Responsible Seafood Trends Marketing perspective



28 February 2017

Growing the success of Irish food & horticulture







Introduction

The more unified we are in our approach to the market, the greater the returns you'll get for the many hours of hard work you spend at sea.

20 minutes:

- Market actions and reactions to sustainability.
- From evidence to insights
- Schemes
- Simplifying complexity.

Open discussion.





Consumer perception



Seafood Consumers Put Sustainability Before Price And Brand

New independent research reveals global motivators to seafood purchase

- Consumers perceive NGOs and scientific organisations as contributing most to protecting oceans
- Independent certification increases consumer trust in brands
- Awareness of the blue MSC label is 37% amongst all consumers
- MSC-aware consumers say they will pay a premium of up to 11% for MSC labelled seafood

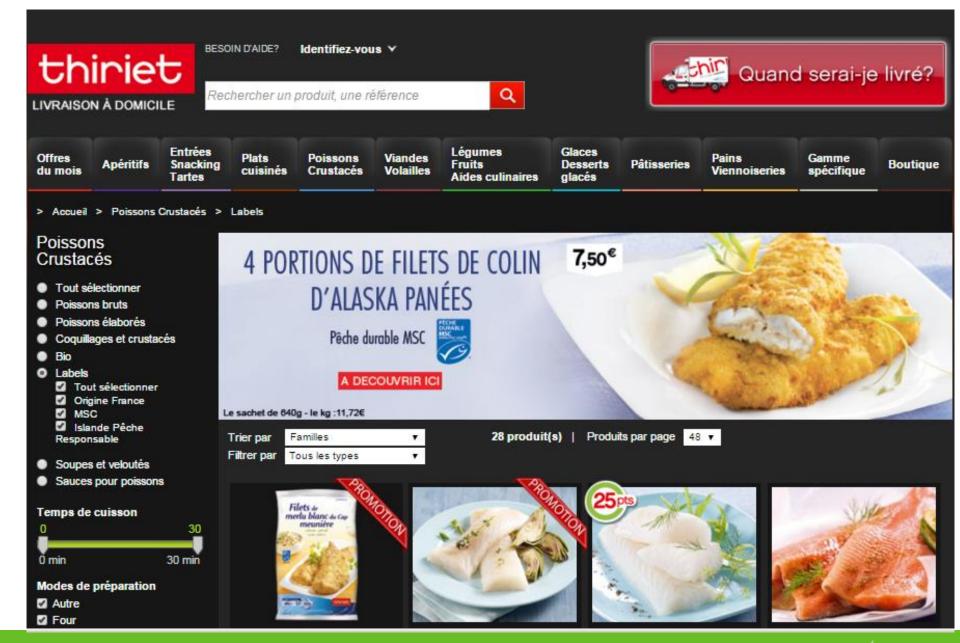
LONDON, 13 July 2016 - New global independent research has found that sustainability is a key driver for seafood purchase. Across 21 countries overall, sustainability is rated more highly than price and brand, with nearly three-quarters (72%) of seafood consumers agreeing that in order to save the oceans, shoppers should only consume seafood from sustainable sources.

This is in contrast to purchasing motivations among shoppers of other fast-moving consumer goods (FMCGs), where price and brand typically outrank sustainability in driving purchase decisions*.

The consumer perceptions survey is the largest ever global analysis of attitudes to seafood consumption and was carried by independent research and insights company <u>GlobeScan</u>, on behalf of the <u>Marine Stewardship Council</u> (MSC). Over 16,000 seafood consumers in 21 countries took part in the research, which ensured a statistically representative sample in each country.

« Across 21 countries sustainability is rated more highly than price and brand, 72% seafood consumers agree...shoppers should only consume from sustainalble source »









Vos courses et des idées gourmandes en quelques clics.

picard & moi C'est le moment!

Rechercher u

IDÉES À CUISINER QUALITÉ & SAVOIR-FAIRE

SEMAINE DE LA PÊCHE RESPONSABLE SUR UNE SÉLECTION DE PRODUITS MSC. > PROFITEZ-EN

24/02/2017



Responsible marketing









The French legislation on extra-financial reporting

Introduction by M. Doucin, French Ambassador in charge of CSR

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II) The Grenelle process

Article 225 of the Grenelle II Act - a new reporting regulation

The implementation decree was published on April 26, 2012 and amends Section 225-102-1 of the Commercial Code with several notable innovations:

1. It widens the breadth of companies required to submit reports mandatorily, using several criteria :

In short, by the 31st of December 2013, all companies with over 500 employees will be subject to these reporting requirements.

