

CPF Ten-Point Plan

SMART objectives
Realistic targets
Realistic milestones



CPF Fish Fight Ten-Point Plan *Progress update*



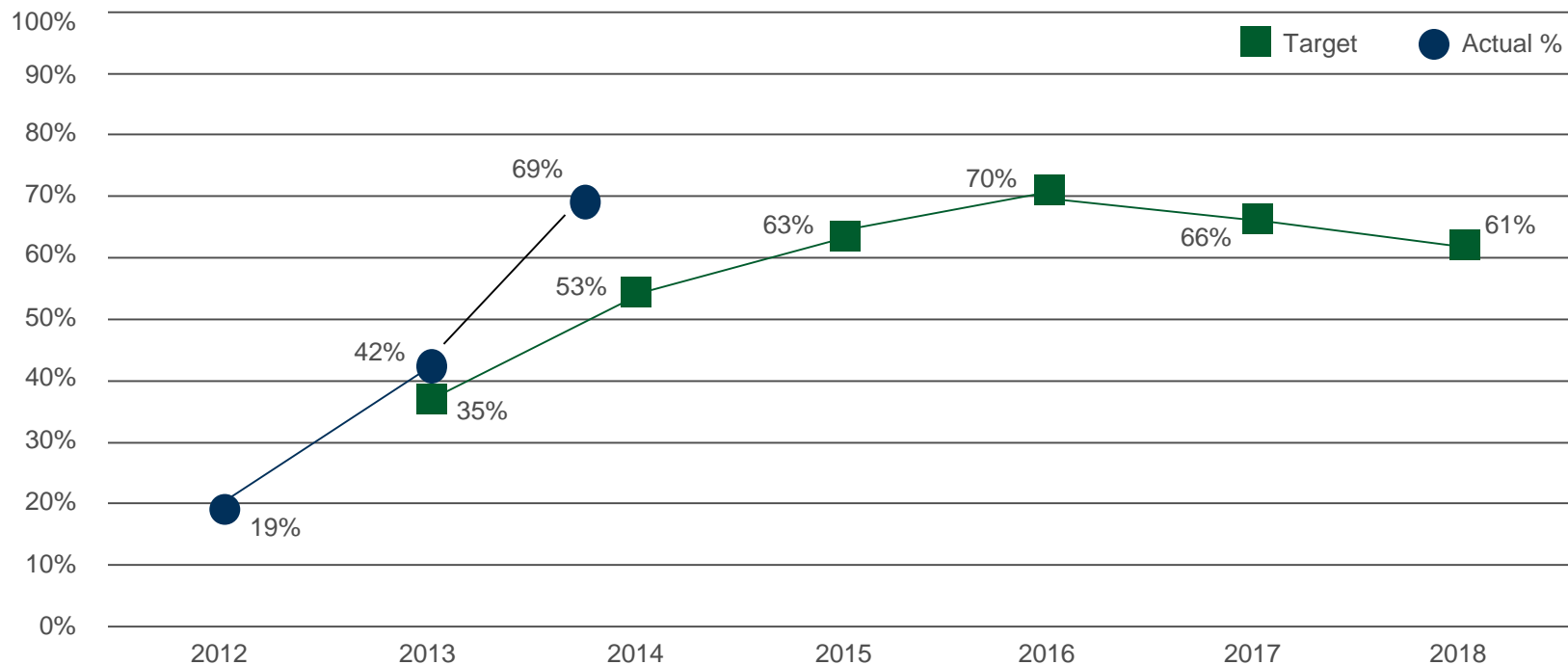
We have committed to a ten-point plan



1. Use as much fishery by-product from tuna and surimi processing to produce shrimp feed as possible
2. Actively reduce the amount of fishmeal used in our shrimp feed
3. Continue to research and develop alternative ingredients to fishmeal
4. By 2015 achieve minimum 50% of our fishmeal to come from certified fisheries - we are already committed to BAP and ACC certification for our shrimp processing plants
5. By 2017 commit to zero use of fishmeal produced from "trashed fish"
6. By 2021 commit to zero use of fishmeal in our shrimp diet all together
7. Ensure we only use suppliers who comply fully with the DOF's new certification scheme which comes into effect in 2014
8. Ensure we only use suppliers who comply fully with the DOF's new guidelines on sustainable fishing, governing key criteria such as conservation zones and fishnet mesh sizes, again due to be published in 2014
9. Ensure our suppliers receive a fair return for their commitment to this programme
10. Invite Hugh Fearnley Whittingstall and his film crew to visit us in Thailand in 2014 to show the progress we are making.

