CEUs – New Process

Certified Crop Advisor (CCA)

• Sign in and out of each session you attend.
• Pickup verification sheet at conclusion of each session.
• Repeat this process for each session, and each day you wish to receive credits.

Pest Control Advisor (PCA), Qualified Applicator (QA), Private Applicator (PA)

• Pickup scantron at the start of the day at first session you attend; complete form.
• Sign in and out of each session you attend.
• Pickup verification sheet at conclusion of each session.
• Turn in your scantron at the end of the day at the last session you attend.

Sign in sheets and verification sheets are located at the back of each session room.
SNAPSHOT OF KOREA

BUSINESS & ECONOMY
11th Biggest Market by GDP
51 million population
27th by GDP per capita
17 Korean companies in Fortune 500
3.0 percent: Growth outlook for 2017
6th largest exporter in 2017

CULTURE
Vibrant K-Pop and “Korean Wave”
Fast adoption of new technologies across industries
Expanding demands for enjoying cultural life due to increased quality of life

TRADITIONAL MEDIA
12 National Dailies
20 Business Dailies
100+ Regional Dailies
4 Newswires
8 Terrestrial TV
150 Cable TV
1500+ Online News

LIFESTYLE
Demand for “small luxury” goods for self-investment
Products and services targeting fast-growing single household consumers are booming
Social media influencers, especially beauty, are rising followed by social media-centric lifestyle

DIGITAL MEDIA
1st largest Internet users
1st largest social media usage
Top 5 digital media
6th biggest market spending the most on digital media

POLITICS
Government change to Moon Jae-in regime after “Choi-gate scandal” in 2016
Recovering trust through government’s efforts to communicate with public
Emphasis on coexistence with local businesses by regulating conglomerates
THE KOREAN WAVE
HALLYU: THE KOREAN WAVE
'It would not be an exaggeration to say that Hallyu is the world’s biggest, fastest cultural paradigm shift in modern history’

-Euny Hong
When it comes to innovation, technology, effectiveness, and affordability, Korean beauty is the world leader.
K-Beauty

Women
Korean women spend twice as much on beauty as American women.

Men
Korean men spend far more on skincare than men anywhere else in the world.
Foreigners spent $235 million in South Korea on plastic surgeries and dermatology treatments last year.
K-BEAUTY INNOVATION

In 2015, Korea exported $2.6 billion worth of cosmetic goods, more than double what they exported in 2012.

- By 2020, the Korean beauty industry is expected to hit $13.1 billion.
- Korean beauty technology is estimated to be 12 to 14 years ahead of the U.S.
K-BEAUTY IN THE UNITED STATES
RESISTANCE OF KOREAN WAVE
REGULATORY UPDATE | SOUTH KOREA

Beth Van Meter, Senior Specialist, Global Technical & Regulatory Affairs
Maximum Residue Limits (MRL’s)

January 2017: South Korea implemented its first tier to its new positive.

Positive list tiers were split out between commodities. Almonds were under the first tier.

- 71 compounds have been confirmed
- 5 compounds confirmed to have data packages submitted by registrants

Second Tier of the positive list is currently under way. ABC is closely following the second tier to be sure new changes will not affect almonds.
First time exporters are subject to the Multi Residue Screen (58 Compounds)

Exporters will be subject to the screening again if a compound is added to the list or if an MRL on the list is revised.

Multi Residue Screen applies to 24 compounds that are relevant to almonds

### South Korea Multi-Residue Screen Compounds

<table>
<thead>
<tr>
<th>Compound</th>
<th>Compound</th>
<th>Compound</th>
<th>Compound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acetamiprid</td>
<td>Chlorothalonil</td>
<td>Dichlorvos</td>
<td>Methoxyfenozide</td>
</tr>
<tr>
<td>Azoxyystrobin</td>
<td>Chlorpyrifos</td>
<td>Fenpropathrin</td>
<td>Permethrin</td>
</tr>
<tr>
<td>Bifenthrin</td>
<td>Cyhalothrin</td>
<td>Flubendiamide</td>
<td>Phosmet</td>
</tr>
<tr>
<td>Boscalid</td>
<td>Cypermethrin</td>
<td>Iprodione</td>
<td>Pyraclostrobin</td>
</tr>
<tr>
<td>Captan</td>
<td>Cyprodinil</td>
<td>Malathion</td>
<td>Pyrimethanil</td>
</tr>
<tr>
<td>Carbaryl</td>
<td>Diazinon</td>
<td>Fenhexamid</td>
<td>Thiamethoxam</td>
</tr>
</tbody>
</table>

LAUNCHED ON JUNE 1, 2016
The U.S. – Korea Free Trade Agreement came into force on March 15, 2012
Almond tariffs were reduced to 0% upon ratification of KORUS
1st Special Session held on August 22nd, 2nd Special Session held on October 4th
U.S. focused on the trade deficit between the two countries
Korea has also defended the agreement stating that the U.S. trade deficit has decreased by 38% since January 2017, from $13.2 billion to $8.2 billion
President Trump and President Moon agreed to speed up KORUS discussing after meetings held during the first week of November.
On again / Off again threats from U.S. to withdraw from KORUS
New regulations took effect on January 1, 2017 for specialty labeled foods such as kosher, halal, and vegan. Certifiers of these foods must register with the Ministry of Food and Drug Safety (MFDS).


