TASA

INTEGRATED REPORT 2016

Eco-efficient, innovative and socially responsible

TASA-43
CO-21913-PM

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1 MESSAGE FROM THE PRESIDENT OF THE BOARD OF DIRECTORS

MESSAGE FROM THE PRESIDENT OF THE BOARD OF DIRECTORS (G4-1)

We are very pleased to present to you in these pages our Combined Report which merges our Annual Report with our Sustainability Report. This effort is part of our commitment to facilitate access to the information about our economic, environmental and social performance to all of our stakeholders, and, in this way, recognize their important contribution to the achievement of the objectives established.

Each year brings with it new challenges for our sector and in TASA we continue to show that, with the support of our collaborators, clients and strategic partners, we can overcome every threat that we face.

2016 was definitely a difficult year; we were subject to the conditions of the El Niño Phenomenon which reduced the availability of resources, which had an impact on sales, and, consequently, an impact on the company's economic results.

Furthermore, the smaller volume of catch generated an impact of idle capacity in the cost of sales. In the same way, the change in the income tax rate, which increased to 29.5%, and the variation in the exchange rate, increased the tax burden. Despite this, we continue to develop innovative strategies in order to create value opportunities, keeping fixed costs stable, investing in improving the maintenance of our fixed assets, reducing both the finance costs as well as those of long term debt.

This year, our efforts were concentrated on improving the quality regarding the preservation of raw material and optimizing the value chain in order to make the fishing and production operations more efficient.

2016 has been a year in which we have continued to align ourselves with the highest standards of sustainability. Thus, we began our analysis in order to identify the contribution of TASA to the Sustainable Development Goals (SDG) and during 2017, an integral project will be worked on so as to measure the impact of our interventions in favor of sustainable development.

With regard to our environmental management, we continue to implement technologies which may contribute to the optimization of our processes, the reduction of emissions, management of residues and effluent treatment. Moreover, in each of our vessels, we have guardians of biodiversity called Cuidamares, who ensure the compliance of good fishing practices. During 2016, the latter have achieved a historical record of 81 releases of superior marine predators.

Regarding our human resource management, we continue with the development of training presented by our in-house teachers, collaborators with knowledge and abilities, willing to put them at the service of their companions. Additionally, our health and safety management has enabled us to continue offering the necessary training for our collaborators to perform their duties in environments which ensure their physical welfare and integrity.

In the area of our social management, two new projects began to bear fruit. One of them is PescART, an MSE made up of artisanal fishermen from Chimbote, who have been trained by TASA and the State to market their products so as to comply with health regulations, minimum sizes and also increase their incomes and improve their quality of life. The second project is SUMAQ, the goal of which is to train women as entrepreneurs and producers of foods based on salted fish pressed in the highlands of Peru.

Once again, our work was recognized: in 2016 we received the IFFO prizes for Leadership and Innovation for our SUMAQ project and for a project in the area of Innovation and Development which seeks to treat osteoporosis and skin disorders with inputs from anchovy scales. Furthermore, we occupy 7th place in the world in a ranking which recognizes marine food companies for their management of sustainability and transparency of information.

All of these achievements during 2016, despite it having been one of the most difficult years in the history of the fishing sector, have been possible thanks to the team of people who make up TASA and to the culture of innovation, quality, safety and sustainability that has guided their actions. My recognition and gratitude to all who contribute day after day to TASA being a benchmark of the Peruvian fishing industry.

Sincerely,

Mario Brescia Moreyra

2 CORPORATE GOVERNANCE

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TASA is led by its Shareholders' Meeting and Board of Directors. The General Shareholders' Meeting is composed of Inversiones Breca with a participation of 99.96% and other minority shareholders, who meet at least once a year. The Board of Directors has the support of the Breca Group and the advice of Estratégica, its corporate service center, in various aspects, such as the undertaking of new projects and investments. (G4-34, G4-38)

BOARD OF DIRECTORS

(G4-39, G4-40, G4-42, G4-35)

It consists of six directors who establish and control the compliance of the guidelines for the management and operation of TASA, such as corporate values, ethical principles, norms and policies. Additionally, the Board of Directors is responsible for analyzing the performance of the company, risk management and human talent management, through the direct reporting of Senior Management, to whom they delegate the management of the operation and administration of the organization.

COMPOSITION OF THE BOARD OF DIRECTORS

Mario Brescia Moreyra	President of the Board of Directors
Rosa Brescia de Fort	Director
Fortunato Brescia Moreyra	Director
Pedro Brescia Moreyra	Director
Alex Fort Brescia	Director
Humberto Speziani Cuevas	Director
Jaime Araoz Medanic	Director

MANAGEMENT

Carlos Pinillos González	General Manager
Dereck Zimmermann Franco	Central Fishing Manager
Edgar Aroni Boy	Central Operations Manager
Pedro Lozada Herrera	Central Administration and Finance Manager
Carlos Barrionuevo Ojeda	Shipyard Manager
Claudio Castañeda Galloso	Production Manager
Edgar Fernández Guzmán	Occupational Health and Safety and Environmental Manager
Gustavo Ferreyros Cabieses	Commercial Manager
Hortencia Rozas Olivera	Legal Manager
Ignacio Agramunt Balta	Float Maintenance Manager
Javier Igarashi Hasegawa	Quality Manager
José Rainuzzo Rodríguez	Research and Development Manager
José Tagle Schreier	Logistics Manager
Juan Bellido Morales	Fishing Manager
Pablo Gamero Broggi	Human Resources Manager
Rick Pope	Commercial Manager Omega
Roberto Da Cruz Cam	IT Manager
Rubén Namihas Castro	Internal Audit Manager
Sonia Torres Becerra	Comptroller Senior Management

SENIOR MANAGEMENT

(G4-36, G4-40, G4-43, G4-44, G4-51, G4-52)

Senior Management is composed of 19 managements and is led by the General Management. The management indicators corresponding to each management, which also address sustainability metrics and impact management, are reported to the Board of Directors on a quarterly basis, and, monthly, to Estratégica.

These management indicators provide periodic knowledge to our Board of Directors and Shareholders' Meeting of the performance of TASA and of the industry.

The company bases the selection and evaluation of the members of Senior Management on the following aspects: measurement of indicators related to the position, role as team leader, as well as commitment and competencies.

The incentive system for Senior Management is defined based on the performance achieved in the mentioned aspects, which, in the case of each management is validated by the Central Managements and the General Managements; and, in the case of the General Management, by the Management Committee. The annual remuneration of Senior Management is established and regulated directly by the Corporate Center of the Breca Group.

MANAGEMENT COMMITTEES
(G4-34, G4-38)

In addition to the described structures that lead the governance of TASA, there are also committees, together with the Corporate Center of the Breca Group,

that set in motion key matters of its organizational management. These are: the Audit, Risk and Finance Committee, the Strategy and Performance Committee and the Human Talent Management Committee. In each committee, the managements report on the performance of the company, mainly focusing on relevant aspects of the industry, such as the response to climatic events, closed seasons and scarcity of the resource, saving and cost containment plans and aspects of innovation related to the development of new products and markets.

The Audit, Risk and Finance Committee meets every three months and consists of two members of the Board of Directors, the General Manager, the Corporate General Manager, the Corporate Manager of Internal Audit, the Senior Management Advisor, the Central Manager of Administration and Finance, and the Internal Auditor. In this instance, the main risks for the company on a reputational, regulatory, financial and operational level are presented, for their correct management and control. The results obtained are presented to the Board of Directors. (G4-45, G4-46, G4-47)

Furthermore, management committees have been established for each unit and plant, which meet on a monthly basis and through which collaborators can present to their area managers concerns and proposals regarding various social, economic and environmental aspects. (G4-37, G4-49, G4-50, G4-LA5)

Finally, with regard to the follow up of the occupational safety and health risks, 100% of our collaborators are represented in the Occupational Safety and Health Committees of each unit, which meet on a monthly basis in compliance of the current national regulations. (G4-37, G4-49, G4-LA5)

MANAGEMENT OF ETHICS AND INTEGRITY

(G4-41)

TASA has a Code of Ethics and Conduct that describes the way in which its collaborators work and behave. Its contents reflect our values and summarize the fundamental beliefs of the company, incorporating the guidelines of the Breca Group.

The Internal Audit Management is responsible for disseminating its contents, on an annual basis, through our internal media and monitors the ethical performance of all levels of TASA.

The Code of Ethics and Conduct contemplates the following commitments with our stakeholders: (G4-56)

WITH COLLABORATORS

- Diversity, equal opportunities and respect.
- Safe and healthy environment.

WITH SHAREHOLDERS

- Responsible use of delegated authority.
- Integrity of financial and operational reports.
- Protection of confidential information and intellectual property.
- Transparency and integrity in our actions.
- Representations of the company and the protection of its reputation

WITH CLIENTS, SUPPLIERS AND COMPETITORS

- Integrity in the market.

WITH THE COMMUNITY, ENVIRONMENT, STATE AND MEDIA

- Good relationships and investment in our communities.
- Protection of the environment.
- Compliance with laws and regulations.
- Relationship with public officials and political contributions.
- Relationship with the media.

The company has an Integrity Channel, a communication mechanism that enables all of the stakeholders to report formally events considered unethical, which are perceived or identified during daily work. Especially those related to labor practices. In 2016 a total of 18 complaints were received due to alleged noncompliance of the Code of Conduct, of which 75% originated from the operating units (core areas) and 25% from the administrative areas (support areas). (G4-57, G4-58, G4-LA16)

The typology of the complaints received was as follows:

- Appropriation or abuse of the company's resources (6)

- Noncompliance of policies or procedures (2)
- Human resource matters (6)
- Matters classified as unfounded (4)

All of the complaints presented were investigated by the Internal Audit area, based on the guidelines defined by the Compliance Committee of the Code of Ethics and Conduct, composed of the General Manager, the Human Resources Manager, Legal Manager, Internal Audit Manager and Central Administration and Finance Manager. They are responsible for analyzing and evaluating the preventive and corrective measures for optimum compliance of the guidelines.

RISK FOCUS AND MANAGEMENT (G4-2, G4-14)

The risk management process cuts across the entire organization, using the guidelines of the Board of Directors. TASA has categorized its risks in the following manner:

- **Strategic Risks:** They are monitored by the Strategic Management area, which reports to the Central Management of Administration and Finance. This area identifies and updates the risks that could affect the continuity of the business through a matrix which follows up the action plans for monitoring or mitigating their impacts. The above matrix includes the analysis of market and regulatory risks and the risks of supply of raw material in the face of adverse climatological conditions, among others. This represents a key input for the annual strategic planning process.
- **Sustainability Risks:** Thanks to this year's materiality process, the inclusion of sustainability risks has been established for the next Strategic Planning processes, including them in the preparation of the strengths, weaknesses, opportunities and threats of the company.
- **Financial Risks:** These are managed by the Comptroller Management, the area responsible for the revision and approval of the company's procedures, to ensure that it has adequate controls in this area.
- **Operational Risks:** The Internal Audit Management, which reports to the Audit Committee, is responsible for determining whether the administrative, accounting and financial controls of TASA, as designed and approved by Management, are reli-

able, adequate and function and/or are complied with. The results of the evaluations made are reported to the Audit Committee, considering the following aspects:

- Materiality and risk level.
- Regulatory noncompliance.
- Significant matters in TASA's processes and the improvements identified.

- **Physical Safety Risks:** The Occupational Health and Safety and Environment Management has the Risk Management Procedure to prevent unlawful activities and incidents of corruption in the operations, and determine the threat context and scenarios in each of its installations. In this way, relevant or significant risks are identified, analyzed, monitored and communicated to all of the personnel involved in the process and/or in the installation. This evaluation is incorporated into the Physical Safety Risk Matrix, which establishes a treatment and mitigation program of the identified risks, permitting us to obtain and maintain the BASC certification in all of the operating units.

Additionally, the company has a Crisis Management Plan and a Business Continuity Plan. These documents are a guide for facing situations that could affect the operations and/or reputation of the company, establishing action plans and assigning the people responsible for their implementation.

3 ECONOMIC ENVIRONMENT

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ECONOMIC ENVIRONMENT

In 2016, the GDP of the world economy showed growth of 3%, which consisted of 1.6% growth of the developed economies (USA 1.6%, Europe 1.7%, Japan 0.6%, United Kingdom 2.1%) and 4.1% growth by the developing countries (China 6.7%, India 7.5%, Brazil -3,4%, Russia -0.6% and México 2.1%).

During 2016, the growth of the United States and the Eurozone was lower than in 2015 by -1.0% and -0.3% respectively. On the other hand, China maintained its growth of 2015. Furthermore, the prices of the principal "commodities" presented mixed results, on the one hand, the average price of oil, copper and wheat recorded a reduction of -11.2%, -11.6% and -13% respectively, while the average prices of gold, silver, soya and corn recorded growth of 7.5%, 8.9%, 1.3% and 3.5% respectively. This affected the Peruvian economy which grew by 3.8% in 2016.

SLOWDOWN OF CHINA

In China, the GDP grew 6.7% during 2016, which represents a growth rate similar to the one recorded in 2015. This growth is driven by the increase in public spending, especially in infrastructure, investment in fixed assets and retail sales which mitigated the slowdown in industrial production due to China's transition to a service economy, the loss of competitiveness to other emerging markets and the reduction in domestic demand. The stimuli introduced by the Chinese Government to maintain economic growth within the range of the goal proposed for 2016 goes against the structural reforms proposed to pass to a model stimulated by internal consumption and not by exports. Due to the prioritization of short term policies which have increased public spending

on infrastructure, the fall in the average copper price was reduced, and it closed at a year- end price 22% higher compared to 2015, which generated an average annual variation of -11.6%. On the other hand, soya presents an average annual variation of 1.3%, corn of 3.5% and wheat presented a fall of -13%.

LOW GROWTH OF THE EUROZONE

The growth of the Eurozone during 2016 was 1.7%, similar to the figure of 1.9% recorded in 2015. Private consumption and investment continue to be the main drivers of the economy of the Eurozone, recording growth of 1.8% and 2.8% respectively.

Due to the withdrawal of Great Britain from the Eurozone, the Pound Sterling fell by -17.3% and the Euro by -7.5% in relation to the dollar, due to the high volatility generated in the markets by this decision.

GROWTH OF THE USA

Although it is true that the US economy is recovering and is continuing to grow, this was at a lower rate than in 2015 (1.6% in 2016 vs. 2.6% for 2015). The factors in favor of this slight increase were the dynamism of the internal market, driven by private spending, the growth in the agricultural, service, construction and "retail" sectors which grew 9%, 4.8%, 4.3% and 2.5% respectively; while the mining sector recorded a contraction of -12.5%. Furthermore, the unemployment rate continues to fall, standing at 4.9% in 2016 versus 5% in 2015. On the other hand, in December of 2016 the Federal Reserve decided to increase the reference rate by 25 base points, with which, together with the forecasts of rate increases for 2017, the dollar will continue to strengthen; however, the political uncertainty concerning the new Presidency and the economic policies

that are being promoted, have resulted, at the end of 2016, in the dollar showing a downward trend, and, consequently, a change in the trend of gold at the end of the year.

