

OCEANIA MSC TUNA SNAPSHOT



MARCH 2021



THE LARGEST SUPPLIER AND ONE OF THE LARGEST BUYERS OF MSC TUNA
OCEANIA

Population: 42,677,813 (2020)



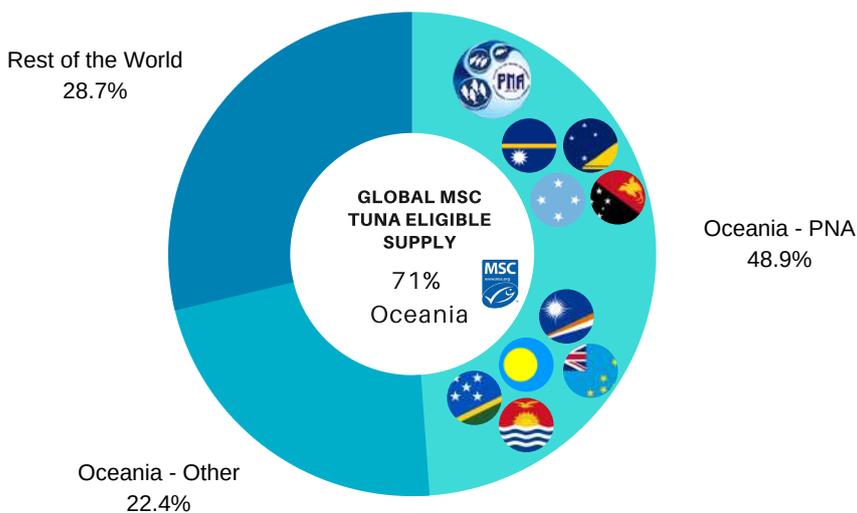
THE SKIM.

KEY TAKEAWAYS

- Oceania is the largest supplier of MSC-certified tuna. PNA alone represents close to 49% of the MSC eligible supply share.
- Australia and New Zealand have 30% of the global buying share of the MSC-certified tuna.
- Australia is one of the world's most sustainable tuna markets, but to date, only 1 brand, John West Australia, (Owned by Simplot Australia) has introduced MSC-certified tuna, which comes from PNA MSC fishery.
- Some brands are still sourcing yellowfin from FAO51/57 catching areas, where the species is overfished.
- Nearly every can of tuna has a FAD Free or Pole and Line claim, but there is work to be done, studies show the consumer wants more information to make sustainable buying decisions.

71% ELIGIBLE MSC CERTIFIED TUNA VOLUME COMES FROM OCEANIA

THE LARGEST SUPPLIER

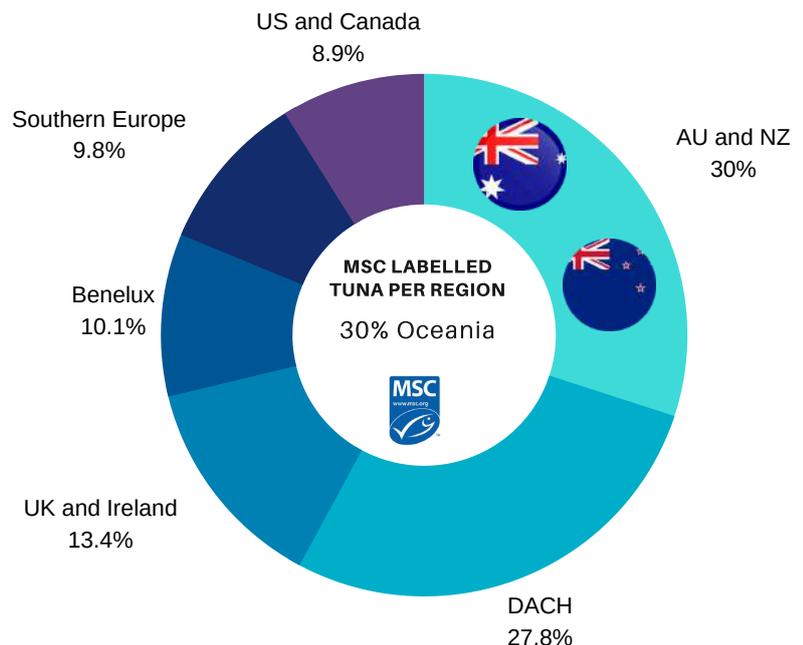


Source: Based on information taken from the MSC Track a Fishery Website | March 2021

