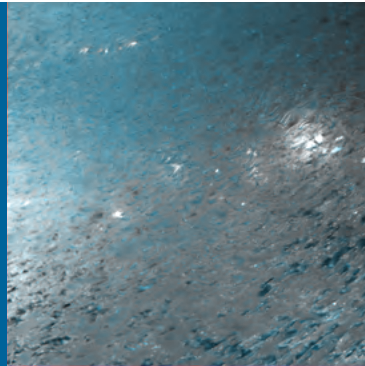


GOED

ANNUAL REPORT



2018



A message from the **CHAIRMAN OF THE BOARD**

I've been in the nutritional lipids business for more than 20 years, and more specifically in the omega-3 business for over 10 years now, and I'm still amazed at how exciting, dynamic and diverse this market is. There are probably no other health ingredients that are more researched than EPA and DHA, and there are probably no other health ingredients that are used in as many market segments as EPA and DHA, be it as a pharmaceutical active ingredient, a dietary supplement, a functional food ingredient, in infant nutrition, in clinical nutrition or as a medical food.

EPA and DHA have various proven health benefits in heart health, cognitive and mental health, maternal and infant health and eye health, not to mention many other emerging areas. This broad scope is reflected in how diverse our industry is, with close to 200 GOED members from all over the world, and a large variety of business models and product and service offerings. Our members are composed of companies using different EPA and DHA sources, from fish oil to algae oil, krill oil, plant oils and others, along the whole value chain from natural oil to the highest EPA & DHA concentrations.

Given this huge diversity and dynamism, there is one common goal that ties the omega-3 industry together, and this is our drive to create perceivable benefits and value to consumers. It is the only way for our industry to grow our market and flourish.

GOED – as a strong industry association - is the key organization to support the omega-3 industry in promoting those health benefits to consumers and to help members navigate through the regulatory and scientific complexity of the market, while adhering to the highest quality and ethical standards. In this respect GOED is not only adapting to the changing environment, but is a forerunner in shaping the future for our industry.

We have a program in place to promote omega-3s towards health care practitioners, being important influencers for consumers; we are keeping the dialogue with regulators and NGOs around the world; and we are building up a clinical study database to the benefit of all GOED members. These are just a few examples of how GOED is adding value for members to grow their business, and ultimately add value for consumers.

— Albert Strube, BASF, Chairman of the Board



A message from the **EXECUTIVE DIRECTOR**

2018 was a big year for the omega-3 industry, with new science as a major focus of the conversation throughout the year. The positive results of Ascend, REDUCE-IT and VITAL strengthened the body of evidence supporting EPA and DHA for cardiovascular outcomes and provided solid future direction for scientific research. All was not rosy, however; there was also a negative Cochrane review stating that omega-3s had no heart health benefits. The study got widespread media coverage and continues to come up as a topic in the mainstream media.

At GOED, it was a year of transitions, with former Executive Director Adam Ismail departing in March. As the new Executive Director, I am excited to carry on the great work that Adam and the whole GOED team have accomplished in the past 11+ years. We are in a good position financially and have benefited tremendously from the contributions of our Executive Council on Education and Outreach. Their support has allowed us to continue our work educating consumers and also to initiate a comprehensive education program for healthcare professionals (read more in the Accomplishments section). We are also in the midst of building a Clinical Study Database that will catalog every human clinical trial using EPA and DHA; this promises to provide unparalleled access to a better understanding of omega-3 science.

As we look ahead to 2019, the emphasis at GOED has been solidly placed on our role as quality steward for the industry. We are focused on communicating to industry and consumers the quality EPA and DHA products our members offer. We have reinstated our Randomized Testing Program and will for the first time allow our Proud Member logo to be placed on finished product labels, two initiatives that further put the quality theme front and center as we move forward.

We enter 2019 well positioned for supporting the global industry on all fronts — scientific, regulatory, technical and communications — and look forward to a solid year serving our members.