THE ECONOMIC CONTEXT OF PERU

In this international context, the Peruvian economy recorded an estimated GDP growth of 3.8% in 2016 versus 3.3% in 2015. Despite the economic growth achieved, the Peruvian economy continues its process of deceleration, caused by the fall in private investment of -6.4%, in public investment of -3.8%, and the slowdown in internal demand to 1% vs. 3% of the previous year, impacting the formal labor market which grew only 0.3% in 2016. On the other hand, exports grew by 9.3%. The sol appreciated slightly during 2016 by 1.47% (from S/ 3.41 to S/ 3.36), however, it was very volatile, reaching a maximum of 3.537 and a minimum of 3.249 soles per dollar. The appreciation of the sol during December of 2016 is explained by the political uncertainty generated by the US presidential elections. Mining was the sector with highest growth during 2016, recording an increase of 20.9%, followed by the services sector with growth of 4.4%. On the other hand, fishing, hydrocarbons and construction were the sectors which suffered the biggest declines. (-9.3%, -5.1% and -3.7% respectively).

THE ECONOMIC CONTEXT OF THE FISHING SECTOR IN PERU

During 2016, the GDP of the Peruvian fishing sector fell by -9.3%, due to the fact that in 2016 there was a smaller national landing of anchovy compared to 2015 (2.73 MM of MT in 2016 vs 3.61 MM of MT in 2015). The average prices of fishmeal and fish oil suffered a reduction during 2016 compared to the prices recorded in 2015, due to the market expectation regarding the fishing quotas (Price of fishmeal in 2016 USD 1,663 vs. USD 1,723 during 2015, price of fish oil during 2016 USD 2,607 vs. USD 2,247 in 2015). Quotas of 93,000 MT and 146,000 MT, respectively, were assigned for the industrial fishing of mackerel and horse mackerel during 2016. In 2016, TASA landed 22,092 MT and in 2015 1,349 MT respectively.

4 OUR COMPANY

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GENERAL INFORMATION

The company's administrative offices are located in the city of Lima, in Las Begonias No. 441, Office 352, San Isidro. Telephone (+511) 611-1400 and fax (+511) 611-1401.

According to its Articles of Association, the objective of Tecnológica de Alimentos S.A. (TASA) is to engage in the fishing activities of extraction, transformation and commercialization of hydrobiological resources for direct and indirect human consumption and non-food products, in the form, manner and conditions established by the General Fishing Law, its regulations and other complementary norms.

Furthermore, it may engage in the industrialization, transformation, manufacture, distribution, export, import and commercialization of (i) oil by-products and fatty acids (including their refining, processing and purchase-sale); (ii) products derived from raw materials, inputs and consumer products, principally for the food industry and/or for human or animal consumption, in their most varied forms (including their processing and purchase-sale); (iii) nutraceutical, pharmaceutical products or vitamin supplements.

Additionally, the company can engage in providing: (i) shipyard, anchorage and dry dock services, oriented towards construction, modification, maintenance and repair of vessels and marine equipment, among others; (ii) metalworking services; (iii) supply services; (iv) people transport services; (v) towing services; (vi) port services; (vii) dock services; y (vii) services such as consultancy, supervision and/or work execution, among others. In order to fulfill its objective and perform the activities related to it, the company

may carry out all of the acts and enter into all of the contracts permitted by law to joint-stock companies.

The company started its fishmeal and fish oil processing activities in October 2002, and of products for human consumption in January 2003.

TASA is a company that has consolidated over the years with the merger of companies such as SIPESA, EPESCA, Pesquera Fátima S.A.C., Empresa Pesquera Oboll S.R.L., as well as the acquisition of Pesca Perú Callao Sur S.A. On January 1, 2016, TASA absorbed TASA Omega S.A., a company dedicated to the refining of fish oil, concentration of EPA and DHA and the commercialization of these products. TASA Omega S.A. was extinguished without being liquidated.

At December 31, 2016, the composition of the shareholding of TASA is as follows:

Shareholder	N° of Shares	Value of Shares	%
Inversiones Breca S.A.	987,635	S/. 987,635,000	99.9962%
Domingo Julio Huamaní Eliot	17	S/. 17,000	0.0017%
Odón Teves León	12	S/. 12,000	0.0012%
Julio Nasael Neyra Contreras	9	S/. 9,000	0.0009%
TOTAL	987,673,000	S/. 987,673,000	100.00%

NOMINAL VALUE › 1000

WHO ARE WE? (G4-16)

TASA is a leading Peruvian company in the fishing sector which produces marine foods and ingredients of high quality, added value and excellence, which has enabled it to become the world's leading producer and exporter of fishmeal and fish oil. Its more than 2600 collaborators are aligned with the corporate values which are oriented towards the commitment to excellence, integrity, comprehensive development and sustainability. In this way, TASA has become a leading, ethical and sustainable company which promotes innovation and operation in harmony with the community and the environment.

It also participates actively in the issues of the sustainable development agenda of the industry. In Peru, it is a member of the Sociedad Nacional de Pesquería (National Society of Fishery) and, therefore, the APRO (Associations of Fishmeal Producing Plants).

On an international level, it is part of The Marine Ingredients Organization (IFFO) and of GOED Omega 3.

BRECA
GRUPO EMPRESARIAL

The Breca Group

Breca is a Peruvian business conglomerate with an international presence, formed more than 100 years ago, by the Brescia Cafferata family. It participates actively in various sectors of the economy and includes leading companies such as: TASA, Rimac, Minsur, Urbanova, Qroma, Tricolor, Exsa, Melón, Libertador, Clínica Internacional, Aesa I&M, Agrícola Hoja Redonda, among others. It also owns BBVA Continental Bank on an equal basis with BBVA Bank from Spain.

From its origins, Breca has been characterized by its entrepreneurial attitude and curiosity to learn. Furthermore, it stands out due to its financial strength, diversification and great interest in innovation.

MISSION, VISION AND VALUES

MISSION

To provide the world with high quality, value added marine foods and ingredients, in harmony with the community and the environment.

VISION

To be a world-class company, leader and innovator in the sustainable utilization of marine resources for nutritional purposes.

VALUES

INTEGRITY

We act in an ethical, serious and reliable manner.

EXCELLENCE

We are innovators and continually improve our processes, quality and technology.

COMPREHENSIVE DEVELOPMENT

We are committed to safety, learning and improvement in our quality of life.

SUSTAINABILITY

We are responsible in the use of natural resources and respectful of the environment and the communities in which we operate.

BUSINESS UNITS AND PRODUCTS (G4-4)

The activities of TASA cover the productive cycle of the entire sector: including the extraction of the resource; its transformation and the generation of added value; and –in part– the distribution and commercialization; and, lastly, it provides complementary services.

It has five business units: Fishing, fishmeal and fish oil, omega 3, frozen foods and shipyard. Its global leadership originates from the production of fishmeal and fish oil.

FISHING

TASA possesses one of the most important fleets of Peru: 48 vessels with a total hold capacity of 20,150 MT . Of this capacity, 37% have modern refrigeration systems which guarantee an optimum supply of products for human consumption.

FISHMEAL AND FISH OIL

It has 12 Steam Dried production plants, located strategically along the Peruvian coast, with installed production capacity of 1729 MT of raw material per hour. TASA is the first oil exporter and the second in fishmeal in the ranking of exporting companies of fishmeal and fish oil up to 2016, with a market share of 19.65% and 24.8% respectively.

This unit is the one which generates the highest invoicing for our company and the activity for which we are known all over the world.

PRODUCTS

- Fishmeal.
- Fish oil.

OMEGA 3

It produces refined and concentrated "Omega 3" fish oil, a powerful nutritional supplement which is adapted according to the needs of its clients from the food, nutraceutical and pharmaceutical industry.

PRODUCTS

- Refined oil (18 / 12).
- Concentrates of Omega 3 oil with various levels of concentration of EE (ethyl esters) and TG (triglycerides).

HUMAN CONSUMPTION UNIT

It has the largest frozen plant of South America, with a capacity of 521 MT / day and storage capacity of 14,960 MT distributed in three cold storage rooms.

It has five distribution centers located in Cusco, Juliaca, Abancay, Andahuaylas and Ayacucho (exclusive distributor).

PRODUCTS

- Frozen: horse mackerel and mackerel, (whole, headless and gutted), salmon (headless), basa, tilapia, giant squid (mantle, fin, tentacle), hake, mahi-mahi, silverside, albacore, codfish, mussels, bream and anchovy.
- Canned: mackerel (pieces, 1/2 pound), solid tuna (1/2 pound).
- Others: hamburgers (anchovy and giant squid).

SHIPYARD

Provides services of construction, repair, maintenance and structural modification required by the shipbuilding industry on a national and international level.

SERVICE

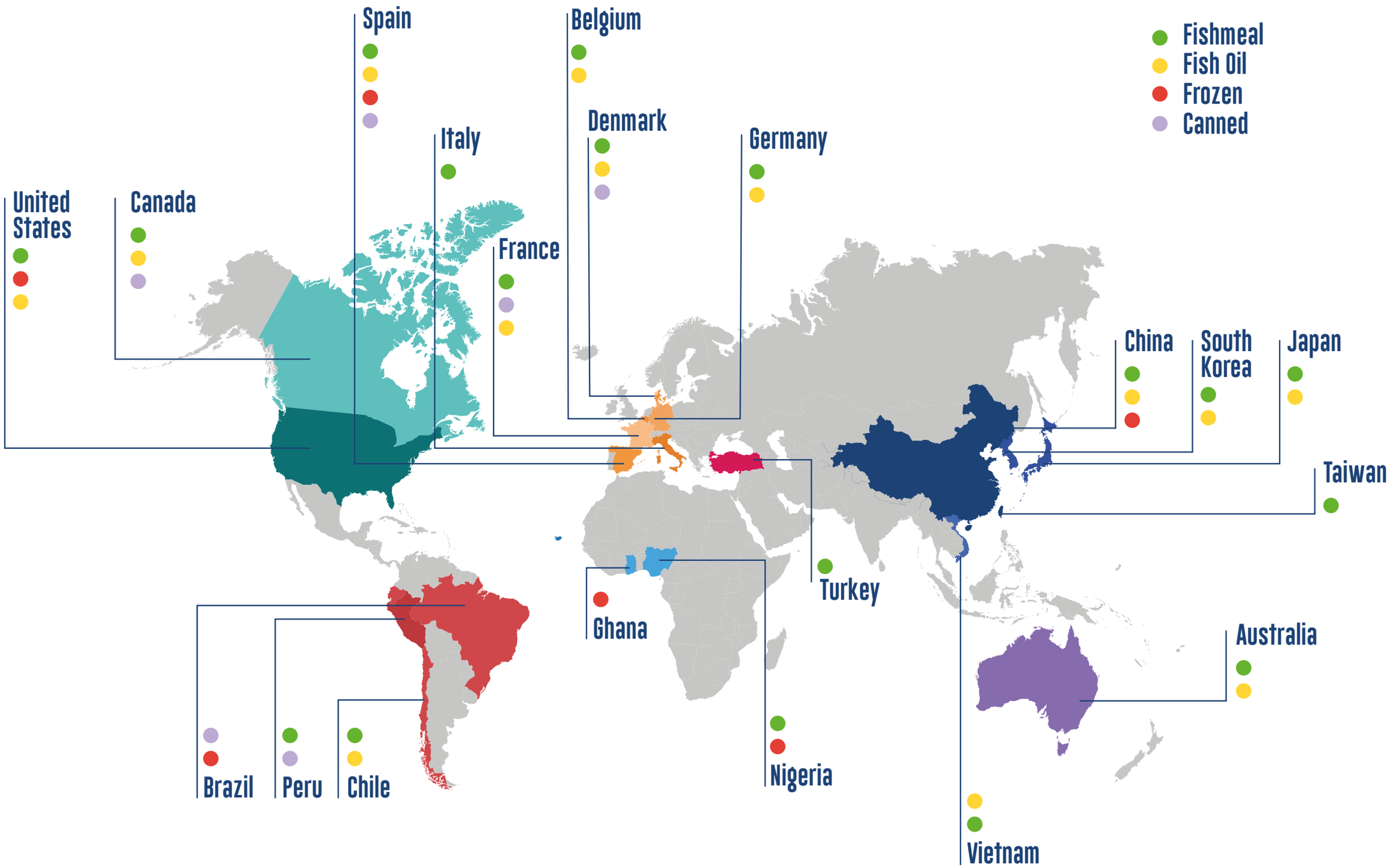
- Design, repair, modification and construction of vessels and marine equipment.

PRESENCE ON A NATIONAL LEVEL (G4-6)

TOTAL

1,729 MT/hour

OUR MARKETS (G4-8)



PRIZES AND AWARDS 2016

- **First place in the Innovation category** for the project of research and development with anchovy collagen peptides and **first place in the Leadership category** for the SUMAQ pressed, salted fish project in Huanta, Ayacucho.

- **Ranking of the 100 most important marine food companies** in recognition of its sustainability and transparency report.

- **Biodiversity and Company.** Recognition of MINAM (Environment Ministry) for its commitment to the care of biodiversity and the marine ecosystem.

- **Emblem of Socially Responsible Company 2015-2016**

- **"Register of Good Environmental Practices".** The plants of Matarani, Callao and Pisco were recognized by the OEFA for their good environmental practices.

- **92nd place in the Merco Company ranking** (best corporate reputation).
- **30th place in the Merco Talent ranking** (best attraction and retention of talent).

- **Best ally in the category "Dream employer".** Recognized by AIESEC Peru.

- **ABE Certification.** Certification as Business Partner by the Association of Good Employers.

- **Prize for Excellence in the Prevention of Occupational Hazards,** in the category Comprehensive Management of Occupational Hazards.

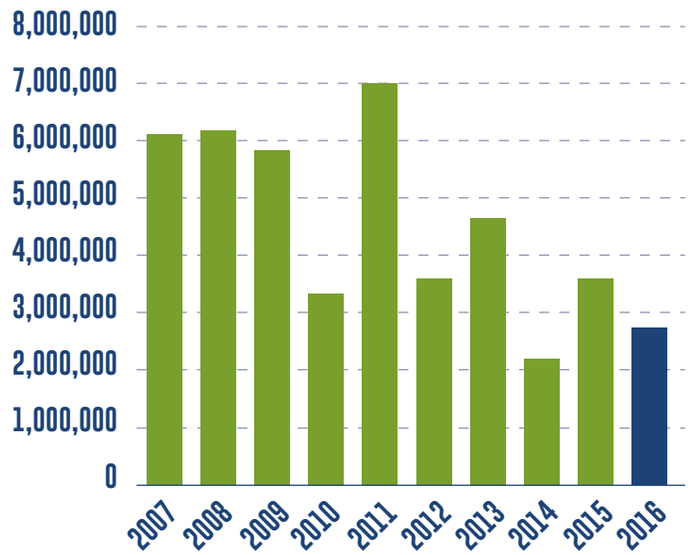
FISHING UNIT (G4-4)

FISHING FOR INDIRECT HUMAN CONSUMPTION

In the Northern-Central zone, a quota of 1.8 MM of MT was authorized for the first season, 30% less than was authorized in the same period in 2015 (2.58 MM of MT). For the second fishing season, the quota authorized was 2.0 MM of MT, 80% higher than the same period of the previous year (1.11 MM of MT). In the year, 2.73 MM of MT were extracted.

In the Southern Zone, a quota of 382,000 MT was authorized in the first season, which was 2% higher compared to the first season of 2015. Additionally, a quota of 382,000 MT was authorized for the second season, which was 15% lower compared to the same period of the previous year.

