

## **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 tun Ecuadorian flagged vessels >363t 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 online training at least once a year, based on the ISSF "Skippers training Guide Book".

### **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:

- o 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 IATTC 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 fueling 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 improvement.

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 CM 3.7 Transactions with Vessels or Companies with Vessel-Based FAD Management Policies.**

**ISSF is committed to supporting better FAD management, globally, and recognizes that it is an important component to meet the MSC Standard without conditions.**

**Gear Type: Purse Seine and Supply Vessels      Adopted: October 23, 2019**  
**Effective: June 30, 2021, for large-scale purse seine and supply vessels and**  
**December 31, 2021, for small-scale purse seine vessels**

### **NIRSA's FAD Management Public Policy's FAD for CM 3.7 ISSF**

As of June 30, 2021 NIRSA, in compliance of ISSF's CM 3.7 and as member of FIP TUNACONS, assumes a specific FADs Management Plan for the fleet of 44 vessels of the companies participating in the FIP including NIRSA's vessels, whose implementation has allowed the 6 actions identified in the ISSF Technical Report 2019-11, "Recommended Best Practices for FAD Management in Tropical Tuna Purse Seine Fisheries" to be properly executed, additionally the technical cooperation with various management and science organizations is a decision to continue working on practical solutions to reduce possible impacts on the tuna fishery on drifting FADs those detailed below:

#### **A) Meet flag state reporting requirements and RFMOs for fishing statistics by set type**

NIRSA's fleet is committed to:

- Keep and fill out a specific logbook developed by the IATTC, which specifies all the information on the FADs and the activities related to them in accordance with IATTC Resolution C-19-01 Annex I, sending the resulting information after each trip to the Competent Authority and the IATTC.
- Vessels shall report daily information on all active FADs, with reports at monthly intervals submitted at least 60 days, but not more than 90 days apart; pursuant to paragraph 11 of Resolution C-21-04, of the Competent Authority and the IATTC.
- Authorization of the shipowners through a binding agreement between the satellite service provider and the competent authority, to voluntarily provide and send basic information used for monitoring the number of active FADs, according to the formats established by the IATTC staff.
- The TUNACONS fleet, including NIRSA's vessels, has permanent observers on all its trips, both for class 6 and below class 6 vessels of the IATTC, PROBECUADOR and TUNACONS-INP programs.
- Technical cooperation will be kept active to participate in workshops and pilot projects to strengthen on-board data collection and monitoring systems using the best state-of-the-art technology that proves to be efficient in advising decision-makers.

*Note: See items 7.2 and 6.4 of the FAD Management Plan of TUNACONS.*

**B) Voluntarily report additional FAD buoy data for use by RFMO science agencies.**

Our fleet, as TUNACONS member, is committed to:

- Through a Cooperation Agreement between the IATTC and TUNACONS, to collect and provide data on FADs from the TUNACONS fleet, including NIRSA's vessels, providing 20% raw data from satellite beacons (trajectory and acoustic samples) to improve assessments and knowledge on the behavior, ecology and biology of the species of interest.
- Through a Cooperation Agreement between the IATTC and TUNACONS, sending information on the beacons associated with the experimental objects of the project "development of prototypes of non-entangling and degradable FADs", specifically to evaluate the aggregation, drift and durability capacity of non-entangling degradable FADs (NED) and traditional paired FADs (PT). Providing the information with a lag of at least 60 days, but no more than 90 days.
- Develop greater technical cooperation with scientific and technical organizations that promote actions and projects to improve FAD fishery best practices.

*Note: See binding agreements on the TUNACONS website.*

**C) Support science-based limits on the total number of FADs used per vessel and/or FAD sets made.**

Our fleet is committed to:

- NIRSA as an Ecuadorian company, and Ecuador as member of the IATTC, shall ensure that purse-seine vessels flying their flag have no more than the following number of FADs, as defined in Annex I (consistent with Resolution C-1901), active at any one time:

For 2022:

Class 6 (1,200 m<sup>3</sup> and greater): 400 FADs

Class 6 (< 1,200 m<sup>3</sup>): 270 FADs

Class 4-5: 110 FADs

Class 1-3: 66 FADs

For 2023:

Class 6 (1,200 m<sup>3</sup> and greater): 340 FADs

Class 6 (< 1,200 m<sup>3</sup>): 255 FADs

Class 4-5: 105 FADs

Class 1-3: 64 FADs

For 2024:

Class 6 (1,200 m<sup>3</sup> and greater): 340 FADs

Class 6 (< 1,200 m<sup>3</sup>): 210 FADs

Class 4-5: 85 FADs



Class 1-3: 50 FADs

**D) Use only non-entangling FADs to reduce ghost fishing.**

Our fleet is committed to:

- Since 2018 on a mandatory basis deploys FADs of non-entangling design, using materials that minimize the impact of its fishing activity on sensitive species such as sea turtles and sharks; it does so by complying with the first 2 criteria established in Annex II of the amended IATTC Resolution C-19-01 and which is related to the ISSF Guidance for non-entangling FADs.
- In the case of finding at sea foreign FADs that do not meet the first 2 criteria of Annex II of C-19-01 (non-entangling), they should be recorded on the FAD form; and, if they are going to use it, they should, if possible, modify it and convert it into a non-entangling FAD, noting the modification made on the FAD form.
- Participate in technical evaluations to determine improvements in the application of non-meshing FADs if necessary.

