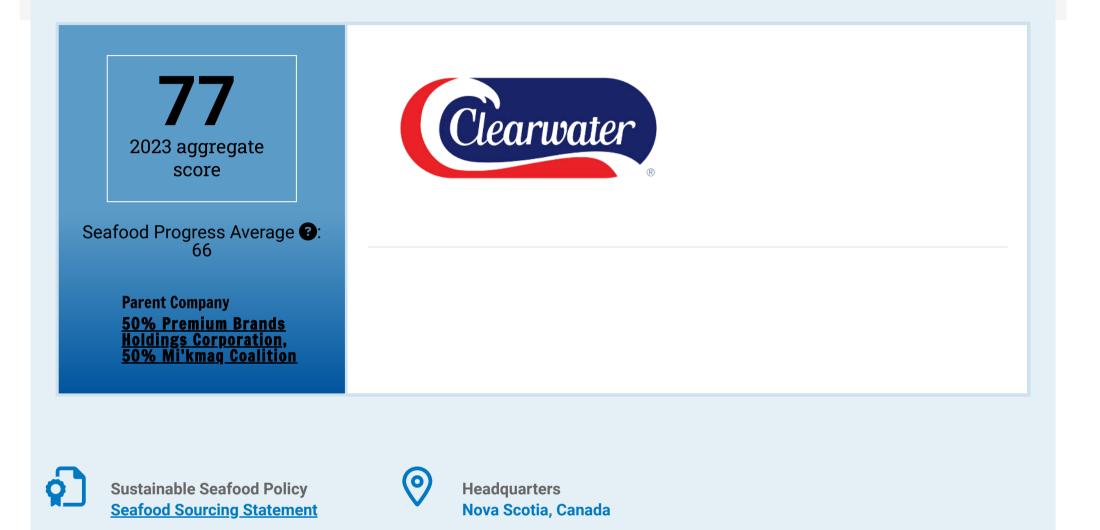
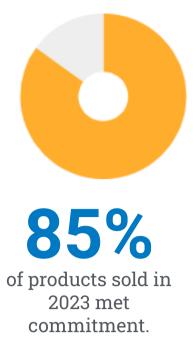
Seafood Progress

Brand's Commitment to Sustainable and Socially Responsible Seafood



OVERVIEW

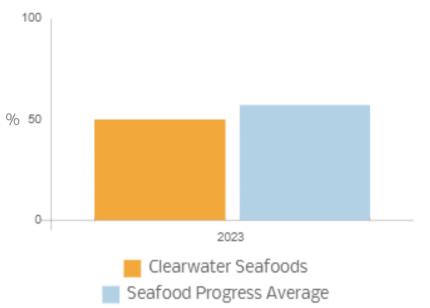


Sustainability Commitment. For its private label products, Clearwater Seafoods is committed to, where available, preferentially selecting MSC-certified supply when making procurement decisions, pursuing MSC certification for the fisheries in which it participates when market demand exists for eco-labeled product, and continuing to lead, in partnership with other stakeholders, to advance fisheries towards certification. Clearwater has not specified a quantitative goal or timeline for meeting this commitment. The company's vertically integrated operations support full chain traceability of all its private label products. Finally, Clearwater has not set a commitment for the third-party brand products that it sells through its brick-and-mortar locations and online store, which amounted to approximately 5% of its sales by volume in 2021 (personal communication, C. Boyd, 09/01/2023).

Clear Objectives	⊗
Supplier Expectations	×
Traceability Policy	⊗
Reporting on Activities	×

Social Responsibility Commitment. The "People" tab on <u>Clearwater's</u> <u>website</u> includes a general commitment to social responsibility that does not reference credible international standards or indicate if it has a traceability policy in place to support its commitment. However, through direct communication SeaChoice discovered that all of Clearwater's employees that work on its fishing vessels are members of The United Food and Commercial Workers Union (UFCW) which entitles them to salaried pay, health benefits and a process for filing grievances in relation to human rights abuses. Furthermore, the company has an external mechanism in place for employees to report human rights abuses and unethical behaviour, and it conducts remediation activities to support its social responsibility commitment but does not make these results public (personal communication, C. Boyd, o9/o1/2023).