The following table shows the statistics of the landings of anchovy in MT for the production of fishmeal and fish oil:



The landing of the ports in the Northern-Central and Southern Zone is shown in the following table:

Ports	JAN-DEC 2015	JAN-DEC 2016	Var % 2016/2015
Paita	-	32,916	100%
Parachique – Bayóvar	88,802	86,588	-2%
Malabrigo	270,150	450,685	67%
Coishco	161,634	295,751	83%
Chimbote	467,612	559,736	20%
Samanco	56,805	46,922	-17%
Casma – Huarmey	-	-	
Northern Region	1,045,003	1,472,597	41%
Supe	198,165	162,492	-18%
Végueta - Carquin	321,869	222,440	-31%
Huacho	9,029	-	0%
Chancay	314,537	166,726	-47%
Callao	417,510	225,010	-46%
Tambo de Mora	303,666	72,095	-76%
Pisco	710,294	225,404	-68%
Central Region	2,275,070	1,074,168	-53%
Atico – La Planchada	98,036	73,104	-25%
Matarani – Mollendo	53,232	45,669	-14%
Ilo	143,189	64,166	-55%
Southern Region	294,457	182,940	-38%
TOTAL	3,614,530	2,729,705	-24%

(continues...)

***Source:** PRODUCE

As can be appreciated, the greatest landings occurred in the ports of Malabrigo, Coishco and Chimbote with 47.9% of the total catch on a national level.

FISHING FOR DIRECT HUMAN CONSUMPTION

With regard to fishing for direct human consumption, a quota of 93,000 MT was approved for horse mackerel, 3% lower than 2015. For the mackerel resource, an initial quota of 44,000 MT was approved, which was modified to 114,000 MT in August and was subsequently modified again to 146,000 MT in October, 232% higher than the quota for 2015.

We have one of the most important fleets in Peru: 48 vessels with a total hold capacity of 20,150 MT. Of this total capacity, 44% has modern refrigeration systems which guarantee an optimum supply for products for human consumption.

The operations in the Northern-Central Zone were carried out with 48 boats, while 36 boats operated in the Southern Zone.

FISHING FOR ANCHOVY

TASA landed a total of 681,900 MT of anchovies (25% of the national catch of 2016), 27% fewer MT than those obtained in 2015, when 935,074 MT were landed. Its own fleet caught 389,143 MT of anchovies and an additional 292,756 MT were purchased.

FISHING FOR HORSE MACKEREL, MACKEREL AND OTHER SPECIES FOR DHC

After three years of unfavorable conditions for horse mackerel and mackerel fishing, in 2016 the quota established for mackerel, but not for horse mackerel, was fulfilled. TASA caught 22,092 MT out of a total of 120,341 MT which were obtained as the national catch.

FISHING MAINTENANCE

During the year 2016, 17 overhauls were carried out, distributed as follows: 9 in SIMA Chimbote, 5 in ASTASA and 3 in Maggiolo.

These were done in order to improve the safety of the fishing vessels, optimize their performance and improve the hold cooling systems (RSW) so as to maintain the quality of the fish.

Furthermore, the following were the principal investments:

- Cold plants with a reverse recirculation system were installed in the vessels TASA 43, 44, 45 and 427 in order to improve the conservation and quality of the raw material.
- TRIPLEX net haulers were installed in TASA 55 and 56 to prolong the useful life of the nets, facilitating their stowage.
- A Cflow Static Dryer was installed in TASA 45 which improves the quality of the raw material during the packing process.
- The sonar of TASA 54 was changed in order to improve its range from 2,800 m to 4,500 m.
- In order to improve the fishing prospection information, as well as the safety of navigation in the vessels, the NOBELTEC system has been installed in 24 vessels, in addition to the 4 already installed in 2015.

PRODUCTION OF FISHMEAL AND FISH OIL

At December 31, 2016, the company has12 plants of fishmeal and fish oil with the following processing capacities of raw material per hour.

	SteamDried
PLANT	Capacity MT/hour
Paita	100
Malabrigo	214
Chimbote	226
Samanco	60
Supe	80
Végueta	140
Callao Norte	251
Pisco Norte	100
Pisco Sur	139
Atico	141
Matarani	140
Ilo	138
TOTAL	1,729

The levels of production and yield of fishmeal and fish oil for the years 2012 to 2016 were:

		2012	2013	2014	2015	2016
Landing of anchovy		890,218	1'144,318	606,760	935,074	681,898
Fishmeal produced	MT	215,060	281,362	145,695	221,709	166,331
	Yield %	4.139	4.067	4.165	4.218	4.091
Oil produced	MT	49,238	46,429	31,452	27,057	25,023
	Yield %	5.33	4.06	5.18	2.89	3.68

PRODUCTION OF FISHMEAL

In 2016, the company's production reached a level of 166,331 MT of fishmeal, 25% less than the previous year, when production was 221,709 MT. Of the total fishmeal production of the year, the production of fishmeal with Super Prime and Prime quality was 101,791 MT, which represented 61.2% of the total annual production. In the year 2015, the Super Prime and Prime fishmeal produced (145,995 MT) reached 65.8% of the total.

PRODUCTION OF FISH OIL

In 2016, TASA produced 25,023 MT of fish oil, 7.5% less than in the previous year, which was 27,057 MT. The production of oil with a good profile of Omega 3 reached a level of 35.1% (8,792 MT) of the total produced during the year, as opposed to 2015 which was 14,229 MT and represented 52.6% of the total of that year.

PRINCIPAL INVESTMENTS IN PLANTS DURING 2018

PLANTS	MAIN INVESTMENTS
Malabrigo	◢ Boiler of 1500 BHP ◢ Alarms for monitoring critical control points
Chimbote	◢ Twin screw press ◢ Static drain ◢ Pipe for unloading fish
Samanco	◢ Water purification system
Supe	◢ Automation of the system of separation of red and white water ◢ Water purification system
Végueta	◢ Soot traps for boilers ◢ Water purification system
Callao Norte	◢ Comprehensive automation of the plant ◢ Hydraulic motor for barge Pablo VI ◢ Automation of the system of separation of red and white water ◢ Reactor tank for DAF

PLANTS	MAIN INVESTMENTS
Pisco Norte	◢ Tricanter (3 phase centrifugal separator: solids, fishmeal and oil). ◢ Automation of the system of separation of red and white water
Pisco Sur	◢ Automation of the system of separation of red and white water ◢ Alarms for monitoring of critical control points
Atico	◢ Priming pump for Pisco barge ◢ Water purification system
Matarani	◢ Pipe for unloading fish
Ilo	◢ Pipe for unloading fish ◢ Smokebox for hot air dryer

*Includes environmental investments (G4-EN31)

HUMAN CONSUMPTION UNIT

TASA is aware of the importance of fish in the family diet due to its high nutritional value. Through the Kontiki Brand, various products for human consumption are commercialized in the form of frozen, canned and fresh.

Human Consumption took delivery of a total of 23,580.70 MT of raw material, of which 22,091.77 MT originated from its own fleet and 1,488.93 MT were acquired from third parties.

In order to optimize the profitability of the resource, the company prioritized the frozen process over the sale of fresh and canned, freezing (TASA and outsourcing) a total of 86.75% of the total landed by the fleet, as shown in the following table:

TOTAL LANDED BY OWN FLEET BY USE	2016	
	MT	%
Frozen TASA	17,997.26	81.47%
Frozen - outsourced	1,166.08	5.28%
Canned - outsourced	19.12	0.09%
Sale - fresh	2,496.71	11.30%
Unfit	285.31	1.29%
Confiscated - Produce	127.30	0.58%
TOTAL (MT)	22,091.77	100.00%

Source: In house

Of the total landed by the company's own fleet between the months of August and November, 93.32% was the mackerel resource, as shown in the following table:

TOTAL LANDED OWN FLEET BY SPECIES	2016	
	MT	%
Mackerel	20,615.34	93.32%
Jumbillo	29.67	0.13%
Tuna	1,446.36	6.55%
Bycatch	0.41	0.00%
TOTAL (MT)	22,091.77	100.00%

Source: In house

RAW MATERIAL

The composition of the 1,488.93 MT of raw material purchased from third parties is shown in the following table:

RAW MATERIAL PURCHASED FROM THIRD PARTIES	2016	
Especie	MT	%
Anchovy	306.83	20.61%
Albacore	267.21	17.95%
Mahi Mahi	1.79	0.12%
Giant Squid	865.75	58.15%
Mackerel	39.43	2.65%
Silverside	7.92	0.53%
TOTAL (MT)	1,488.93	100.00%

Source: In house

FROZEN PRODUCTS

Of the total raw material received in Human Consumption, 18,343.95 MT of frozen products were produced. The detail is shown in the following table:

SPECIES	PRESENTATION	MT PRODUCED
Mackerel	Whole Frozen Block	16,229.15
Albacore	Whole IQF	1,169.08
Mahi	Filet with Skin	1.16
	GG (without gills and eviscerated)	0.04
Giant Squid	Filet Frozen Block	151.59
	Mantle Frozen Block	228.93
	Tentacle Frozen Block	108.94
	Fin Frozen Block	165.03
	Nape Frozen Block	65.41
Anchovy	Whole IQF / Block	159.80
	HG IQF / Block	16.05
	Anchovetasa Kontiki	35.81
	Anchovy Pulp	2.48
Anchovy and squid hamburgers	Omegaburger	10.48
TOTAL (MT)		18,343.95

Source: In house

A total of 3,920.84 MT of finished frozen product were purchased, of which 3,233.38 MT were imported and 687.46 MT were purchased locally. The detail is shown in the following table:

PURCHASES	FROZEN PRODUCT	MT
Imported	Basa	192.75
	Mussels	4.00
	Horse Mackerel	2,914.14
	Salmon	27.96
	Tilapia	94.53
Total Imported (MT)		3,233.38
Local	Basa	6.00
	Albacore	100.00
	Horse Mackerel	52.00
	Shrimp	7.00
	Hake	517.46
	Tilapia	5.00
Total Local (MT)		687.46
Total (MT)		3,920.84

Source: In house

CANNED PRODUCTS

A total of 22,416.92 boxes of canned products were produced, mainly mackerel. The detail is shown in the following table:

SPECIES	PRESENTATION	BOXES PRODUCED
Mackerel	Selected pieces Oil ½ lb.	19,026.97
	Chunk ½ lb. Tuna Oil	3,331.28
Albacore	Fillet ½ lb. Tuna Oil	48.33
	Chunk ½ lb. Tuna Oil	10.33
Total (MT)		22,416.92

Source: In house

COMMERCIALIZATION

The company had sales of US$ 320,445 MM during the year 2016, suffering a reduction of 19.6% compared with the year 2015, caused by the impact of the El Niño phenomenon in the fishing quotas.

In fishmeal, we reached sales of 156,612 MT, 19% less compared with the sales volume of 2015 (193,675 MT), while in oil the sales volume was 16,485 MT, in other words, a reduction of 29% compared with the previous year (23,214 MT).

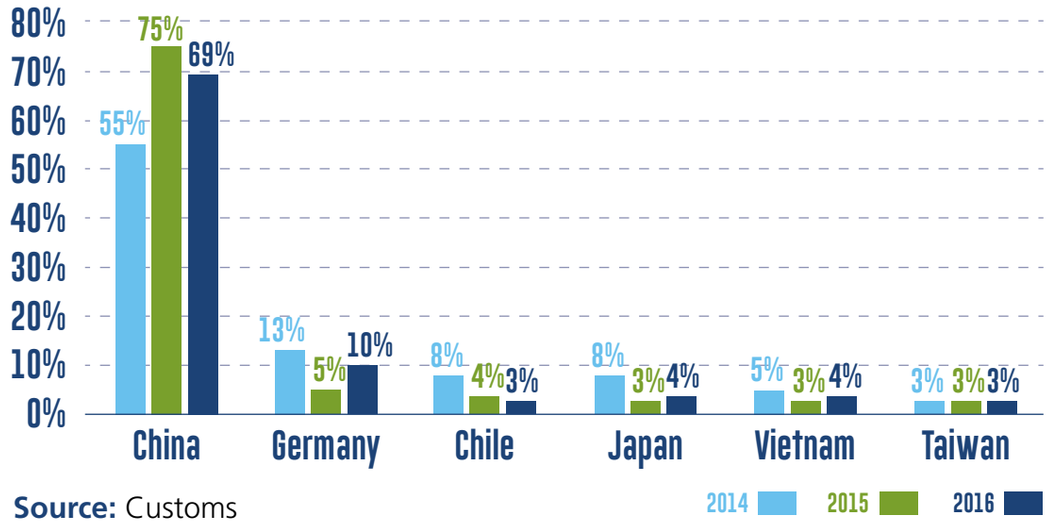
In the meantime, the sales of products for human consumption (frozen, fresh and canned products) were favored by the greater presence of mackerel, totaling 12,444 tons of frozen products versus 4,608 MT of the previous year, plus 2,633 tons of fresh fish and 21,598 boxes of canned products.

Product	Quantity	Meas-urement unit	Values thousand USD	Average Price USD
Fishmeal	156,612	TM	260,494,159	1,663
Fish oil	16,483	TM	42,975,065	2,607
Fresh fish	3,625	TM	1,087,867	300
Frozen fish	12,549	TM	12,031,942	959
Canned fish	15,948	Cajas	532,763	33
TOTAL	-	-	317,121,796	-

FISHMEAL

Due to its growing aquaculture industry, China maintained leadership as the destination of Peruvian exports of fishmeal, with 69% of participation, followed by Germany (gateway for the European market), Chile and Southeast Asian countries.

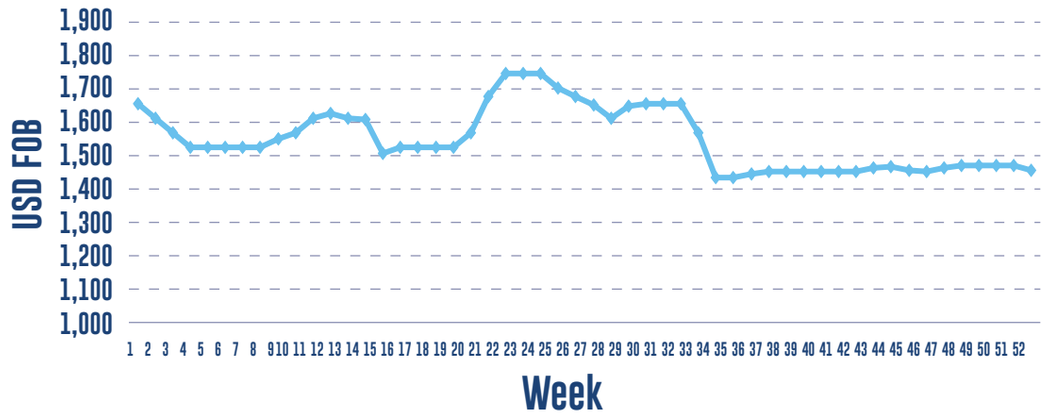
MAIN DESTINATIONS OF THE PERUVIAN EXPORTS OF FISHMEAL



Source: Customs

The price of the Peruvian fishmeal exports was on average US$ 1,585/MT, reaching a maximum of US$ FOB 1,900 for the super prime quality in week 22, when there was speculation of a possible scenario of a much reduced fishing quota. Once the quota of 1.8 million was announced, the price suffers a gradual correction reaching US$1,650 in week 32. Later the price is stabilized at US$1,550 when the second season of 2016 is announced at 2 million MT, which is maintained until the end of the year.

PRICES SUPER PRIME FISHMEAL YEAR 2016



With regard to fish oil, the sales volume was 16,485 MT, at an average price of US$ 2,748 per MT, considering the sale of oil for animal feed and direct human consumption.

