



Seafood annual report 2021



**IBEROSTAR
GROUP**

About this report

Since the launch of our seafood strategy in 2019, we have made our progress publicly available through our Responsible Seafood Annual Report. We continue to do this to show our ongoing commitment to transparency within our seafood strategy. This report provides information on our annual performance from January to December 2021, showing our progress in collecting key performance indicators (KPIs) and targets outlined in our [seafood strategy](#) online.

Our website provides the most up-to-date information about Iberostar's Wave of Change seafood sustainability program, progress, activities and achievements.

We are proud to announce that in 2021, we exceeded our goal of 65% responsible seafood sourcing globally by achieving an impressive 75% responsible sourcing in the month of December. We also were able to achieve 100% responsible sourcing in Mexico! The challenges we faced in the onset of the pandemic and our team's capacity to adapt and mobilize helped lay the foundation for our success today. In our 2020 report, we were 4% short of our milestone to source 45%. However, we believed this achievement was a demonstration of "building back better," and the lessons learned from those challenging years are a testament to our commitment towards seafood sustainability.

This report seeks to record our journey towards 100% responsible consumption of seafood by 2025 in all Iberostar properties, whether privately owned or managed. We would like to thank our NGO partners and collaborators for their guidance to better understand and develop achievable goals. We would also like to recognize our suppliers, chefs, and purchasing teams, the real stars in our journey. Their continued support of our commitments towards seafood sustainability, trust in the process and continued leadership in data collection helps us better serve our customers and lead the future of responsible seafood consumption in our hotels.

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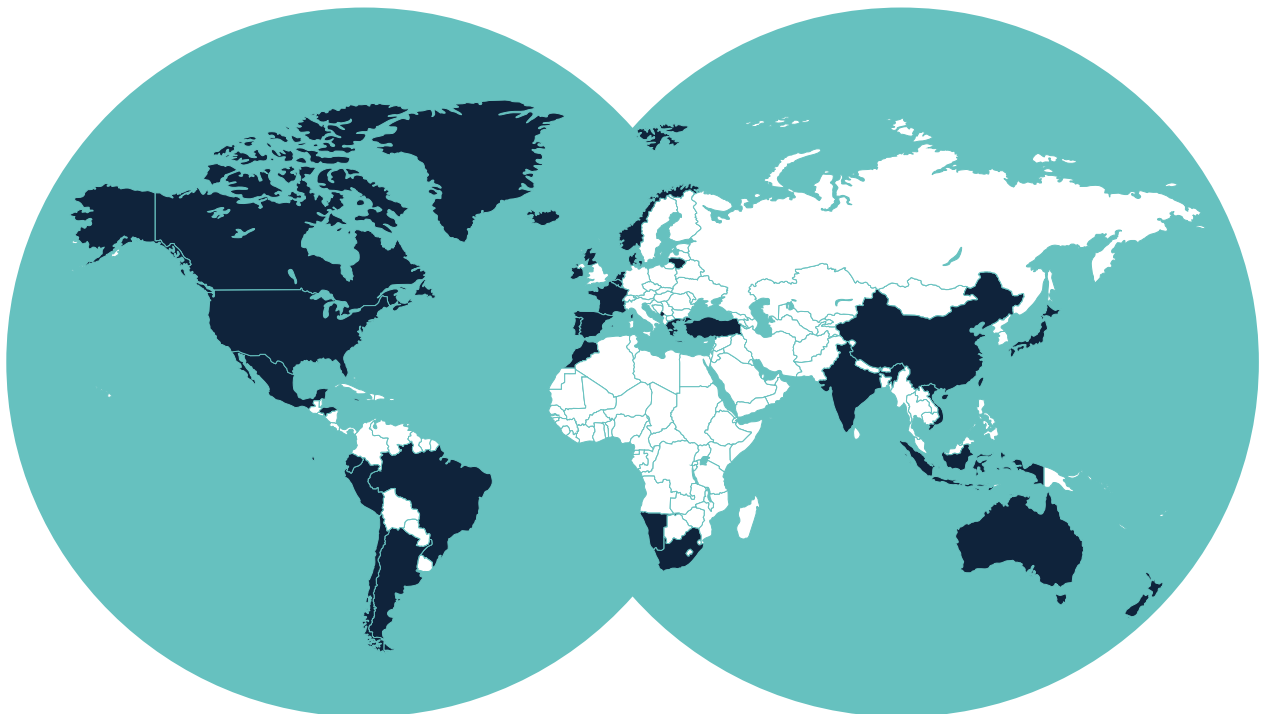
Performance summary

1.1

Seafood sourcing locations map

Iberostar's global seafood sourcing extends beyond 35 countries, 14 FAO Major Fishing Areas, and over 190 species that are both wild-caught and farm-raised. In 2020, we reported 128 species, but as we continued to collect more data, that number increased to closer to 200 species. As such, we have the challenge of complexity. Our supply chains are often not vertically integrated

and producers, as well as distributors in the countries in which we operate, are new to the sustainable seafood conversation. Nonetheless, as end consumers, we understand our seafood consumption's global impact on global and domestic markets, so understanding where our seafood is sourced from helps us better inform our sustainable seafood strategy in the future.



Argentina, Australia, Brazil, Canada, Chile, China, Denmark, Ecuador, France, Greece, Greenland, Holland, Honduras, Iceland, India, Indonesia, Ireland, Jamaica, Japan, Lithuania, Mexico, Montenegro, Morocco, Namibia, Netherlands, New Zealand, Norway, Peru, Portugal, UK, South Africa, Spain, Turkey, USA, Vietnam

Responsible sourcing 2021

In 2020, the global pandemic and subsequent decrease in our procurement volume provided an opportunity to collect data and remove/change species in a more manageable way. As a result, 2020 was the year we set the foundation for continuing to support our goals once hotel openings and operations began. It was also the year we increased our focus on capacity building and education with our suppliers so they could better understand our responsible seafood goals and be better equipped to find products that met our commitment. Because of this groundwork we were able to continue to work closely with our suppliers, operations and procurement teams to systematically identify opportunities for improvement, target products that met our expanded definition of “responsible”

seafood and identify new critical areas to help us reach our 65% goal while continuing to focus on high-volume commodities.

This intense collaboration between our vendors, procurement and operation teams is what allowed us to make progress during a global pandemic and supply chain shortages. We could forecast product needs, identify new opportunities and quickly adapt to shortages.

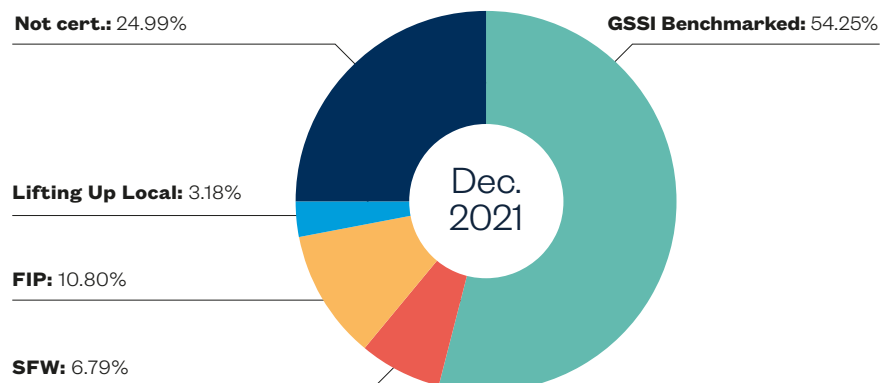
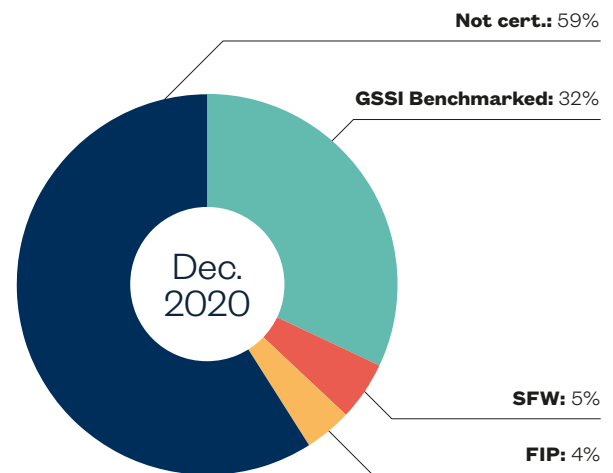
Though a lot of work with data collection continues and we have made progress in countries like Morocco, we continue to face challenges in collecting data in the hotels not part of our centralized purchasing system. As we continue to pursue this journey, we are developing processes to improve data collection in Greece, Montenegro, Tunisia and Cuba.

* Data only includes hotels that report on central purchasing (not including Cabo, Greece, Montenegro, Tunisia, and Cuba)

Responsible seafood sourcing December

In December of 2020, we consumed 88,469 kgs of seafood and were able to reach 41% responsible seafood sourcing. Thirty-two percent of this volume was sourced from fisheries and farms certified by a GSSI recognized certification. In addition, 5% was rated Yellow or Green by Monterey Bay Aquarium Seafood Watch Program and 4% sourced from a Fishery Improvement Project (FIP).

In December 2021, after a year of initial recovery from the effects of the global pandemic, we doubled our consumption of seafood products by procuring 199,648 kgs of seafood.



Countries	GSSI	SFW	FIP	Lifting Up Local	Not cert.	Total (kg)	% Respon.
Brazil	5,206				12,080	17,346	30%
Spain	31,775	3,858	825	3,845	6,232	46,535	87%
Jamaica	4,984		635	2,506	6,267	14,356	56%
Morocco	464	163	0		1,196	1,823	34%
Mexico	32,538	9,528	12,856		4,378	59,282	93%
Portugal	26	0	0		97	123	21%
Dominican Republic	33,283	0	7,242		19,639	60,164	67%
Montenegro	0	0	0		0		
Total (kg)	108,303	13,549	21,558	6,351	49,888	199,648	75%
Impact (%)	54.25%	6.79%	10.80%	3.18%	24.99%		

Our December data shows we exceeded our goal of 70% responsible seafood, with 54.2% product sourced from fisheries and farms certified by a standard benchmarked by the Global Sustainable Seafood Initiative (GSSI). We increased our sourcing of Seafood Watch (SFW) rated species by almost 2% (6.8% compared to 4% in 2020) and increased our sourcing from FIPs by 4% (10.8% compared to 6% in 2020).

We also started collecting data for those products that will be evaluated under our “Lifting Up Local” framework which we plan to launch in 2022 and further discuss in section 2.2 of this report.



