



Fish & Seafood Procurement Policy

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1 Introduction

This document replaces the Fish Procurement Policy (document reference QA009/2.4) signed in 2012 and is being issued as a result of new developments. The major changes concern the scope, targets, fishing gear and endangered species. Other changes can be found under food safety and quality, traceability and labelling, and social standards.

1.1 Objective

Fisheries and aquaculture play a significant role in feeding our planet. Never before has responsible and sustainable fishing been so important for ensuring the well-being of people and the environment. Increasing demand for protein is putting pressure on fish stocks, while poorly managed aquaculture has a negative impact on the environment.

As fish is an important element of the company's business, METRO Cash & Carry takes responsibility at various stages of the value chain. METRO Cash & Carry develops measures to promote responsible fishing in accordance with our customers' needs, nature and people working in the seafood industry.

1.2 Scope and target groups

The METRO Cash & Carry Fish & Seafood Procurement Policy applies to:

- § All operations and business support functions in all countries, including International Trading Offices
- § All fish/seafood and fish/seafood products, as well as all products in which fish or seafood is the main ingredient¹ (common and local sourcing), sold by METRO Cash & Carry, including all own-brand, supplier-branded and ultra-fresh products

2 METRO Cash & Carry target

METRO Cash & Carry aims to improve its sustainable fish assortment by continuously optimising the environmental and social aspects of fishing.

¹ Main ingredient: ingredient accounting for the largest portion of the product by weight (liquid medium should be excluded); this is usually the first ingredient listed

METRO Cash & Carry has identified its twelve major fish and seafood species. 80% of these species will be certified by 2020 according to one of the following certification standards:

- § ASC (Aquaculture Stewardship Council)
- § European Organic Certification
- § FOS (Friend of the Sea)
- § GAA – BAP (Global Aquaculture Alliance – Best Aquaculture Practices)
- § GLOBALG.A.P.
- § MSC (Marine Stewardship Council)

or according to another certification standard that has been recognised by the Global Sustainable Seafood Initiative (GSSI).

3 Policy framework

METRO Cash & Carry is committed to the environmentally, socially and economically sustainable use of fish resources.

The policy covers the following core elements:

3.1 A more sustainable fish assortment

METRO Cash & Carry seeks to expand the sustainability of its assortment of wild fish and aquaculture products in accordance with the aforementioned international certification standards and any other certification standards that have been recognised by the GSSI.

The GSSI is a global platform and partnership of seafood companies, NGOs, experts, governmental and intergovernmental organisations.

METRO Cash & Carry is an active GSSI partner and is committed to the development of the GSSI Benchmark Framework based on the United Nations Food and Agriculture Organization's (FAO) Code of Conduct for Responsible Fisheries (CCRF).

In order to foster confidence in its efforts to supply and promote certified sustainable seafood, METRO Cash & Carry requires that its suppliers audit their production facilities and farms in accordance with a fish or seafood certification standard pursuant to this policy by no later than 2020.

3.1.1 Endangered fish species

Overfishing, illegal fishing/trading, water pollution and climate change are key factors that are endangering fish species, even threatening some with extinction. METRO

Cash & Carry is striving to increase the sustainability of its fish assortment while taking the following into account:

- § Recommendations from the United Nations Food and Agriculture Organization (FAO)
- § IUCN Red List (International Union for Conservation of Nature)
- § Evaluations of the International Council for the Exploration of the Sea (ICES) and the Thünen Institute
- § Agreements of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)

Annex 1 contains a list of endangered species based on the above sources and other stakeholder requirements. The list is divided into two parts:

- § Species that cannot be caught/traded
- § Species that can only be caught/traded under certain circumstances

METRO Cash & Carry will stop selling species from the first list and encourages its suppliers not to catch these species.

The list of endangered species will be updated annually.

To ensure that suppliers are complying with these lists, METRO Cash & Carry Quality Assurance will carry out random DNA tests.

3.1.2 Illegal, unreported, unregulated fishing (IUU)

Illegal, unreported and unregulated fishing (IUU) is a significant cause of overfishing, destroys marine habitats and disadvantages honest fishers and fair competition, especially in developing countries.

METRO Cash & Carry disavows illegal fishing practices and actively works to increase the transparency of fisheries. Moreover, METRO Cash & Carry requires that its suppliers not source from vessels that have been identified as IUU vessels by the Regional Fisheries Management Organizations (RFMOs). The black lists are publically available and issued regularly.

3.1.3 Fishing gear

Some fishing techniques may cause significant damage to the ecosystem, increase bycatch rates or contribute to unhealthy stocks due to overfishing or catching fish smaller than the minimum size limit.