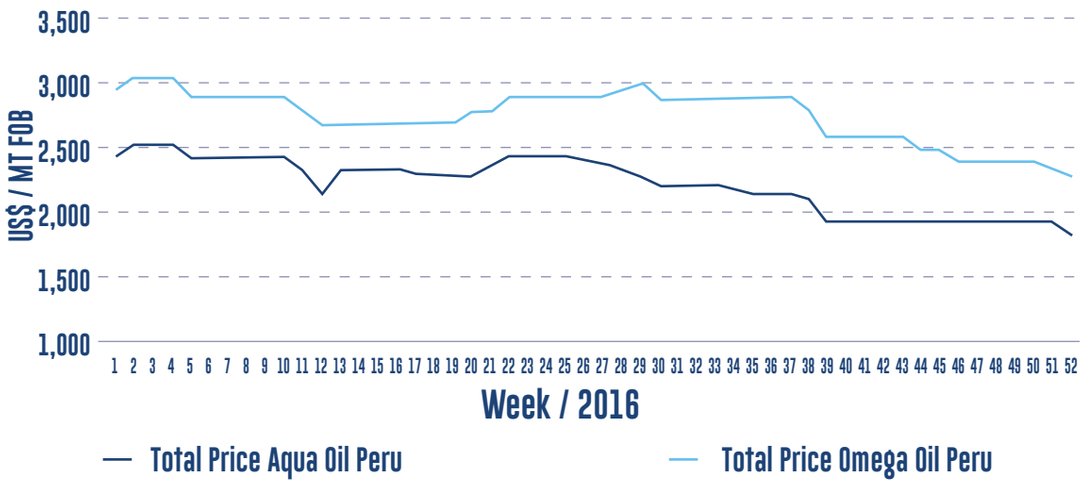
As occurred with fishmeal, the fish oil market was influenced by the uncertain scenario in the catches, reaching a maximum of US$3,000/MT for Omega oil towards week 30, subsequently adjusting itself as the recovery of the biomass in Peru and a

possible good fishing quota 2016-II was the subject of speculation.

During the year the entrance of new sources to the international oil market was noted, supplying the animal feed and the human consumption industry.

On the other hand, the fish oil content in the feed of salmon was reduced, in some cases reaching a reduction of 20%, equivalent to 66 thousand MT of Oil).

PRECIO ACEITE DE PESCADO



EXPORTACIONES DE HARINA DE PESCADO AÑO 2016

N°	Exporter	FOB US$ 8 MM	Net Weight MT	%
1	Pesquera Hayduk S.A. (*)	248,846	161,050	25.53%
2	Tecnológica de Alimentos S.A.	260,433	156,397	24.80%
3	Pesquera Diamante S.A.	115,418	70,446	11.17%
4	Pesquera Exalmar S.A.A.	92,030	58,775	9.32%
5	Austral Group S.A.A.	83,370	52,042	8.25%
6	Corporación Pesquera Inca S.A.	57,571	37,195	5.90%
7	Pesquera Centinela S.A.C	23,062	14,892	2.36%
8	Pesquera Cantabria S.A.	13,551	8,723	1.38%
9	Industrias Bioacuáticas Talara S.A.C.	9,830	6,473	1.03%
10	Compañía Pesquera del Pacífico Centro SA	9,465	6,052	0.96%
	Others	80,682	58,671	9.30%
	TOTAL	994,258	630,716	100%

(*) Pesquera Hayduk S.A. includes sales of CFG – Copeinca

TASA OCCUPIED THE FIRST PLACE IN THE RANKING OF AVERAGE PRICES OF FISHMEAL 2016

N°	EXPORTER	PRICE
1	Tecnológica de Alimentos S.A.	1,665
2	Pesquera Diamante S.A.	1,638
3	Austral Group S.A.A.	1,602
4	Compañía Pesquera del Pacífico Centro SA	1,564
5	Pesquera Exalmar S.A.A.	1,566
6	Pesquera Centinela S.A.C.	1,549
7	Corporación Pesquera Inca S.A.	1,548
8	Pesquera Hayduk S.A.	1,545
	TOTAL	1,585*

(*) Calculated based on the average between the FOB value and net weight.

EXPORTS OF FISH OIL YEAR 2016

N°	EXPORTER	FOB US$ MM	Net weight (MT)	%
1	TECNOLOGICA DE ALIMENTOS S.A.	38,542	14,195	20.63%
2	BPO TRADING S.A.C.	30,443	12,494	18.16%
3	DOIL INTERNATIONAL S.A.C.	23,569	9,930	14.43%
4	PESQUERA HAYDUK S.A.	19,053	7,965	11.58%
5	COLPEX INTERNATIONAL S.A.C.	10,981	5,069	7.37%
6	AUSTRAL GROUP S.A.A	12,569	4,647	6.75%
7	COPEINCA + CFG	10,999	4,420	6.42%
8	E D & F MAN PERU S.A.C	9,190	4,094	5.95%
9	PESQUERA EXALMAR S.A.A.	9,153	3,786	5.50%
10	PESQUERA DIAMANTE S.A.	2,356	1,020	1.48%
	Others	2,641	1,180	1.72%
	TOTAL	169,495	68,800	100%

With regard to the average price of oil, TASA occupied the first place in the ranking of Peruvian exports with a price of US$ 2,748.

EXPORTER	Price US$/MT
TECNOLOGICA DE ALIMENTOS S.A.	2,715
AUSTRAL GROUP S.A.A	2,705
COPEINCA + CFG	2,488
PESQUERA EXALMAR S.A.A.	2,417
PESQUERA HAYDUK S.A.	2,392
PESQUERA DIAMANTE S.A.	2,309
PESQUERA CENTINELA S.A.C.	2,307
AVERAGE PRICE	2,467

(*) Calculated based on the average between the FOB value and net weight.

COMMERCIALIZATION OF FROZEN PRODUCTS

The greater catches and purchase of mackerel and albacore had a very positive impact, achieving sales of 8,144 tons and a value of US$5.959 million (66% of the total invoiced).

The local sales, through the distribution centers in the southern highlands of the country, added to the sales in supermarkets of the capital were 6,761 tons, an increase of 76% compared with the year 2015.

On the other hand, exports increased from 765 tons to 5,683, the main markets being Africa and Europe.

SHIPYARD

TASA provides design, construction, repair, maintenance, and structural modification services for the shipbuilding industry on a national and international level. Among the activities carried out during 2016 we can highlight:

WE EXCEEDED OUR SALES OBJECTIVE FOR PRIVATE VESSELS

In 2016, the Shipyard team reached the amount of US$ 3´177,089.65 dollars in sales; achieving 118% of the objective of private vessels. This result was due to the construction of the Modesto 7 vessel and the commercial work in other market sectors such as tugs, barges and tenders; different from the fishing sector.

SALES INCOME FROM TENDERS WITH THE GOVERNMENT

The winning bids to carry out the fairing and maintenance service of the Alcatraz vessel were obtained, used to tow the barges with guano originating from the Guano producing islands of our coast; and of the Cisterna 1 vessel, useful to supply water and food to the personnel working in the Islands. Income of S/ 4,079,228 was generated between the two vessels.

DESIGN AND CONSTRUCTION OF THE MODESTO 7 FISHING VESSEL

The construction of the Modesto 7 fishing vessel culminated in 2016, with the design and engineering of the TASA Shipyard, at the request of the fishing company Niroci. This project resulted in income of US$ 912,000.00 dollars in the year.

DESIGN AND ENGINEERING PROJECT OF THE SCIENTIFIC RESEARCH VESSEL FOR IMARPE

In 2016, design and engineering works were carried out for a Prototype BIC. This vessel will be exclusively used for scientific research in the fields of: geology, marine biology, physical oceanography, chemical oceanography and biological oceanography, as well as of pelagic fishing resources and from the sea bed, therefore it will be operated by the Sea Institute of Peru (Instituto del Mar del Perú – IMARPE).

ACQUISITION OF NEW 30MT CRANE FOR THE SHIPYARD

The purchase of a 30 MT crane was made in the year 2016, with a cost of US$ 131,750.00, for a better operational capacity of cargo lifting works.

MODIFICATION OF CRADLE CART FOR BEACHING AND REFLOATING MANEUVER OF THE PISCO FLATBOAT OF TASA

In order to be able to attend to the request for beaching of TASA's Pisco flatboat, a naval artifact with a 10.65 m. beam, greater than our beaching cart, a cut was made in the north side bridge placing beams to balance and offset the weight, securing them with welding. Thanks to this investment we are now able to attend naval artifacts (flatboats) with beams of up to 11 m.

QUALITY

Quality Management has the objective of ensuring the safety and quality of all the products and services that TASA offers. To achieve this, it permanently supervises the correct execution of the processes and supplies used in the production of fishmeal and oil, as well as the products for human consumption (frozen, fresh, canned and refined/concentrated oil). In this manner, the standards required by the national and international market are complied with and the TASA Quality culture is promoted. (G4-PR1)

The following table presents the certifications that we currently possess:

Certification	Fishmeal and Fish Oil Plant	Frozen Plant	Shipyard	Omega	Commercial Management	Fishing Management
BASC	X	X	X	X		X
GMP + B3					X	
GMP+ B2	X					
HACCP	X	X		X		
HALAL	X					
IFFO-RS	X					
FoS	X					X
ISO 14001	X	X	X	X		X
OHSAS 18001	X	X	X	X		X
BRC		X				
ISO 9001			X			
ICHQ7				X		

X Implemented X In implementation

MAIN ACTIVITIES

Different actions were carried out in 2016 so as to ensure the quality and safety of the products.

- **Participation in strategic project: Optimize processes of the Value Chain**

  The fishmeal and fish oil committees, where the Managements involved in the productive chain participate, were consolidated, and various improvement issues were discussed to preserve the quality of the raw material in the vessels, during the landing and in the process. Likewise, in the 2nd season, the new sexual state scale of the anchovy published by IMARPE was implemented.

  For 2016 the structure of the Control Room was changed and the Weekly Management Report was implemented, which summarizes the results of the process throughout the value chain (from the reception of the raw material until the final product obtained), in addition to the reports and permanent alerts that assist decision making.

- **Operating Project: Reinforce the Quality Assurance System**

  Improvements in the Quality Assurance System were identified and implemented, including the following:

  - The automation of the management of Nonconforming Product through SAP website.
  - The execution of the communication plan that reinforces TASA Quality was continued, which showed a video with the participation of the Managers and General Management, reiterating the need to work with qual-

ity, along with the implementation of quality slogans and logos in the screen protectors, stories and weekly 5 minute talks that create awareness in the personnel.

Operating Project: Implementation of the Quality Management System in Laboratories:

This implementation process included a comprehensive training program, which included the participation of the laboratories of the fishmeal and fish oil plants, as well as the central instrumental laboratory. Analytical methodologies were developed with the main accredited laboratories and training in the ISO 17025 Standard.

The validation program of the main methods of analysis applied also stands out. Furthermore, updates of the physical-organoleptic evaluation methods of the anchovy have been carried out.

HUMAN CONSUMPTION

The recertification of the HACCP and BRC System in its 7th version was achieved for the frozen plant, reaching the highest qualification: grade AA.

Improvements were obtained in process control. The reception stage of raw material implemented technical sheets for the physical sensorial evaluation. The tome of attention to dispatches has also been improved through monthly assignments, which avoids additional supervision.

Central Instrumental Laboratory

The development of the NIR methodology has continued for the measurement of quality parameters, both for the raw fishmeal and

fish oil process as well as the Omega unit.

Furthermore, the successful analysis of coliforms, heterotrophs and listeria was carried out in the Microbiological Laboratory, which will allow savings and a reduction in response times.

Additionally, we are continuously seeking new technologies and methods of analysis to achieve greater efficiencies.

Integrated Management Systems

During 2016, various projects related to TASA's corporate management systems were carried out, including the following:

- First stage of Implementation of the IMS in the Omega and Fishing units.
- First stage of the automation project of the management of internal audits of the Integrated Management System.
- The HACCP certification was achieved in the Omega unit.
- A test audit of the RFS (Responsible Fishing Scheme) and IFFO RS version 2.0 standards was carried out, with satisfactory results.

INNOVATION AND RESEARCH AND DEVELOPMENT

INNOVATION MODEL

TASA promotes a culture of innovation and continuous improvement in its processes to raise efficiency and quality standards, with the active participation of its collaborators.

These processes are the following:

TU IDEA Program

All the collaborators have the opportunity to design and implement innovative ideas or improvement projects to provide a better service to the stakeholders. In the year 2016, 265 ideas were implemented with the participation of 445 collaborators.

Ola TOP

The Ola TOP Program seeks to raise the performance of the manufacturing processes to world class levels, through the application of Lean Manufacturing and Six Sigma. Since the launching of the strategy, in the year 2014, to date, 30 collaborators in four plants have been certified as "change managers" in the Lean Six Sigma philosophy to take a leading role in the continuous improvement and cultural change in TASA.

Improvement projects

Program focused on the development of initiatives that seek to improve the current processes focused on quality, efficiency, profitability, customer service and stakeholders.

Strategic projects

These are the result of strategic planning, and allow us to pursue the objective proposed year after year. These initiatives can be transformational or incremental in nature.

Innovation committee

In charge of analyzing, validating and proposing the innovation projects that will transform TASA in the medium and long term.

RESEARCH AND DEVELOPMENT

In the year 2016 the R+D area has reached significant achievements for TASA, which enabled it to consolidate itself as a company committed to research in the country. The most important achievements include the following:

- The project "Reduction of the content of FFA (Free Fatty Acids) in oil with high acidity" was carried out with the objective of improving the quality of the oil. Laboratory level and industrial level tests were carried out in the Pucusana Plant.
- The project "Recovery of oil from SBE bleaching earth" was carried out to optimize the use of resources in the processes of the Pucusana Plant. For 2017 it is planned to carry out tests on an industrial level.
- Technical support was provided in the work meetings oriented at the development of products based on cooked-dry fish and salted fish for high Andean zones, in the framework of the SUMAQ social responsibility project.
- In cooperation with Fishing Management, the area participated in the

project "Preservation of the raw material".

- In the end of the year 2016, the development of the following project began: "Investigate properties of the anchovy valued by the clients". The Work plan was designed and the first test was executed on an industrial level corresponding to the first stage of this project that seeks to determine the critical points of loss of nutrients during the process of preparation of fishmeal and fish oil.
- Technical support was provided to the Omega plant in the different stages of its process.

ALLIANCE WITH THE NATIONAL FUND OF SCIENTIFIC AND TECHNOLOGICAL DEVELOPMENT (FONDO NACIONAL DE DESARROLLO CIENTÍFICO Y TECNOLÓGICO - FONDECYT) (G4-EC4)

In the year 2015, TASA in cooperation with the Universidad Peruana Cayetano Heredia, won the competition "Basic Investigation Projects and Applied Investigation Projects" organized by CONCYTEC becoming one of the few companies that have received this prize, which allowed it to receive financing to develop the project: "Evaluation of the effect of the oral administration of anchovy collagen peptides on the bone metabolism and the tissue healing mechanism in ovariectomized animals", which is being satisfactorily executed after successfully overcoming an initial technical economic audit.

