

SEAFOOD PROGRESS: COSTCO CANADA



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

Across Canada

NUMBER OF STORES

98

WEBSITE

<https://www.costco.ca/>

RETAILER SNAPSHOT

Costco Wholesale Corporation is committed to sourcing seafood products that “meet current demands without compromising the availability of scarce resources for future generations”, and to considering a number of ecological, management, and regulatory factors when making its procurement choices. Costco is committed to preferentially sourcing seafood from fisheries certified by the Marine Stewardship Council (MSC) and to not selling certain wild species that “have been nearly universally identified as at great risk” unless they are certified as sustainable by the MSC. With its environmental NGO partner World Wildlife Fund (WWF), Costco is engaged in a number of fishery improvement projects to help producers qualify for MSC certification. For farmed products such as shrimp or salmon, Costco preferentially sources from farms that are certified by the Aquaculture Stewardship Council (ASC) and in coordination with WWF, it is engaged in helping other farms improve to be able to meet those standards.

SeaChoice contacted Costco Canada about its Seafood Progress profile but did not receive any information about its sustainable seafood commitment or procurement policies in the lead-up to launching Seafood Progress. As such, SeaChoice based its profile solely on publicly available information published by Costco Wholesale Corporation, which doesn't include progress in meeting its commitment, information on Costco's data collection or labelling policies, or what actions it is taking to educate staff, customers or suppliers about its seafood commitment. SeaChoice will continue efforts to engage with Costco Canada and develop a more complete Seafood Progress profile moving forward.

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 stand-alone 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.

