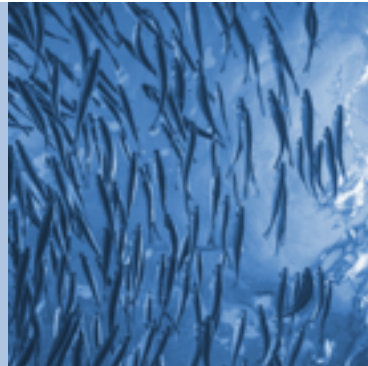
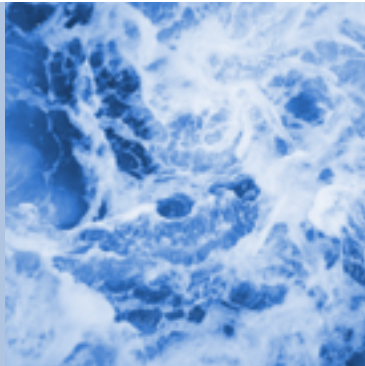




ANNUAL REPORT



2019



A message from ELLEN SCHUTT, EXECUTIVE DIRECTOR

As I write this, we are in the middle of a global pandemic and the immediate focus is on the COVID-19 situation and how it is impacting our business and the world at large. While it's important to acknowledge the current state of affairs, it is also relevant to reflect on the focus of this Annual Report, GOED's 2019 activities.

Overall, 2019 was a good year for omega-3s, and GOED was active on many fronts. GOED's work spans more than one year generally and this is true for the past year – we spent much of the year working on a comprehensive meta-analysis on EPA and DHA dosage as it relates to cardiovascular outcomes, as well as continuing work on our one-of-a-kind clinical study database, yet both are still ongoing. Similarly, we made strides in our ongoing objectives of educating consumers and healthcare practitioners, with a new team member, fresh marketing materials and a consumer-facing newsletter among the achievements. We also added member service offerings with an expansion of our Proud Member Logo program, a more user-friendly member website and the opportunity for better visibility for members through enhanced directory listings on our website. Speaking of multi-year projects, 2019 saw years of waiting come to a close with the approval by the US FDA of a qualified health claim linking omega-3s to a reduction in blood pressure. Read more about our accomplishments beginning on page 4.

GOED had a solid year financially in 2019, ending the year with a net income of US\$126,000, allowing us to set up a cash reserve for the first time. 2019 also marked the final year of GOED's Executive Council on Education and Outreach (ECEO), a key group of companies that helped fund many important initiatives over the four years of its existence. GOED has adjusted our member dues structure to compensate for the discontinuation of the ECEO and will use the work done by this important group to kick start future work in our key areas – science, DRIs/Codex, consumer education and healthcare practitioner outreach.

We look forward to continuing to work with and support all of our members through 2020 and beyond.

A message from ALBERT STRUBE, CHAIRMAN OF THE BOARD

At the time these lines are written, we find ourselves amid the global coronavirus crisis, and it is difficult to look back to the past year 2019, as we instead focus our energy on the health of our families and communities, continued well-being of our business, and the support of GOED as our advocate to provide us guidance through this crisis.

In 2019 we further professionalized GOED's structure and member services. We now have an established communication channel to healthcare professionals, and we added a position to the GOED team to further manage and coordinate this access to important key opinion leaders. We also have made significant progress in building our omega-3 clinical study database, which should – for omega-3s as a science-based industry — become a unique tool for scientists and marketers alike.

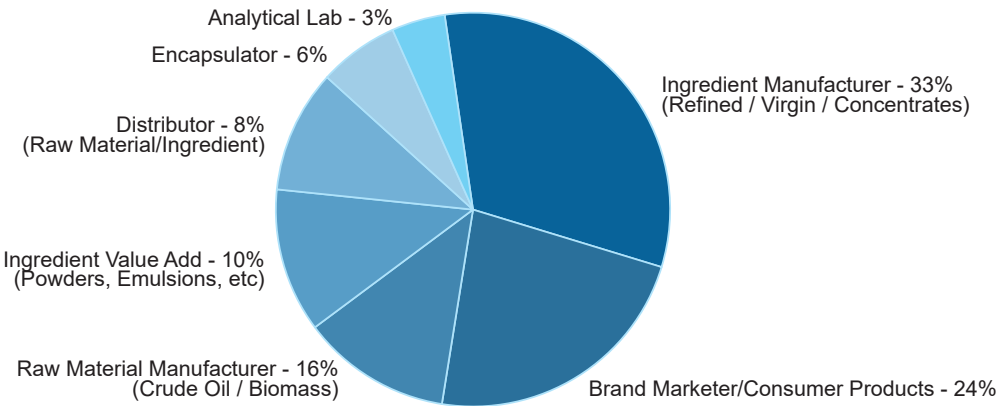
The GOED board continued to advise on GOED's strategy, and our focus on educating consumers and healthcare professionals and furthering omega-3 science remains important going forward. The professionalism that GOED has demonstrated during this last year makes us confident that GOED can support and guide member companies through the coronavirus crisis and future challenges.



