

GROCCERS 2022

SEAFOOD PROGRESS





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OVERVIEW

[Seafood Progress](#) is an online resource that profiles major Canadian grocers' sustainable seafood commitments and their progress against these commitments. Each grocer structures their commitment differently, so Seafood Progress provides a standardized framework to evaluate the components of each grocer's commitment and how it compares to the mean scores across all major grocers. The assessment framework is based on recommendations produced by the Conservation Alliance for Seafood Solutions in their [Common Vision for Sustainable Seafood](#). For more information, see our [Scoring Rubric for Grocers](#) and our [2020 report](#) and [2021 report](#).

This year, Costco engaged with SeaChoice for the first time since the inception of Seafood Progress in 2018, making its fifth profile the first to be verified and not solely based on publicly available information. Additionally, Buy-Low Foods, Federated Co-operatives Limited (FCL), Loblaw, METRO, Save-On-Foods, Sobeys and Walmart Canada all engaged with SeaChoice again and provided information that was not publicly available to help inform their 2022 profiles.



COSTCO: YEAR 1 OF ENGAGEMENT

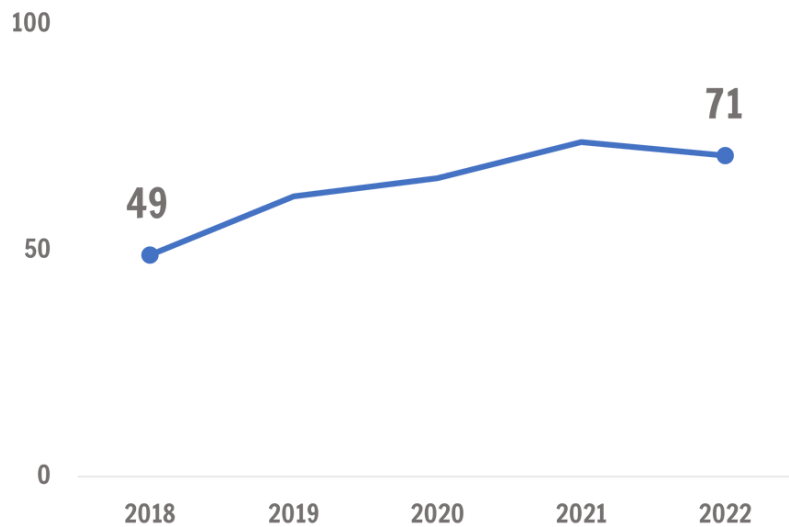
Since the inception of Seafood Progress in 2018, SeaChoice has attempted to connect directly with Costco to inform its Seafood Progress profile on an annual basis. After three years of basing Costco's profile solely on publicly available information, its score dropped low enough that SeaChoice made the decision to exclude it from the average score calculations in 2021 so as not to skew the results.

Fortunately, our perseverance was rewarded near the end of 2021 when we were able to engage Costco and conduct a thorough review to inform its 2022 Seafood Progress profile.

As a result of this engagement, Costco's overall score increased substantially from 19% in 2021 to 67% in 2022. This serves as further evidence to support SeaChoice's finding that, typically, businesses are doing more than what they are disclosing publicly, and the information that they are disclosing is not well communicated or dated. For example, under Step 6, Costco's score increased by 47% from 2021 to 2022 largely due to SeaChoice being able to verify that various initiatives that it claims to be undertaking on its website are ongoing and remain relevant today.

SeaChoice is grateful that Costco decided to engage this year and look forward to engaging in subsequent years to continue accurately assessing Costco's sustainable seafood commitment. To view Costco's 2022 profile results, click [here](#).

RESULTS



National average across all grocers from 2018 to 2022

The average score across all eight grocers, six steps and twenty-three key performance indicators (KPIs) on Seafood Progress increased from 49% in 2018 to 71% in 2022. Consequently, from 2021 to 2022 the average score decreased by 3%, compared to an average increase of 11% from 2020 to 2021.

