



**Incident Report to ASI Assurance Services International GmbH:  
Lack of Impartiality (ISO 17065) /  
Lloyd's Register Quality Assurance (LRQA),  
Conformity Assessment Body (CAB) in  
Marine Stewardship Council (MSC)  
Recertification of PNA Tuna Fishery**

**To:** Ms. Evi Mateboer, Integrity Director, Assurance Services International GmbH (ASI)  
**Cc:** Dr Stephanie Good, Lead Assessor, Assurance Services International GmbH (ASI)  
**Cc:** Dr. Antonio Hervás, Program Manager MSC & Senior Lead Assessor, Assurance Services International GmbH (ASI)

**From:** Mr. Alex Hofford, Convenor, Coalition for Transparent Tuna Fisheries (CTTF)

**Date:** 11 July 2024

**Subject:** Incident Report to ASI Assurance Services International GmbH: Lack of Impartiality (ISO 17065) / Lloyd's Register Quality Assurance (LRQA), Conformity Assessment Body (CAB) in Marine Stewardship Council (MSC) Recertification of PNA Tuna Fishery

Dear Ms. Mateboer,

CTTF has lodged an objection to the proposed MSC recertification of the '*PNA Western and Central Pacific skipjack and yellowfin, unassociated / non FAD set, tuna purse seine fishery*'<sup>1</sup> (henceforth 'the PNA Fishery'). The MSC objection adjudication hearing will take place in Jakarta, Indonesia, from 30 July 2024 to 01 August 2024.

This letter is to formally trigger an ASI incident into LRQA acting as a CAB for the PNA fishery in this MSC objection. We believe that LRQA's ownership structure creates a clear conflict of interest that undermines its ability to act impartially during the assessment process, as required by ISO 17065 (Section 4.2 'Management of Impartiality').

***4.2.1 Certification activities shall be undertaken impartially.***

***4.2.2 The certification body shall be responsible for the impartiality of its certification activities and shall not allow commercial, financial or other pressures to compromise impartiality.***

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<sup>1</sup> <https://fisheries.msc.org/en/fisheries/pna-western-and-central-pacific-skipjack-and-yellowfin-unassociated-non-fad-set-tuna-purse-seine-fishery/@assessments>

and

**4.2.7 The certification body shall ensure that activities of separate legal entities, with which the certification body or the legal entity of which it forms a part has relationships, do not compromise the impartiality of its certification activities.**

**NOTE See 4.2.3, Note 1.**

**4.2.3 The certification body shall identify risks to its impartiality on an ongoing basis. This shall include those risks that arise from its activities, from its relationships, or from the relationships of its personnel (see 4.2.12). However, such relationships may not necessarily present a certification body with a risk to impartiality.**

**NOTE 1 A relationship presenting a risk to impartiality of the certification body can be based on ownership, governance, management, personnel, shared resources, finances, contracts, marketing (including branding), and payment of a sales commission or other inducement for the referral of new clients, etc.**

LRQA's lack of impartiality can be evidenced by the overall aggressive tone, as well as the toxic, inflammatory language and gaslighting methods used in their misrepresentations used in their counterarguments against as contained in their 'LRQA-CTTF PNA tuna scope extension CAB written response 07th May 2024' document to our MSC Notice of Objection to the PNA fishery<sup>2</sup>.

### **Grounds for Complaint (Triggering of Incident):**

- **1) LRQA's Ownership by Goldman Sachs Asset Management (GSAM):**

LRQA is a wholly owned subsidiary of global investment giant GSAM<sup>3</sup>. According to a news article posted on the Reuters news agency website, GSAM paid 100 million US dollars to buy LRQA<sup>4</sup>. The news article mentions that "Michael Bruun, [Europe Middle East & Africa] head of the private equity business within Goldman Sachs Asset Management, said in a statement on its LRQA investment that it looked "forward to accelerating the company's growth trajectory both organically and through acquisitions."

