



# 2021 Seafood Stewardship Index

## Insights Report

April 2022

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# Foreword

The seafood industry affects the lives of over a third of the world's population, not only as a source of animal protein and micronutrients but also as a provider of livelihoods and employment. The production of seafood also completely relies on a healthy and functioning biosphere. Delivering a sustainable and socially responsible seafood industry cannot be achieved without companies at the forefront.

This is why, **we need seafood companies to help deliver on key global agendas such as the Sustainable Development Goals and the High Level Panel for a Sustainable Ocean Economy's Call to Action.** In the last 25 years, while we have seen a growing number of examples of seafood companies making commitments and implementing improvements, progress on a number of social and environmental issues has been limited. Without a robust and independent accountability mechanism, there is a risk that many companies will not take sufficient action until it is too late or that progress will remain slow.

By assessing the 30 most influential companies in the seafood industry, **the Seafood Stewardship Index is an accountability tool and roadmap for the private sector.** The second iteration of the index, published in October 2021, included individual company scores, a ranking and key findings. This insights report provides additional analysis and insights of companies' efforts to contribute to various aspects of sustainable and responsible seafood including: social responsibility, environmental sustainability, traceability, illegal, unreported and unregulated (IUU) fishing, and governance.

With less than a decade left, to achieve the 2030 Sustainable Development Goals (SDGs), it is imperative to act now. Companies from across the sector must become successful drivers of change and demonstrate strong, equitable and innovative leadership. We look forward to working on this together with companies and with the [members of our Alliance](#).

Please reach out to us for any questions or opportunities to connect.

Helen Packer

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# The 2021 Seafood Stewardship Index

## Introduction

By supporting the employment of more than 600 million people and providing 20% (up to 50% in certain countries) of animal protein and essential micronutrients for over 3 billion people, the seafood industry is a key sub-sector of the food industry and the ocean economy.<sup>1 2</sup> It is therefore concerning that the seafood industry's activities are linked to a number of environmental and social impacts that jeopardise, not only its own economic sustainability, but the futures of millions of people. Moreover, as the wider food sector, the seafood industry has been impacted by the COVID-19 pandemic. These events have further highlighted the interconnectedness of our seafood systems, specifically how inequalities, climate change and biodiversity loss are all closely linked to seafood production, seafood trade and the treatment of workers and fishers.

Multinational companies throughout the value chain dominate the seafood industry. With an estimated revenue of USD 70 billion, the 30 seafood companies assessed<sup>3</sup> by the Seafood Stewardship Index represent a significant share of the global seafood market. Thus, through their sheer size and expansive global supply chains, the companies assessed by the benchmark (fishing and aquaculture companies, aquafeed producers and seafood processors) have a disproportionate and influential role in transforming the industry.

While the benchmark shines a light on performance of key topics in the seafood industry as well as individual company performance, this insights report aims to:

- Provide more detailed results and in-depth analysis of the performance of the largest 30 seafood companies, with a link to [examples of leading practices](#) on key topics.
- Outline collaboration and engagement opportunities in 2022.
- Outline the plans for the 3rd iteration of the benchmark in 2023.

**We invite all benchmark stakeholders to reach out to [our team](#), or join one or more of our activities, and become part of the conversation!**

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<sup>1</sup> Organisation for Economic Co-operation and Development (2020) "The Ocean Economy in 2030." Available [online](#).

<sup>2</sup> Worldfish, FAO and Duke University (2018) "Illuminating hidden harvests." Available [online](#).

<sup>3</sup> The list of companies assessed by the Seafood Stewardship Index and details about how the companies were selected can be found in the Seafood Stewardship Index methodology.

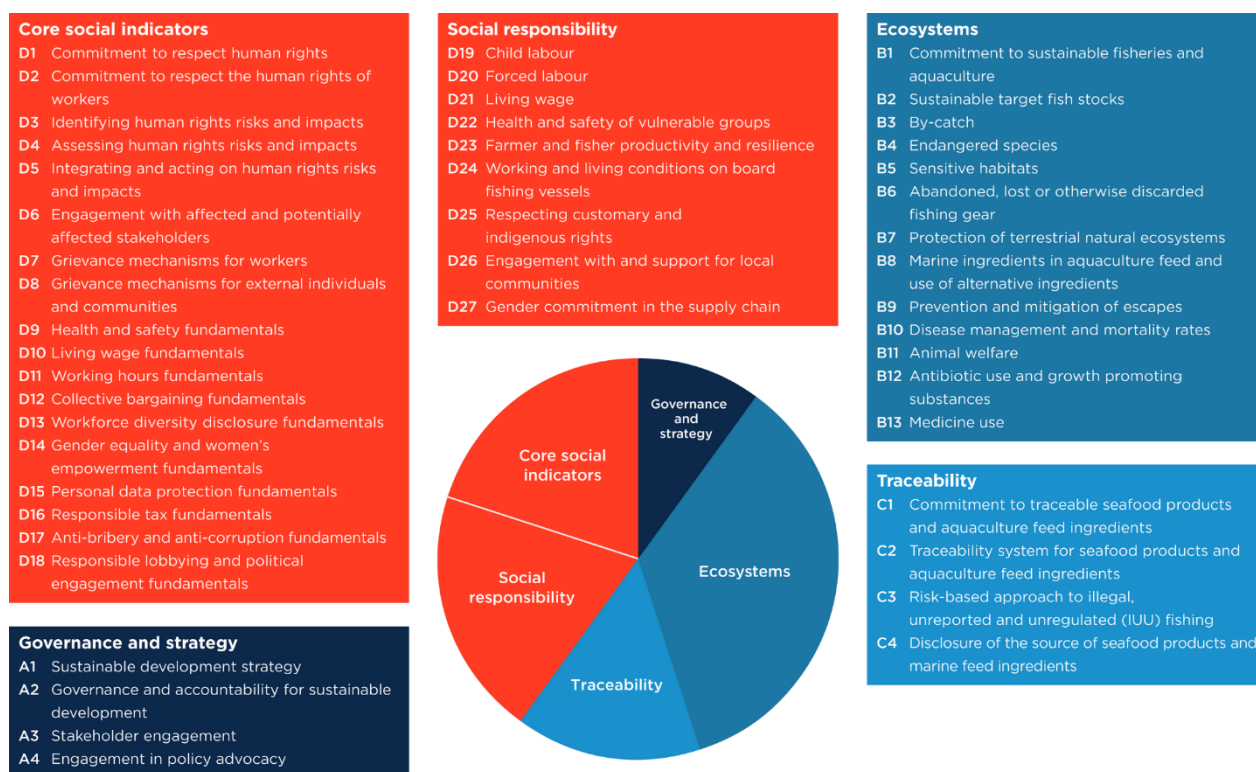


## The Seafood Stewardship Index

The [Seafood Stewardship Index](#) assesses the performance of the [30 most influential multinational seafood companies](#). The benchmark encompasses companies active in wild catch, aquaculture, aquafeed production and processing. In accordance with [the methodology](#), the assessment spans across 48 indicators across four measurement areas: governance and strategy, ecosystems, traceability and social responsibility (Figure 1). The Seafood Stewardship Index (referred to as the benchmark from here on) aims to serve as an accountability tool to assess companies on their operations and value chain activities.

The first iteration of the benchmark in 2019 showed that the seafood industry was not on track to support a transition to a sustainable seafood industry. The second iteration of the benchmark, published in October 2021, shows that despite a growing number of company commitments and efforts, especially with regards to environmental sustainability and traceability, still too few companies have turned those commitments into actions that lead to large scale and systemic change. Crucially this change starts with companies integrating sustainability objectives into their business models and operations. Whilst pressure on the seafood industry is mounting, many major companies continue to operate within 'business as usual' parameters and do not significantly contribute to achieving the SDGs.

FIGURE 1. THE SEAFOOD STEWARDSHIP INDEX 4 MEASUREMENT AREAS





## The ranking

The 2021 Seafood Stewardship Index presents an overall company ranking based on the results in four measurement areas. These areas reflect where stakeholders expect corporate action, pinpointing where companies can have the most impact.

TABLE 1. COMPANY RANKING AND SCORES

Rank	Company	Score	Rank	Company	Score
1	Thai Union Group	51.9	16	FCF Co., Ltd.	22.4
2	Mowi	46.1	17	Nippon Suisan Kaisha (Nissui)	18.6
3	Nueva Pescanova	42.9	18	Mitsubishi Corporation	16.4
4	Nomad Foods	42.7	19	Maruha Nichiro	15.9
5	Nutreco (Skretting)	40.1	20	Dongwon Enterprise	13.8
6	Cargill	39.5	21	Pacific Seafood Group	12.2
7	Austevoll Seafood	36.1	22	Kyokuyo	10.2
8	BioMar	35.8	23	Marubeni Corporation	9.8
9	Charoen Pokphand Group	35.5	24	Wales Group (Sea Value & Sea Wealth)	6.3
10	Royal Greenland	34.0	25	Trident Seafoods	5.1
11	Bolton Group	30.3	26	Yokohama Reito (Yokorei)	1.8
12	High Liner Foods	29.0	27	Red Chamber Group	1.6
13	SalMar	27.1	28	Cooke	0.7
14	Parlevliet & Van der Plas	26.2	29	Bright Food Group	0.0
15	Labeyrie Fine Foods	25.8	30	OUG Holdings	0.0