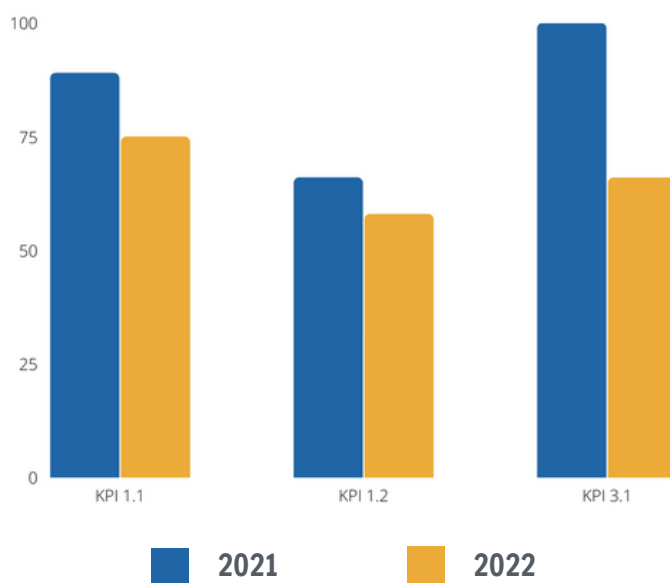
The decrease from 2021 to 2022 can be largely attributed to the changes made to our scoring criteria under KPIs 1.1, 1.2 and 3.1 to increase the rigor of the Seafood Progress framework. Additionally, two of the eight grocers profiled - Walmart and Sobeys - reported in 2021 on the percentage of seafood sold that was in line with their sustainability commitments but neglected to do so again in 2022, resulting in a 29% average decrease under KPI 3.2.

Considering all eight grocers have long since developed sustainability commitments that reference credible environmental standards, SeaChoice made the decision to adapt KPI 3.1 entirely this year to report against a more meaningful metric. This KPI now asks grocers if they have published a clear hierarchy of standards to demonstrate their sourcing priorities for all seafood they sell. This change resulted in a 34% average decrease in score since five of the eight grocers only specify the sustainability standards they use to source some - not all - of the seafood they sell. In fact, Buy-Low, Save-On-Foods, Sobeys and Walmart still have not established standards to inform their purchasing decisions for the significant amount of all the third party branded products that they sell (find out how the thirteen seafood brands that we now profile on Seafood Progress are performing [here](#)).

To reflect best practice, SeaChoice made the decision to change the traceability policy requirements under KPI 1.1 from a basic one-up, one-down policy that is a regulatory requirement in Canada to a full chain traceability policy that requires the collection and transfer of key data elements from the point of harvest or production to the end consumer. As a result of this change, Buy-Low Foods' and FCL's scores decreased from 100 to 60 for only having basic traceability policies in place to support their sustainability commitments. The average score under KPI 1.1 decreased by 11% from 2021 to 2022.

Upon recognizing the implications of asking if grocers have specified a timeline for achieving their commitments to social responsibility under the level 100 scoring criterion for KPI 1.2, we made the decision to instead ask if they report on actions taken to support their commitments. SeaChoice also referenced the [Responsible Sourcing Tool: Seafood, Tool 5](#) to establish some of the key data elements (KDEs) that should be collected and traced to effectively assess supply chains for human rights abuses. These changes to our scoring methodology under KPI 1.2 resulted in an 8% average decrease in score from 2021 to 2022.

The graph below provides a visual illustration of the score changes across KPIs 1.1, 1.2 and 3.1 from 2021 to 2022.



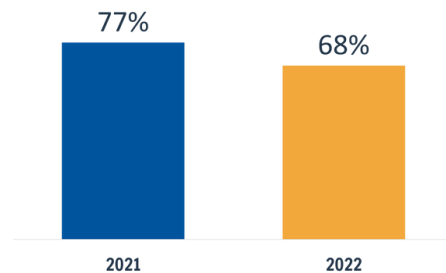
Despite Costco reporting for the first time in 2022 on the percentage of seafood sold by volume that was in line with its commitment, the average score across all grocers decreased dramatically by 37% under KPI 3.2 from 2021 to 2022. This decline is the result of Sobeys and Walmart both neglecting to report on the overall percentage of *all* seafood sold in the past year that was in scope and that met their commitments in the past year.

The full results of the average scores and rationale across all steps and KPIs in 2022 can be found in the following section. For individual grocer scores in 2022, visit [Seafood Progress](#).