On LRQA's website, the following public statement is posted<sup>5</sup>:-

***"New owner and ownership structure support LRQA's growth and capabilities***

***Goldman Sachs Asset Management is the right owner to support LRQA as it expands and improves its capabilities and continues to grow. They have deep knowledge of LRQA's sectors and an exceptional track record in supporting management teams to drive performance."***

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<sup>2</sup> <https://fisheries.msc.org/en/fisheries/pna-western-and-central-pacific-skipjack-and-yellowfin-unassociated-non-fad-set-tuna-purse-seine-fishery/@assessments> (Click on 'Recently uploaded documents: LRQA-CTTF PNA tuna scope extension CAB written response 07th May 2024 (Page 20)]

<sup>3</sup> <https://www.lrqa.com/en-gb/lrqa-growth-strategy/benefits-for-lrqa/>

<sup>4</sup> <https://www.reuters.com/world/uk/britains-ir-focus-shipping-with-sale-division-goldman-sachs-arm-2021-06-29/>

<sup>5</sup> <https://www.lrqa.com/en-gb/lrqa-growth-strategy/benefits-for-lrqa/>

We respectfully ask ASI to investigate how, and in what respect, GSAM supports LRQA, and to enquire what kind of “*deep knowledge of LRQA's sectors*” GSAM is sharing with LRQA “*to drive performance.*”

- 2) Goldman Sachs’ Shareholding in Thai Union Group PCL (Thai Union):

GSAM holds significant shares in Thai Union, the world’s largest processor of tuna<sup>6</sup>. On the GSAM website<sup>7</sup>, evidence exists that through GS SUSTAIN, GSAM’s sustainability initiative, GSAM owns a significant number of shares of Bangkok-based Thai Union, the largest tuna processor in the world (see page 8):-

Goldman Sachs GS SUSTAIN

**Exhibit 4: Summary of 28 companies exposed to Biodiversity consulting/remediation, land management, substitution or risk management**

Exposure	Company Name	Region	GS SUSTAIN Sector	Market Cap (\$ bn)	Covering Analyst	GS SUSTAIN Operational E&S Score	% Underweight/Overweight in ESG Funds
Biodiversity Consulting & Remediation Services	AECOM	N. America	Engineering & Construction	10.2	-	74%	278%
	Agilent Technologies Inc	N. America	Med Tech	38.3	Matt Sykes	84%	335%
	Arcadis NV	W. Europe	Engineering & Construction	2.9	-	97%	755%
	Montrose Environmental Group	N. America	Multi-industry Services	1.2	-	75%	115%
	Planet Labs PBC	N. America	Professional Services	1.5	Noah Poponak	40%	-70%
	Stantec Inc	N. America	Professional Services	5.3	-	95%	810%
	Tetra Tech Inc	N. America	Multi-industry Services	7.3	-	75%	974%
	Trimble Inc	N. America	Tech Hardware	15.8	Jerry Revich	77%	501%
	Clean Harbors	N. America	Multi-industry Services	6.4	Jerry Revich	26%	380%
	Perpetua Resources Corp	N. America	Mining & Metals	0.1	-	77%	-38%
Land Management	Republic Services Inc	N. America	Multi-industry Services	45.4	Jerry Revich	13%	321%
	Waste Management Inc	N. America	Multi-industry Services	70.6	Jerry Revich	46%	224%
	Klabin SA	LatAm	Paper & Packaging	2.6	Marcio Farid	61%	81%
	Rayonier Inc	N. America	Paper & Packaging	5.2	-	64%	252%
	Stora Enso Oyj	W. Europe	Paper & Packaging	11.8	-	70%	378%
	Suzano SA	LatAm	Paper & Packaging	11.8	Marcio Farid	29%	54%
	Weyerhaeuser Co	W. Europe	Paper & Packaging	25.2	Susan Maklari	66%	56%
	AppHarvest Inc	N. America	Food & Beverage	0.3	-	19%	893%
	Azek Company Inc	N. America	Capital Goods	2.8	Susan Maklari	8%	292%
	GFL Environmental Inc	N. America	Multi-industry Services	10.7	-	10%	162%
Risk Management	Hydrofarm Holdings Group	N. America	Capital Goods	0.2	-	26%	324%
	Tomra Systems ASA	W. Europe	Multi-industry Services	6.8	-	36%	633%
	Adani Ports and SEZ	Asia ex Japan	Transport Infrastructure	22.4	Pulkit Pathi	58%	-77%
	Electricite de France SA	W. Europe	Utilities - Electric	46.3	Ajay Patel	75%	-49%
	IGO Ltd	Asia ex Japan	Mining & Metals	7.0	-	90%	-20%
	Nestle SA	W. Europe	Food & Beverage	316.1	John Ennis	90%	-13%
	Spirax-Sarco Engineering	W. Europe	Capital Goods	9.3	William Turner	87%	267%
	Thai Union Group PCL	Asia ex Japan	Food & Beverage	2.2	-	61%	10%