STEP 1: COMMITMENT

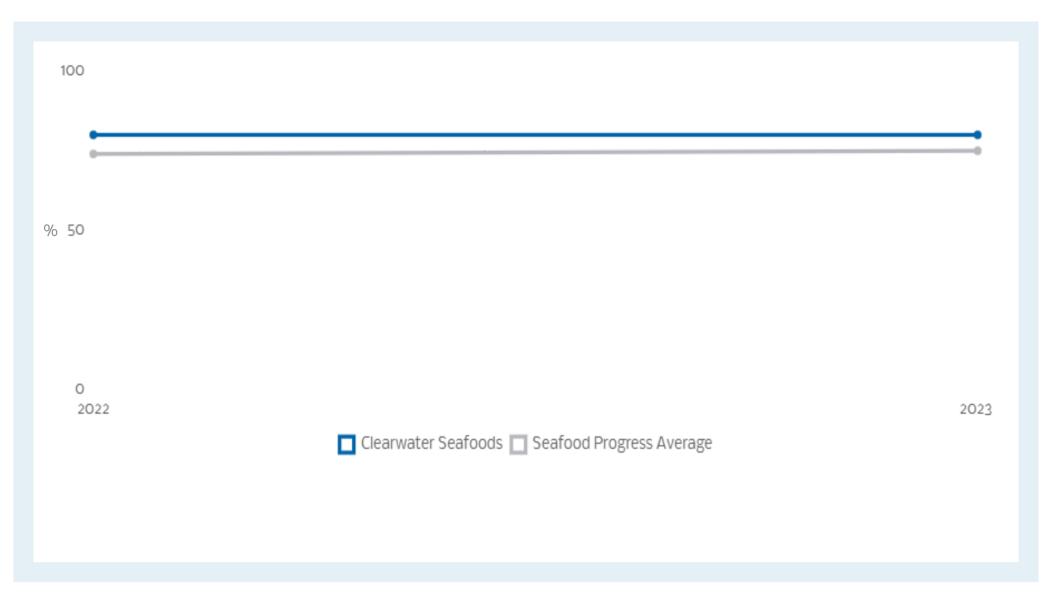


Commitment

1

Does the brand have comprehensive seafood commitments?

1.1 The brand has a publicly available commitment on environmentally sustainable seafood.



For its private label products, Clearwater Seafoods is committed to, where available, preferentially selecting MSC-certified supply when making procurement decisions, pursuing MSC certification for the fisheries in which it participates when market demand exists for eco-labeled product, and continuing to lead, in partnership with other stakeholders, to advance fisheries towards certification. Clearwater has not specified a quantitative goal or timeline for meeting this commitment. The company's vertically integrated operations support full chain traceability of all its private label products. Finally, Clearwater has not set a commitment for the third-party brand products that it sells through its brick-and-mortar locations and online store, which amounted to approximately 5% of its sales by volume in 2021 (personal communication, C. Boyd, 09/01/2023).

+

Scoring

100% Commitment to environmental sustainability includes clear objectives that are supported by references to credible standards, a full chain traceability policy and a timeline for meeting the commitment (unless the commitment has already been met).

80% Commitment to environmental sustainability that includes clear objectives that are supported by references to credible standards and a full chain traceability policy in place (or a timeline set for implementation) that traces at least the product scientific name, geographic origin, farmed/wild and harvest method.

60% Commitment to environmental sustainability that includes clear objectives that are supported by references to credible standards (such as Seafood Watch or Ocean Wise ratings, eco-certifications, etc.).

40% Commitment to environmental sustainability that includes clear objectives for sustainable procurement.

20% General commitment to environmentally sustainable seafood.

o% No publicly available environmental sustainability commitment.