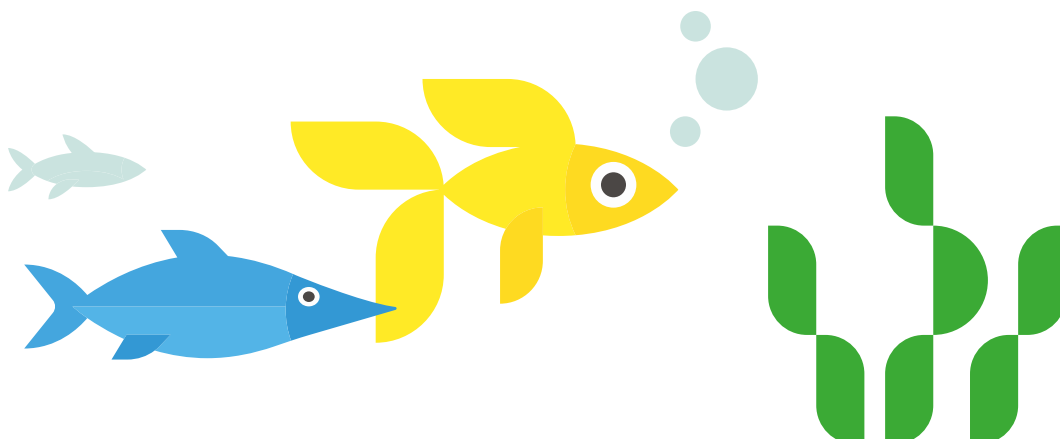
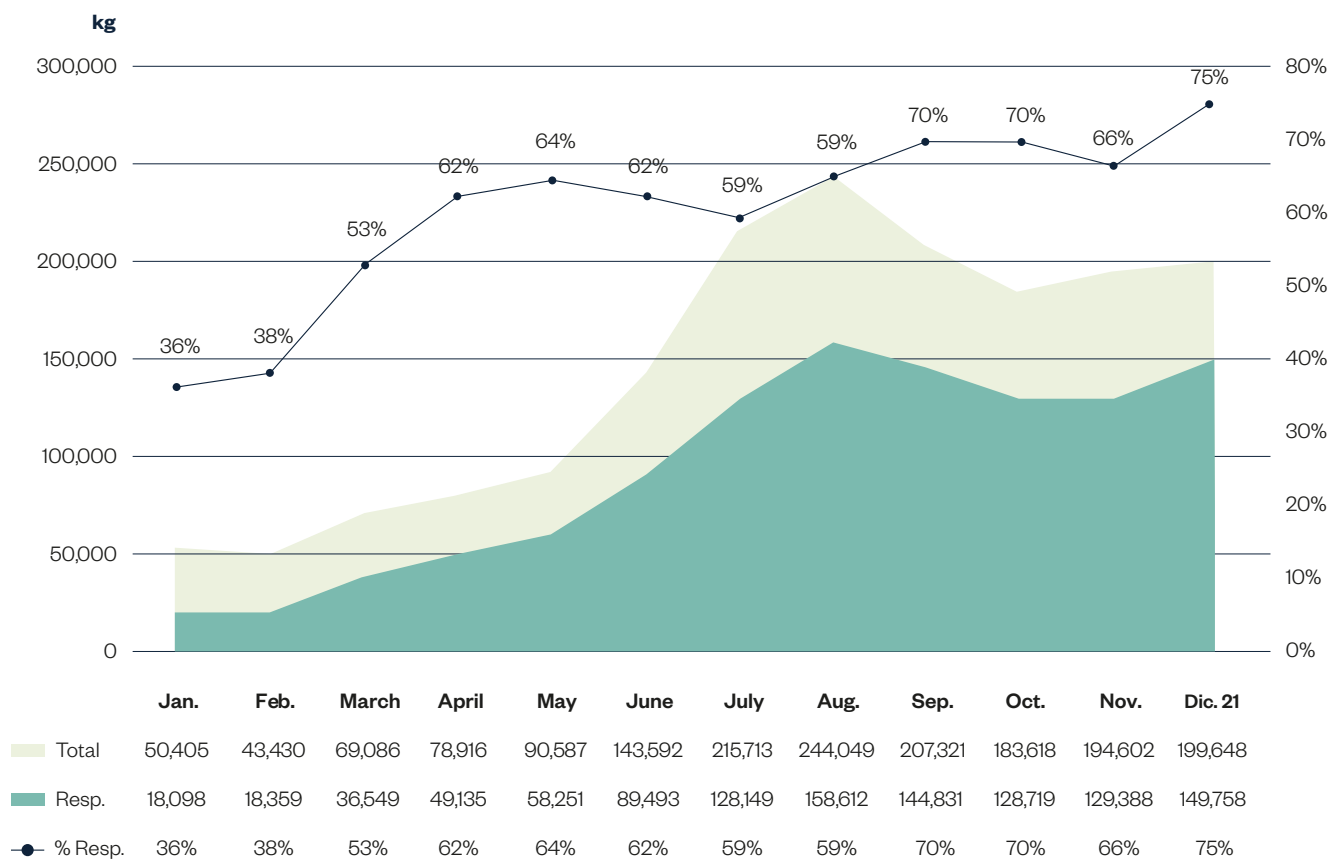
We closed 2021 with
100% responsible
seafood sourcing
in Mexico.

1.3

2021 year in numbers

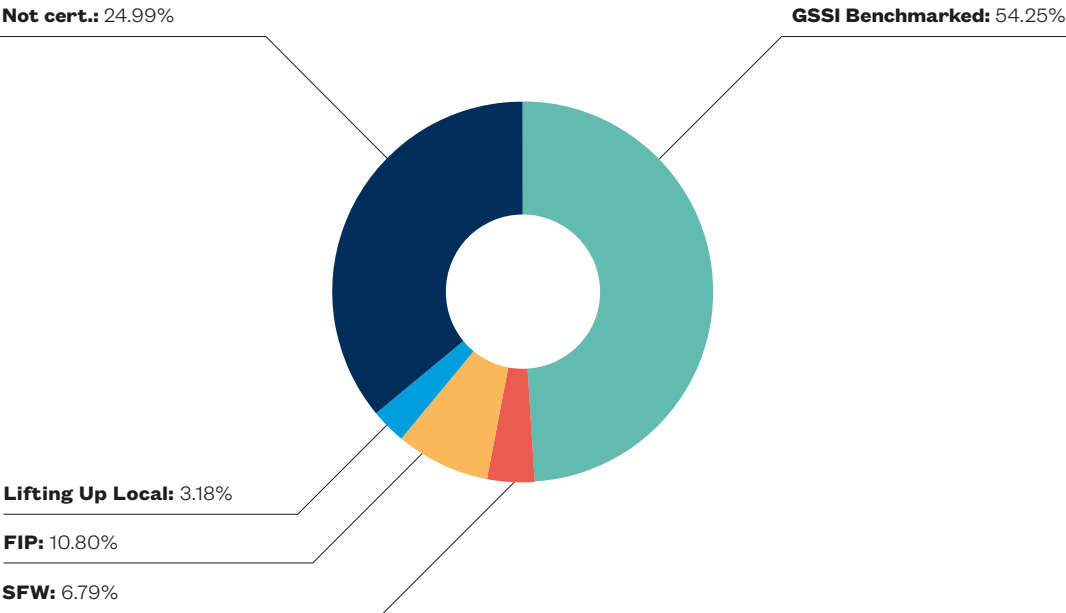
Our overall annual progress for seafood procurement shows that we sourced 1,725,948 kgs of seafood in 2021. Our year started with a slight decrease of responsible sourcing to 36% in January compared to our 41% reported in December 2020. This decrease is explained by the low volume we were sourcing in Spain due to hotel closures, and with the opening of hotels in Brazil, our procurement increased significantly with products that had yet to be assessed. The importance of Brazil's volume in our overall global procurement led to prioritizing work with Paiche, a local consulting company, to help navigate the sustainable seafood landscape in Brazil and catalyze work in the country.

In July, there was another decrease to 59% as we opened the remaining hotels. We worked with our vendors to move the product stock they had available after their business had been paralyzed for several months because of COVID-19. Once they were able to resume operations, we were able to work with them to source new products that would meet our commitment. Similarly, the Dominican Republic saw a decrease in its percentage due to supply chain shortages. We recovered in Q4, as we consistently started to source above 70% responsible, which helped us end the year at 75% responsible sourcing.



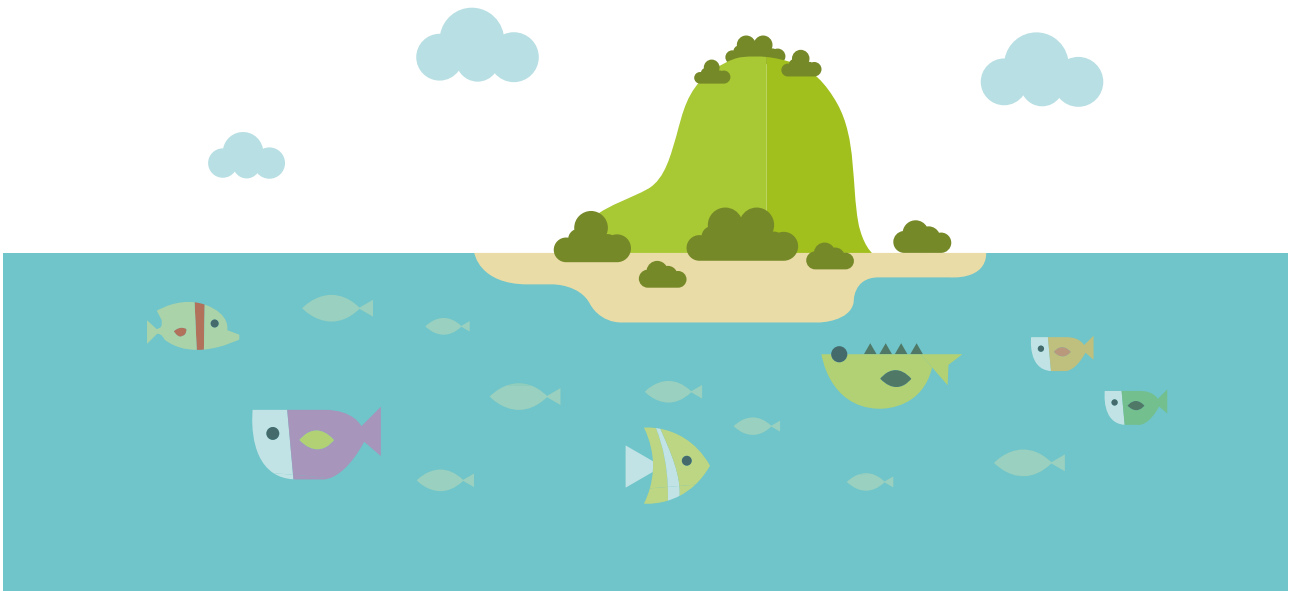
Data from our annual procurement shows we sourced 1,725,968 kgs of responsible seafood, constituting 64.3% of our overall procurement. Of this breakdown, 48.73% was sourced from fisheries and farms certified by a standard benchmarked by GSSI, 8.1% was sourced from

global FIPs, 4.45% was from fisheries and farms rated by the Monterey Bay Aquarium Seafood Watch (SFW) Program, and 2.98% was sourced from fisheries that we are evaluating under our Lifting Up Local framework.