Source: FactSet, Bloomberg, Refinitiv Eikon, Morningstar, Goldman Sachs Global Investment Research

It should be noted that the following statement is posted by GSAM on page 1 of the GS SUSTAIN report:-

Goldman Sachs does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision. For Reg AC certification and other important disclosures, see the Disclosure Appendix, or go to [www.gs.com/research/hedge.html](http://www.gs.com/research/hedge.html). Analysts employed by non-US affiliates are not registered/qualified as research analysts with FINRA in the U.S.

**The Goldman Sachs Group, Inc.**  
For the full list of authors, see inside.

According to financial information available on the Bloomberg Terminal, in addition to GSAM, Goldman Sachs Group Inc and Goldman Sachs Asset Management International / United Kingdom also own shares in Thai Union Group PCL.

<sup>6</sup> <https://www.goldmansachs.com/intelligence/pages/gs-research/assessing-the-financial-links-to-natural-capital/report.pdf>

<sup>7</sup> <https://www.goldmansachs.com/intelligence/pages/gs-research/assessing-the-financial-links-to-natural-capital/report.pdf>

- **3) LRQA Acting as Quality Assurance Body for Thai Union Group PCL:**

LRQA also provides quality assurance services for Thai Union. As recently as May 2024, LRQA prepared a so-called '*LRQA Independent Assurance Statement*'<sup>8</sup> for Thai Union's Sustainability Report 2023<sup>9</sup>. It is hard to find other words to describe it, but we believe that Thai Union is using LRQA as a '*greenwashing*' rubber-stamp body, and this evidence provides further proof of a complex web of shadowy collusion between Goldman Sachs, Thai Union, LRQA and the PNA fishery.



## LRQA Independent Assurance Statement

### Relating to Thai Union Group Public Company Limited's Sustainability Report for the calendar year 2023

This Assurance Statement has been prepared for Thai Union Group Public Company Limited in accordance with our contract but is intended for the readers of this Report.

#### Terms of engagement

LRQA was commissioned by Thai Union Group Public Company Limited (TU) to provide independent assurance on its Sustainability Report 2023 ("the report") against the assurance criteria below to a moderate level of assurance and materiality of the professional judgement of the verifier using Accountability's AA1000AS v3 for a type II assurance.



#### Social:

- GRI 403-9 Work-related injuries
- GRI 403-10 Work-related ill health
- GRI 405-2 Ration of basic salary and remuneration of women to men-Gender Pay Gap
- GRI 414-1 New Suppliers screened using social criteria.

Our assurance engagement excluded the data and information of TU's suppliers, contractors and any third parties mentioned in the report.

LRQA's responsibility is to TU. LRQA disclaims any liability or responsibility to others as explained in the end footnote. TU's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the report and for maintaining effective internal controls over the systems from which the report is derived. Ultimately, the report has been approved by, and remains the responsibility of TU.

#### LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that TU has not, in all material respects:

- Met the requirements above
  - Disclosed accurate and reliable performance data and information as no errors or omissions were detected in the selected GRI indicators listed above
- Covered all the issues that are important to the stakeholders and readers of this report.