5 OUR SUSTAINABILITY MANAGEMENT

CONTENTS

TASA MANAGEMENT MODEL

The TASA management model considers all the aspects or elements of a Business Management System, with a focus centered on results. This model is a Comprehensive Guide so that all of the areas communicate with the same language and focus. In the same manner, it facilitates diagnosis and planning, as well as the incorporation of benchmarks of the best companies and practices.

The Business Management System consists of the following aspects:

1. LEADERSHIP

The TASA Management Model is based on its mission and vision, and is anchored in its values: Integrity, Excellence, Comprehensive Development and Sustainability. TASA, hand in hand with more than 2,800 collaborators, exercises a position of leadership in the national and international fishing sector, and it represents the industry as a benchmark in social responsibility, commitment to its environment, ethics and transparency.

2. STRATEGIC PLANNING

TASA develops its business strategy based on an internal and external analysis of the company and the industry. Strategic projects are defined with the support of Senior Management, aligned with our macro strategies and, since 2015, with our sustainability challenges.

3. CLIENT ORIENTATION

Its client orientation always considers their main concerns through bidirectional channels. This information is used to implement improvements and innovate in processes and products.

4. PERFORMANCE OF THE ORGANIZATION

The management results of all the areas are measured, in order to analyze and improve our processes.

5. PEOPLE

The human management of TASA is based on three pillars: work environment, culture management and talent management.

6. PROCESS MANAGEMENT

Cutting across its entire value chain, TASA optimizes processes, through strategic and operating projects, as well as risk management.

7. RESULTS

We have tools for monitoring and measuring the key business indicators, to report on financial, productive and labor performance.

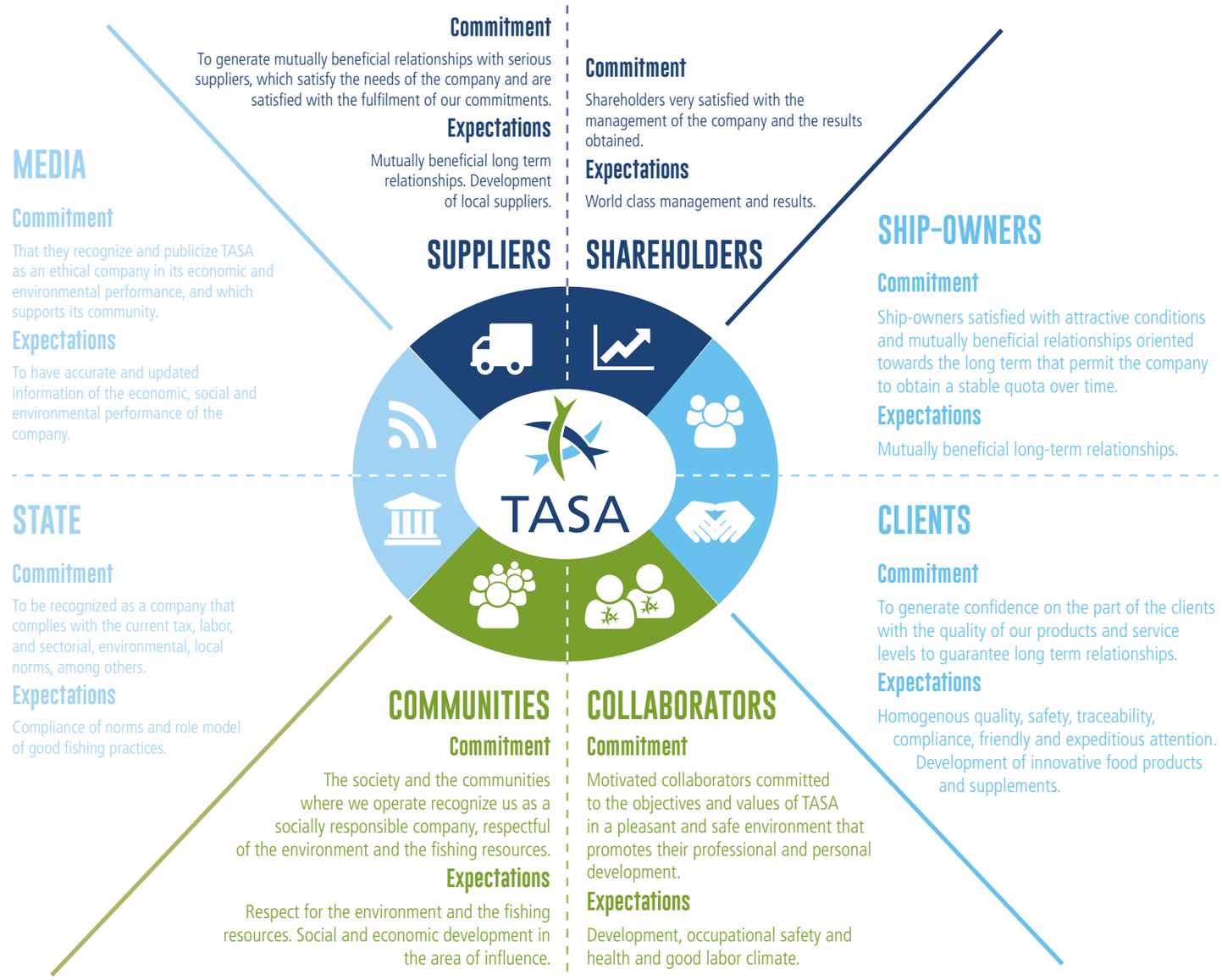
OUR STAKEHOLDERS

TASA identifies and prioritizes its stakeholders based on the following criteria: level of influence, perception, flexibility and communication in their relationship with the company. For this reason, we hold semiannual workshops with the participation of the Management Committee and invited collaborators in each of our plants. (G4-24, G4-25)

Every change in the definition of the stakeholders has a direct impact on the strategic objectives. Therefore, any modification is subject to the annual review and approval of Senior Management.

Strategic commitments are assumed with each of its stakeholders, their expectations are collected and analyzed and channels of communication are established that ensure an assertive relationship.

COMMITMENTS TO STAKEHOLDERS



COMMUNICATION CHANNELS WITH OUR STAKEHOLDERS (G4-26)

The communication channels directed towards the stakeholders have the objective of providing reliable information regarding the company and collecting the expectations and interests of the internal and external public.

INTERNAL COMMUNICATION CHANNELS

RevisTASA

Corporate magazine directed at the collaborators, published every 4 months, in digital and in physical FORMAT, which highlights the internal and external programs of the company.

TASA te comunica

Official communication of the company that is sent through the corporate email to all the collaborators.

TASA al día

Delivery through the corporate email of a list of the most important daily news items, related to the company and the sector.

Bitácora

Electronic bulletin which publishes the most important news of the week.

Tripulante al día

Bimonthly, printed and digital bulletin, directed at the crewmembers, with the objective of generating pride and belonging among them.

RED TASA

Human internal communication channel formed by the collaborators of all the plants and vessels with the purpose of reinforcing the corporate messages, collecting the doubts of the personnel and clarifying enquiries in order to neutralize rumors.

EXTERNAL MEDIA

Comunitasa

Printed bulletin directed at the communities regarding the main projects of the organization.

Social networks

Has profiles in: LinkedIn, Facebook, YouTube, Twitter and ISSUU.

In order to collect the expectations of the stakeholders, we carry out customer satisfaction surveys, work environment surveys, dialogue panels, among others.

COLLECTION OF EXPECTATIONS OF THE STAKEHOLDERS

DIALOGUE WITH THE STAKEHOLDERS (G4-37)

In order to evaluate the performance of the year 2016, we held dialogue meetings and surveys directed at the representatives of the stakeholders, in order to know their expectations and suggestions with regard to our economic, social and environmental performance.

Two multistakeholder panels were held, the first in Lima, where the administrative offices are located, and the second in Chimbote, the site of one of the Company's biggest fishmeal and fish oil plants. The participants considered TASA to be the leader in its efforts to preserve the marine resource and highlighted the fact that it has quality and environmental certifications.

Additionally, a panel was held, directed at collaborators of the plant in Chimbote, in which the commitment to reduce emissions and provide a safe and healthy work environment was emphasized.

In the surveys, directed at suppliers and clients, TASA's management in ensuring resource sustainability was an outstanding feature and the Company was requested to disseminate more information about its certifications and work standards.

The information obtained here is used as input for the materiality analysis. In order to ensure its objectivity, TASA outsources this process.

This stage responds to the Participation principle of the stakeholders, in accordance with the guidelines of the Global Reporting Initiative. (G4-27)

Expectations of the Stakeholders	Dialogue panels (collaborators, community, State and media)	Surveys (Suppliers and clients)
Environmental	◢ Management of emissions, effluents and residues ◢ Good fishing sustainability practices ◢ Climate change	◢ Good fishing sustainability practices ◢ Management of emissions, effluents and residues
Social	◢ Projects with artisanal fishermen ◢ Works for taxes	◢ Development of suppliers
Economic	◢ Efficient processes and innovation	◢ Quality and safety of the product ◢ Certifications
Labor	◢ Safety and health of the collaborators	◢ Safety and health of the collaborators

MATERIALITY ANALYSIS (G4-18)

For TASA, the definition of materiality goes beyond the establishment of the relevant aspects that are informed in this sustainability report. They are, therefore, the priorities of their sustainable management. Due to the relevance that the materiality methodology acquired at the Senior Management level, its results were incorporated into the strategic planning process 2016. (G4-45)

1. Definition of material aspects

We prepared a list of nearly 200 subjects that were relevant for the company, the sector and our stakeholders. For this, the following sources were reviewed:

- **TASA Sources:** the strategic map 2015-2016, the Company's strengths and weakness analysis, the sustainable development policy and the list of impacts in the value chain.
- **Sectorial Sources:** sustainability reports of other companies, guidelines for competitiveness and sustainability of the Peruvian fishing sector of the National Fishing Society (Sociedad Nacional de Pesquería - SNP), among other relevant documents of the industry.
- **Stakeholder Sources:** Results of the dialogue panels and other means of information collection addressed at the stakeholders, such as customer satisfaction surveys, work environment surveys, interviews of suppliers, among others.

In order to narrow the list, it was decided to group the topics into six subjects: economic, environmental, social, labor, regulatory-institutional and other subjects, each one of them containing a list of specific sub-subjects.

This stage of the analysis responds to the principle of context of sustainability and exhaustiveness according to the guidelines of the Global Reporting Initiative (GRI).

2. Prioritization of material aspects

In desk research and with the participation of the managers, a score was attributed to each sub-topic based on two criteria: impact on the business and relevance for the stakeholders, which allowed them to be ordered from higher priority to lower priority.

Additionally, using a statistical formula, three levels of material aspects were determined: strategic (higher priority), primary and secondary (lower priority).

As a last prioritization step, the alignment of the aspects determined strategic and primary was validated with the mission, vision and values, so that their management contributes to maintaining and strengthening of the established management model.

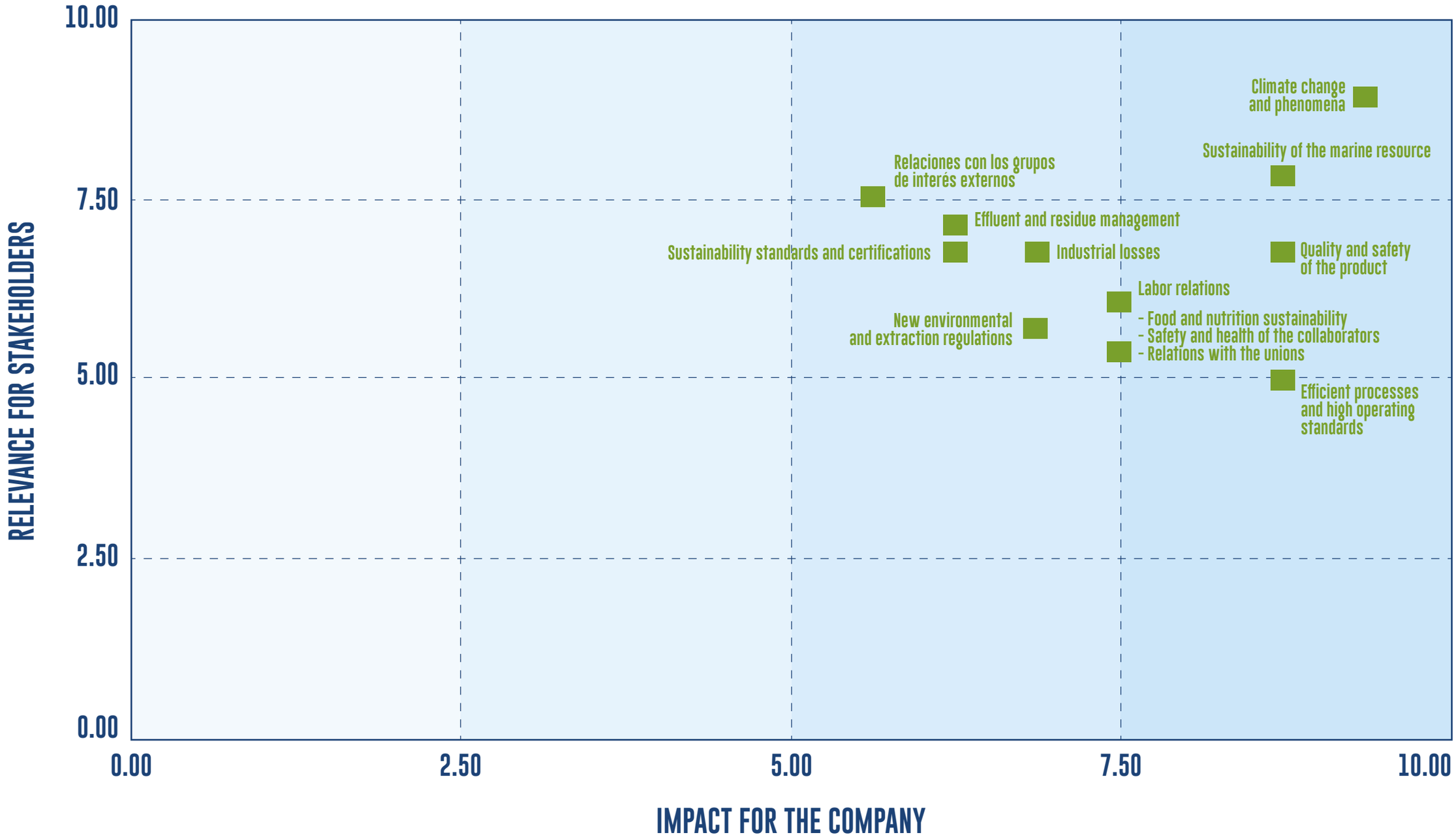
This stage of the described analysis responds to the Materiality principle, according to the GRI guidelines.

3. Preparation of materiality matrix

The list of the prioritized aspects was presented to the managements and validated. With this approval the materiality matrix was prepared.

MATERIALITY MATRIX TASA 2016 (G4-19)

This matrix shows the 12 strategic material aspects for the sustainability management of TASA.



SUSTAINABILITY CHALLENGES

The material aspects that comprise the basis of what we denominate our sustainability challenges, which govern the sustainability focus of TASA:

PEXCELLENCE PROCESSES

We operate under the best standards in products, processes and technologies that ensure the efficiency and the development of human talent.

MATERIAL ASPECTS

- Quality and safety of the product
- Efficient processes and high operating standards
- Safety and health of the collaborators
- Industrial losses
- Labor relations
- Relations with the unions

ENVIRONMENTAL MANAGEMENT FOR THE SUSTAINABILITY OF THE RESOURCE

We recognize that the main asset of our business is the marine ecosystem, therefore we invest in technology, processes and initiatives that contribute to its preservation.