Annual 2021 data

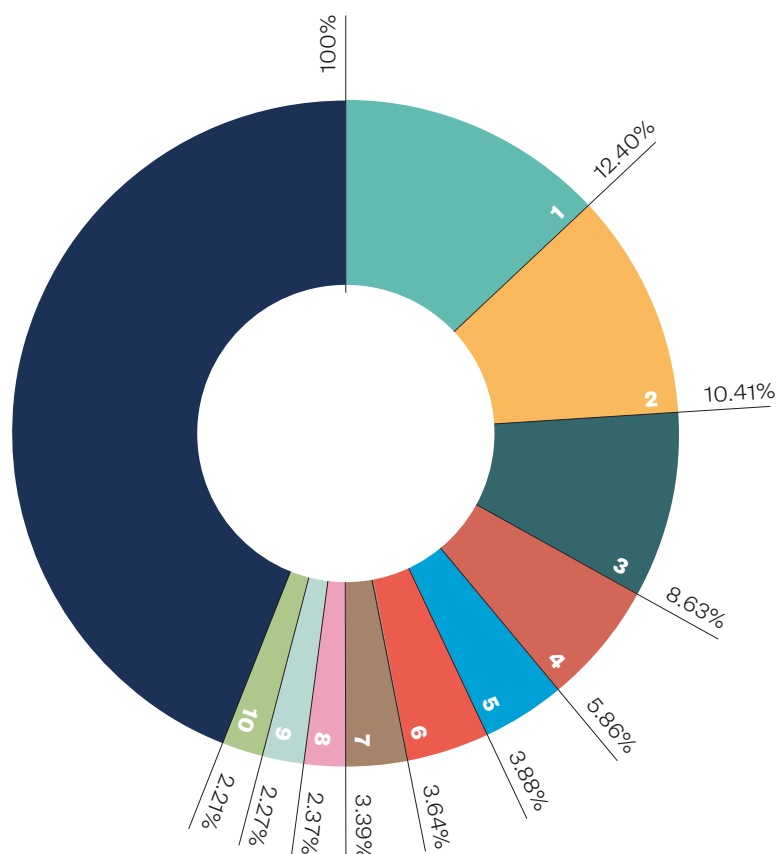
	GSSI	SFW	FIP	Lifting Up Local	Not cert.	Total (kg)
Total (kg)	841,015	76,829	139,764	51,436	616,925	1,725,968
Impact (%)	48.73%	4.45%	8.10%	2.98%	35.74%	100%



Top 10 global species (by volume)

Top 10 species of seafood consumed by Iberostar constitutes 55% (950,122 kgs) of our procurement and 84.5% (802,449kgs) of that volume was responsible.

Since our initial assessment in 2019, whiteleg shrimp has surpassed striped catfish as the most consumed species. It constitutes 12.4% of Iberostar's global volume, followed by striped catfish and Atlantic salmon. Mahi-mahi continues to be number 4 in our top 10 in both 2019 and 2020, followed by tuna and Chilean mussels, which replaced the Mediterranean mussels consumed in 2019. The camarote and common prawn were also replaced by Caribbean lobster, cod and tilapia in the 2021 Top Ten.



	Family	Species	Not resp. (kg)	Resp. (kg)	Total	Impact (%)
1	<i>Litopenaeus</i>	<i>vannamei</i>	33,496	180,547	214,043	12.40%
2	<i>Pangasius</i>	<i>hypophthalmus</i>	2,378	177,248	179,627	10.41%
3	<i>Salmo</i>	<i>salar</i>	1,875	147,119	148,994	8.63%
4	<i>Coryphaena</i>	<i>hippurus</i>	9,687	91,398	101,085	5.86%
5	<i>Thunnus</i>	<i>albacares</i>	10,407	56,541	66,947	3.88%
6	<i>Mytilus</i>	<i>chilensis</i>	7,131	55,751	62,882	3.64%
7	<i>Todarodes</i>	<i>pacificus</i>	58,460		58,460	3.39%
8	<i>Oreochromis</i>	<i>niloticus</i>	14,23	39,398	40,822	2.37%
9	<i>Panulirus</i>	<i>argus</i>	17,118	22,072	39,191	2.27%
10	<i>Gadus</i>	<i>morhua</i>	5,697	32,375	38,072	2.21%
					1,725,968	

2

Our journey to a global responsible seafood commitment

For Iberostar, the responsible consumption of seafood means the intersection of prioritizing environmental sustainability, livelihoods and safe working practices, and the economic viability of fisheries - environment, people and economy.

Our work towards seafood sustainability is only possible thanks to the guidance of our NGO partners and the support of our vendors and teams. Since the inception of our seafood program in 2018, we have worked with the Marine Stewardship Council (MSC) and the Aquaculture Stewardship Council (ASC) in certifying key restaurants in our hotels under their Chain of Custody standard and offering MSC and ASC certified seafood. In addition, our partnership with FishWise and the World Wildlife Fund

US (WWF-US) in 2019 allowed us to train our staff and understand our supply chain through data collection. It is through this work that we understood what responsible seafood meant for our hotels, and we were able to launch our seafood commitment in March of 2020, defining “Responsible Seafood” as products source from fisheries and farms that are:

Certified by a certification benchmarked and recognized by the Global Sustainable Seafood Initiative (GSSI).

Green or Yellow rated by the Monterey Bay Aquarium’s Seafood Watch program.

Credible Fishery Improvement Projects (FIPs) that are registered in fisheryprogress.org and are making measurable and time-bound improvements.

Credible Aquaculture Improvement Projects (AIPs) making measurable and time-bound improvements.

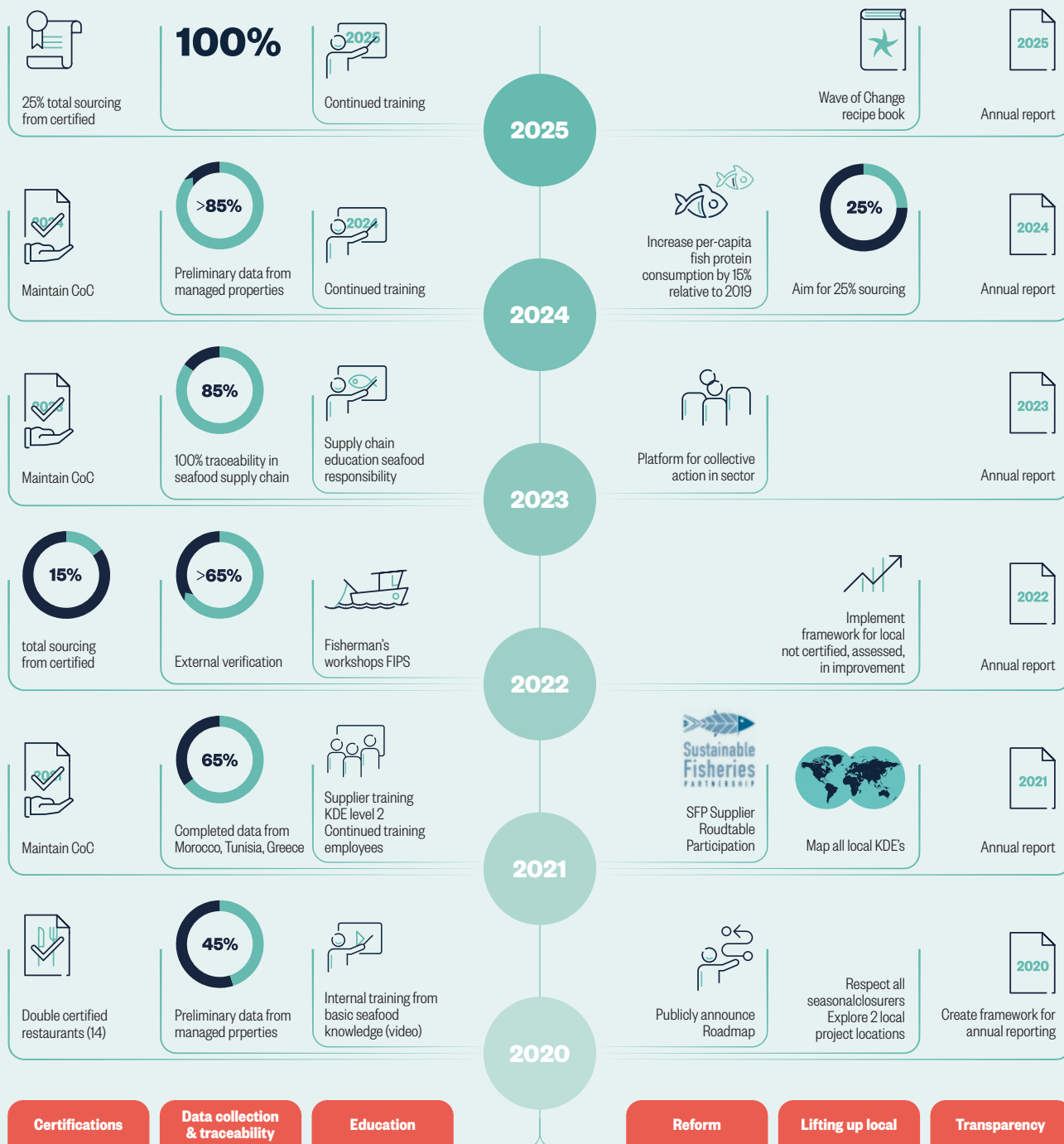


The year 2021 was also a year to further rely on partnerships to review products from fisheries that were not assessed or certified and work on defining our strategy for lifting up local and support Sustainable Development

Goals (SDG) 14.4 and SDG 14.B. This work is ongoing, and 2022 will see the launch of our framework for lifting up local and continuing to work with domestic fisheries in the geographies in which we operate.

2.1

Seafood roadmap



Back-casted goals to achieving 100% responsible seafood by 2025

2.1.1 Certifications

In 2021, we sourced 48.73% from our annual seafood procurement from fisheries and farms certified by standard that had been benchmarked by the Global Sustainable Seafood

Initiative (GSSI). In the month of December this number was 54.25% compared to 32% procurement from 2020.