The opinion expressed is formed on the basis of moderate level of assurance and at the materiality of the professional judgement of the verifier.

Note: The extent of evidence obtained in this assurance engagement is less than that for a high assurance engagement. Moderate assurance engagements focus on aggregated facts rather than individual facts. Consequently, the level of assurance obtained in a moderate assurance engagement is substantially lower than the assurance that would have been obtained had a high assurance engagement been performed.

<sup>8</sup> <https://www.thaiunion.com/en/sustainability/report> (Pages 70 to 72)

<sup>9</sup> <https://www.thaiunion.com/en/sustainability/report>

- **4) PNA Fishery as Key Supplier to Thai Union:**

The PNA fishery is the largest supplier of tuna to Thai Union<sup>10 11</sup>.

According to LRQA<sup>12</sup>, in 2021 the PNA fishery accounted for three quarters of the Western and Central Pacific Ocean's raw tuna exports globally:-

figure. Further, this figure is for the purse seine fishery in the entirety of the Western Pacific, of which the PNA Fishery forms about three quarters (see table below). The CAB believes that it is not unreasonable to assume that the number of deployments referable to the PNA Fishery is therefore likely to be closer to 15,000 – 30,000 per year.

Purse seine tropical tuna catch	2019	2020	2021
WCPFC (from Hare et al. 2022)	2,098,303	1,878,904	1,833,703
PNA (from Table 12)	1,511,107	1,405,309	1,394,305
PNA as % of total	72.0	74.8	76.0

Much of this raw material (skipjack tuna) is purchased from the PNA fishery by Thai Union, according to Thai Union's website<sup>13</sup> (see page 8):-



The Thai Union website mentions that not only are they the largest tuna processor in Thailand, but also globally. A staggering one in five cans of tuna sold globally is canned by Thai Union, generating annual sales exceeding US\$4.2 billion<sup>14 15</sup>. This suggests that Thai Union's tuna imports from the PNA fishery are substantial. According to the International Trade Centre's 'Trade Map', which relies on customs data gathered from the customs department of the kingdom of Thailand and the United Nations COMTRADE database, Thailand imported a total of 294,045 tons of skipjack tuna from the eight out of nine of the countries that make up the PNA fishery in 2022:-

<sup>10</sup> <https://fisheries.msc.org/en/fisheries/pna-western-and-central-pacific-skipjack-and-yellowfin-unassociated-non-fad-set-tuna-purse-seine-fishery/@assessments> (Click on 'Recently uploaded documents: LRQA-CTTF PNA tuna scope extension CAB written response 07th May 2024 (Page 20)]

<sup>11</sup> <https://www.thaiunion.com/files/download/sustainability/policy/sourcing-transparency.pdf>

<sup>12</sup> <https://fisheries.msc.org/en/fisheries/pna-western-and-central-pacific-skipjack-and-yellowfin-unassociated-non-fad-set-tuna-purse-seine-fishery/@assessments> (Click on 'Recently uploaded documents: LRQA-CTTF PNA tuna scope extension CAB written response 07th May 2024 (Page 20)]

<sup>13</sup> <https://www.thaiunion.com/files/download/sustainability/policy/sourcing-transparency.pdf>

<sup>14</sup> <https://veconomist.com/company-news/tides-turn-as-worlds-biggest-tuna-processor-recognises-that-future-of-seafood-is-plant-based-and-cell-based/>

<sup>15</sup> <https://www.forbes.com/profile/kraisorn-chansiri/>



### TRADE MAP - NETHERLANDS

Trade statistics for international business development  
Monthly, quarterly and yearly trade data. Import & export values, volumes, growth rates, market shares, etc.



