

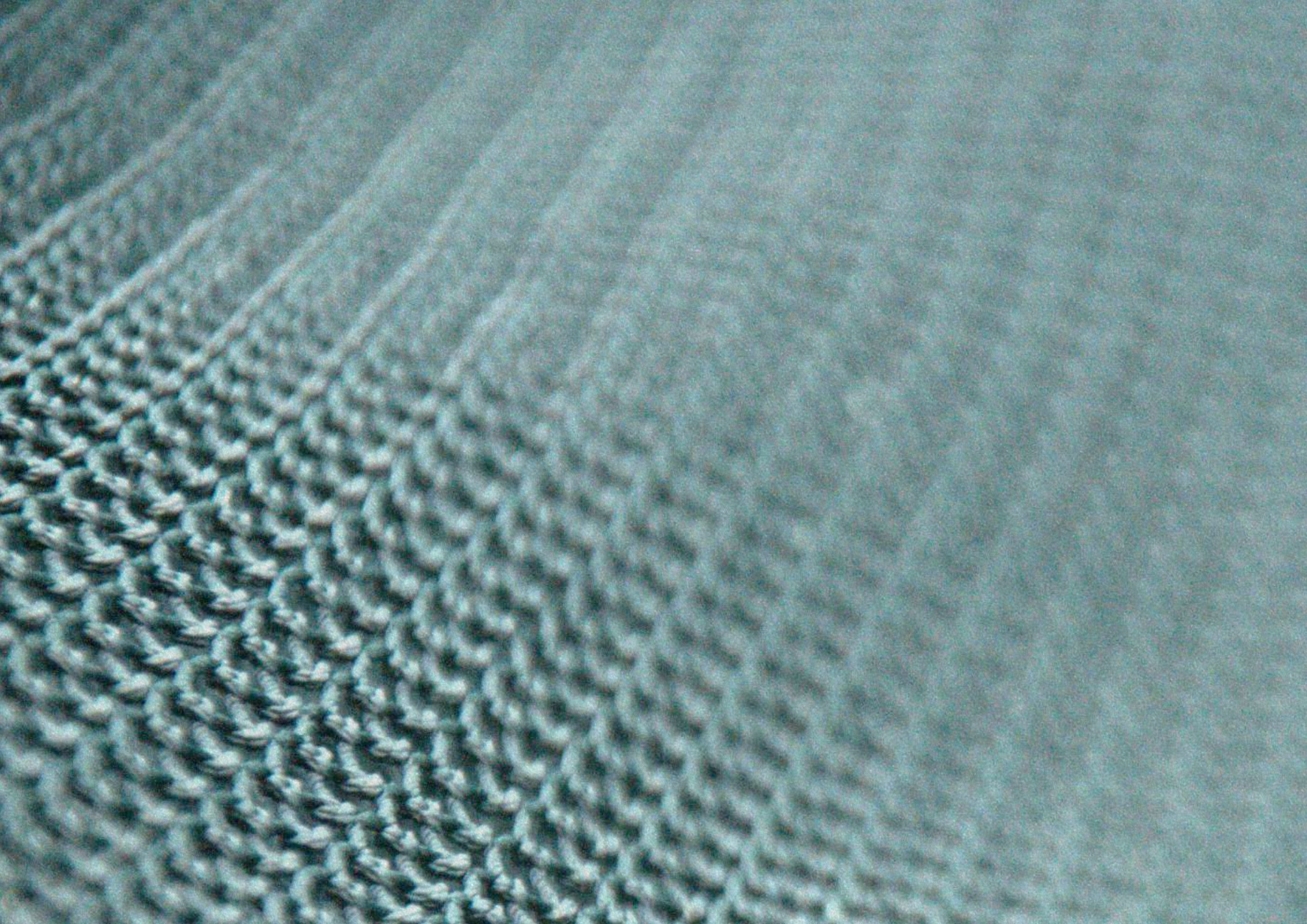


# Sustainability Report 2021



Austral Group S.A.A.  
Austevoll Seafood Company







(GRI 102-50, 102-53, 102-54)

# About this report

This Sustainability Report has been prepared in accordance with the core option of the Global Reporting Initiative (GRI). This report shares the economic, social and environmental results for the year 2021. For more information about this report, please write to [comunicaciones@austral.com.pe](mailto:comunicaciones@austral.com.pe) or contact us through our social media:



[/Austral Group S.A.A.](#)







# Table of Contents:

	Pág.		Pág.		Pág.
<b>CHAPTER 1: Austral Group</b>	9	<b>3.6 Austral and the Global Compact</b>	37	<b>CHAPTER 7: Growing with our Suppliers</b>	73
1.1 Who we are	10	<b>3.7 Acknowledgements</b>	38	7.1 Our supply chain	74
1.2 Excellence model	11	<b>CHAPTER 4: Our 2020 Performance</b>	39	7.2 Approval, selection and evaluation of suppliers	74
1.3 Where we are	12	4.1 Economic performance	40	7.3 Supplier development	75
1.4 Responsible fishing	13	4.2 Production	41	<b>CHAPTER 8: Our Social Management</b>	77
1.5 Our fleet	15	4.3 Sales	42	<b>GRI Index</b>	86
1.6 Our products	16	<b>CHAPTER 5: Austral's Team</b>	46		
1.7 Our customers	18	5.1 Team building	48		
1.8 Digital transformation and innovation	20	5.2 Equal opportunities	49		
<b>CHAPTER 2: Good Corporate Governance</b>	22	5.3 Attracting and retaining talent	50		
2.1 Board of directors	23	5.4 Trade unions	62		
2.2 Management	24	5.5 Health and safety	63		
2.3 Committees	25	<b>CHAPTER 6: Commitment to our Sea and the Environment</b>	66		
2.4 Ethics and anti-corruption	29	6.1 Resource management	67		
<b>CHAPTER 3: Sustainability</b>	30	6.2 Waste management	69		
3.1 Stakeholders	32	6.3 Emissions	70		
3.2 Materiality	34	6.4 Actions to protect our sea	71		
3.3 SSIndex	35				
3.4 Integrated Sustainable Management System	36				
3.5 Certifications	36				



# Letter from the General Manager



Dear Friends,

I am writing to present our 2021 Sustainability Report, through which we communicate our economic, social and environmental performance within the framework of sustainable management with our stakeholders. This document has been prepared taking into account the Global Reporting Initiative standard and in accordance with the principles of the United Nations Global Compact and Sustainable Development Goals (SDGs).

2021 was the second year of the pandemic that we faced working as a team, having already learned how to deal with COVID-19, applying our safe operation protocol with the utmost exigency and taking maximum care in the measures adopted in order to perform daily in a safe environment. In this connection, at Austral we continued operating under the leadership of our COVID-19 Corporate Committee and the decentralized committees at each plant, which were permanently in charge of implementing, reviewing and updating the protocol, which was also audited by a recognized international certifying company.

A milestone that marked 2021 was the transition to a new organizational culture where the commitment to responsible and sustainable fishing was embodied in our new vision, mission, values and key success factors. In this connection, Austral reaffirmed its commitment and leadership as an organization that wants to be recognized as the leading fishing company in sustainability in Peru. The company's Sustainability Committee was formed to oversee the development of sustainable management. On this basis, we developed our Integrated Sustainable Management Policy, which stems from nine prioritized SDGs that are key to the fulfillment of both our vision and mission.

On the operations side, 2021 turned out to be a very good year in fishing terms. Austral's landings totaled 515,626 MT for the indirect human consumption business, 61% higher than in 2020, which allowed us to reach a record share of 10% in landings at the national level. This result is mainly due to a higher catch in the north-central area and a significant recovery of the landings in the southern coastal area.

**Adriana Giudice**  
*Gerente General*



“

*The high levels of satisfaction achieved allowed us to obtain the SSINDEX Seal for the following stakeholders: Employees (88%), Suppliers (89%) and Customers (91%).”*

As for the Direct Human Consumption business, the horse mackerel quota was established at 101,000 MT (65,410 MT for the industrial fleet and 35,590 MT for the artisanal fleet) while the mackerel quota amounted to 91,000 MT (68,081 MT for the industrial fleet and 22,919 MT for the artisanal fleet) for the year 2021. In the case of the industrial fleet, 100% of the horse mackerel catch was reached, while 41% of the established mackerel quota was reached. Austral recorded a combined catch of 12,561 MT for 2021, 34% lower than the previous year.

On the commercial side, we ranked first in terms of the best average FOB export prices at the national level for both fishmeal and fish oil. Our sales amounted to 109,456 MT of fishmeal and 18,973 MT of oil, 80% and 116% higher than in 2020, respectively. Our largest fishmeal export destination was China, representing 58%, followed by Germany (16%) and Japan (11%), while for fish oil the main destinations were Norway (52%) and China (20%).

In the frozen foods business, Austral's sales amounted to 9,751 MT in 2021, 25% lower than in 2020. The international market for horse mackerel and mackerel in 2021 experienced high export prices, resulting mainly from the high demand for pelagic fish in Africa. In the case of horse mackerel, our main export destinations included Nigeria, Ivory Coast and Cameroon. With respect to mackerel, the market diversification strategy continued, particularly as regards to Russia, Eastern Europe (Ukraine, Lithuania) and Spain.

Austral's SSINDEX (Sustainability Index) 2021 reached 80%, which means that 80% of the employees, customers, suppliers and communities measured have a positive perception towards Austral's commitment to sustainable management in Environmental, Social and Corporate Governance (ESG) variables. The high levels of satisfaction achieved allowed us to obtain the SSINDEX Seal for the following stakeholders: Employees (88%), Suppliers (89%) and Customers (91%).

During 2021, Austral received for the seventh time the Distintivo de Empresa Socialmente Responsable (Socially Responsible Company Distinction) awarded by Perú Sostenible. This distinction recognizes our responsible environmental, social and economic management, proving Austral's strong commitment to its stakeholders.

Our commitment to sustainability is long-standing. Therefore, at the beginning of this year, the Clean Production Agreement (acronym in



Spanish: APL) was signed with the Ministry of the Environment and the Ministry of Production, and with the presence of representatives of the Sociedad Nacional de Pesquería (National Fisheries Society). Under this agreement, we are committed to meeting 6 goals aligned with the incorporation of a circular economy approach in our operations and towards the community.

Similarly, throughout the year we maintained a very close relationship with our communities, supporting vaccination against COVID-19 and providing biosecurity equipment for medical personnel and food supplies for Ollas Comunes (shared cooking pots). Our plants in Coishco, Chancay and Pisco, through their volunteer committees, carried out projects for the benefit of the communities in our areas of influence. In addition to the development of our social responsibility programs and donations, we achieved an investment of more than USD 116,283.37 in favor of the population.

On the other hand, Austral, as a company that promotes gender equality, incorporated the first female Superintendent in charge of a production plant in the Peruvian fishing sector, and through its Gender Equality and Diversity Committee, Austral fosters the participation of women in the fishing sector, especially in the operational areas, where male employment has always been prevalent in different roles.

Finally, I invite you to read this report, where each advance and achievement is a recognition of the great effort made every day by all our employees, without which it would be impossible to achieve the results pointed out. At Austral, it rests beyond doubt that the main link in our value chain is our work force, to whom I extend my most sincere thanks.



Chapter 1

# Austral Group





(GRI 102-2, 102-5)

We are a leading fishing company engaged in the capture, production and marketing of seafood and marine ingredients worldwide. We are part of the Austevoll Seafood ASA group, a Norwegian company listed in the Oslo Stock Exchange and operating in major fishing countries such as Norway, United Kingdom, Chile and Peru.

In 2021, we renewed the company's corporate identity with a focus on a sustainable fishery, aiming to reflect its current status and how it projects into the future.

## Key success factors

- ✔ Prepare in a timely manner
- ✔ Work efficiently
- ✔ Lead with responsibility

# Mission

To create sustainable value by promoting marine conservation and the development of communities.

# Vision

To be recognized as the leading fishing company in sustainability in Peru.

# Values

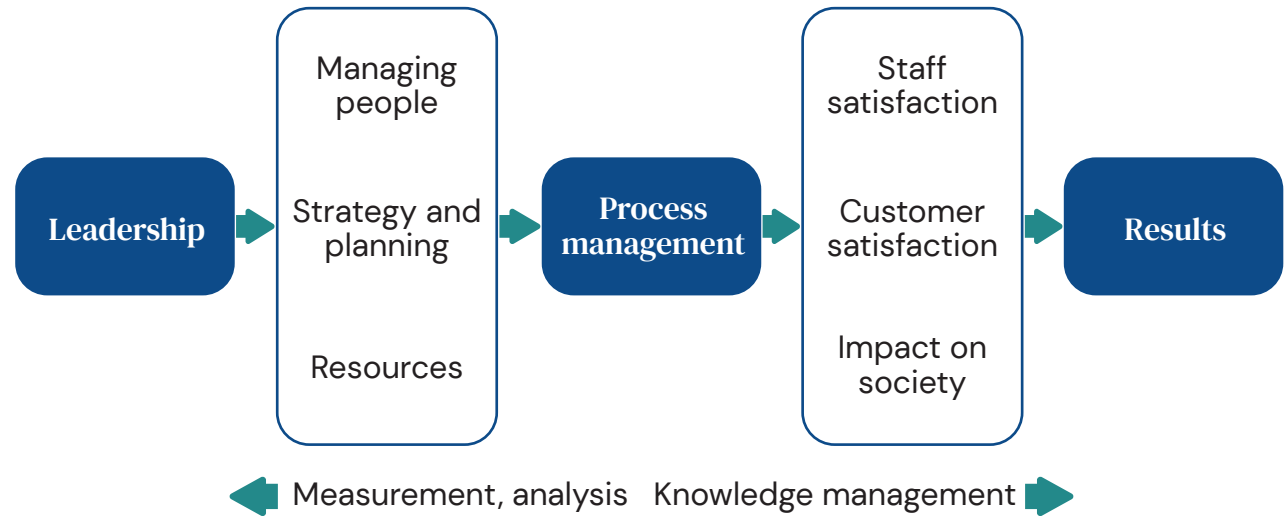
- ✔ We act with integrity
- ✔ We have a passion for excellence
- ✔ We treat everyone with respect
- ✔ We promote continuous learning
- ✔ We add more value as a team



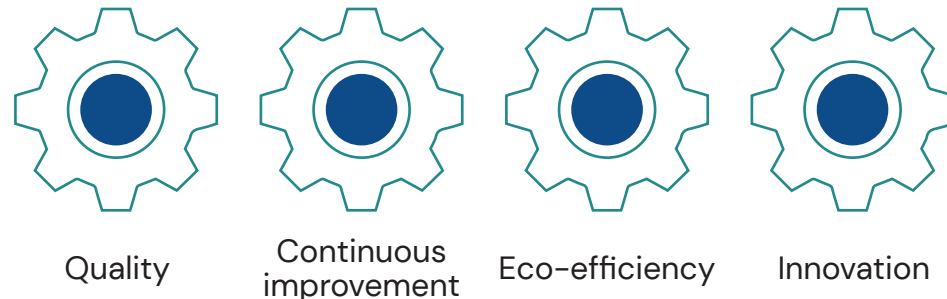
# Excellence Model

Our Excellence Model in Quality Management follows that of the European Foundation for Quality Management (EFQM) and provides us with a powerful tool for process improvement and proper management of the organization, enabling us to achieve the expected results and seek excellence in performance.