2. It broadens the amount of information required:

There are now 42 topics that companies must report on, divided into three themes: Social, Environmental, Commitments to sustainable development. The list of subjects reflects the content of the main international guidelines on CSR reporting.

- 3. For each required topic, companies have the liberty to select the most relevant indicators.
- 4. A "comply or explain" approached is proposed. Independent auditors give their opinion on the omissions and provided explanations.
- 5. It provides stricter rules on the breadth and quality of the report:

According to the decree, a company's report should disclose all actions taken by the company and its subsidiaries.

It must present data observed during the defined financial year and, if necessary, during the previous one, in order to allow comparison. If the company chooses to comply with a national or international reporting framework in order to fulfil its reporting obligation, it must mention the nature and terms of this framework.

6. it states that a company's report must be subject to verification by an independent third organization

This organization is appointed by the executive director or chief executive, and must be accredited by Cofrac (French Committee of accreditation) or by any other accreditation body signatory to the multilateral recognition agreement established by the European coordination of accreditation bodies. This

party must then prepare a report certifying the quality of the company's reporting and provide a "reasoned opinion" on the accuracy of information provided, and also (as mentioned above) on the explanations given by the company for any omitted data.



Market influences

Le classement BLOOM des six principales enseignes de la grande distribution française

Idéal 🕡

100%

Bien Viji

Casino

Carrefour (

61%

68%

Peut mieux faire





52%

Pas terrible





26%

Mauvais



E.LECLERC

19%

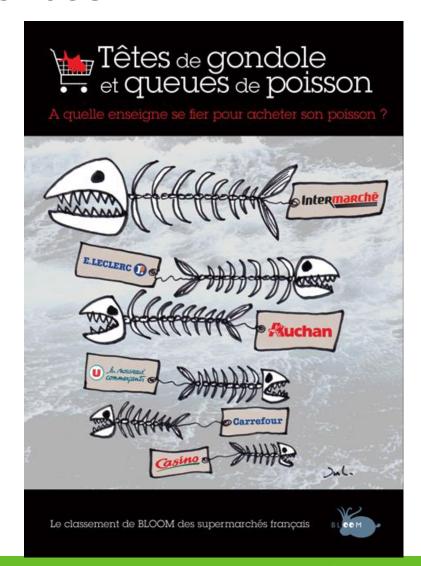
Nul!



Inter<u>marché</u>

6%

© www.bloomassoc





Market reaction

Les Echos.fr



LES ECHOS: Tapez votre recherche

Une main tendue aux ONG

Pour la Scapêche, qui s'est déjà engagée depuis le 1er janvier, à ce que ses chalutiers ne pêchent plus en dessous de 800 mètres, cette expérimentation est une manière de pousser un peu plus loin sa main tendue aux ONG après la controverse sur la pêche profonde, et surtout son engagement pour « une pêche sélective et responsable ».

Intermarche:

No fishing <800M by 2025. Cooperation with NGO.



QUI SOMMES-NOUS NOS ENGAGEMENTS L'OCEAN ET NOUS NOS HOMMES ESPACE MEDIA





LA SCAPÊCHE INVESTIT DANS LA SCOPALE ET SE DÉVELOPPE DANS LA PÊCHE CÔTIÈRE ET ARTISANALE

ARRÊT DE LA PÊCHE PROFONDE EN DESSOUS DE 800 MÈTRES : LA SCAPÊCHE TIENT SES

La Scapēche a mis fin le 1er janvier 2015, comme elle s'y était engagée, au chalutage en dessous de 800 mètres de profondeur. Des à présent, l'ammement des Mousquetaires va accélérer la transition vers une pêche diversifiée. <u>Plus d'informations</u>



Market reaction



☐ | GROUPE | ACTIVITÉS | CARRIÈRES | FINANCE | PRESSE | FONDATIONS | ENGAGEMENTS

Recherche

Casino: 7 420 products certified responsible, 85% organic



Indicateurs de performances



Plus de 7 420 produits certifiés responsables, dont 85 % de produits issus de l'agriculture biologique, sont présents dans les magasins du Groupe en 2013.