TABLE 2. TOP 3 COMPANIES IN EACH MEASUREMENT AREA

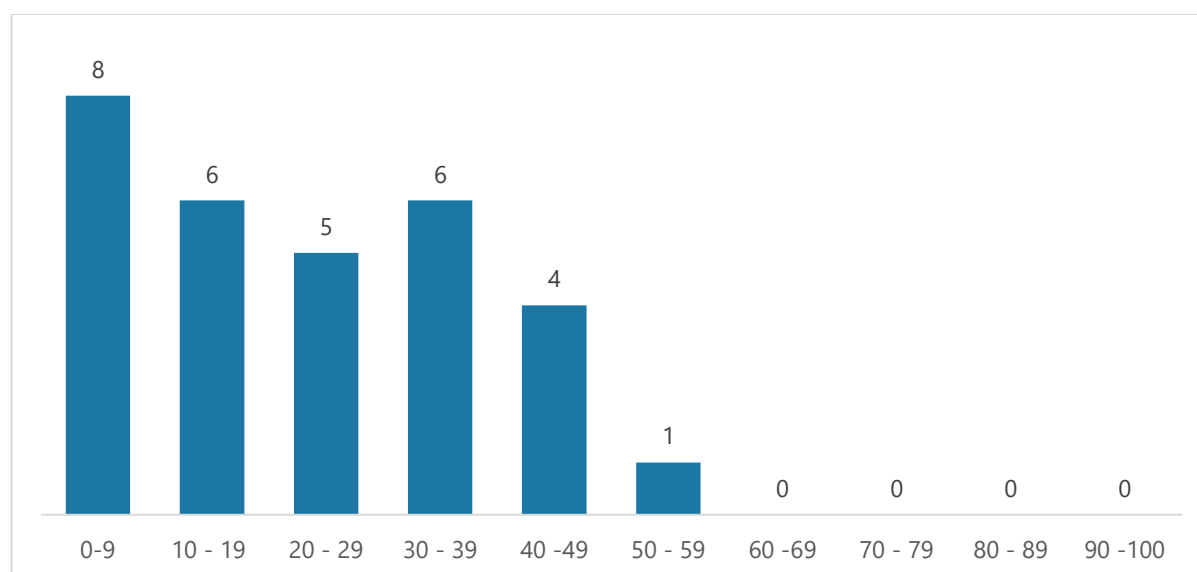
<b>Governance and strategy</b>	#1 Thai Union Group (6.3/10) #2 Nissui, Nutreco, Cargill, Charoen Pokphand Group (5.6/10) #3 Maruha Nichiro, Nueva Pescanova (5/10)
<b>Ecosystems</b>	#1 Mowi (23.6/35) #2 Austevoll Seafood (22.9/35) #3 Nomad Foods (21.4/35)
<b>Traceability</b>	#1 Thai Union Group (10.3/15) #2 Nueva Pescanova (9.4/15) #3 High Liner Foods, Mowi, Nomad Foods (8.4/15)
<b>Social responsibility</b>	#1 Thai Union Group (21.2/40) #2 Charoen Pokphand Group (14.4/40) #3 Nueva Pescanova (10.4/40)

Thai Union Group once again tops the second Seafood Stewardship Index. The Thai food processor has achieved this result through its leading performance in the social responsibility measurement area. The company also demonstrates best performance in the measurement areas on governance and strategy and traceability. Norwegian salmon farmer Mowi ranks second in the 2021 benchmark. The company is the best performer on addressing ecosystem impacts, achieving a score of 23.6 out of 35. The remaining



companies in the top five are Spanish fishing and aquaculture company Nueva Pescanova, British food processor Nomad Foods and Dutch aquaculture feed producer Nutreco. Notably, the top five companies represent different segments of the seafood industry, indicating that companies across the value chain are taking leadership on key sustainability issues.

FIGURE 2. NUMBER OF COMPANIES PER SCORE BAND



Even though over two-thirds of the companies demonstrate at least one leading practice in one of the areas of the benchmark, overall performance remains low. Half of the companies do not reach an overall score of 25 and the average score for each measurement area is around 30%. That being said, there is a wide range of scores in the measurement areas of traceability (from 0 to 69%), ecosystems (from 0 to 67%) and governance and strategy (from 0 to 63%). In the social responsibility measurement area however, the average score is around 15% and 28 companies score below 30%, with human and labour rights behind. Since the first iteration of the benchmark published in 2019, some companies have strengthened their commitments related to environmental sustainability and traceability by referring to specific standards and, in a few cases, adding timelines. However, many of those commitments are still missing a time-bound element or are not transparent with regards to the standards used to define sustainable (see the Ecosystems measurement area for more details). Moreover, social responsibility commitments remain weak and public progress reporting on all topics remains either absent, inconsistent, or incomplete, hampering a more robust assessment of progress.

# Measurement area key findings

The benchmark assessed the most influential 30 companies on their performance on 48 indicators across four measurement areas. Key findings are summarised per measurement area. Leading practices on benchmark topics are outlined on a separate [webpage](#).

## Governance and strategy

This measurement area focuses on the integration of seafood-specific sustainable development objectives and targets into companies' core strategy, business model and governance structure. It captures seafood companies' overall commitment to sustainable development, including whether the company's highest governing board is responsible for leading its progress on sustainability targets, as well as its stakeholder engagement activities.

### Key finding: Sustainability strategies need to be followed by concrete targets



Integrating sustainability objectives into the overall business strategy is the first step in shifting towards a sustainable business model. 70% of the companies have sustainability objectives, yet only 30% have translated those into time-bound targets. Concerningly, 30% of the companies assessed did not disclose a sustainability strategy or, when companies also have other business activities, lack seafood-specific objectives.

Only nine companies (BioMar, Cargill, Charoen Pokphand Group, Mowi, Nissui, Nomad Foods, Nueva Pescanova, Nutreco, Thai Union Group) have translated sustainability objectives into time-bound targets and report progress against those targets. However, while time-bound targets are in place for environmental topics and sustainable and/or responsible sourcing, time-bound targets for key social responsibility topics are often not found. While most companies identify social responsibility topics (such as upholding human and labour rights and health and safety) as material, they lack an approach to address associated risks in their operations and supply chains.

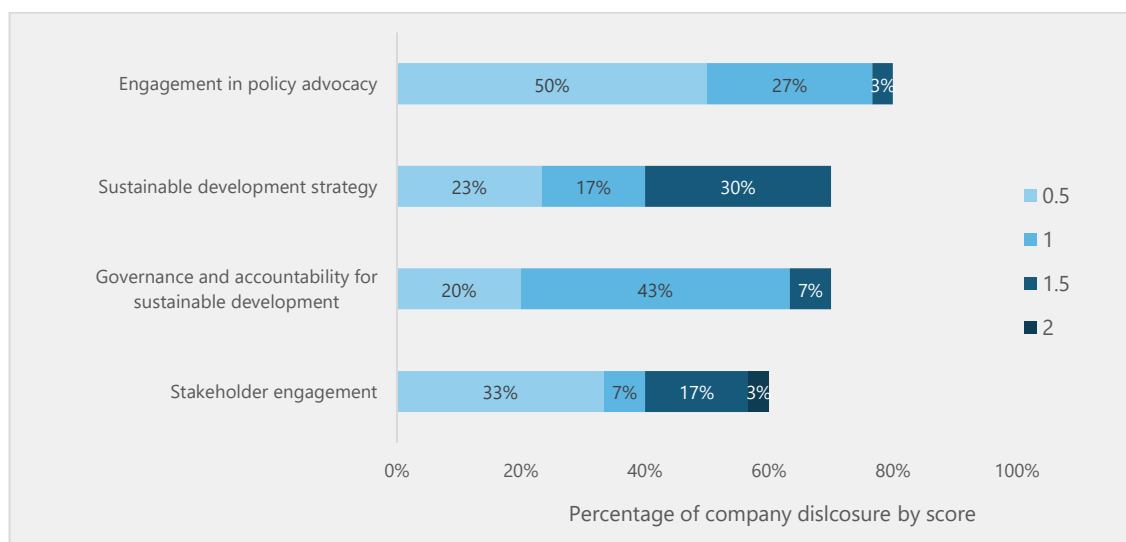
Twenty-one companies disclose that they have established a governance and accountability framework. Governance and accountability frameworks are important to ensure that companies implement measures that will enable them to achieve their sustainability targets. However, only half



the companies report that their frameworks are overseen by the highest governance body, such as the board, and only two companies linked sustainable development targets to the remuneration policy of the highest governance body.

Within a company's governance structure, regular stakeholder involvement is a crucial element. However, 40% of the companies do not disclose information on how they engage with stakeholders. Of the companies that undertake stakeholder engagement activities, a third do not demonstrate a continuous stakeholder engagement process. Of the eight of the companies with a continuous stakeholder engagement process, most companies still have room for improvement. For example, they can disclose their process for identifying and engaging with stakeholders and further detail how the outcomes of stakeholder engagements are integrated into sustainability strategy.

FIGURE 3. PERFORMANCE ON GOVERNANCE & STRATEGY INDICATORS



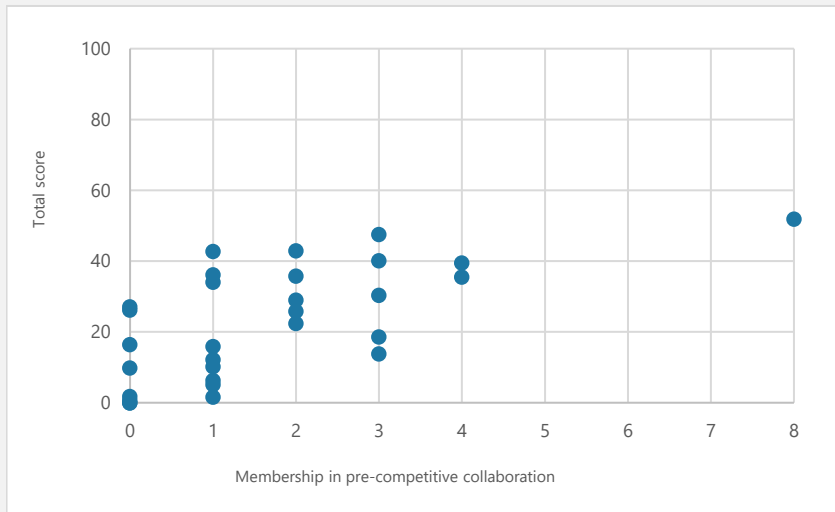
Improving policies is necessary to ensure the seafood industry develops in an environmentally sustainable and socially responsible way. Companies have a powerful voice that can influence policies that relate to sustainable fisheries and aquaculture management as well as working conditions. Twenty-four companies (80%) report on examples of policy advocacy activities, either done individually or collectively with other companies. However, only nine companies demonstrate activities clearly aimed at supporting policies and legislation that strengthen social responsibility and environmental sustainability in the seafood industry. Examples of such activities include sharing scientific data to improve fishery management plans or advocating for improved legislation to protect workers on fishing vessels. Overall, companies have an opportunity to improve their reporting on how these policy advocacy activities lead to regulations that support the social and environmental objectives outlined in the SDG 2030 agenda.

The main way companies engage in policy advocacy is through pre-competitive initiatives with 22 of the 30 companies being a member of at least one pre-competitive initiative involved in policy advocacy e.g. SeaBOS, the Seafood Task Force, the International Sustainable Seafood Foundation (ISSF). This is very encouraging as pre-competitive collaborations, as long as their members are held accountable, are key to achieve change at scale and outputs (e.g. guidelines, voluntary standards) can benefit the industry as whole, not only the members. On the flip side, eight of the 30 largest seafood companies are not members of any of the key pre-competitive initiatives we consider can be key to driving change (SeaBOS, Global Sustainable Seafood Initiative, North Atlantic Pelagic Advocacy Group, Global Tuna Alliance, International Sustainable Seafood Foundation, Seafood Task Force, Global

Dialogue for Seafood Traceability, SEA Alliance and the Sustainable Seafood Coalition, Global Ghost Gear Initiative).