1

Use as much fishery by-product from tuna and surimi processing to produce shrimp feed as possible



- Our end of 2013 target (35%) was exceeded with the achievement of 42%
- Our mid year 2014 figure exceeds plan forecast with 69% Non-IUU



The facts about by-product

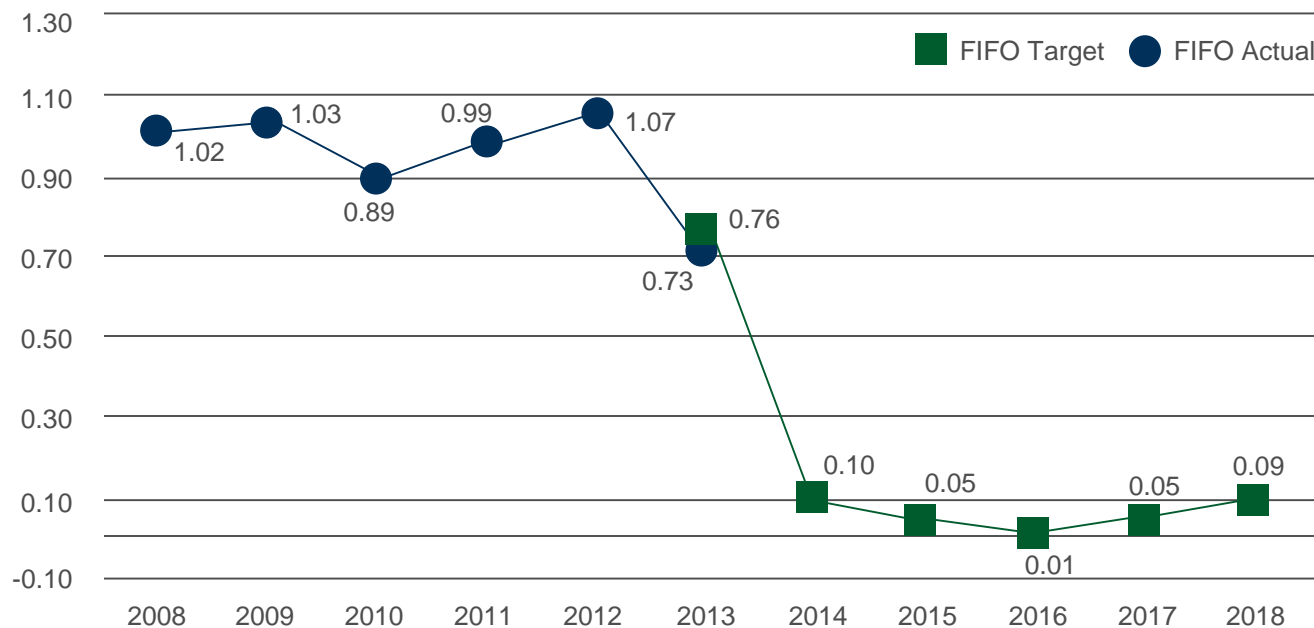
- By-product – **trimmings from canned** fish manufacturers– predominantly tuna
- Majority supplying CPF – **Tuna from Pacific Ocean**
- Caught from fishing vessels with **independent regional observer on board to verify Non-IUU status of catch**
- Regional observer from Western & Central Pacific Fishery Commission (WCPFC) and their Regional Observer Programme



2

Actively reduce the amount of fishmeal used in our shrimp feed

FIFO ratio



The FIFO feed fish inclusion factor estimates the combined fishmeal and fish oil concentration of the feed on a dry-weight basis relative to the wild fish. Thus, a value of 2 signifies that the feed is twice as concentrated in marine protein and oil as wild fish. It must be declared with enough precision that the sum of fishmeal and fish oil percentages in the aquafeed does not vary by more than ± 2 percentage points from its actual value calculated on an average monthly basis. For example, if a feed contains 10% fishmeal, 5% fish oil and 12% fishmeal from trimmings, and yields for fishmeal and oil are the default 22% and 8%, the feed fish inclusion factor is: $(10\% + 5\%) \div (22\% + 8\%) = 0.50$.

At the farm level, a “fish in:fish out” (FIFO) ratio is then determined by multiplying the feed fish inclusion factor of the feed by the feed-conversion ratio. For example, for the feed above and for a farm FCR of 1.8, the fish in:fish out ratio is: $0.5 \times 1.8 = 0.9$.