— Ellen Schutt, Executive Director

LOOKING BACK AND AHEAD

A SNAPSHOT OF OUR ACCOMPLISHMENTS IN 2018

- ▶ Reached over 500 million consumers with positive omega-3 messaging in consumer media outlets and on social media
- ▶ Educated scientists in an ISSFAL symposium about the evidence supporting omega-3s' impact on mental illness, ADHD, cognitive decline and brain injury
- ▶ Interacted with government agencies and NGO's in United States, Korea, Australia, New Zealand, Brazil, Africa, Europe and Codex Alimentarius to further their understanding of the importance of and science behind omega-3s
- ▶ Launched a health practitioner education program focused on pharmacists, nurse practitioners and physicians' assistants
- ▶ Committed to our focus on maintaining the highest quality standards in the world with an update to GOED's Voluntary Monograph that lowers maximum lead levels
- ▶ Engaged nutrition influencers with four separate educational programs to further expand outreach to consumers
- ▶ Supported future industry growth with high level educational conference, GOED Exchange 2018, with more than 250 industry executives in attendance



AND A LOOK AT FUTURE STRATEGY

As GOED looks ahead to 2019, the focus at the organization is solidly on Quality as an important theme for our membership. GOED's Voluntary Monograph is the gold standard for quality around the globe and its importance is unparalleled. In 2019 GOED will reinstate our Randomized Testing Program to maintain consumer confidence in GOED member product quality, and will more widely promote our quality focus throughout the industry and to consumers. Consumer product members will now be able to use the Proud Member logo on finished products for the first time ever, leading to more visibility for GOED as an organization built on quality.

Education – of industry, consumers, healthcare providers and global regulatory bodies – continues to be an important concentration. We introduced an improved website at goedomega3.com to give members better access to information and to improve information flow for non-members looking for omega-3 solutions and information. We are building a Consumer Community for motivated omega-3 advocates and refreshing our AlwaysOmega3s.com consumer site to include additional content. We are also continuing our health practitioner education program that was launched late in 2018. Lastly, we are planning a seminar to educate relevant governmental agencies about omega-3 science.

Monitoring and analyzing omega-3 science is also essential, as is furthering the body of research. To that end, GOED continues to build a clinical study database that will catalog every human clinical trial on EPA and DHA. The goal is to complete this during 2019 or early 2020. Also in the Science realm, GOED has commissioned a meta-analysis looking at omega-3 dose response to help us better understand and provide guidance regarding omega-3 intakes.

A major strategic decision was undertaken by our board of directors in the fall of 2018, which involves the dissolution of the Executive Council on Education and Outreach (ECEO) by the end of 2019. The ECEO has been a key financial contributor to the strategic work that GOED has done for the last three years – healthcare practitioner and consumer outreach, furthering omega-3 science, and supporting DRIs and CODEX work – and this work has benefitted all industry stakeholders. It's our belief that these projects now need to be "owned" by all GOED members rather than the small fraction of companies that made up the ECEO. The ECEO achievements were a proof of concept of the importance of these key initiatives, and we hope GOED members will see the value of funding these strategies to support further omega-3 market growth.

CONSUMER OUTREACH

nutrition PARA LA SALUD OCULAR

3 ESTADÍSTICAS SOBRE SALUD OCULAR

- 88%** de los estadounidenses cree que una buena visión es esencial para la salud general.
- Solo el **14%** de los padres se preocupa de que sus hijos desarrollen problemas de visión en el futuro.
- 78%** de los Baby Boomers clasifican la visión como el más importante de los cinco sentidos.

3 mitos comunes + datos

- Mito 1:** Mi visión y salud ocular general se afectan con la edad, sin importar lo que haga en este momento.
- Mito 2:** El deterioramiento de la salud ocular es inevitable, pero esto no necesariamente es así. Una buena nutrición de alimentos y suplementos nutricionales pueden contribuir a mantener la salud ocular a medida que envejece.
- Mito 3:** Si la visión de mi hijo es 20/20, no necesito preocuparme sobre su salud ocular en este momento.
- Mito 4:** Tendemos las bases para una visión saludable de por vida desde el nacimiento, y una buena nutrición es clave para mantenerlos sanos en el largo plazo.
- Mito 5:** Aunque los carotenoides contenidos en las zanahorias, y la lechuga y espinacas y las verduras de hojas verdes son beneficiosas para los beneficios en la salud ocular, es importante consumir otros nutrientes para la salud de los ojos, como los que se encuentran en el salmón, caballa o anchova.

