

OUR SUSTAINABILITY VISION

At NIRSA we depend on healthy seas for a healthy business – they are inseparable. As a leading player in the Pacific fishing industry, NIRSA is fully committed not just to playing its part, but demonstrating leadership on environmental issues in an effort to move the harvesting of Pacific tuna and other species onto a long-term sustainable footing. In partnership with our customers, suppliers, employees and key stakeholders, we aim to develop policies and practices that move beyond compliance with existing fisheries management frameworks and legislation. Our aim is simple: to place responsible businesses practices at the center of all our commercial activities.

On our vessels, in our factories, from our corporate headquarters in Ecuador to the many countries in which we trade around the world, our plan is to become a true and recognized champion of sustainable development.

SEAFOOD SUSTAINABILITY – OUR IMPACTS

As catchers and processors of quality seafood, our business inevitably has a number of environmental impacts. Of primary concern is the effect of our operations on marine sustainability, and the fish stocks from which we draw our harvest. As we embark on an ever more ambitious approach to sustainability, our focus must inevitably be on ensuring responsible fishing practices.

We recognize that the exploitation of Pacific tuna stocks in particular has raised a number of issues. Many of these can only be solved by collective action; by governments, fishing management authorities, NGOs and the many companies involved in Pacific fisheries. We readily acknowledge that in the past NIRSA has not played as active a role in ensuring responsible fishing practices as stakeholders might have expected. For this reason, in 2009 we launched an ambitious sustainability program to adapt to a new era where responsibility is no longer optional, but essential. We recognize that making the required improvements to our environmental management systems will be a long and difficult process. But we are fully committed to meeting the challenge, and we will be transparent and open with all our stakeholders about our progress in the months and years ahead.

ENVIRONMENTAL POLICY – OUR COMMITMENTS

NIRSA is firmly committed to leadership on environmental issues and has thus developed an ambitious environmental sustainability policy whose primary focus at its first stage is the sustainability of tuna fish stocks. NIRSA is committed to the following sustainability actions:

NIRSA's approach to Fish Aggregation Devices (FADs)

NIRSA recognizes that the use of FADs, like other forms of fishing gear, can have adverse impacts on the marine environment. We are therefore proactive in seeking solutions to minimize those impacts. Our approach involves various strategies. First, NIRSA complies fully with IATTC resolutions, ISSF recommendations and national law, which require all information on FAD use to be documented and independently verified by observers. NIRSA will fully comply with the C-13-04 IATTC Resolution, which from January 2015 requires the provision of all data on the use of FADs of its fishing fleet. Second, NIRSA invests in its own technological expertise to explore innovative solutions and track FAD impacts. Third, NIRSA works in partnership with others on this issue. In the coming months NIRSA will partner with IATTC and ISSF scientists to initiate a research program on the use of “non-entangling” FADs. NIRSA will allocate two operative vessels to the project at no cost. Lastly, NIRSA voluntarily precludes its tuna fleet operating in the Eastern Tropical Pacific from deploying FADs within the 40 miles off coast where tuna juveniles tend to aggregate

Commitment to design, construct and apply fishing technology more sustainably in the long term.

NIRSA has designed, constructed and applied its own juvenile excluder device (the Arrue Excluder) which allows young tuna to escape harvesting, and has pioneered the use of it on its vessels. This NIRSA initiative has also been extended to tuna Ecuadorian flagged vessels >363 t of carrying capacity

NIRSA will continue exploring the feasibility of modifying its purse seine nets or fishing methods in order to increase juvenile escapement and minimize the catch of non-target species. This work is conducted in association with Ecuadorian scientists and regulators.

Preclude transshipment of tuna at sea and use of tender vessels.

In accordance with resolutions made by the Inter-American Tropical Tuna Commission (IATTC) and accepted and voted for by Ecuador, NIRSA precludes the transshipment of tuna at sea, and the use of tender vessels operating in support of vessels fishing on FADs in both the eastern and central tropical Pacific.

Preclude the practice of fish discarding.