### Correlation between participation in pre-competitive initiatives and benchmark score

There seems to be limited correlation between a company's overall score and the number of pre-competitive initiatives in which it participates. For instance, Nomad Foods is a member of only one initiative and scored 42.7/100 while other companies (e.g., Nissui, Dongwon) participate in several pre-competitive initiatives and scored below 20%.



This suggests that even though pre-competitive platforms have great potential for knowledge sharing and joint action, it may be lacking a mechanism to hold members accountable to their commitments. Alternatively, the commitments set through the platforms may not be ambitious enough to put companies on a path that supports the SDG 2030 agenda. We considered the following global pre-competitive initiatives: SeaBOS, Global Sustainable Seafood Initiative, North Atlantic Pelagic Advocacy Group, Global Tuna Alliance, International Sustainable Seafood Foundation, Seafood Task Force, Global Dialogue for Seafood Traceability, SEA Alliance, Global Ghost Gear Initiative, and the Sustainable Seafood Coalition.

### Leading practices

Based on the performance of companies assessed in the Seafood Stewardship Index and the Food and Agriculture benchmark, a collection of leading company practices across various indicators in the governance and strategy measurement area such as **stakeholder engagement** are available on [our website](#).



## Ecosystems

A crucial element of good stewardship practices for companies in the seafood industry is managing the impacts of fishing and aquaculture operations on ecosystems. The ecosystems measurement area focuses on what companies are doing to avoid, reduce and/or mitigate negative ecosystem impacts in fisheries and aquaculture.

### **Key finding: The extent to which companies are contributing to a sustainable seafood industry is unclear**

With SDG 14 in mind, specifically the targets focused on sustainably managing and protecting marine and coastal ecosystems (14.2), regulating harvesting and ending overfishing (14.4), it is evident that companies must set time-bound targets to achieve a sustainable supply of seafood. However, when looking at the commitments of companies regarding sustainable fisheries and aquaculture (Figure 4) 13% of the companies in scope do not publish any commitment, and 43% have formulated commitments that are not translated into targets.

We analysed various aspects of company targets including: 1) whether it is time-bound, 2) whether it covers the entire portfolio or not and 3) whether it refers to certification and/or improvement projects to define the level of performance that is aimed for (Table 3). The analysis shows that only five companies have a time-bound target that clearly applies to their entire product portfolio. Certifications and improvement projects are the main approaches companies use to address and mitigate ecosystem impacts and develop targets around. Indeed, eight companies refer to certifications, and six to both certifications and improvement projects. One company (Nissui) has a time-bound target that covers its entire portfolio, but it is not clear how it defines sustainable and does not refer to certifications or improvement projects. Other companies have ambiguous targets. For example, Bolton Group has a target but it is unclear whether it includes certifications and improvement projects. Similarly, it is unclear whether Cargill's target covers its entire portfolio or not.

We also analysed how companies report progress by looking at whether reporting covers the entire portfolio, including information of the portion of the portfolio that is not certified, rated or in an improvement project. The analysis shows that there is a lack of alignment of how companies report progress and that none of the companies provide a complete progress report. For instance, two companies, Nomad Foods and Nutreco, are two of the most transparent companies by disclosing what percentage of their portfolio is certified or in an improvement project. However, they do not disclose information about the sustainability status of a portion of their portfolio, even if small, that is not certified nor in an improvement program. Several companies do not report any progress or only report about a part of their portfolio. Other companies report the total percentage of their portfolio that meets their targets, without specifying what percentage of their portfolio is covered by which certification, rating programme or an improvement project. While an improvement project is a step towards certification, a certified operation and one that is undergoing improvements mean different levels of sustainability so it is important to differentiate those in progress reporting. The lack of precise targets and incomplete reporting makes it difficult to get a clear insight into how the 30 keystone companies assessed are contributing to achieving a sustainable seafood industry and the wider 2030 Agenda.

TABLE 4. ANALYSIS OF COMPANY TARGETS AND PROGRESS REPORTING ON SUSTAINABLE SOURCING

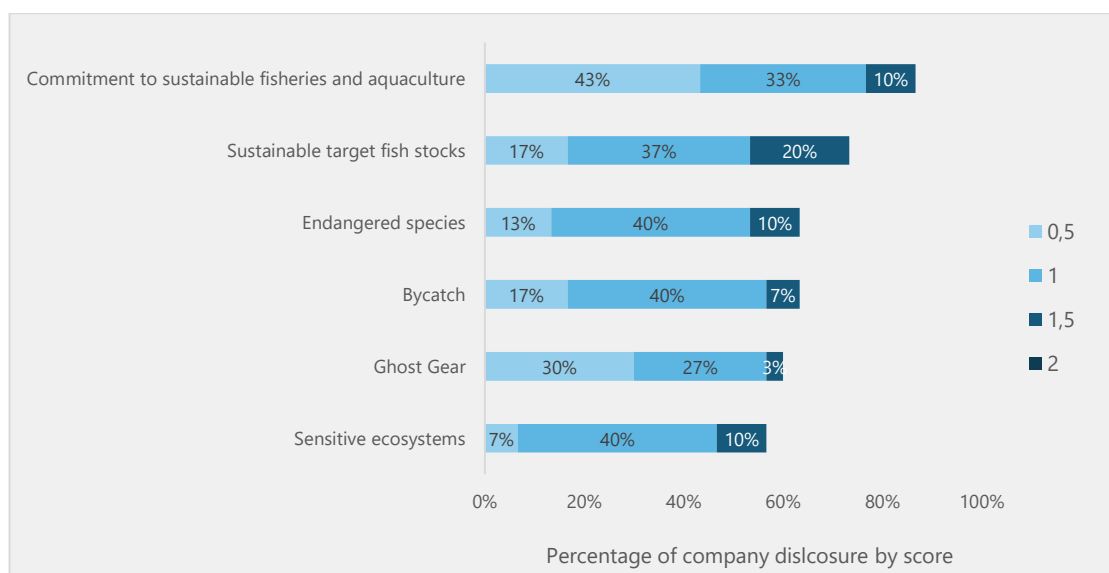
Company	Time-bound target	Target covers entire portfolio	Target includes certifications	Target includes improvement projects	Reporting covers entire portfolio and includes a break down by sustainability status*
Austevoll Seafood	✗	✗	Yes	No	✗
Biomar	✓	✓	Yes	No	✗
Bolton Group	✗	✓	No	No	✗
Bright Food Group	✗	✗	No	No	✗
Cargill	✓	-	Yes	No	✗
Charoen Pokphand Group	✗	✗	Yes	Yes	✗
Cooke	✗	✗	No	No	✗
Dongwon Enterprise	✗	✗	No	No	✗
FCF Co., Ltd	✗	✗	No	No	✗
High Liner Foods	✗	✓	Yes	Yes	✗
Kyokuyo	✗	✗	No	No	✗
Labeyrie Fine Foods	✗	✗	Yes	No	✗
Marubeni Corporation	✗	✗	No	No	✗
Maruha Nichiro	✗	✗	No	No	✗
Mitsubishi Corporation	✗	✗	No	No	✗
Mowi	✗	✗	Yes	Yes	✗
Nippon Suisan Kaisha (Nissui)	✓	✓	No	No	✗
Nomad Foods	✓	✓	Yes	No	✗
Nueva Pescanova	✓	✓	Yes	Yes	✗
Nutreco (Skretting)	✓	✓	Yes	Yes	✗
OUG Holdings	✗	✗	No	No	✗
Pacific Seafood Group	✗	✗	No	No	✗
Parlevliet & Van der Plas	✓	✗	Yes	No	✗
Red Chamber Group	✗	✗	No	No	✗
Royal Greenland	✓	✗	Yes	No	✗
SalMar	✗	✓	Yes	No	✗
Thai Union Group	✗	✗	Yes	Yes	✗
Trident Seafoods	✗	✗	No	No	✗
Wales Group	✗	✗	No	No	✗
Yokohama Reito (Yokorei)	✗	✗	No	No	✗

Analysis based on company data found in the public domain until 31 May 2021

\* Certified, in an improvement project, rated, and un-assessed.



FIGURE 4. PERFORMANCE ON ECOSYSTEM INDICATORS.



While several companies demonstrate that ecosystem impacts are taken into account by ensuring that a considerable part of their portfolio is certified or are that they involved in projects that aim to reduce ecosystem impacts, 20% of the companies in the benchmark do not demonstrate how impacts of fishing activities are reduced or mitigated. When it comes to the impacts on targeted fish stocks, 27% of companies do not disclose nor acknowledge impacts on target species fish stocks across operations and/or supply chains. Of the 73% of the companies that report on reducing their impact on target stock species, only 20% discloses an assessment of the target fish stocks in their operations and/or supply chain or demonstrate that at least 80% of their portfolio is certified. For other ecosystem impacts, such as by-catch, impacts on endangered species or impacts on sensitive habitats, around 40% of the companies do not report concrete examples which show how they are addressing these ecosystem impacts (for impacts on endangered species and sensitive habitats, performance of aquaculture companies has also been assessed).

Abandoned, lost or otherwise discarded fishing gear, also called ghost gear, is an important source of marine pollution where seafood companies have an important role to play. But also here, 40% the companies in scope of the benchmark fail to explain how they contribute to reducing ghost gear. 30% of the companies demonstrate a commitment to reducing ghost gear, while another 30% implement measures to address ghost gear in their operations.