- (1) Produits issus de l'agriculture biologique (hors textile à base de coton bio), du commerce équitable, labelisés MSC, FSC, NF Environnement, PEFC, écolabel Européen, ECOCERT
- (2) Offre produits des enseignes Casino, Monoprix et Leader Price
- (3) Offre produits de Vindémia et de Big C Thaïlande
- (A) Offra produite da Crupa Évita CDA Libertad Dicco Davota

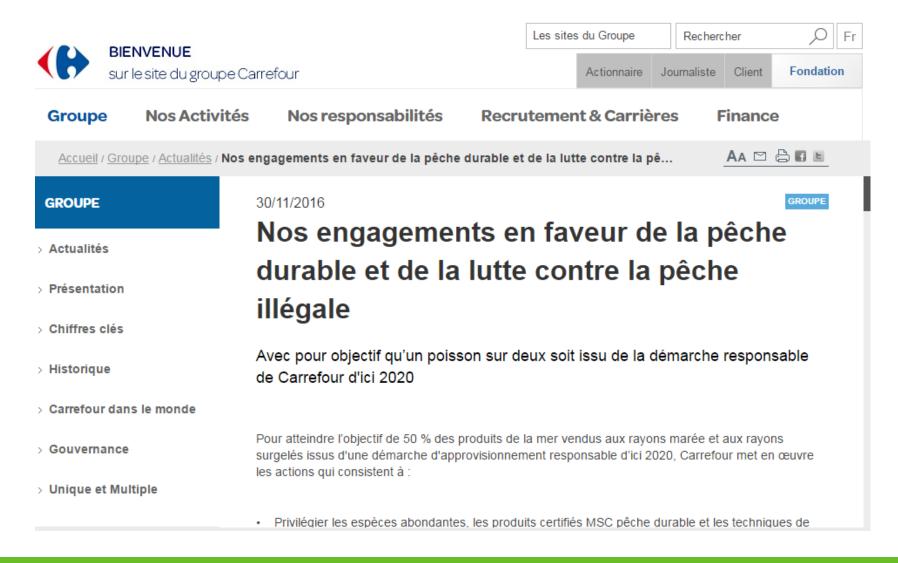


Metro France partnership Nausicaa + Mr. Goodfish





Carrefour: 50% all fish from responsible source < 2020





Filière Qualité Carrefour: 4 full pages Figaro 20/02/2017



Food Quality supply chain:

1992 traceability, 1994 no animal origin or growth hormone in feed,1996 no post harvest chemicals, 1999 no GMO, 2005 reduced additives, 2006 responsible fshing, 2013 no antibiotics, 2015 no insecticides, 2017 organic production.



Greater traceability with Blockchain tech, animal wellbeing with NGO Wellfarm, 60 seafood products from responsible fishing standard, no chemical pesticides on range of F&V, No antibiotics in veal, rabbit, chicken, porc, eggs, salmon and prawns.

Continuous improvement, Carrefour better every day.

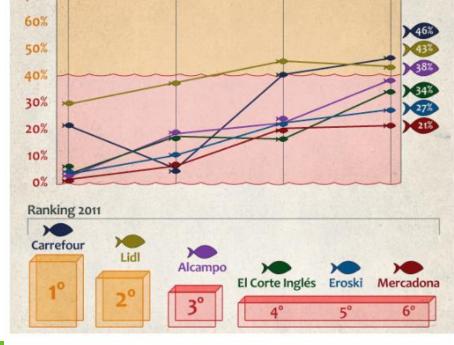
Format - Emplacement	Tarif (€)
■ COMMERCIALE > NATIONALE > QUADRI > STANDARD	
Page Quadri Verso	114 000
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Source:http://www.tarifspresse.com



Spain: Greenpeace ranking









The Fishery Products Buying Policy Mercadona:

- No IUU, Traceability
- Support continuous improvement and the best available techniques in fishing methods and material.
- Remove threatened or endangered species or those from seriously threatened ecosystems,.
- To observe decent working conditions.
- To support local fishing. (Long-term agreements with more than 12,000 Spanish fishermen)
- Partnership for tuna sourcing with



Italy: FOS, tuna, dolphin safe.









Lidl MSC, ASC or Organic by 2018

LE POISSON DEVIENT DURABLE CHEZ LIDL



À la fin de cette année, tout le poisson frais de chez Lidl sera durable. Dès la fin 2017, le poisson surgelé sera également certifié par les labels durables ASC ou MSC.

Source: Lidl Belgium

Lidl Germany unveils ambitious goal for our oceans and fish resources

Dec 15, 2015

Lidl Germany plans to only sell MSC labeled fresh and frozen products in the permanent assortment from 2017 onwards; from 2018 all farmed fish sold in the permanent assortment will be certified ASC or organic. This ambitious goal was published in a statement that sets out terms for the purchase of fish and seafood.

