

March 12, 2014



Mr. Jim Keys
Chief Executive Officer
Fresh and Easy
2120 Park Pl
El Segundo, CA 90245

Re: Icelandic Whaling

Dear Mr. Keys:

On behalf of the undersigned members of the Whales Need US Coalition, including national and international animal protection and conservation organizations representing over 30 million citizens worldwide, I am writing to raise concerns related to the export of seafood to the United States by the Icelandic whaling-linked company HB Grandi and its subsidiaries. We are calling on your company to conduct an audit of your supply chain to ensure that you are not purchasing fish from companies that are directly or indirectly involved in whaling.

Iceland is one of only three nations that continues to engage in commercial whaling, including on an endangered species, in defiance of a moratorium imposed by the International Whaling Commission (IWC) in 1982. Iceland has increased its self-allocated whaling quotas in recent years and, in December 2013, announced a five year block quota that could result in the deaths of nearly two thousand whales.

In July 2011, the US Department of Commerce certified Iceland for undermining the IWC's commercial whaling moratorium. This certification, pursuant to the Pelly Amendment to the Fishermen's Protective Act, led to President Obama issuing Presidential directives in September 2011 that imposed a series of diplomatic measures against Iceland which remain in force.

On February 6, 2014, the US Department of Interior certified Iceland under the Pelly Amendment for undermining the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) by trading in the products of protected whales. The President has sixty days to respond to this certification, but his decision could impose additional measures against Iceland, including economic sanctions against companies such as HB Grandi.

HB Grandi, one of Iceland's largest seafood companies, has played a very active role in Iceland's whaling industry by promoting whaling by Hvalur hf, Iceland's principal whaling company, and by providing its facilities for the processing of endangered fin whale meat for the export market. In 2013, 134 endangered fin whales were killed by the

Icelandic whaling company Hvalur. Thousands of tons of meat and blubber from the fin whale hunt have been exported to Japan for human consumption, to be manufactured into pet treats,

and for other non-essential products. Moreover, as you may know, HB Grandi's Chair of the Board, Kristjan Loftsson, is both the CEO and a lead shareholder of Hvalur.

We are currently contacting US retailers that inadvertently may be supporting Iceland's commercial whaling industry by purchasing fish products from companies that may be linked to whaling. We therefore respectfully ask your company to publicly attest that:

- (1) Fresh and Easy opposes Iceland's commercial whaling and trade in whale products;
- (2) Fresh and Easy will conduct a full and transparent audit of its seafood supply chain upon receipt of this letter so that it can guarantee to the US public that no seafood sourced from individuals, vessels or companies linked to whaling is purchased by your company or sold to your customers, including fish from third party agents and/or processors. Attached please find information on these whaling-linked companies.

Providing such an assurance would be welcome news to American citizens and consumers of seafood products. According to a 2012 poll by the Benenson Strategy Group, 86% of the American public believes that America has a moral obligation to protect endangered or threatened species, and that 77% oppose commercial whaling. A further 66% of respondents said that they would be willing to stop buying products from companies engaged in commercial whaling.¹

In the hopes that we can stop the launch of Iceland's whaling fleet in 2014, we would be grateful if you could respond to this inquiry by March 19, 2014. We would also welcome the opportunity to meet with you at your earliest convenience. Should you have any questions or if you would like to schedule a meeting, please do not hesitate to contact DJ Schubert of the Animal Welfare Institute at dj@awionline.org or, by telephone at (609) 601-2875.

Thank you for considering this request and for the courtesy of providing a reply. I can be contacted at the address or telephone number provided below or, by electronic mail, at susan@awionline.org.

¹ 'Research in Attitudes Toward Commercial Whaling'. Benenson Strategy Group, April 2012. The margin of error was $\pm 3.5\%$ at the 95% confidence value.

Sincerely,

A handwritten signature in black ink, appearing to read "Susan Millward". The signature is fluid and cursive, with the first name "Susan" being more prominent than the last name "Millward".

Susan Millward
Executive Director
Animal Welfare Institute
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On behalf of:

Animal Welfare Institute
Cetacean Society International
Dolphin Connection
Environmental Investigation Agency
Great Whale Conservancy
Greenpeace USA
Humane Society International
The Humane Society of the United States
International Marine Mammal Project of Earth Island Institute
Nantucket Marine Mammal Conservation Program
Natural Resources Defense Council
Pacific Whale Foundation
Peninsula Citizens for the Protection of Whales
Origami Whales Project
Whale and Dolphin Conservation
The Whaleman Foundation
World Society for the Protection of Animals