfare Specialist at METRO.

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



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.

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



SCORING RATIONALE

METRO's Sustainable Fisheries and Aquaculture policy is "based on five principles that address issues specific to the industry." These principles are: (1) healthy species, (2) responsible operating methods, (3) traceability of the products (4) respect for workers and (5) socioeconomic development.

METRO requires all its suppliers to demonstrate their ability to document, when asked, their chain of supply, extending back to the fishing vessel or farm.

METRO's Responsible Procurement Framework lists the following goals, to be met by 2021:

- 100% of private brand farmed shrimp will be certified by Best Aquaculture Practices (BAP);
- 100% of private brand fresh farmed salmon will be BAP certified; and
- 100% of private brand canned tuna will be from sustainable sources (meaning from suppliers who are using best practices such as being members of the International Seafood Sustainability Foundation, are investing in better gear technology or species conservation, have appropriate due diligence and traceability with regard to their sources, and have a public commitment to sustainable seafood)".

SCORING RUBRIC

o% 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 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

METRO's Code of Conduct for Suppliers covers all the workers in METRO's supply chain, regardless of their status (seasonal, casual, part-time, full-time; local or migrant), and is informed by recognized international standards, specifically labour rights and principles such as those set out by the International Labour Organization (ILO). Furthermore, shrimp suppliers in particular must confirm that they do not use child labour, forced labor or slavery. The expectations for METRO's suppliers are clearly laid out in its Code of Conduct, and METRO has set up a traceability system to document the supply chain from the fishing zone or farm, to the consumer.

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?

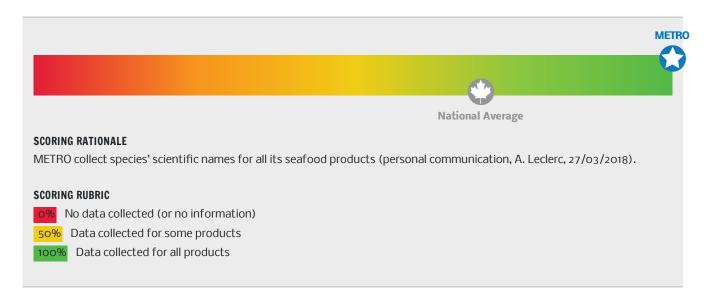


What information is the retailer collecting to monitor the environmental and social sustainability of their seafood products?

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"



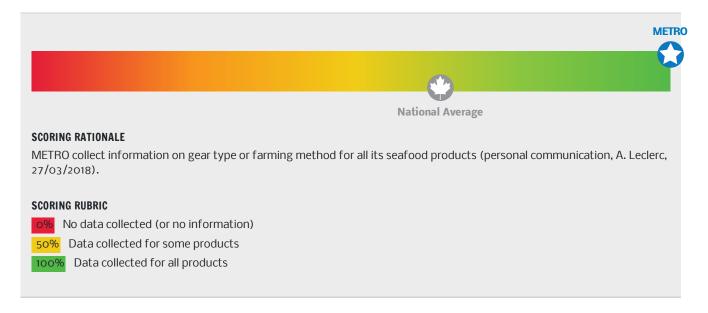
2.2 Retailer collects data on country of origin of seafood products being sold - the "where"



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?



National Average

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.

METRO - SeaChoice

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

METRO uses MSC, ASC, BAP 2 star plus, Global GAP and Organic certifications, ratings from Seafood Watch and the Ocean Wise Seafood Program, as well as independent criteria to inform its procurement decisions (personal communication, A. Leclerc, 11/04/2019).

SCORING RUBRIC

o% No sustainability criteria used to inform purchasing decisions (or no information available)

100% Sustainabilty criteria used 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.



SCORING RATIONALE

In its 2018 Fiscal Year Corporate Social Responsibility Report, METRO announced that it has achieved its commitment of sourcing 100% of its private brand shrimp from BAP certified suppliers and 100% of its private brand canned tuna from sustainable fisheries. The final aspect of METRO's quantitative commitment - ensuring that 100% of its private brand fresh farmed salmon is from BAP certified suppliers - has not yet been met because there are no products currently being sold in this category. Overall for private brand products, 100% of products currently being sold are meeting METRO's sourcing commitments, and its fresh counter products are nearing 100% compliance (personal communication, A. Leclerc, 11/04/2019).