METRO Cash & Carry explicitly forbids its suppliers to use dynamite or poison. Furthermore, METRO Cash & Carry strives to minimise the use of fishing gear that is harmful to the ecosystem and to fish, such as driftnets, bottom trawls and beam trawls.

In addition, METRO Cash & Carry supports the use of responsible fishing gear in accordance with the species and area being fished, as well as the improvement of existing fishing gear (e.g. larger mesh sizes, exit windows for non-target species, non-entangling or biodegradable fish aggregation devices).

3.1.4 Aquaculture

Aquaculture is playing an increasingly important role in fish sourcing. METRO Cash & Carry prefers responsible and controlled aquaculture farms which:

- § Have an appropriate stock density
- § Use cages appropriate to each species
- § Reduce negative effects on flora and fauna
- § Avoid the use of hormones that stimulate growth
- § Avoid the preventive use of antibiotics
- § Minimise escapes of animals into the ocean
- § Use a functioning water and waste management system

3.2 Food safety and quality

To ensure food safety and maintain quality, METRO Cash & Carry Global Quality Assurance developed the “QA036 Supplier Qualification & Management Standard”. In addition to this policy, the standard outlines the minimum requirements for suppliers. All suppliers subject to this standard must comply with the specifications.

3.3 Traceability and labelling

METRO Cash & Carry is committed to full traceability back to the vessel or farm, and to the comprehensive labelling of fish products, in order to prevent risks and increase transparency for customers.

The following information will be displayed on all fish and seafood products:

- § Scientific and common names of species
- § FAO catching area (wild catch) or name of the body of water (inland fishing) or the country of origin for aquaculture
- § Specific catching area (if existing) or name/location of the aquaculture farm
- § Fishing gear
- § Lot number
- § Country of origin (processing factory) for processed and packed fish or seafood, e.g. frozen, canned

In addition, the following information must be listed in the product specifications for own-brand products:

- § Aquaculture method
- § Name of the processing factory

3.4 Social standards

METRO Cash & Carry will require its suppliers to comply with the requirements of the Business Social Compliance Initiative (BSCI) or another accepted standard as listed on the webpage www.metrogroup.de/socialstandards.

METRO Cash & Carry will mandate that its suppliers audit their production facilities and farms in accordance with BSCI or another accepted standard.

4 Reporting and implementation

METRO Cash & Carry will make this policy publicly available.

The progress against the target will be measured on the basis of the following key performance indicators (KPI):

- § Share of products with full traceability and comprehensive labelling
- § Share of volume of top twelve species certified in accordance with one of the aforementioned standards or another certification standard that has been recognised by GSSI

This will be reported in the METRO GROUP Corporate Responsibility Report.

5 Annexes

5.1 Annex 1: Endangered fish species (updated: April 2016)

Catching and/or trading any of the following species is prohibited:

English name	Scientific name	Comments
Whales		any kind and species
Dolphins		any kind and species
Sawfishes	Pristis spp.	e.g. Pristis pristis, pristis clavata
Shortnose sturgeon	Acipenser brevirostrum	
European sea sturgeon	Acipenser sturio	
Cui-ui	Chasmistes cujus	