• We are currently on target with our reduction plan

3

Continue to research and develop alternative ingredients to fishmeal

% Inclusion rate in shrimp feed formula	2013	2014*	2015*	2016*	2017*	2018*
% Fish Meal Inclusion rate	25%	20%	15%	10%	10%	10%
1 Modified Soybean Products	0%	2%	3%	6%	6%	6%
2 By-Products from Alcohol Plant (DDGS)	0%	1%	3%	3%	3%	3%
3 Shrimp By-Products	0%	1%	2%	3%	3%	3%
4 Squid By-Products	0%	1%	2%	3%	3%	3%

NOTE: The initial results of our on-going testing programme to substitute soya-based product for fishmeal are good and CPF will be in a position to commit to zero use of fishmeal in its shrimp diet by 2021 if necessary. HOWEVER, we fully recognise that the implications of this are severe for the fishermen and their livelihoods. We are therefore keen to work with the key stakeholders to find solutions that ensure fishmeal is fully non-IUU certified rather than substitution based.

Remark : * = % Target





4

By 2015 achieve minimum 50% of our fishmeal to come from certified fisheries




	2013	2014*	2015*	2016*	2017*	2018*
Shrimp feed production	212,500	335,000	451,000	511,000	552,000	585,000
% Fish Meal Inclusion rate	25%	20%	15%	10%	10%	10%
Fish Meal Usage	52,125	67,000	67,650	51,100	55,200	58,500
IFFO RS IP Fish Meal (Target)	0	47,000	62,000	67,000	67,000	67,000
50% IFFO RS Certified Fish Meal	26,063	33,500	33,825	25,550	27,600	29,250
IFFO RS Certified Fish Meal (Target)	0	5,000	35,000	40,000	40,000	40,000
% IFFO RS Certified Fish Meal	0	7%	52%	78%	72%	68%

Remark : * = % Target

• BAP , Global G.A.P and ASC Certification Status as at Feb 2014

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Continued

Standard	Hatcheries name	Feed Mills name	Farms name	Food Processing name
	Tawan	Namnoi	Sawee 1	Mahachai
	Pathio 1	Banpru	Sawee 2	
	Pathio 2	Mahachai		
	Pathio 3	Banbeung		
	Pathiu 1	Namnoi	Sawee 1	Mahachai
			Petchaburi 5	
	-	-	Sawee 1 *	-
			Petchaburi 5 *	

Remark : * = In process and waiting the adoption of standards.

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Continued

Place	BAP Facilities	BAP No. / CB Cert. No.		
Tawan	Hatchery	H10036	Charoen Pokphand Foods Public Co., Ltd. (Tawan Hatchery) Amphur Takuapa, Phanga, Thailand	Jul. 19, 2014 Shrimp
Pathio 1, 2, 3	Hatchery	H10068	Charoen Pokphand Foods PCL (Shrimp Genetic Improvement Centre Pathio 1, Pathio 2, Pathio 3) A Pathio, Chumphon, Thailand	Aug. 20, 2014 Shrimp
Namnoi	Feed Mills	M10009 /7318	Charoen Pokphand Foods Public Co., Ltd -Namnoi Feed Hatyai, Songkhla, Thailand	Jul. 29, 2014 Aquaculture Feed
Banpru	Feed Mills	M10024 /7242	Charoen Pokphand Foods Public Co., Ltd -Banpru Hatyai, Songkhla, Thailand	Aug. 20, 2014 Aquaculture Feed
Mahachai	Feed Mills	M10024 /7321	Charoen Pokphand Foods Public Co., Ltd -MHC Bongtorat, Muang, Samutsakorn, Thailand	Oct. 15, 2014 Aquaculture Feed
Banbeung	Feed Mills	M10024 /7320	Charoen Pokphand Foods Public Co., Ltd -Banbeung Banbeung, Chonburi, Thailand	Oct. 15, 2014 Aquaculture Feed
Sawee 1	Farms	F10346 /130223	Charoen Pokphand Foods Public Co., Ltd -Sawee 1 Farm Sawee, Chumphon, Thailand	Mar. 15, 2014 Shrimp
Sawee 2	Farms	F10041	Charoen Pokphand Foods Public Co., Ltd -Sawee 2 Farm Sawee, Chumphon, Thailand	Jul. 27, 2014 Shrimp
Mahachai	Processing Plant	F10027 /7128	Charoen Pokphand Foods Public Co., Ltd -Machachai Muang, Samutsakorn, Thailand	Jul. 27, 2014 Shrimp

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By 2017 commit to zero use of fishmeal produced from “trashed fish”