SCORING RUBRIC

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

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

METRO's commercial agreements include both its Supplier <u>Code of Conduct</u> and its Sustainable Fisheries and Aquaculture Policy. In signing these commercial agreements, METRO's suppliers agree to uphold all the appendixes including those two documents. METRO is also committed to working with its suppliers "on a continuous basis to ensure that they comply with EMETRO's1 policies and that they continue to adopt the most responsible practices". METRO actively verifies that this commitment is being upheld by random DNA testing and verification, frequent product traceability tests, and random checks on suppliers' chain of custody records (personal communication, A. Leclerc, 11/04/2019).

SCORING RUBRIC

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

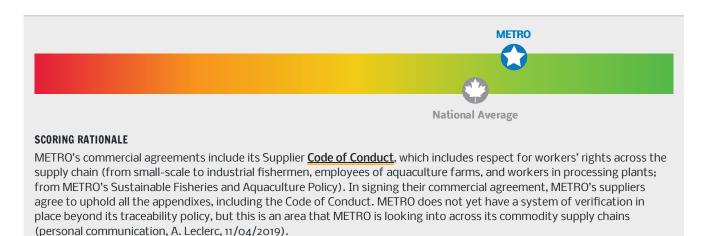
Some suppliers are required to sign a code of conduct that covers some of the retailer's environmental sustainability commitment

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.



SCORING RUBRIC

o% 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 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?



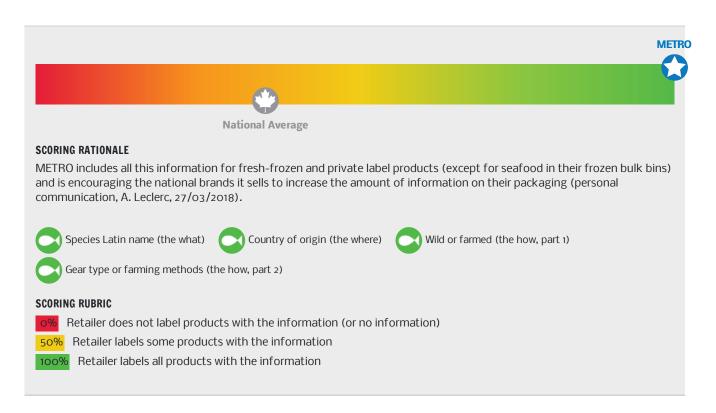
National Average

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?

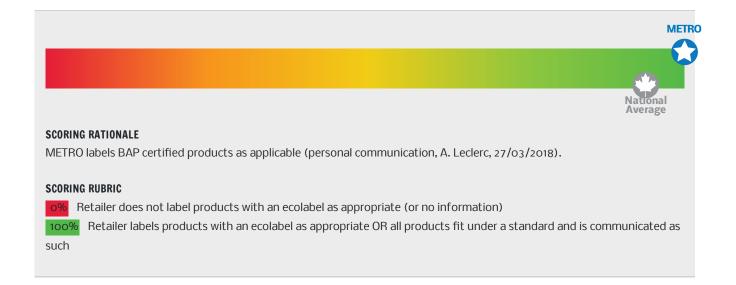
The step score is based on the average of Step 4 key performance indicators (KPIs, or step elements) listed below; click the + signs for more detailed information.

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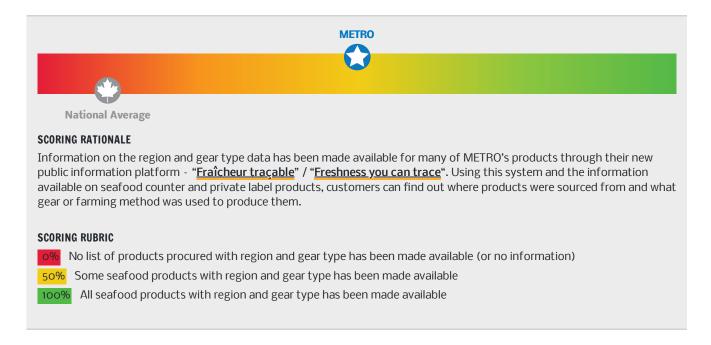
4.1 Retailer labels seafood with the information that allows consumers to make informed decisions - what (species' scientific name), where (country or region of origin), and how (wild/farmed and harvest method)