2.1.2 Data collection & traceability

The complexity of our supply chain continues to be one of the most significant challenges we face. We are working with vendors and producers to simplify our supply chain and improve data collection of all our products. In the case of this report, we only had access to data collected for the 60 properties that are part of our centralized procurement. We understand that to

successfully achieve our goal of 100% responsible by 2025, data needs to include that of the properties that we manage. With that said, we have included in our strategy work to improve processes and internal systems to facilitate data collection in Morocco, Tunisia, Montenegro, Cuba and Greece and transition their purchasing to responsible sources.

We continue collecting data and expanding this process to include Montenegro, Tunisia, and Cuba. At present, Key Data Elements (KDEs) being collected includes, but is not limited to:

Species common and scientific (Latin) names

Volume of product purchased

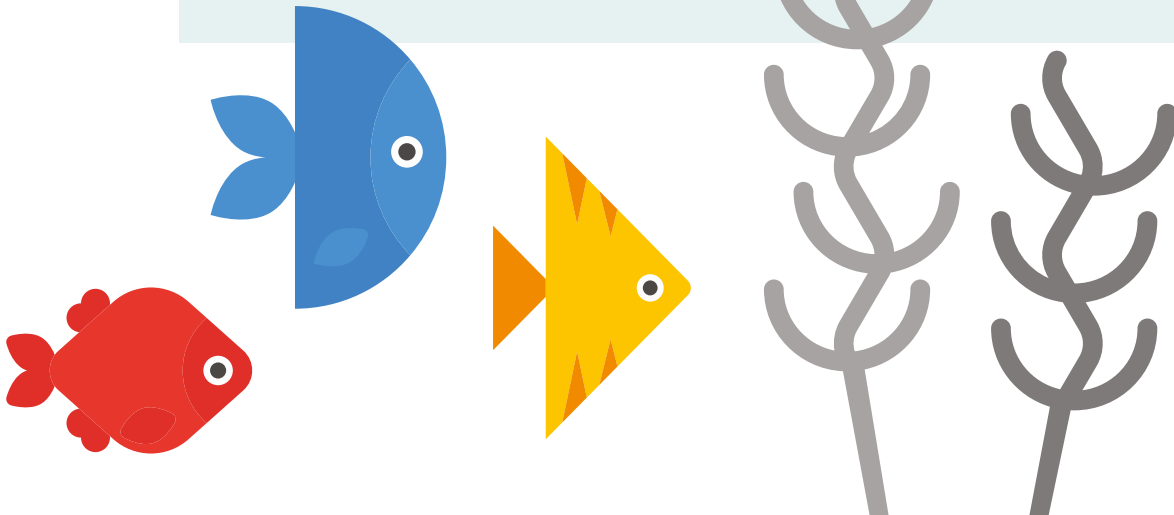
Whether the product is rated, certified or in improvement

Name of supplier

Fishery location & FAO

Farming location: Country of farming

Wild-caught or farmed designation



2.1.3 Education

Continue educating our vendors, customers and key stakeholders:

Train management and employees about issues affecting our oceans and what Iberostar is doing to address these.

Create short training videos to communicate seafood strategy with Iberostar teams as well as our position in regards to sourcing red listed species:

[Atún Rojo - Lista roja](#)

[Iberostar Seafood Strategy \(English\)](#)

[Iberostar Seafood Strategy \(Spanish\)](#)



Defining red-listed species at Iberostar

Iberostar is committed to removing endangered and/or red-list species from its sourcing entirely. To do so, we utilize different resources to help determine whether a specific species of seafood needs to be removed from our procurement. The following are the resources we use to inform our procurement.

1



WWF – Endangered Marine Species Guide.

This [guide](#) is a tool to identify species of most common concern in seafood supply chains to help seafood buyers make more responsible choices in their seafood purchasing.

2



The IUCN Red List of Threatened Species™ is the world's most comprehensive inventory of the global conservation status of biological species. Species are categorized from greatest extinction risk to least concern. To learn more, visit www.iucnredlist.org

3



The Convention on International Trade in Endangered Species of Flora and Fauna, or CITES is a global agreement between governments to follow rules to monitor, regulate or ban international trade in species under threat. Species listed under CITES are categorized into three different levels of protection. To learn more, visit www.cites.org, and to search CITES-listed species visit www.speciesplus.net.

2.1.3 Education

Appendix I.

Includes the world's most endangered plants and animals. Commercial trade in these species, or products of these species, is banned.

Appendix II.

Includes plants and animals that are not yet threatened with extinction but could become threatened if trade were to continue without regulation. Commercial trade in these species, or products of these species, is allowed, but is subject to restriction.

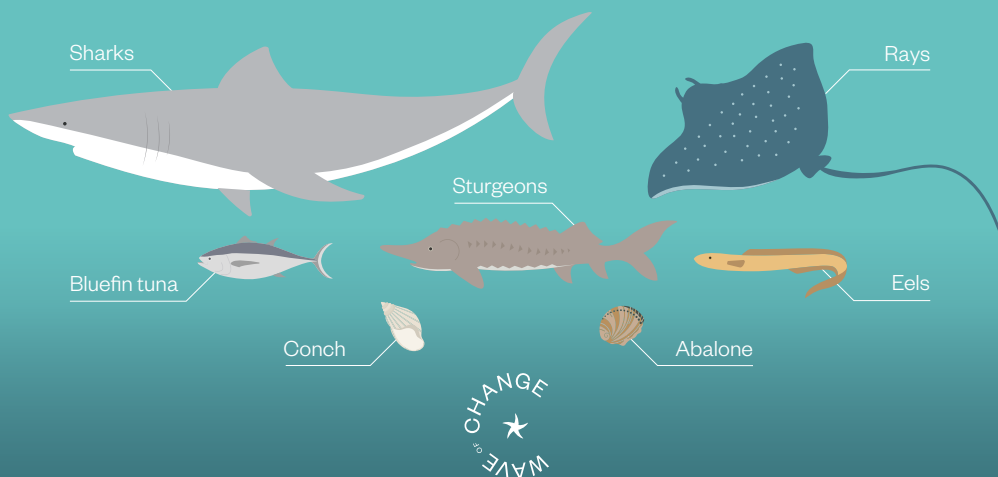
How to check red-listed items

- 1 Review if species are listed in **WWF Guide**
- 2 If not found on WWF Guide, check **IUCN**
- 3 Check **CITES**

If the species appears in any
of these lists, do not source.

If you need assistance, please contact:
Adriana Sanchez
Responsible Seafood Strategy Director

Common species to look out for



Prepare chefs and hotel personnel to help customers choose responsible seafood selections in our properties and beyond their stay.

Utilize our Wave of Change platform to share with customers about our seafood commitments and steps taken to achieve our goals.

2.1.4 Reform

Part of our objective with Wave of Change is to encourage change for a sustainable ocean economy across the sector. For seafood, this means continued engagement with existing NGO partners and the larger marine conservation community to support policy and management reforms that lead to positive environmental outcomes in fisheries and aquaculture management. Some examples of what this looks like are supporting improvement projects, supplier roundtables and workshops.

We continued to participate in high-level panels and conferences to shed light on the work we do at each hotel and challenges that are unique to the tourism industry. Our participation in panels such as the Summit Blue-ing the Circular Economy in Brazil and Latin America Fishery Improvement Project

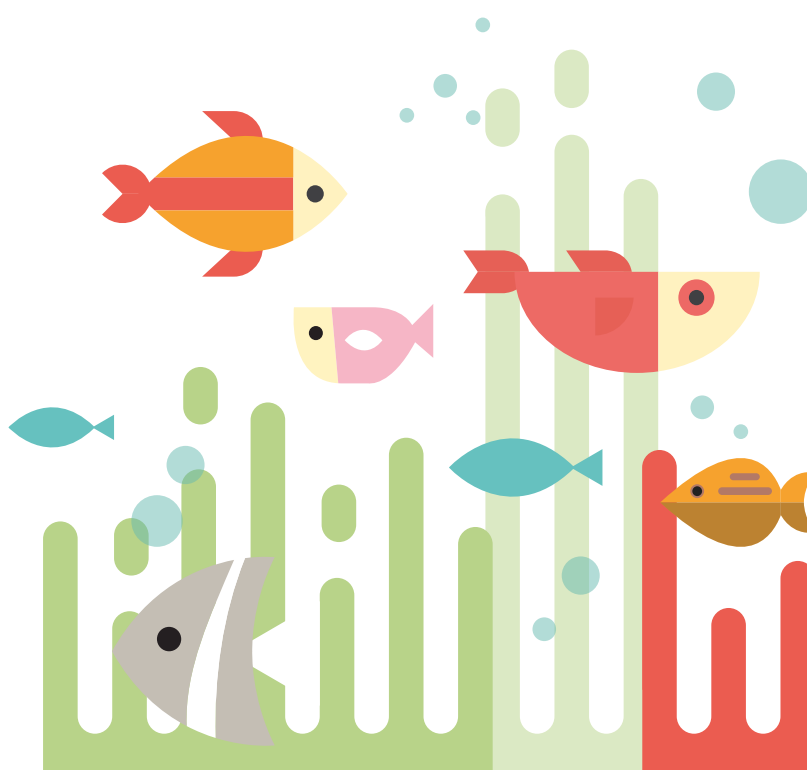
(FIP) Community of Practice continues to help us align our strategy with major global dialogues in the seafood space and avoid duplicative efforts. Our leadership in this conversation helps demonstrate the importance of including the tourism industry in these conversations and the positive impact our contributions bring towards the overall movement.

Our work on reform also includes working beyond our supply chain to provide examples for other tourism groups to adopt similar practices. This is realized through our transparency in pursuing these goals and creating platforms for collective action for multiple tourism partners to engage in responsible seafood reform.

We expect our engagement with reform to increase as we source increasingly higher portions of responsible seafood.

2.1.5 Transparency

We commit to being transparent about our responsible seafood commitments and releasing an annual status report on our findings and strategy to address gaps. We do so through this 2021 annual report on our progress towards our 2025 goal. We will also continue to inform our customers of the responsible seafood options available in our properties.



2.2 Lifting Up Local

The sustainable seafood movement has traditionally focused on high-volume fisheries in global markets. Because of the geographies in which we operate and the importance of domestic fisheries and products in securing fishers' livelihoods, we have to rethink how we define responsible seafood to be inclusive of these fisheries serving domestic markets that are not currently assessed. Therefore, it's not cost-effective for them to launch traditional fisheries improvement projects or become certified.