- Climate change and phenomena
- Sustainability of the resource
- Effluent and residue management

COMMITMENT TO THE NUTRITION OF THE COUNTRY AND THE WORLD

We work on the formulation and development of quality, innovative and added value products for nutritional purposes.

- Food and nutrition sustainability

RELATIONSHIP FOR SUSTAINABLE DEVELOPMENT

We promote strategies and actions that generate social and economic value in our areas of influence, generating propitious environments for our stakeholders.

- Relations with the external stakeholders
- Sustainability standards and certifications

MATERIALITY ANALYSIS FOR THE COMBINED REPORT (G4-19, G4-20, G4-21)

Each one of the 12 strategic material aspects has been linked to a GRI G4 aspect, as applicable.

	Material Aspects	Related GRI G4 Aspect	Coverage	Stakeholders involve
1	Climate change and phenomena	Biodiversity and emissions	External	Environment, State, Community
2	Sustainability of the resource			
3	Quality and safety of the product	Health and safety of the clients Labelling of the products and services	External/Internal	Clients, Shareholders, Collaborators
4	Industrial losses	Occupational health and safety	External	Community, Environment
5	Labor Relations	Claim mechanisms regarding labor practices	Internal	Shareholders, Collaborators
6	Effluent and residue management	Effluents and residues	External/Internal	Environment, State, Community, Collaborators
7	Efficient processes and high operating standards	Economic performance	External/Internal	Environment, State, Community, Collaborators
8	Sustainability standards and certifications	-	-	-
9	Relationships with the external stakeholders	Participation of the stakeholders	External	State, Community
10	Food and nutrition sustainability	-	-	-
11	Safety and health of the collaborators	Occupational health and safety	Internal	Shareholders, collaborators
12	Relations with the unions	Claim mechanisms regarding labor practices	Internal	Shareholders, collaborators

ENVIRONMENTAL MANAGEMENT

CLIMATE CHANGE AND SUSTAINABILITY OF THE MARINE RESOURCE (G4-EN11, G4-EN12, G4-EN13)

2016 was the third consecutive year in which the average temperature of the land exceeded the highest value since 1880. That year, the average temperature was 0.94°C, the global average of the surface temperature of the oceans was 0.75°C and of the land 1.43°C. The specialists affirm that this increase in global warming is due to the increase in the greenhouse effect gas emissions that have been accumulating year after year[1].

From November of 2015 until April of 2016 the El Niño phenomenon was

1 *History of Earth's Surface temperature 1880-2016*; Informe de la NOAA, January 2017

registered, causing a great impact in the temperatures of the Central Pacific Region, but not in the South American coasts, mainly Ecuador and Peru, where it was only considered as having a moderate impact; however, it did have a great impact on the industrial fishing activity of the anchovy due to the heating of the sea related to the warm Kelvin waves that arrived. In April of 2016 the cooling in the central Pacific zone began changing to conditions of a weak Niña, while on the South American coast, we remained with neutral conditions until the end of 2016 and the same conditions are forecast for the first months of 2017.

Due to the high variability of the Peruvian sea, the national fishing of anchovy and human consumption is based on a legal framework which has evolved with the objective of ensuring its sustainability over time.

Within its strategic objectives, TASA constantly monitors the fishing environmental and biological conditions and complies with the valid norms provided by the General Fishing Law and the quota system in the national environment (Law regarding the maximum catch limits per vessel). It is important to mention that the fishing operations are programmed based on the official publication of the ministerial resolutions that establish the maximum catch limits per vessel and the beginning and ending dates of the season which are regulated, through preventive

suspensions generated by the Production Ministry.

Two fishing seasons of anchovy were carried out in the center north and south zone during 2016. Despite experiencing moderate Niño conditions, the anchovy biomass for the center north zone presented healthy values of 7,279,894 MT and 6,860,000 MT for the first and second season, respectively.

TASA has a *Good Fishing Sustainability Practices* program with the objective of maintaining the balance and richness of the marine ecosystem, as well as conserving its biodiversity and the environment as a whole.

CARE OF THE BIODIVERSITY

In the year 2010, within the Biological Diversity Agreement (Convenio de Diversidad Biológica - CBD) the Strategic Plan of Biological Diversity 2011-2020 was implemented on a national level in order to align the different governments, companies and other institutions with the main objective which is the conservation of biological diversity. This strategic plan is composed of a vision, mission, strategic objectives and 20 goals, known as AICHI goals.

Since 2014 Peru has the National Strategy of Biological Diversity to 2021 and its action plan for the 2014-2018 period approved through DS N°009-2014-MINAM; this document articulates the AICHI goals of the BDA (Biological Diversity Agreement) with the strategic priorities and objectives of the various strategic and environmental management instruments of the Peruvian state.

In this manner, the TASA initiative called "Good fishing sustainability practices focused on the ecosystem" initiated in the year 2008 is aligned with the strategic objectives of the national plan and the AICHI goals.

Based on the IUCN (International Union for Conservation of Nature) red list, we have developed our own list detailing the main species of the most common superior predators (birds, turtles, dolphins, whales, sea lions, among others) on our coast, and related to our activity, we

have also considered the species that are CITES and the species catalogued in DS N° 004-2014-MINAM.

The species identified as being at risk are: (G4-EN14)

- **Of less concern:** 25 species. The most representative include:
  - **Marine birds:** Peruvian seagull, Peruvian booby and blue-footed booby.
  - **Marine mammals:** Humpback Whale, Bottlenose Dolphin, Common Dolphin, pedigree and cross-bred Sea Lion.
- **Almost threatened:** 9 species
  - **Marine birds:** Black-browed Albatross, White Forehead Albatross, Buller Albatross, Dark Shearwater, Tendril, Chuita, Peruvian Pelican, Cormorant and Gray Petrel.
- **Vulnerable:** 13 species
  - **Marine birds:** Chatham albatross, Cook Petrel, Juan Fernández Petrel, Masatierra Petrel, White-chinned Petrel, Buller Shearwater, Pink-footed Shearwater and the Humboldt Penguin, northern tern.
  - **Marine turtles:** Leatherback or Galapagos, Pico de loro and Loggerhead turtle.
  - **Marine mammals:** Cachalot.
- **In danger:** 7 species
  - **Marine birds:** Grey head albatross, Potoyunco and Peruvian tern – (Grey Petrel).
  - **Marine turtle:** Green turtle.
  - **Marine mammals:** Blue whale, Boba whale and otter.
- **In critical danger:** 3 species
  - **Marine birds:** Albatross and Galapagos Petrel.
  - **Marine turtles:** Carey turtle.

Additionally, according to DS N° 004-2014-MINAM, we also consider the following species in our list:

- **Almost threatened:** 5 species
  - **Marine birds:** Buller Albatross, Southern Giant Petrel, Northern Giant Petrel, Grey Petrel and Guanay.
- **In danger:** 11 species
  - **Marine birds:** Black-browed Albatross, Peruvian tern, Chuita, Peruvian Pelican, Peruvian booby, Nazca booby and Humboldt Penguin.
  - **Marine turtles:** Leatherback or Galapagos and green turtle.
  - **Marine mammals:** Fine Sea Lion and Marine Otter.
- **In critical danger:** 5 species
  - **Marine birds:** Galapagos Albatross, Chatham Albatross, Galapagos Petrel and South American Seagull.
  - **Marine turtles:** Carey turtle.

GOOD FISHING SUSTAINABILITY PRACTICES FOCUSED ON THE ECOSYSTEM

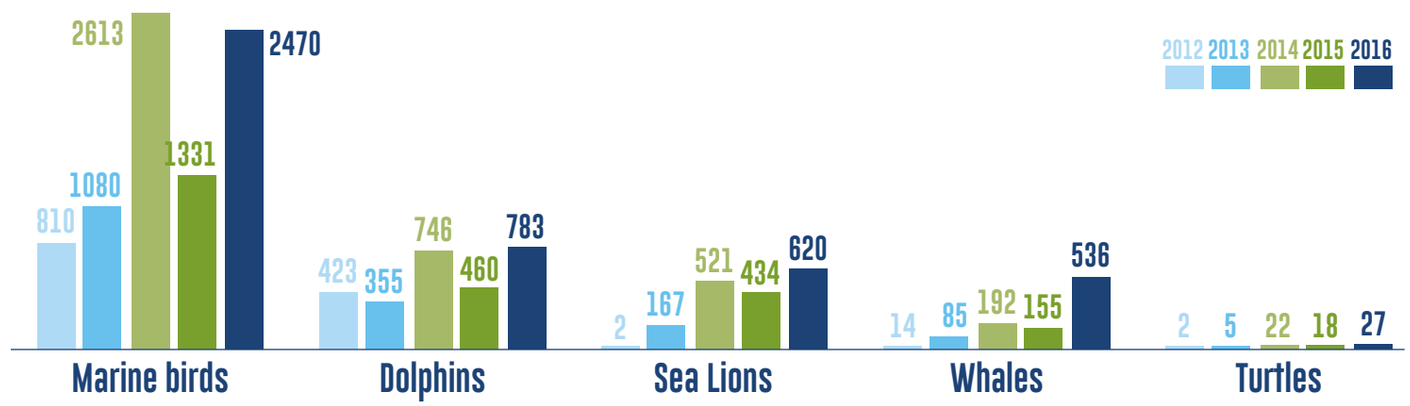
This initiative began in the year 2008 as part of the sustainable fishing focus of TASA with the purpose of caring for the Peruvian marine ecosystem during our extraction and production activities.

The main objective is to achieve a continuous monitoring program of the marine ecosystem with the idea of contributing to the knowledge of the relationship between the fishing and environmental variables, the presence of the superior marine predators that are recorded and released by our ocean collaborators, as well as taking care of the Peruvian marine ecosystem with the purpose of reducing our impact and creating awareness of conservation in all our ocean collaborators.

The program began with the implementation of the Fishing Log during the years 2008 and 2009 which has improved in its format and quantity of recorded data over time. The follow-up of the quality of the recorded information was implemented in the year 2011.

In order to measure the evolution of the program, the sightings during the 2012- 2016 period have been compared in a quantitative and qualitative manner through distribution maps, number of sightings, identified species and successful releases. The results show an increase of 255% in sightings of superior marine predators compared with 2012, growing from 1,251 to 4,436; the increase in the case of 2015 was 85%. The sightings corresponding to 2016 are made up of: 56% marine birds, 18% dolphins, 14% sea lions, 12% whales and 1% marine turtles.

SIGHTING OF SUPERIOR MARINE PREDATORS



This information has been improved with the training agreement with the NGO Pro Delphinus and reinforced with the implementation of a sustainable fishing kit that is on board the 48 vessels. This has permitted great progress in creating awareness among the crew with regard to the care of the main species of superior marine predators. The sustainable fishing kit consists of a guide and an identification poster of superior marine predators, guide and release form of superior marine predators, a guide of the zones of the national reserve of island system, small islands and guano points of the SERNANP, a measuring board and pingers.

The use of pingers helps to mitigate the accidental capture of dolphins and in this way avoid any possible damage to this species. Their use was implemented in 2011 in a progressive manner and achieved the installation of 105 of them in 2016.

The generation of self-regulatory measures continued, denominated TASA self-imposed ban areas which represent restricted areas for the extraction of the resource.

In order to avoid the transit of vessels close to the zones of the national reserve of the national system of islands, small islands and guano points of SERNANP and avoid their transit within the zones restricted for the extraction of the resource such as the 5 mn and restricted areas determined by PRODUCE, there is a satellite control area that monitors the movement of the fleet during 24 hours a day.

Since 2015 there is also a digital system of fishing charts which permits more accurate navigation and avoids entry to banned areas.

CUIDAMAR

Year after year, the Good Fishing Sustainability Practice program with an ecosystem approach has incorporated new tools, materials and training for the purpose of reinforcing the knowledge and creating awareness in almost 1,000 crewmembers. Therefore, in 2016 the training Knowledge of the marine ecosystem and Good Fishing Sustainability Practice activities was carried out for the purpose of forming the first CUIDAMAR group consisting of a representative of each vessel.

Besides the training of each CUIDAMAR, the following material was delivered: a release technique guide that includes the correct manner to free a species, a list of the main species of superior marine predators of the Peruvian ocean along with their risk classification according to IUCN, CITES criteria and DS N° 004-2014-MINAM, a release form in which they record the date, time, geographic position and species of each release carried out.

The following results have been obtained at the closing of 2016:

- 100% of the CUIDAMAR training was carried out. Now we have 48 ocean collaborators, aware of the importance

and role of the superior marine predators in the Peruvian ocean.

- 91% of the ocean collaborators are aware of the Correct Identification and release of superior marine predators.
- Increase of 85% of sightings of superior marine predators compared with 2015, correctly identified by their common name.
- 76, 431 sightings at present.
- Reduction of the accidental capture of dolphins thanks to the pinger technology.
- Increase of 600% in the number of liberations registered in 2015.
- The first awareness fair of our crewmembers was held.

The program provides support for the permanence of the IFFO, "Friend of the sea" certification; it was also recognized at the end of 2014 by the Ministry of the Environment in the National Environmental Prize in the category of Biodiversity Management and thanks to that, as of July 2015 we belong to the Initiative "Biodiversity and Companies" of the Ministry of the Environment.

In 2016, the program received two awards:

1. In May of 2016, it received an award from the Ministry of the Environment, for commitment to the care of the biodiversity, commemorating the second anniversary of the Biodiversity and Companies initiative.
2. Second place in the SOLAMAC 2016 Video Night (Valparaíso, Chile) where it received the prize for the video "Conserving the marine ecosystem with TASA".

During 2016, the program has been presented in different events, congresses, conferences on a national and international level:

1. **INTERNATIONAL SYMPOSIUM OF MARINE TURTLES.** February 29, 2016, Lima.
2. **DIFFUSION TO PERSONNEL OF IMARPE**, in-house. March 2016.
3. **XXXVI CONGRESS OCEAN SCIENCE** May 26, 2016, Concepción, Chile.
4. **PRESENTATION AIESEC.** August 5, 2016, Lima, Peru.
5. **V OCEAN SCIENCE CONGRESS.** November 2016. Presentation of poster.
6. **CONGRESS SOLOMAC XI- Dec. 2016.** Valparaíso, Chile.
7. **Internal dissemination of the Initiative – Tripulante al día / Facebook / Weekly log**

We participated in the event InterClima of the MINAM, to be part of the report and exchange Process for the climate change management in the country, denominated "Competitiveness and development facing climate change" and held on November 2, 3 and 4, 2016, in Arequipa, Perú.

In December of 2016 TASA signed the international agreement "Cancun Business and Biodiversity Pledge" during the development of the Biodiversity COP 13 carried out in Cancun, Mexico. In this agreement, different business leaders and representatives from different governments highlighted the importance of companies and their role in the conservation and sustainable use of the biodiversity.

ENVIRONMENTAL MANAGEMENT SYSTEM

TASA has an Environmental Management System certified by the ISO 14001 standard in the 12 fishmeal and fish oil plants, the frozen plant, the shipyard and soon in the Omega and Fish Processing Units. This ensured the use of operational controls to reduce and mitigate any impact generated on the environment and in the marine ecosystem. The environmental investments during the year 2016 exceeded 6 million dollars and were mainly destined to improve the effluent treatments of the plants, as well as the boilers, which are energy and emission generators.