KOSHER/HALAL REQUIREMENTS
SOUTH KOREA | PROGRAM UPDATE

Melissa Mautz, Almond Board of California
Modern and trendy female consumers

KOREAN CONSUMERS

Independent and open-minded
Sensitive to trends
Highly interested in beauty and weight management
Willing to invest in premium goods
Digital-savvy and actively communicate via social media
OUR CHALLENGE IN SOUTH KOREA

WITH POPULARITY SOARING, THE COMPETITION IN THE MIXED NUTS IS GETTING FIERCE
WALNUTS AS THE “HEALTHIEST” NUT

Walnuts are known for their brain benefits and are believed to be the healthiest nut.

* Source: 2016 South Korea AAU

<table>
<thead>
<tr>
<th>Attributes</th>
<th>Almonds</th>
<th>Walnut</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Healthiest nut</td>
<td>27% (2nd highest scoring)</td>
<td>36% (Highest scoring)</td>
</tr>
<tr>
<td>Good for brain/concentration</td>
<td>17% (2nd highest scoring)</td>
<td>54% (Highest scoring)</td>
</tr>
</tbody>
</table>
PEANUTS AS THE “PLAYFUL” NUT

Peanuts are widely accessible, often eaten with alcohol

2016 S. Korea AAU (Total sample n=2,000)

<table>
<thead>
<tr>
<th>Nut Best Described by Personality Attributes</th>
<th>Almonds</th>
<th>Peanuts</th>
</tr>
</thead>
<tbody>
<tr>
<td>The nuts I’m most familiar with because I see them everywhere</td>
<td>27% (2nd highest scoring)</td>
<td>31% (Highest scoring)</td>
</tr>
<tr>
<td>Fun</td>
<td>18% (2nd highest scoring)</td>
<td>23% (Highest scoring)</td>
</tr>
</tbody>
</table>

* Source: 2016 South Korea AAU
ALMONDS IN S. KOREA

THE #1 FOR TOP-OF-MIND AWARENESS IN THE NUT CATEGORY

37% Almonds
33% Walnuts
18% Peanuts
...

HAVE THE HIGHEST SNACK ASSOCIATION

51% Almonds
20% Walnuts
16% Peanuts
...

* Source: 2016 South Korea AAU
SOUTH KOREA IS THE 10th LARGEST MARKET FOR CALIFORNIA ALMONDS, AT 54 MILLION POUNDS
BUT ALMONDS DO NOT HAVE A UNIQUE SELLING POINT

ALMONDS ARE THE “ORDINARY” NUT
WHAT MAKES ALMONDS UNIQUE IN SOUTH KOREA?
ALMONDS, MY BEAUTY SECRET
Reaching Consumers with Multiple Touchpoints

- Branded Content Video
- Beauty Reality Show TV PPL
- Health Documentary TV PPL
- Spokesperson
- Digital/Influencers
- Photography
- Health professional outreach
- Consumer events
- Media event
- Media outreach
- Magazine Advertising
- Digital Advertising
- Advertorials
- E-newsletter
FOCUSING ON ALMONDS BEAUTY BENEFITS...
ALMONDS AND BEAUTY: SPONSORED 2017 F/W SEOUL FASHION WEEK TO ALIGN ALMONDS WITH TRENDS AND FASHION
ALMONDS AND BEAUTY: CREATED TWO BEHIND THE SCENE VIDEOS
FEATURING TOP FASHION MODELS
ALMONDS AND BEAUTY: COLLABORATED WITH ONLINE INFLUENCERS TO DEVELOP CUSTOM CONTENT

Worked with six influential top fashion models and developed Instagram content to deliver almonds as their choice of snack.
ALMONDS AND BEAUTY:
MEDIA OUTREACH GENERATED NEARLY 200 MILLION MEDIA IMPRESSIONS!
ALMONDS AND BEAUTY:
DIRECTED AND PRODUCED 3 VIDEOS DELIVERY ALMOND KEY MESSAGES
ALMONDS AND BEAUTY:
DEVELOPED 6 Q&A VIDEOS WITH KOREAN TOP MODEL, HAN HEYJIN
ALMONDS AND BEAUTY: MEDIA OUTREACH GENERATED 64 MILLION MEDIA IMPRESSION
ALMONDS AND BEAUTY: EXECUTED ONLINE ADS WITH BRAND VIDEOS
ALMONDS AND BEAUTY:
SOCIAL MEDIA PROMOTIONS HELPED TO MAXIMIZE EXPOSURE OF ‘ALMONDS, MY BEAUTY SECRET’ CAMPAIGN
1st ALMOND NUTRITION STUDY PUBLISHED IN SOUTH KOREA

Kwak study showing ‘Including almonds in typical Korean diets can enhance vitamin E status for Koreans’ was published in the European Journal of Nutrition

28 million impressions
STUDY AUTHOR, DR. CHEN, DELIVERED A PRESENTATION ON THE STUDY

Dr. Oliver Chen, professor of Tofts Univ. and the co-author of Kwak study, visited to Korea for his presentation at ISNFF (International Society for Nutraceuticals and Functional Foods)

Participated in an exclusive interview with one of Tier1 media was arranged to deliver Vitamin E message in depth via the professional’s voice
UPCOMING NUTRITION RESEARCH

• Dr. Kim: Korea Almond Snacking Study on free-living overweight/obese Korean young adults

• Nutrition Research committee **just approved** a study being funded in Korea on the almond **potential impact on skin luminosity** (e.g., skin radiance)
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Thank you