**“The progress made by Skretting in the last Seafood Stewardship Index helps us to validate that we’re heading in the right direction. However, at the same time, we acknowledge that we still need to do more, better and faster, and also that we need more collaboration with our value chain to drive more meaningful and transformational changes. The sustainability agenda and the need for more transparency are moving faster than ever and we’re already implementing the learnings from the Index to improve our practises on reporting, development of policies and data collection processes, among others.”**

*Jorge Diaz, Global Sustainability Manager, Skretting*



### How can seafood companies contribute to equity in the seafood sector?

In recent years, the AIP/FIP model has expanded globally, especially in developing countries and small-scale operations. However, these operations face many challenges in making sustainability improvements such as limited financial support to fund improvement activities, prioritisation of environmental concerns over social and economic ones and limited power to influence policy due to their often informal nature. In response, there has been a rise in alternative approaches such as [Fair Trade](#), [Ocean Outcomes' Triple Impact FIP model](#) or the [Asian Seafood Improvement Collaborative's](#). However, there remain challenges in getting wider market demand and recognition for those alternatives as well as funding. Indeed, [CEA's 2020 FIP landscape review](#) found that the benefits of engaging in a FIP are often [inequitably](#) distributed along the supply chain, with upstream actors bearing the costs of implementation and downstream actors benefiting the most through enhanced reputation and price premiums. The companies assessed by Seafood Stewardship Index, usually located in the middle of the supply chain, can play a role in raising the profile of small-scale producers and finding ways, in collaboration with other supply chain actors and stakeholders, to make seafood supply chains more equitable, including when it comes to implementing sustainability improvements

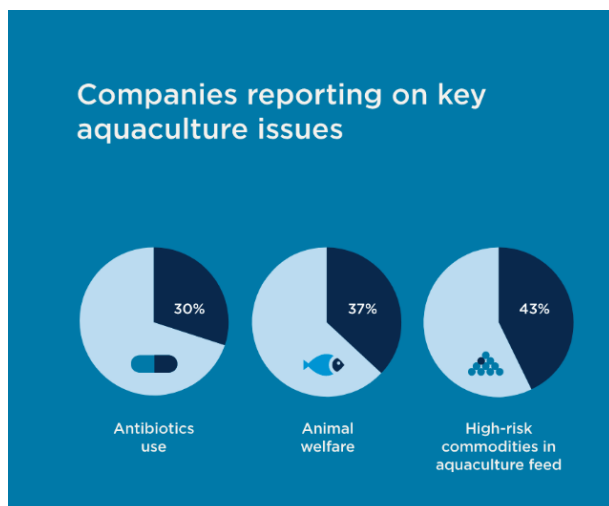
**“By being introduced at the Tokyo Sustainable Seafood Summit and other seminars hosted by Seafood Legacy, the Seafood Stewardship Index has contributed to accelerating and guiding the transformation of seafood businesses in Japan.”**

*Wakao Hanaoka, CEO, Seafood Legacy*





## Key finding: Companies must demonstrate how key aquaculture impacts are addressed

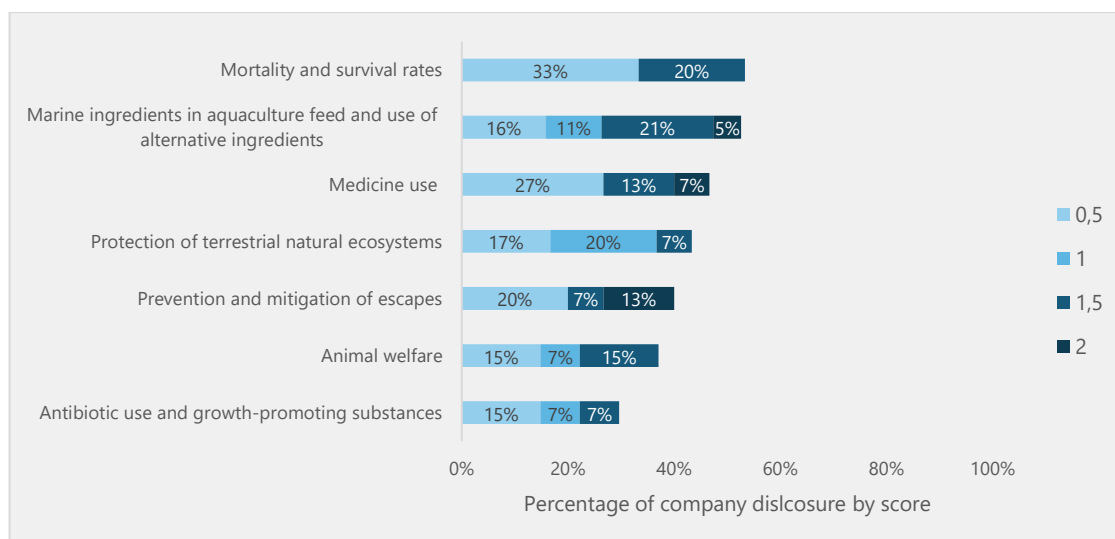


According to FAO statistics, global aquaculture production has doubled over the last 20 years. As the environmental footprint of aquaculture is regarded as lower than other farmed animal protein sectors, the aquaculture industry can play an important role in achieving a sustainable food system. The industry however also faces several challenges such as reducing the use of antibiotics and addressing animal welfare issues. Also, high-risk commodities such as soya and palm oil are used as ingredients for aquaculture feed production. Companies that farm or source aquaculture products

therefore have a responsibility to ensure these impacts are mitigated.

Even though several companies have certified aquaculture products in their portfolio (e.g., Aquaculture Stewardship Council or Global Aquaculture Alliance Best Aquaculture Practices), our research shows that only a few companies are providing additional disclosure on how they are addressing and progressing on key aquaculture impacts. For instance, antimicrobial resistance is regarded as a significant public health threat but only about 30% of the companies have a policy on reducing the use of antibiotics as a prophylactic or growth promoting substances, while all other companies do not provide evidence on how the use of antibiotics will be reduced. Similarly, only 37% of the companies demonstrate a commitment on addressing animal welfare issues in their own operations or supply chain. When it comes to using soya and palm oil for feed production 43% of the companies show that they are working towards deforestation-conversion free (DCF) supply chains. However, only two companies (Austevoll Seafood and Mowi) demonstrate leading practices in this area, by having DCF targets for all their relevant high-risk commodities and reporting against these targets.

FIGURE 5. PERFORMANCE ON ECOSYSTEMS INDICATORS.

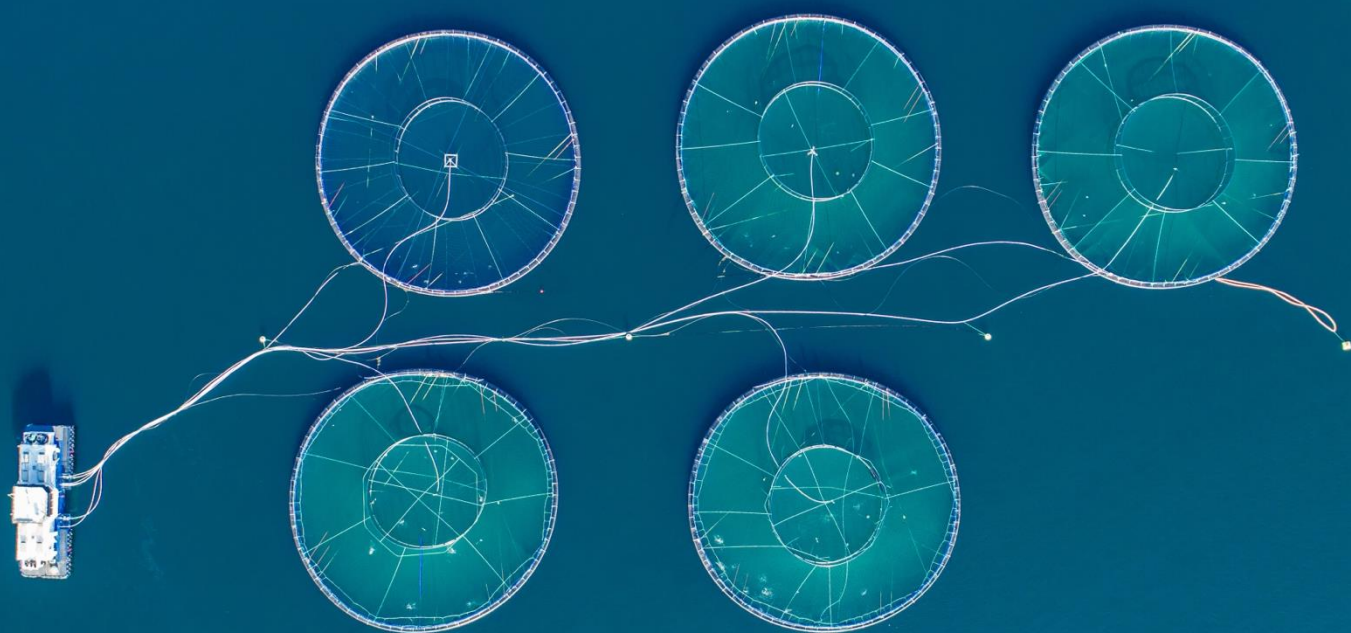


Companies involved in aquaculture production were also assessed on the more specific impacts this industry deals with, such as medicine use, disease management and reporting on mortality rates. Furthermore, how companies are preventing fish from escaping, and mitigating the effects of fish escaping, were also assessed. Escaped fish can negatively impact wild fish populations and environments. Across the industry, reporting and performance on these topics was found low. On medicine use and mortality rates, respectively only 47% and 53% of the companies disclose information on these topics, while for escaped fish 40% provided information. Leading practices on these topics were found for 20% of the companies. Good performance was mostly characterised by detailed reporting covering all company operations, again with salmon farmers Austevoll Seafood and Mowi as notable examples of best practice. 47% of the companies did not disclose any relevant information on all these topics.

Around 10% of global seafood production is used to produce marine ingredients such as fish oil and fish meal, which are important nutritious components in the production of aquaculture feed for piscivorous species such as salmon. However, due to concerns of overfishing and the potential competition for fish resources between feed production and human consumption, aquaculture and feed-producing companies can actively contribute to improving the sustainability of feed production through more efficient feed use, reduction of the use of marine ingredients and integrating more sustainable alternative ingredients with similar nutritional values. Our research shows that of the nineteen aquaculture and feed producing companies in the benchmark, 53% have activities on this topic, of which 26% demonstrate multiple efforts to address this issue.

