



ANIMAL WELFARE AUDIT EXPECTATIONS

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AUDIT PURPOSE

The purpose of an animal welfare audit is to gather current and accurate information concerning the overall welfare status of animals used for food, for existing and potential vendors. This information is to be shared with appropriate members of Costco Wholesale ONLY, namely the Food Safety & Technology Group and the Buying Staff.

The Food Safety Group will use this audit to determine what areas, if any, are in need of improvement to meet the Costco Animal Welfare criteria. The buying staff will use the information as an aid in making sound, intelligent purchases for our members. The results of this audit will not be used in any way as a punitive measure; rather, this audit provides both the vendor and Costco Wholesale the opportunity for continued improvement and enrichment.

ANIMAL WELFARE MISSION STATEMENT

Costco Wholesale is committed to the welfare, and proper handling, of all animals that are used in the production of food products sold at Costco.

This is a long-standing commitment, and we pledge our diligence in working with industry and academia in the pursuit of new and improved technologies and methods to further enhance animal well-being.

This is not only the right thing to do, it is an important moral and ethical obligation we owe to our members, suppliers, and most of all to the animals we depend on for products that are sold at Costco.

At Costco, we subscribe to the Five Freedoms of Animal Well Being:

Freedom from hunger and thirst

Freedom from discomfort (right environment, shelter and place to rest)

Freedom from pain, injury or disease

Freedom to exhibit normal behavior

Freedom of fear and distress

Animal welfare is part of Costco's Culture and Responsibility, which calls on each of us to serve as stewards of the animals, land and environment entrusted to us.

AUDITS

It is Costco's intent that vendors converting animals into products sold to Costco have a current (as defined by the type of audit/scheme) animal welfare audit. Audits must be done by a Costco approved audit company.

New vendors with an animal welfare audit conducted in the past year by a Costco approved audit company may submit the audit to Costco for review. Corrective actions must be included for each deficiency on the audit. Upon review, Costco will determine if the vendor's audit is acceptable or if a new audit must be conducted.

Types of Audits

On farm audits: On farm audits are those audits that inspect the animal welfare of live animals on the farm in their daily living environment.

Chicken - Laying Hens (Eggs)

Cows – Dairy

Cows – Veal Calves

Pork

Poultry – Chicken & Turkey

Slaughter Audits: Slaughter audits take place at the plant where the animals are sent to be slaughtered and processed for product.

Beef & Veal

Poultry – Chicken & Turkey

Pork

AUDIT SCORING

Costco Animal Welfare Audits will be scored as follows:

Score	Rating	Action
98 - 100%	Excellent	Corrective Action not required
85 - 97%	Good	Corrective Action
< 85%	Needs Improvement	– Corrective Action and Reaudit Required

REAUDITS

Costco Animal Welfare Audits require an overall score of **85% or more to pass**. Facilities scoring less than 85% are required to have a reaudit.

Reaudits must be conducted within 60 days of the original audit being posted to the database.

CORRECTIVE ACTION REPORTS

A corrective action response must be included for each deficiency found in the audit.

A Corrective Action Report must be provided to Costco within 14 days after the audit report is completed.

Facilities with a total audit score of **98%** or above will **not** be required to post a CAR (Corrective Action Report).

AUTOMATIC REAUDITS

Automatic Reaudit Criteria for Animal Welfare Audits will vary depending on animal species.

AUDIT MANAGEMENT

Costco Animal Welfare Audits will either be stored on TraQtion (an approved Costco 3rd party database) or on Costco's own database. Costco will inform supplier which database is to be used.

For facilities supplying Costco that are required to use TraQtion the following conditions will apply:

Suppliers will need to register on the TraQtion Costco Food Safety Portal at www.traqtion.com/costcofood. Cost for registration is \$225.00 per facility for the first 5 facilities, \$200 for the next 5 and \$175 for over 10 facilities under the same corporation. Each facility should renew the registration on an annual basis before their food safety audit. For information about TraQtion, email to support@traqtion.com.

Facility registration should be filled out completely to include all products sold to Costco. As audits are completed, the detailed audit results will be updated on TraQtion by the audit company, within 5 days of the audit. Each facility is to post their CAR (corrective action report) within 14 days of the audit report being posted to TraQtion.



COSTCO APPROVED AUDIT COMPANIES

Costco will only accept audits or certifications from the following:

ANIMAL WELFARE AUDIT COMPANIES

American Humane Association

AUS-Meat Limited

Certified Humane (Humane Farm Animal Care)

DNV

DQC - Dairy Quality Center

FSNS - Food Safety Net Services

Mérieux NutriSciences (Silliker and formerly Randolph & Associates)

NSF/GFTC

PMC

Validus

SPCA Canada – Canada Only

Note: All U.S. Food Safety audit company animal welfare auditors must be PACCO certified for the following species audits: Laying Hens, Broiler Hens and Turkeys, Pork (on farm) and Beef, Veal, Pork and Poultry (slaughter).

COSTCO FOOD SAFETY CONTACTS

U.S. CONTACTS

Name	Title	Phone	Email
Eric Benolkin	Audit Support	425-427-7508	ebenolkin@costco.com
Mike Freal	Audit Support	425-313-6801	mfreal@costco.com
Milinda Dwyer	Audit Support	425-427-7474	mdwyer@costco.com
Steve Bell	Senior Manager	425-313-8760	sbell@costco.com
Christine Summers	Director	425-313-6097	csummer@costco.com

CANADIAN CONTACTS

Name	Title	Phone	Email
Perry Cadrin	Audit Support	613-221-2180	perry.cadrin@costco.com
Wei Que	Audit Support	613-221-5460	wei.que@costco.com
Rhonda Keeler	Manager	613-221-2936	rhonda.keeler@costco.com
Marcelle Lavergne	Director	613-221-2311	marcelle.lavergne@costco.com