EFFLUENTS AND RESIDUES

Our main effluent is the pumping water that results from the mixture of seawater and fish, since it contains organic load and fat. This effluent is treated through filtration, flotation and dehydration systems and is then discharged by an outfall to areas with greater depth with the objective of preserving the marine ecosystem. (G4-EN22, G4-EN23)

Effluents (G4-EN22)

On a national level, the amount of effluents generated and discharged totals 1,797,721 m3 during 2016, which implied the compliance of the parameters of the Maximum Permissible Limits (MPL) established by the authority. On a monthly basis, we analyze the indicators and the goals of fats and solids in the pumping water, achieving reductions to levels below the MPL that will be valid with effect from the year 2016. In the case of domestic water, it is treated in treatment plants to be reused in the irrigation of green areas.

COMPLIANCE LEVEL OF THE MAXIMUM PERMISSIBLE LIMITS

TASA Results	2015	2016	MPL as of 2017
Oils and fat (average ppm)	339	202.4	350 ppm
Total suspended solids (average ppm)	1,109	602.7	700 ppm

Residues (G4-EN23)

We have a residue segregation system from the source that allows us to separate them in the repositories destined for each type of waste. Once segregated they are channeled through service providing companies that operate in accordance with what is established by the national authority in terms of transport, disposal and commercialization of residues.

Our dangerous solid residues increased compared to the previous year due to the gas conversion works in two plants and FAQ transformation in one plant.

RESIDUOS SÓLIDOS GESTIONADOS

2015		2016	
Dangerous solid residues (MT)	Non-Dangerous solid residues (MT)	Dangerous solid residues (MT)	Non-Dangerous solid residues (MT)
968	1,158	1,140	2,219

ENERGY EFFICIENCY

Energy consumption (G4-EN3, G4-EN4, G4-EN5, G4-EN20)

The production of the fishmeal and fish oil unit exercises a particular impact in fuel consumption. Our main energy sources are R500 petroleum and 2B2 Diesel. However, we currently have two plants which have Natural Gas as an energy matrix: Pisco Norte, Pisco Sur and Callao.

ENERGY CONSUMPTION AND GENERATED EMISSIONS (G4-EN6, G4-EN15, G4-EN16)

	2015	2016
Total energy produced (GJ)	2,199,301	2,043,500
Total emissions (tCO2e)	124,019	125,604
Total energy (GJ) / Total fishmeal (MT)	9.56	12.29
Total emissions (tCO2e) / Total fishmeal (MT)	0.56	0.76

During 2016 there was a lower production than expected, since the ratio increased compared with 2015, where almost the same tons of CO2 equivalent were generated.

Emissions (G4-EN21)

There is a commitment to the reduction of emissions that includes their impact on climate change, a strategic material aspect for our business and for our stakeholders.

In this line, the Corporate Climate Commitment has been signed, an initiative that seeks to promote the commitment of the private sector with aspects related to climate change, especially with the reduction in carbon emissions.

The member companies report in a platform denominated 7C, where it is possible to measure and communicate the progress in each one of these 7 axes: commitment of the company, calculation of impacts, training of stakeholders, efficient handling of resources, offsetting of emissions, consideration of environmental criteria and communication of results.

TASA adheres to these commitments and reports them on an annual basis. (G4-EC2)

REDUCTION OF EMISSIONS IN PLANTS* (G4-EN19)

	2015			2016		
Fuel	Consumption	tCO2e	Total reduction of emissions	Consumption	tCO2e	Total reduction of emissions
R500	4'061,525 gal	42,556 tCO2e	-9,734 tCO2e	2,138,815 gal	22,410 tCO2e	-3,642 tCO2e
Natural Gas	15'686,168 sm3	32,822 tCO2e		8,260,397 sm3	18,769 tCO2e	

Besides the operating efforts to reduce emissions, the significant reduction of equivalent tons of carbon (tCO2e) is due to the lower production of fishmeal and oil.

* Our measurement includes the total emissions of scope 1 and scope 2. Differentiated measurement was not carried out in 2016.

LABOR MANAGEMENT

HUMAN MANAGEMENT

The collaborators of TASA are a great strength and the ones who make it an excellent company. The effective management of talent is a key factor to ensure the attraction, retention and growth of people.

Since 2016 we have 2,666 collaborators (without considering those who are considered temporary) among all the labor categories. Close to 72% are from the fishing and production activities, which concentrate the resources for their training and professionalization. (G4-9)

Male labor predominates over female labor in all categories, due to the tradition of our industry. However, according to our Personnel recruitment and selection policy, there is no condition and exclusion by gender. (G4-10)

With regard to the distribution of our personnel by geographical areas, they are located in the north, center and south. Most of our human capital is located in the central area of the coast, since our most productive plants are located there. (G4-10)

The plant located in Callao is one of our main operation centers where fishmeal and fish oil, and products for human consump-

tion are produced and we carry out fleet and fishing activities. Given its importance, 40% of our officers, including managers, sub-managers and superintendents, are employed in this plant, with 82% of local origin. (G4-EC6)

LABOR FORCE BY GENDER (G4-10)

	2015				2016			
Category	Female		Male		Female		Male	
Officers	4	10%	36	90%	4	10%	38	90%
Employees	189	28%	488	72%	199	28%	518	72%
Workers	80	7%	1008	93%	12	1%	934	99%
Crewmem-bers	0	0%	985	100%	0	0%	961	100%

LABOR FORCE BY CATEGORIES (G4-10)

	2015		2016	
Category	N° of collabora-tors	% by category of collaborator	N° of collabora-tors	% by category of collaborator
Officers	40	1.4%	42	1.6%
Employees	677	24.2%	717	26.9%
Workers	1,088	39%	946	35.5%
Crewmem-bers	985	35.4%	961	36%
TOTAL	**2,790**	**100%**	**2,666**	**100%**

LABOR FORCE BY ZONE (G4-10)

Zones	Female	Male	Total
North Zone Paita, Malabrigo, Shipyard, Chimbote, Samanco Plants	14	353	367
Zona Centro Supe, Végueta, Callao (Fishing and frozen unit), Pisco and San Isidro Plants	189	1,826	2,015
South Zone Atico, Matarani, Ilo Plants	12	272	284

LABOR FORCE BY TYPE OF CONTRACT (G4-10)

Type of contract	N° of employees 2016
Fixed term	951
Undetermined term	1,715
Total Employees	**2,666**

Of the total collaborators, 3.82% represent new hires in 2016. Additionally, 27% of the selection processes of permanent vacancies were covered through internal promotions. With regard to average rotation, we recorded 17.6% of rotation for employees; 12.5% for workers; and 5.9% for crewmembers. Of the workers dismissed during 2016, none of them benefitted from the Development and promotion program of MSEs. (G4-LA1)

As of December 31, 2016, the average salary of TASA exceeded the minimum wage by 99.06%. There is no difference between genders in assigning salary. (G4-EC5)

Among the group of workers, which represents 35.5% of the total collaborators, the relationship between the remuneration of the best paid person and the average obtained within the group is 1.41%. This is because the workers with a longer time of service in the company have received consecutive salary increases. (G4-54)

	2016	
Category	Female	Male
Average starting salary TASA	1,692	1,692
Minimum Wage (MW)	850	850
% by which the average salary of TASA exceeds the MW	99.06%	99.06%

With regard to the annual increase, all collaborators received an average increase in salary of 5.56%. The result is based on performance and the achievement of objectives. (G4-55)

WORKERS' BENEFITS (G4-LA2)

All of our employees have access to the social benefits provided for by law, and other additional benefits approved by the General Management.

The additional benefits include: production bonus and bonus for additional work in other plants*, sports fields, bonus due to death of direct family member (spouse and children), transport and refreshments**, training support, advance of profits and bonuses to cover health expenses.

*Only workers of fishmeal and fish oil plant and frozen plant.
**Does not apply to all personnel.

Furthermore, we provide recreation, integration and leisure activities on festive dates applicable to all our personnel and their families.

INTEGRATION ACTIVITIES COLLABORATORS

ACTIVITY	MONTH	PARTICIPANTS
Birthday celebration	January – December	Collaborators
Labor day	May	Collaborators
Fisherman's day	June	Collaborators
TASA anniversary toast	August	Collaborators
Election activity of the plant / unit	Defined by plant / unit	Collaborators

INTEGRATION ACTIVITIES FAMILY OF THE COLLABORATORS		
ACTIVITY	MONTH	PARTICIPANTS
Vocational orientation (children 13 to 18 years old)	January	Children
School pack (children 3 to 24 years old)	January	Children
Learn and Have Fun (handicraft workshop)	June / November	Spouses
Undertake with TASA phase III (Formalization of businesses developed by the spouses)	July / August	Spouses
Visit to plant / Office (children 5 to 12 years old)	September / October	Children
Children's Christmas (Children 0 to 12 years old)	December	Children

LABOR RELATIONSHIPS

In TASA we have one union committee (the Shipyard business unit in Chimbote), two company unions (Atico and Ilo Plants) and a national union (Malabrigo, Chimbote, Samanco, Végueta, Callao, Pisco, Atico and Shipyard Plants).

Additionally, there is a branch union, National Union of Fishermen of New Fishing Vessels (Sindicato Único de Pescadores de Nuevas Embarcaciones Pesqueras - SUPNEP) to which almost all of our crewmembers belong.

We have a total of 1,214 collaborators covered by collective agreements, who represent 42.59% of the total personnel.

UNIONIZATION LEVEL (G4-11)

	2015		2016	
Labor category	% of unionization	N° of unionization	N° of non-unionization	% of unionization
Officers	0%	0	19	0%
Employees	0%	0	740	0%
Workers	25%	259	871	22.92%
Crewmembers	100%	955	6	99.37%
TOTAL	45%	1,214	1,636	42.59%

TASA Contigo

Is a human management program that seeks to bring the leaders of the organization closer to the plant collaborators and their families to raise confidence levels. For this, activities were organized in informal spaces, such as the house of the collaborator and all their family was invited to participate in a direct and open communication space.

During the years 2015 and 2016 there were 337 visits, covering 8 plants. This has allowed the company to have a closer rela-

tionship with its collaborators, strengthening the ties of trust and belonging.

DEVELOPMENT AND TRAINING (G4-LA9, G4-LA10)

In the year 2016 the main training programs for the collaborators were resumed, which are oriented towards empowering their competencies and developing their abilities. During that year we recorded 84,941 hours of training, obtaining an average of 33.31 hours per collaborator.

Additionally, the Leadership Development Program (Programa de Desarrollo de Liderazgo - PDL) together with the Universidad de Ciencias Aplicadas (UPC) was reactivated, with the objective of strengthening the leadership and management abilities of the middle management of the company. Communication, Negotiation and Climate Management courses were presented with the participation of 275 TASA leaders with 5,464 hours of training.

The Comprehensive Development Program (Programa de Desarrollo Integral - PDI) was also launched, directed at the workers of the Fishmeal and Fish Oil Plant, Shipyard, Human Consumption and Fishing; with the objective of developing competencies and abilities that allow them to develop successfully on a work and personal level. The PDI began with the first Self Esteem and Personal Development workshop that consisted of 4 sessions: Self-Knowledge, Self-Acceptance, Self-Concept and Self-Realization; 569 workers participated in more than 13,000 hours of training.

The PDL and the PDI represented an investment of S/ 295,150 for the benefit of our collaborators.

The technical part was covered with the Basic Maintenance course presented by SENATI. A total of S/ 85,760 was invested in this training.

On the other hand, the Omega Crew project was created, with the objective of training and generating awareness in this business unit.

In addition, we invested in forming its high-performing personnel with and provided them with facilities to finance their studies and those of their family, including their spouses. This benefit covered the financing of school, university, technical studies, obtaining of academic decrees and professional qualifications. (G4-LA10)

Furthermore, we continued with the support of our collaborators through the sponsoring of courses in SENATI. In 2016, we launched an invitation that benefited 14 persons, including workers, crewmembers and their children.

Development of crewmembers

The Central Fishing Management continued leading the crewmember development project that contemplates three action axes: Training, Communication and Family; with the objective of encouraging their personal and professional development.

In the year 2016, the project reached 100% of the crewmembers, achieving an average of 28.7 hours of training per person, of which 18.1 were in occupational safety.

PERCENTAGE OF TRAINING OF COLLABORATORS PER CATEGORY

Category	% of trained personnel
Officers	94.9%
Employees	81%
Workers	99%
Crewmembers	100%
TOTAL	94%

HOURS OF TRAINING (G4-L9)

Year	Average training time (hours)				Total hours of training	Investment in training
	Officers	Employees	Workers	Crewmembers		
2015	12.67	17.41	15.19	35.15	63,539	US$ 94M
2016	29.1	25.3	46.1	28.7	84,941	US$ 226,022

PERSONAL AND WORK GROWTH

As part of our annual training strategy, in 2016 we continued with the second stage of the Internal Teaching program where training in the following areas was offered: Fishing Law, Accounting and Costs, Teamwork Workshop, Communication Workshop, Sustainability and CSR, Reduction of Operating Costs, Improvement of Processes, among others. We also continued with the formation of internal teachers with the Train The Trainers Workshop, where 23 certifications were issued.

PERFORMANCE EVALUATION AND RECOGNITION

Our performance evaluation model is based on objectives and competencies. The objectives are defined at the beginning of the year by the area managers and leaders together with their collaborators, while the competencies are established by the company (essential and of leadership, the latter specifically for collaborators in charge of personnel). (G4-LA11)

All the employees and operators, with more than six and three months in the company, respectively, participate in our annual performance evaluation process, which includes revision stages of progress in the middle and at the end of the year. These phases enable corrective measures to be taken to improve individual and organizational performance.

In 2015 the process included the participation of 703 employees and 942 workers who represented 94% and 99% of

the total collaborators in each labor category, respectively. Based on the workers who participated in the process and considering all of its stages, a compliance level of 94% was achieved.

OCCUPATIONAL SAFETY AND HEALTH

For TASA, the prevention of occupational injuries and illnesses is a priority. Therefore, the company establishes policies and procedures aligned with the current Peruvian legislation. In this sense, we have an Occupational Safety and Health Management System implemented in each one of the branches and vessels.

MAIN OCCUPATIONAL HEALTH AND SAFETY INDICATORS

- During 2016 there were 206 incapacitating work accidents, generating an average of 5,418 days of medical rest. In the case of contractors, 23 of the accidents which occurred were incapacitating. (G4-LA6)
- No plant recorded fatal accidents. (G4-LA6)

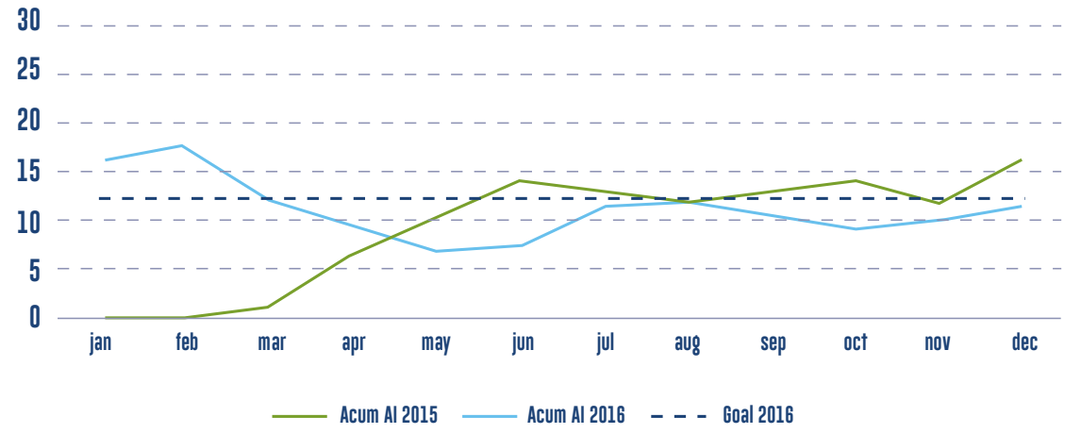
INCIDENTS BY TYPE OF INJURY

Accident by type of injury	TASA (%)	Central Operations Manage-ment (%)	Central Fishing Manage-ment (%)
Musculoskeletal	82%	84.1%	81.5%
Conjunctivitis – foreign object in the eye	1.9%	0%	2.5%
Intoxication due to chemical substance	2.9%	4.5%	2.5%
Lumbago	5.3%	4.5%	5.6%
Burn	1.5%	4.5%	0.6%
TBI	6.3%	2.3%	7.4%
TOTAL	**100%**	**100%**	**100%**

ACCIDENT INDEX

The main cause of accidents is related to an inadequate identification and assessment of risks before carrying out works, for which reason we are providing additional support to the application of standards and procedures and the task suspension policy.