### Leading practices

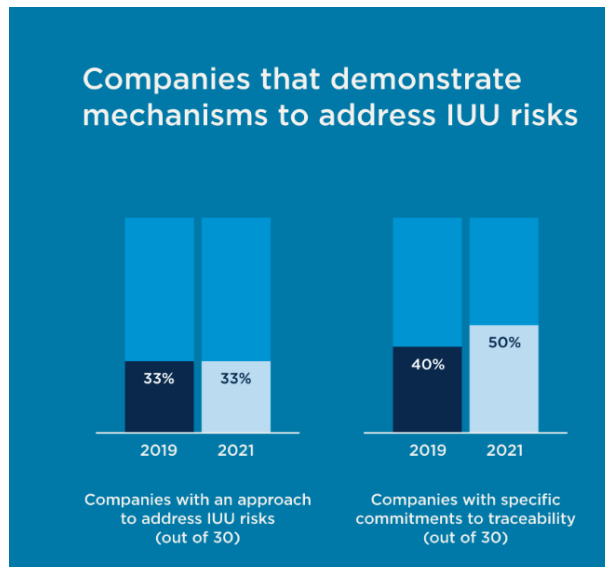
Based on the performance of companies assessed in the Seafood Stewardship Index, a collection of leading company practices across various indicators in the ecosystem measurement area such as **commitment to sustainable fisheries and aquaculture, sustainable target fish stocks, protection of terrestrial natural ecosystems** and **antibiotic use and growth-promoting substances** are available on our [website](#).



## Traceability

Some estimates suggest that 1 in 5 fish caught comes from illegal, unregulated and unreported (IUU) fishing operations, significantly undermining efforts to improve the sustainability of the seafood industry. Traceability mechanisms that monitor the origins of seafood products and marine ingredients are considered a key element in addressing IUU fishing. This measurement area addresses how seafood companies manage this issue in their operations and supply chains. It also assesses whether companies are transparent about their sources of seafood products and fishing activities.

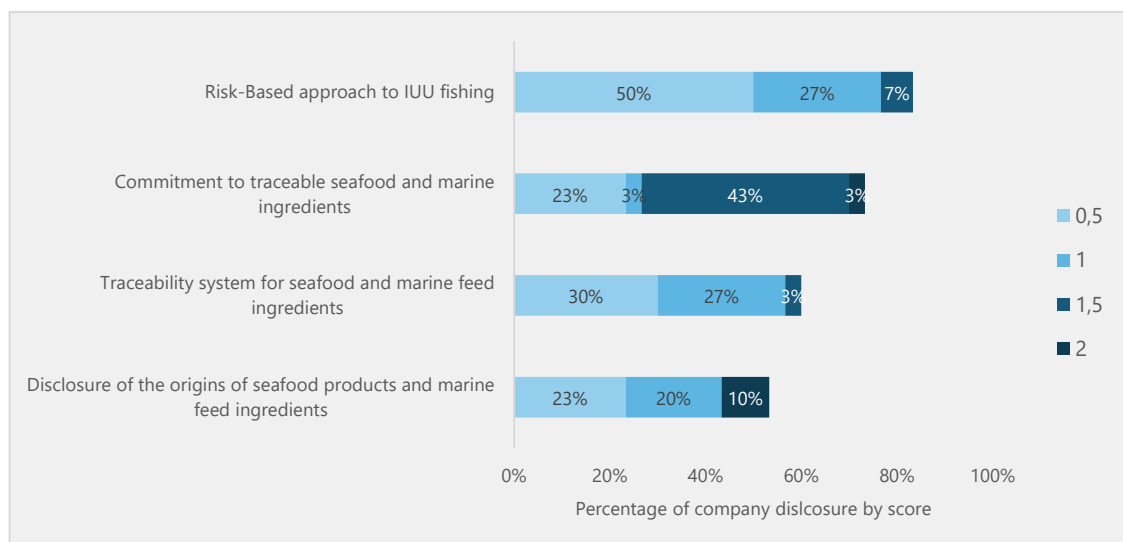
### Key finding: Companies must step up to address illegal fishing



SDG target 14.4 - to eliminate IUU fishing by 2020 - has not been met. IUU fishing is a huge challenge for the seafood industry. IUU catches are estimated to account for 11–26 million tonnes of fish annually, representing up to 20% of global catch and with a value of between USD 10 billion and USD 23 billion. IUU fishing can only be tackled through joint efforts between governments, civil society and the private sector. Companies can support those efforts through policy advocacy to improve monitoring and surveillance on board vessels but also by preventing IUU products from entering their supply chains by conducting regular IUU risk assessments and implementing electronic and robust

traceability systems. While 84% of the companies provide information about how IUU risks are mitigated, only 33% disclose a comprehensive approach to reduce IUU risks in their supply chain. This industry performance is comparable to the benchmark results in 2019, therefore emphasising the need for the seafood industry to step up and take its responsibility to address IUU risks.

FIGURE 6. PERFORMANCE ON TRACEABILITY & IUU INDICATORS.



Robust traceability underpins claims that a seafood or aquaculture feed company makes about the origins of raw material in its seafood products and aquaculture feed. To qualify as robust, a traceability system must include mechanisms to verify the information used, and inputted, into the system, along the whole supply chain. Traceability systems, when designed according to a set of robust criteria such as the Global Dialogue on Seafood Traceability (GDST), are key for capturing product data that meet both market and regulatory requirements. Governments and the private sector both have a role to play in developing and implementing robust traceability systems.

Since 2019, some progress was made in terms of commitments to traceability. Indeed, in 2019 40% of companies disclosed specific commitments to traceability compared to 50% in 2021. Most new commitments were made in alignment with the Global Dialogue on Seafood Traceability (GDST) standard, which was released in March 2020. However, when asking companies what traceability systems they currently have in place, responses revealed different levels of ambition. 40% of the companies did not provide any information about their traceability system, while 30% only provided a description of systems in place to trace and verify the origins of seafood products. Some companies think of traceability as legal requirement in order to comply with food safety regulations and with import regulations (e.g., the United States' Seafood Import Monitoring Program (SIMP)), while others go beyond legal compliance. The remaining 30% of the companies detail how traceability data is collected, verified and shared along the supply chain, or go beyond compliance by aiming for certifications that require chain of custody audits. However, given the limited disclosure on this topic, it is difficult to know how the industry is currently performing.

Another step companies can take towards addressing the issue of IUU fishing is to be transparent about the source of their products. By doing so, a company shows responsibility and accountability for its operations. However, 47% of the companies do not publicly disclose recent information about the source of their seafood products and marine feed ingredients. Of the 53% companies that do report information, 30% disclose an overview of their portfolio including at least information about species and geographic location. Often, the status of the fishery or aquaculture operation, whether it is certified or in an improvement project, is also disclosed. On this topic, several companies provide examples of good performance. High Liner Foods, Pacific Seafood Group and Thai Union, disclose their portfolio through the Ocean Disclosure Project or FishChoice, and also BioMar, Cargill, Mowi, Nomad Foods, Nueva Pescanova and Nutreco provide some transparency about their portfolio. At the same time, it is worrying that almost half of the leading companies in the seafood industry do not share any information about the source of their portfolio.

### Leading practices

Based on the performance of companies assessed in the Seafood Stewardship Index, a collection of leading company practices across various indicators in the traceability measurement area such as **traceability system for seafood products and aquaculture feed ingredients** and **risk-based approach to illegal, unreported and unregulated (IUU) fishing** are available on our [website](#).

**“The participation in the Seafood Stewardship Index initiative has been extremely valuable for the Grupo Nueva Pescanova. Both the index in 2019 and 2021 have had a significant contribution to aligning our sustainability strategy with the societal expectations. The indicators offered us additional guidance on the prioritization of material aspects, while benchmarking our performance against our peers helped us understanding and recognizing our hotspots and where to focus next.”**

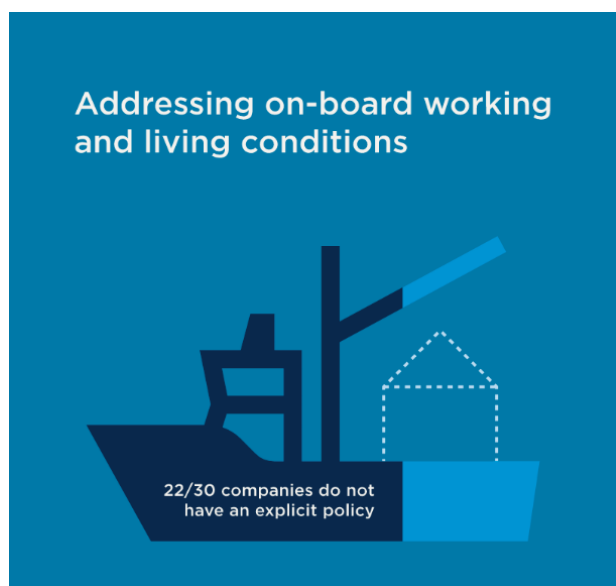
*Nuno Cosme, Chief Sustainability Officer, Nueva Pescanova Group.*



## Social responsibility

This measurement area incorporates WBAs 18 core social indicators that assess companies' efforts to respect human rights, provide and promote decent work and act ethically, as well as nine additional indicators that capture sector specific expectations regarding salient social topics for the seafood industry, such as working and living conditions on-board fishing vessels. Each company across the value chain has a responsibility to promote social responsibility throughout its operations and supply chain.

### Key finding: Seafood companies fall short on addressing human and labour rights



The seafood industry is globally recognised as a high-risk sector for human and labour rights abuses, including forced labour and poor working conditions on-board fishing vessels. Indeed, as several reports<sup>4 5 6 7</sup> have revealed over the years, the seafood industry is still facing challenges to ensure the human rights and health and safety of workers, especially migrant fishers and fishers on distant-water fishing fleets. The sector is characterised by complex and opaque supply chains, highlighting the need for companies to ensure they are aware of human and labour rights risks and act on them accordingly. While there are clearly defined and globally agreed frameworks, such as the United Nations Guiding Principles on

Business and Human Rights and the International Labour Organization's conventions, our research finds that the largest seafood companies are performing poorly on critical social issues. Overall, performance in this measurement area was lower compared to the other measurement areas, with an average score of 14% and all but 2 companies scoring above 30%.

### Core social indicators

All companies in scope of the Seafood Stewardship Index were assessed on 18 core social indicators that assess companies against minimum standards for **respecting human rights, providing and promoting decent work** and **ethical business conduct**.