Oceania is more than Australia and New Zealand. The continent is composed of 14 beautiful countries. 29% of the Oceania population comes from Melanesia, Polynesia, and Micronesia. The PNA countries are spread throughout these 3 regions. Together **the PNA nations alone make Oceania, the largest MSC-certified tuna supplier.**

AUS AND NZ | 30% MSC TUNA DEMAND

A KEY BUYING REGION



Source: Based on information taken from the 2020 MSC Tuna Handbook

71% of Oceania's population comes from Australia and New Zealand. Australia is considered one of the world's most sustainable tuna markets and the **John West brand** alone, distributed primarily in Australia and New Zealand (but also in China), **makes Oceania one of the largest buyers for sustainable MSC-certified tuna.**

Over 60 SKUs



- The total market for canned tuna is about 44,130 MT (import stats 2019), **87% coming from Thailand**. Australia is Thailand's 3rd canned tuna export destination (in value, after US and JP).
- The Simplot Australia brand "**John West**" **leads the canned tuna** category with 37.3% market share (Aldi excluded in the chart due to no available IRI data).
- Canned tuna is **Australia's most popular canned seafood item**. Tuna has 76% of the canned seafood share. Offered mostly in a 95g format. 185 g and 425 g net weight are also available,
- Thanks to John West, **37.3% of all Australian canned tuna is MSC certified**.

FAD-FREE + POLE AND LINE
NEARLY ALL CANS HAVE A CLAIM



- The market is known for its sustainability awareness. **Nearly every can of tuna has a FAD Free or Pole and Line sourcing claim** accompanied by a logo. **John West Australia is however the only MSC labeled tuna product in the region**.



- **Health is the top 3 determinant for food purchase**. All canned tuna can be seen using "The Health Star Rating System", which is an initiative to prevent overweight.
- Iron, High protein, Fiber wholegrain, among many other nutritional supplements are often highlighted in the packaging. Even the nutritional table showcases information on Omega 3, EPA, and DHA information, this is unique for Australia

88%
want better information so they can be confident that they are **not buying unsustainable fish or seafood products***



- A lot of the cans reference **more than one FAO catching area**, sometimes even for yellowfin products where some of these zones (FAO 51 and 57 | Indian Ocean) are **overfished**.
- **There is a thirst for more information on the sustainability and traceability of seafood** products. Globescan 2020 survey showed 88% of the Oceania population wanting better information on their seafood products.



JOHN WEST

**AUSTRALIA'S LEADING BRAND
(37.3% TUNA SALES - IN VOLUME)**

John West takes the gold medal, not only in Oceania but worldwide. The John West brand is owned by Simplot Australia.

Back in 2016, the brand switched close to 100% of its canned tuna to MSC certified. Produced in Thailand with **raw material from the PNA MSC certified fishery confirmed by the Pacific Geographical Indication.** The MSC tuna introduction campaign was called "Finnish Tuna".



John West was the first major brand worldwide to switch a significant tonnage to MSC tuna, proving to the world that **maintaining a profitable tuna business does not need to come at the expense of the ecosystem** and that sourcing from sustainable fisheries supports island nations highly dependent on the health of their tuna resources.

John West has full catch to product traceability for over 50+ products. The regular 95g product retails for 2,30 AUD.



coles

**SECOND LARGEST CANNED TUNA SHARE FOR ITS PRIVATE LABEL
(22% OF TUNA SALES- IN VOLUME)**

Coles canned tuna is FAD-free caught but does not carry the MSC logo. Coles has been awarded by MSC Oceania several years in a row as the "Best Sustainable Seafood Supermarket Award", unfortunately the Coles private label tuna has not found its way into the MSC path.

This is Australia's second-largest grocery retailer (26.5%) - Operating 2,458 stores throughout Australia.

Coles has 3 canned tuna brands under its private label "Wild Tides" and "Coles Brand" for Skipjack, "Pacific Tuna" is yellowfin. The Coles brand retails for 0.90 AUD, the Wild Tides competes with John West products at 2 AUD, and the brand "Pacific Tuna" which retails at 1,70 AUD competing with the brand Sirena.

Coles mentions on their website that their canned tuna meets their **Coles Responsibly Sourced Seafood criteria**, which means it has been "independently assessed" by Coles. We did not find a lot of information on this.