omega 3s PARA LA SALUD OCULAR

Numerosos estudios muestran que los omega-3s EPA y DHA cumplen un rol importante en la salud ocular a lo largo de la vida:

- La mejor concentración de DHA en el cuerpo se encuentra en la retina del ojo, lo que significa que es un importante nutriente para la salud ocular.
- La evidencia sugiere que el consumo materno de DHA contribuye al desarrollo visual normal en el útero y en bebés amamantados hasta los 12 meses de edad.
- DHA es un importante nutriente para las células del ojo que controlan la capacidad de ver bajo diferentes condiciones de luminosidad.

La mayoría de los profesionales de la salud recomiendan que los adultos consuman 250mg a 500mg de EPA y DHA diarios para la salud y bienestar general. Existen tres formas simples de obtener los suficientes:

- Consumiendo pescados grasos, como salmón o caballa.
- Consumiendo bebidas y alimentos fortificados con EPA y DHA.
- Consumiendo suplementos de omega-3.



EPA + DHA omega-3 supplements can improve pregnancy outcomes

A study of 20,000 pregnant women showed:

- 42%** less risk of early preterm birth (1-36 weeks)
- 11%** less risk of preterm birth (37-37 weeks)
- 10%** less risk of low birth weight (< 5.5 lbs)

Omega-3s

Can omega-3s help reduce the risk of heart attacks and CHD?

The Vitamin D and Omega-3 Trial (VITAL) studied the impact of EPA & DHA omega-3s on 25,000 healthy subjects

- 28%** reduced risk of HEART ATTACKS*
- 17%** reduced risk of CORONARY HEART DISEASE (CHD)**

The results strengthen the argument that omega-3s may reduce the risk of heart attack and CHD in those without cardiovascular disease.

TOBY AMIDOR NUTRITION

The Latest Omega-3 Research and How It Affects You

This post was sponsored by the Global Organization for EPA and DHA Omega-3s (GOED). All thoughts are my own. A new study fund...

15 November, 2018 • 4 Comments

SU CEREBRO NECESITA OMEGA-3S

- Su cerebro necesita omega-3s a lo largo de la vida.
- El DHA es el ácido graso más abundante en el cerebro, pero usted debe reponer el suministro.
- Consumir al menos dos porciones de ácido graso a la semana o tomar un suplemento alimenticio de omega-3 diariamente puede, literalmente, proporcionar "alimento para el pensamiento".

EI DHA es importante para las mujeres embarazadas y que están amamantando, así como para los lactantes, para asegurar el desarrollo de un cerebro sano.

El EPA y el DHA son importantes en la infancia porque el cerebro continúa desarrollándose hasta la edad adulta.

La evidencia sugiere que el consumo de omega-3s puede mantener el desempeño cognitivo en los adultos.

EPA & DHA constituyen los dos omega-3 más importante en su dieta – y lo puede obtener de diferentes fuentes, incluyendo alimentos marinos, alimentos fortificados y suplementos alimenticios.

Omega-3s
Siempre con buena data para su cambio

PATRICIA BARNAN

Omega-3s and Brain Health – from Infancy Onward

EPA and DHA are among the most important nutrients you need for brain health. It's not a one-time benefit, but a lifelong benefit. Making sure you're getting EPA and DHA from the right sources is key to keeping your brain healthy.

Omega-3s

200 mg daily DHA

研究显示, DHA 还对人生命后期的记忆力和认知有积极的影响


HEALTHCARE PRACTITIONER OUTREACH

A hub for health practitioners on the benefits of EPA and DHA omega-3s

Home Health Benefits Fats of Life Arsenal Archive Omega-3 Basics About Us Search

RESEARCH-BACKED REASONS TO RECOMMEND OMEGA-3S


EPA and DHA omega-3s are backed by decades of research showcasing their benefits for the heart, brain, eye, and prenatal health. Omega-3s aren't just beneficial – they're vitally important for every cell in the body. This site provides important information you need to educate your patients about the benefits of EPA and DHA omega-3s.