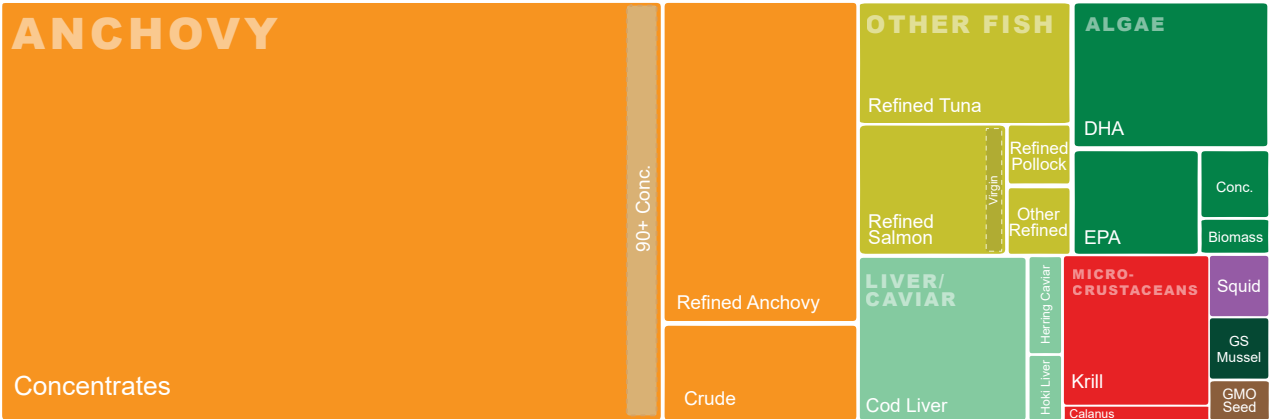
GOED MEMBERS BY CATEGORY



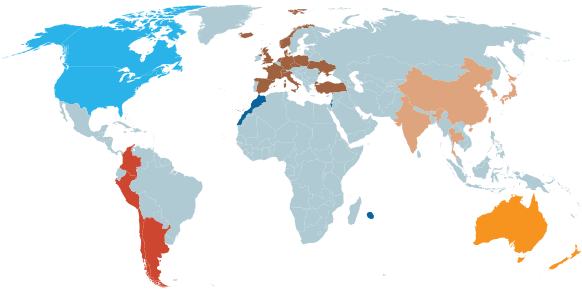
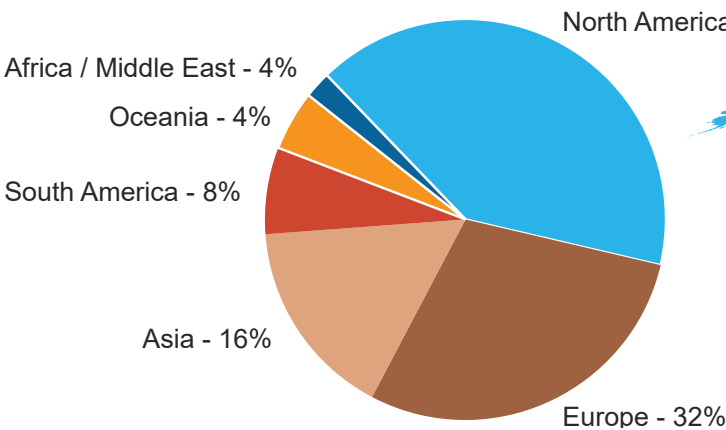
GOED Member Value Chain Positions. By Percentage



GOED Member Product Categories. By Proportion



Headquarters of GOED Members. By Region



GOED ACTIVITIES IN 2019

ALL YEAR LONG

- ▶ Reached more than **300 million consumers** with omega-3-positive messaging in GOED-owned social media postings and in earned media placements in major publications such as Livestrong.com, Washington Post online, Business Insider, SheKnows and Yahoo! Lifestyle.
- ▶ Deployed 25 advertising campaigns of various types to nurse practitioners, physician assistants and pharmacists that garnered more than **1.5 million impressions**.
- ▶ Refuted negative media stories, biased editorials and inaccurate scientific publications.
- ▶ Visited 33 member companies around the world.
- ▶ Held member meetings throughout 2019 at industry trade shows.
- ▶ Gave 15 presentations at industry conferences, member-sponsored customer events and/or webinars.
- ▶ Supported dozens of members at six international trade shows with GOED-organized Omega-3 Resource Centers, designed to attract potential customers for member companies as well as new members for GOED.