The challenge for Iberostar, whose seafood

portfolio expands over 200 species, is to be strategic in our approach and maximize the resources we have available to achieve our long-term objectives. Our focus has been to develop partnerships that can support our work in-country and leverage existing initiatives to avoid duplicative efforts while creating a new pathway for improvement that supports Iberostar commitments. This work is in line with SDG14 (i.e., 14.b) and supports the development of improvement pathways towards seafood sustainability which support local fishing practices and the communities that depend on them.

2.2.1 Mexico

2.2.1.1 Our journey towards 100% responsible seafood

Mexico is not only one of our most popular destinations, but it is also one of the largest exporters of seafood products into the USA. As such, it has been the focus of improvement work in fisheries as US-based consumers increasingly demand responsibly sourced seafood. Mexico is also home to a wide array of seafood options which provide an opportunity to showcase their diversity in our menus and elevate our client experience to savour these delicacies while we continue to support improvements in these fisheries.

As we embarked in our journey towards 100% responsible by 2025, we saw an opportunity to leverage the existing incredible work being

done by several NGOs, trade organizations, and leaders in sustainability in Mexico and reach our goal of 100% responsible in this destination by the end of 2021.

Achieving this bold goal in 2021 was not without its challenges. It required expediting data collection with existing providers and finding new references and products needed by our chefs that met our high quality standards, enhanced our menu offerings while remaining a cost-effective option in line with our commitment. We also continued sourcing certified and rated global products to meet our volume needs with the reopening of hotels and restaurants.



Critical to our success was the support and collaboration from our purchasing teams and operations to find alignment and opportunities for new product offerings in our menus and diversify our product selection to include products available across the country. We carried on the work

from 2020 that connected us with companies working with The Consejo Mexicano de Promoción de los Productos Pesqueros y Acuícolas (COMEPESCA) and sourced new products from existing Fishery Improvement Projects (FIPs) in this country.

2.2.1.2

Iberostar becomes first hotel chain to Join Yucatan Octopus Fishery Improvement Project (FIP)

Mexico is one of the largest Octopus producers in the world; in 2016 more than 38,000 metric tons were registered (SAGARPA-CONAPESCA 2016). Yucatan and Campeche are the biggest producer states; Yucatan reported 27,000 tons in 2016, while Campeche produced more than 9,400 tons (SAGARPA-CONAPESCA 2016). The two species, Maya octopus (*Octopus maya*) and Common octopus (*Octopus vulgaris*), have a catch representation of 74% and 26% of the total production respectively. Research by the National Institute of Fisheries and Aquaculture (INAPESCA) at the Regional Fisheries Research Center (CRIP) in Yucalpetén, Yucatan, reveals that both *Octopus maya* and *vulgaris* are endangered by illegal fishing in the region.

In 2018, the fishery underwent a draft pre-assessment by SCS Global Services, and the report served as a guide to define the strategy to achieve the sustainability of the fishery. To define this strategy, various meetings were held

with representatives of the productive sector; the National Fisheries Institute (INAPESCA), the National Aquaculture and Fisheries Commission (CONAPESCA), the Federal Attorney for Environmental Protection (PROFEPA), researchers from the College de la Frontera Sur (ECOSUR), the National Autonomous University of Mexico (UNAM) and the Marist University of Mérida.

In April of this year, the board of directors of the Octopus FIP in Yucatán was formed to create a structure and provide legal and administrative support to the project. This group will reinforce the foundations and principles on which sustainable octopus fishing is based. This roundtable is made up of industry stakeholders and NGOs. In addition, board members wrote the FIP Principles of Ethics, a commitment for the entire supply chain to comply with current regulations under the principles of collaboration, transparency, legality, traceability, responsibility and sustainability.



Octopus is a staple product in all our hotels and of gastronomic importance in all our menus. We consume an estimated 25 tons of octopus in Mexico, and the FIP proximity to our hotels provides us with the opportunity to support our long-term sustainability commitments. We

are the first hotel chain in the region to join the Yucatan Octopus FIP and financially contribute to its implementation. Because production is also exported to European markets, we see the opportunity to potentially source this product for our hotels in the EMEA region.

2.2.1.3

Looking Into The Future

Moving forward, building internal capacity and training of our staff about our products and why they are responsible will help connect our clients with our sustainable seafood goals, and we hope to inspire them to make better choices at home.

We have learned that seafood sustainability is not a one-size-fits-all journey. What works in one destination may not work in others. We are learning to use existing tools to assess our products and find opportunities for improvement while understanding that the tourism sector needs new tools

to meet its sustainable seafood needs. How Iberostar responds to the challenge of creating tools and fostering pre-competitive collaboration in the hospitality sector will further achieve our objectives.

Throughout this journey it is clear that collaboration is key. Understanding the seafood sustainability landscape in the destinations in which we operate, identifying stakeholders in the supply chain and improvement work being done by others is imperative to avoid duplicate efforts and maximize the use of resources.

2.2.2

Peru

2.2.2.1

Reimagining responsible seafood in domestic markets

Peru presents a unique opportunity to work collaboratively, as external stakeholder manages the restaurant. Furthermore, Peru's gastronomic heritage and domestic seafood consumption rely heavily on small-scale fisheries that are often not engaged in traditional paths for improvement and are not certified or assessed.

With the support of our supplier in the country, we were able to connect with Pesco Pescaderia, a self-identified fishmonger in Lima that connects local artisanal fishing products with end customers. We found their commitment

towards seafood sustainability aligned with our 100% responsible seafood commitment by 2025. This allowed for enhanced responsible fishing practices through its value proposition.

PesCo works with more than 250 allied fishermen in 12 departments and provides capacity building in responsible fishing techniques. By reducing the number of supply chain actors (intermediaries) fishermen receive values between 20% and 30% higher than traditional sales channels, strengthening the economy of fishing communities and the quality of their livelihoods.

PesCo aligns with
Iberostar's mission
by helping to create
a transparent and fair
supply chain for
seafood products.

Simone Pisu
CEO PesCo Pescaderia

Fishermen also receive training in:

Value chain from sustainable extraction, respecting closures, and minimum and maximum sizes.

Good handling of the product.

Inclusion in the financial system

Capacity Building and
Training for fishermen
and institutions



In addition to the training, simple tools are provided to help create awareness. For example, a minimum size rule of 70 centimeters is provided, facilitating the correct measurement of target species captured. The rule shows the minimum

sizes of some species such as anchovy, chita, sole, corvina and tuna so that the size is easily comparable. It also has a QR code, which opens a list of the minimum catch sizes established by the Peruvian Sea Institute.



Artisanal fisherman from Nuro measuring minimum sizes of the extracted resource.



At the end of 2021, we signed a framework for collaboration with PesCo to support their initiatives and receive all the legal documentation required to catch and land fish in a legal and sanitary manner is complied with:

Legal documentation:

Permit and fishing license for the species they catch
Registration
Boarding book

Departure declaration, which includes:

Boat (name and registration)
Fishing zone
Place and date of departure

By working with Pesco Pescadería, we support artisanal fishing products obtained from men and women dedicated to fishing in the departments of Tumbes, Piura, Ancash, Lima, Ica, Arequipa

and Moquegua. Additionally, we support farm-raised products cultivated in high Andean areas Puno and other products obtained from certified aquaculture such as scallops and oysters.



Our goal is to continue to support the work of Pesco Pescadería. We will continue to promote best practices with the fishermen he works with to incentivize data collection and ensure that producers have all the legal documentation required to capture and land fish in a legal and

sanitary manner. We are also closely monitoring the advances of other NGOs and initiatives to connect fishermen with domestic markets so that we can collaborate with them. Unfortunately, they are not ready to engage because of logistics and distribution challenges.

2.2.3 Spain

With the reopening of our hotels in Spain post-covid, we identified the need to prioritize developing a framework for lifting up local fisheries that would provide local fisheries that are not assessed, in a fishery improvement project or certified a pathway towards improvement. As a result, we signed an agreement in May with Sustainable Fisheries Partnership (SFP) to help us map our products from Spain, assess the risks associated with each fishery independently and

work with them on defining “Lifting Up Local” and developing a criteria that can be implemented globally in different fisheries. We will use this framework to further evaluate products from Spain and the destinations we operate and create a plan of action for improvements. To achieve our goal in 2025, we need to catalyze change in the water and generate additional support from the tourism sector through a collective action lens to be cost-effective and sustainable in the long term.

2.2.4 Jamaica

2.2.4.1 Jamaican lobster Fishery Improvement Strategy



Through a memorandum of understanding signed in August, we agreed with CeDePesca to carry out a project to improve the fishing practices of artisanal fishermen in the town of White House, who supply Iberostar restaurants in Jamaica. This project aims to develop an improvement strategy

as a way to consolidate responsible practices in the fishery, particularly the one located in White House. Accordingly, CeDePesca developed the following White Paper on the strengths and weaknesses of the fishery as a basis for the Action Plan to be implemented in 2022.

2.2.4.2

The artisanal fishery

This fishery is targeted by two categories of fishers:

Mainland artisanal fishers using Antillean Z-traps, diving (free lung, scuba and hoocha) and gill nets. The lobster is sold to the food and tourism industry and directly to households. Some of it also goes to the processing plant.

Offshore artisanal fishers based mainly on Pedro and Morant Banks. Fishers in this category are mainly divers. The lobster is marketed to 'packer boats' that subsequently distribute the product to the same markets as the mainland artisanal fishers.

The artisanal fishers operate from about 2,000 registered 8.4 m fiberglass boats with outboard engines (40 hp and above) with a crew of 3, and from about 900 registered 5.5 m dug-out canoes (non-mechanized).

The fish pot or trap is considered to be the primary gear, which also targets reef fish. However, divers on the mainland also target lobsters. A maximum of ten divers may travel in one vessel to the fishing grounds, and the captain keeps watch while the divers harvest lobsters. Lobster is sold locally to the public either at the boat side or via vendors, primarily women. Vendors then distribute the lobster to the catering industry. Sometimes the catch is sold to fish processors.

