

Engagement with SeaBOS



Creating a Sustainable Future for the Seafood Industry

The Mission of the SeaBOS Initiative, and our Ambitions as Leaders in the Seafood Industry

It has been four years since SeaBOS (Seafood Business for Ocean Stewardship) was launched as a global initiative in which the world's leading seafood corporations could participate for ocean management. Prof. Henrik Österblom, a scientist who supported the launch of this initiative and took it upon himself to create a space for dialogue with the seafood industry, connected with Mr. Shigeru Ito, the first SeaBOS Chairman and Maruha Nichiro Corporation Chair, to exchange ideas and opinions. Due to the spread of COVID-19 pandemic, the exchange was conducted virtually with SeaBOS Managing Director Mr. Martin Exel acting as facilitator.

The Primary Challenges and Mission for SeaBOS

Ten of the world's largest seafood companies are working to display leadership in order to achieve ocean sustainability.

Vision To accelerate transformation with regards to ocean management

How In cooperation with governments and other sustainability bellwethers, the industry actively engages in ocean management and bears global responsibility for the world's oceans.

Mission Lead the world towards achieving sustainable seafood production and a healthy ocean environment.

Companies participating in SeaBOS

- Maruha Nichiro
- Nippon Suisan (Nissui)
- Thai Union Group
- MOWI
- Dongwon Industries
- Nutreco/Skretting
- Cargill Aqua Nutrition
- Cermaq
- Kyokuyo
- Charoen Pokphand Foods

The Significance of SeaBOS and the Challenges Facing the Global Seafood Industry



Prof. Henrik Österblom

Stockholm University Section for Earth and Environmental Sciences
Stockholm Resilience Centre
Science Director



Mr. Martin Exel

SeaBOS Managing Director
Austral Fisheries Pty, Advisor



Shigeru Ito

Maruha Nichiro Corporation Chairman
SeaBOS Chairman

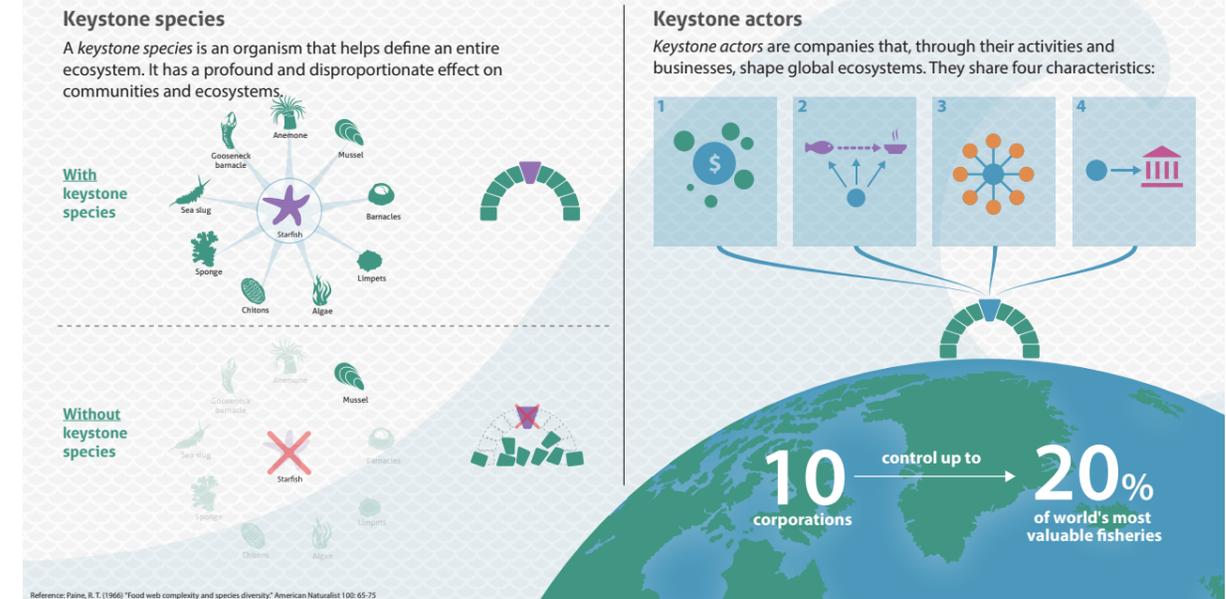
Mr. Exel: We have a unique opportunity today. SeaBOS is an organization that grew out of Keystone Dialogues which began in 2013 between scientists and seafood companies about a sustainable seafood industry. First I want to ask about the background behind this initiative and the awareness of challenges facing the seafood industry.