As a result of its successful application and results, the Quality Management Committee of the Centro de Desarrollo Industrial (Industrial Development Center) awarded us the "Gold Category Quality Leader Medal" at the 2011 National Quality Award Ceremony. The following year, Austral obtained the 2012 National Quality Award, the highest recognition granted in Peru to organizations that demonstrate outstanding performance in implementing the Management Excellence Model.



## Our lines of action

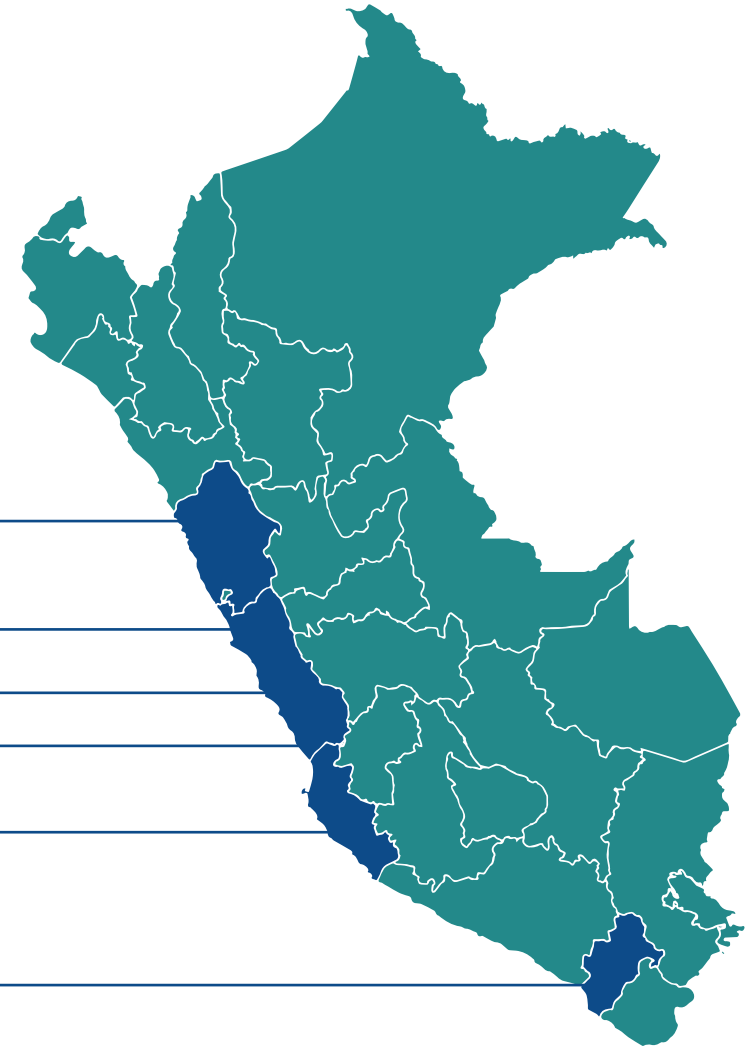




(GRI 102-3, 102-4)

# Where we are

Plant/ Headquarters	Direct human consumption	Indirect human consumption
Coishco Plant	Frozen fish: 600 MT per day*	Fishmeal: 160 MT per hour
Chancay Plant		Fishmeal: 130 MT per hour
Our headquarters Callao Warehouse		
Pisco Plant	Canned fish: 9,600 boxes per shift	Fishmeal: 120 MT per hour
Ilo Plant		Fishmeal: 100 MT per hour



\*Canning plant in Coishco closed indefinitely

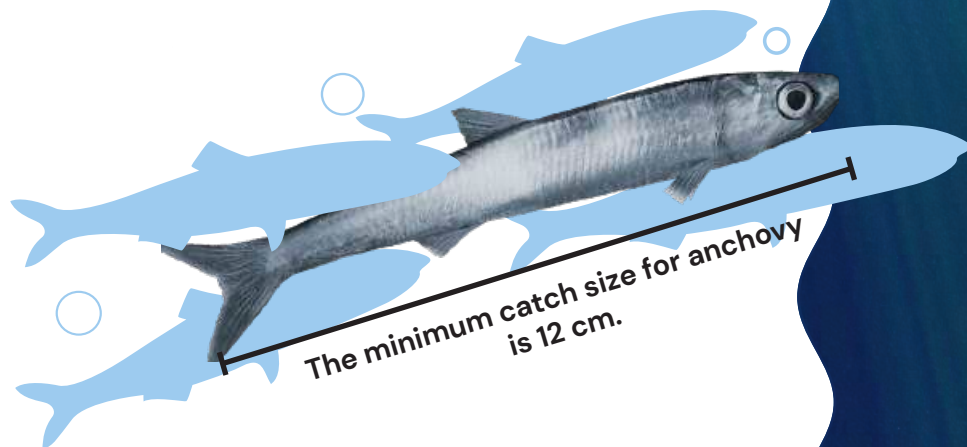


(GRI 103-1, 103-2, 304-2)

# Responsible fishing

In Peru, one of the most valuable fishery resources is anchovy, which is why its biomass is widely studied by prestigious institutions such as the Instituto del Mar del Perú - IMARPE (Sea Institute of Peru) and the Ministry of Production - PRODUCE. Austral's commitment to responsible fishing is expressed in the Integrated Sustainable Management Policy and supported by certifications such as Friend of the Sea and Marintrust (formerly IFFO-RS).

Below, we explain some of the main initiatives to safeguard this valuable resource.



## Quota system

Since 2009, the Ministry of Production established a fishing management system based on Maximum Catch Limits per Vessel (MCLV), also known as quota system. This system assigns a catch limit per season to a certain number of vessels in order to reduce fleet capacity and thus achieve an efficient allocation of economic and fishing resources. The results of this program have been recognized by important international organizations such as FAO, OECD, ECLAC and the World Bank.

## Protection of juvenile fish

PRODUCE, IMARPE and several fishing companies have established a protection system for juvenile anchovy specimens to guarantee their reproduction and preservation over time. This system involves the temporary closure of fishing areas according to the presence of juveniles reported by the vessels in PRODUCE's electronic logbook and the supplementary monitoring system of the National Fisheries Society (SNP).



# Salvamares Program

The objective of the SNP's Salvamares initiative is to contribute to the sustainability of the marine ecosystem by monitoring and releasing the main species that interact in the fishing industry, by mitigating the capture of juveniles and by developing a large database of the marine ecosystem. All our crew members are trained annually in marine megafauna identification and release. During 2021, 275 crew members participated in the annual training on biology, ecology, species identification and release techniques.

# Improvement Project (PROME)

With the completion of the anchovy Improvement Project (PROME) at the end of 2020, the international review conducted revealed a positive result, as the company reached the necessary score according to the principles established by the MSC Certification for the evaluation of fisheries. Thus, the SNP immediately began an international audit (pre-assessment) in early 2021 as part of the formal process for the implementation of the MSC Certification to achieve certifiable status for industrial anchovy fishing operations in the Central-Northern area of Peru. On a preliminary basis, this pre-assessment yielded satisfactory results, pending the closure of certain points and the audit team's visit to Peru in order to hold a number of interviews with key agencies such as PRODUCE and IMARPE, as well as other relevant industry stakeholders. By doing so, we expect to close this stage by mid-2022.

If the final results are positive, we would begin MSC Certification in the second half of the year with a view to obtaining this certification during 2023.



Diagrama informativo que se encuentra en todas nuestras E/Ps





# Our fleet

During 2021, our fleet consisted of 20 operational vessels, of which 13 vessels have a seawater refrigeration system (RSW) and a combined hold capacity of 7,818.59 m<sup>3</sup>.

Our fleet includes the Don Ole fishing vessel, the most modern and eco-efficient anchovy vessel in Peru. Its 9 holds are equipped with refrigeration systems (RSW) and are highly automated. The vessel's hull is protected by a thin layer of zinc to ensure a longer on-deck preservation and fourth generation engines that allow for a reduction of up to 35% in fuel consumption, thus reducing greenhouse gas emissions while complying with high international requirements.





# Products

Anchovy fishing in Peru is one of the best managed in the world, thanks to responsible fishing initiatives and a quota system per vessel, which allows for obtaining the best marine ingredients without affecting the sustainability of hydrobiological resources.



## Fishmeal

Anchovy fishing in Peru is one of the best managed in the world, thanks to responsible fishing initiatives and a quota system per vessel, which allows for obtaining the best marine ingredients without affecting the sustainability of hydrobiological resources.



## Fish oil

We produce fish oil from anchovy high in Omega 3, EPA, DHA and fatty acids. The oil produced is ideal for the nutraceutical, pharmaceutical, aquaculture and animal feed industries.



## Frozen Fish

We process frozen products such as horse mackerel, mackerel, silverside, anchovy, shortfin squid and squid, while safeguarding the cold chain from catch to arrival at destination. Our products are caught with our own or third party vessels, all of which have the required permits and inspections to ensure their safety.



(GRI 416-1)

# Our commitment is to provide high-quality products

Our processes are guaranteed by eight international certifications: ISO 9001, ISO 14001, ISO 45001, FEMAS, MARINTRUST, FRIEND OF THE SEA, BASC and SSINDEX, which are audited from time to time by recognized certifiers.

We implement strict procedures that maintain minimum variability margins in order to obtain products that meet our customers' quality requirements.

Furthermore, all our products go through rigorous controls to avoid possible impacts on the health of our customers or end consumers, ensuring compliance with contractual requirements. To this end, we have implemented the Hazard Analysis and Critical Control Point (HACCP) system, which aims to identify safety hazards and establish control measures for our products. It should be noted that we have HACCP plans in place for each of our product lines.

We permanently monitor compliance with the regulatory requirements of the National

Fisheries Health Agency (SANIPES), the Codex Alimentarius, national legal regulations, Peruvian technical standards and metrological standards applicable to our products and the requirements of the destination markets.

## Verification of frozen products

SANIPES, through a risk-based inspection process, and an internationally recognized supervisor are in charge of verifying matters such as product origin, species identification and regulatory compliance.

## Verification of fishmeal and fish oil

A supervisory company is responsible for the verification and conformity of the product according to the business' sales parameters. They inspect matters such as labels, license and authorization numbers, and production dates, so that these are subsequently reviewed and approved by SANIPES through the risk-based inspection process.



(GRI 102-6)

# Customers

As stated in the Integrated Sustainable Management Policy, “we build relationships of trust with our customers by providing them with genuine, safe and high-quality products, meeting their expectations with an outstanding service.” This is evidenced by the results of the SSIndex, a tool for evaluating the needs and expectations of our stakeholders: a 91% approval rating from our customers, 2 points higher than the previous year.

During 2021 we have consolidated our relationship with our multiple clients around the world, always seeking to provide them with the best products from the Peruvian sea. Our presence spans 27 countries across all five continents, namely:

“  
We obtained a 91% approval rating from our customers, 2 points higher than the previous year.”



Germany  
Angola  
Australia  
Benin  
Belgium  
Canada  
Chile  
China  
Ivory Coast  
Denmark

Ecuador  
Spain  
France  
Ghana  
India  
Indonesia  
Japan  
Liberia  
Lithuania  
Nigeria

Norway  
New Caledonia  
Russia  
Taiwan  
Togo  
Ukraine  
Vietnam



(GRI 102-13)

Austral maintains strategic alliances with different associations and leading institutions in the industry to strengthen its initiatives and projects in Peru.





# Digital Transformation

In recent years, Austral has been implementing a digital transformation strategy throughout the company. Following the decline of the COVID-19 pandemic, many of these processes were streamlined and rapidly digitized.

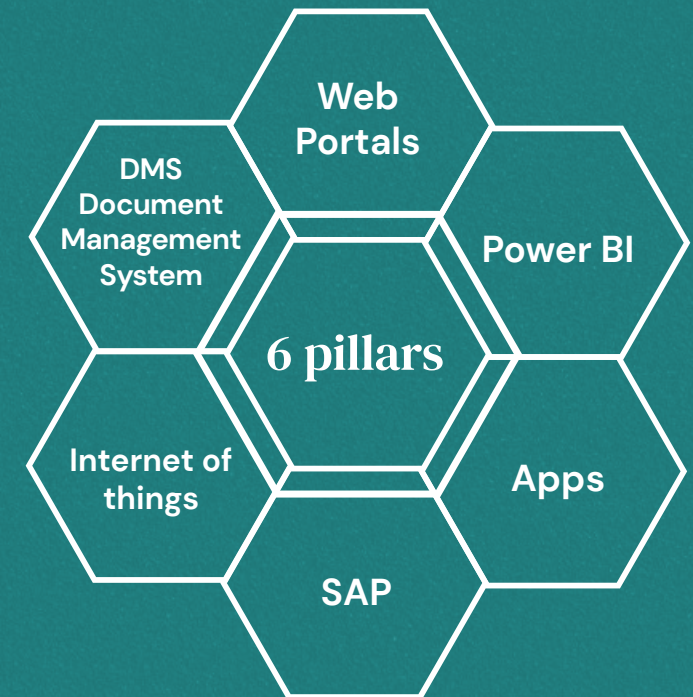
During 2021, the Digital Transformation Committee formed by the Strategy and Continuous Improvement, Human Resources, Audit and Communications areas focused on defining the organizational structure for the implementation of this strategy together with the so-called "Digital Champions". Digital Champions are the business' project leaders, who are responsible for ensuring digital product use cases and end-to-end product testing.

Steps to digital transformation:

- Data entry
- Digitization
- Digital transformation

Benefits obtained from digital transformation:

- Improved process effectiveness.
- Boosting the company's culture of innovation.
- Fostering innovative leadership in each of our areas, improving the capacity to contribute new and innovative ideas.
- Improved effectiveness and immediate response to our stakeholders' concerns.





# Innovation

## Hazte una pez

This program makes it possible for employees to submit innovation proposals, by identifying new ideas in our daily work, in order to find opportunities to improve our processes. Our employees' proposals are evaluated and implemented when they represent an efficient and effective solution to a previously identified problem. The authors of the proposal receive public recognition and an economic incentive for their contribution.

During 2021, we received a total of 11 suggestions from our four production plants, adding to 132 suggestions since the relaunch of this program in 2015. Of the 11 suggestions received, 3 have been approved. These relate to improvements in energy savings, process optimization and organic matter recovery. The net benefit or estimated savings from these suggestions is USD 236,008, which is equivalent to more than one-third of the total estimated savings from suggestions arising from this program since 2015.