FM from IFFO RS Improver Program	Production	2013	2014*	2015*	2016*	2017*	2018*
Fish Meal Usage (Tons)	(Ton/Yr.)	52,125	67,000	67,650	51,100	55,200	58,500
1 Southeast Asian Packaging and Canning	12,000	5,528	5,000	8,000	10,000	10,000	10,000
2 Pacific Marine Food Products Company	6,000	3,586	3,000	4,000	5,000	5,000	5,000
3 Siriseang Arumpee Fish Meal Company	10,000	9,000	9,000	9,000	9,000	9,000	9,000
4 Ban Beung Fishmeal Company	10,000	1,163	10,000	10,000	10,000	10,000	10,000
5 Piyo Pokphand Company	3,000	330	2,000	3,000	3,000	3,000	3,000
6 Klongdan Fishmeal Company	12,000	10,922	10,000	10,000	10,000	10,000	10,000
7 Thai Charoen Feed mills Company	5,000	162	1,000	3,000	4,000	4,000	4,000
8 Paechae Songkhla Company	6,000	1,896	1,000	3,000	5,000	5,000	5,000
9 Pacific Fishmeal Industrial Company	6,000	1,775	2,000	3,000	5,000	5,000	5,000
10 Sichon Fishmeal Company	3,500	3,547	3,000	3,000	3,000	3,000	3,000
11 JDP Company Limited	4,500	2,206	2,000	3,000	3,000	3,000	3,000
Total FM from IFFO RS Improver Program	72,000	-	47,000	62,000	67,000	67,000	67,000

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By 2021 commit to zero use of non sustainable fishmeal in our shrimp diet all together

Source of Fish Meal	2013	2014*	2015*	2016*	2017*	2018*
% Fish Meal Inclusion rate	25%	20%	15%	10%	10%	10%
1 % From IFFO RS By-Products FM	0%	1.5%	7.8%	7.8%	7.2%	6.8%
2 % From IFFO RS Fish Meal	0%	0.0%	0.0%	0.0%	0.0%	0.0%
3 % From IFFO RS IP Fish Meal	0%	12.5%	6.0%	2.2%	2.8%	3.2%
% From Sustainable/Responsible FM	0%	14%	14%	10%	10%	10%
% From not Sustainable/Responsible FM	25%	6%	1%	0%	0%	0%

Remark : * = % Target



7

Ensure we only use suppliers who comply fully with the DOF's new certification scheme which comes into effect in 2014

Fish Meal Suppliers	2013	2014*	2015*	2016*	2017*	2018*
1 All Fish Meal Supplier	55					
2 Fish Meal Suppliers with DOF's Certification	40					
% of Total	73%	90%*	100%*	100%*	100%*	100%*