01

Commitment

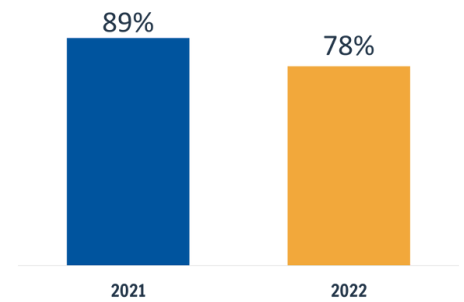
DOES THE GROCER HAVE A COMPREHENSIVE COMMITMENT ON SUSTAINABLE SEAFOOD?



The average score across all eight grocers under Step 1 decreased by 9% from 2021 to 2022.

KPI 1.1: The grocer has a publicly available commitment regarding environmentally sustainable seafood.

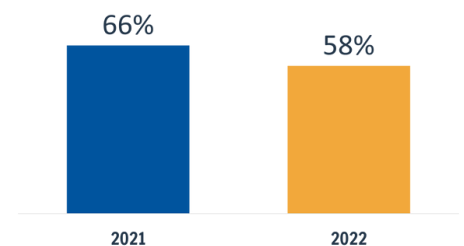
To reflect best practice, SeaChoice changed the traceability policy requirements under this KPI from a basic one-up, one-down policy that is a regulatory requirement in Canada to a full chain traceability policy that collects and transfers key data elements from the point of harvest or production to the end consumer. As a result of this change, Buy-Low and FCL's scores were reduced from 100 to 60 for only having a one-up, one-down traceability policy in place to support their commitments. On a celebratory note, Save-On-Foods shared with SeaChoice that it aims to have full chain traceability on all its private label and national brand products by the end of 2023, which increased its score under this KPI from 60 to 80. The average score under KPI 1.1 decreased by 11% from 2021 to 2022.



KPI 1.1 Average score

KPI 1.2: The grocer has a publicly available commitment regarding socially responsible seafood.

Upon recognizing the challenges and implications of asking businesses to set quantitative and time bound goals against their commitments to social responsibility, we adapted the 100 level scoring criterion requirement to instead ask if they report on actions taken to support their commitments. Furthermore, to score 100 under KPI 1.2, a business needs to have reported on the results of the actions they have taken to serve their commitments within the past two years (for example, social audit results) and identified steps for remediation based on the findings from those results.



KPI 1.2 Average score

We also identified the need to clearly differentiate between the data elements that should be collected and traced to support businesses' commitments to

01 Commitment

sustainability and those that should be collected and traced to identify potential human rights violations in supply chains. We referenced the [Responsible Sourcing Tool: Seafood, Tool 5](#) to determine the Employer, Captain and Recruiter/Labor Broker KDEs that businesses should be collecting and tracing to assess for trafficking and other labor abuses on vessels. Over the next year, SeaChoice aims to identify KDEs in relation to human rights indicators on farms and to improve upon its overall recommendations to businesses in this area.

As a result of the above changes made to the scoring criteria for KPI 1.2, Loblaw's and METRO's scores decreased from 100 to 60 from 2021 to 2022, which equated to an 8% decrease in the average score across all grocers.

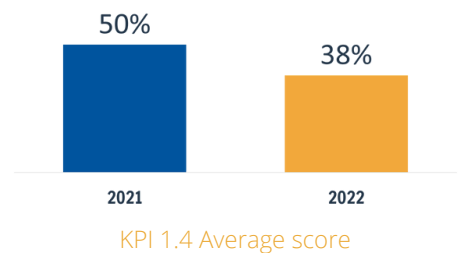
KPI 1.3: The grocer covers all store banners that sell seafood in its sustainable seafood commitment.

From 2021 to 2022, the average score across all eight grocers increased by 3% as a result of Loblaw announcing that it recently brought three more of its store banners - Shoppers Drug Mart, Pharmaprix and Wholesale Club - in line with its sustainable seafood commitment.



KPI 1.4: The grocer covers all shelf stable and third-party branded products in its sustainable seafood commitment.

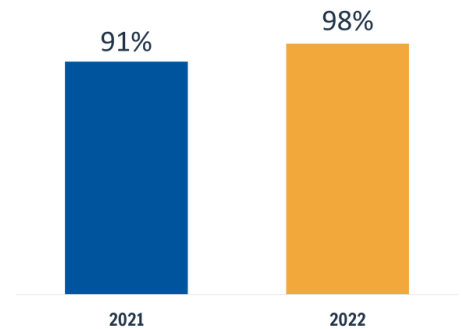
The average across all eight grocers decreased by 12% under this KPI from 2021 to 2022 as a result of Walmart's score being reduced from 100 to 0 in that time frame. Upon engaging with Walmart to inform its 2022 profile, SeaChoice learned that its sustainability commitment covers canned tuna, but does not actually cover any other shelf stable products that the it sells (e.g., sardines, sockeye salmon, clams, oysters, mackerel, mussels, pink salmon, crab meat, cocktail shrimp and eel).