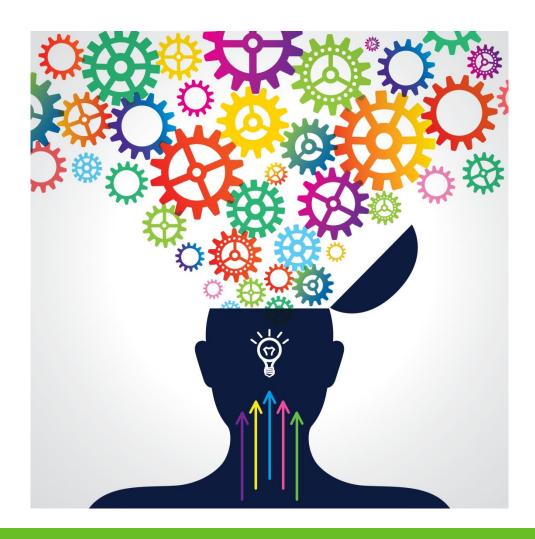
The statement includes important milestones:

- Until the end of 2016, QR codes will be displayed on all packages of fresh fish, frozen fish, fish delicacies and canned fish at Lidl Germany to provide consumers with product traceability and transparency information. More than half of all fish products sold at Lidl Germany can already be traced back to the point of origin by customers online.
- From 1 January 2017, Lidl Germany will only sell MSC certified products in their permanent own-brand fresh and frozen fish range. During a transition phase in 2017, the retailer will also allow products from fisheries that have successfully concluded the MSC pre-assessment and are in the process of full assessment.
- For their farmed fish and seafood portfolio stocked permanently, Lidl Germany will only sell products certified either ASC or organic by January 1, 2018.
- Lidl Germany will also expand their offer of MSC/ASC certified limited-time promotional products with the goal of achieving full transition for all such articles.

The food retailer has been committed to sustainable fish and seafood resources for years and already has a wide range of seafood products from certified sustainable origins on its shelves. With this public commitment, Lidl Germany will now consistently rely on the

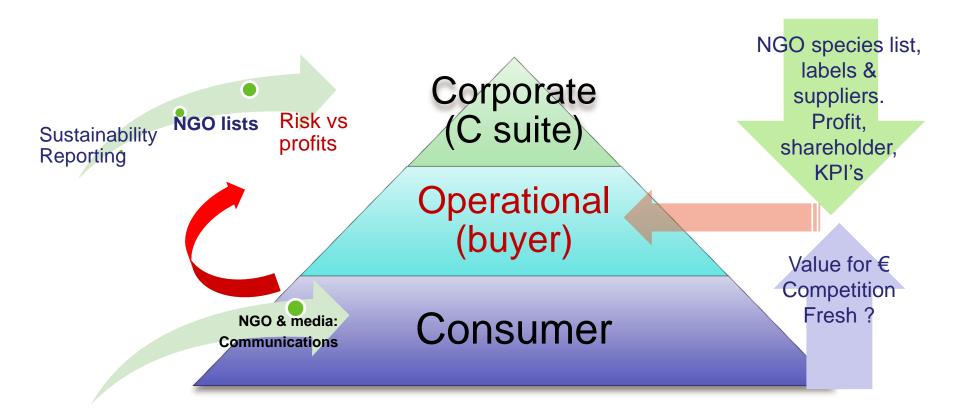


From EVIDENCE to INSIGHTS





Dynamics of responsible labelling for the buyer





Scenario test: Buyer dilemma margin vs reputation

Proactive Opportunist.

Few labels
no partner
Opportunist,
price driven.
Short term vision

High profit

Labels
NGO partner
Loyal LT suppliers
Service, quality,
competitive
sourcing.

=right place right time right price.

Wide supplier base

Proactive Partnership Loyalty

Low reputation

Reactive opportunist

No labels
No sourcing policy.

Labels,

NGO compliant, Constrained supplier choice. Poor service, non competitive

Low profit

High reputation

Reactive Partnership Loyalty

Narrow supplier base



Schemes:





















Environment Management System

Through our Environment Management System (EMS) we assist you to implement practices onboard your vessel and help minimise the impact of your fishing effort on the marine environment. Our EMS is a pre-requisite for any vessel that would like to obtain BIM Responsibly Sourced Standard or MSC certification.



Schemes:



*FAO Guidelines for the Ecolabelling of Fish and Fishery Products from Marine/Inland Capture Fisheries and FAO Technical Guidelines for Aquaculture Certification.