NIRSA has always been opposed to the wasteful practice of fish discarding. In this regard, NIRSA requires all its purse-seine vessels to first retain on board and then land all fish caught. A single exception may be the final set of a trip, when there may be insufficient well space remaining to accommodate all the tuna and any other species caught in that set. This protocol is acknowledged by Ecuadorian law.

Commitment to minimizing levels of accidental bycatch.

NIRSA is committed to minimizing levels of accidental bycatch of non-target species, and encourages the release, when practicable, of marine mammals, sharks, sea turtles and seabirds entangled in FADs and other fishing gear. NIRSA has trained vessel skippers on how to minimize levels of accidental bycatch of non-target species, and to treat incidentally-caught marine mammals, sea turtles and seabirds properly to improve their survivability. This training is frequent and it is carried out with the support of IATTC and ISSF scientific staff members and experts from other scientific institutions and non-governmental organizations (NGOs). All NIRSA's vessel skippers are required to attend these training programs. NIRSA also provides on line training at least once a year, based on the ISSF "Skippers training Guide Book".

Moratorium on growth of tuna fishing fleet.

NIRSA maintains a moratorium on the growth of its tuna fishing fleet. In compliance with IATTC regulations, which state a moratorium on the growth of the tuna fishing fleet operating in the eastern tropical Pacific, NIRSA's fleet has long remained at its current size obeying IATTC, ISSF and Ecuadorian regulations.

Addressing marine conservation and management issues.

Making captains and crews from NIRSA's vessels fully aware of what sustainable fishing is all about, including the vital role they play in achieving sustainable fisheries, is of paramount importance for NIRSA. In that regard, seminars are given to captains and crews of NIRSA's tuna fishing vessels on the importance of sustainable fishing practices and ecosystem conservation. NIRSA ensures every opportunity to address this issues, for example, NIRSA has produced several posters about sustainable fishing and the need to combat IUU fishing to be displayed on board of each vessel as well as in suitable places around NIRSA's headquarters and processing plant.

Addressing IUU fishing.

NIRSA seeks to avoid all IUU fishing by:

- Reporting vessels fishing for species covered by the IATTC Convention presumed to have carried out IUU fishing activities in the Eastern Tropical Pacific. NIRSA will report vessels engaged in any fishing activities in contravention of IATT Conservation and management measures.

- Equipping all its vessels with satellite-based Vessel Monitoring Systems (VMS). All NIRSA's tuna vessels are equipped with VMS, which allow for constant monitoring of the location of NIRSA's fleet. A double watch is kept on the position of each vessel by Ecuadorian marine and fisheries authorities.
- Not being engaged in commercial transactions with vessels included in any Regional Fishery Management Organization (RFMO) IUU vessel list.

- Carrying observers on board. Currently, all NIRSA's tuna vessels >363 t of carrying capacity carry an observer on board in every fishing trip, in compliance with the IATTC and Ecuador observer program; for smaller capacity vessels ISSF has passed a mandatory resolution to implement an electronic observer system.

Minimizing pollution.

NIRSA is committed to minimizing pollution by:

- Minimizing offal and waste effluent into the sea. NIRSA's vessels are all equipped with either a sewage treatment plant or a sewage retention tank where sewage is chemically treated before being discharged into the sea. Also, NIRSA's vessels have an oily water separator installed to clean bilge water before discharge in accordance with regulations issued by the MARPOL Protocol and Ecuadorian law. All inorganic garbage, including any type of plastic trash, empty salt bags and used oil are retained and record on board and unloaded in port to further record, treatment and disposal according to national and municipal regulations;
- Ensuring strict fuelling procedures as recommended by the responsible national authorities.

Support implementation of management measures on other fisheries.

In accordance with domestic fishing regulations, NIRSA has long precluded the use of whole thread herring for reduction to fish meal. NIRSA has always supported a complete ban on the capture of thread herring off Ecuador during March and September of each year, and of Pacific anchovy during the period January to June to protect breeding activities. NIRSA supports local authorities on all regulation management on any fisheries, as well as helps to be implemented.

Implementing traceability in the seafood chain.