Remark : * = % Target



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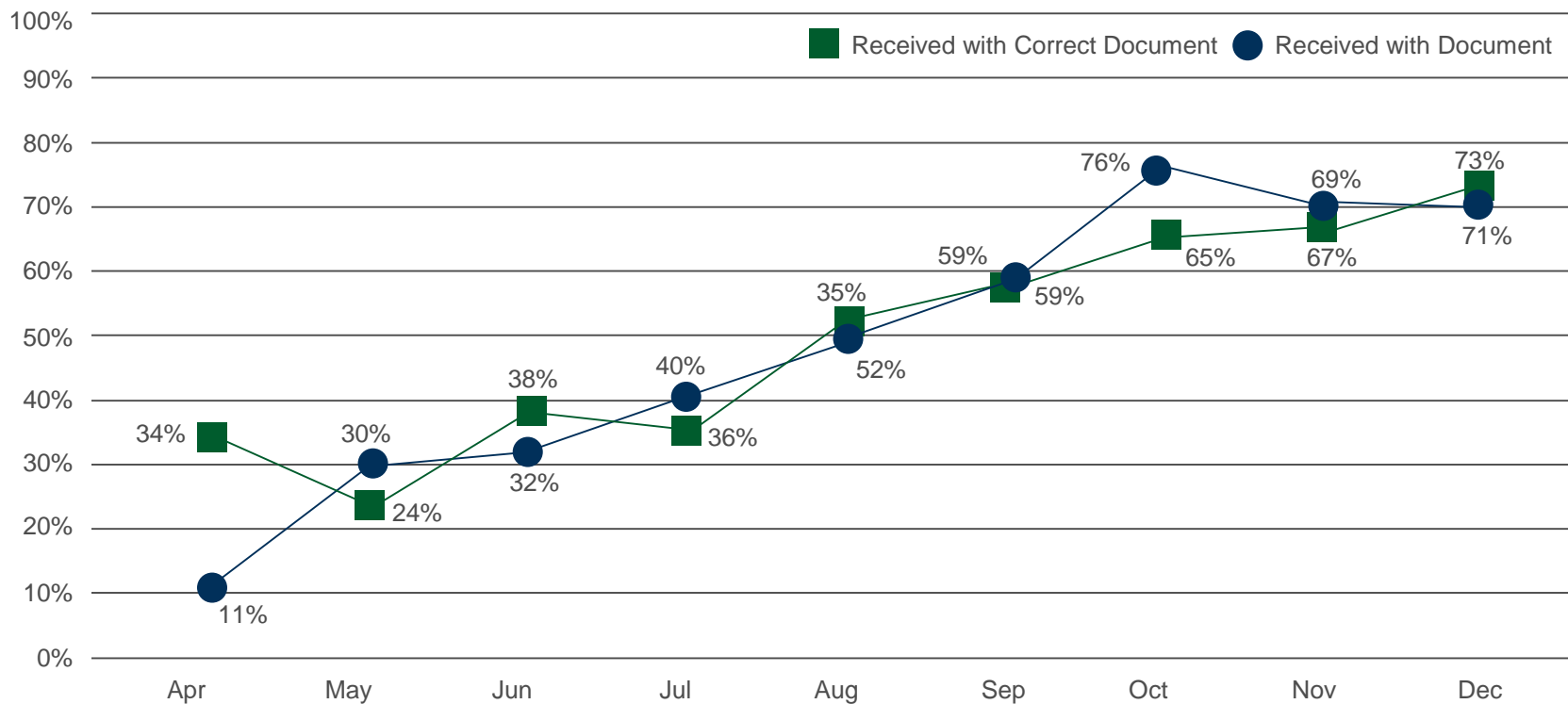
Ensure we only use suppliers who comply fully with the DOF's new guidelines on sustainable fishing, governing key criteria such as conservation zones and fish net mesh sizes due to be published in 2014

Fish Meal Suppliers	2013	2014*	2015*	2016*	2017*	2018*
1 All Fish Meal Suppliers	55					
2 FM Suppliers with DOF's Certification	40					
% of total fish meal suppliers (Target)	73%	90%*	100%*	100%*	100%*	100%*
3 % FM Suppliers who comply with FIP from SFP or WWF (Target)	0	90%*	100%*	100%*	100%*	100%*

Remark : * = % Target

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Continued Fishmeal received under Non IUU Government Scheme 2013



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Continued

Fish Meal	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2013
1 Total Received	4,346	5,402	4,793	7,382	8,019	6,002	6,812	7,673	5,289	55,718
2 Received without document	3,869	3,774	3,279	4,435	4,043	2,478	1,636	2,350	1,548	27,412
	89%	70%	68%	60%	50%	41%	24%	31%	29%	49%
3 Received with document	477	1,628	1,514	2,947	3,976	3,524	5,176	5,323	3,741	28,306
	11%	30%	32%	40%	50%	59%	76%	69%	71%	51%
4 Received with Incorrect Document	316	1,242	933	1,881	1,893	1,428	1,781	1,765	1,009	12,246
	66%	76%	62%	64%	48%	41%	34%	33%	27%	43%
5 Received with Correct Document	162	386	582	1,065	2,083	2,096	3,395	3,557	2,732	16,059
	34%	24%	38%	36%	52%	59%	66%	67%	73%	57%



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Ensure our suppliers receive a fair return for their commitment to this program

Fish Meal	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2013
1 Total Received	4,346	5,402	4,793	7,382	8,019	6,002	6,812	7,937	5,289	55,952
2 Received with Correct Document	162	386	582	1,065	2,083	2,096	3,395	3,557	2,732	16,058
% of Total Received	4%	7%	12%	14%	26%	35%	50%	46%	52%	29%
3 Addition Premium Payment (Million Baht)	0.5	1.2	1.7	3.2	6.2	6.3	10.2	10.7	8.2	48.2

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Invite Hugh Fearnley Whittingstall and his film crew to visit us in Thailand in 2014 to show the progress we are making.

We have offered Hugh and his team the opportunity to come and visit Thailand in 2014 to see the progress we are making.

We are keen that he comes out to follow the route CP Senior Management took in August giving him exposure to the new DOF, the fishermen who we interviewed in August and the key stakeholders collectively making progress with the various initiatives