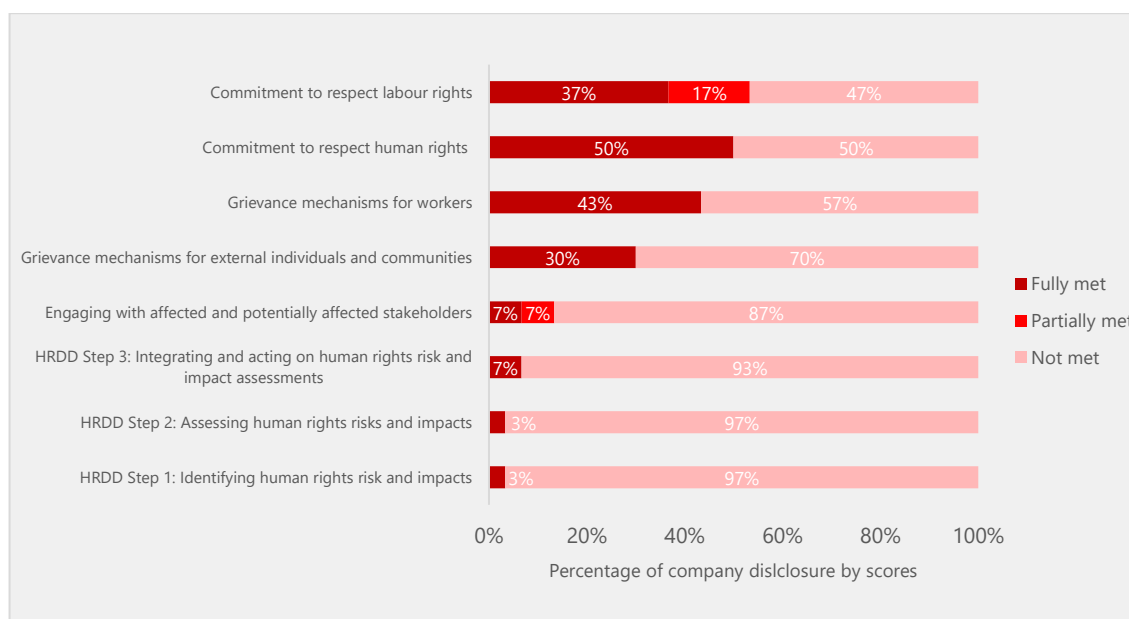
<sup>4</sup> Business and Human Rights Resource Center (2021) "All at sea, an evaluation of company efforts to address modern slavery in pacific supply chains of canned tuna." Available [online](#).

<sup>5</sup> Environmental Justice Foundation (2019) "Human rights abuse in the global seafood industry." Available [online](#).

<sup>6</sup> Greenpeace (2020) "Choppy Waters, Forced Labour and Illegal fishing in Taiwan's Distant Water Fisheries." Available [online](#).

<sup>7</sup> Associated Press (2016) "Seafood from slaves." Available [online](#).

FIGURE 7. PERFORMANCE ON CORE SOCIAL INDICATORS: RESPECTING HUMAN RIGHTS.



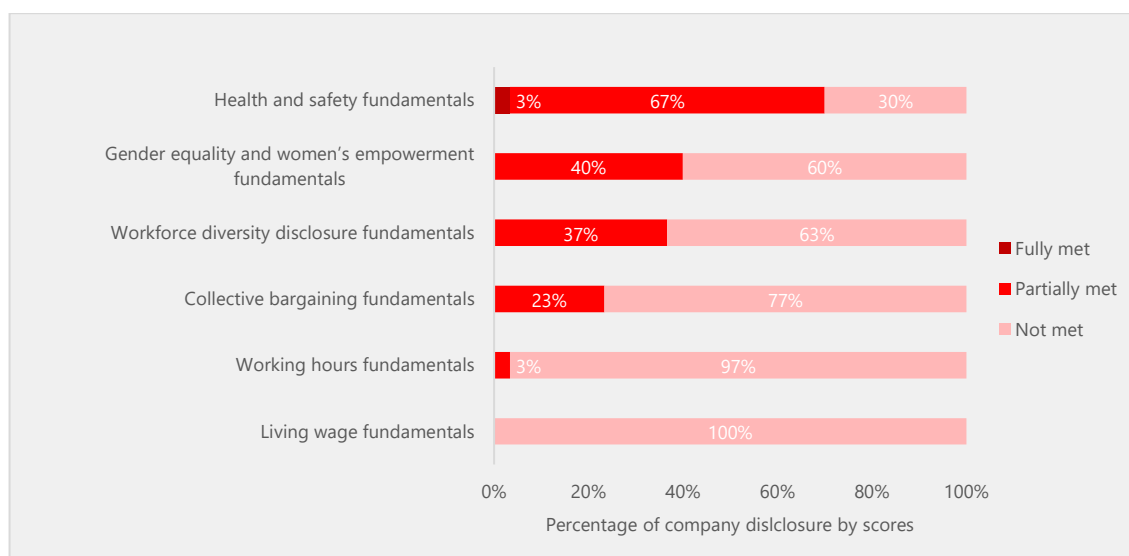
On the topic of respecting human and labour rights, companies have many improvements to make (Figure 7). Only half of the companies disclose a commitment to protect human rights and only 37% demonstrated having commitment to respect labour rights, that applies to both their operations and supply chains. Furthermore, all but one company (Thai Union Group) fail to demonstrate that respect through implementing the first three steps of a human rights due diligence (HRDD) process (Figure 8). Without due diligence in place, companies cannot identify, assess and act on human rights risks in their business activities and supply chains. 90% fail to demonstrate any of these steps, which should seriously call into question the value of their human rights commitments. Companies also have an opportunity to increase disclosure on their engagement with human rights stakeholders, as only 10% of companies reported relevant information. In contrast, 43% of companies demonstrated that they provide grievance mechanisms for workers.

FIGURE 8. THE 5 STEPS OF HUMAN RIGHTS DUE DILIGENCE.



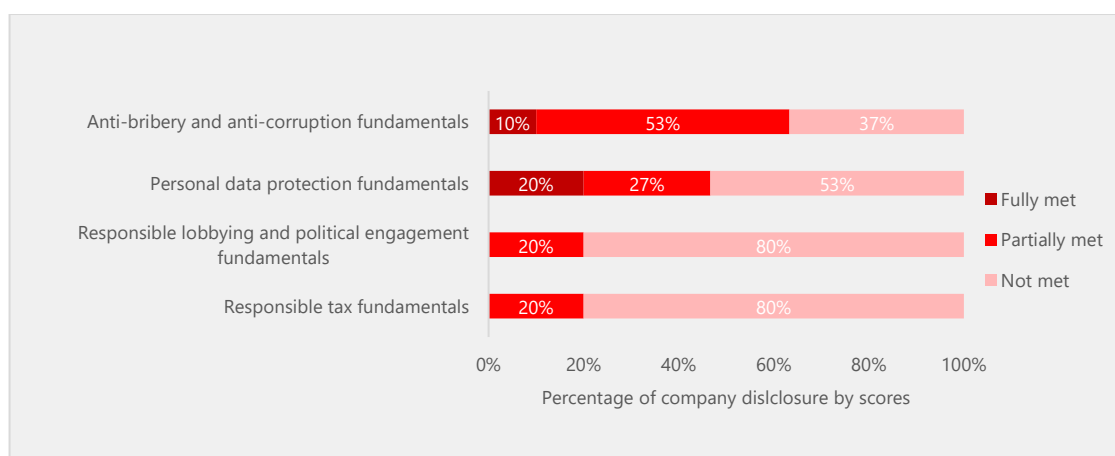


FIGURE 9. PERFORMANCE ON CORE SOCIAL INDICATORS: PROVIDING & PROMOTING DECENT WORK.



Company performance was generally found to be low on indicators focusing on providing and promoting decent work (Figure 9). While companies demonstrate a higher level of disclosure on health and safety (70% disclosed a commitment), and gender equality (40% disclosed a commitment), all companies lack meaningful disclosure on living wages, working hours and collective bargaining. No company demonstrated concrete action on the topic of living wages, for example by disclosing targets, working with suppliers or disclosing how these are calculated.

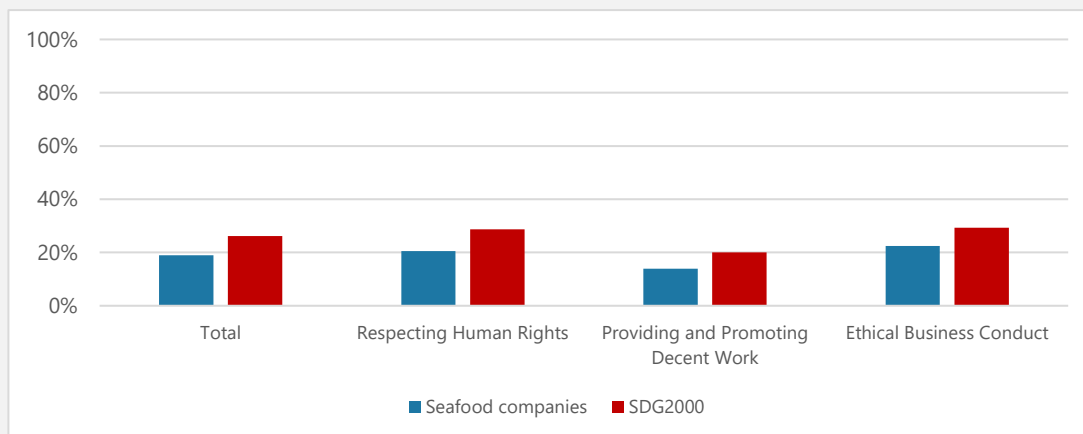
FIGURE 10. PERFORMANCE ON CORE SOCIAL INDICATORS: ETHICAL BUSINESS CONDUCT.



On indicators related to ethical business conduct (Figure 10) companies were found to perform strongest on those relating to personal data protection and anti-bribery and corruption and weakest on indicators relating to the fundamentals of responsible tax and lobbying and political engagement. 47% disclose a commitment to protect personal data and 63% a commitment to prohibit bribery and corruption, while only 20% disclose tax payments by jurisdiction and 20% disclose a policy statement setting out their approach to lobbying and political engagement.