The Hazte una Pez program seeks to:

- Promote the participation of workers in the company's continuous improvement.
- Improve communication.
- Encourage teamwork.
- Inspire the participants to develop their technical and management skills.

## Total Productive Maintenance (TPM)

TPM is a continuous improvement methodology that will allow us to improve our personal and professional skills, teams and work methods, eliminating losses and activities that do not add value to our processes in order to become a more competitive and sustainable company. We have been successfully implementing this methodology in our Chancay plant, particularly in the effluent treatment process, and we have expanded it to other plant areas, such as the kitchen-press and boiler areas. Moreover, there are plans to start implementing the TPM at the Pisco plant in the second closed season of 2022.





Chapter 2

# Good Corporate Governance





(GRI 102-14, 102-18)

## Board of Directors

Austral Group's Board of Directors consists of five directors, who are elected by the General Shareholders' Meeting to serve for a 3-year period. Independent directors are selected based on criteria such as diversity, independence and expertise in the economic, environmental and social fields. All members of the Board of Directors, as well as of the various steering committees, must have a high academic background and professional prestige, along with a strong sense of ethics.



**Arne Møgster**  
Chairman of the Board



**Britt Kathrine Drivenes**  
Regular Director



**Gianfranco Castagnola**  
Regular Director



**Helge Singelstad**  
Regular Director



**María Jesús Hume**  
Regular Director



# Management

The management team is made up of 5 managers, 40% of whom are women, including the General Manager.



**Adriana Giudice**  
General Manager



**Cynthia Jimenez**  
Human Resources Manager



**Juan de Dios Arce**  
Fleet Manager



**Didier Saplana**  
Chief Operations Officer



**Andrew Dark**  
Chief Financial Officer



# Steering Committees

## Corporate Governance Committee

This committee is in charge of assisting the Board of Directors in adopting, executing and complying with Good Corporate Governance Practices, by providing elements of judgment and proposals necessary for developing, supervising and improving the relevant practices.

## Audit Committee

This Committee is geared towards strengthening internal control, management supervision and risk prevention within the numerous areas of the company. It is responsible for leading and overseeing initiatives for risk prevention and the search for continuous improvement in this area. It is also responsible for overseeing and continuously monitoring the operation of the company's Crime Prevention and Compliance Model.

## Ethics Committee

The Ethics Committee, the competent and decision-making body regarding compliance with and application of the Code of Ethics, is responsible for investigating and resolving the various complaints received through the Ethics Line. Its duties include ensuring its operation, confidentiality and independence. It promotes the implementation of corrective measures and recommendations to prevent similar violations of the Code of Ethics in the future.





It is worth noting that there were no reports of sexual harassment or gender discrimination, nor any complaint related to the communities where we operate.

The Internal Audit area was responsible for investigating the reports and the investigation results were presented to the Ethics Committee, the competent and decision-making body regarding compliance with and application of Austral Group S.A.A.'s Code of Ethics. The Ethics Committee is responsible for ensuring the operation, confidentiality and independence of the Ethics Line. It also promotes the implementation of corrective measures and recommendations to prevent similar violations of Austral Group S.A.A.'s Code of Ethics in the future.

The steering committees, according to their area of competence, participate in decision-making on economic, environmental, ethical compliance and social issues, depending on their roles.

## Reports received during 2021

Conflict of interest	1
Fraud, theft, misappropriation	9
Bad attitude at work	4
Non-compliance with occupational health and safety laws	5
Non-compliance with internal procedures	5
Could not be investigated due to lack of information	3

<b>TOTAL</b>	<b>27</b>
<b>REPORTS DECLARED PARTIALLY AND TOTALLY WELL-FOUNDED</b>	<b>16</b>

# 27 reports for alleged non-compliance with the Code of Ethics

## 57% more than the previous year

### 85%

Reports related to operational areas

### 15%

Reports related to administrative areas



# Corporate Committees

## Sustainability Committee

The Sustainability Committee was established in April 2021 and aims to ensure compliance with the Integrated Sustainable Management Policy and its implementation in the company. During 2021, the Committee obtained significant results such as the approval of the Integrated Sustainable Management Policy, the preparation of the 2020-2021 materiality report, the publication of the first Sustainability Report according to GRI standards and the updating of the organizational culture in relation to sustainability management. The committee holds bimonthly meetings and is made up of:

- General Manager
- Chief Financial Officer
- Human Resources Manager
- Chief Operations Officer
- Fleet Manager
- Quality and Environmental Management Manager \*
- Human Resources Coordinator \*
- Deputy Fleet Maintenance Manager \*
- Head of Strategy and Continuous Improvement \*
- Logistics Executive \*
- Head of Social Responsibility and Corporate Communications\*

## COVID-19 Corporate Committee

Since its creation in 2020, leaders of all work areas of the organization and the Management Committee seek to ensure the continuity of operations, taking into account health regulations and, above all, the health and safety of all our employees, responding quickly to risks and possible contingencies in this environment.

During 2021, as Peru went through the second and third COVID-19 waves, Austral's Corporate Committee strictly complied with the procedures and controls established in the COVID-19 Surveillance, Prevention and Control Plan. Thus, we promoted and supervised proper control of the vaccination process among all our employees. In this connection, 99.2% of our personnel received the two doses by the end of 2021, making it possible to return to face-to-face work at the headquarters under the hybrid work model.

## Comité de Equidad y Diversidad

Austral's Equality and Diversity Committee is in place since March 2019. It aims to promote gender equality, non-discrimination and respect for diversity, while fulfilling its duties within the framework of the Gender Equality and Diversity Policy.

During 2021, the committee remained in active communication with the personnel, continuously raising awareness and working hand in hand with the different areas to achieve gender and equity goals. This year's main results:

- Increased female participation in the company's selection processes, reaching a 33% share in hires by 2021.
- Increased number of female hires in operational areas, including 4 hires in areas such as production, fleet, maintenance, and even a female superintendent at the Pisco plant.

(\*) They make up the Technical Secretariat and hold monthly meetings.



## Sexual Harassment Intervention Committee

- Budget allocated for gender projects and initiatives.
- Equity Week: talks to employees on unconscious bias, discrimination, violence, harassment and zero tolerance to gender violence. Inclusive communication training for internal and external communication areas. 3 workshops and 1 webinar on "Equity and new masculinities" with organization leaders.
- 4 digital campaigns related to gender issues with an average reach of 40,732 people.
- 2 new hires and 3 interns as part of the agreement with UTEC and the Universidad Nacional del Santa.

The committee is made up of 7 employees, male and female, from different areas:

- Legal Advisor
- Fleet Manager
- Chief Operations Officer
- Head of Internal Audit
- Corporate Head of Development
- Corporate Head of Information Technology
- Head of SR and CC
- 1 employer's representative at the Chancay Plant
- 1 workers' representative at the Pisco Plant
- 1 employer's representative at the Headquarters
- 1 employer's representative at the Coishco Plant
- 2 workers' representatives at the Coishco Plant

Established on January 1, 2020, the purpose of this committee is to receive complaints, impose protective measures, investigate and issue recommendations to prevent new cases in accordance with the Sexual Harassment Prevention and Punishment Act, as supplemented from time to time.

During 2021, the committee did not receive any harassment complaints. Moreover, constant communication was maintained with employees through messages reminding them of the reporting channels, information material on sexual harassment and review of the amendment to the Regulations for the Prevention and Sanction of Sexual Harassment.





(GRI 205-2, 102-16)

# Ethics and Anti-corruption

## Ethical Management

Our Code of Ethics reflects our values and principles, which guide our behavior and decision-making while incorporating the ethical guidelines of the Austevoll Seafood ASA Group. In 2021, we focused on strengthening our culture of corporate ethics through the Actuar con integridad (“Act with Integrity”) campaign that was deployed throughout our organization to reinforce our “zero tolerance” policy towards acts of corruption.

During 2021, we trained 83% of our internal personnel (employees, crew members and workers) at all our sites through the Code of Ethics virtual training platform and, in some cases, by conducting virtual booster sessions through the Microsoft Teams platform.

## Compliance Management

Austral Group S.A.A.’s compliance management is based on the Corporate Compliance Program and Crime Prevention Model, which incorporates the application of controls to detect and prevent acts of corruption. This program’s goal is to ensure responsible, sustainable and transparent management.

As part of our commitment to education and training in preventing acts of corruption, in 2021 we updated our Code of Ethics and Conduct for Suppliers and deployed virtual talks with our strategic suppliers, reaching a 97% participation rate. Moreover, we have incorporated due diligence controls for the critical processes identified in our compliance risk matrix and launched a free competition compliance program to strengthen our corporate governance practices. This program, which will come to an end in 2022, is also aimed at reviewing the risk matrices and identifying mitigation controls for those risks assessed as high.

## Ethics Line

The Ethics Line is a fair, transparent and safe means to ensure that all reported breaches of Austral Group SAA’s Code of Ethics will be handled on a confidential, professional and non-retaliation basis.

During 2021, we launched the “Ethics Line App” to ensure the confidentiality of the whistleblower, identify fraud and misconduct in a timely manner and classify the reports received. This channel is open to our employees, as well as to our suppliers and customers, without prejudice to the use of traditional channels.

**E-mail: [valores@austral.com.pe](mailto:valores@austral.com.pe)**

**WhatsApp: 946 020 784**

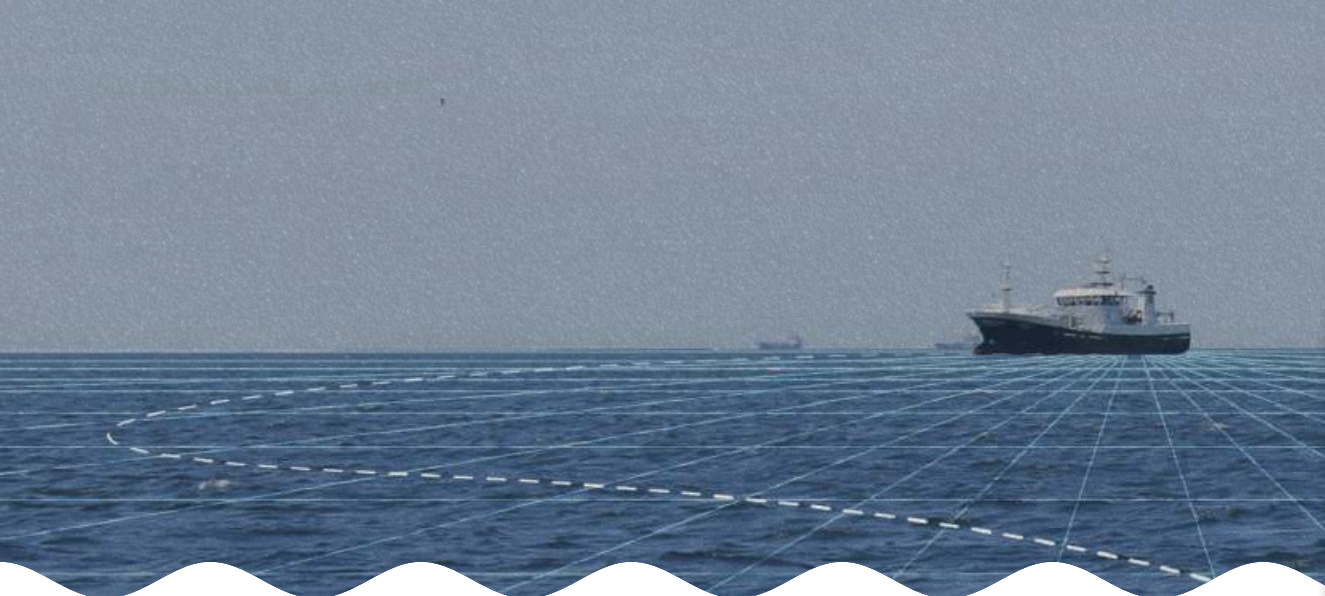


Chapter 3

# Sustainability







Austral Group is highly committed to sustainable management, which is why in 2021 it introduced its new Integrated Sustainable Management Policy. This policy outlines the sustainability actions to which the company is committed with each of its stakeholders. Moreover, the policy has prioritized 9 SDGs related to our management, with which we seek to make an impact on the basis of the sustainable management that the company promotes.



### Integrated Sustainable Management Policy

Austral Group S.A.A. is a leading company in the extraction, processing and commercialization of nutrients from the peruvian sea that carries out its operations following a sustainable management model focused on continuous improvement, eco-efficiency and innovation.

We are signatories of the United Nations Global Compact, we are aligned with the GRI indicators and the Sustainable Development Goals.

We carry out our operations through responsible fishing, taking care of marine biodiversity and our hydrobiological resources. We protect environment under clean production and circular economy approaches, reducing the environmental impact of our activities and operations in the face of climate change.

We respect human rights by promoting the promotion of decent and formal work, rejecting all forms of forced labor, child labor or in conditions of violence, among all our interest groups. We respect the fundamental rights of vulnerable groups present in women, children, the elderly, people with disabilities, indigenous populations, cultural traditions, among others.

Our workers are the most important link in our value chain, we care about their development, training and growth, as well as the promotion of work and family balance. We do not tolerate any form of prejudice, discrimination or sexual harassment. We firmly believe in equality and equity of opportunities without distinction gender, and respect for diversity. We promote the consultation and active participation of collaborators and teamwork, generating a human group highly committed to the objectives and values of the company. We promote compliance with the Ethic Code as the basis of our organizational culture.

We have a culture of Occupational Health and Safety in our operations, providing conditions of safe a healthy work, preventing injuries, ailments, illnesses, accidents and incidents, always looking to eliminate hazards and reduce risks.

We recognize our suppliers as strategic business partners and promote the activation of the local economy through our operations. We promote responsible purchasing, supplier development and improvement of environmental, social and good corporate governance (ESG) standards in our suppliers.

We promote favorable conditions for the socioeconomic development of the communities located in our areas of influence, through projects that respond to the prioritized Sustainable Development Goals (SDGs), identifying needs and creating shared value initiatives to improve their quality of life.

We build trusting relationships with our customers by providing them with authentic, safe and high-quality products, meeting their expectations of excellent service. We operate under the principles of a free and fair competition in our daily actions.

We promote an open dialogue with our stakeholders and foster the exchange of knowledge and experience through strategic alliances with different organizations in favor of sustainable development.

We comply with our legal, labor, contractual obligations and those to which we voluntarily submit. Our conduct adheres to the principles of good corporate governance and we have a crime prevention model to mitigate the risks of committing dishonest practices or illegal activities, prevention of corruption, money laundering assets and financing of terrorism promoting integrity and transparency in our operations.

