



## Supplier Expectations & Supply Chain Accountability

### Suppliers are expected to:

1. Demonstrate willingness to work with Hy-Vee and FishWise to comply with the Seafood Procurement Policy; and
2. Have a traceability system in place and demonstrate that products are traceable and from legal, verifiable sources<sup>1</sup>; and
3. Be able to communicate product information listed in the tables below to Hy-Vee on request; and
4. Work towards implementing procedures to monitor supply chains and all labor involved to ensure they comply with laws on human trafficking and forced labor, including the fundamental Conventions of the International Labour Organisation (ILO)<sup>2</sup>; and
5. Continually work towards reducing the environmental impacts associated with wild fisheries and aquaculture production.

### Suppliers are encouraged to:

1. Have a public company policy, commitment, or expectations for supply chains regarding sustainability, traceability, legality, and social responsibility; and
2. Take responsibility for products including eco friendly packaging and eliminating unnecessary waste materials from within the supply chain; and
3. Use an electronic traceability system and collect and store key data elements within their own business; and
4. Be prepared for future traceability requests; and
5. Consider whether a country has ratified the ILO's Work in Fishing Convention<sup>3</sup> when sourcing from its fisheries.

### Supply Chain Accountability:

The supplier is responsible for:

- Identifying any areas of its operations that do not conform to the expectations listed; and
- Implementing improvements designed to achieve conformance with this document.

Furthermore, the supplier is expected to ensure any products that are imported abide by the [Reasonable Care Guidelines for Forced Labor](#) produced by U.S. Customs and Border Protection Agency (CBP) which includes, but is not limited to, the following:

- Knowing the workers, location, and labor conditions under which the imported goods are made
- Vetting new suppliers/vendors for forced labor risks through questionnaires or other means

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<sup>1</sup> We expect suppliers to ensure they do not source seafood harvested from vessels on IUU fishing blacklists (e.g. Trygg Mat Tracking's Combined IUU Vessel List: <http://iuu-vessels.org/iuu>).

<sup>2</sup> More information on the eight fundamental Conventions of the ILO can be found here: [www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang--en/index.htm](http://www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang--en/index.htm)

<sup>3</sup> Countries that have ratified the ILO Work in Fishing Convention can be found here: [http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11300:0::NO:11300:P11300\\_INSTRUMENT\\_ID:312333:NO](http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11300:0::NO:11300:P11300_INSTRUMENT_ID:312333:NO)

- Establishing a reliable procedure for conducting periodic internal audits to check for forced labor in supply chains.

The supplier agrees to indemnify Hy-Vee and hold it harmless with respect to any violation of or for any civil or criminal liability arising from the contravention of relevant laws and regulations by supplier or any of its suppliers of goods or services, including, but not limited to, any remediation. The supplier also agrees that, in the event that Hy-Vee determines that a violation or contravention of relevant laws and regulations may have occurred, Hy-Vee shall notify the supplier and the supplier shall immediately remedy or remediate or cause to be remedied or remediated, the potential violation or contravention. In the event that Hy-Vee determines that the supplier has not made a good faith effort to remedy or remediate the potential violation or contravention in order to comply with the law, then Hy-Vee may terminate its supplier contract immediately, and such termination will be with cause.

**Key Data Elements Required from Suppliers:**

The following information, called key data elements (KDEs)<sup>4</sup>, needs to be reported to Hy-Vee for each shipment of a seafood product to Hy-Vee. Information should be included on a master case label in the following table format:

**Table 1: KDEs required for each product or seafood source.**

Data	Example (Wild)	Example (Farmed)
<b>COOL Requirements</b> <ul style="list-style-type: none"> <li>● Country of Origin Labeling</li> <li>● Production Method (Wild/Farmed)</li> </ul>	<b>COOL Requirements</b> <ul style="list-style-type: none"> <li>● Ecuador</li> <li>● Wild</li> </ul>	<b>COOL Requirements</b> <ul style="list-style-type: none"> <li>● China</li> <li>● Farmed</li> </ul>
<b>Sustainability Information</b> <ul style="list-style-type: none"> <li>● Common Name</li> <li>● Species Latin Name</li> <li>● Catch Country/Production</li> <li>● Catch Region/Production</li> <li>● FAO Major Fishing Area</li> <li>● Vessel Flag</li> <li>● Gear Type (Harvest Method)/Production</li> <li>● Harvest and Supplier Certification Types and Number(s)</li> </ul>	<b>Sustainability Information</b> <ul style="list-style-type: none"> <li>● Mahi Mahi</li> <li>● <i>Coryphaena hippurus</i></li> <li>● Ecuador</li> <li>● FAO 87</li> <li>● Longline</li> <li>● N/A</li> </ul>	<b>Sustainability Information</b> <ul style="list-style-type: none"> <li>● Tilapia</li> <li>● <i>Oreochromis spp.</i></li> <li>● China</li> <li>● Guangdong Province</li> <li>● Pond-Infrequent Exchange</li> <li>● BAP 2 Star - P00000, F00000</li> </ul>
<b>Transshipment Information</b> <ul style="list-style-type: none"> <li>● Transshipped (Yes/No)</li> </ul>	<b>Transshipment Information</b> <ul style="list-style-type: none"> <li>● No</li> </ul>	<i>Transshipment Information not applicable for farmed sources</i>

**At-Sea Transshipment Information Required from Tuna Suppliers:**

For tuna products (fresh & frozen and shelf-stable) only, suppliers must indicate if each source utilized at-sea transshipment. Additional information, such as name of transshipment vessel, may also be collected.

<sup>4</sup> KDEs have been adjusted to meet the voluntary GDST 1.0 Standard guidelines (<https://traceability-dialogue.org/gdst-1-0-materials/>). These standards were designed by industry to meet business needs and provide assurance that seafood products are legally harvested and transferred down the supply chain.