STEP ELEMENTS

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

Costco Canada

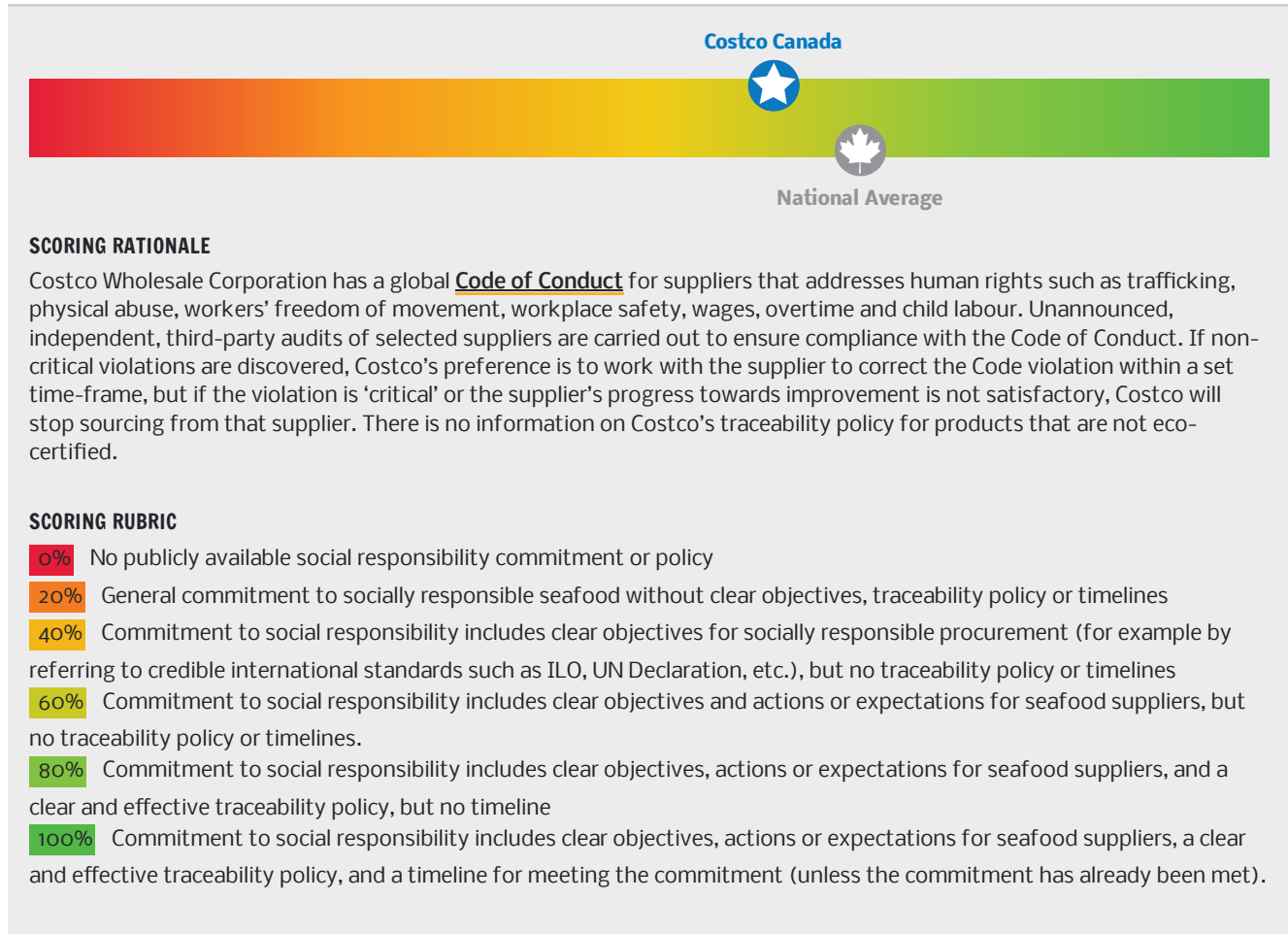
SCORING RATIONALE

Costco’s two primary objectives are to source wild and farmed seafood products that have been produced in ways that “meet current demands without compromising the availability of scarce resources for future generations” and to consider biological, ecological and regulatory factors when making sourcing decisions. For certain species that have been recognized as being ‘at great risk’ (including Atlantic cod, swordfish and redfish), Costco is committed to only sourcing products if the fishery has been certified as sustainable by the Marine Stewardship Council (MSC). Costco also states that it is aiming for all of its farmed shrimp, salmon, pangasius, and tilapia products to be certified by the Aquaculture Stewardship Council (ASC). There is no information on Costco’s traceability policy products that are not eco-certified.

SCORING RUBRIC

- 0% 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
- 80% 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



STEP 2: IS THE RETAILER COLLECTING DATA TO SUPPORT THEIR COMMITMENT?

Costco Canada



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.

STEP ELEMENTS

2.1 Retailer collects data on species scientific (Latin) name for seafood products being sold - the "what"

Costco Canada



National Average

SCORING RATIONALE

No information in commitment.

SCORING RUBRIC

- 0%** No data collected (or no information)
- 50%** Data collected for some products
- 100%** Data collected for all products

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

Costco Canada



National Average

SCORING RATIONALE

No information in commitment.

SCORING RUBRIC

- 0%** No data collected (or no information)
- 50%** Data collected for some products
- 100%** Data collected for all products

2.3 Retailer collects data on whether the seafood products being sold are wild or farmed - the "how"

Costco Canada



National Average

SCORING RATIONALE

No information in commitment.

SCORING RUBRIC

- 0% No data collected (or no information)
- 50% Data collected for some products
- 100% Data collected for all products

2.4 Retailer collects data on the gear type or farming methods for seafood products being sold - the "how"

Costco Canada



National Average

SCORING RATIONALE

No information in commitment.

SCORING RUBRIC

- 0% No data collected (or no information)
- 50% Data collected for some products
- 100% Data collected for all products

STEP 3: IS THE RETAILER MAKING RESPONSIBLE SOURCING DECISIONS?

Costco Canada



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.

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.