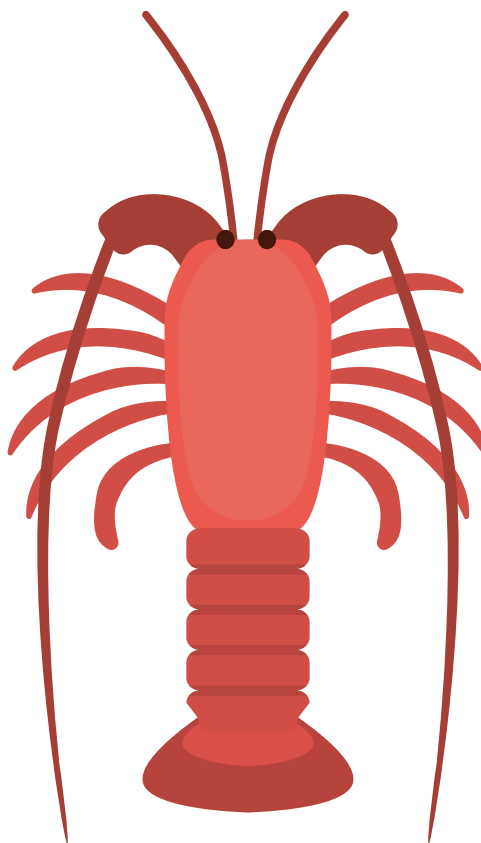
In 2019, the total production of lobster was estimated to be approximately 229 tons (Hutchinson, et. al., 2021). Landings for lobsters usually peak in March and late September. It is estimated that a maximum of 60 percent of the lobster catch is harvested by artisanal fishers, which then land the product at any of the 148 fishing beaches around Jamaica, each with varying levels of infrastructure. Usually, the trips are one day (from dawn to evening of the same day), and the vessels carry three to four people on board. If the Antillean Z-traps are used, these are normally left to 'soak' for three days, at which time the fishers return to retrieve the seafood caught in the traps.

In the artisanal sector, Antillean Z-traps (which catch both reef fish and lobsters) contribute about 65 percent of total landings, followed by divers (32%), wooden traps (2.9%) and nets (0.1%).

There is minimal discard associated with this fishery, as any fish caught usually is of marketable quality. If nets are used, these are 4-inch nets, which would allow maximum escape for many juvenile fish species. The lobsters are normally landed alive, except in the few cases where spear guns were used to harvest them.

Hutchinson and Girvan (2021) estimate that there are around 4,000 employees involved in different aspects of the lobster fishery in Jamaica, with 80% of the workforce belonging to the artisanal sector.

The results of the initial survey at the town of White House indicate that fishing activity at this locality is both conducted from the mainland with small vessels that fish in day trips with 3-4 fishers (mainland artisanal), and with larger vessels with 10-15 fishers that operate for about 3-5 days in areas that include Pedro Bank (offshore artisanal). Fishing vessels are made mostly of fiberglass regardless of their size. No fisherfolk or group uses other transportation methods than fiberglass/ wooden boats and outboard engines (Hutchinson, et al 2021).



2.2.4.3

The industrial fishery

Fishers in the industrial fishery are based on the mainland but operate mainly on the Pedro and Morant Banks from 20-35 m in length vessels. These fishers are licensed to use Florida traps only. Usually, they are contracted by processors who then sell their catch. Fish processors cater primarily for the export market.

The vessels are steel-hulled, 20 m x 5.7 m x 3 m and have inboard engines up to 500 hp. Crew size on these vessels ranges from 8 to 12 fishers. Each

vessel transports about 1000 traps, and about 500 of these are in the water at any one time. The average immersion (soak) time is about three days. Fishers spend up to three months at sea before returning to the mainland. Smaller quantities of lobsters may be transported back to the mainland by another vessel en route to the mainland.

Lobsters are exported mainly to the United States as frozen tails, and secondarily to Asia, but a local market is also linked to tourism.

2.2.4.4

Management provisions

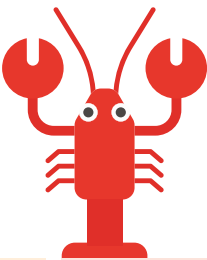
The National Fisheries Authority (NFA), within the orbit of the Ministry of Agriculture and Fisheries, is the leading agency responsible for the management, research, and policy direction of the fishing industry.

Since April 2009, new regulations govern the closure season for spiny lobsters, which has been established from 1 April to 30 June each year. The law prohibits catching, buying, or selling lobsters during the closure season. It is also against the law to catch berried lobsters (with eggs) or undersized lobsters (under 3.5 inches in carapace length) throughout the year. At the beginning of the closure season, all stored lobster must be re-

ported to the fishing authority to trade between April and June. Enforcement activities include end-of-season declarations of lobster by the processors and inspections of fish processing plants, hotels, beaches, and restaurants.

Further restrictions were placed in 2017, including limited entry and gear restrictions. In addition, the new regime allows for a license quota to be set for two years, ahead of the opening of the annual lobster fishing season. This quota can be adjusted upward or downward, and the Licensing Authority manages it. Licenses are mainly issued to industrial fishers, commercial artisanal fishers and carrier vessels (see Table 2).

Categories of lobster licenses



	Type of fishing license	Vessel type	Restriction(s)
1. Category "A"	Industrial	50' decked vessel only	2,200 traps
2. Category "B"	Commercial artisanal	Open decked vessel	Contract with a commercial entity
3. Category "B1"	Commercial restricted	Open decked vessel	100 tails limit
4. Category "C"	Carrier	Open decked	Solely receiving temporary storage, and transportation of lobster
5. Category "D"	Research / Exploratory	50' decked vessel only	Fishing location assigned FD Officer

Even though commercial licenses are issued to promote the lobster fishery as a limited-entry fishery, there are no landings limits for the commercial, artisanal lobster fishers (MoAF, 2017a), a sub-group of artisanal fishers. In addition, less than 10 percent of artisanal fishers have this license.

The license for the industrial fishers requires that they submit daily logs of where the lobsters are caught [i.e. Global Positioning System (GPS) coordinates] and where they are landed. This is to be done even if the landings from the industrial fishers are sold locally or exported. However, while there may be close monitoring of the small number of industrial fishers (about 17 licenses being given out each year), the same level of oversight seems not to be applied to artisanal fishers.

The NFA capacity for effective enforcement is limited due to constraints on staffing and funding. As a result, non-compliance remains extremely high due in part to weak linkages among the main arms of management, that is, biologically-based measures, enforcement activities and judicial arrangements, which are presently too weak to produce an adequate deterrence. Consequently, the management of the spiny lobster fishery in Jamaica is mostly that of an open access for artisanal fishers and limited entry for industrial fishers. Additional challenges include IUU (illegal, unreported and unregulated) fishing, including poaching by foreigners and locals (Morris, 2010).

Regarding competition between sectors, it is noted that the Spiny Lobster Regime (2017) sets an upper limit of 2,200 traps for each of the industrial fishers but does not set an upper limit on harvests. Therefore, in areas such as the Pedro Bank, where artisanal as well as some industrial lobster harvesting occurs, there is likely to be instances of competition among these users. The requirement that a commercial artisanal fisher should have a contract with a registered Jamaican company, excludes many artisanal fishers who do not have any written contractual arrangements, but who engage largely in oral agreements and price negotiation. In addition, licenses are granted for one lobster season for the artisanal fishers and are not guaranteed for

subsequent seasons (MoAF, 2017), while industrial fishers have licenses with a longer-term duration. Such a difference puts the artisanal fishers at a disadvantage, since they cannot plan investments reliably for more than a single lobster season. This license uncertainty would therefore contribute to limited investment in gear and other equipment by these fishers. Further, with a limit on access (annual permits), fishers may be incentivized to overfish the resource as they are unsure of future access rights.

All of the above results in economic inefficiencies and policy failures, whereby profitability in the fishery overall is much less than could be achieved with more controlled access to the fishery –which would, in turn, require an enhanced fishery management.

Overall, the management regime has been unable to adequately control fishing effort or harvests over the years, as stated by Morris (2010). He states that this situation has developed largely due to an underdeveloped management regime and proposed that a rights-based fisheries management regime would be more appropriate in addressing many of the problems facing this fishery. Besides, Cooke-Panton (2014) suggests that Jamaica's current closed season appears to have a small effect on maximum yield, although it encapsulates the time at which recruitment to the fishery is to be happening. She proposes that an August-October closure season could be more effective to protect post-larval settlement and to increase the yield-per-recruit of the fishery.



2.2.4.5 Monitoring and Research

There were a couple of attempts to evaluate the status of the stock (Murray, 2010), but the quality of data was poor, and the prediction ability of the models was shallow. According to the outcomes of different models, even with a high level of uncertainty, 200 tons should be considered a limit for removals, but in general, such a level has been overpassed.

The monitoring during the fishing season is poor, and besides, whereas other countries such

as Cuba and Australia have a sampling scheme within their closed seasons, Jamaica does not. There is no data on the spiny lobster within the closed season in Jamaica. This gap is troublesome because a holistic management plan can't be done. Such a sampling scheme needs to be developed within this period to gather data to have a more complete understanding of the spawning stock (Cooke-Panton, 2014).

2.2.4.6 Central issues in the fishery

The Jamaica lobster fishery is considered overfished, based on the joint work produced by the Central America Fisheries and Aquaculture Organization (OSPESCA)/Western Central Atlantic Fisheries Commission (WECAFC)/CRFM Working

Group on Caribbean spiny lobster (CRFM, 2009).

Already in the early 2000's, the WECAFC report (Kelly, 2002) highlighted the major obstacles for the sustainable management of the fishery, still relevant at present:

Poor understanding of stock biology and ecology

Inadequate economic data

Poor cooperation from fishers in providing catch and effort data

Complex artisanal fishery

Inadequate legislation and lack of enforcement

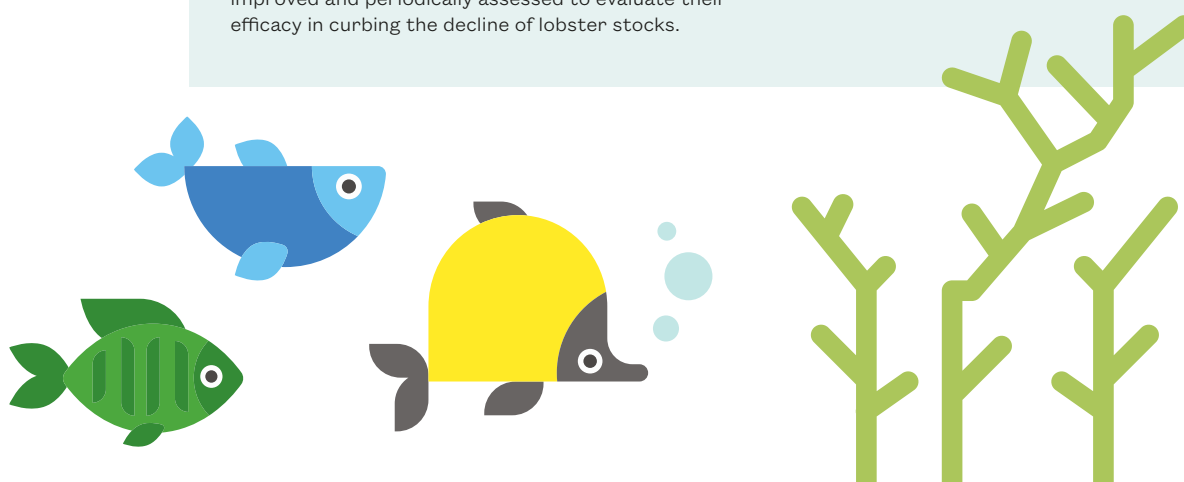
Poaching

Not efficiently prioritizing activities due to resource constraints

The WECAFC report noted the following:

There is not enough overall data on the fishery, which needs to be addressed urgently. However there must be recommendations on what minimum data is required to facilitate management plans due to scarce resources.