*Note: See items 8.1 and 7.3 of the FAD Management Plan of TUNACONS.*

**E) Mitigate other environmental impacts due to FAD loss, including through the use of biodegradable FADs and FAD recovery policies.**

Our fleet is committed to:

- Develop, apply designs, and use materials that minimize environmental impacts on the marine ecosystem through testing of FADs made from 100% natural and degradable materials.
- Cooperate and implement national and international scientific and technological research projects to define in the medium term the prototypes of FADs that are 100% degradable and that will be used by the ships of the fleet participating in TUNACONS. As TUNACONS member we have a Cooperation Agreement with the IATTC for the Development of a Pilot Project for Prototypes of Non-Shrink and Degradable FADs under execution.
- As TUNACONS member, we work with experienced researchers, Universities and other research centers on the treatment of natural plant fibers to improve their durability.
- As of December 2020, the TUNACONS fleet, including NIRSA's vessels, began a process to use at least 20% of its FADs with 100% natural and degradable material. After this phase, technical evaluations will be conducted to analyze the results and make new decisions to continue the process of implementing a new level for the use of degradable FAD.

- Shipmasters shall avoid, as far as possible, the loss of FADs at sea.
- Their vessels will not deploy FADs for a period of 15 days prior to the beginning of the selected closure period;
- All its Class 6 purse seine vessels shall recover within 15 days prior to the start of the closure period a number of FADs equal to the number of FADs on which they made sets during that same period.
- Participate in the implementation of a marine debris collection project (FADs) in the Galapagos Marine Reserve area to prevent pollution in its most sensitive coastal marine areas, including a component for the collection of FADs that are likely to run aground on the coasts of the Islands, for which a Memorandum of Understanding (MoU) was promoted and signed with public sector authorities and other private sector organizations.

*Note: See items 8.1, 8.3, 8.4, 7.4 and 9 of the TUNACONS FAD Management Plan and binding agreements on the TUNACONS website. Also on NIRSA's website (Sustainability) ISSF Conservation measures.*

**F) For silky sharks (the main bycatch problem in FAD sets) implement more mitigation efforts.**

Our fleet is committed to:

- Through the implementation of the TUNACONS Code of Good Practices, apply best practices for the safe handling and release of sharks and rays brought on board, actions established in the code.
- Compliance with all IATTC resolutions on conservation measures for silky shark species (*Carcharhinus falciformis*).
- To inform vessel crews on the use of scientifically proven and expertly recommended methods and techniques of good practices on board, aimed at minimizing the environmental impact of tuna purse seine fishing on the marine environment.
- Share information and experiences of the work carried out to mitigate impacts on shark populations, especially the species known as Silky.

*Note: See items 6.4 of the FAD Management Plan of TUNACONS and the code of good practices on the TUNACONS website. Also on NIRSA's website (Sustainability) ISSF Conservation Measures.*

**NIRSA WILL CUMPLY WITH ALL CONSERVATION MEASURES ADOPTED IN IATTC RESOLUTION C-21-04 DATED OCTOBER 2021. [https://nirsa.com/wp-content/uploads/2021/11/C-21-04-Active\\_Tuna-conservation-in-the-EPO-2022-2024-1-1.pdf](https://nirsa.com/wp-content/uploads/2021/11/C-21-04-Active_Tuna-conservation-in-the-EPO-2022-2024-1-1.pdf)**

**This policy was published on June 30, 2021**

## **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.

Nirsa's own vessel fleet (FIP TUNACONS participant and ISSF member) in 2020, represented approximately 75% of the fish that entered our plant, the remaining 25%, was purchased from third parties according to the tables of percentages and categories established in the ISSF CM 2.4, as detailed below.

#### 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	1,16%
Comprehensive FIPs listed on FisheryProgress.org scoring A, B or C or in their initial listing on Fisheryprogress.org	20,34%
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	78,50%
	<b>100,00%</b>

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

Categories	%
ISSF participating companies	32,71%
Data Check Companies	0,00%
Direct from vessels	0,00%
None of the above	67,29%
	<b>100,00%</b>

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