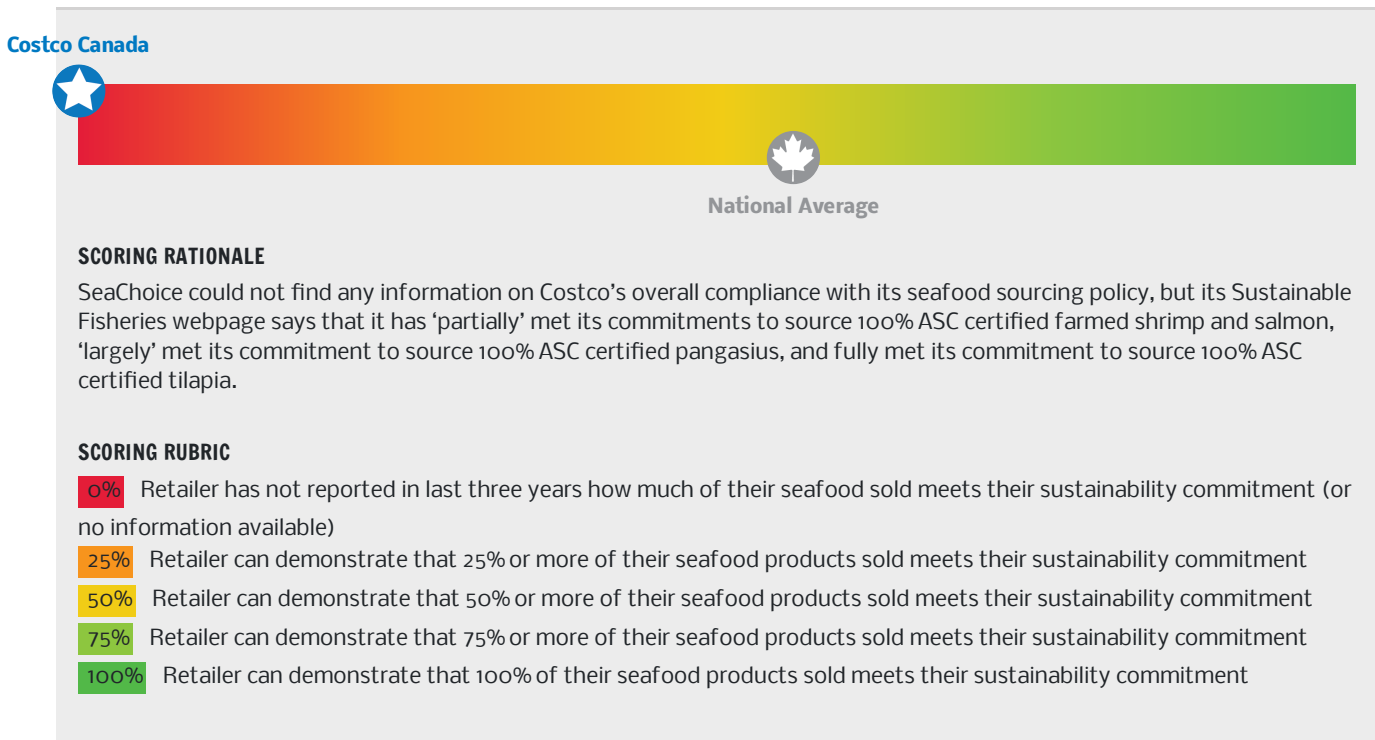
If it looks like you are only seeing the score for one year it is because the score did not change from year to year. Try clicking off the 'June 2019' button below the score bar.

STEP ELEMENTS

3.1 Retailer uses an established seafood certification or ranking standard 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.



3.3 Suppliers are required to sign a code of conduct to uphold the retailer's environmental sustainability commitment.

Costco Canada



National Average

SCORING RATIONALE

Costco Wholesale Corporation's Supplier Code of Conduct covers its social responsibility commitment but not its seafood-specific environmental commitments, for example in relation to sourcing MSC and ASC certified products. SeaChoice was unable to find any information on whether Costco Canada uses any other Codes of Conduct with its seafood suppliers.

SCORING RUBRIC

- 0%** Suppliers are not required to sign a code of conduct (or no information)
- 25%** 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
- 100%** 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.

Costco Canada



National Average

SCORING RATIONALE

Costco Wholesale Corporation's Supplier Code of Conduct applies to all suppliers to provide merchandise to Costco, and it includes its social responsibility commitment.

SCORING RUBRIC

- 0%** Suppliers are not required to sign a code of conduct (or no information)
- 25%** 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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STEP ELEMENTS

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)

Costco Canada



SCORING RATIONALE

No information in commitment.



Species scientific (Latin) name



Country of origin



Wild or farmed



Gear type or farming method

SCORING RUBRIC

0%

Retailer does not label products with the information (or no information)

50%

Retailer labels some products with the information


100%

Retailer labels all products with the information

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

Costco Canada





National Average


SCORING RATIONALE
 There is no information on Costco's use of eco-labels in its commitment, but SeaChoice's citizen science labelling studies show that Costco uses the MSC logo on at least some products identified in its Sustainable Fisheries policy.


SCORING RUBRIC

- 0% Retailer does not label products with an ecolabel as appropriate (or no information)
- 100% Retailer labels products with an ecolabel as appropriate 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)

Costco Canada





National Average

SCORING RATIONALE
 No information in commitment.