**Sustainable Development Goals**  
Prioritized

**Sustainability Committee of Austral Group S.A.A.**  
May 2021

**Austral Group S.A.A.**  
Nutrition. Beyond. Corporate.



(GRI 102-40, 102-42, 102-43)

Fishmeal customers  
Frozen fish customers  
Fish oil customers

## Customers

Administrative  
Workers  
Crew members  
Temporary workers  
Trade unions

## Our employees

Service providers  
Suppliers of goods and materials

## Suppliers

Our suppliers of fish for direct and indirect human consumption.

## Shipowners

## Community

Coishco  
Chancay  
Pisco  
Ilo  
Our headquarters  
Callao

## The government

Ministries  
Regulatory bodies  
Local governments

## Our shareholders

Austevoll  
Minority shareholders

## Guilds and Civil Society Organizations

The National Fisheries Society  
AMCHAM  
Peruvian Nordic Chamber of Commerce  
ADEX  
Perú Sostenible

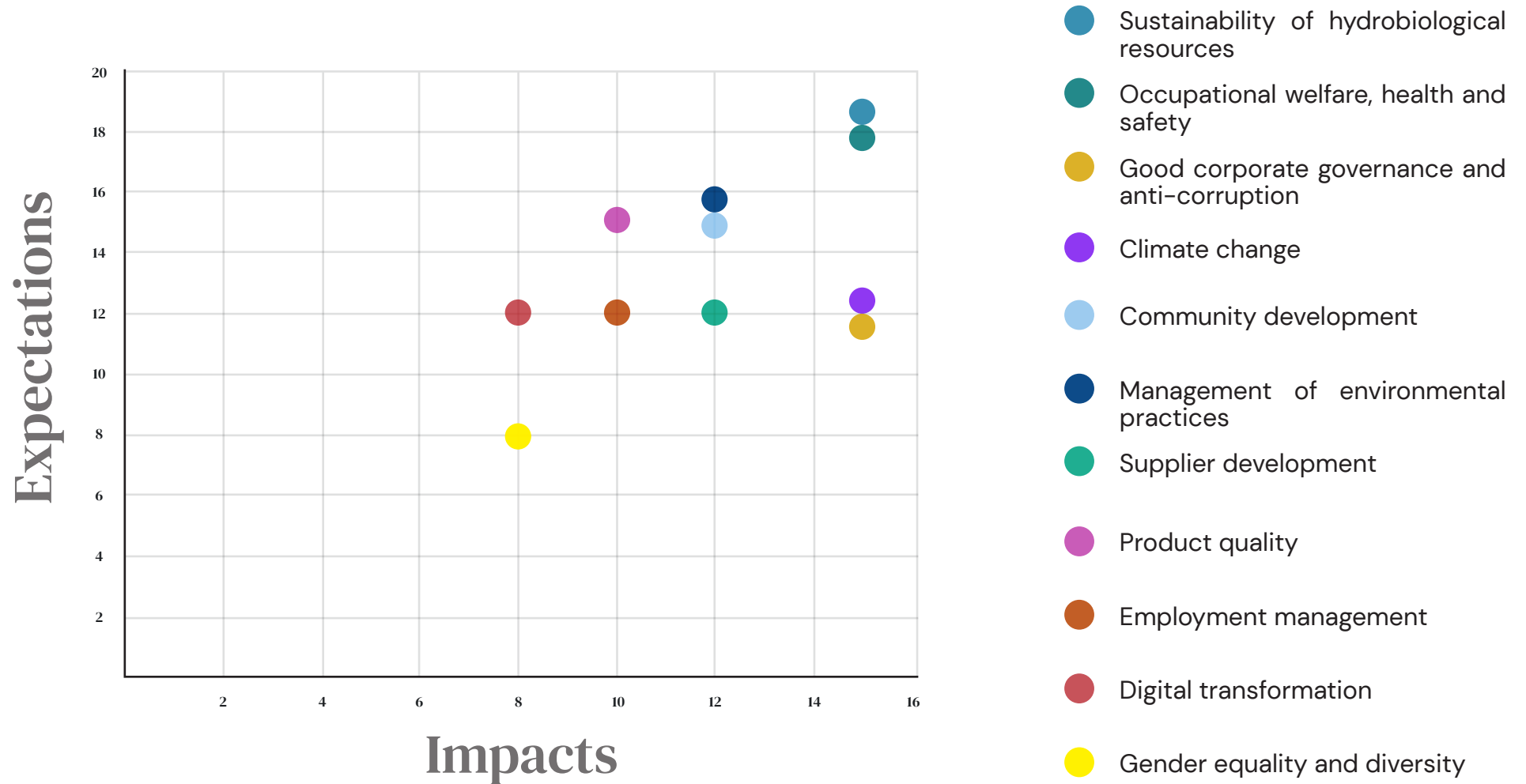






(GRI 102-46, 102-47)

# Materiality





# Internationally Certified Stakeholders Sustainability Index in Sustainability

Every year, Austral participates in the Stakeholders Sustainability Index (SSIndex), an evaluation of the risks and sustainable management of companies in relation to their stakeholders, which takes into account the company's environmental, social and governance management.

During 2021, we were able to certify 3 of our stakeholders: customers, suppliers and employees, who obtained a high level of approval with regard to the company's management. These three stakeholders increased their scores by 1 to 2 points compared to their last evaluation.

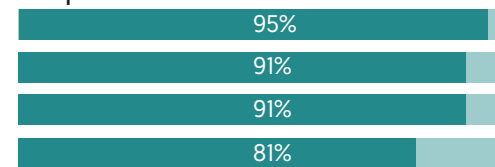
## 88% Employees

+1 with respect to the Austral SSIndex 2020



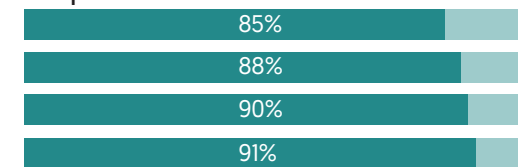
## 91% Customers

+2 with respect to the Austral SSIndex 2020  
+3 points in the TOP 25% 2021



## 89% Suppliers

+1 with respect to the Austral SSIndex 2020  
+2 points in the TOP 25% 2021





# Certifications

We have 8 certifications in force, which reflect the proper performance of operations, the adoption of high standards for process management and compliance with Peruvian law.

## Quality Management



### QUALITY MANAGEMENT SYSTEM. ISO 9001:2015

It allows us to control and continuously improve our processes in order to permanently satisfy the needs and expectations of our customers. Scope: IHC Plants and Headquarters

## Occupational Health and Safety (OHS) Management



### ISO 45001:2018 OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

It allows us to prove the implementation of sound occupational health and safety in our company by controlling our risks and being consistent with our policies and objectives. Scope: IHC Plants.

## Food Safety Management



### FEMAS FOOD QUALITY AND SAFETY MANAGEMENT SYSTEM

We produce fishmeal and fish oil for animal consumption meeting the quality and safety standards required by our customers in the European Community. Scope: IHC Plants and Headquarters.

## Environmental Management and Sustainability



### ISO 14001:2015 ENVIRONMENTAL MANAGEMENT SYSTEM

It allows us to demonstrate and improve our environmental performance by controlling the impacts of our activities, products and services on the environment. Scope: IHC Plants, Fleet and Headquarters.



### MARINTRUST

We guarantee that our products come from responsible and authorized fisheries, in accordance with good manufacturing practices and in compliance with legal requirements. Scope: IHC Plants and Headquarters.



### FRIEND OF THE SEA

We control the catch and processing of marine species using fishing methods that do not have a negative impact on the Peruvian sea, while guaranteeing that the chain of custody is not broken. Scope: IHC and DHC Plants and Fleet.



### SSIndex: STAKEHOLDERS SUSTAINABLE INDEX

We control the catch and processing of marine species using fishing methods that do not have a negative impact on the Peruvian sea, while guaranteeing that the chain of custody is not broken. Scope: IHC and DHC Plants and Fleet.

## Supply Chain Security Management



### BASC INTERNATIONAL CONTROL AND SECURITY STANDARD

We control the security of the supply chain in order to prevent the use of our operations in unlawful international trade activities. Scope: IHC and DHC Plants and Headquarters.



# Global Compact Signatories

Since 2012, Austral Group has been a signatory of the United Nations Global Compact. This corporate sustainability initiative is the largest and most important worldwide, seeking through its 10 Principles to measure the performance of companies in the areas of human rights, labor, environment and anti-corruption.

On an annual basis, the companies that adhered to the Global Compact must communicate, through the Progress Report, the progress made and actions undertaken to comply with the 10 Principles. The latest Austral Group Progress Report is available at the following link: <https://www.unglobalcompact.org/participation/report/cop/create-and-submit/advanced/461667>



# Target Gender Equality

As a signatory to the Global Compact, we also participate in TGE, a gender equality accelerator program that seeks to promote equality at all levels and activities through the adoption of 7 fundamental principles for the empowerment of women. During 2021, company representatives participated in various talks and trainings hosted by TGE. We also measured our progress in gender issues by conducting a diagnosis and disseminating gender campaigns promoted by this organization through our platforms.



TARGET  
GENDER  
EQUALITY





# Acknowledgements

**We were awarded the distinctive seal by Peru Sostenible**



**We were included in the  
MERCOTALENTO Talent Attraction and  
Retention ranking**



**We were awarded the SSIndex  
2021 sustainability seal**



**Recognition awarded to our  
CEO Adriana Giudice in Merco  
Líderes and TOP G ranking**



[Haz click para saber más de los reconocimientos](#)



Chapter 4  
**Our 2021  
Performance**





# Economic Performance

Austral's sustainability depends in part on its financial strength, which helps it face the extreme volatility of fishing in Peru, ensuring continued economic support to the communities where it operates, in addition to its contribution to foreign exchange generation for Peru and the economic development of the country. Disclosure of our economic performance serves as a compass pointing to the company's current financial position, thus helping to mitigate future financial risks and enabling an optimal use of resources with a view to maximizing the relevant economic benefits to all our stakeholders.

We measure economic performance based on the profitability generated by our fishing fleet, considering the difference between the market value of fish delivered at our plants and catch costs. As for the plant, this performance is measured based on the sales value of finished products that result from the processing of raw materials delivered by our fleet and raw materials purchased from third-party fleets. The company's total profitability results from subtracting administrative costs, asset depreciation, financial expenses associated with the organization's leverage and finally income tax to deliver distributable income to our shareholders. As we are listed on the Lima Stock Exchange, our pool of approximately 1,191 local minority shareholders benefit from the dividends paid based on each year's financial performance.

---

<b>Economic value generated</b>	<b>US\$ 235 000 000</b>
<b>Economic value distributed</b>	<b>US\$ 223 500 000</b>
<b>Economic value retained</b>	<b>US\$ 11 500 000</b>

---

# Production

During 2021, Austral Group’s landings of hydrobiological resources for direct human consumption (DHC) and indirect human consumption (IHC) reached 529,467 MT, exceeding by 56% the 2020 landings.

According to PRODUCE, during 2021, national landings of anchovy for fishmeal and fish oil production totaled 5,170,915 MT, of which approximately 10% has been landed at our plants nationwide.

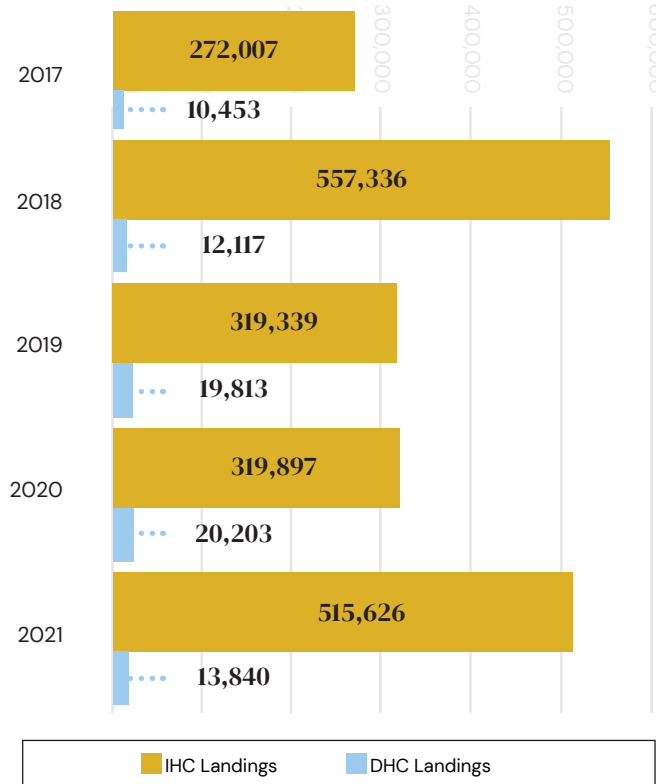
Austral Group’s fishmeal production for 2021 reached 122,165 MT, 60% higher than the 2020 figure.

The share of super prime and prime meals was 84%. The result is higher than that recorded in the previous year (81%) mainly due to a better distribution of fishing areas, continuous processes, availability and reliability of our plants and, finally, a large volume of raw material processed in the southern area with a low catch time (CT).

Moreover, our fish oil production for 2021 reached 15,869 MT, 15% higher than the 2020 figure.