Heart



Brain



Eye



Prenatal and Infant

Most Americans (95.7%) are below the cardio-protective levels of omega-3 fatty acids – without even knowing it. A 2017 publication¹ reported that low omega-3 intake was estimated to contribute to 54,676 cardiometabolic deaths.

Cardiovascular Health: Omega-3s Help the Heart

55,000

cardiometabolic deaths in the US are estimated to be linked to low omega-3 intake, according to a 2017 publication.¹

Investigation¹ (2017) examined the association between omega-3 intake and cardiovascular mortality. A 2017 publication reported that low omega-3 intake was estimated to contribute to 54,676 cardiometabolic deaths in the US. This number is estimated based on data from more than 250,000 individuals who were followed for 10 years. The study found that low omega-3 intake was linked to a 17% increase in the risk of cardiovascular mortality.

Read more about the link between low omega-3 intake and your patient's health.

Prenatal and Infant Health: Omega-3s Are Important for Pregnant Women and Healthy Babies

58%

of early pre-term births could have been prevented with omega-3s, according to a 2017 study.²

The omega-3 DHA is generally known as the most vital omega-3 for pregnancy and infancy. It is the main source for neuroprotection. According to a 2017 study, low omega-3 intake was linked to a 58% increase in the risk of early pre-term births. This number is estimated based on data from more than 250,000 individuals who were followed for 10 years. The study found that low omega-3 intake was linked to a 58% increase in the risk of early pre-term births.

Brain Health: Omega-3s Support Cognitive Function

DHA

is the most abundant fatty acid in the human brain.

Omega-3 is not important for brain health and function. It's been 30% of the brain's weight, and that is the most abundant omega-3 fatty acid in the brain. But the omega-3s are important for a number of things. Research has shown an increase of omega-3 for cognitive function and memory, symptoms of depression, ADHD, and recovery from traumatic brain injuries.

Eye Health: Omega-3s Protect the Eyes

88%

of Americans believe good vision is vital to overall health. Omega-3s can play a role.

The body's highest concentration of DHA is found in the retina of the eye. DHA is an important nutrient for the cells of the eye that control the ability to see color, distinguish light, and maintain focus.

The American Optometric Association states that research has shown DHA and EPA are important for proper visual development and retinal function.³

In addition to the research published in this document, you should also keep in mind that:

Medscape
Michael Lewis, MD
Founder & President, Brain Health Education and Research Institute
Author: *When Brains Collide*
Colonel, U.S. Army, Retired

RESEARCH-BACKED REASONS TO RECOMMEND OMEGA-3S

55,000 cardiometabolic deaths in the US were estimated to be linked to low omega-3 intake, according to a 2017 publication.¹

Cardiovascular Health

95% of the US population are below cardioprotective levels of omega-3 fatty acids.²

Prenatal/ Infant Health

The omega-3 DHA is important for a healthy pregnancy as it's a critical building block of a developing baby's brain, retina, and nervous system.

58% of early pre-term births could have been prevented with omega-3s according to a 2017 study.²

DHA is the most abundant fatty acid in the human brain.

Brain Health

Omega-3s are important for brain health. Research has shown omega-3s impact cognitive function, memory, symptoms of depression and ADHD, and recovery from traumatic brain injuries.³

88% of Americans believe good vision is vital to overall health. Omega-3s can play a role.

Eye Health

According to the American Optometric Association, research shows EPA and DHA are important for proper visual development and retinal function.⁴

fatsolife.com

Educate consumers on the importance of omega-3s.

Check out our downloadable resources.

Visit our website: [alwaysomega3.com](http://www.alwaysomega3.com)

Omega-3s Always a good idea!

GOED OMEGA-3

YOUR GOED DUES IN PERSPECTIVE

GOED's Profit & Loss Statement (below) reflects the fiscal year of October 2017-September 2018.