02 Data Collection

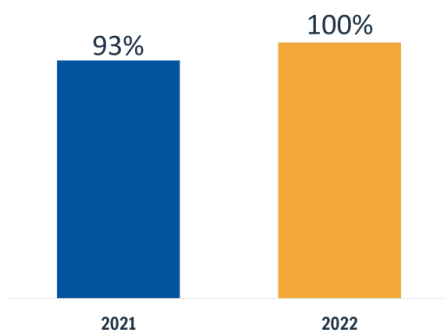
IS THE GROCER COLLECTING DATA TO SUPPORT ITS COMMITMENT?

The average score across all eight grocers increased by 7% under Step 2 from 2021 to 2022 for two reasons: 1) SeaChoice engaged with Costco directly for the first time and learned that, in 2021, it issued its first annual survey for the global suppliers of its Kirkland brand seafood products to collect data on species scientific name, geographic origin and gear type or farming method, and 2) Sobeys informed SeaChoice that, as part of its new data collection efforts through the Sustainable Fisheries Partnership's (SFP's) Seafood Metrics platform, it has begun collecting these four data elements (among others) on all the seafood it sells, including third-party branded products.



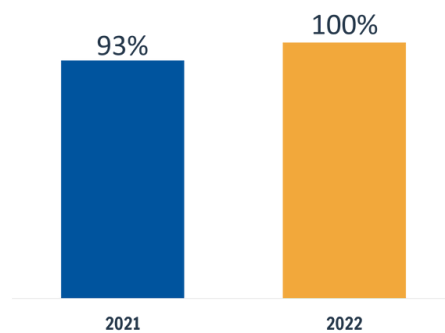
The average score across all eight grocers under Step 2 increased by 7% from 2021 to 2022.

KPI 2.1: The grocer collects data on species scientific name.



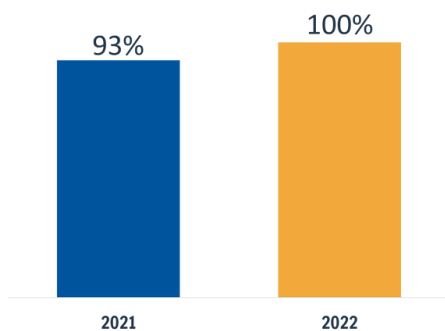
KPI 2.1 Average score

KPI 2.2: The grocer collects data on geographic origin.



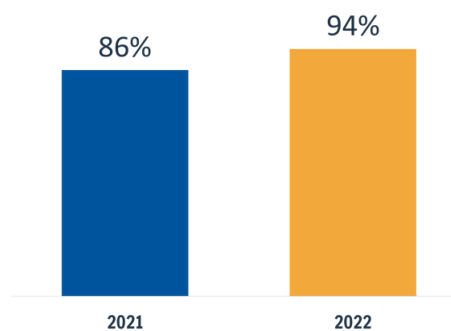
KPI 2.2 Average score

KPI 2.3: The grocer collects data on wild or farmed.



KPI 2.3 Average score

KPI 2.4: The grocer collects data on gear type and/or farming method.

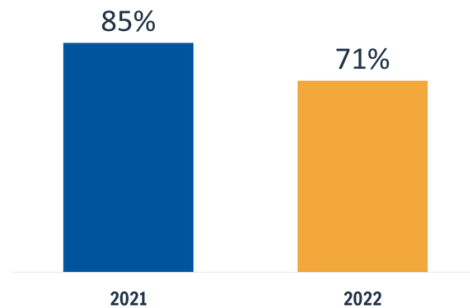


KPI 2.4 Average score

03

Responsible Sourcing

IS THE GROCER MAKING RESPONSIBLE SOURCING DECISIONS?