100		
% 50		
•		
0 2022	🗖 Clearwater Seafoods 🔲 Seafood Progress Average	2023

1.2 The brand has a publicly available commitment on socially responsible seafood.

The "People" tab on Clearwater's website includes a general commitment to social responsibility that does not reference credible international standards or indicate if it has a traceability policy in place to support its commitment. However, through direct communication SeaChoice discovered that all of Clearwater's employees that work on its fishing vessels are members of The United Food and Commercial Workers Union (UFCW) which entitles them to salaried pay, health benefits and a process for filing grievances in relation to human rights abuses. Furthermore, the company has an external mechanism in place for employees to report human rights abuses and unethical behaviour, and it conducts remediation activities to support its social responsibility commitment but does not make these results public (personal communication, C. Boyd, 09/01/2023).

+

Scoring

100% Commitment to social responsibility includes clear objectives, actions or expectations for seafood suppliers, a clear and effective traceability policy, and the grocer reports publicly on activities to support social responsibility on at least an annual basis.

80% Commitment to social responsibility includes clear objectives, actions or expectations for seafood suppliers, and a clear and effective traceability policy that at least involves tracing data on the existence of an independent trade union or representative worker organization.

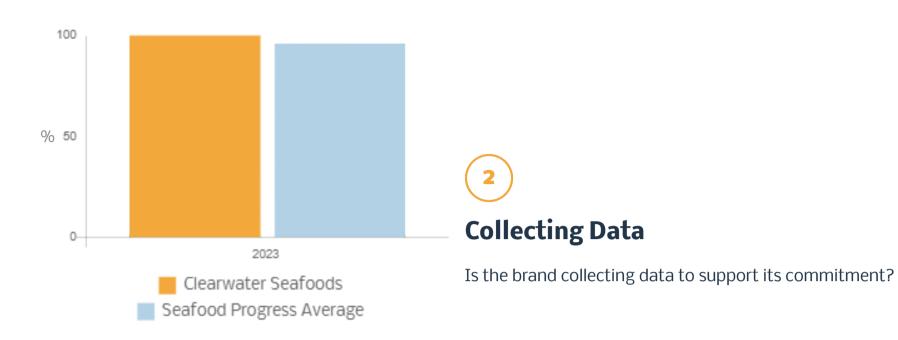
60% Commitment to social responsibility includes clear objectives and actions or expectations for seafood suppliers.

40% Commitment to social responsibility includes with worker driven objectives that are based on credible international standards (The UN's Guiding Principles, The WBA's Seafood Stewardship Index, ILO and the UN Declaration).

20% General commitment to socially responsible seafood.

o% No publicly available social responsibility commitment.

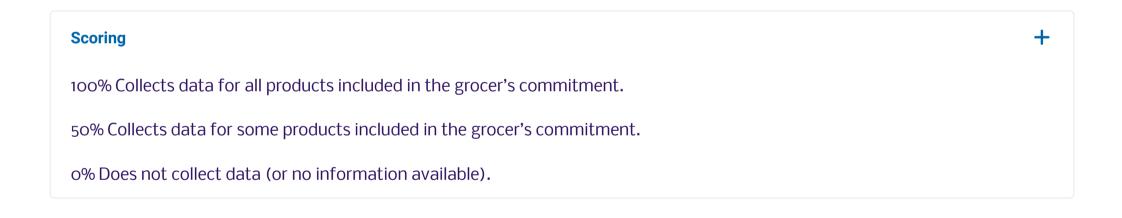
STEP 2: COLLECTING DATA



% 50 % 202 202 Clearwater Seafood Progress Average

2.1 The brand collects data on scientific name.

Clearwater collects data on species' scientific name for all private label products (personal communication, C. Boyd, 09/01/2023).



2.2 The brand collects data on geographic origin.

100 •		•
% 50		
0		
2022	🔲 Clearwater Seafoods 🔲 Seafood Progress Average	2023

Clearwater collects data on geographic origin for all private products (personal communication, C. Boyd, 09/01/2023).