Jullien's golden carp	<i>Probarbus jullieni</i>	
Golden dragon fish	<i>Scleropages formosus</i>	
Totoaba	<i>Totoaba macdonaldi</i>	
Mekong giant catfish	<i>Pangasianodon gigas</i>	
Coelacanth	<i>Latimeria chalumnae</i>	
Indonesian coelacanth	<i>Latimeria menadoensis</i>	
Tope shark	<i>Galeorhinus galeus</i>	
Whale shark	<i>Rhincodon typus</i>	
Great white shark	<i>Carcharodon carcharias</i>	
Basking shark	<i>Cetorhinus maximus</i>	
Angel shark	<i>Squatina squatina</i>	
Knifetooth dogfish	<i>Scymnodon ringens</i>	
Porbeagle	<i>Lamna nasus</i>	
Black dogfish	<i>Centroscyllium fabricii</i>	
Mouse catshark	<i>Galeus murinus</i>	
Catsharks	<i>Apristurus</i> spp.	e.g. <i>Apristurus indicus</i> , <i>Apristurus sinensis</i> , etc.
Sailfin roughshark	<i>Oxynotus paradoxus</i>	
Longnose velvet dogfish	<i>Centroselachus crepidater</i>	
Bluntnose sixgill shark	<i>Hexanchus griseus</i>	
Greenland shark	<i>Somniosus microcephalus</i>	
Friiled shark	<i>Chlamydoselachus anguineus</i>	
Portuguese dogfish	<i>Centroscymnus coelolepis</i>	
Velvet belly lanternshark	<i>Etmopterus spinax</i>	
Great lanternshark	<i>Etmopterus princeps</i>	
Gulper shark	<i>Centrophorus granulosus</i>	
Leafscale gulper shark	<i>Centrophorus squamosus</i>	
Kitefin shark	<i>Dalatias licha</i>	
Birdbeak dogfish	<i>Deania calcea</i>	
Spurdog/spiny dogfish	<i>Squalus acanthias</i>	
Thresher sharks	<i>Alopias</i> spp.	e.g. <i>Alopias superciliosus</i> , <i>Alopias vulpinus</i> , etc.
Oceanic whitetip shark	<i>Carcharhinus longimanus</i>	
Shortfin mako shark	<i>Isurus oxyrinchus</i>	
Hammerhead sharks	<i>Sphyrna</i> spp.	e.g. <i>Sphyrna lewini</i> , <i>sphyrna mokarran</i> , etc.
Silky shark	<i>Carcharhinus falciformis</i>	
Blurred smooth lanternshark	<i>Etmopterus bigelowi</i>	
Short-tail lanternshark	<i>Etmopterus brachyurus</i>	
Smallmouth velvet dogfish	<i>Zameus squamulosus</i>	
Smooth lanternshark	<i>Etmopterus pusillus</i>	
Manta rays	<i>Manta</i> spp.	e.g. <i>Manta birostris</i> , <i>Manta alfredi</i> , etc.
Skates	<i>Dipturus</i> spp.	e.g. <i>Dipturus batis</i> , <i>Dipturus laevis</i> , etc.
White skate	<i>Rostroraja alba</i>	
Undulate ray	<i>Raja undulata</i>	
Common guitarfish	<i>Rhinobatos rhinobatos</i>	
Blackchin guitarfish	<i>Rhinobatos cemiculus</i>	
Broad skate	<i>Amblyraja badia</i>	
Maltese skate	<i>Leucoraja melitensis</i>	

The following species may only be caught or traded under certain circumstances:

English name	Scientific name	Comments
Bluefin tuna	Thunnus thynnus, Thunnus orientalis, Thunnus maccoyii	only permissible from aquaculture or from fishing areas with reference to ISSF Status of the World Fisheries for Tuna
European eel	Anguilla anguilla	only permissible from aquaculture or sustainable projects (e.g. Dupan)
Roughhead grenadier	Macrourus berglax	only permissible if certified in accordance with one of the certification standards defined in this policy
Round-nose grenadier	Coryphaenoides rupestris	only permissible if certified in accordance with one of the certification standards defined in this policy
Orange roughy	Hoplostethus atlanticus	only permissible if certified in accordance with one of the certification standards defined in this policy
Sturgeon	Acipenser spp., Huso spp.	only permissible from aquaculture

Only one species of swordfish is allowed to be caught: Xiphias gladius.

5.2 Annex 2: Tuna

METRO Cash & Carry has developed an action plan for tuna with a set of minimum requirements. These requirements are valid for fresh, frozen and canned tuna for all of our own brands:

§ **Fishing zone**

METRO Cash & Carry will not source from overfished tuna stocks and will regularly monitor the scientific assessment of tuna stocks. METRO Cash & Carry refers to the International Seafood Sustainability Foundation's (ISSF) Status of the World Fisheries for Tuna for information about the latest scientific status of tuna. The report will be updated twice a year.

§ **Non-IUU**

METRO Cash & Carry expects its suppliers to buy only from registered vessels (see also 3.1.2).

§ **Fish size**

METRO Cash & Carry defines minimum sizes for each tuna species to allow the stocks to recover and respawn:

- Skipjack (*Katsuwonus pelamis*): 1.8 kg
- Yellowfin (*Thunnus albacares*): 10 kg
- Bigeye (*Thunnus obesus*): 25 kg
- Albacore (*Thunnus alalunga*): 15 kg
- Bluefin (*Thunnus thynnus, orientalis, maccoyii*): 75 kg

- ***GFSI (Global Food Safety Initiative)***

METRO Cash & Carry mandates that all processing factories have a valid GFSI certification and audit report to ensure quality standards and maintain food safety.

- ***Dolphin-safe***

METRO Cash & Carry only uses suppliers with a valid dolphin-safe certification.

- ***BSCI or another accepted standard***

METRO Cash & Carry requires social compliance certifications (BSCI or another accepted standard) from processing factories to ensure good social practices.