Tracing seafood products from where the fish was caught to the supermarket shelf is essential not only for food safety, but also to ensure that the fish has been legally and sustainably caught. NIRSA is constantly audited at random by private companies or other countries' national agencies (DG SANCO, OLAF, etc.), as well as Ecuadorian legal bodies. NIRSA can demonstrate complete traceability of seafood products sourced from the company's own fleet, from ocean to supermarket shelf.

Using policy advocacy to promote environmental sustainability.

NIRSA is and always will be an active voice for sustainability policies in relevant government/fisheries management bodies and other relevant fora. As a significant force in the tuna sector we will seek to use our share of voice to advance environmental management improvements.

In February 2010 NIRSA became a member of the ISSF, a global partnership among scientists, the tuna industry and the global conservation organization World Wildlife Fund (WWF), whose mission is to undertake science-based initiatives for the long-term conservation and sustainable use of tuna stocks. As such, NIRSA is committed to work with all RFMOs (in particular those in the Pacific Ocean) to achieve their objectives of conservation of tuna stocks and their ecosystems, strive to eliminate all IUU tuna fishing, minimize bycatch and discards, and collect data to promote better scientific understanding of tuna stocks.

Water use and carbon print.

NIRSA promotes and implements in all its activities the responsible use of water in both quantity and quality. All residual water is treated in line with established national and regional legal regulations.

NIRSA is committed to diminishing its carbon print, by maintaining the most modern technology, highest environmental performance equipment and full and adequate maintenance, thus making the most efficient use of fossil combustibles.

Striving for third-party certification

NIRSA will pursue, where practical, relevant third-party sustainability certification for its fishing practices. In this respect, NIRSA will continue to comply with Earth Island Institute certification as a dolphin-safe tuna company. NIRSA recognizes the Principles and Criteria of the Marine Stewardship Council (MSC) as the leading global gold standard for sustainability in wild capture fisheries, and is exploring ways of engaging with the MSC program.

Deploying full transparency.

NIRSA will regularly review this policy and set measurable targets. We will deploy full transparency and regularly update on challenges and our progress. We will encourage the reporting and recording of all environmental events with potential to adversely affect our business.

In the event of any dispute about NIRSA's fishing practices, we shall seek to respond rapidly and openly to any questions made by a third-party, be they a customer, fisheries management authority, government, NGO or other stakeholder.

Assuring supply chain integrity.

NIRSA's initial sustainability strategy focus is the company's wholly owned vessels. We shall in time require the above standards of all suppliers from whom we purchase seafood.

NIRSA STATEMENT ON SHARK FINNING

Shark finning violates the FAO's Code of Conduct for Responsible Fisheries and its International Plan of Action for the Conservation and Management of Sharks, as well as Ecuadorian fisheries laws and the resolutions of a number of other international marine bodies, all of which call for minimizing waste and discards. In addition, this activity has contributed to major uncertainties about the amounts and species composition of sharks caught, and there is increasing concern that existing measures, including their enforcement, may not be adequately managing shark fisheries and protecting species of concern.

NEGOCIOS INDUSTRIALES REAL "N.I.R.S.A" S.A., does not endorse and does not permit aboard its vessels the practice of shark finning, which is the retention of any fins while discarding the carcass at sea. We will only purchase from vessel-owning companies that have a published policy prohibiting shark finning on board its vessels, and we will not purchase from any vessel that has been found to have finned for 2 years following the date of the most recent finding.

This statement is posted both on the company website (sustainability link) and visibly onboard every tuna fishing vessel in the N.I.R.S.A. fleet in all languages commonly spoken onboard.

RESPONSIBLE FISHING AND SOURCING PRACTICES

NIRSA is firmly committed to environmental responsibility. Therefore continuing management improvements and protection of fisheries is central to our sustainability policy.

As members of the International Sustainability Foundation (ISSF), an international entity of industry leaders, qualified scientists and environmental advocates dedicated to the long-term conservation and reasonable use of tuna stocks, the promotion of ecosystem health and reduction of by catch, we use ISSF research, policies and guidance to set standards for better fishing and sourcing practices. NIRSA is an active supporter of all ISSF's research projects, and policies. Among many initiatives, NIRSA supports and uses the ISSF Proactive Vessel Register (PVR) to promote responsible and sustainable tuna fisheries as a transparent, effective and verifiable way to identify those vessels committed to responsible fishing practices.