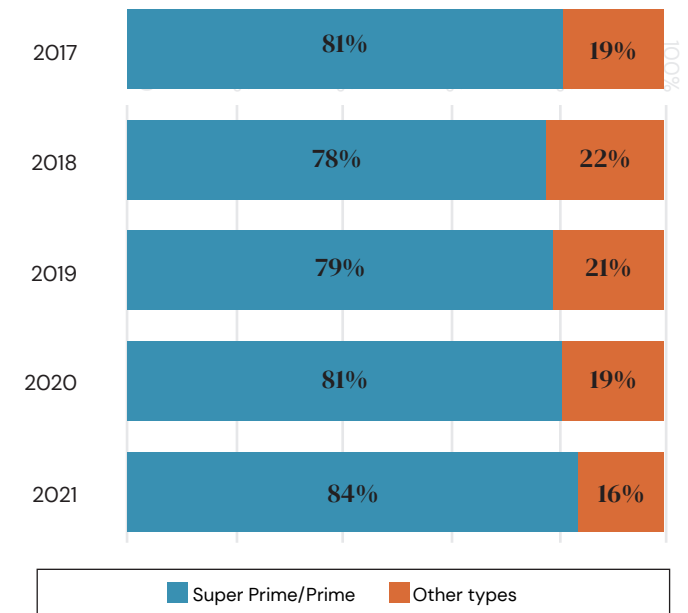
## 2021 IHC and DHC Landings

Landings of Hydrobiological Resources by Destination



## Fishmeal Production

Fishmeal according to Sale Quality



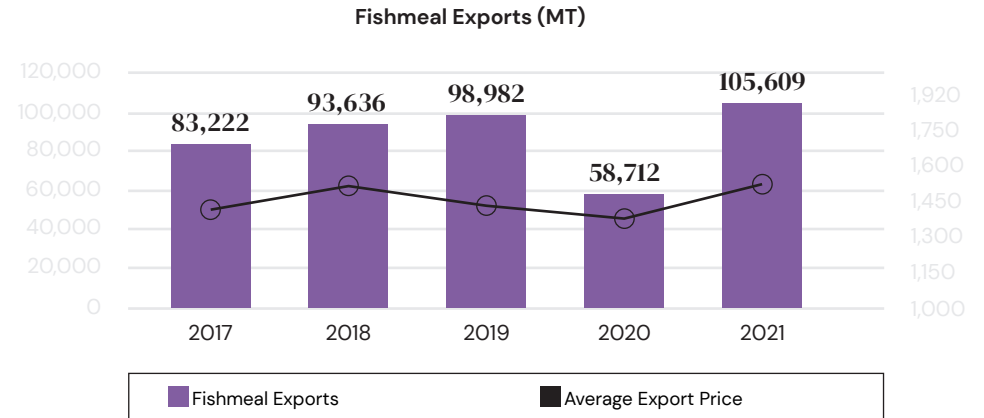


## Fishmeal Sale

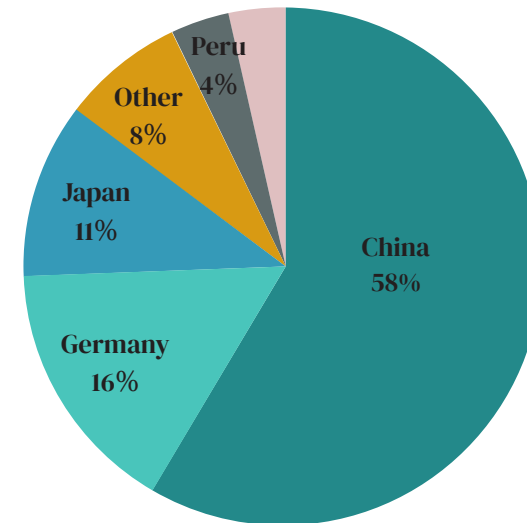
During 2021, domestic fishmeal exports totaled 1,222,669 MT, with an average price of USD 1,493.45 per MT.

Foreign fishmeal sales accounted for 96% of the company's total sales. In 2021, fishmeal exports reached 105,609 MT, 80% higher than the previous year. Austral Group's average price per ton of fishmeal exported was USD 1,530.91, 11% higher than the 2020 figure.

The main destination for fishmeal exports was Asia, led by China and followed by Germany and Japan as the main importing countries in the continent.



**Sales by Destination - Volume**



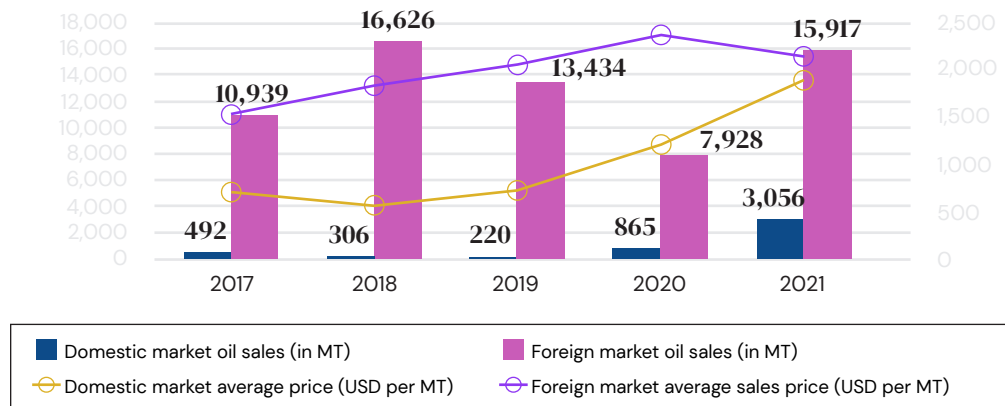
## Oil Sale

During 2021, domestic raw fish oil exports totaled 193,007 MT, with an average price of USD 2,978.37 per MT.

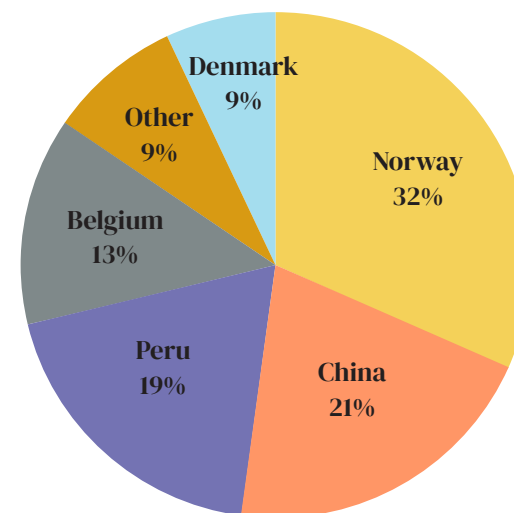
Sales of fish oil to the international market represent 84% of its total sales and during 2021 Austral Group reached export levels of 15,917 MT, 101% higher than sales in 2020. The average price per MT of fish oil was USD 2,146.50.

The main export destinations were Norway and China with a 53% share.

Fish Oil Sales by Destination



Sales by Destination - Volume





## Frozen Fish

In 2021, Austral Group reached a sales volume of 9,751 MT, 25% lower compared to 2020. Foreign sales accounted for 91% of Austral's total sales, horse mackerel and mackerel being the main species traded. In the domestic market, sales totaled 925 MT, 76% lower than the previous year's figure.

As for export prices of frozen products, horse mackerel and mackerel saw an increase in price due to the high demand for pelagic fish in Africa. In the case of horse mackerel, the main export destinations included Nigeria, Ivory Coast and Cameroon. With respect to mackerel, Austral articulated a market diversification strategy, reaching high sale levels in Russia, Eastern Europe (Ukraine and Lithuania) and Spain.

## Fresh Fish

In 2021, sales of fresh fish for direct human consumption—horse mackerel and mackerel—reached 3,889 MT, 44% lower than the 2020 figure.





# Indirect Economic Impact

Our operations also bring about job creation in our areas of influence. Since 2020, the Administration and Finance Management has been preparing a study on the local impact of our activities, analyzing the relationship between the number of personnel entering the facilities and their area of residence, thus obtaining the percentage of families that have been employed by Austral.

## Coishco

% of households with suppliers working at the plant	4.6%
% of households with staff on plant payroll	4.6%
<b>% OF HOUSEHOLDS IN COISHCO EMPLOYED BY AUSTRAL (DIRECTLY AND INDIRECTLY)</b>	<b>9.2%</b>

## Chancay

% of households with suppliers working at the plant	1.3%
% of households with staff on plant payroll	1.1%
<b>% OF HOUSEHOLDS IN CHANCAY EMPLOYED BY AUSTRAL (DIRECTLY AND INDIRECTLY)</b>	<b>2.4%</b>

## Pisco

% of households with suppliers working at the plant	0.8%
% of households with staff on plant payroll	0.4%
<b>% OF HOUSEHOLDS IN PISCO EMPLOYED BY AUSTRAL (DIRECTLY AND INDIRECTLY)</b>	<b>1.2%</b>

## Ilo

% of households with suppliers working at the plant	1.5%
% of households with staff on plant payroll	0.5%
<b>% OF HOUSEHOLDS IN ILO EMPLOYED BY AUSTRAL (DIRECTLY AND INDIRECTLY)</b>	<b>2.0%</b>



Chapter 5

# Austral's Team





At Austral, we are convinced that quality employment must be generated based on good practices supported by adequate policies and procedures, which helps improve economic and labor growth in the communities and in Peru. We are committed to providing a warm environment and adequate tools for the welfare and the professional and personal development of our employees.

All of the company's human resources processes focus on encouraging the respect for individuals, one of the organizational values to which we subscribe. In this connection, we do not tolerate any form of discrimination and are committed to the defense of human rights, which includes promoting a culture of gender equality and diversity in the company.

Our talent management has been recognized by SGS del Perú, Monitor Empresarial de Reputación Corporativo (MERCOR) and the Asociación de Buenos Empleadores (ABE). Moreover, 88% of our employees agree or strongly agree with our sustainable management approach, as revealed by the SSIndex 2021.

“  
*...in addition, 88% of our employees agree or strongly agree with our sustainable management approach, as revealed by the SSIndex 2021.*”





# Formation of our Team

	Employees		Permanent workers		Temporary workers		Interns	
	Female	Male	Female	Male	Female	Male	Female	Male
Callao	0	19	-	-	-	-	0	1
Chancay	8	29	0	42	0	65	3	3
Coishco	18	70	3	101	6	140	1	7
Ilo	8	19	0	43	1	46	2	4
Lima	59	75	-	-	1	3	17	17
Pisco	7	35	2	52	1	48	2	2

	Crew members		Temporary crew members	
	Female	Male	Female	Male
	0	340	0	44

(GRI 405-1)

# Equal opportunities

At Austral, we promote a responsible corporate culture based on gender equality, non-discrimination and respect for diversity. Therefore, we promote equal opportunities at all levels, both within our organization and in our engagement with society, maintaining our commitment to fight gender or any other form of discrimination and to eliminate stereotypes and inequalities in our processes. Our approach is expressly stated in our Integrated Sustainable Management Policy, Gender Equality and Diversity Policy and Code of Ethics, with increased emphasis on various issues, especially equal opportunities, through fair treatment and zero discrimination, our adherence to the Global Compact and the Lima Declaration. These documents are common knowledge throughout the organization and their contents are further reinforced through training programs. Moreover, internally, our Equality and Diversity Committee promotes and underpins our objectives and actions.

In 2021, we launched the Equity and Diversity

Week, a space created to raise awareness among employees about the importance for the company and society of equal treatment between men and women and respect for diversity in all fronts.

We are aware that our industry demands greater awareness-raising actions and strategies. However, we are committed to achieving this goal year after year and we are backed by management in developing the appropriate activities.

Executives	Female	Male
Managers	40%	60%
Executives	8%	92%

	<30 years	30 - 50	>50 years
Managers	0%	0%	100%
Executives	0%	58%	42%

Employees	Female	Male
Employees	29%	71%
Workers	2%	98%
Crew members	0%	100%
Temporary workers	53%	47%

	<30 years	30 - 50	>50 years
Employees	21%	56%	23%
Workers	11%	58%	31%
Crew members	1%	59%	40%
Temporary workers	58%	39%	3%



# Attracting and Retaining Talent

At Austral, we have adopted a “Competency-based Management”. In this context, we have identified processes and prepared job descriptions valued with salary bands and levels according to the complexity, responsibility, training and experience required. We have a Retention Policy aligned with our mission, vision and success factors, and aiming at retaining our talented employees, keeping them committed and motivated. Moreover, it is essential to select suitable employees, as well as to offer them an attractive compensation, benefit programs and a professional development scheme according to their expectations and objectives.

## Leadership

We believe that Austral’s leaders must be prepared to manage talent. To achieve this goal, we have designed the Austral leader profile, which includes suitable competencies that make a difference, focusing on the concerns of employees and their surrounding context. For this reason, our comprehensive leadership program in place includes leader evaluation based on people management and a training program

aligned to them, to the new ways of working and to the adaptation to change that the world demands of us.

## Selection and Development

Our selection processes seek to prioritize the professional development of our employees. Moreover, we are concerned about the adequate analysis of the job profiles to check that the candidates selected meet these requirements. Of utmost importance is the candidates’ compliance with specific personal characteristics and competencies that the job profile requires, as well as their capacity to adapt to Austral’s culture, to enable the appropriate integration of these elements.

It is important to emphasize the importance for Austral to implement gender balance in the organization’s selection processes and shortlists. To this end, the company relies on strategies that allow us to achieve its objectives and eliminate unconscious biases.



## Internal Talent Program

This program gives them the opportunity to expand their skills and knowledge within the organization through participation in internal selection processes that add to their professional development.

## Work-Life Integration:

We have implemented procedures and programs, such as *Mi tiempo a bordo* (“My Time On Board”), through which we offer our employees various benefits that provide flexibility and independence to integrate their personal and professional lives. In addition, and given the current circumstances, we have applied the hybrid work method at the Headquarters, which enables us to work remotely more days during the week, encouraging us to observe appropriate rules of coexistence and use tools that help us to keep a record of the hours worked in digital connection.

## Compensation system

Our salary compensation policy supports the Human Resources strategy, which consists in attracting, retaining and encouraging human talent by eliminating all forms of discrimination or favoritism through an extensive analysis that includes several factors in the evaluation.





(GRI 401-1)

# New Employee Hires and Employee Turnover

## Total hires: 43

Ranges	N°	%	Gender	N°	%	Region	N°	%
< 30 years	34	79%	Male	29	67%	Ancash	10	23%
30-50 years	7	16%	Female	14	33%	Arequipa	1	2%
> 50 years	2	5%			Ica	2	5%	
					La Libertad	1	2%	
					Lima	18	42%	
					Moquegua	8	19%	
					Callao	3	7%	

## Total terminations: 41

Ranges	N°	%	Gender	N°	%	Region	N°	%
< 30 years	8	20%	Male	34	83%	Ancash	7	17%
30-50 years	24	59%	Female	7	17%	Huaral	5	12%
> 50 years	9	22%			Ica	4	10%	
					La Libertad	1	2%	
					Lima	15	37%	
					Moquegua	6	15%	
					Callao	2	5%	
					Piura	1	2%	



(GRI 401-2)

# Benefits

## Food

During production season, we cover 100% of food expenses for all employees and workers alike, who are working at the plant. During non-production or closed season, this benefit is only granted to workers.

## Transportation

All our plant employees can opt for round trips from home to work in company-assigned vehicles.

## My Time On Board Program

Austral is committed to offering its employees a pleasant environment and a work-life balance. Therefore, this program offers flexible scheduling alternatives and more space for families to enjoy time together.

## Employee Recognition

We recognize the commitment, effort and work of our most outstanding employees and we also focus on rewarding those who are role models and enthusiastically prove to adhere to Austral's culture; therefore, through our recognition programs we award various prizes based on their individual needs and enjoyment, such as gifts, trips and shopping vouchers.

## Christmas Bonus

At Austral, we celebrate Christmas, a season filled with love and family gatherings, in which we give out panettones and shopping vouchers to all our employees, to help them prepare their celebrations.

## Multi-functionality Program

This program is aimed at promoting the professional and personal development of the company's employees through training that will enable them to perform in different positions and specific tasks. At the end of the program, the employees enhance their knowledge and gain experience in fulfilling other roles. Also, they will become more employable and

able to offer proposals for building efficiency and making improvements in the organization.

## Training Loan

We are committed to the professional growth of our employees and support them with their undergraduate and graduate study costs, in subjects related to their career line, in accordance with Austral's Training Policy.