SCORING RUBRIC

- 0% No list of products procured with region and gear type has been made available (or no information)
- 50% Some seafood products with region and gear type has been made available
- 100% All seafood products with region and gear type has been made available

4.4 Retailer publicly reports how much of its seafood meets its sustainability criteria (by volume or value of sales).

Costco Canada



National Average

SCORING RATIONALE

No information in commitment.

SCORING RUBRIC

- 0%** No public information on how the retailer is doing to meet its commitment
- 50%** Retailer has at one point in the past reported publicly how much of its seafood sold meets its commitment
- 100%** Retailer regularly reports publicly how much of its seafood sold meets its commitment (by volume/value, at least every two years)

STEP 5: DOES THE RETAILER EDUCATE STAFF, CUSTOMERS AND/OR VENDORS ABOUT THE IMPORTANCE OF THEIR COMMITMENT TO SUSTAINABLE SEAFOOD?

Costco Canada



National Average

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.

Costco Canada



National Average

SCORING RATIONALE

No information in commitment.

SCORING RUBRIC

- 0%** 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

Costco Canada



National Average

SCORING RATIONALE

No information in commitment.

SCORING RUBRIC

- 0%** There is no description of the sustainable seafood program in store (or no information)
- 50%** This is some description of the sustainable seafood program in store
- 100%** There is a comprehensive description of the sustainable seafood program in store

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

Costco Canada



National Average

SCORING RATIONALE

Costco Wholesale Corporation seems to be taking action to address potential human rights and labour abuses through its Code of Conduct for suppliers and to support sustainable livelihoods for producers through its engagement in Fishery Improvement Projects with its NGO partner (WWF), but SeaChoice was unable to confirm what specific actions Costco Canada is engaged in, particularly in relation to making its suppliers aware of its Sustainable Fisheries policy.

SCORING RUBRIC

- 0%** The retailer has taken no actions OR no information available
- 25%** The retailer sends its suppliers or vendors a copy of its sustainable seafood commitment or policy
- 50%** The retailer shares its sustainable seafood commitment or policy and sometimes engages with its suppliers to help ensure the products they supply meet the retailer's expectations.
- 75%** The retailer shares its sustainable seafood commitment or policy and regularly engages with its suppliers to help ensure the products they supply meet the retailer's expectations.
- 100%** The retailer shares its sustainable seafood commitment or policy, has a clear strategy to engage with its suppliers and provides direct support (e.g. training, resources) to help ensure all seafood product are procured in line with its policies.

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

Costco Canada



National Average

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.

STEP ELEMENTS

6.1 Does the retailer support improvements in the production of farmed Atlantic salmon (either Canadian produced or imported)?