All of NIRSA's tuna vessel fleet (which provides over 40% of our tuna raw material) is listed in the ISSF PVR. Additionally, we have committed to increasing

the percentage of fish we buy from other operators in the PVR system, giving priority to fish that comes from vessels that are listed, and continuing to encourage all our suppliers and other boat owners to partner with us by joining the PVR system.

ISSF CONSERVATION MEASURE 3.5 - NONENTANGLING FAD POLICY

Effective immediately July 17, 2017, NIRSA does not allow the practice of deploying FADs that are of Highest Entanglement Risk aboard its fishing vessels, as defined in the 2013 ISSF Guide for Non-entangling FADS. In order to achieve this, the construction of new FADs to be deployed by the Company's vessels adheres to the following:

1. If netting is used, it must only be of small mesh (less than [7 cm] stretched mesh).
2. If the raft is covered, it should generally be with shade cloth or canvas. If small mesh netting is used, it must be tightly wrapped around the raft with no loose netting hanging from it.
3. The subsurface (hanging) structure should generally be made with ropes, canvas, nylon sheets or other non-entangling materials. If small mesh netting is used, it must be tightly tied into bundles ("sausages"), or in a panel that is weighted so as to keep it taut.

This policy is available to the general public upon request, and visibly onboard every tuna fishing vessel in the NIRSA fleet in all languages commonly spoken onboard.

In order to ensure strict quality control for the construction of non-entangling FADs, new FADs will be constructed only at the Company's onshore facilities in Posorja, by trained personnel. NIRSA will also strive to remove any entangling FADs it encounters at sea, and bring them to port for disposal. NIRSA will also strive to use as much as possible biodegradable materials in the construction of new FADs.

This policy was adopted on 2017, April 17.

FULL RETENTION OF TUNAS

NIRSA has always been against the discard of tuna. In this issue, and following conservation measures of the Ecuadorian Government, IATTC and the ISSF regulations, NIRSA requires as mandatory that all its purse-seine vessels and also of its providers, to retain on board and then land in port all bigeye, skipjack, and yellowfin tuna caught, except fish considered unfit for human consumption for reasons other than size. A single exception shall be the final set of a trip, when there may be insufficient well space remaining to accommodate all the tuna caught in that set.

ISSF CONSERVATION MEASURE 2.4

SUPPLY CHAIN: TRANSPARENCY, AUDIT, REPORTING AND PURCHASE REQUIREMENTS.

Starting January 31, 2020 and annually thereafter, by virtue of exemption of Section 3.- of the mentioned conservation measure, NIRSA will publish the percentage of fish purchases (measured in round ton equivalents) made to different Fishery and Suppliers Source categories, according to requirements.

Period: January 1th, 2019 to December 31, 2019

Guayaquil, January 31, 2020

ISSF CM 2.4 Supply Chain Transparency, Audit, Reporting and Purchase Requirements

a. The percentage of our purchases (measured in round ton equivalents) for each of the following Fishery Source categories:

Categories	%
MSC-certified fisheries eligible to use the MSC label	13,28%
Comprehensive FIPs listed on FisheryProgress.org scoring A, B or C or in their initial listing on Fisheryprogress.org	14,61%
Comprehensive FIPs listed on FisheryProgress.org scoring D or E	0,00%
Fisheries that have entered full assessment for MSC certification, but are not in a comprehensive FIP listing on FisheryProgress.org	0,00%
None of the above	72,11%
	100,00%

b. The percentage of our purchases (measured in round ton equivalents) for each of the following Supplier Source categories:

Categories	%
ISSF participating companies	19,43%
Data Check Companies	0,00%
Direct from vessels	0,00%
None of the above	80,57%
	100,00%

NIRSA makes a statement of intent to decrease purchases from the "none of the above" categories in (a) and (b) above.
July 2020