The Executive Council on Education and Outreach runs on a calendar year so the chart to the right is a snapshot of 2018 and includes money carried over from projects approved and begun in 2017 but not yet completed (such as the Clinical Study Database).

The GOED Exchange P&L spans from December 2016 through the completion of the 2018 event.

GOED Omega-3

Profit and Loss

October 2017 - September 2018

Income	
Dues Revenue	
Existing Members	1,534,300
New Members	156,500
Cancellations	<u>(198,225)</u>
Total Dues Revenue	\$1,492,575
Non-Dues Revenue	<u>28,897</u>
Total Income	\$1,521,472
Cost of Goods Sold	<u>25,749</u>
Gross Profit	\$1,495,723
Expenses	
China Outreach	12,000
Contractors	14,535
Dues, Publications, Books	6,202
IT Services	92,790
Professional Fees	64,484
Rent	39,600
Travel & Meetings	158,276
Salaries, Wages and Benefits	1,053,288
Other Admin Expenses	4,605
Fees	<u>15,572</u>
Total Expenses	<u>\$1,445,779</u>
Net Operating Income	\$49,944
Interest Expense	<u>8,600</u>
Net Income	<u>\$41,344</u>

Executive Council for Education & Outreach (ECEO)

Profit and Loss

January - December 2018

Income	\$668,667.00
Income Carryover	<u>\$203,000</u>
Total Income	\$871,667
Expenses	
DRIs & Lobbying	\$17,279.00
HCP Outreach	\$348,558.00
Public Relations	\$380,040.00
Science	<u>\$164,568.00</u>
Total Expenses	<u>\$910,446.00</u>
Net Income	<u>\$(38,780.00)</u>