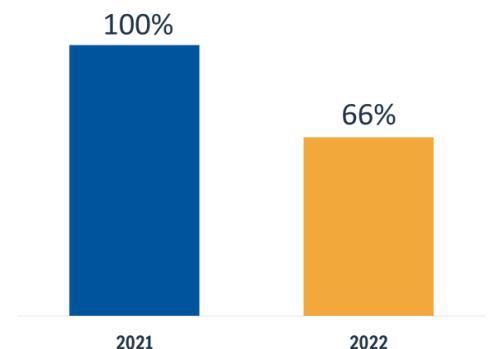


The average score across all eight grocers under Step 3 decreased by 14% from 2021 to 2022.

KPI 3.1: The grocer publishes a clear hierarchy demonstrating its sourcing priorities.

Since all eight grocers have long since developed sustainability commitments that reference credible environmental standards, we made the decision to adapt this KPI entirely this year to report against a more meaningful metric. KPI 3.1 now asks grocers if they have published a clear hierarchy of standards to demonstrate their sourcing priorities for all seafood sold.

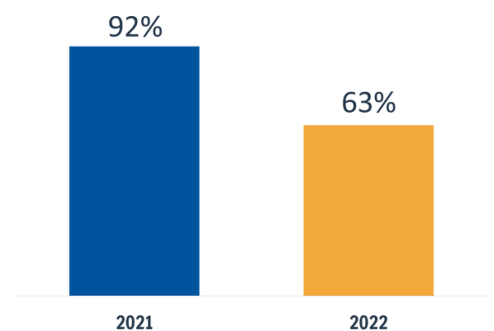
As a result of this change, the average score decreased significantly by 34% from 2021 to 2022 since five of the eight grocers clearly specify the sustainability standards they use to source some, but not all, of the seafood they sell. In fact, Buy-Low Foods, FCL, Save-On-Foods and Sobeys all have not yet established any standards used to inform their purchasing decisions for the significant amounts of third-party branded products that they sell.



KPI 3.1 Average score

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

Despite Costco reporting for the first time in 2022 on the percentage of seafood sold by volume that was in line with its commitment in FY2021, the average score across all grocers decreased dramatically by 29% under this KPI from 2021 to 2022. This decline is due to Sobeys and Walmart both failing to report in 2022 on the overall percentage of *all* seafood sold in 2021 that was in scope and met their commitments. Both Sobeys and Walmart reported in 2021 on the combined percentage of fresh and frozen products that were in line with their commitments and sold in FY2020, but excluded their shelf stable products from these percentages despite those products being included in their commitments. To ensure consistency in scoring across all grocers and brands profiled on Seafood Progress, SeaChoice made the decision this year not to accept incomplete overall percentages, or percentages broken down by product type.



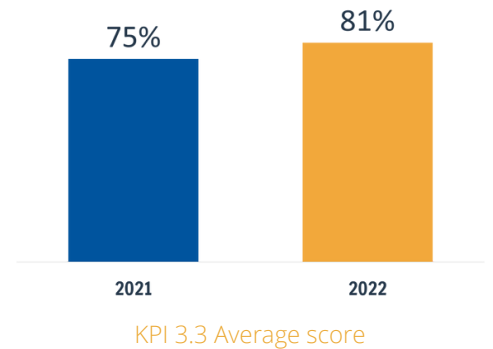
KPI 3.2 Average score

03

Responsible Sourcing

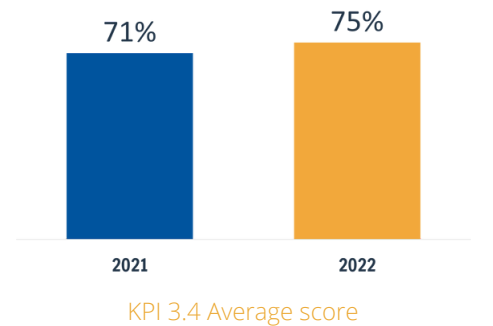
KPI 3.3: Suppliers are required to sign a code of conduct to uphold the grocer's environmental sustainability commitment.

The 6% increase under KPI 3.3 from 2021 to 2022 is largely due to Costco sharing with SeaChoice that it regularly engages with its suppliers to ensure they meet its Sustainable Fisheries & Aquaculture commitment, verifies seafood products upon receipt and occasionally conducts DNA testing on products to ensure suppliers are upholding their agreements.