Prof. Österblom: The seafood sector is incredibly important for producing healthy, sustainable protein for the world. But seafood production is also threatened by over-fishing, pollution, climate change, and much more. As scientists, it is essential for us to spend energy not just examining and understanding these problems, but looking into possible solutions, and working with the industry to try to shape the future for a better ocean.

A "keystone" is a word used in ecology to denote specific species that fill vital roles within an ecosystem. This concept can also be applied to businesses. At present, 10 companies, led by Maruha Nichiro, handle 20% of the global catch of principal fish species. We think that companies with such a large influence are big enough to be defined as "keystone actors". So we started to engage in dialogue with these companies about problems facing the seafood industry that a single company could not possibly solve alone, but potentially could solve working with scientists and the other keystone actors. Based on this we officially formed SeaBOS in 2016.

Ito: Key issues facing the global seafood sector include IUU (Illegal, Unreported and Unregulated) fishing, human rights issues such as forced labor and child labor, and

Keystone Species in Ecology and Keystone Actors in Business



In ecology, "keystone species" are vital species that have a large impact on their ecosystem and play an important role in that ecosystem. Applying this concept to ocean management, scientists and the major seafood companies that are the "keystone species" of the seafood industry founded SeaBOS with the purpose of achieving ocean sustainability.

pollution problems caused by marine plastics. All are important themes that could seriously affect the sustainability of the seafood sector.

At the behest of scientists such as Prof. Österblom, Maruha Nichiro has been involved since the First Keystone Dialogue. (See the table on page 36 for details on "SeaBOS initiatives to date.") I think that SeaBOS's approach is extremely significant, in that research from a scientific perspective is effectively utilized to allow the

world's leading seafood companies to join hands and work together to find solutions.

Mr. Exel: Within SeaBOS, we have created six task forces*1 to deal with each of these key issues.

Prof. Österblom: This task force organization was created to take action towards fulfilling the 10 commitments*2 set forth in the joint declaration by the companies participating in SeaBOS. Each task force addresses issues that we scientists have worked with

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for a long time, but also problems that the companies perceived to be as critical for their business. In our actual initiatives, we support activities through scientific assessment. For instance, when we're working with illegal fishing, we're producing a global risk map so that companies can better understand the geographical distribution of risks. We believe it is important to set priorities so that the most effective activities take place where they are most needed.

*2 Visit the link below to learn more about our 10 commitments.
http://keystonedialogues.earth/wp-content/uploads/2017/07/Statement_jp.pdf

Mr. Exel: Chairman Ito, how do you feel about the task force activities?

Ito: The global seafood sector includes numerous smaller

entities. Some of them are small family-owned businesses, so the management level varies significantly. On the other hand, problems such as IUU fishing, forced labor, child labor and plastic pollution—these all impact the entire world, regardless of the size of the entity. So we believe it is important to be able to bring together all of the entities in the seafood industry in order to attain the goal of sustainably operating our businesses and continuing to supply seafood to the world.

Prof. Österblom: I totally agree. These are the kinds of issues that nobody is able to solve alone. So I think collaboration is the trick here. If we talk to each other from a scientific perspective, and a global perspective, we ought to be able to find a way through. The companies participating in SeaBOS are moving forward together to achieve our 10 commitments.

Ito: I think SeaBOS's strength shows up in the way it brings together business entities and a scientific approach. However, one big difficulty I feel in SeaBOS's activities is in grasping the actual conditions over the entire supply chain with regards to the volume of marine resources handled as well as issues with human rights and the environment. For Maruha Nichiro as a group—it's not difficult for us to prove that our own business activities are sound. However, we have a very vast range of species that we collect and purchase from other various entities throughout the world. And we are not necessarily

purchasing directly from fishermen, but through local exporters. And these supply routes are quite complex. It is not easy for us to be able to prove that none of these problems exist in the supply chain, as well as work to improve traceability and transparency. So, in order to make sure that we are able to bring in all of the smaller business operations, we have to make sure to thoroughly investigate and understand the current situation, and take a step-by-step approach to make steady progress.