Costco Canada



National Average

SCORING RATIONALE

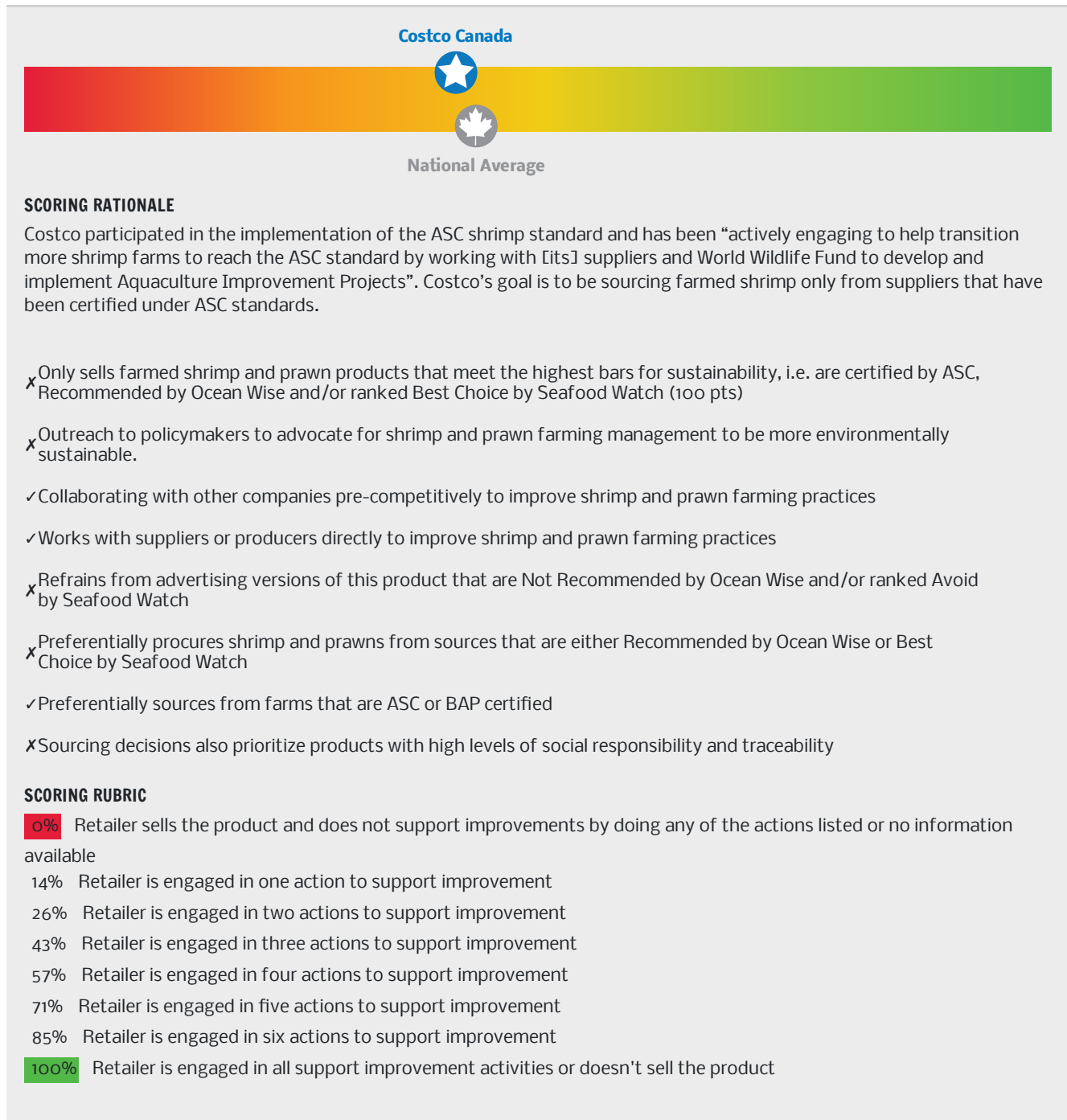
Costco is “actively engaging to transition more salmon farms to reach the ASC standard by working with suppliers and WWF to develop and implement AIPs [Aquaculture Improvement Projects]”. Additionally, Costco’s goal is to “source farmed salmon only from suppliers that have been certified by the ASC standard. This goal has been partially achieved”

- ✗ 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)
- ✗ Outreach to policymakers to advocate for salmon farming management to be more environmentally sustainable.
- ✓ Collaborating with other companies pre-competitively to improve salmon aquaculture practices
- ✗ Works with suppliers or producers directly to improve salmon farming practices
- ✗ 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
- ✓ Preferentially sources from farms that are ASC certified
- ✗ Sourcing decisions also prioritize products with high levels of social responsibility and traceability

SCORING RUBRIC

- 0% 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?



6.3 Does the retailer support improvements in the production of skipjack tuna?

Costco Canada

National Average

SCORING RATIONALE

Costco's major canned tuna suppliers are participants in the International Seafood Sustainability Foundation which is aiming to improve fishing practices.

- ✗ 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)
- ✗ Outreach to policymakers to advocate for skipjack fishing methods and management to be more environmentally sustainable.
- ✗ Collaborating with other companies pre-competitively to improve skipjack fishery management practices
- ✓ Works with suppliers or producers directly to improve skipjack fishing practices
- ✗ 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
- ✗ Preferentially sources from fisheries that are MSC certified
- ✗ Sourcing decisions also prioritize products with high levels of social responsibility and traceability

SCORING RUBRIC

- 0% 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?

Costco Canada

National Average

SCORING RATIONALE

Costco has a policy of source a species that is deemed 'at great risk', if the fishery is MSC certified - included in this list is Atlantic cod, Atlantic halibut, and swordfish. Costco also preferentially sources ASC certified shrimp, salmon, pangasius and tilapia.

- ✗ 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 ranked Best Choice by Seafood Watch (100 pts)
- ✗ 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
- ✗ Works with suppliers or producers directly to improve fishing or farming practices
- ✗ 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
- ✓ 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

- 0% 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