Aside from their own private labels, Coles only sells the John West and Sirena brand.



THIRD LARGEST CANNED TUNA SHARE (16.2 % TUNA SALES - IN VOLUME)

No MSC logo in their assortment. The Sirena canned tuna brand is mostly Pole and Line yellowfin tuna, The company sources from manufacturing facilities in Thailand and Indonesia and it uses 100% yellowfin tuna for its products.

There is a claim on "sustainably caught", yet the catching areas FAO51/57 are mentioned. The yellowfin in this area has been overfished since 2015. Australia is well aware of this issue and has even gotten involved in an IOTC yellowfin management procedure.

The 95g yellowfin SKUs retail for 2.70 AUD.



FOURTH LARGEST CANNED TUNA SHARE (13.8 % TUNA SALES - IN VOLUME)



Greenseas has no MSC tuna in their assortment and is 100% skipjack tuna. This brand is owned by Heinz. **It is unclear where the tuna was caught and which FAD-free method was used.** Information about the brand online is also very limited (their website seems not to work anymore).

The 95g reference retails at 2 AUD. This brand was not found at Coles, only at Woolworths and IGA.



5TH LARGEST CANNED TUNA SHARE | PRIVATE LABEL (10.3%)

Woolworth's canned tuna is FAD-free caught but does not carry the MSC logo. They have a claim of "Responsibly Caught". Most of the tuna comes from the Western and Central Pacific Ocean.

Woolworths brand tuna 95g retails for 0.90 AUD, just like Coles. They also carry the "essentials" brand, in 185g and 425 g formats. The "essentials" brand does not specify a catching method or contains a claim other than the dolphin-safe logo. WW's shelves also offer John West, Sirena, Safcol, and Greenseas.

Woolworths is Australia's largest retailer with 35.9% of all grocery sales - operating 2583 stores throughout Australia



NOT A STRONG PRESENCE IN CANNED TUNA PRIVATE LABEL



IGA does not have MSC tuna under their own private label "Black and Gold", also no responsible catching claims, however, the catching zone is mentioned (FAO 71). They do not carry the popular 95g reference, only 185g, and 425g. Their 185g product retails for 1,30 AUD.

Metcash / IGA is the 3rd largest grocery retailer in Australia with 11.6% grocery sales.



NOT SHARING CANNED TUNA SALES DATA

The ALDI Portview and Ocean Rise tuna do not carry the MSC ecolabel. They instead carry the "Future Fish" logo, which according to the ALDI website, could be sourced from either an MSC certified fishery or Fishery Improvement Project, we conclude it is the latter since there is no MSC logo in the packaging.

The brand 'Ocean Rise' contains yellowfin from the Indian Ocean (FAO 51) where this species is overfished. Aldi South Group is a global player with a presence in more than 15 countries worldwide. In Australia Aldi is also the fastest-growing retail chain, currently, they have 8.4% grocery sales.

The Skipjack Portview reference is priced at 0.89 AUD and the yellowfin Ocean Rise retails at 1.29 AUD.



No MSC on the Safcol tuna brand. They source Pole and Line and FAD-free skipjack, processed in Thailand. The cans have a responsibly sourced claim.

The data analyzed also did not include Safcol in the market share. We only saw Safcol in Woolworths. The brand is owned by a Thai company called Tropical Canning.





MARKET OVERVIEW

NEW ZEALAND

Population: 4,822,233 (2020)

The total market for canned tuna is 5,203 MT. 95% imported from Thailand. (2019 Import data).



No MSC logo on their tuna products. Sealord is New Zealand's leading canned tuna brand, holding a 60 percent share of the market.

Half owned by the Maori people of New Zealand and half-owned by Nissui, **Their tuna has a claim the fish is 100 percent FAD-free.** The 95g reference retails for 2,19 NZ \$



John West is the second leading brand in the country. **All of its New Zealand's tuna is MSC certified**, the products were launched in Zealand in 2016. Same characteristics as mentioned in the Australian section. The 95g retails for NZ\$ 2.00. The 185g retails at NZ \$3

Foodstuffs^{NZ}

There is no MSC tuna on its private label (Pams), however, there is a claim included mentioning that its tuna either comes from FAD free or pole and line sources. Their 185g reference retails for NZ \$ 1,90



No MSC tuna on the Private label at Woolworths New Zealand. There is a claim of "Responsibly Caught". Most of the tuna comes from the Western and Central Pacific Ocean (FAD FREE).