Mr. Exel: Regardless of the size of the business, it's going to be a difficult but worthwhile challenge to ensure that everybody in their supply chain is moving in the

same direction. What do you believe is the significance of joining SeaBOS as a company?

Ito: SeaBOS has given us opportunities to obtain information from scientists and to have direct discussion with the sustainability officers and CEOs of world-leading seafood companies about challenges that we cannot solve on our own. SeaBOS has the courage to play a leadership role in promoting global transformation towards solving diverse issues. I believe that the leaders of large-scale enterprises, such as SeaBOS participants, have the power to help sustain and restore the resources of the entire globe and make fisheries sustainable.

Our Group's Leadership in SeaBOS

Mr. Exel: Now, as SeaBOS promotes global ocean stewardship, I think the significant courage and leadership that Chairman Ito spoke of is vital for creating a new vision of where we want to be, identifying solutions, and then leading the charge to implement those solutions. Professor Österblom, what sort of role do you see and expect from the Maruha Nichiro Group as the world's largest seafood company?

Prof. Österblom: Given that in Japan societal demand to deal with human rights and labor issues is lower than in some other countries, at the beginning it was clear that Japanese companies, including Maruha Nichiro, had been much less engaged on these issues. However, since SeaBOS started, the change that has taken place under Chairman Ito's leadership has been striking. And of course, the process of change takes a lot of time and effort, but Maruha Nichiro has shown resolute commitment to embracing the challenge. I feel that other companies in SeaBOS are also learning from the way you're taking it on in such a serious, wholehearted, and committed way. Nowadays the Group is really emerging as a global leader in sustainability beyond just the seafood industry, and I find it very exciting to see how its activities will accelerate going forward.

Ito: I am very honored that you have high expectations of us. It is certainly not easy to move beyond the bounds of our own group and extend these sustainability activities to our entire supply chain. However, considering the fact that our Group is a leading company in both the fisheries and aquaculture industries, and also considering our extensive global footprint, we fully recognize that we are in a position that gives us the responsibility to take active leadership. There are many difficulties, but we

would like to steadily tackle them step-by-step (See p.52 for an examination of the volume of marine resources handled, and p.44 for an examination of suppliers which includes human rights issues).

Mr. Exel: Could you also take us through some of your thoughts on marine plastics and climate change? Until recently, the seafood industry had put off addressing these two issues, but recently they have begun to receive more attention and are becoming a higher priority.

Prof. Österblom: Research into the problem of plastic in the ocean has finally gained traction in just the last few years, and has begun to receive more public attention as well. Of course, advancing quietly beneath the ocean surface where you can't see it, is the problem of climate change, which threatens to have a large impact on the future of the seafood industry. At its root lies the way in which we organize our societies' production, energy and transportation systems. And we have no hope of solving it unless we take radical action. Of course, companies have a clear role to play in addressing these challenges, but I also think it is also necessary to advocate for political and policy measures that create change from a societal point of view.

Ito: Plastic pollution is a big issue that involves not just the seafood sector, but a vast range of industries throughout the world. While things like reducing plastic packaging are important, I think that SeaBOS should focus on things like nets, ropes and buoys, which are specific to the seafood industry. We have announced our participation in the 2019 GGGI (Global Ghost Gear Initiative^{*3}) and I would like to see more specific activities in that area from here out.

And regarding climate change, this is an issue that

*1 SeaBOS Task Forces



*Maruha Nichiro is an active member in Task Forces I and VI.

*3 A multi-stakeholder alliance that aims to reduce the amount of fishing gear such as nets, ropes and buoys, that gets washed out to sea.