## Administrative Loan

In February, we grant an interest-free loan to our employees for up to half of their salary, to support them with school or university tuition expenses. The discount is made at the employee's choice, in two installments (in July and December) or up to 10 installments (from March to December).

## Internship Program

This program offers the chance to our employees' children, who are completing the last stages of their studies, to join the company through pre-professional or professional internships, to help them in their career development.



## SENATI Sponsorship

This program fosters professional development by providing greater opportunities for technical careers to the children and/or spouses of employees throughout their studies.

## School Pack

In order to help reduce school expenses, we give all our employees with school-age children (between 3 and 16 years old) a school supplies pack. We distribute this pack in our De vuelta al Cole ("Back to School") activity, which is intended to make the return to school more fun.

## English Program for Children

Sponsorship of elementary and intermediate level language classes for the children of Austral Group's employees with a view to supporting employees with the financing of foreign language learning, a requirement to obtain a bachelor's degree, as established in Law No. 30512 and Supreme Decree No. 010-2017-MINEDU.

## Children's Christmas

Because we support togetherness of families and family life, in December we invite

employees and their children under 16 years old to spend a fun day full of surprises, at the end of which gifts are given out to the participating children.

## Cancer Insurance

We protect our employees by covering 100% of cancer treatment insurance premiums, with the possibility of extending this benefit to their parents up to a maximum age of 65 years, as well as spouses and children.

## Health Providing Entities (EPS)

We care about the welfare and health of our employees and their families. Austral offers its employees, their spouses and children EPS health insurance with Pacifico Seguros, which has agreements in place with the best private hospitals in Peru. Austral covers 55% of the monthly contribution for employees and 70% for workers.

## COVID-19 Insurance

Austral covers 100% of its workers' Collective Medical Assistance (acronym in Spanish: AMC) insurance premium and extended the benefit to their dependents, spouses and children.

## COVID-19 Diagnosis Indemnity Policy

Admission, ICU recovery and death. As well as psychological counseling for patients who have tested positive.

## Corporate Bonus

Austral grants a variable compensation, which is calculated based on the company's total sales and operating profit, up to a maximum of 2 annual compensations payable in March.

## Support Bonus

To reward our employees' effort and commitment, we offer a bonus to every worker who voluntarily provides support in other plants to which they are not assigned.



# Integration Activities and Climate

## Briefing Sessions

In April and September 2021, we held Briefing Sessions for all the personnel working at our plants, fleet and headquarters, where employees were informed of the progress made in management and the results obtained and expected for the end of the year. Our most outstanding employees were also recognized in the following categories: Outstanding Achievement, Best Teamwork, Best Suggestion and Best Vessels.

## Greetings and Presents on Special Dates

We entertain our employees on important dates such as Labor Day, Mother's Day, Father's Day, Fisherman's Day, Christmas and birthdays.

## De vuelta al Cole ("Back to School") Workshops

These activities are intended to increase the sense of belonging among employees by carrying out virtual workshops or in-person activities and delivering school packs.

## Our Austral Moment

An event that aims to promote interpersonal relationships among employees and provide them with emotional support through recreational activities, such as bingo, virtual gymkhanas and similar activities.

## "Criolla" Music Day

An event that aims to foster emotional support and integration among our workers through a family costume contest.

## Austral Christmas Eve

During the production period, we hosted a surprise virtual activity for our crew members, who had been on board ship for over a month. They were able to spend Christmas Eve virtually with their families in an event full of prizes and surprises.





# Our human talent is the main link in our value chain



(GRI 404-1, 404-2)

# Training

“*...Austral’s leaders actively participate in planning training activities.*”

Austral focuses on the personal and professional development of its employees and believes that offering them continuous training helps them increase their sense of excellence in the service and products provided, while boosting productivity and improving the work environment, as well as customer satisfaction and loyalty.

Austral offers a variety of training opportunities: courses, workshops, specializations, diploma courses, master’s degrees, and university and technical studies.

During the year, there are regularly two closed seasons, which we use to conduct theoretical and practical training in production plants. The training seeks to improve and reinforce

the technical competencies of different groups from areas such as operations, maintenance, quality, occupational health and safety, administration, and regulatory/legal affairs. Moreover, we use this training to help reinforce knowledge on the qualifications required to maintain our certifications, while building soft and management skills and enhancing continuous improvement.

In 2021, we provided several virtual trainings that helped to maintain balance and enable employees to effectively manage their time. Through the Campus Austral training platform, we provide a more flexible training model, as employees can access at any time from their cell phone, desktop or laptop, with a working internet connection. We also hosted workshops, such as Hybrid Work, Self-motivation and Positive Attitude towards Change, Together We Manage Stress, Strengthening Values in Austral, Healthy Eating, Vitamins to be Happy, Importance of Mental Health Care, discussion tables on managing emotions, Towards a Version of

Myself and Teamwork. All these efforts were aimed at creating spaces for balance, self-care, happiness and other practices.

Finally, we work hand in hand with Austral’s leaders, who actively participate in planning training activities, thus promoting the development of employees and guiding them to achieve the goals set.

In 2021, we hosted a number of face-to-face training sessions and continued with virtual training to develop soft and technical skills in areas such as boilers, user level power BI, analyst and DAX specialist, lubrication, WWTP operation, variable pump displacement, electricity, statistical process control, generator sets, defensive driving, warehouse management, forklift operation, industrial refrigeration with ammonia, evaluation of mass and energy balance, and centrifugal pump and decanter operation.



## Austral Campus

We use a virtual training platform to provide courses on regulatory matters and soft skill development, including topics such as emotional intelligence, effective time management, personal finance, effective communication and the true power of feedback. We also offer courses to reinforce and raise awareness on Austral's culture, touching on matters such as the company's Code of Ethics, human rights and gender equality.

## On-line SENATI courses

As a SENATI-contributing (Servicio Nacional de Adiestramiento en Trabajo Industrial - National Industrial Work Training Service) company, we have access to on-line courses, such as Effective Communication, Intelligent Emotion Management, Customer Service, Basic Tools for a Continuous Improvement Process, Teamwork, Development of Continuous Improvement Projects, Introduction to Lean Manufacturing, Effective Leadership, Fundamentals of Instrumentation and Industrial Maintenance Management I and II.

## Leadership Program

In order to strengthen our leaders' preparedness to effectively manage their teams, we provided leadership workshops on the following topics:

- A leader's self-discovery process in the new normal
- Leading change in times of crisis
- Meaningful effective communication
- Developing high-performance teams
- Leveraging goals and accountability
- Meaningful feedback

## Learn and start out your own business: Enterprising Women

During 2021, we continued working with our employees' spouses through the "Learn and start out your own business" Program: Enterprising Women to help them enhance their entrepreneurial skills through personal development and technical-productive workshops, giving them the chance to start a business or make handicrafts for their families.

The topics covered were:

- Personal development workshop: Walking towards equality
- Personal development workshop: Living together with values for a better society
- Production workshop - Costume jewelry
- Production workshop - Chocolate-making

Moreover, these interactive workshops encouraged family unity, since the on-line classes were open to participation from our employees' spouses and children.

# Our employees' training results

Trained employees

1,023

Investment 2021

\$ 264,911

Training hours

31,310



# Performance Evaluations and Awards

Austral strives to provide employees with the appropriate tools to help them perform their activities and achieve their professional and personal goals. To do so, Austral has two types of evaluation methodologies in place intended to measure both performance and leadership and to reinforce those behaviors and competencies regarded as strengths, as well as to provide tools to mitigate any existing gaps.

This is why 100% of our permanent employees with at least 6-month management experience take part in this evaluation.

- **Performance Evaluation:** This program aims to measure the fulfillment of objectives per employee, as well as the behaviors related to organizational and job position competencies. This

evaluation relies on a feedback process and action plan, thus enabling us to contribute to the professional and personal improvement of each of our employees.

- **Leader Evaluation:** Austral has designed a leader profile that shows the objectives and competencies necessary for proper management of people. This evaluation is critical to the development of our leaders and comes along with workshops to improve their management skills, feedback processes and action plans.

We are aware that the work carried out by everyone at Austral is critically important for the fulfillment of the company's strategies. Therefore, we take the time to recognize all the effort that has turned Austral into a pioneer in the fishing industry. These awards recognize outstanding performance, the fulfillment of group objectives and, above all, each

employee's capacity to identify themselves with the company's culture.

- **Outstanding achievement:** Every year, the company recognizes high-performing employees, whose attitude, commitment and exemplary behavior make them role models. In 2021, 21 employees were recognized and, since the program's creation in 2006, awards have been given out to a total of 263 employees.
- **Best teamwork:** Every year, the company recognizes teams responsible for successfully carrying out designated projects that are highly beneficial for the organization. In 2021, 2 teams of 14 people in total were recognized and, since the program's creation in 2006, awards have been given out to 403 employees.
- **Best Fishing Vessels:** Every year, Austral recognizes those vessels that, thanks

to the work of their crew members, have managed to fulfill not only the objectives of the assigned quotas, but also the OHS-related commitment to prevent accidents, comply with quality standards and other actions.

- **Best Engine Operator Management** We awarded this recognition to the engine operators for their seamless work in the engine rooms of each vessel over the seasons, registering no technical failures in the engines and complying with company standards relating to machinery cleanliness, care, handling and other actions.
- **Best Leadership Management:** The award-winning leaders are those who stood out for obtaining the highest results in the leadership program and the best perception of their teams, and for proving optimal skills in managing people.



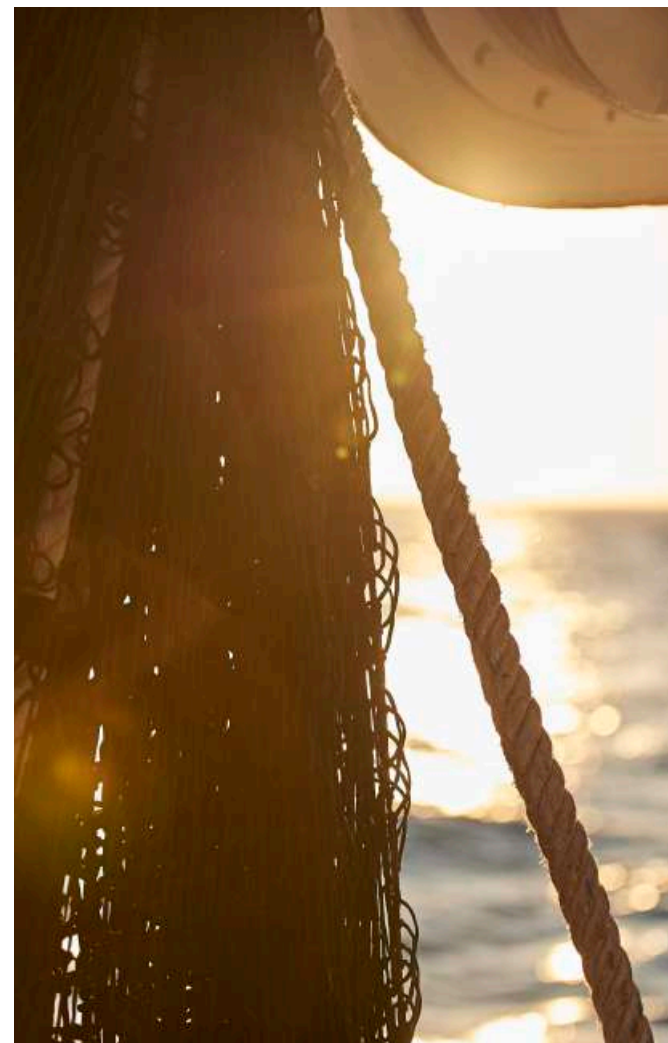


# Collective Bargaining

Austral recognizes and respects the right to unionize and to collective bargaining established in the Collective Labor Relations Act and its Regulations. We proactively participate in collective bargaining and we are in constant communication with the leaders and members of each union. A number of our employees belong to one of the following three unions: the Sindicato Único de Pescadores de Nuevas Embarcaciones del Perú (SUPNEP) [Peruvian Single Trade Union of New Vessels Fishermen], which groups both our crew members and those of five other fishing companies; the Sindicato Único de Trabajadores de la Empresa Pesquera Austral Group (SUTEAG) [Single Trade Union of Austral Group Fishing Company Workers], which groups employees working at the Ilo Plant; and the Sindicato de Trabajadores de Pesquera Austral Group (SITRAPEAGROCSAA) [Trade Union of Austral Group Fishing Company Workers] organized at the Coishco, Pisco and Chancay plants.

Austral belongs to the Asociación de Armadores de Nuevas Embarcaciones Pesqueras (AANEP)

[Association of New Fishing Vessels Owners] since August 1991. AANEP and SUPNEP have been executing collective bargaining agreements since that year. The current agreement was signed on April 20, 2017, became effective on March 12, 2017 and will expire on March 11, 2022. Moreover, the company executed a collective bargaining agreement with SUTEAG, effective from April 15, 2021 to October 14, 2021. Moreover, we signed a collective bargaining agreement with SITRAPEAGROCSAA, effective from January 15, 2021 to April 14, 2022. Communication with the unions is carried out in the first instance through the Heads of Human Resources of the Ilo, Coishco, Chancay and Pisco Plants, the Fleet Manager and the Human Resources Manager. Furthermore, the General Manager maintains a close relationship with the unions in order to address their requests. As of December 31, 2021, 384 crew members and 61 plant employees are unionized: 19 at the Ilo plant, 32 at the Coishco plant, 4 at the Chancay plant and 6 at the Pisco plant.



(GRI 403-1, 403-2, 403-4, 403-9)

# Occupational Health and Safety (OHS)

“

*...such as the ISO 45001 certification. Austral is the first fishing company in Peru to hold this certification.”*

It is crucial for Austral to generate safe and healthy workplaces through our OHS management system. Therefore, we rely on the senior management's commitment and leadership to promote a culture of safety that extends to our employees, contractors and visitors in general.

Austral has implemented an Occupational Health and Safety Management System across each of its operations. This system is based on prevention through safe behavior and improved work environment conditions, as well as on the senior management's commitment.

Safety Procedures are used to control the activities of each job position in addition to those carried out by contractors.

We have implemented preventive controls

at the beginning, during and after each task, which include: General Induction, Specific Induction, 5-Minute Talk, HIRA Procedure P-GRH-030 (Hazard Identification and Risk Assessment and Control), Safe Plant Operations Procedure P-GRH-034 through the development of internal work permits; and Procedure for Work Permits for Contractors PGRH-031, delivery of personal protective equipment for each job, and consultation and permanent participation of our employees, promoting a culture of healthy eating habits among them.

We ensure compliance with national legislation and other international standards such as the ISO 45001 certification. Austral is the first fishing company in Peru to hold this certification.

An internationally recognized external company is responsible for auditing our safe work protocols implemented during the pandemic. In addition, our committees at the plant and fleet levels are in charge of verifying and ensuring compliance with all biosafety measures and controls adopted.