Scoring	+
100% Collects data for all products included in the grocer's commitment.	
50% Collects data for some products included in the grocer's commitment.	
o% Does not collect data (or no information available).	

2.3 The brand collects data on whether wild or farmed.

100 •		•
% 50		
0 2022	Clearwater Seafoods Seafood Progress Average	2023

Clearwater only sells wild caught seafood private products.

Scoring	+
100% Collects data for all products included in the grocer's commitment.	
50% Collects data for some products included in the grocer's commitment.	
o% Does not collect data (or no information available).	

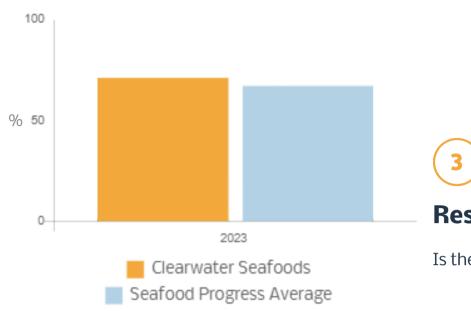
100 •		_•
% 50		
0 2022		2023
	Clearwater Seafoods 🔲 Seafood Progress Average	

2.4 The brand collects data on gear type or farming methods.

Clearwater collects data on gear type or farming methods for all private products (personal communication, C. Boyd, 09/01/2023).

Scoring	+
100% Collects data for all products included in the grocer's commitment.	
50% Collects data for some products included in the grocer's commitment.	
o% Does not collect data (or no information available).	

STEP 3: SOURCING



3 Responsible Sourcing

Is the brand making responsible sourcing decisions?

0 0 202 Cearwater Seafoods Seafood Progress Average

3.1 The brand publishes a clear hierarchy demonstrating its sourcing priorities.

Clearwater has stated that, where available, MSC is the standard that it uses to inform its purchasing decisions for its private label products (personal communication, C. Boyd, 09/01/2023). However, it does not specify the standard(s) it uses where MSC is not available.

+

Scoring

100% Publishes a clear hierarchy of sustainability standards demonstrating its sourcing priorities for all products it sells.

75% Publishes a clear hierarchy of sustainability standards used for sourcing some products, and identifies a general list of sustainability standards that it uses to inform its purchasing decisions for other products.

50% Publishes a clear hierarchy of sustainability standards used for sourcing some products, but doesn't identify the standards it uses to inform its purchasing decisions for other products.

25% Publishes a general list of sustainability standards that it uses to inform its purchasing decisions.

o% Does not publish the sustainability standards that it uses to inform its purchasing decisions.

3.2 The brand has reported on the percentage of seafood sold in the past year that met its sustainability commitment by volume or value.

100		
% 50		
0 2022	Clearwater Seafoods Seafood Progress Average	2023

Through its Seafood Progress profile, Clearwater reported that 85% of its products by volume that were sold in the Canadian marketplace in 2022 were MSC certified (personal communication, C. Boyd, 17/03/2023).

Scoring	+
100% Grocer has reported that 100% of its seafood sold meets its sustainability commitment.	
75% Grocer has reported that 75% or more of its seafood sold meets its sustainability commitment.	
50% Grocer has reported that 50% or more of its seafood sold meets its sustainability commitment.	
25% Grocer has reported that 25% or more of its seafood sold meets its sustainability commitment.	
o% The grocer has not reported on the percentage of seafood sold that met its sustainability commitment (or no information available).	

3.3 Suppliers are required to agree in writing to uphold the brand's sustainability commitment.

100 •		-•
% 50		
0 2022	🗖 Clearwater Seafoods 🔲 Seafood Progress Average	2023

As a vertically integrated company, all of Clearwater's employees and suppliers that deal with MSC certified and non-MSC certified commodities (including vessel operators) are required to uphold MSC chain of custody standards on a daily basis. Clearwater verifies that this standard is being met in its facilities and on vessels through internal and MSC audits (personal communication, C. Boyd, 09/01/2023).