Netherlands Enterprise Agency

List of supplying markets for a product imported by Thailand  
Product: 030343 Frozen skipjack or stripe-bellied bonito "Euthynnus -Katsuwonus- pelamis"  
The product code selected above has been reallocated in the 2017 HS revision. [View correspondences](#)

#### TOTAL SKIPJACK TUNA IMPORTS INTO THAILAND FROM THE PNA FISHERY IN 2022 = 294,045 TONS

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Bilateral 8 digits	Exporters	2019	2020	2021	2022	2023
		Imported quantity, Tons	Imported quantity, Tons	Imported quantity, Tons	Imported quantity, Tons	Imported quantity, Tons
	World	484,436	522,993	503,501	546,723	484,518
	Taipei, Chinese	87,275	96,931	98,305	98,427	75,087
	Nauru	7,741	42,902	55,308	64,672	64,788
	Maldives	30,002	37,168	37,830	43,842	58,361
	Micronesia, Federated States of	61,303	55,045	93,858	80,646	54,209
	Korea, Republic of	82,357	52,561	55,060	48,840	52,607
	Vanuatu	11,288	39,242	30,502	46,408	36,525
	Kiribati	35,648	41,780	34,931	35,451	31,064
	Papua New Guinea	30,252	5,122	44	8,984	19,307
	Tuvalu	6,499	3,649	9,282	29,043	18,048
	Japan	20,501	18,169	32,249	6,566	13,509
	Marshall Islands	19,260	20,765	25,091	26,720	10,816
	Seychelles	3,056	11,163	315	8,180	9,994
	Solomon Islands	17,636	10,451	2,589	2,111	8,719
	Indonesia	7,032	20,878	4,523	7,934	8,433
	Spain	2,404	4,085		16,408	7,312
	India	6,286	5,829	2,572	3,239	3,611
	Tanzania, United Republic of					2,777
	United States of America	33,519	23,262	7,392		2,102
	France	5,017	4,887	530	7,275	1,917
	Philippines	18	4,636	7,769	2,658	1,575
	Mauritius	2,648	3,561	486	2,517	1,499
	China	7,463	14,024	1,310	2,936	1,175
	Curaçao				1,882	528
	Viet Nam	28	167	127	176	221

TOTAL: 294,045 TONS

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Sources: ITC calculations based on The customs department of the kingdom of Thailand statistics since January, 2015.  
ITC calculations based on UN COMTRADE statistics since January, 2009 and until January, 2015.  
ITC calculations based on The customs department of the kingdom of Thailand statistics since January, 2008 and until January, 2009.  
ITC calculations based on UN COMTRADE statistics until January, 2008.

[SOURCE: ITC Trade Map, Thai Customs, UN COMTRADE]

(N.B. - It should be noted that this figure of 294,045 tons is a highly conservative estimate of Thai skipjack imports from the PNA fishery in 2022. The true figure, including Thai skipjack tuna imports from the main PNA Vessel Day Scheme flag states Japan, Chinese Taipei, Korea and Spain, must be considerably higher. However, due to a lack of granularity in Thai Customs data, it is impossible to disaggregate these four countries' PNA area skipjack tuna exports from their Indian Ocean and other area exports. To be faithful to the data we have therefore chosen to leave out of our evidence any Thai import data from these distant water fishing fleets.)

### Conflict of Interest:

The complex chain of ownership and opaque business relationships outlined in our **Grounds for Complaint (Triggering of Incident)** above create a situation where LRQA, the assessor of the PNA fishery, is ultimately beholden to Goldman Sachs Asset Management, which has a financial interest in the continued profitability of Thai Union, the major customer of the PNA fishery. Thai Union already sells large amounts of MSC-certified tuna to international markets, so clearly MSC recertification of the PNA is very important to Thai Union for it to continue to grow its business. **The close financial connection between LRQA, Goldman Sachs Asset Management and Thai Union creates a very strong incentive for LRQA to overlook potential environmental problems in the PNA fishery whilst conducting its assessment, in order to minimize potential negative impacts on Thai Union's business.** Therefore, due to its ownership by Goldman Sachs Asset Management, we are of the strong opinion that LRQA cannot effectively carry out its important work as a Conformity Assessment Body with the due impartiality and neutrality required by both the MSC Standard and ISO 17065. It should be noted that Goldman Sachs does not exist to ensure the long-term sustainability of our oceans, nor the biodiversity that is supported by its ecosystems. Goldman Sachs only exists to provide

value to its shareholders, which is another reason why LRQA cannot be trusted to act with impartiality.