The current management strategies will have to be improved and periodically assessed to evaluate their efficacy in curbing the decline of lobster stocks.



In addition, other recommendations for the enhanced management of the fishery included:

Reduction of fishing effort (limit entry) and change the open access regime.

Increase in the minimum carapace length limit from 76.2 mm to at least 83 mm with increased enforcement [already done].

Possible ban on free lung or scuba as a fishing gear for lobsters.

Collect biological, catch and effort and socio-economic data (including export data) from fish processing plants.

Establishment of Marine Reserves with adequate monitoring.

Implementation of a tax on lobster exports to discourage excessive harvesting of lobsters in the industrial fishery and provide funding for data collection and management activities.

Collaboration with research institutions such as the University of the West Indies (UWI) to get assistance in collecting data and the analysis of such.

Ongoing public education to sensitize fishers, other stakeholders, and the general public on spiny lobster management.

Enactment of the new Fisheries Act to facilitate better management of the lobster fishery. The new Act will stipulate that each fishery must have specific management plans monitored by a Fisheries Advisory Committee (FAC).

On the other hand, Cooke-Panton (2014) notes that catching tar spot spiny lobsters is currently legal in the Jamaican lobster fishery. She considers this a deleterious practice, as the tar spot lobster indicates that mating has occurred and that the female is mature. By prohibiting the harvest of tar spot lobsters, the Jamaican lobster fishery would proactively protect the 'berried' or egg lobsters, thereby increasing the level of larval recruitment in the meta-lobster larval stock of the Caribbean. Cooke-Panton (2014) also warns that, in her experience, fishers seem to tend to hide the smaller-sized lobsters that they have caught and only produce the legal-sized lobsters to be measured on data collection trips. This practice would produce a skewed dataset and alter the results of studies that rely solely on fishery-dependent information.

Cooke-Panton (2014) states that Jamaica has strategies in place to protect the spawning stock and juvenile lobsters and measures geared at controlling effort at the industrial level through a limited-entry system. However, strategies such as fishing zone management, prohibition of catching tar spot lobsters, holistic sampling schemes within fishing grounds and landing sites, closed season and closed areas can be employed. These strategies are possible to achieve, although they require strong political will and decisive action from the regulatory agency to achieve a more efficient lobster fishery. If these strategies are to be employed, then a rights-based fisheries management regime as proposed by Morris (2010) may be the way to address the shortcomings in the lobster fishery to make it a more efficient one.

Cooke-Panton (2014) recommended the following:

A continuation of the pueruli [pre-recruits] monitoring program so that future analysis can be done to relate settlement to recruitment

Establishment of additional monitoring sites around Jamaica

Conduct a fishery independent survey at least 3-4 times annually with special emphasis placed on monitoring within the closed season

Prohibit the catching of tar spot lobster to increase the fecundity of the stock

Increase the minimum legal size of spiny lobster to around CL 93mm

2.2.4.7

The project

This Fisheries Improvement Strategy Project aims to consolidate responsible practices in the fishery, particularly for the one based in the town of White House. In addition, other recommendations for the enhanced management of the fishery included:

In line with international assessments, the Jamaica lobster fishery is considered overexploited. However, there is no proper stock assessment at the local level and there is no official data collection policy. Statistics are not very reliable and mostly consist of estimations, and according to Caribbean Seafood staff, official statistics would represent an undefined proportion of the total real production.

It is clear that achieving a sustainable lobster fishery in Jamaica is a complex process, not just at the national level but also -as a straddling stock or a metapopulation- at the Caribbean regional level.

Iberostar by itself has a low leverage in the fishery, where its procurements represent less than 10% of Caribbean Seafood production and maybe 20% in the future. Iberostar is an important customer, but not necessarily a decisive one.

As we could understand, the production to be sold to Iberostar comes from a great diversity of fishers among the 200 operating in White House, and Caribbean Seafood buys from other places in Jamaica. On the other hand, not all the providers belong to the artisanal sector. This could increase if Iberostar demands duplicates in the near future.

Caribbean Seafood does not have a permanent “loyal” number of fishers selling to them. There is a group that provides more regularly, but they can sell to anybody that pays more at any given moment.

All of the above suggests that the best strategy to follow would be making specific contributions to a sustainable policy, from “small” to “big”:

In the short term: Define a “data-collection policy” for Iberostar supplies, with three components:

Production data records from Caribbean Seafood classified by size, with three classes being the most usual

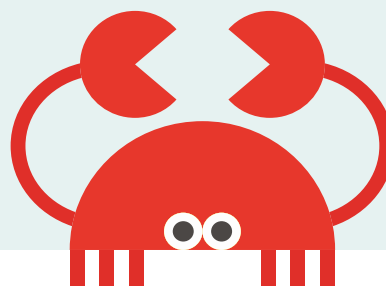
Length-structure data collected by technicians paid by Iberostar in Caribbean Seafood facilities (once per week) for the three commercial classes

On-board observers (two trips per month) to collect data related to size structure, the impact on tar spot and berried lobsters, and bycatch/discards/survival

Outreach with potential allies to build an Alliance in the long term

Dissemination of the FIS and its Action Plan.

The data gathered due to the proposed “data-collection policy” can be provided to the NFA. In 5 years, it can be provided to a fisheries scientist to secure a stock assessment. In addition, some mitigation measures can be deduced regarding the impacts on the ecosystem (if necessary).



In the medium term: Create loyalty incentives for fishers to become steady providers under certain conditions such as:

Using traps only and applying adequate techniques to avoid undersized and berried lobsters or to release them alive

Releasing protected/vulnerable species caught incidentally

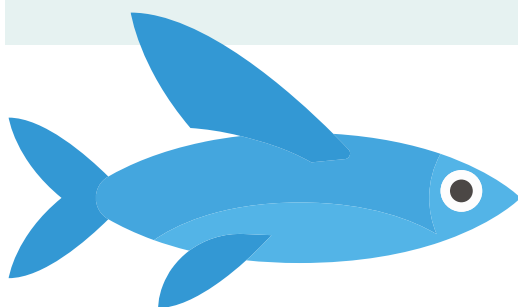
Actively collaborating with the data-collection policy by themselves or through observers on board

Once a sense of loyalty is created, it will be possible to establish a reliable traceability system, supporting Caribbean Seafood.

In the long term: Build a strategic alliance with other hotels, lobster exporters, and other stakeholders at the national and regional levels to create the right incentives for the sustainability of the whole fishery (for example, by expanding the aforementioned initiatives) filling the gaps enunciated along with this paper.

Stakeholders considered as potential allies in the improvement strategy

MoAF-NFA	Vendors
Marine Police	Processors
Coast Guard	All-Island Fisheries Development Alliance
Food for the Poor Jamaica	Jamaica Lobster Harvesters Association
Hotels-Restaurants	Jamaica Fishers Co-operative Union
Exporters	University of the West Indies
Fishers and Fishers' Associations	WECAFC
	CFRM



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2.2.5 Brazil

2.2.5.1 Seeking guidance to improve responsible seafood in Brazil

In March of 2021, we signed a partnership with Paiche Consultoria, and have worked since with Cintia Miyaji, a biologist with a Master's and Doctorate in Biological Oceanography. Cintia participated in creating the first Guide to Responsible Fish Consumption in Brazil and has worked to address the need to broaden and deepen the approach to sustainable fishing in Brazil and implement collective impact solutions. With her

guidance, we have a better understanding of the current sustainable seafood landscape in Brazil and can better address the challenges we face within our supply chain.

The deliverables with this partnership mainly focus on providing support with collecting data and evaluating our current products, helping us connect with new sources and initiatives in-country to support our sourcing needs.

Thanks to this partnership, several opportunities and initiatives have been identified:

Aliança do Atlântico para o Atum Sustentável has made all the data available from their Onboard Maps and vessel tracking with the support of Oceana and Global Fishing Watch as part of the OpenTuna initiative, the winner of the Tuna Awards 2021 in the Sustainability category, an award granted by the National Association of Canned and Fish Manufacturers (Anfaco-Cecopesca), in partnership with the Spanish Ministry of Agriculture, Fisheries and Food.

Reaching out to local initiatives and being in touch with the coordinators of the **Sustainable Management of Bycatch Fauna Project in Trawl Fisheries in Latin America and the Caribbean – REBYC II – LAC**, the result of a joint initiative between the Secretariat for Aquaculture and Fisheries (Agriculture Ministry - MAPA), FAO and the GEF – Global Fund for the Environment, to promote sustainable management and the reduction of waste in shrimp fishing in Brazil. The Shrimp Fisheries Management Plans, based on the Ecosystem Approach to Fisheries Management (AEGP), are being analyzed by the SAP/ MAPA for public availability of the documents.

Federal Rural University of Pernambuco, who coordinates a Project named **“Multidisciplinary cooperative network to support the fishery management of shrimp stocks in the North and Northeast of Brazil with an ecosystem focus.”** Assessing opportunities for improvement of the seabob-shrimp fishery in the region of the mouth of the São Francisco River, in the state of Alagoas, about 400 km north of Praia do Forte.