+

Scoring

100% All suppliers are required to agree in writing to uphold all of the terms of the grocer's environmental sustainability commitment and the grocer actively verifies that this commitment is being upheld on at least an annual basis.

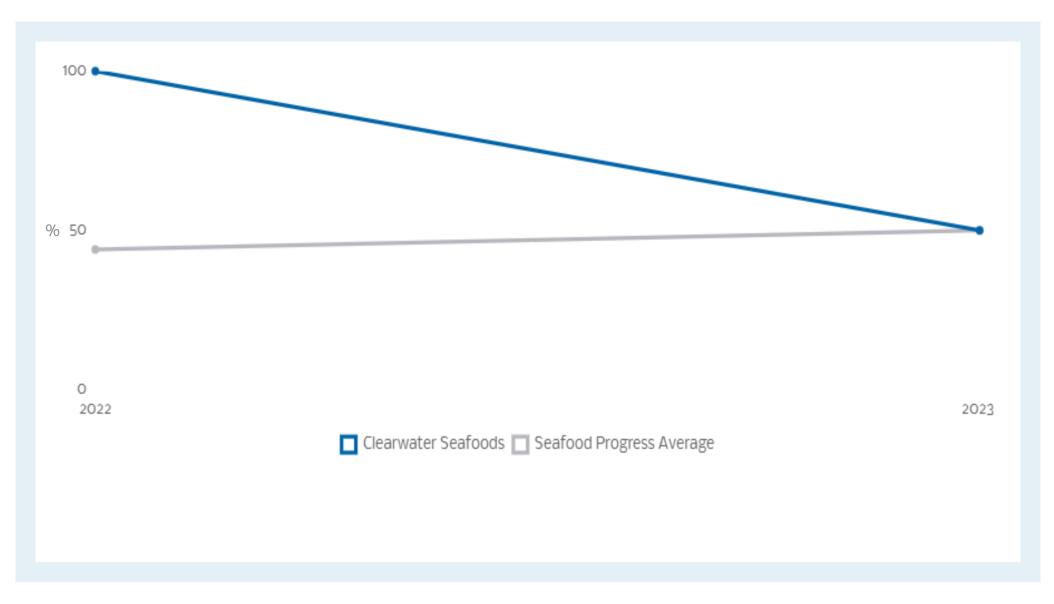
75% All suppliers are required to agree in writing to uphold all of the terms of the grocer's environmental sustainability commitment on at least an annual basis.

50% All suppliers are required to agree in writing to uphold some of the terms of the grocer's environmental sustainability commitment.

25% Some suppliers are required to agree in writing to uphold some of the terms of the grocer's environmental sustainability commitment.

o% Suppliers are not required to agree in writing to uphold the terms of the grocer's commitment.

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



All of Clearwater's employees in its vertically integrated supply chain are required to sign its <u>Business Code of Conduct</u>, which covers all of its social responsibility commitment, on an annual basis. However, Clearwater's suppliers are not required to sign any documentation that relays the expectations of its social responsibility commitment (personal communication, C. Boyd, 09/01/2023).

+

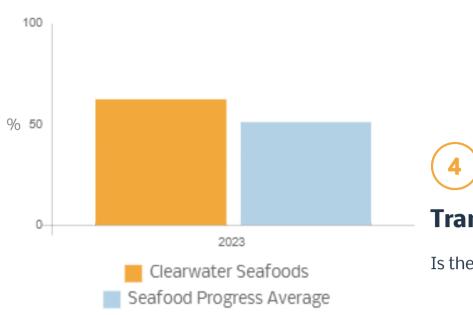
Scoring

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

50% All suppliers are required to sign a code of conduct that covers all of the grocer's social responsibility commitment on at least an annual basis.

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

STEP 4: TRANSPARENCY



Transparency

Is the brand transparent about its commitment to sustainable seafood?