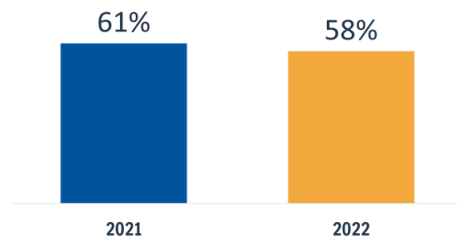
KPI 3.4: Suppliers are required to sign a code of conduct to uphold the grocer's social responsibility commitment.

This KPI saw an average increase of 4% from 2021 to 2022 as a result of SeaChoice being informed by both METRO and Costco that they conduct activities to verify that their suppliers are complying with their codes of conduct that reflect their commitments to social responsibility and that they have been bound to in writing.



04 Transparency

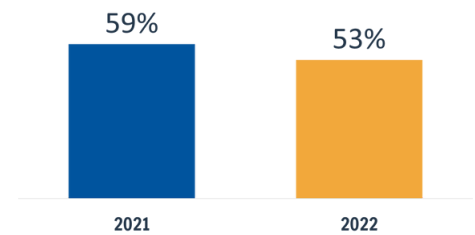
IS THE GROCER TRANSPARENT ABOUT ITS COMMITMENT?



The average score across all eight grocers under Step 4 decreased by 3% from 2021 to 2022.

KPI 4.1: The grocer labels products with the information that allows consumers to make informed decisions.

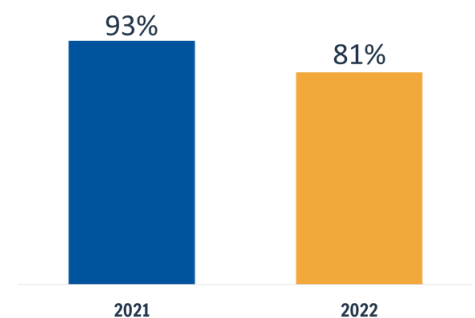
This KPI decreased by 6% from 2021 to 2022 as a result of Costco being included in the average score calculations across all grocers profiled on Seafood Progress. Costco received a low score of 13% under this KPI for labeling some Kirkland seafood products as wild, but not calling out “farmed” or including the scientific name, geographic origin, gear type or farming method on any Kirkland labels. The other grocers’ labelling activities remain unchanged since 2021.



KPI 4.1 Average score

KPI 4.2: The grocer labels products with an ecolabel, OR all products fit under a standard and is communicated as such.

The average score across all grocers under this KPI decreased by 12% from 2021 to 2022 as a result of SeaChoice learning that Buy-Low Foods and Costco apply ecolabels to some, but not all, applicable private label and unbranded products that they sell.

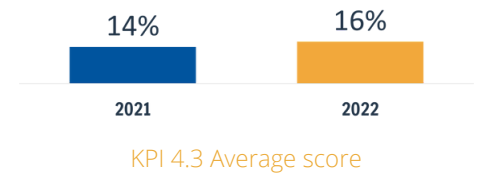


KPI 4.2 Average score

04 Transparency

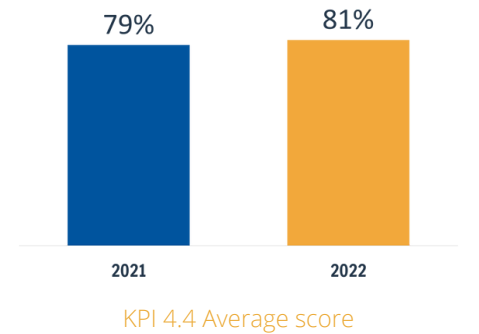
KPI 4.3: Scientific name, geographic origin and harvest method of the grocer's products is publicly available.

A level 75 scoring tier was added to this KPI in 2022 to allow businesses that are publicly disclosing the gear type on *all* of the wild products that they sell to score higher than those that only disclose this information on some wild products. Walmart was the only business to experience a score increase from 50 to 75 as a result of this change due to the information captured in its 2021 Ocean Disclosure Project profile. Furthermore, the level 100 scoring tier was adapted to require that the gear type *and* farming method for all products sold by the grocer be publicly disclosed.



KPI 4.4: The grocer publicly reports how much of its seafood meets its sustainability criteria by volume or value of sales.