We have implemented programs to help our suppliers strengthen occupational health and safety. INNOVATE programs with 16 suppliers and the ILOs' SCORE program with the participation of three other suppliers. The concerns of all our employees and members of senior management are voiced through the Occupational Health and Safety Committee, which, with the support of the leaders of each site, follow up on the planned actions and endeavor to prevent accidents or incidents and health problems.



## Specific actions

- Annual Safety Program
- Annual Training Program
- Quality of Life Program
- Ergonomics Program
- Sun Protection Program
- Safe 5-step programs
- Internal and external audits
- Surveillance plan for COVID-19 prevention
- COVID-19 Protocol for Plant and Fleet Operations
- On-line vessel safety monitoring system
- Digitization of COVID-19 controls (including, but not limited to, FRTS, COVID-19 tests, metrological control of equipment)

## Evaluation mechanisms

- Monitoring through OHS performance indicators
- Internal and external audits
- COVID-19 Corporate Committee and local committees
- National Occupational Health and Safety Committee meets monthly to review the progress of the OHS management system.
- SharePoint indicators

## Results

**2021 closed with a downward trending accident rate (AR)**

**Austral's incidence rate is below the industry's level according to insurance company Pacífico Seguros' report.**

**Achievement of objectives >95%**

**0 non-conformities in internal and external audits**

## Injuries

	Employee injuries	Contractor injuries
Number of deaths	0	0
Death rate	0	0
Number of injuries with serious consequences	0	0
Injury rate due to occupational accidents with serious consequences	0	0

## Accidents

	N°
Cuts	5
Blunt trauma	12
Chemical exposure (contact)	11
Same-level fall	4
Hit by object	1

## Man-hours per occupational accident in plants and administrative headquarters

Coishco	Chancay	Pisco	Ilo	San Isidro and Callao	TOTAL
0,13%	0,04%	0,08%	0,13%	0,00%	0,08%

**Man-hours per occupational accident in fleet**

**TOTAL: 1,23%**

**Lost hours rate in plant and fleet**

**TOTAL: 0,51%**



Chapter 6

# Commitment to our Sea and the Environment





(GRI 302-1, 302-4)

As provided in the Integrated Sustainable Management Policy, Austral operates through responsible fishing, which ensures the care of marine biodiversity and hydrobiological resources.

## Energy

Austral is committed to the efficient use of energy resources. Our management indicators enable us to collect timely information on energy consumption within our processes.

The fuels used at Austral come from non-renewable sources and are mainly used to generate electricity and steam, both at the plant and on the vessels.

### Fuel Consumption during 2021

	RESIDUAL - 500 In gallons	BUNKER 6 In gallons	B5 OIL In gallons*	NATURAL GAS (in million British thermal units)
Coishco	Not applicable	Not applicable	1,048,922	233,642
Pisco	Not applicable	Not applicable	37,560	116,591
Chancay	66,511	Not applicable	20,900	106,400
Ilo	Not applicable	1,266,656.000	30,215	Not applicable
<b>TOTAL</b>	<b>66, 511</b>	<b>1, 266, 656</b>	<b>1,137, 598</b>	<b>456,633</b>

### Consumption of Purchased and Generated Energy 2021

	PURCHASED ENERGY CONSUMPTION (In kilowatt-hours)	GENERATED ENERGY CONSUMPTION (In kilowatt-hours)
Coishco	12,108,076	44,492
Pisco	3,508,801	35,325
Chancay	2,808,122	690
Ilo	3,062,304	50,847
<b>TOTAL</b>	<b>21,487,302</b>	<b>131,354</b>

The *Hazte una Pez* program has had a direct impact on energy efficiency within the company's processes. Therefore, our estimated energy savings in 2021 totaled 1,593,149 KW thanks to our improved processes and the change of lighting fixtures in our production plants. Compared to 2020, our energy savings saw an increase of 842,149 KW. Moreover, energy consumption decreased by 22% in the fishmeal production process compared to the previous year.

(\*) Gallons of B5 oil includes supply to third party F/Vs



(GRI 303-3, 303-5)

# Water

At Austral, we ensure the responsible use of water sources throughout our processes. To this end, water balances are carried out in all production plants while using indicators to measure each of these sources. We currently obtain water from three main sources: sea, wells and the public water network.

- Seawater accounts for the largest volume of water used in our process. Its uses include transportation, preservation and storage of raw material, both in vessels and at the plant.
- Well water is captured at some of our plants and is used primarily for steam generation, in the cooling towers, the ice plant and areas such as canteens and restrooms. Groundwater collection is managed as provided in Law No. 29338, the Water Resources Act and its Regulations, and consumption is reported monthly to the National Water Authority.
- Purchased water is used mainly in the administrative service areas and comes from water treatment plants that belong to each plant.

## Water Consumption 2021\*

	Seawater m <sup>3</sup>	Well water m <sup>3</sup>	Public network or purchased water m <sup>3</sup>	Total per plant m <sup>3</sup>
Coishco	273,856	0	134,634	408,490
Pisco	128,127	61,521	Not applicable	189,648
Chancay	116,961	56,998	594	174,553
Ilo	198,217	Not applicable	101,288	299,505
<b>TOTAL</b>	<b>717,161</b>	<b>118,519</b>	<b>236,516</b>	<b>1,072,196</b>

Building on our actions to achieve operational effectiveness and to mitigate climate change, in recent years we have been promoting the reuse of fresh water by implementing domestic wastewater treatment plants (DWWTP) and using this treated water to irrigate green areas. In relation to water consumption in the production process, we were able to optimize 13% compared to 2020.

(\*) Water sources are equipped with flow meters to measure usage.



(GRI 303-4)

## Effluents

At Austral, we are committed to properly managing the effluents resulting from all our processes, mainly from the discharge of raw materials. The main effluent generated by this process is pumping water, which contains an organic load of suspended solids, oils and greases.

Our state-of-the-art effluent treatment technology helps us meet the fishing industry's maximum permissible limits for direct and indirect human consumption established by Supreme Decree No. 010-2018-MINAM.

Water volume discharged into the sea: 717,161 m<sup>3</sup>

### Effluent Monitoring Results 2021

	Total suspended solids (In parts per Million)	Oils and greases (In parts per Million)	pH ...
Coishco	168	15	5.8
Pisco	272.78	2.7	5.4
Chancay Ilo	315	31.0	6.0
	257	24.0	5.4
	253	18.2	5.6

(GRI 306-2)

## Solid Waste

At Austral, we care about properly managing waste by segregating it into hazardous and non-hazardous. Non-hazardous waste is in turn classified into usable and non-usable. Non-usable waste is finally disposed of.

Waste categories include paper, cardboard, ferrous scrap, plastic, glass, organic matter, wood, oil, oily mixtures, waste electrical and electronic equipment (WEEE), biocontaminated waste, miscellaneous hazardous and other waste. This management process is entirely carried out within the framework established by Legislative Decree No. 1278, the Comprehensive Solid Waste Management Act.

During 2021, we have managed to increase the recovery of waste, by allowing it to re-enter a production chain, hence contributing to the circularity of resources. By 2020, reutilization levels reached 19.99 MT of paper and cardboard, 2.17 MT of glass and 20.68 MT of plastic. 2021 saw a 50% increase in reutilization of paper and cardboard (32.04 MT), glass (4.75 MT) and plastic (49.85 MT).

### Solid Waste Generation 2021

	Non-hazardous Non-reusable MT	Non-hazardous Reusable MT	Non-hazardous Non-reusable MT	Hazardous Reusable MT
Coishco	295.99	1,076.25	33.45	69.44
Pisco	142.85	132.23	7.68	12.97
Chancay Ilo	106.47	122.85	27.24	4.93
	55.30	76.36	18.71	6.47
	600.61	1,407.69	87.08	93.81



(GRI 305-1, 305-2, 305-3)

## Carbon Footprint

At Austral, we strive for properly managing emissions within our processes. Our monitoring results in indicators that help us measure the impact of our activities and implement improvements under an eco-efficiency approach.

We measured the 2021 Carbon Footprint and obtained the following results:

	Scope 1	Scope 2	Scope 3
2021	86,003.44 MT CO <sub>2</sub>	6,467.68 MT CO <sub>2</sub>	695.4 MT CO <sub>2</sub>
<b>TOTAL</b>	<b>93,196.52 MT CO<sub>2</sub></b>		

Total emissions were 93,196.52 MT CO<sub>2</sub>eq, representing a ratio of 0.76 TCO<sub>2</sub>eq/MT Meal, evidencing a reduction compared to 2021 (ratio: 0.79) and 2019, the base year (ratio: 0.94). This represents a ratio reduction of 0.18, due to the change in the power grid and the consumption of cleaner fuels.

The lighting fixtures also had an impact on reducing the carbon footprint 284TM/Tm CO<sub>2</sub>eq.

## Air Quality

In order to ensure the well-being and safety of our employees, our neighboring communities and the environment, we conduct air quality checks at all our plants. These checks are based on the Maximum Permissible Limits (MPL) established in Supreme Decree No. 003-2017-MINAM.

	Particulate Matter mg/m <sup>3</sup>	H2S mg/m <sup>3</sup>
Coishco	22.20	<1.3
Pisco	15	<0.07
Chancay	29.81	<1.3
Ilo	10.92	<1.3
	<b>19.5</b>	



# Actions to Protect our Sea

## Eco-Talks Program

Under this program, eco-talks are held on a weekly basis with the aim of disseminating information on environmental care matters and informing on the actions that Austral has been carrying out to protect the environment.

During 2021, we hosted a total of 46 eco-talks across our various plants. The topics addressed included waste treatment, the company's environmental performance, events related to environmental issues, environmental protection actions, global warming and climate change.

## Beach Clean-up Campaigns

In 2021, we have managed to carry out 7 beach clean-up campaigns in our production plants, hand in hand with various stakeholders. During these days, we have been able to collect more than 7 tons of solid waste.

**3 clean-ups**  
**3 MT**

Coishco

**2 clean-ups**  
**1 MT**

Pisco

**1 clean-up**  
**1.2 MT**

Chancay

**1 clean-up**  
**2 MT**

Ilo





# Circularity Approach

## Clean Production Agreement (APL)

In February 2021, we executed our first Clean Production Agreement with MINAM, PRODUCE and the National Fisheries Society. Under this agreement, Austral Group commits to the development of 6 goals related to our production process and actions to improve the environmental culture in the areas where we operate, to be met within one year.

1

Recovery of dehydrated sludge resulting from the treatment of equipment cleaning effluents at the Chancay Plant.

2

Recovery of disused industrial fishing nets from Austral's vessels at the Coishco plant.

3

Recovery of epoxy paint can waste at the Coishco, Chancay and Pisco plants.

4

Training and educating our plant employees in solid waste management and good eco-efficiency practices.

5

Developing environmental education actions with artisanal fishermen of the Coishco Cove.

6

Providing support and drive to a local government's waste at-the-source segregation and collection program.

## Net Positiva Program

For the second consecutive year, we partnered with Bureo, a social enterprise, in launching the Net Positiva Program, to help us recover our disused fishing nets. In this way, through an innovative recycling process, disused nets are converted into raw material for the manufacturing of new products. Moreover, proceeds of the sale of nets are used to fund a socio-environmental project with the neighboring communities.

**241 tons**

Recovery of disused fishing nets

**423,708 kg**

In estimated CO<sub>2</sub> emissions savings

**A Socio-Environmental Diagnosis of Artisanal Fishing was conducted at the Coishco Cove in order to identify a potential production project**



Chapter 7

# Growing with our Suppliers





(GRI 102-9)

## Our Supply Chain

We promote responsible practices in goods and services procurement management based on our Responsible Procurement Policy and our Integrated Sustainable Management Policy, which seek to promote efficient, fast and value-generating work for our stakeholders.

We negotiate and maintain agreements with strategic suppliers to enable automation of recurring purchases of goods and services. We work hand in hand with competitive suppliers, who align with our sustainability principles and Code of Ethics and Conduct for Suppliers.

Moreover, we continued to implement three supplier development programs in coordination with important governmental and international entities, with the aim of improving service levels, working conditions, administrative processes, technical aspects, and occupational health and safety protocols. Similarly, we are participating in two pilot projects with important Peruvian associations that aim to promote the economic recovery of SMEs and narrow gaps in the use of technological tools.

We have made available to our suppliers the Supplier Portal, a robust and user-friendly

platform where they can submit and register quotes, accept and download purchase orders, manage their personnel's documents (OHS and transport requirements), schedule transportation, register work reports, enter invoices and track payments, register claims, and view corporate communications, FAQs and manuals.

## Approval, Selection and Evaluation of Suppliers

The steps for searching, inviting and selecting suppliers are as follows:

- Searching through the Supplier Master Ledger.
- Searching through our potential suppliers database.
- Searching in local chambers of commerce.
- Conducting Internet research.
- Visiting local fairs.
- Consulting information from import and export platforms.
- Consulting information from the Ministry of Production for the purchase of raw materials.
- Consulting SUNAT information.
- Obtaining a credit risk report.
- Consulting commercial references.
- Conducting SLA evaluations.
- Conducting annual evaluations of QMS

*89% of our suppliers agree or strongly agree with our sustainable management approach, as revealed by the SSIndex 2021.*



(GRI 204-1)

# Supplier Development

Austral is committed to continuous improvement and efficiency in each of our processes. Therefore, during 2021 we have designed 3 development programs aimed at our strategic partners, that is, our suppliers.

## "Innovate Yourself with Austral" (Supplier Development Program)

Austral has partnered with ProInnovate Perú to launch the Supplier Development Program, aimed at strengthening the value chain, by improving supplier productivity and performance. This 2-stage program started in 2020 and has a duration of 28 months.

In the first stage, which lasts 4 months, a diagnosis and improvement plan was developed for 17 suppliers. This stage, which had a budget of PEN 62,000, was successfully completed.

The second stage, which has a duration of 18 months and is scheduled to be completed in the first half of 2022, consists of implementing the improvement plans of the 17 suppliers. The investment, which included monetary and non-monetary resources, amounted to PEN 1,000,000.

## SCORE

The SCORE Training Program is a training and technical assistance program developed by the International Labor Organization (ILO) to support small and medium-sized enterprises for the purpose of increasing their productivity and improving working conditions under a model of cooperation between workers and management. During 2021, we developed the second module of the program known as "Health and Safety in the Workplace: A Platform for Productivity" for three (03) strategic suppliers of our fleet, an aspect of utmost importance to us and key for a high-risk sector such as the fishing industry.

## GRI's Competitive Business Program (CBP):

Within the framework of the GRI's Competitive Business Program, 31 suppliers and 7 Austral Group shipowners successfully prepared their first Sustainability Report 2020. This program lasts 3 months and aims to contribute to the integration of companies within the framework of a sustainable global value chain. It allows small and medium-sized companies to identify their critical social, environmental and governance issues, communicate them and implement improvements in managing them. By having suppliers that manage sustainable businesses, we contribute to the development of more competitive SMEs, with access to new and more responsible markets.