### **ISO 17065 Requirements:**

ISO 17065, the international standard for conformity assessment bodies (CAB), states that “*Certification activities shall be undertaken impartially.*” (Clause 4.2.1). LRQA’s current ownership structure directly contradicts this requirement and raises serious doubts about its ability to deliver an objective assessment of the PNA fishery.

### **MSC Requirements:**

According to the Marine Stewardship Council ‘General Certification Requirements’ v2.6 (15 May 2023)<sup>16</sup> Section 4.3 ‘Conformity with ISO 17065 and MSC requirements’ Sub Section 4.3.1 “*The CAB shall conform to the requirements of ISO 17065 and all other MSC requirements relevant to the scope of accreditation applied for or held.*” The evidence provided in our **Grounds for Complaint (Triggering of Incident)** shows that LRQA does not conform to the requirements of ISO 17065 and all other MSC requirements relevant to the scope of accreditation applied for or held.

#### MSC General Certification Requirements v2.6

### **4.3 Conformity with ISO 17065 and MSC requirements**

- 4.3.1 The CAB shall conform to the requirements of ISO 17065 and all other MSC requirements relevant to the scope of accreditation applied for or held.

### **Concerns about LRQA’s Activities in Other Areas:**

According to the Financial Times<sup>17</sup>, when LRQA was purchased by GSAM in 2021, GSAM used funds made available by the Chinese state-owned China Investment Corporation (CIC) to close the deal. As part of the deal, GSAM also purchased LRQA's cyber security unit ‘Nettitude’ which, according to the Financial Times, is engaged in “*ethical hacking*”. As the MSC objection to the PNA fishery has placed CTTF in an adversarial relationship with GSAM-owned LRQA, CTTF members are concerned that they may be targets for ‘Nettitude’ hacking. This would endanger their safety and security, and if confirmed, would place CTTF at an immediate disadvantage in this MSC objection as email systems and cyber security defences

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<sup>16</sup> <https://www.msc.org/docs/default-source/default-document-library/for-business/program-documents/general-certification-requirements/msc-general-certification-requirements-2.6.pdf>

<sup>17</sup> <https://www.ft.com/content/792fae47-8e2f-4363-99e9-176b33ccc09a>

may have been breached. CTF members have also expressed concern to us about possible malevolent mainland Chinese government involvement due to the presence of CIC funding.



### Request for Action:

To summarise, LRQA is owned by Goldman Sachs Asset Management which, in addition to its sister companies Goldman Sachs Group Inc and Goldman Sachs Asset Management International/United Kingdom, owns millions, possibly tens or even hundreds of millions, of dollars of shares in Thai Union Group PCL. This has been executed via a highly complex web of ownership that cannot easily be unpicked and is not clearly identifiable to the public. We urge ASI to investigate this conflict of interest and to take appropriate steps to ensure the PNA fishery MSC recertification is conducted by a CAB that can demonstrably meet the impartiality requirements of ISO 17065. **This could involve requiring LRQA to recuse itself from the MSC objection process and appointing an alternative CAB with no financial ties to stakeholders in the global tuna supply chain, or by Goldman Sachs Asset Management immediately divesting itself from Thai Union Group PCL stock across all financial markets.**

We believe a transparent and impartial assessment is essential to maintaining the integrity of the Marine Stewardship Council certification process and ensuring the sustainability of the PNA tuna fishery. Thank you for your time and attention to this urgent matter. We look forward to your prompt response and a swift resolution of this ASI Incident.

Your sincerely,

Alex Hofford  
*Convenor*

**Coalition for Transparent Tuna Fisheries**

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