4.1 The brand labels products with the information that allows consumers to make informed decisions.

100		
	•	
% 50		
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0 20:	2023 Clearwater Seafoods 🔲 Seafood Progress Average	3

Clearwater labels all branded products with scientific name and as wild and some with geographic origin. It does not label any of its products with gear type (personal communication, C. Boyd, 09/01/2023).

Scoring	+
100% The grocer labels all products with the information.	
75% The grocer labels most products with the information.	
50% The grocer labels some products with the information.	
o% The grocer does not label products with the information (or no information available).	

4.2 The brand follows best practice guidelines for making environmental claims on its products.

100		
% 50		
0 2022		2023
	Clearwater Seafoods Seafood Progress Average	

Clearwater uses its "Responsibly fishing since 1976" self claim on product labels which does not adhere to ISO14021 Type II guidance due to use of vague language and claims of sustainability. Furthermore, it does not make sufficient evidence to back up this claim publicly available. Clearwater also labels some products with the MSC certification claim which includes a unique chain of custody number that serves as evidence to back up its claim.

Scoring

+

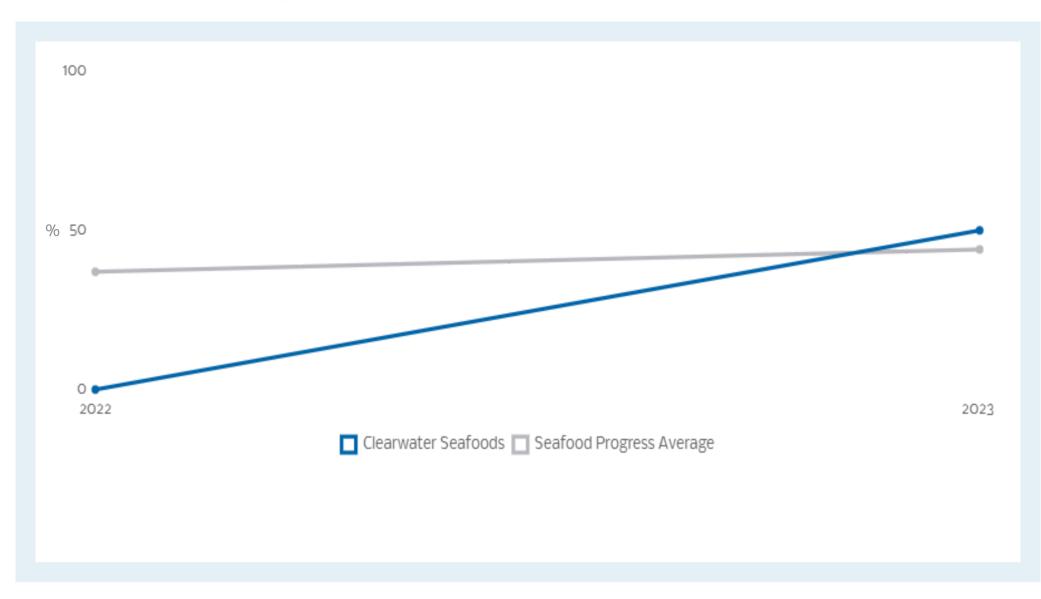
100% The grocer only uses credible certification claims on product labels and includes a chain-of-custody identifier with publicly available evidence to back up its claim(s).

75% The grocer uses certification claims as well as endorsement claims and/or self-declared claims that 1) adhere to ISO 14021 Type II guidance and proof of third-party verification on product labels and 2) makes evidence to back up its claim(s) publicly available.

50% The grocer uses endorsement claims on product labels but does not make the evidence to back up its claim(s) publicly available - - OR - - The grocer uses self-declared claims on product labels that adhere to ISO 14021 Type II guidance and makes evidence to back up the claim(s) publicly available.

