



SPAR SOUTH AFRICA (PTY) LTD

Reg. No. 1961/000596/07

("the Company" or "SPAR")

SUSTAINABLE SEAFOOD PROCUREMENT POLICY

INTRODUCTION

SPAR acknowledges that:

1. There is global concern over the over-exploitation of seafood resources and the environmental impacts of fishing and aquaculture activities on marine ecosystems.
2. Retailers and wholesalers are major role players in the seafood industry and can help drive positive change in fisheries by supporting sustainable seafood choices from legal and responsibly managed sources, creating market driven incentives to prompt change at sea.

SPAR therefore understands that if we are to ensure the survival of our natural ecosystems and continue to enjoy seafood, we need to ensure that our seafood and freshwater products are responsibly procured and supports sustainable and well managed fisheries and aquaculture operations.

SPAR defines sustainable seafood as: Seafood which originates from a fishery or farm which could continue to operate indefinitely without reducing the target 'species' or any other species in the marine ecosystem and has the ability to maintain a viable population. A sustainable species should:

- Not be a species that is regarded as endangered or threatened
- Be caught in a well-managed fishery
- Be caught using responsible fishing methods
- Be traceable from "boat to plate" or "farm to plate"

SPAR also believes in the following principles:

1. Sustainable sourcing
2. Product criteria
3. Product quality and food safety

4. Traceability
5. Labelling
6. Training and education
7. Communication

POLICY STATEMENT

1. SUSTAINABLE SOURCING

Seafood products (including farmed and wild caught) and freshwater fish and molluscs species (including farmed and wild caught) sourced from SPAR's Distribution Centres and Private Label should be legal (no illegal, unregulated or unreported products). Furthermore, SPAR commits all seafood and freshwater products procured by SPAR will be:

- Certified by the Marine Stewardship Council (MSC) for wild-caught seafood products or;
- Certified by the Aquaculture Council (ASC) or equivalent standards for farmed seafood and freshwater products or;

Where there are no products available which meet these criteria, at a minimum all seafood and freshwater products from SPAR Distribution Centres including SPAR Private Label will be:

- Characterized as either Green by the Southern African Sustainable Seafood Initiative (SASSI); or
- Sourced from a fishery or farm which is engaged in a credible time-bound improvement project to improve the fishery/farm to MSC or ASC standards or SASSI Green list status.
- Sourced from a fishery or farm that is GlobalG.A.P certified

2. PRODUCT CRITERIA

SPAR will not source:

- Any species appearing on the "Lists of marine species that are threatened or protected, restricted activities that are prohibited and exemption from restriction", Government Gazette No. 476 of the National Environmental Management: Biodiversity Act 10 of 2004.

- Species characterized as “no-sale” or “specifically protected” by South African legislation.
- Species below the legal-size limit enforced by the Department of Forestry, Fisheries and the Environment

3. PRODUCT QUALITY AND FOOD SAFETY

All seafood products through SPAR’s Distribution Centres, including SPAR Private label are subjected to relevant Food Safety requirements as outlined by the SPAR Food Safety department. In addition suppliers will be subjected to continuous improvement and considered against strict legal, traceability and sustainability criteria.

DNA testing will be conducted quarterly on these seafood and fresh water products to ensure the proper labelling of products, as well as proper product identification.

4. TRACEABILITY

Seafood and freshwater products procured through SPAR should be traceable to its origins, making use of suitable traceability schemes or mechanisms. All suppliers will be required to meet the sustainability commitments made by SPAR and maintain full traceability records to ensure all supply is of sustainable origin. This includes:

- A certificate of origin and
- Catch certificates.

5. COMMUNICATION

Retailers and suppliers should communicate their sustainability commitments to the public and be held accountable to them. Similarly, SPAR will communicate its Seafood Sustainability Policy to all stakeholders to ensure compliance.

6. LABELLING

To be able to make environmentally responsible choices, consumers and clients have the right to sufficient and accurate information about any product procured by SPAR. All

seafood and freshwater products procured by SPAR should be adequately labelled and provide information on the:

- Species (common and scientific name),
- Country of origin
- Production method (fishing gear used, or wild-capture/farmed)

7. TRAINING AND EDUCATION

Sustainable choices should be promoted, and retailers and staff should be adequately trained where possible to assist customers in making sustainable choices. SPAR employees involved in the sourcing and selling of seafood and freshwater products shall attend relevant training provided.

SPAR will encourage its independent SPAR retailers to attend such training and to make use of WWF-SASSI tool available.

Although SPAR cannot dictate procurement policies to its independent retailers, SPAR is committed to implementing positive changes to seafood procurement at all SPAR retail stores through continuous information and education.

ADMINISTRATION OF THIS POLICY

SPAR has identified the need to procure its seafood and freshwater products responsibly and sustainably in an effort to promote ethical and sustainable business practices and to protect our natural environment. Targets for sourcing sustainable products and actions to achieve these targets are outlined in *SPAR's Sustainability Policy*. These targets and actions are reviewed annually by the National Sustainability Department and the Social and Ethics committee to track and report on target progress.

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