CAN PACIFICAL HELP GET MSC TUNA AT AFFORDABLE LEVELS?

As the market development company for the PNA, Pacifical's primary goal is to make PNA MSC-certified tuna **accessible to everyone**. We translate our team's in-depth market knowledge on sustainable tuna into valuable opportunities for our partners across the value chain, from fishing companies, all the way to world retailers.

It is normal to feel intimidated with changing the status quo, switching your tuna brand from non-MSC towards MSC. But guess what? **It is not rocket science, as a matter of fact, it is SIMPLE.**

Get in touch with us to assess and determine the most effective supply chain and sourcing strategy of both Skipjack and Yellowfin MSC certified tuna.

We pride ourselves in having an ecosystem approach, for us all species matter! Our fishery is located in **the only ocean where ALL tuna species are in a healthy state**; The WCPO, the largest and yet the most sustainable ocean.

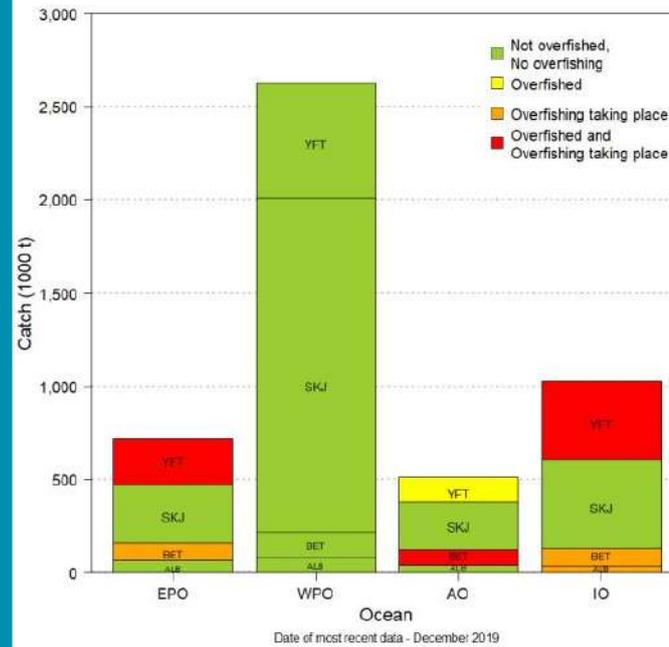


FIGURE 4 - WCPO STOCK STATUS SEPT 2020 REPORT - SPC

OUR FISHING METHOD IS PURSE SEINING

we strongly believe that true change for the entire ecosystem can only happen if the large scale fisheries are handled sustainably.

Did you know that 65% of all tuna catch comes from purse seiners? In order to bring most of the world's tuna to a sustainable level, we need to make sure purse seiners operate sustainably. That's where our focus is.

All our tuna is 100% traceable. Many traceability systems are regularly based on captain statements or self-declaration (not independently verified), We believe the world deserves better transparency, that's why Pacifical's verification approach is based on a multilayer system of checks and balances, as well as independent onboard observers reporting to PNA.

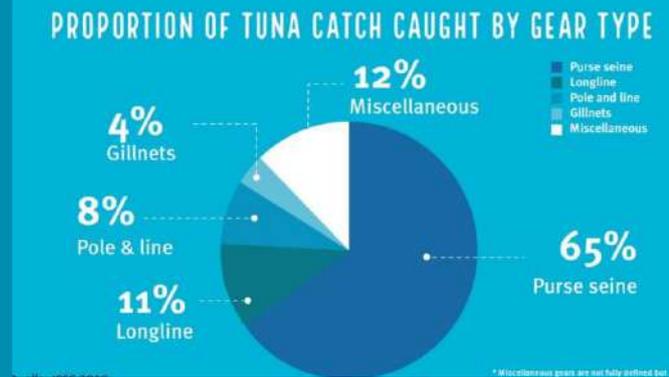


FIGURE 5 - SOURCE: 2020 MSC TUNA ANNUAL HANDBOOK



Have you thought of getting your brand on board with MSC Tuna as well? Let's catch up. Always great to connect to explore opportunities. If you are interested, please send us an email at commercial@pacifical.com

Your Friends at Pacifical