



8950 MLK Jr. St. N., Suite 202
St. Petersburg, FL 33702 USA
Tel: (727) 563-9070
Fax: (727) 563-0207
Email: mrags.americas@mragsamericas.com

President: Andrew A. Rosenberg, Ph.D.

Lovering Foods Ltd.

The following information is based on data provided by the company; it has been independently audited for completeness and accuracy
(Pursuant to stated ISSF guidelines).

Updated Compliance Report (as of 8 June 2018, for activities in 2017)

I John Sexton, Managing Director of Lovering Foods Ltd., acknowledge receipt of this final compliance report, and
have taken notice of any potential non-conformances contained within.

Signature¹:

A handwritten signature in black ink, appearing to be "John Sexton", written over a horizontal line.

Date:

12th June 2018

¹ Please note that ISSF mandates that you sign this report.

Compliance Snapshot

| Conservation Measure | 2017 Update | 2017 | 2016 |
|--|-------------|-------|------|
| 1.1 RFMO Authorized Vessel Record | OK | OK | OK |
| 1.2 RFMO Participation | OK | OK | OK |
| 2.1 Product Traceability | OK | OK | OK |
| 2.2 Quarterly Data Submission to RFMO | OK | Minor | OK |
| 3.1(a) Shark Finning Policy | OK | OK | OK |
| 3.1(b) Prohibition of Transactions with Shark Finning Vessels | OK | OK | OK |
| 3.1 (c) Prohibition of Transactions with Companies without a Public Policy | OK | OK | OK |
| 3.2 Large-scale Pelagic Driftnets | OK | OK | OK |
| 3.3 Full Retention of Tunas | OK | OK | OK |
| 3.4 Skippers Best Practices | OK | OK | Obs. |
| 3.5 NE FAD Policy | OK | OK | |
| 4.1 UVI-IMO | OK | OK | OK |
| 4.2 Purse Seine Unique Vessel Identifiers | OK | OK | OK |
| 4.3 Observer Coverage | OK | OK | OK |
| 4.4 Transshipment | OK | OK | OK |
| 5.1 IUU Fishing | OK | OK | OK |
| 5.2 IUU Product Response | OK | OK | OK |
| 6.1 Transaction Ban for LPS vessels not Actively Fishing for Tuna on Dec. 31, 2012 | OK | Major | OK |
| 7.1 Registration of Controlled Vessels | N/A | N/A | N/A |
| 7.3 Purchases from PVR Vessels | OK | Major | OK |
| 8.1 Exemption for Very Small Purse Seine Vessels | N/A | N/A | N/A |

Detail of Conservation Measure and Corrective Action

| CM | Category | Category Guidance | Gear Type | Means of Verification | Grade | Evidence at the end of Remediation period | Corrective Action |
|-----|-----------------------------------|--|-----------|---|-------|--|--|
| 2.2 | Quarterly Data Submission to RFMO | <p>a. Send information for all round fish purchases (skipjack, albacore, yellowfin, bigeye) as described in the measure to RFMO scientific bodies for each quarter by the last day of the following calendar quarter.</p> <p>b. <u>As described by ISSF</u>, for each quarter, Participating Companies are required to report (no later than the last day of the following calendar quarter) if they have no purchase of round fish (in total or from a typical RFMO region).</p> <p>c. A Participating Company that only purchases loins and finished goods from other ISSF participating companies is exempt from sending RFMO data. However, company must affirm so quarterly via an unprompted email to rftmodata@iss-foundation.org</p> | All | <p>Auditor checks that information has been sent by companies to RFMO for all purchases.</p> <p>Auditor checks if PC has sent quarterly report to MRAG indicating no purchase of round fish. Auditor notes that this requirement did not come into effect until October 2016, therefore if company failed to report no purchases of round fish, this should be noted as an observation.</p> <p>Auditor checks that email has been sent to rftmodata@iss-foundation.org indicating that company only purchases loins and/or finished goods from other ISSF Participating Companies. Here again, requirement came into effect in Oct 2016, thus if company did not send the emails, it should be noted as an observation.</p> | OK | <p>No statements were received confirming that the company did not receive or purchase any round fish according to ISSF Quarterly requirements. // on 2/1/18 company provided evidence that it has set up an internal system to inform audit provider each quarter if it has not purchased any round fish.</p> | <p>Closed on June 8, 2018.</p> <p>Company provided evidence of internal reminder system to ensure that statements are sent to rftmodata@iss-foundation.org and MRAG Americas each quarter.</p> <p>Review of Q4 2017 and Q1 2018 confirmed system functions as described, with two statements received from company within the approved timeline.</p> |
| 6.1 | Transaction Ban for | Demonstrate that all | Large | The auditor reviews a list of | OK | All LSPs on company's | Closed on June 8, 2018. |

| | | | | | | | |
|-----|---|--|-------------------|---|---|---|--|
| | Large-Scale Purse-Seine Vessels not Actively Fishing for Tuna as of December 31, 2012 | purchases from large-scale purse seine vessels are from vessels actively fishing for tuna as of December 31, 2012 and listed on the ISSF Record of Large-Scale Purse Seine Vessels (Record). If a vessel is not listed on the Record, the company shall provide evidence of the vessel attributes in accordance with Conservation Measure 6.2 (a). Any updates to the Record must be made in accordance with 6.2(a). | Purse Seine | company purchases from large-scale purse seine vessels to assess whether the source vessels are listed on the ISSF Record of Large-Scale Purse Seine Vessels. If source vessels do not appear in the Record, the company must provide evidence in accordance with Conservation Measure 6.2(a) as described below. | approved vessel list are checked against the Record. However, several non-conforming LSPS vessels appear on that list (which the company correctly identifies), and company said it was giving suppliers six months to get registered on the ISSF Record. This suggests sourcing from Non-conforming LSPS vessels occurred. // On 2/1/18 company indicated it had stopped sourcing from concerned supplier(s) and asked them to register vessels on Record as soon as possible. | Company provided evidence that it had changed its procurement policy to prevent purchases from large purse seine vessels that are not registered on the Record. | |
| 7.3 | Purchases from PVR Vessels | For fishing trips beginning on or after January 1, 2016, source 100% of skipjack, yellowfin and bigeye tuna caught by large-scale purse seine vessels from vessels registered in the PVR. | Large Purse Seine | Auditor isolates skipjack, yellowfin and bigeye tuna caught by large-scale purse seiners within the quarterly RFMO data submission and compares trip dates and purchase data to PVR listing dates. Supporting documentation may be requested to verify the accuracy of trip dates. | OK | Several LSPS vessels appeared on the approved supplier list but are not registered on the PVR. // On 2/1/18, company indicated it had initiated discussions with supplier(s) to register all of its LSPS vessels on the Record, and then registered on the PVR. Company has also stopped sourcing from supplier(s) until the situation is properly addressed. | Closed on June 8, 2018. Company provided evidence that it had changed its procurement policy to prevent purchases from large purse seine vessels that are not listed on the PVR and in good standing against all conservation measures. |