A special thanks to our 2018 ECEO members



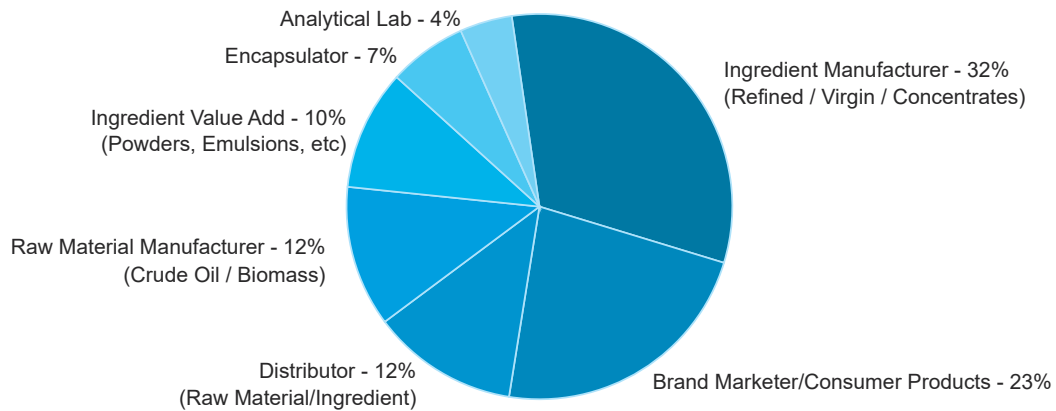
GOED Exchange 2018

Profit and Loss

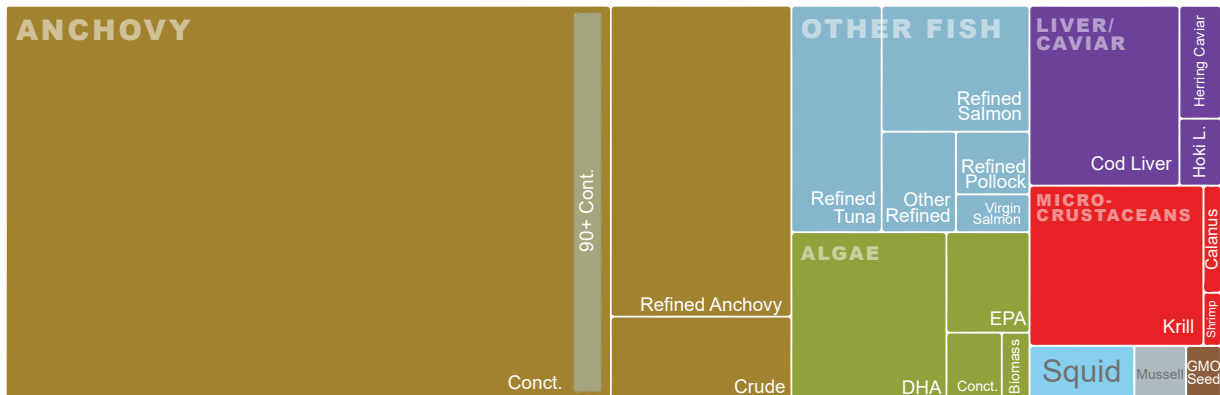
Income	
GOED Exchange	
Conference Registrations	\$218,553
Conference Sponsorships	<u>\$185,500</u>
Total Income	\$404,053
Expenses	
Exchange Conference Management	<u>\$354,736</u>
Net Income	<u>\$49,316</u>

YOUR FELLOW MEMBERS BY CATEGORY

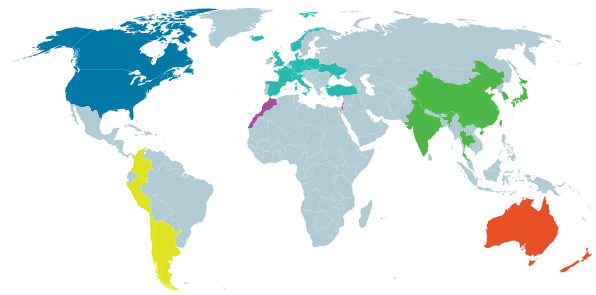
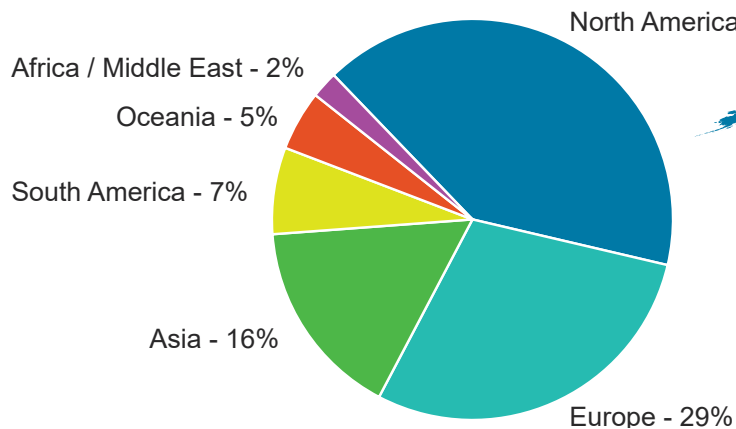
GOED Member Value Chain Positions. By Percentage



GOED Member Product Categories. By Proportion



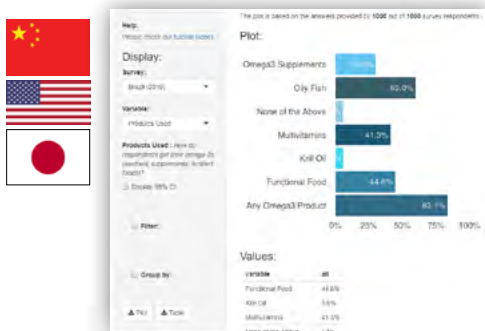
Headquarters of GOED Members. By Region



GOED ACTIVITIES

WHAT KEPT US BUSY IN 2018

- ▶ Created eight videos and infographics to educate consumers
- ▶ Revamped FatsofLife.com to provide scientifically-based information for healthcare providers
- ▶ Continued our ongoing consumer surveys (with new surveys in China, the US and Japan) to increase our understanding of consumer health and wellness behaviors and attitudes
- ▶ Mined Clinical Study Database draft to determine potential new focus areas to stimulate global omega-3 growth
- ▶ Published three Industry Advisories on topics of importance ([Expression of EPA and DHA Content in Oils](#), [Micro- and Nanoplastic Particle Contamination in EPA/DHA Omega-3 Oils](#) and [Making Dietary Supplement Claims in the US](#))



