



WWF

SUSTAINABLE
FINANCE

2023

ADDRESSING ESG RISKS IN SEAFOOD THROUGH FINANCE SECTOR ENGAGEMENT

Our oceans provide a range of goods and services, many of which depend on healthy ecosystems. The production of seafood, for local consumption, or for trade as a soft commodity, is one of the most widely recognized blue economy services that a healthy ocean provides.

But unsustainable fishing in the **greatest threat** to the health of ocean ecosystems, and is compounded by issues like climate change and habitat destruction from coastal development. Fisheries management varies greatly from country to country and from stock to stock, from tightly regulated fisheries with high transparency to situations with poor or limited management and little independent observation and validation. At the same time human rights, worker safety and labor violations in both aquaculture production and wild capture (often linked to illegal, unreported and unregulated (IUU) fishing) are

increasingly, and appropriately in the media spotlight revealing the significant potential reputational, market and regulatory risks associated with parts of the seafood industry. **These risks – often hidden through complex, opaque, and transnational supply chains – indirectly affect financial institutions (FIs) who provide capital to the companies that participate in the seafood industry.**



WWF is currently working with finance sector actors to support them in identifying and acting on ESG risks in the seafood sector by:

1

CONDUCTING INDUSTRY RESEARCH AND PUBLISHING ACTIONABLE GUIDANCE for banks and asset managers to help them strengthen their: seafood sector policies, ESG risk assessment processes, company engagement efforts and “sustainable” product criteria.

See two new reports published in 2023: [Above Board](#) and [Getting Underway](#)



3

CO-LAUNCHING AN INVESTOR COLLABORATION TO ENGAGE THE SEAFOOD SECTOR ON KEY NATURE RISKS AND IMPACTS. Together with the FAIRR Coller Initiative, UNEP FI's Sustainable Blue Economy Finance Initiative, the World Benchmarking Alliance (WBA), and Planet Tracker, WWF will be convening a group of like-minded investors to conduct targeted engagement with key seafood companies. The initiative will support investors to develop targeted asks and leverage their collective power to strengthen companies' commitments to and implementation of best practice in seafood sustainability.

2

HOSTING A SELF-PACED E-LEARNING COURSE – Seafood Sustainability 101 for finance professionals.

The one hour, online course is being offered via a free pilot for a limited time through May 31, 2023.¹ By the end of the course, learners will:

- » Understand how business-as-usual (BAU) seafood production, distribution, and consumption is having negative ESG impacts – including biodiversity & nature loss, climate impacts, and illegality & human rights abuses,
- » Be able to articulate how these ESG issues can transmit material risks to financial institutions,
- » Be equipped with practical strategies to both manage your own institution's exposure to seafood sector ESG risks, and identify and develop sustainable investment opportunities, and
- » Know where to find additional support via collaborative initiatives, guidance, and tools



For more information about this initiative, visit <https://www.fairr.org/engagements>

¹ From June 2023 onward the course will be offered for a fee, in line with ASFI Academy's other courses. Please contact klaya@wwf.sg if you are interested in more details about how to access the course either as an individual or through an enterprise license agreement.