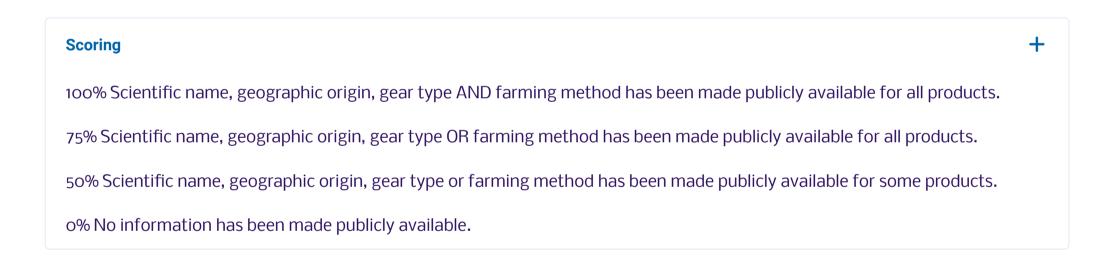
25% The grocer uses self-declared claims on product labels and makes evidence to back up the claim(s) publicly available.

o% The grocer uses self-declared claims on product labels and does not make evidence to back up its claim(s) publicly available.

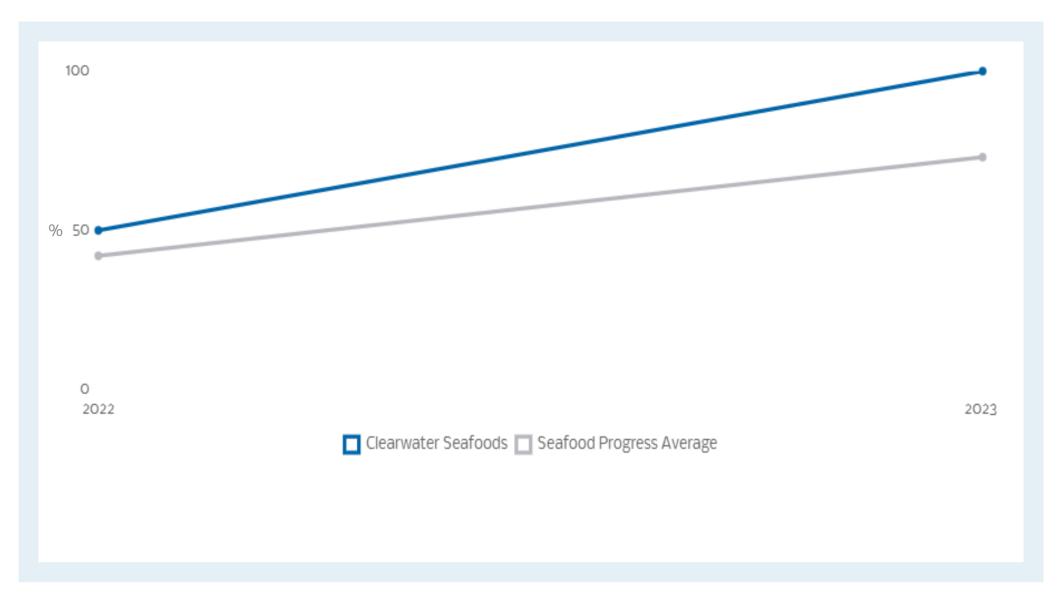


4.3 Key information regarding the brand's products has been made publicly available.

Clearwater publishes all of this information on its scallop, lobster and clam products on its sustainability pages.



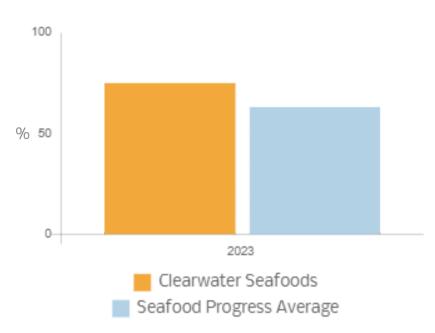
4.4 The brand publicly reports how much of its seafood meets its sustainability criteria by volume or value of sales on an annual basis.