## Performance of seafood companies compared to other large, influential companies

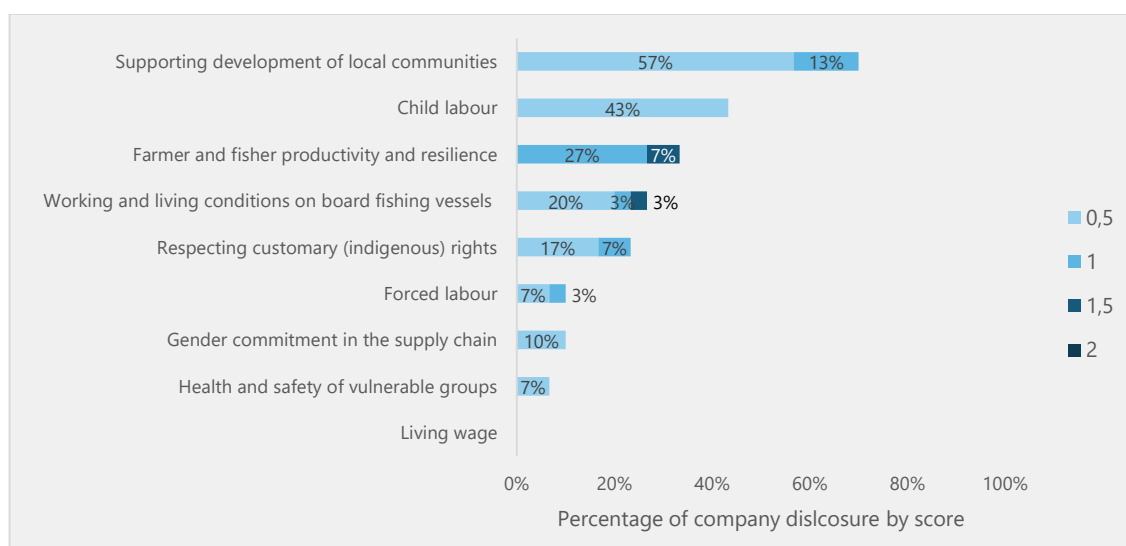
The [SDG 2000](#) are the 2,000 most influential companies that WBA identified as critical to achieving the UN's Sustainable Development Goals. On average, the 30 seafood companies assessed by the Seafood Stewardship Index performed lower compared to the SDG2000. In January 2022, WBA released [the social baseline assessment](#) of the first 1000 companies.



## Seafood-specific social responsibility indicators

In addition to the 18 core social indicators, companies were assessed on nine additional social responsibility indicators that capture specific expectations regarding a small number of salient social topics for the seafood industry (Figure 4).

FIGURE 4. PERFORMANCE ON SEAFOOD SPECIFIC SOCIAL RESPONSIBILITY INDICATORS.



## Supporting development of local communities

Corporate performance across these indicators is low. We found that companies are most active in implementing activities supporting communities impacted by their own operations and supply chains. The relatively high level of disclosure compared to the other indicators reflects the wide range of

activities captured, through which companies could demonstrate their contribution. However, most of the companies (57%) only demonstrate examples of activities rather than an approach based on a consistent and comprehensive engagement process. This suggests companies are taking an opportunistic approach rather than a comprehensive strategic one.

### **Child and Forced Labour**

Corporate disclosure of commitments and processes to tackle child labour and forced labour were found to be low. While 43% of companies indicated that they will not use child labour across their operations and supply chains, none of companies were able to build on these commitments by providing evidence of monitoring and verification processes, which includes requiring suppliers to verify the age of workers. Similarly, only 10% of companies provided evidence of having commitments and processes in place to eliminate forced labour, including requiring suppliers to not retain the workers' personal documents or restrict workers' freedom of movement. None of the companies provided evidence of a monitoring and verification process for forced and child labour abuses in their own operations and supply chains or of a remediation process.

### **Small scale producers and living wage**

Most of the world's seafood is produced or caught by small-scale producers. Small-scale producers serve as an economic and social engine, supporting food and nutrition security, employment and other multipliers to local economies while underpinning the livelihoods of coastal communities. The ability of farmers and fishers to earn a living income is critical to ensure their viability and economic success. The farmer and fisher productivity and resilience indicator captured companies commitments and evidence of activities aimed at improving the productivity, resilience and access to markets for farmers and fishers, who can benefit significantly from increased knowledge, technology and resources that companies can provide. However, small-scale farmers and fishers often lack opportunities to access markets to sell their products. Our results show that two thirds of the companies do not have a public commitment or provide evidence of supporting small-scale farmers and fishers. While over 34% of companies demonstrated commitments or evidence of activities to improve farmers or fishers productivity, resilience of access to markets, none of the companies report on the impact of these programs nor demonstrate a holistic strategic approach. Moreover, none of the companies disclose targets towards paying a living income across their operations or how they support the payment of living income in the supply chain. The ability of farmers and fishers to earn a decent living is critical to ensure their viability and economic success.



## Indigenous and customary rights

Local users of fisheries and aquatic resources, including indigenous people, have equal rights to economic resources defined by law or custom. Industrial seafood operations are expected to recognise and respect customary rights when sharing or targeting the same resources. Where there is joint use of fisheries and aquatic resources by industry and local communities, it is important for companies to respect local access and allocations or agreements with free, prior and informed consent. However, we found that only 24% of companies have a commitment to respect indigenous and/or customary rights. However, none of the companies assessed demonstrate how they implement this commitment.

## Health and Safety

Fishing is one of the most dangerous occupations in the world with more than 24,000 casualties per year<sup>8</sup>. Aquaculture and seafood processing have also been highlighted as hazardous industries. A third of the companies still do not have a commitment to respect the health and safety of workers in their operations and their supply chains. When zooming in specifically on the health and safety of vulnerable groups such as migrant workers only 2 companies (Bolton Group and Thai Union Group) have a commitment to address the specific risks associated with those vulnerable groups. With regards to working and living conditions on board fishing vessels, only 20% (Bolton Group, CP Group, FCF, High Liner Foods, Nueva Pescanova, Parlevliet & Van der Plas, Royal Greenland, Thai Union) have an explicit policy to address this issue. Only 2 of those companies (FCF and Thai Union Group) complement this commitment with monitoring procedures in place and publishing monitoring results. Thai Union Group also demonstrates how improvements are implemented. Fishing companies and buyers can help improve working and living conditions on board fishing vessels by supporting the development and implementation of social responsibility standards that are in line with relevant ILO conventions in their own operations and/or on vessels in their supply chains.



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<sup>8</sup> Food and Agriculture Organization of the United Nations (2016) "Scoping study on decent work and employment in fisheries and aquaculture: issues and actions for discussion and programming." Available [online](#).



**“The Seafood Stewardship Index is a comprehensive, industry-specific sustainability assessment that is not only useful for us as a company to close out gaps identified for us. But also for industry stakeholders including retailers to understand the different progress made by the companies assessed, and then for us as a sector to find common areas to focus on.”**

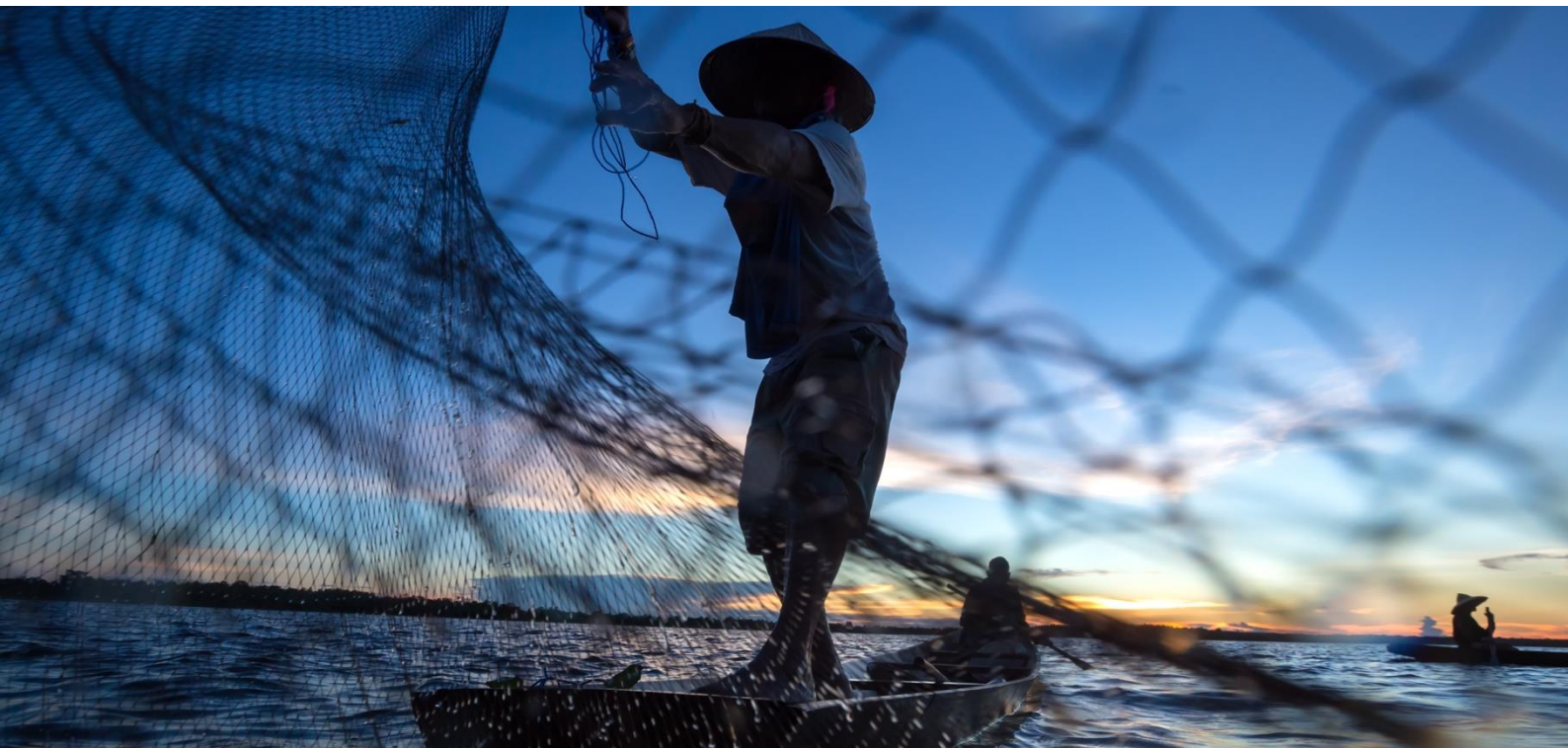
*Traci Murai, Responsible Sourcing Director (Europe), Thai Union Group*

## **Gender**

It is estimated that women make up 50% of the global fishing and aquaculture workforce (primary production and post-harvest operations). However, women commonly suffer from discrimination, abusive treatment, violence, sexual harassment and poor and unsafe working conditions. Gender equality and women’s empowerment should therefore be a key consideration for companies in the seafood industry. Companies are expected to address this issue in their own operations and their supply chain i.e., having a requirement in place for their suppliers to work towards gender equality and women’s empowerment. 60% of the companies do not have a public commitment nor disclose any information on how they are performing on this topic. 90% of the companies do not have a commitment to support gender equality and women’s empowerment in their supply chains.