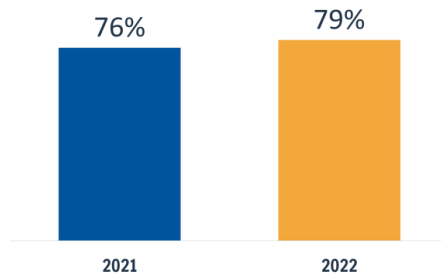
This year, Costco reported against its commitment for the first time increasing its score under this KPI from 0 in 2021 to 50 in 2022. Additionally, Walmart failed to report against all the products covered by its commitment which caused its score to decrease from 100 in 2021 to 50 in 2022.



05

Education

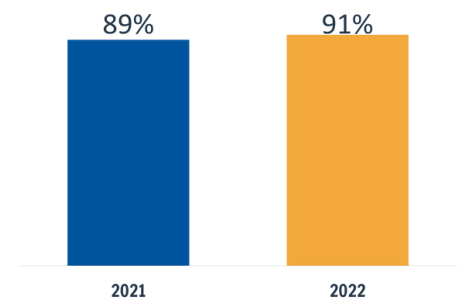
DOES THE GROCER EDUCATE STAFF, CONSUMERS AND SUPPLIERS ABOUT ITS SEAFOOD COMMITMENTS?



The average score across all eight grocers under Step 5 increased by 3% from 2021 to 2022.

KPI 5.1: Training programs are conducted for seafood staff.

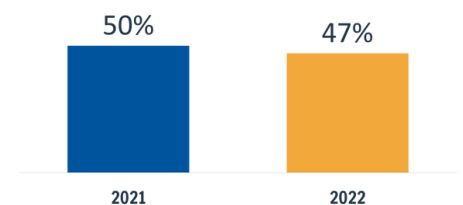
The score across all eight grocers under this KPI increased by 2% from 2021 to 2022 as a result of Costco's score increasing from 0 in 2021 to 100 in 2022. Costco was awarded a perfect score this year for sharing with SeaChoice that its seafood buying teams are well versed on its Fisheries and Aquaculture Policy and receive training on its Supplier Code of Conduct. Additionally, Costco stated that, when it receives inquiries from consumers on its seafood products, it is the responsibility of the buying team to address these.



KPI 5.1 Average score

KPI 5.2: There is a description of the grocer's commitments to sustainable and socially responsible seafood in store.

To focus more attention on the issue of human rights violations in seafood supply chains, this indicator now requires grocers to include a description of their social responsibility commitment in store to achieve a perfect score. As a result of this change, METRO's score was reduced from 100 in 2021 to 75 in 2022 because it informed SeaChoice that it shares a comprehensive description of its sustainable seafood commitment in store, but there is little to no information on its commitment to social responsibility in store.



KPI 5.2 Average score

05

Education

KPI 5.3: The grocer has taken actions to ensure its suppliers or vendors are aware of its sustainable seafood commitment.

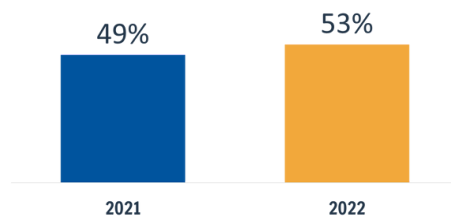
The average score across all grocers increased by 11% under this KPI from 2021 to 2022 as a result of SeaChoice learning that Costco, Sobeys and METRO all engage regularly with their suppliers to reiterate the terms of their sustainability commitments and provide them with direct support to help ensure all products in scope are procured in line with those terms.



06

Taking Initiative

DOES THE GROCER TAKE ACTIONS TO SUPPORT IMPROVEMENTS TO FISHERIES AND AQUACULTURE?

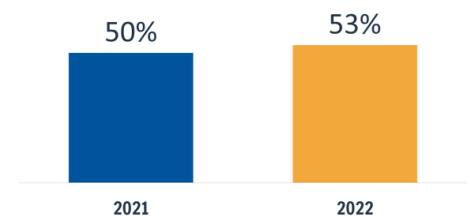


The average score across all eight grocers under Step 6 increased by 4% from 2021 to 2022.

KPI 6.1: The grocer takes actions to support improvements to farmed Atlantic salmon.