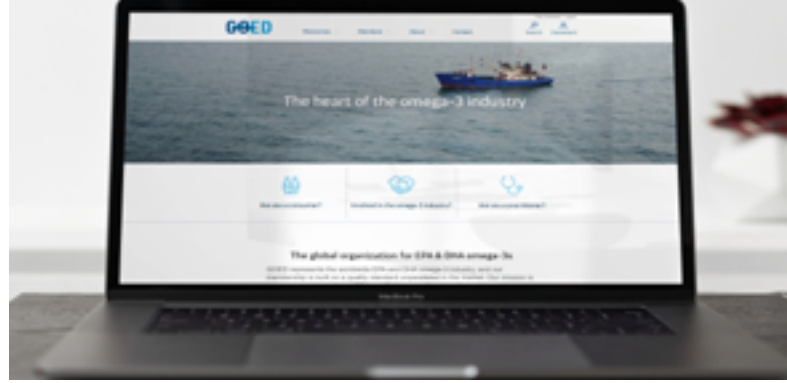
Q1

- ▶ GOED launches brand new website for members with more user-friendly interface and additional information.
- ▶ GOED sponsors a presentation by ISSFAL President Dr. Richard Bazinet at the Integrative

Healthcare Symposium for healthcare practitioners.

Q2

- ▶ GOED launches GOED Proud Member logo program for consumer product labels. By the end of 2019, the logo appears on 23 products in Australia, Italy, Turkey, and the US.
- ▶ GOED provides comments to the China Health Products Association advocating for the addition of fish oil to the Health Food Raw Materials List in China.
- ▶ US FDA grants a qualified health claim linking EPA and DHA to a reduction in blood pressure as a result of a health claim petition filed by GOED.
- ▶ GOED advocates for the addition of DHA to European complementary foods intended for infants and young children to the European Commission.
- ▶ GOED launches the Tip of the Month series for consumers on Facebook and Twitter.
- ▶ GOED holds webinar, in conjunction with sister organization United Natural Products Alliance (UNPA), on Intentional Adulteration Guidelines to educate members about new requirements.
- ▶ GOED cultivates expertise in contaminants of concern to omega-3s, including 3-MCPD, glycidyl ester, and other process contaminants, collecting data from members, submitting analyses to international governmental bodies and presenting as expert at industry conference on the topic.



Q3

- ▶ GOED begins collecting occurrence data for dioxins and PCBs in members' EPA/DHA omega-3 oils for later submission to the European Food Safety Authority.
- ▶ GOED presents at the National Nurse Practitioners Symposium (NNPS).
- ▶ GOED revamps the AlwaysOmega3s.com consumer website, making it more mobile-friendly and adaptable.
- ▶ GOED co-develops educational content on omega-3 benefits for prenatal health for policymakers with IADSA.



Q4

- ▶ The US National Organic Standards Board (NOSB) votes to retain fish oil on the list of non-organically produced agricultural products allowed as ingredients in or on processed products labeled "organic," partially as a result of commentary provided by GOED during deliberations.
- ▶ GOED creates new consumer infographic on the differences between ALA and EPA+DHA.
- ▶ GOED participates in FNCE, the Food and Nutrition Conference and Expo and premier event for registered dietitians.
- ▶ GOED updates Technical Guidance Documents to provide additional guidance to members on technical matters covered in the GOED Voluntary Monograph.
- ▶ GOED develops new infographic for healthcare



TEST YOUR OMEGA-3 IQ



practitioners, “Just the Facts: Omega-3s and Bleeding Risk.”

- ▶ GOED publishes the 2018 edition of annual EPA and DHA Ingredient Market Report.
- ▶ GOED launches Omega-3 Insider consumer community.
- ▶ GOED participates in Canadian omega-3 DRI workshop.
- ▶ GOED submits comments to the US Dietary Guidelines Advisory Committee to ensure understanding of the relevant science to be considered for 2020 Dietary Guidelines.
- ▶ GOED completes annual Randomized Testing Program analyzing 24 member products for quality, oxidation and label content parameters.
- ▶ GOED completes the initial phase of the Clinical Study Database.