## KEY TERMS AND DEFINITIONS

**Supplier:** Organizations and individuals in Hy-Vee's supply chain who directly supply Hy-Vee or a Supplier of Hy-Vee

**Supply Chain:** Any organizations or individuals involved in providing services to Hy-Vee or producing, processing, or distributing Hy-Vee's products from the product's point of origin to Hy-Vee or point of sale, as applicable

**Traceability:** The ability of each stakeholder in the supply chain who takes possession of the product to systematically identify a unit of production, track its location and associated sources (see KDE Table), and describe any treatments or transformations at all stages of production, processing, and distribution. This traceability must enable the product to be traced back to its original source(s) and comply with all applicable government regulations, such as the Seafood Import Monitoring Program (SIMP).

**Verifiable Source:** Hy-Vee, or parties authorized by Hy-Vee, can at any time request data or documents to verify the legality, traceability, or source information of a product

**Forced Labor:** Includes all work or service which is exacted from any person under the threat of a penalty and for which the person has not offered themselves voluntarily,<sup>5</sup> encompassing traditional practices of forced labor as well as new forms of forced labor such as human trafficking<sup>6</sup>

**Human Trafficking:** Human trafficking involves the recruitment, harboring, transportation, provision or obtaining of a person for labor or for the purposes of a commercial sex act through the use of force, fraud, or coercion or for the purposes of subjection to involuntary servitude, peonage, debt bondage or slavery

**Labor Trafficking:** The act of recruiting, harboring, transporting, providing, or obtaining a person for involuntary labor or services by means of force or physical threats, fraud or deception, or other forms of coercion. Labor trafficking shall also include:

**Trafficking-Related Activities:** All activities that directly support or promote Labor Trafficking or Child Labor, including but not limited to: (i) using misleading or fraudulent recruitment practices during the recruitment of employees, such as failing to disclose basic information or making material misrepresentations regarding the key terms and conditions of employment, including wages and fringe benefits, the location of work, living conditions and housing (if employer-provided or employer-arranged), any significant costs to be charged to the employee, and, if applicable, the hazardous nature of the work; (ii) charging employees recruitment fees; and (iii) destroying, concealing,

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<sup>5</sup> International Labour Organization (ILO). Forced Labor Convention, 1930  
[https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100\\_ILO\\_CODE:C029](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C029)

<sup>6</sup> ILO, *General Survey on the fundamental Conventions concerning rights at work in light of the ILO Declaration on Social Justice for a Fair Globalization*, Report of the Committee of Experts on the Application of Conventions and Recommendations, 2012, ILC.101/III/1B, para. 272.

confiscating, or otherwise denying access by an employee to the employee's identity documents, such as passports or drivers' licenses.<sup>7</sup>

**Child Labor:** - Work performed by a person who is under the minimum legal working age to be employed as determined by (i) a Business's or Supplier's policy, (ii) the law of the jurisdiction in which the work will be performed, or (iii) the International Labor Organization Minimum Age Convention No. 138 - whichever indicates the higher minimum age requirement.

**Equivalent Environmental Standard:** The following certifications are equivalent to at least a Seafood Watch Yellow Rating and meet Hy-Vee's Seafood Procurement Policy:

Certification	Eligible Species
Marine Stewardship Council (MSC)	All Wild Fisheries
Aquaculture Stewardship Council (ASC)	Farmed Shrimp, Salmon, Tilapia, <i>Pangasius</i> (Swai), Bivalves
Best Aquaculture Practices* (BAP) 2/3/4 Star	Farmed Shrimp, Tilapia, <i>Pangasius</i> (Swai), Mussels
Fair Trade USA*	Seafood Watch Green/Yellow Rated and/or MSC Certified <i>only</i>
Naturland	Farmed Carp, Freshwater Fishes, Mussels, Shrimp
Food Alliance	Farmed Shellfish
Canada Organic	Farmed Shellfish
Friend of the Sea	Farmed Mussels

\* Also includes a social component within the standard

**Chain of Custody Certification:** Suppliers of certified seafood products are expected to maintain Chain of Custody certification (i.e. MSC/ASC Chain of Custody certification, BAP Repacker certification) to handle and process seafood products that meet the Policy through eco-certification.

**Time-bound Improvement Process:** A time-bound improvement process is an internal, formalized agreement between Hy-Vee and a supplier regarding a timeline for sourcing in compliance with Hy-Vee's Policy. They include 1) fishery improvement projects; and 2) time-bound improvement projects:

**Fishery Improvement Project:** A fishery improvement project (FIP) is a multi-stakeholder effort to address environmental challenges in a fishery. FIP products may qualify for Hy-Vee's Policy when sourced from FIPs that meet all the criteria detailed in the Conservation Alliance for Seafood Solutions [Guidelines for Supporting Fishery Improvement Projects](#). FIPs may be 'Basic' or 'Comprehensive'.

To meet Hy-Vee's Policy, each of the following criteria must be met:

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<sup>7</sup> Trafficking Related Activities, refer to those actions, usually employed by labor brokers, to facilitate Labor Trafficking and Child Labor. These Model Policies use the definition contained in Executive Order 13627 issued by President Obama on September 25, 2012.

- Be at “Stage 3 - FIP Implementation” or higher; and
- Demonstrate adequate recent progress; and
- Regularly and publicly report on progress using:
  - [FisheryProgress.org](https://fisheryprogress.org) (preferred); or
  - Other industry website.

*Note: In the case that a FIP has serious concerns outside the scope of those being addressed by the FIP work plan, such as illegal fishing or human rights violations, Hy-Vee may discontinue sourcing from that FIP even if the above criteria are met.*