(GRI 204-1)

## Proportion of Spending on Local Suppliers

At Austral, we are committed to society and to the development of the communities in the areas of influence, a commitment that is reflected in the distribution of spending made through purchase orders. It should be highlighted that 96% of Austral's spending goes to local suppliers.

### AUSTRAL'S PARTICIPATION

	USD	%
Local	134,445,485	96%
Foreign	5,914,149	4%
<b>TOTAL</b>	<b>140,359,634</b>	<b>100%</b>

### LOCAL PARTICIPATION

	USD	%
Ancash	6,676,513	5%
Lima and Callao	112,591,587	84%
Ica	1,611,194	1%
Moquegua	3,913,762	3%
Other	9,652,429	7%
<b>TOTAL</b>	<b>134,445,485</b>	<b>100%</b>

Our supplier programs seek to create shared value, focusing on continuous improvement and process efficiencies



[Click here to learn more about our program with suppliers](#)



Chapter 8

# Our Social Management





(GRI 413-1)

At Austral, we seek to make a positive impact on our environment. Therefore, we work hand in hand with the communities living in the districts of Coishco, Chancay, Pisco and Ilo, where our production plants are located.

Our Social Responsibility and Community Relations Plan is based on four lines of action: Education and Employment, Nutrition and Health, Environment and Social Development. We implement various actions and programs to improve the quality of life of the neighboring communities.

In 2021, we scored a 60% approval rate for risk and sustainability management in the Stakeholders Sustainable Index (SSIndex), 16 points higher than the 2018 study, which ranked us in the TOP25 of the SSIndex Community. Moreover, in that same year, we invested PEN 116,283.37 in programs, projects and donations in the context of the health crisis and for the benefit of our communities.



Programs, projects and campaigns geared towards the community	\$ 30,990.85
Community relations (Local activities and sponsorships)	\$ 12,470.63
Donations in response to the health emergency	\$ 47,451.35
Programs carried out through APROChancay	\$ 25,370.54
<b>TOTAL INVESTMENT</b>	<b>\$ 116,283.37</b>



# Social Responsibility Programs

## Growing Together

This program aims to promote the formalization of artisanal fishermen in the ports where we operate. In 2021, we worked hand in hand with the ARUPACC association of the Callao region, formalizing 13 artisanal fishermen who obtained their Bay Seaman's license, which will allow them to carry out their work under the applicable regulations in force.

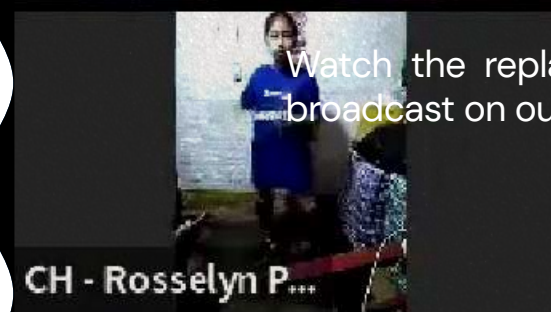


Mira la entrega de carnets a  
pescadores de ARUPACC



## Muevete (Austral, let's get moving)

The objective of the Muévete Austral Program is to promote healthy lifestyles and spaces for healthy recreation of children and young people in our areas of influence. During 2021, we conducted summer workshops in the districts of Pisco, Coishco and Chancay, reaching a total of 98 children. We also held a virtual dance-a-thon in December with children, young people and adults from the districts of Coishco and Chancay. The activity was very well received and more than 100 people attended the event.



Watch the replay of the dance broadcast on our Facebook page

## Your Future

The Tu Futuro program is developed in partnership with the Fundación Forge (Forge Foundation) and aims to guide young people living in our areas of influence in the process of entering the employment market. In 2021, Austral awarded grants to 33 youths from districts such as Coishco, Callao, Chancay, Pisco and Piura, who managed to get a job thanks to the technical and soft skills courses which they attended during their training stage.

## Long live our values!

## Long live Austral! (Viva program)

The Viva program aims to promote good practices within the educational spaces of schools located in our areas of influence. During 2021, 4 virtual workshops were held with the presence of teachers and parents from schools in the district of Coishco. The objective of these workshops was to provide attendees with the appropriate tools for the psychological support of students within the framework of virtual classes.

“*...The objective of these workshops was to provide attendees with the appropriate tools for the psychological support of students within the framework of virtual classes.*”





## Austral's Little Store

This initiative aims to offer financial support to our employees and their close relatives who suffer from cancer, as well as financial support for burial expenses. This initiative is funded with the proceeds of the sale of articles to our own employees. In 2021, we were able to support 41 employees, including employees diagnosed with severe cases of COVID-19 (7 for burial expenses and 34 for COVID-19 compensation).

## Volunteering

During 2021, 3 volunteer committees were reactivated at our Coishco, Pisco and Chancay plants. 47 volunteers from the Coishco plant dedicated their time to the remodeling of the Coishco Central Market. 29 volunteers from the Pisco plant participated in the refurbishment of the Comedor Popular (Community Kitchen) and overhaul of the Vaso de Leche ("Glass of Milk") program in the district of San Andres. Finally, 25 volunteers from the Chancay plant participated in the refurbishment of the Comedor Popular of the Señor de la Soledad human settlement..





# COVID-19 Actions

## Coishco Sectoral and Social Responsibility Committee

### Stage One::

- Donation of biosafety equipment: 500 face masks, 1000 aprons, 100 biosafety caps, 1 sterilizer and 3 blood pressure monitors for MINSa personnel.
- Donation of 19 pressure gauges to EsSalud.
- Support in the dissemination of care messages to help fight COVID-19 (through radio spots and loudspeakers).

### Stage Two:

- Donation of stoves, pots, cooking utensils, cleaning materials and food for 4 ollas comunes in the district of Coishco.
- Donation of 15 oxygen cylinders with cannula and masks, 300 KN95 facemasks, 300 triple-fold face masks, 300 biosafety caps and 300 nitrile gloves.
- Support in the dissemination of care messages to help fight COVID-19 (through radio spots and loudspeakers).

### Stage Three:

- Support for the COVID-19 mass immunization events with awnings and chairs in the vaccination centers and public announcements by means of loudspeakers throughout the district.

## AproChancay

Austral partnered with Centinela and CFG Copeinca fishing companies to carry out the following actions for the benefit of the Chancay district residents.

- Recurring donation of food to the ollas comunes.
- Donation of facemasks, safety suits, gloves, alcohol, cotton and gauze for "Santiago Távara Renovales" Fire Department No. 80.
- Donation of 40 10-m<sup>3</sup> oxygen cylinders to Dr. Hidalgo Atoche Lopez Hospital in Chancay.

- Hosting free Comprehensive Health Campaigns in the 7 communities.
- Support for mass immunization events for adults over 70 years of age.
- Repair of 2 patrol cars for the Chancay police.
- Active participation in the monthly coordination meetings of the Barrio Seguro ("Safe Neighborhood") program.
- 11 health campaigns in partnership with the hospital.
- Baila y Exprésate ("Dance and Express Yourself") program for 12 families in Chancay.
- Food donation for the Army's civic activity.
- Support to the Chancay basketball league with the rental of chairs and awnings for a fundraising activity.
- Christmas activity for 1400 children.
- Clean-up campaign in the Santa Rosa wetland.



## Other Donations

- Medical material for EsSalud: lancets, ivermectin, hydroxychloroquine and rapid tests.
- 400 school kits for remedial education in Coishco.
- 8,500 T of hydrobiological products for the vulnerable districts of Coishco.
- Chairs, games and food for Essalud in Nuevo Chimbote.
- Food for low-income communities in Coishco.
- Security equipment for medical centers in Paracas and San Andres in Pisco.
- Safety equipment for the medical center in Peravillo and the fire company in Chancay.
- Safety equipment for MINSA and EsSalud in Coishco.
- Battery for the MINSA ambulance.
- Medical equipment for MINSA, EsSalud and the municipality.
- More than 800 kg of food supplies for ollas comunes in Coishco.
- 180 panettone and 1000 toys for children in Pisco.
- 465 toys for the artisanal fishermen's association.
- 48 panettone for Callao artisanal fishermen.
- 36 panettone for the Coishco police.
- Children's Christmas show in Ilo.
- Supplies for bike ride event in Pisco.
- Austral joined efforts with the SNP

to donate 400 kg of prime meal and 113 liters of oil to the Asociación de pescadores artesanales no embarcados y protectores del medio marino (Association of non-embarked artisanal fishermen and protectors of the marine environment) of the port of Ilo.





**GRI Index**



(GRI 102-55)

GRI Standard	Content	SDG	Global Compact	Page
GRI 101: Foundation 2016				
<b>General Disclosures</b>				
<b>GRI 102: General Disclosures 2016</b>	GRI 102- 1: Name of the organization			
	GRI 102-2: Activities, brands, products, and services			10
	GRI 102-3: Location of headquarters			12
	GRI 102-4: Location of operations			12
	GRI 102-5: Ownership and legal form			10
	GRI 102-6: Markets served			18
	GRI 102-7: Scale of the organization			
	GRI 102-8: Information on employees and other workers			
	GRI 102-9: Supply chain			74
	GRI 102-10: Significant changes to the organization and its supply chain			
	GRI 102-11: Precautionary Principle or approach			Omitted



<b>GRI Standard</b>	<b>Content</b>	<b>SDG</b>	<b>Global Compact</b>	<b>Page</b>
	GRI 102-12: External initiatives			
	GRI 102-13: Membership of associations			19
	GRI 102-14: Statement from senior decision-maker			23
	GRI 102-16: Values, principles, standards, and norms of behavior			29
	GRI 102-18: Governance structure			23
	GRI 102-40: List of stakeholder groups			
	GRI 102-41: Collective bargaining agreements		Principle 3	
	GRI 102-42: Identifying and selecting stakeholders			
	GRI 102-43: Approach to stakeholder engagement			
	GRI 102-44: Key topics and concerns raised			
	GRI 102-45: Entities included in the consolidated financial statements			Omitted
	GRI 102-46: Defining report content and topic Boundaries			34

<b>GRI Standard</b>	<b>Content</b>	<b>SDG</b>	<b>Global Compact</b>	<b>Page</b>
	GRI 102-47: List of material topics			37
	GRI 102-48: Restatements of information			Omitted
	GRI 102-49: Changes in reporting			Omitted
	GRI 102-50: Reporting period			3
	GRI 102-51: Date of most recent report			
	GRI 102-52: Reporting cycle			
	GRI 102-53: Contact point for questions regarding the report			3
	GRI 102-54: Claims of reporting in accordance with the GRI Standards			3
	GRI 102-55: GRI content index			86
	GRI 102-56: External assurance			Omitted
<b>GRI 200: Economic</b>				
GRI 201: Economic Performance	GRI 201-1: Direct economic value generated and distributed			



<b>GRI Standard</b>	<b>Content</b>	<b>SDG</b>	<b>Global Compact</b>	<b>Página</b>
GRI 203: Indirect Economic Impacts	GRI 203-2: Significant indirect economic impacts	SDG 8		
<b>MATERIAL TOPICS</b>				
<b>Good Corporate Governance and Anti-Corruption</b>				
GRI 103: Management Approach	GRI 103-1: Explanation of the material topic and its Boundaries			13
GRI 205: Anti-Corruption	GRI 205-2: Communication and training about anti-corruption policies and procedures		Principle 10	29
<b>Supplier Development</b>				
GRI 103: Management Approach	GRI 103-1: Explanation of the material topic and its Boundaries			13
GRI 204: Procurement Practices	GRI 204-1: Proportion of spending on local suppliers			75
<b>Management of Environmental Practices</b>				
GRI 103: Management Approach	GRI 103-1: Explanation of the material topic and its Boundaries			13
GRI 302: Energy	GRI 302-1: Energy consumption within the organization GRI 302-4: Reduction of energy consumption		Principle 8 - 9	67

<b>GRI Standard</b>	<b>Content</b>	<b>SDG</b>	<b>Global Compact</b>	<b>Page</b>
GRI 303: Water and Effluents	GRI 303-3: Water withdrawal GRI 303-4: Water discharge GRI 303-5: Water consumption		Principle 8	68
GRI 306: Effluents and Waste	GRI 306-2: Waste by type and disposal method		Principle 8	69
<b>Sustainability of Hydrobiological Resources</b>				
GRI 103: Management Approach	GRI 103-1: Explanation of the material topic and its Boundaries			13
GRI 304: Biodiversity	GRI 304-2: Significant impacts of activities, products, and services on biodiversity	SDG 14	Principle 7 - 8 - 9	13
<b>Employment Management</b>				
GRI 103: Management Approach	GRI 103-1: Explanation of the material topic and its Boundaries		Principle 4 - 5	13
GRI 401: Employment	GRI 401-1: New employee hires and employee turnover GRI 401-2: Benefits provided to full-time employees that are not provided to part-time or temporary employees			52, 53
GRI 404: Training and Education	GRI 404-1: Average hours of training per year per employee GRI 404-2: Programs for upgrading employee skills and transition assistance programs			57



GRI Standard	Content	SDG	Global Compact	Page
GRI 407: Freedom of Association and Collective Bargaining	GRI 407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		Principle 3	
<b>Occupational Health, Safety and Welfare</b>				
GRI 103: Management Approach	GRI 103-1: Explanation of the material topic and its Boundaries			13
GRI 403: Occupational Health and Safety	GRI 403-1: Occupational health and safety management system GRI 403-2 Hazard identification, risk assessment, and incident investigation GRI 403-4: Worker participation, consultation, and communication on occupational health and safety GRI 403-9: Work-related injuries			63,
<b>Gender Equality and Diversity</b>				
GRI 103: Management Approach	GRI 103-1: Explanation of the material topic and its Boundaries			13
GRI 405: Diversity and Equal Opportunity	GRI 405-1: Diversity of governance bodies and employees	SDG 5	Principle 6	49
<b>Community Development</b>				
GRI 103: Management Approach	GRI 103-1: Explanation of the material topic and its Boundaries			13

<b>GRI Standard</b>	<b>Content</b>	<b>SDG</b>	<b>Global Compact</b>	<b>Page</b>
GRI 413: Local Communities	GRI 413-1: Operations with local community engagement, impact assessments, and development programs	SDG 1, 2, 3, 4,		78
<b>Product Quality</b>				
GRI 103: Management Approach	GRI 103-1: Explanation of the material topic and its Boundaries			13
GRI 416: Customer Health and Safety	GRI 416-1: Assessment of the health and safety impacts of product and service categories			17
<b>Digital Transformation</b>				
OBI 1: Digital Transformation				20

\*OBI: Own Business Indicator