Seafood Certification Scheme	Date of recognition	Scope of recognition	Benchmark Report
Alaska Responsible Fisheries Management (RFM) Certification Program > Scheme Profile	12 July 2016	Fisheries Certification (Alaska Responsible Fisheries Management (RFM) Standard version 1.3, effective 1 January 2016)	> GSSI Benchmark Report for the Alaska RFM Program
Iceland Responsible Fisheries Management (IRFM) Certification Programme CERTIFIED > Scheme Profile	8 November 2016	Fisheries Certification (Fisheries Managememt Standard Version 2.0, effective 1 July 2016)	> GSSI Benchmark Report for the Iceland RFM Certification Programme

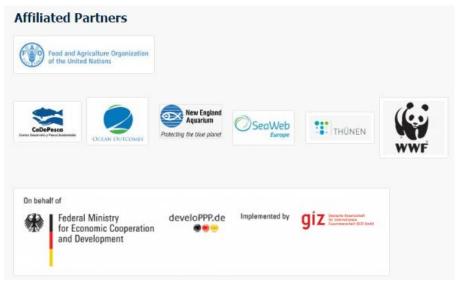
MSC recently ended its public consultation

Officially launched in Vigo, 2015, 20th anniversary FAO code of conduct for responsible fisheries.



GSSI partners







Wallmart policy -



Fresh and Frozen Seafood

By 2025, based on price, availability, quality, customer demand, and unique regulatory environments across our global retail markets, Walmart U.S., Sam's Club, ASDA, Walmart Canada, Walmart Brazil, Walmart Mexico, and Walmart Central America will require all fresh and frozen, farmed and wild seafood suppliers to source from fisheries who are:

 Third-party certified as sustainable using Marine Stewardship Council (MSC) or Best Aquaculture Practices (BAP), or certified by a program which follows the FAO Guidelines and is recognized by the Global Sustainable Seafood Initiative (GSSI) as such. For our farmed supply, we expect suppliers to ensure sustainable production and sourcing throughout the supply chain, including final processing plant, farms, hatcheries and feed mills.

OR

 Actively working toward certification or in a Fishery Improvement Project (FIP) or Aquaculture Improvement Project (AIP) that has definitive and ambitious goals, measurable metrics, and time bound milestones.

Buyer needs:

Price, availability, quality customer demand, regulations.

3rd part certified: MSC, BAP, FAO-GSSI Or FIP, AIP



EU: well regulated



EU ministers agree on fishing catch limits for 2017: fishermen to benefit from a higher number of healthier stocks

The EU's reformed <u>Common Fisheries Policy</u> aims to ensure that <u>by 2020</u> at the latest, <u>all stocks are fished at maximum stainable yield (MSY).</u> Yesterday's agreement <u>will bring 44 stocks to MSY levels</u>. Commissioner Karmenu **Vella** said: "Today we have taken another important step towards sustainable fisheries, a core objective of the EU's Common Fisheries Policy. following <u>years of disciplined fisheries policy</u>, scientists this year advised increasing catch limits for several stocks in the Atlantic and North Sea. This is encouraging, and shows that sustainability really does get fishermen the best deal." This increased profitability is very much driven by the <u>increase in the amount of stocks being fished sustainably</u>.



Schemes: Simplifying complexity













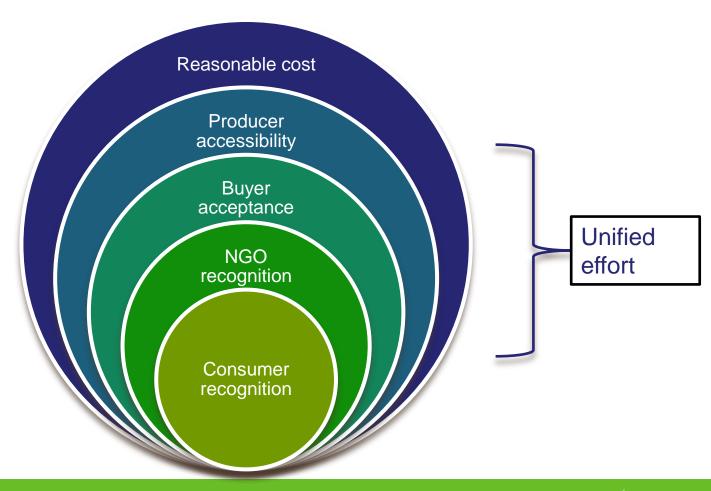








Finding a balanced solution





Thankyou for your attention L'écailler

Growing the success of Irish food & horticulture