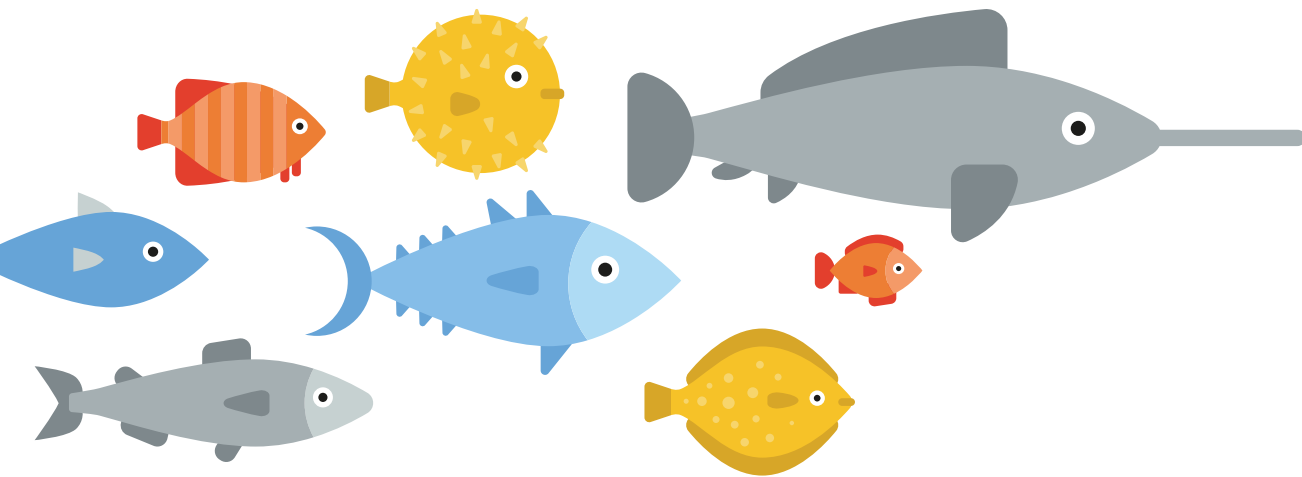
Conservação Internacional Brasil (CI Brasil) works mainly with traditional communities in marine protected areas in the south of the state of Bahia. Bahia is close to the Porto Seguro and Trancoso region's tourist hub, where Bob Shevlin is a member of CI Board and technical advisor at the **projeto Turismo + Sustentável** has a hotel, UXUA Casa Hotel & Spa.

Support an artisanal seabob shrimp fishery at Belmonte, Canavieiras Marine Protected Reserve, 500 km South of Iberostar. A group of many cooperatives and fisheries associations in the region recently organized a marketplace to commercialize many traditional local products.

We are inspired by Paiche and Iberostar's team's work and commitment in-country. We are confident that with the support of our vendors and leveraging the existing conservation work in Brazil, we can achieve 100% responsible sourcing by 2025.

3

Why we need a framework for lifting up local, coming in 2022



Over the past twenty years, the sustainable seafood movement has been driven by NGOs and buyers in the global north. As such, much of the work has focused on the environmental performance of fisheries in global markets. However, since we launched our commitment and strategy to have 100% responsible seafood by 2025, we have learned that the Seafood Sustainability journey is not a one-size-fits-all. This is why we defined “responsible seafood” in a way that reflected the reality of the fisheries and domestic markets in the different countries in which we operate and the unique needs (and challenges) that are present in our sector.

The global pandemic and the subsequent supply chain disruptions made it clear that we had to look inward and accelerate work in local fisheries under our third pillar of “Lifting up Local” to secure products and support local fishing communities. The sustainable seafood movement is also evolving

to address the intersection of social responsibility and gender with the environmental impact.

Fisheries are complex socio-economic systems and face challenges such as limited data; they often include marginalized populations as part of the workforce, lack consolidated supply chains and lack sufficient management and incentives for improvement when markets are not demanding responsible seafood.

Fisheries improvement work is multifaceted and dynamic. Rather than penalize domestic products by removing them from our procurement because they are not certified, rated, or in improvement, we decided to develop a framework that can help us further evaluate domestic fisheries and products of gastronomic importance in the countries in which we operate. This helps us better understand the impact and risk associated with sourcing these products to help inform our procurement.

**We have identified the following criteria to help
evaluate products:**

Legal framework.

Information/evaluation of the state of the stocks.

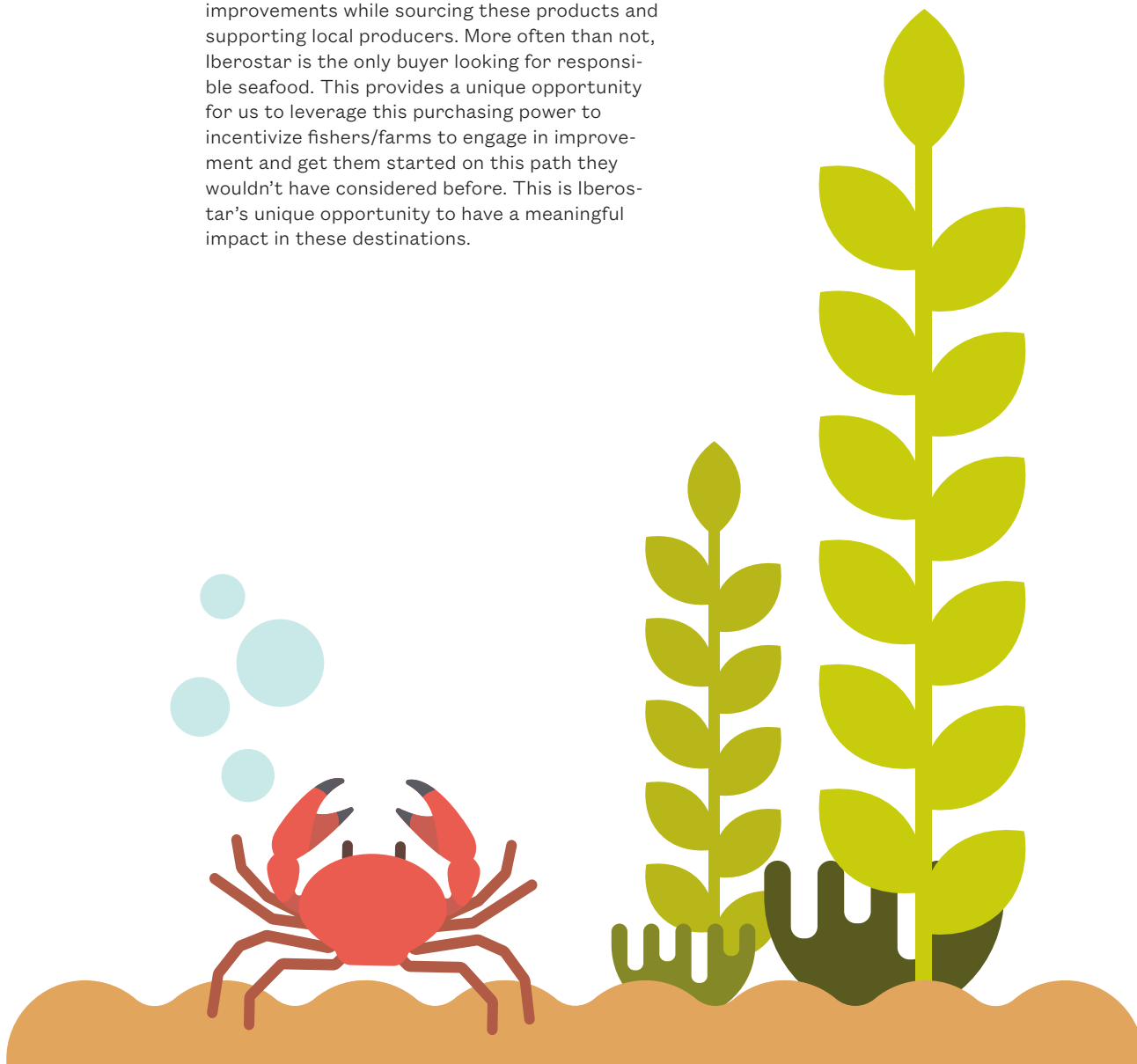
Management strategy and/or other conservation measures.

Availability of scientific data.

Environmental impact of fishing activity.

Certifications or other initiatives.

By evaluating products through these criteria, we seek to identify opportunities within our supply chains to catalyze improvements and develop a long-term strategy to support these improvements while sourcing these products and supporting local producers. More often than not, Iberostar is the only buyer looking for responsible seafood. This provides a unique opportunity for us to leverage this purchasing power to incentivize fishers/farms to engage in improvement and get them started on this path they wouldn't have considered before. This is Iberostar's unique opportunity to have a meaningful impact in these destinations.



4

Conclusions and next steps



Two years ago, we launched our seafood commitment and roadmap to achieving 100% responsible seafood by 2025. These were bold objectives made possible because of our relationship with our vendors and the large volume of seafood we consumed (3,837 tons). At that time, our large seafood procurement volume could be used as leverage to ensure that our suppliers would follow us in this journey towards sustainability and source products from fisheries and farms that met our commitment.

COVID-19 quickly changed the world,

and with it, our commercial relationships with suppliers transformed as procurement volumes decreased with hotel closures. Global suppliers closed their doors (some of them indefinitely), and we found ourselves navigating uncharted waters. We could no longer influence sourcing changes by leveraging our volume consumption, but rather, we had to find ways to support our vendors while working together to find cost-effective and operationally efficient solutions so that we could recover from the effects of this global pandemic.

- ▶ Reaching 41% of our 2020 goal was a testament to the commitment of our team.
- ▶ Reaching 75% of our 2021 goal is proof that we can build back better by leaning on our teams and suppliers to accomplish common goals with an eye towards sustainability.
- ▶ Reaching 100% Responsible Seafood in Mexico speaks to our passion and commitment to drive change and achieve what seems impossible. We exceeded our objectives by focusing on diversifying products and sources, building relationships, letting go of what did not contribute to our purpose, and focusing on sustainability as a filter for efficiency.

Continuous improvement and data collection are helping us have clarity on what the future of responsible seafood consumption means for our hotels, and the hospitality sector. After two years of working in this space, we know that seafood sustainability is not a one-size-fits-all; it's a journey. And how we experience improvement and take steps in that journey differs greatly by region. Fisheries and aquaculture farms are complex socio-economic systems and face challenges unique to their location. Their improvement depends on the available resources and whether they are within the scope of work of the major donors. The global pandemic and the subsequent supply chain disruptions and impacts to small-scale producers and water farmers have made it clear that there is still work needed to support them.

Iberostar Hotels is uniquely positioned to be a catalyst for improvement in the destinations where we operate. Though our commitment to 100% responsible seafood is bold, other global hotel brands

have made similar commitments around improving their seafood sourcing. Thus, we see an opportunity to work with the hospitality sector in a pre-competitive way to help provide market access to fisheries and farms that are on a path towards improvement and do not fit the "cookie-cutter" of certifications, ratings, FIPs and AIPs. Because there are challenges unique to our industry we need to work together to co-create tools that speak to those challenges, and that can be implemented to improve our sourcing and help secure global fisher's and water farmers' livelihoods.

There is still much work to be done. We must continue collecting data for all hotels that do not report on central purchasing and focusing on "Lifting up local" to target species that have not been evaluated and are important to our operations. We are thankful to our business partners for supporting our journey and working with us as we continue to navigate uncharted waters post-covid and improve our sourcing and leading in the sector.



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