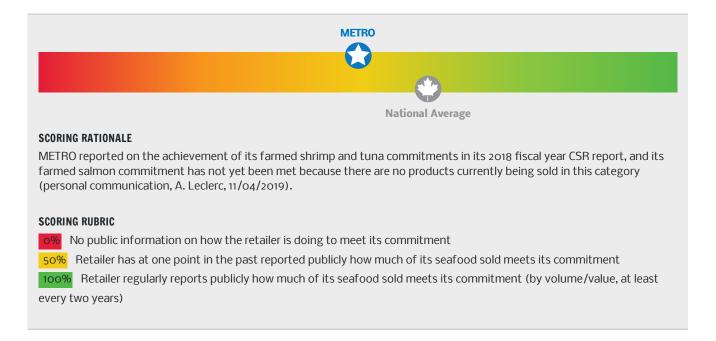
4.2 Retailer labels products with an ecolabel, allowing consumers to make informed decisions OR all products fit under a standard and is communicated as such



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?





METRO - SeaChoice

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?

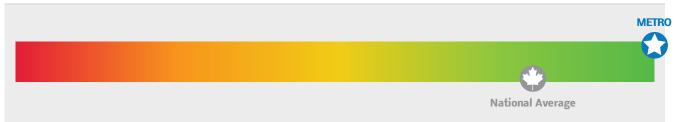
The step score is based on the average of Step 5 key performance indicators (KPIs, or step elements) listed below; click the + signs for more detailed information.

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.



SCORING RATIONALE

METRO has a training program in place for store staff that covers general sustainable fishing issues (e.g. overfishing, bycatch, impacts on the seabed, etc.), seafood certification systems, and METRO's sustainable seafood policy (personal communication, A. Leclerc, 27/03/2018). In 2018, over 75 staff members participated in a responsible procurement workshop to become more familiar with METRO's Sustainable Fisheries and Aquaculture Policy (CSR report for the 2018 fiscal year), and all other seafood staff who couldn't attend the training in person conducted it online. Furthermore, in support of ongoing staff training, METRO has developed an online library for its store employees, to give complementary information on the implementation of its Sustainable Fisheries and Aquaculture Policy as well as on other interesting facts and issues related to fisheries and aquaculture (personal communication, A. Leclerc, 11/04/2019).

SCORING RUBRIC

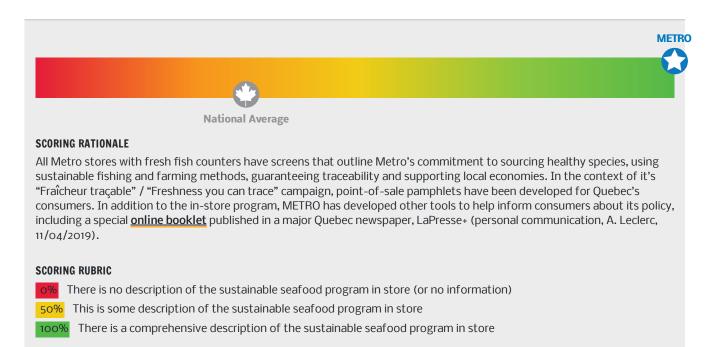
o% Training programs not conducted for seafood staff (or no information)

50% Training programs sometimes conducted or for only some seafood staff

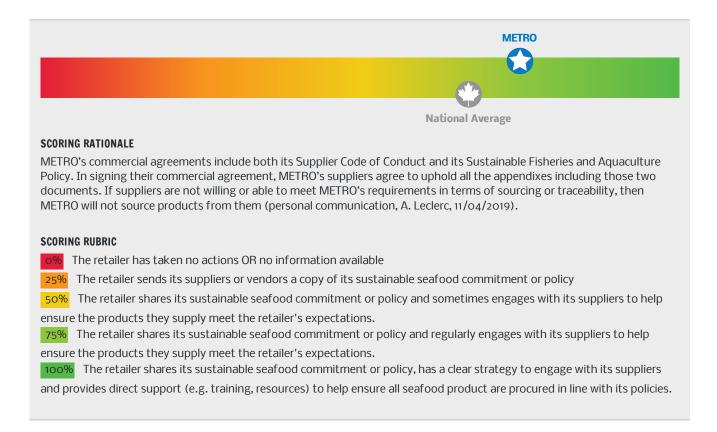
75% Training programs conducted for all seafood staff, but infrequently (less than every two years)