Through its Seafood Progress profile, Clearwater has reported for two consecutive years on the percentage of seafood sold in Canada by volume.

Scoring	+
100% The grocer regularly reports publicly how much of its seafood sold meets its commitment by volume or value of sales every year.	
50% The grocer has at one point reported publicly how much of its seafood sold meets its commitment.	
o% No public information on how the grocer is doing to meet its commitment.	

STEP 5: EDUCATION



Education

5

Does the brand educate key stakeholders about its seafood commitments?

5.1 There is a description of the brand's commitments to sustainable and socially responsible seafood on its website.

100		
% 50 •		•
0 2022	Clearwater Seafoods Seafood Progress Average	2023

<u>Clearwater's website</u> includes some description of its commitments to sustainability and social responsibility.

Scoring	+
100% Training programs regularly conducted for all seafood staff.	
75% Training programs conducted for all seafood staff, but only once.	
50% Training programs sometimes conducted or for only some seafood staff.	
o% Training programs not conducted for seafood staff (or no information available).	

5.2 The brand has taken actions to ensure its suppliers are aware of its sustainable seafood commitment.

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% 50		
0 202		023
	🗖 Clearwater Seafoods 🥅 Seafood Progress Average	

As a vertically integrated company with MSC Chain of Custody, all of Clearwater's employees that deal with its MSC certified and non-MSC certified commodities (including vessel operators) are required to uphold MSC standards on a daily basis and are trained on receiving product that meet the MSC Standard. Additionally, Clearwater engages with its external suppliers of lobster and snow crab about MSC standards through various associations (personal communication, C. Boyd, 09/01/2023).

Scoring

100% There is a comprehensive description of the grocer's commitments to sustainability AND socially responsibility in store.

+

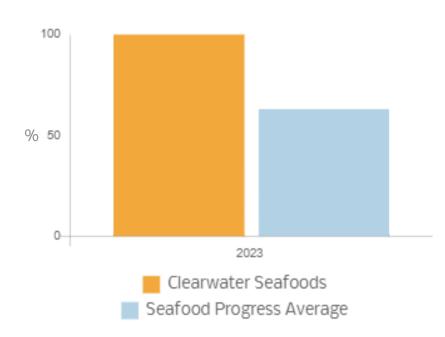
75% There is a comprehensive description of the grocer's commitments to sustainability OR social responsibility in store.

50% There is some description of the grocer's commitment to sustainability AND social responsibility in store.

25% There is some description of the grocer's commitment to sustainability OR social responsibility in store.

o% There is no description of the grocer's commitments in store.

STEP 6: TAKING INITIATIVE



Taking Initiative

6

Does the brand take actions to support improvements to fisheries and aquaculture?

6.4 Other species

100 •		•
% 50		
0 2022	Clearwater Seafoods 🔲 Seafood Progress Average	2023

Clearwater takes various actions to support management improvements to the commodities it sells, including: (1) conducting direct outreach to DFO and MSC (most recently on the MSC Standard review), (2) collaborating through industry associations such as the MSC Stakeholder Advisory Committee and The Canadian Association for Prawn Producers, (3) undertaking research on reducing the risk of lobster gear and distributing the results to industry, (4) preferentially sourcing MSC certified products, and (5) maintaining full chain traceability through its vertically integrated operations (personal communications, 09/01/2023).

- 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 rated Best Choice by Seafood Watch (100 pts).
- Conducts outreach to policymakers and/or certifying bodies to advocate for harvest or farming method and management to be ~ more environmentally sustainable (20 pts).
- Collaborates with other companies pre-competitively to improve fishing or aquaculture practices (20 pts).
- Works with suppliers or producers directly to improve fishing or farming practices (20 pts).
- Preferentially sources from more sustainable sources that are MSC/ASC certified, Recommended by Ocean Wise or Best Choice by Seafood Watch (20 pts).
- Prioritizes sourcing products with high levels of social responsibility and/or traceability (20 pts).