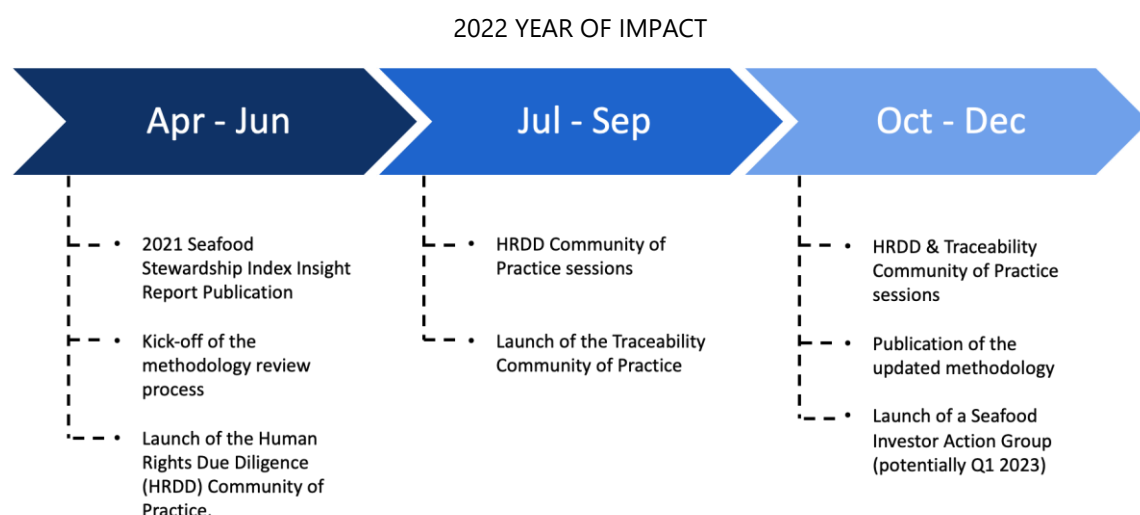
## **Leading practices**

Based on the performance of companies assessed in the Seafood Stewardship Index, a collection of leading company practices across various indicators in the social responsibility area **such as human rights due diligence** and **working and living conditions on board fishing vessels** are available on our [website](#).



# What's next

The next Seafood Stewardship Index will be published in 2023. A year of research is followed by a year of impact. This means that in 2022 activities will be set up to further disseminate benchmark results and drive action.



## Financial institutions

Investors and banks are key leverage points to drive sustainability in the seafood industry<sup>9</sup>. WBA is collaborating with a group of allies that already engage financial institutions on sustainable seafood, including: UNEP's Sustainable Blue Economy Financial Initiative, FAIRR Initiative, WWF, Planet Tracker and Seafood Legacy. Together we are collaborating to mobilize a group of financial institutions to lead the way and take action on responsible sustainable seafood loans and investment.

**“By being aligned with the UN Sustainable Development Goals, and providing a comprehensive assessment of 30 of the largest seafood companies, the Seafood Stewardship Index provides us with valuable insights that allow us to better engage with existing and prospective seafood investments. In particular, it has provided useful context and best practice for our work with FAIRR’s sustainable aquaculture engagements with large aquaculture companies like Mowi.”**

*Andrea Perales Padron, ESG Analyst, Aviva Investors*

<sup>9</sup> <https://www.science.org/doi/10.1126/sciadv.aax3324>





## Community of Practice

WBA is keen to engage with companies between the research cycles, during the impact year, to incentivise improvement of performance. In Community of Practice sessions, we will focus on a specific benchmark topic and invite companies to share their learnings, challenges and journey towards realising impact. We will do this in collaboration with one or more of our allies, who - if requested - can follow up directly with further technical support and strategy implementation. In the first half of 2022 we will be focusing on human rights due diligence, partnering with the [Seafood Ethics Action \(SEA\) Alliance](#) and [FishWise](#). During the second half of the year we will be focusing on traceability, with the Global Dialogue for Seafood Traceability (GDST) and [FishWise](#) as potential partners. All 30 companies in scope of the Seafood Stewardship Index will be invited to these sessions.

## Other stakeholders

We aim to work collaboratively with pre-competitive platforms by supporting their strategy, setting priorities for their members and providing an independent assessment and/or accountability framework. Priority pre-competitive platforms for engagement include Seafood Business for Ocean Stewardship (SeaBOS), Global Sustainable Seafood Initiative (GSSI), UN Global Compact's Ocean Stewardship Coalition and the Global Tuna Alliance.

Civil society organisations also play a key role in implementing sustainable seafood solutions. As a member of the Conservation Alliance for Seafood Solutions, WBA seeks to strengthen its partnerships with environmental and human/labour rights organisations by providing data on current performance as well as a framework for tracking private sector progress, in line with the UN SDGs.

## 2023: 3rd iteration of the Seafood Stewardship Index

In 2023, the 30 seafood companies will be assessed for the third time and benchmark results will be published at the end of the year. The third iteration of the benchmark will be able to show the sectors progress as well as company level progress. To further sharpen indicators and better highlight corporate expectations and best practices, WBA will make relevant updates to the Seafood Stewardship Index methodology. At the end of spring 2022, WBA will publicly share an updated version of the methodology with companies in scope as well as all other interested stakeholders to inform about the suggested changes and invite feedback, while ensuring sufficient comparability with the scores of the 2021 benchmark. The finalised methodology for the second benchmark iteration in 2023 will be published in Q4 2022.

## Alignment with other WBA benchmarks

In 2022, WBA will begin ranking companies from over 20 industries on their efforts to protect and restore ecosystems and ensure biodiversity conservation, resulting in a Nature Benchmark. This is one of the seven systems that WBA covers and because the issues are affected by so many industries, it will be the largest benchmark with 1,000 companies in scope.

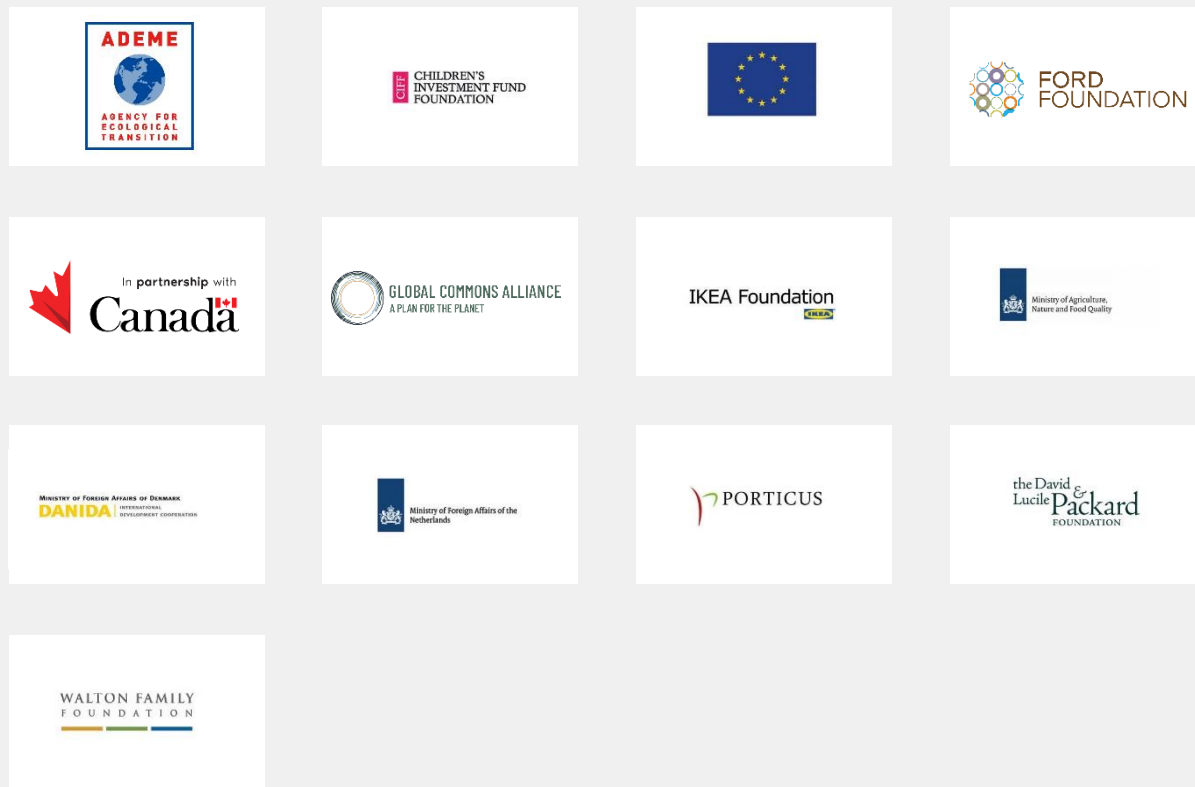
Feedback from stakeholders has clearly shown that food companies are absolutely fundamental to nature. No assessment of the private sector's impact on nature would be complete if it ignored food businesses. The food and agriculture value chain relies heavily on ecosystems. To grow the agricultural crops required for the food we eat, food and agriculture companies rely on healthy, fertile soil, as well as natural climate regulators, such as predictable amounts of rain and sun, and natural pollinators



such as birds and bees. Similarly, the fishing sector depends heavily on healthy aquatic ecosystems, including healthy coral reefs and stable levels of diverse fish stocks. However, the food and agriculture sector is one of the largest drivers of biodiversity loss and change globally. This includes being the largest consumer of freshwater as well as a contributor to land use change to support agricultural crops and livestock. Indeed, the largest negative impact is through farming and fishing activities which directly involve the conversion and exploitation of natural ecosystems. Ultimately, driving positive change in the sector requires companies to take an integrated approach to their business activities, from producing food which requires smaller inputs at the farm level, to presenting consumers with food products which have smaller environmental footprints, thereby shifting towards more sustainable food systems.

These interlinkages between the food and nature systems means WBA needs to adopt a connected approach to holding keystone companies to account. For this reason, in 2023 alongside the Food and Agriculture Benchmark and the Seafood Stewardship Index, 23 of the 30 companies in scope of the Seafood Stewardship Index will also be assessed as part of this first Nature Benchmark, as these have been identified to be part of WBA's [SDG2000](#). Following a 6-week public consultation period, the [methodology of the Nature Benchmark](#) was published in April 2022. Our priority is to ensure the research processes as well as engagement with companies and presentation of results for both benchmarks will be closely aligned and minimises unnecessary complexity to everyone involved. We are currently scoping out exactly what those processes will look like and will share more details – including directly with the companies in scope of the benchmarks – in due course.





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