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SeaBOS activities

2015 Sustainable Development Goals (SDGs) adopted at the UN Sustainable Development Summit

2016 Nov, The first keystone dialogue, the Soneva Dialogue, is held in the Maldives



Soneva Dialogue

2017 May, The second keystone dialogue, the Stockholm Dialogue, is held in Sweden. Task forces established

Jun, Joint declaration presented at the United Nations Ocean Conference

Oct, Task forces activated

2018 Mar, SeaBOS becomes a participant in GDST

May, The Amersfoort Dialogue is held in the Netherlands

Sep, The third keystone dialogue, the Karuizawa Dialogue, is held in Japan



Karuizawa Dialogue

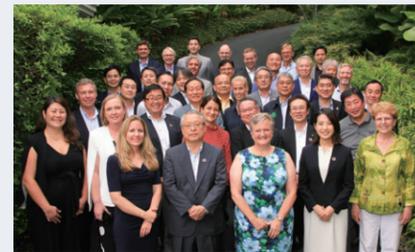
2019 May, The Bergen Dialogue is held in Norway



Bergen Dialogue

Jun, SeaBOS and Norwegian Prime Minister Solberg publish a joint article urging all G20 governments to sign up to the Agreement on Port State Measures to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing

Sep, The fourth keystone dialogue, the Phuket Dialogue, is held in Thailand

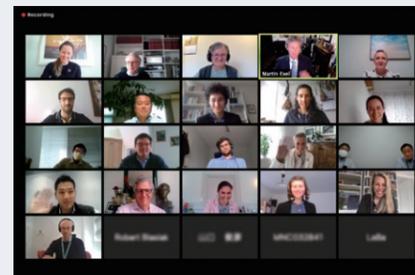


Phuket Dialogue

Oct, SeaBOS becomes a participant in the GGGI

Dec, SeaBOS formally pledges to support the Sustainable Ocean Business Action Platform of the United Nations Global Compact

2020 May, The Stockholm Dialogue is held online



Stockholm Dialogue

Oct, The fifth keystone dialogue (Virtual Meeting)

has a large impact on the seafood industry. As an example, stable catches of North Atlantic blue whiting (a relative of Pacific cod) are no longer available due to the effects of global warming. The increase in water temperatures may also reduce natural marine resources, and could make current nurseries unsuitable for the growth of fish.



The seafood industry contributes fewer greenhouse gas emissions than other food industries. So, I think that is important to continue our activities, mindful of our responsibility to manage seafood resources at an appropriate level and provide a stable supply of environmentally friendly protein to the global market.

Mr. Exel: Climate change is also having an enormous impact on the seafood industry. In order to help reduce that impact, I think it is important for SeaBOS to recommend the consumption of marine products in place of other proteins as a more sustainable source of protein. Concerning the problem of ocean plastics, through our support for GGGI, of which we are a member, we can not only collect fishing nets that have washed out to sea, but take new measures to recycle plastics and prevent them from being washed into the oceans. Moreover, I think that it is important for the companies participating in SeaBOS, including group companies, to carry out annual beach and river cleanups to show that this can help keep the oceans clean.

Future Efforts Towards the Protection and Sustainable Use of Marine Resources

Mr. Exel: I wonder if to close, each of you could tell us about the future activities and aspirations of SeaBOS.

Prof. Österblom: Moving forward, I think it is vital to get governments and public institutions involved and secure their cooperation. In recent years we've also seen individual companies make changes in vision, strategies, organization, practice, and reporting. I think those are really exciting steps where companies are now getting ready to take the next steps together. And I think that engagement with the GDST (Global Dialogue for Seafood Traceability^{*4}) and Global Ghost Gear Initiative (GGGI) will help move company activities forward.

SeaBOS has become a positive example of how to tackle global issues, not only for the seafood industry, but other industries as well. It is also inspiring many of my colleagues in science as well as policy makers. So, going forward, it would be wonderful if we could continue to set an example through our activities based on this global framework for cooperation.

Ito: SeaBOS is a first-of-its-kind organization distinguished by participation from science and industry, fishing and aquaculture, and companies from all over the world—including Asia and Europe. Before SeaBOS, each company was carrying out its own corporate activities.

However, in order to conserve and sustainably use marine resources, it is essential for global organizations to undertake both scientific and industrial efforts as part of a global organization. I'm going to leave the SeaBOS Chair position in October 2020, but I think that the Maruha Nichiro Group must continue to take a leadership role hereafter. We will continue working together with all the members who are participating in SeaBOS to solve problems. Thank you very much for joining me today.

^{*4} GDST: A global dialogue about seafood traceability