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



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



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





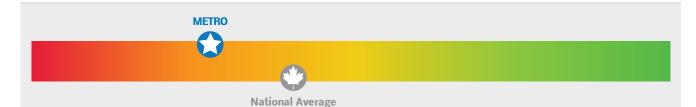
Does the retailer sell 'Priority Seafood' products (seafood that has high volume of sales in Canadian retail stores and that is generally not recommended by the Ocean Wise Seafood Program), and if so, do they support improvement and how?

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

METRO preferentially source salmon produced in: open-pen farms which are ASC or BAP certified, land-based recirculating aquaculture systems, or integrated aquaculture practices. Where possible, METRO sources salmon that are rated "Best Choice" (Green) by Seafood Watch, and is currently looking at expanding the scope of products they list to include more organically produced salmon and/or salmon produced without the use of antibiotics (personal communication, A. Leclerc, 11/04/2019).

 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)

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

XWorks with suppliers or producers directly to improve salmon farming practices

 \mathbf{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

 $\checkmark\!$ Preferentially sources from farms that are ASC certified

XSourcing 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?



SCORING RATIONALE

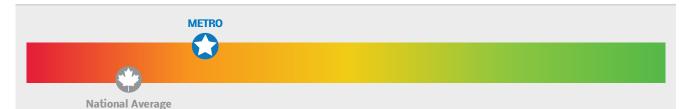
METRO imports shrimps and prawns from farms with either BAP or ASC certification. Where possible, METRO sources shrimp and prawns that are rated "Best Choice" (Green) by Seafood Watch (personal communication, A. Leclerc, 27/03/2018). METRO also prioritizes products with high levels of social responsibility and traceability by requiring shrimp and prawn suppliers in particular to sign a letter of guarantee every year that no child labor, forced labor or slavery was involved in the production of their products (personal communication, A. Leclerc, 11/04/2019).

- 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)
- $\mathbf{x}^{\text{Outreach}}$ 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
- 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 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 farms
- 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

METRO preferentially sources from tuna fisheries that are rated by Seafood Watch as "Best Choice" (Green), which use manual and selective fishing techniques such as pole and line, and from suppliers who can provide full traceability, including the catching vessel and canning facility (personal communication, A. Leclerc, 27/03/2018).

- 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)
- $_{\rm X}$ Outreach 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
- XWorks with suppliers or producers directly to improve skipjack fishing practices
- $\mathbf{x}^{\mathsf{Refrains}}$ from advertising versions of this product that are Not Recommended by Ocean Wise and/or ranked Avoid by Seafood Watch
- 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

All of METRO's sourcing decisions prioritize products with high levels of social responsibility and traceability. For example, in 2018 METRO expanded their farmed shrimp certificate of guarantee requirements that there was no child labour or forced labour in the supply chain to apply to suppliers of basa and tilapia as well. All sources of basa and tilapia must be certified by either BAP 2 star (or more) or by ASC (personal communication, A. Leclerc, 11/04/2019).

- XOnly 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)
- $\mathbf{x}^{\text{Outreach}}$ 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

XWorks with suppliers or producers directly to improve fishing or farming practices

- \mathbf{x} Refrains from advertising versions of this product that are Not Recommended by Ocean Wise and/or ranked Avoid by Seafood Watch
- \mathbf{x} Preferentially sources from more sustainable sources that are either Recommended by Ocean Wise or Best Choice by Seafood Watch
- ✓ Preferentially sources from fisheries/farms that are MSC/ASC 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 four actions to support improvement
- 85% Retailer is engaged in four actions to support improvement
- 100% Retailer is engaged in all support improvement activities