JUST THE FACTS: Omega-3s and Bleeding

Concerns about omega-3s and bleeding are not supported in scientific literature.^{1,4}

Research has found that supplementation of fish and DHA+epa supplements does not increase bleeding risk.^{1,2}

A recent study found that people with more omega-3s in their blood before surgery were not at higher risk of bleeding during and after surgery.³

Less than 0.001% of adverse event reports from the U.S. FDA noted abnormal or prolonged bleeding associated with fish oil.⁵

Research also supports that omega-3s are cardioprotective. EPA and DHA omega-3s help:

- Reduce the risk of cardiac death⁶
- Reduce triglycerides⁷
- Reduce blood pressure⁸
- Allow blood to move freely by inhibiting clot formation without increasing the risk of bleeding⁹

The benefits of getting enough omega-3s on a daily basis far outweigh the risks of bleeding.

Aim for at least 500 mg EPA + DHA omega-3s per day by eating fatty fish or taking a supplement.

References:

1. Go to <https://www.fda.gov/oc/ohrt/omega3s.html>
2. Go to <https://www.fda.gov/oc/ohrt/omega3s.html>
3. Go to <https://www.fda.gov/oc/ohrt/omega3s.html>
4. Go to <https://www.fda.gov/oc/ohrt/omega3s.html>
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8. Go to <https://www.fda.gov/oc/ohrt/omega3s.html>
9. Go to <https://www.fda.gov/oc/ohrt/omega3s.html>

Fats of Life

Images (From top to bottom)

1. Brand new Goedomega3.com website
2. ISSFAL President Dr. Richard Bazinet, presenting on GOED's behalf at International Healthcare Symposium.
3. The GOED Proud Member logo
4. Updated AlwaysOmega3s.com consumer website
5. The Tip of the Month series on Facebook
6. Consumer infographic on ALA vs. EPA+DHA
7. HCP infographic on bleeding
8. The Omega-3 Insider Community newsletter





GOED Omega-3

Profit and Loss

October 2018 - September 2019

Income	
Dues Revenue	
Existing Members	1,544,100
New Members	109,900
Cancellations	<u>(181,000)</u>
Total Dues Revenue	\$1,473,000
Non-Dues Revenue	<u>45,860</u>
Gross Profit	\$1,518,860
Expenses	
FIXED EXPENSES	
Dues, Publications, Books	5,888
IT Services / Newsletter / Website	44,906
Other Admin Expenses	23,528
Professional Fees	21,828
Rent	30,800
Salaries, Wages and Benefits	1,051,948
Travel & Meetings	159,921
Total FIXED EXPENSES	1,338,820
VARIABLE EXPENSES	
China Outreach	12,000
Market Research	31,427
Randomized Testing Program	<u>10,597</u>
Total VARIABLE EXPENSES	<u>54,024</u>
Total Expenses	<u>\$1,392,844</u>
Net OPERATING Income	\$126,016

Executive Council for Education & Outreach (ECEO)

Profit and Loss

January - December 2019

Income	\$693,000
Expenses	
DRIs & Lobbying	\$13,952
HCP Outreach	\$142,554
Public Relations	\$192,520
Science	<u>\$167,392</u>
Total Expenses	<u>\$516,417</u>
Net Income	\$176,583

Thank You to our ECEO

2019 marked the end of the Executive Council on Education and Outreach (ECEO). The ECEO was born from several key GOED members in 2016 to support GOED initiatives in four strategic areas – furthering omega-3 science, combating negative media and educating consumers, building a healthcare practitioner outreach program, and pushing forward DRIs and Codex recommendations. Since its inception, the ECEO helped guide GOED's work in these important focus areas and many of the accomplishments reflected on the pages of this Annual Report have been achieved through the support of this forward-thinking group of companies. While the ECEO has run its course and future projects will need to be financed solely through GOED member dues, the companies shown below deserve a debt of gratitude for helping GOED further our mission to grow the omega-3 industry on a global basis.

ECEO Members



GOED STAFF

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



1075 Hollywood Avenue
Salt Lake City, UT 84105, USA
+1 801-746-1413
www.goedomega3.com
info@goedomega3.com



www.fatsoflife.com



www.alwaysomega3s.com