- ▶ Launched updated website at goedomega3.com to offer members better access to information and to assist non-members looking for omega-3 solutions and information
- ▶ Created Spanish-language versions of [consumer infographics](#) and [consumer website](#)
- ▶ Published annual comprehensive analysis of global omega-3 market broken out by raw material source, end use product and geography
- ▶ Participated extensively in discussions on the Codex nutrient reference value non-communicable disease (NRV-NCD) for EPA+DHA

- ▶ Provided significant input into the development of a Code of Practice document on the mitigation of 3-MCPD and glycidyl-esters within Codex Committee on Contaminants in Food
- ▶ Supported 35 members at six international trade shows with GOED-organized Omega-3 Resource Centers, designed to attract potential customers
- ▶ Gave 22 presentations at industry events and online webinars to further strengthen GOED's credibility as the expert in omega-3s
- ▶ Provided answers to more than 100 technical, regulatory, scientific, market analytical and business questions from GOED members throughout the year



GOED IN PERSON

BOARD OF DIRECTORS

- ▶ Chair: Albert Strube, BASF
- ▶ Vice-Chair: Jorge Brahm, Golden Omega
- ▶ Past-Chair: Thomas Feeley, DSM
- ▶ Secretary: Daniel Wiley, Organic Technologies
- ▶ Treasurer: Carilyn Anderson, Carlson Labs
- ▶ Monetization Officer: Miguel Calatayud, Qualitas
- ▶ Todd Norton, Aker Biomarine
- ▶ Joe Vidal, Bioriginal
- ▶ Tim Doran, Catalent
- ▶ Thomas Gulbrandsen, Epax/Pelagia
- ▶ Adam Ismail, KD Pharma | Marine Ingredients
- ▶ Arnauld Daudruy, Olvea
- ▶ Fernando Moreno, Solutex
- ▶ Gonzalo De Romaña, TASA Omega

GOED STAFF

- ▶ Ellen Schutt, Executive Director
- ▶ Harry B. Rice, PhD, Vice President of Regulatory and Scientific Affairs
- ▶ Mike Roberts, Director of Business Development
- ▶ Aldo Bernasconi, PhD, Director of Information and Research
- ▶ Gerard Bannenberg, PhD, Director of Technical Compliance and Outreach
- ▶ Chris Gearheart, Director of Member Communications & Engagement
- ▶ Elana Natker, Director of Consumer and Healthcare Practitioner Communications
- ▶ Mark Myers, Controller

GOED COMMITTEES

Communications Committee

The GOED Communications Committee concentrates on providing guidance on all communications-related activity. This includes sharing feedback on consumer and health practitioner education materials under development, as well as commenting on member-facing communications such as [GOED's new website](#), completed during 2018.

Regulatory Affairs Committee

The GOED Regulatory Affairs Committee monitors and analyzes regulatory developments related to EPA and DHA in all geographies and provides input on regulations and policies relevant to the omega-3 industry. Committee members also participate in global regulatory and scientific meetings, offer expert opinions and educate government agencies around the world on the health benefits associated with EPA and DHA.

Science Committee

The GOED Science Committee focuses on fostering a deeper understanding of the health benefits of EPA & DHA omega-3 fatty acids through the current scientific literature. In addition, the committee monitors ongoing clinical studies and those about to publish in order to help prepare the industry for any potential neutral or negative studies that will need to be addressed, as well as positive studies that can be used to promote increased intake of EPA & DHA.

Technical Committee

The GOED Technical Committee is responsible for keeping the GOED Voluntary Monograph and Technical Guidance Documents updated. Additionally, it evaluates testing programs, technical guidelines and regulations from bodies around the world, assists with analyses of products in the marketplace and answers technical questions from GOED members.



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www.fatsoflife.com



www.alwaysomega3s.com