To acknowledge closed containment as the highest bar for sustainability, this production method was introduced into this KPI to award points to grocers who work with producers to support their transition to closed containment, only sell and/or preferentially sell farmed Atlantic salmon that is produced in this way, and/or promote closed containment products at points of sale. Another change to this KPI involved removing the criterion that asks if grocers prioritize sourcing farmed Atlantic salmon with high levels of social responsibility and/or traceability and replacing it with a more relevant ask to not sell genetically modified or genetically engineered farmed salmon.

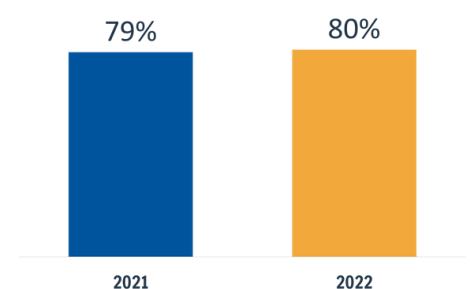
Costco, Loblaw, METRO, Sobeys and Walmart all received 17 points under this KPI for disclosing to SeaChoice that they do not sell genetically engineered or modified versions of farmed Atlantic salmon products and have no intentions to in the immediate future. Additionally, METRO and Loblaw both conducted outreach to the BAP and ASC certification bodies to voice concerns with and advocate for improvements to their respective standards.



KPI 6.1 Average score

KPI 6.2: The brand takes actions to support improvements to farmed shrimp and prawns.

Costco's score under this KPI increased significantly from 17% in 2021 to 68% in 2022 as a result of SeaChoice receiving confirmation that it is currently taking actions to support improvements to farmed shrimp and prawns, including working with the World Wildlife Fund to develop and implement Aquaculture Improvement Projects (AIPs) and working with TruTrace to achieve full chain traceability on its Kirkland shrimp products.



KPI 6.2 Average score

06

Taking Initiative

KPI 6.3: The grocer takes actions to support improvements to skipjack tuna.

As a result of purse-seine caught skipjack tuna that involves the use of fish aggregating devices (FADs) now being MSC certified, SeaChoice made the decision to change this KPI to specify *pole and line caught* skipjack tuna that is also MSC certified, Ocean Wise Recommended and/or rated Best Choice by Seafood Watch as best practice.

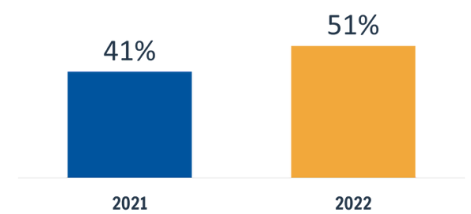
As a result of this change, Sobeys' score was reduced by 17 points since it preferentially sources Ocean Wise Recommended skipjack tuna but does not consider gear type. Additionally, Buy-Low became the first grocer on Seafood Progress to refrain from advertising versions of skipjack tuna products that are not pole and line caught *and* MSC certified, Recommended by Ocean Wise and/or rated Best Choice by Seafood Watch.



KPI 6.3 Average score

KPI 6.4: The grocer takes actions to support improvements to other species.

The average score across all eight grocers increased under this KPI by 10% from 2021 to 2022. One factor that contributed to this increase was Sobeys, Loblaw and FCL all submitting feedback to the CFIA regarding the Canadian government's boat-to-plate traceability mandate. Sobeys signed on to a [letter](#) organized by SeaChoice and Oceana Canada, while Loblaw and FCL joined a submission organized by the Retail Council of Canada. Additionally, SeaChoice learned from Costco that it is conducting various actions to support improvements to various species which led to its score increasing significantly from 17 in 2021 to 85 in 2022.



KPI 6.4 Average score

NEXT STEPS

SeaChoice calls on grocers to continue striving for best practice by making progress in the following areas over the next year:

Commitment Scope. Prioritize expanding the scope of their sustainability commitments and establish a clear hierarchy of sourcing standards for *all* seafood products sold. The changes SeaChoice made to the scoring criterion for KPI 3.1 this year shed further light on the fact that more than half of the grocers have not established clear sourcing standards for all of the seafood products they sell.

Transparency. Report on the overall percentage of seafood sold by volume/value of sales that is covered by grocers' commitments and that meets those commitments.

Social Responsibility. Make a commitment to social responsibility that is more ambitious, develop a clear and effective traceability policy to support the commitment, and begin to report on the activities that are being conducted to support the commitment. For some, this begins with developing a code of conduct that all suppliers are required to abide by and that clearly reflects a comprehensive commitment to social responsibility.