COMPARATIVE ACCUMULATED ACCIDENT INDEX 2015-2016



RESULTS OF THE OCCUPATIONAL SAFETY AND HEALTH PROGRAM

- Reduction of 27% of the accident index, as of 2016 the accidents of contractors are being considered.
- 18,702.5 hours of training were provided in aspects related to occupational safety, health and emergency response.
- The reports of unsafe acts and/or conditions (CHOVYS) in the Central Fishing Management increased by 25 %.

- Acquisitions
  - 9 units of gas detector equipment, which allowed a greater control in the work areas before entering a confined space.
  - Energy blocking kits for all the plants which allowed a better control of dangerous energy during the works.
  - 3 level 2 electrical hazard suits for the Atico, Matarani and Ilo Plants which provided protection to the collaborators during electrical works.
- We complied with 82.20% of the simulation program in the plants and 96.52% in the vessels.
- We achieved the compliance, revision and follow-up of 99% of the medical exams of our own personnel.
- Risk studies were carried out with the HAZOP methodology in the Pucusana plant and What IF in the Pisco Sur, Pisco Norte, Chimbote and Complejo Callao plants, which permitted the identification and evaluation of the risks in critical processes to establish action plans.
- The Occupational Safety and Health Policy and the Task Suspension policy were approved.
- The identification of dangers and risk evaluation by work position of all the processes and activities was expanded. (G4-LA7)
- We began technological projects for the easy management of information and control in the management system of Occupational Safety, Health and the Environment (SSOMA, Spanish acronym), such as access control, preventive observation report and follow-up of audit recommendations.

- The basic safety course directed at all the TASA personnel began, with a duration of 8 hours, which includes the work guidelines and standards in SSOMA.
- Realization of communication strategies for the different SSOMA activities.

SAFETY AND HEALTH IN THE COLLECTIVE AGREEMENTS (G4-LA5, G4-LA8)

100% of the plant collaborators are represented in the Occupational Safety and Health committees.

TASA complies with the health and safety agreements stipulated in the collective agreements, which include the following aspects:

- Adequate work, health conditions and safety norms of equipment and of human life at sea.
- Use of uniforms and safety protection equipment.
- Occupational Safety and Health Committees.
- Participation of representatives of the workers in the inspections, audits and investigations of safety and health related accidents.
- Training.
- Internal investigation procedures.
- Periodic inspections.

SOCIAL MANAGEMENT (G4-SO1, G4-SO11)

RELATIONSHIP FOR THE SUSTAINABLE DEVELOPMENT

Our work with the community is focused on four intervention axes, which form a part, together with our sustainability challenges, of the Sustainable Development Policy of TASA.

As part of our social management, we directly implemented information and communication strategies in the communities.

This management has enabled 62% of the stakeholders to have information regarding the good practices of TASA, 33% actively participate in activities accompanied by the collaborators of each zone, and 5% actively disseminate our good performance in their environment.

Additionally, on a half-yearly basis, we update our mapping of local social actors so that our relationship with each community is specific and timely, mitigating any risk.

During 2016, we have not recorded significant negative social impacts, or social claims. (G4-SO2) In TASA we have a formal mechanism to report incidents, through the direct and interpersonal relationship that any citizen can maintain with our plant superintendents and administrators. They assume, as TASA's representatives in our area of influence, an active role in channeling the perceptions and expectations of the communities.

SOCIAL INTERVENTION AXES		SCOPE
Nutrition for development	Promote the consumption of healthy, quality and easy access marine products; and lead alliances with the State which contribute to the country's nutrition.	Girls less than 5 years old / Pregnant and nursing mothers / Families / Population with malnutrition indexes
Ventures for economic growth	Strengthen business capacities and entrepreneurs' associations through collective work mechanisms and insertion into the market and the financial system.	Unions artisanal fishermen, port stevedores / Adult men and women of the community
Education and culture	Strengthen educational and cultural competencies through aspects that promote sustainable development and increase the employability of the participants.	Children, teens and youngsters of the community / Population in general
Environmental citizenship	Generate actions and changes for the development of the environmental care culture, applying innovative and creative solutions in the framework of rights and duties as citizens.	Generate actions and changes for the development of the environmental care culture, applying innovative and creative solutions in the framework of the rights and duties as citizens.

NUTRITION FOR DEVELOPMENT: SUMAQ PROJECT

SUMAQ is an initiative led by TASA which forms women as entrepreneurs and producers of nutritional foods based on fish, for their commercialization in high Andean zones of our country. Its main objective is to increase its availability and consumption in these regions of Peru.

During the year 2016 the project was concentrated in the province of Huanta, Ayacucho. This region of the Peruvian highlands has a malnutrition index in children below five years old of 31.4% and 57.1% of child anemia.

Challwa (fish in Quechua), the product of SUMAQ, has high quality and safety standards, does not need refrigeration, is easy to prepare and has a low cost. Additionally, it conserves its nutritional properties (proteins, calcium, phosphate, iron and Omega 3), for up to three months.

In this project, TASA prepared alliances with public entities, such as the Universidad Nacional Agraria La Molina, the Production Ministry, the District Municipality of Huanta, SANIPES and the Foundation Action Against Hunger (Fundación Acción Contra el Hambre).

The SUMAQ project currently projects its participation with more than 13,500 beneficiaries, direct and indirect, mainly women, families and representatives of state institutions relat-

ed to health, nutrition and production aspects in the region.

VENTURES FOR ECONOMIC GROWTH: PESCART

Pescart Chimbote, is a business training project, which originates thanks to the "Learn and Undertake" ("Aprendo y Emprendo") project of TASA, which strengthens personal and business capacities and competencies of artisanal fishermen, forming them into SMEs to commercialize their fishing products in new competitive and formal markets.

This project seeks to intervene in a problem of Chimbote, commercializing added value hydrobiological products, ensuring the sanitary quality and promoting a responsible fishing culture.

A process room was installed inside the artisanal fishing dock in the month of August of 2016, which attends restaurants of Chimbote and directly attends the community through delivery service.

EDUCATION AND CULTURE: SENATI SCHOLARSHIPS

The Senati Scholarship program continues, this year directed at young people from the zone of influence of our plant in Pucusana. The courses selected by the participants of the program include: Automotive and industrial Electricity, Automotive Mechanics, Construction, Maintenance, Refrigeration, Welding, among others.

During the year 2016 there were 7 beneficiary students, who had the opportunity to participate in motivation activities in the company and accompaniment in the process together with their legal guardians.

This management is oriented towards forming future professionals for society, therefore, during the year 2016, coordination was made to offer this program in other communities where we operate, such as Atico, in Arequipa.

ENVIRONMENTAL CITIZENSHIP: TASA EFFECT CHALLENGE

For the fifth consecutive year we carried out the Great TASA Effect Challenge, where our collaborators assume environmental challenges to contribute to the environment and work as a team with the community. For the year 2016, activities were carried out in all the plants, highlighting the following: creation of ecological stations for solid residues, production of compost for the maintenance of green areas based on organic residues, sowing of trees, paper and bottle recycling, among others, reaching a total impact of 20,360 beneficiaries. For 2017, an environmental project will be prepared with schools, providing continuity to the TASA Effect Challenge 2016, promoting sustainability in the communities.

Public private alliances

We continue establishing alliances with public organizations with interests similar to ours in terms of sustainable development.

- **"Let's Eat Fish" ("A comer pescado") National Program:** Cooperation for the development of actions and projects that promote the consumption of fish and the strengthening of business capacities in artisanal fishermen.
- **Instituto Nacional de Salud (CENAN):** Joint actions in favor of quality nutrition.
- **Universidad Nacional Agraria La Molina:** Agreement for the investigation and spreading of actions oriented towards improving the availability and the access of fish by the families of the Andean zones.

RELATIONSHIP WITH SUPPLIERS

Supply chain (G4-12)

The main characteristics of our activity are seasonality, the specialization of tasks and the extensive use of labor. In our industry the ship owners (vessels that fish and from which we buy their catch) assume a preponderant role as suppliers of the resource.

These companies extract marine products to commercialize them to fishing companies, like TASA, which manage the entire productive cycle. Due to their importance in our value chain, they are identified in a differentiated manner from the other suppliers. Additionally, we have two types of suppliers: those of general or specialized services, and those of goods, which provide supplies, parts and assets.

We have a policy of prioritizing purchases through national suppliers for logistical services and goods. In this manner, we simplify the purchasing process, ensure a prompt and efficient supply and create loyalty in our strategic suppliers. We encourage the decentralization of purchases in order to benefit companies from our areas of influence, as well as increase the competitiveness of the business through the development of long term relationships that create loyalty in the main actors of the value chain.

Our purchasing management complies with high control and quality parameters, therefore we carry out an exhaustive selection and tendering process, as well as including training and development components:

PURCHASING PROCESS OF TASA

Local Purchase Project (G4-EC8)

The purpose of this project is to insert the best local suppliers in our value chain. An initial stage has permitted us to become aware of the opportunities that they offer, which generates incentives to build their loyalty as strategic partners of the business and to continue developing their potential as part of our value chain.

It has been possible to attend to internal clients more quickly, obtaining competitive prices in brands that maintain the TASA quality standard. Additionally, the suppliers who participate in the program expand their capacity to attend to large companies.

The program contemplates the signing of contracts for significant amounts for the supplier which enables them to be our first purchase option. In addition, other local suppliers are given an opportunity, with whom commercial relationships are maintained when those who have contracts do not have product availability.

In 2016 10 new suppliers were included in the project, expanding the supply capacity to 6 of the 12 fishmeal and fish oil plants, and the shipyard. For 2017, it is expected to expand the project to the Pisco Norte, Pisco Sur, Supe, Végueta and Malabrigo plants.

CONTRIBUTION TO THE LOCAL DEVELOPMENT

Works for taxes (G4-EC7)

Works for taxes is a unique mechanism in the world, promoted by Law N° 29230, thanks to which companies can design and execute public investment projects as advance payment of their taxes.

The process to execute our second work for taxes in Atico began during the year 2016, in agreement with the Regional Government of Arequipa, which declared relevant our proposal of the public investment project to improve an artisanal fishing dock for the benefit of the artisanal fishermen of said locality; and our first work for taxes in Chimbote, for the construction of a sports field in an emblematic school where outstanding athletes study.

GENERATED AND DISTRIBUTED DIRECT ECONOMIC VALUE (G4-EC1, G4-EC9, G4-9, G4-12)

Direct economic value	MM US$
Sales	320.75
Total investments *	21.42
Payment of taxes	**MM US$**
Payment to local suppliers	16.29
Payment to foreign suppliers	224.48
Payroll	47.09
Financial expenses (MM $)	9.2
Financial expenses (MM $)	32.86
Environmental investments	6.7
Investments in the community	0.73

6 THE GLOBAL COMPACT

CONTENTS

THE TEN PRINCIPLES OF THE GLOBAL COMPACT

In TASA we are committed to the ten principles of the Global Compact of the United Nations, to which we have adhered since 2009.

PRINCIPLE 1

- **Businesses should support and respect the protection of internationally proclaimed human rights, within their scope of influence.**

We do not report any incident related to the violation of human rights in our business units or in the communities where we operate. In the year 2016 we have carried out talks regarding our policies and procedures of labor relations, for the purpose of promoting the protection of the human rights of our collaborators.

PRINCIPLE 2

- **Companies must make sure that their companies are not complicit in human rights abuses.**

We ensure the strict compliance of the Code of Conduct and Ethics through our Audit Management. This Code is known by all our collaborators from the first day they start working in TASA. Its compliance is obligatory and a standard of behavior of our suppliers, ship owners, clients and third parties with whom we conduct our business. In our approval processes of suppliers we include questions related to the compliance of the 10 Principles of the Global Compact of the United Nations.

PRINCIPLE 3

- **Businesses should uphold freedom of association and the effective recognition of the right to collective bargaining.**

We continue to maintain cordial relations and constant communication with each of our union organizations. All collective bargaining has been concluded in direct dealing.

PRINCIPLE 4

- **Business should uphold the elimination of all forms of forced and compulsory labor.**

In strict compliance with articles 23 and 24 of the Political Constitution and the OIT Agreements 29 (art.1) and 105 (art. 1), none of our collaborators is forced to carry out work without his consent and without the adequate retribution. Likewise, the contracts with our suppliers establish a clause which declares that they will not use or sponsor the use of forced labor.

PRINCIPLE 5

- **Business should uphold the effective abolition of child labor.**

We adhere to the Business Commitment for the Prevention and Eradication of Child Labor, an initiative that promotes action plans directed at the stakeholders to contribute to prevent and eradicate child labor and in which the Global Compact in Peru participates.

In this framework, we have an employment policy that regulates the exclusive hiring of adults and in the case of our value chain, our suppliers adhere to the contractual clauses that prohibit direct and indirect child labor.

In TASA we do not have underage minors in compliance with the provisions of Law Decree Nº 26102.

PRINCIPLE 6

- **Business should uphold the elimination of discrimination in respect of employment and occupation.**

Our Code of Ethics and Conduct explicitly details our commitment to respect towards cultural plurality and diversity, as well as the promotion of an inclusive environment free of discrimination, intimidation and harassment.

PRINCIPLE 7

- **Businesses should maintain a preventive approach in favor of the environment.**

Our areas of Operations, Quality and Environmental Research and Development constantly carry out laboratory tests to optimize our processes and develop new Environmentally friendly technologies. TASA complies with the MPL (Maximum Permissible Limits) of oils and fats and total suspended solids, according to the norm of Supreme Decree 10-2008-PRODUCE in force since 2013.

Additionally, we recognize the importance of the sustainability of the fishing resource as the wealth and heritage of the present and future generation, therefore hand in hand with our crewmembers we carry out good fishing sustainability practices. We form part of the Peruvian Initiative Biodiversity and Companies (Biodiversidad y Empresas – ByE) of the Ministry of the Environment of Peru, which seeks to promote the conservation and the sustainable use of the biodiversity.

PRINCIPLE 8

- **Business should undertake initiatives to promote greater environmental responsibility.**

We have incorporated the care of the environment in our vision, mission and values. In this manner and through training and workshops in good environmental practices, we involve our collaborators and a sector of our communities in the development of initiatives to contribute to environmental preservation.

PRINCIPLE 9

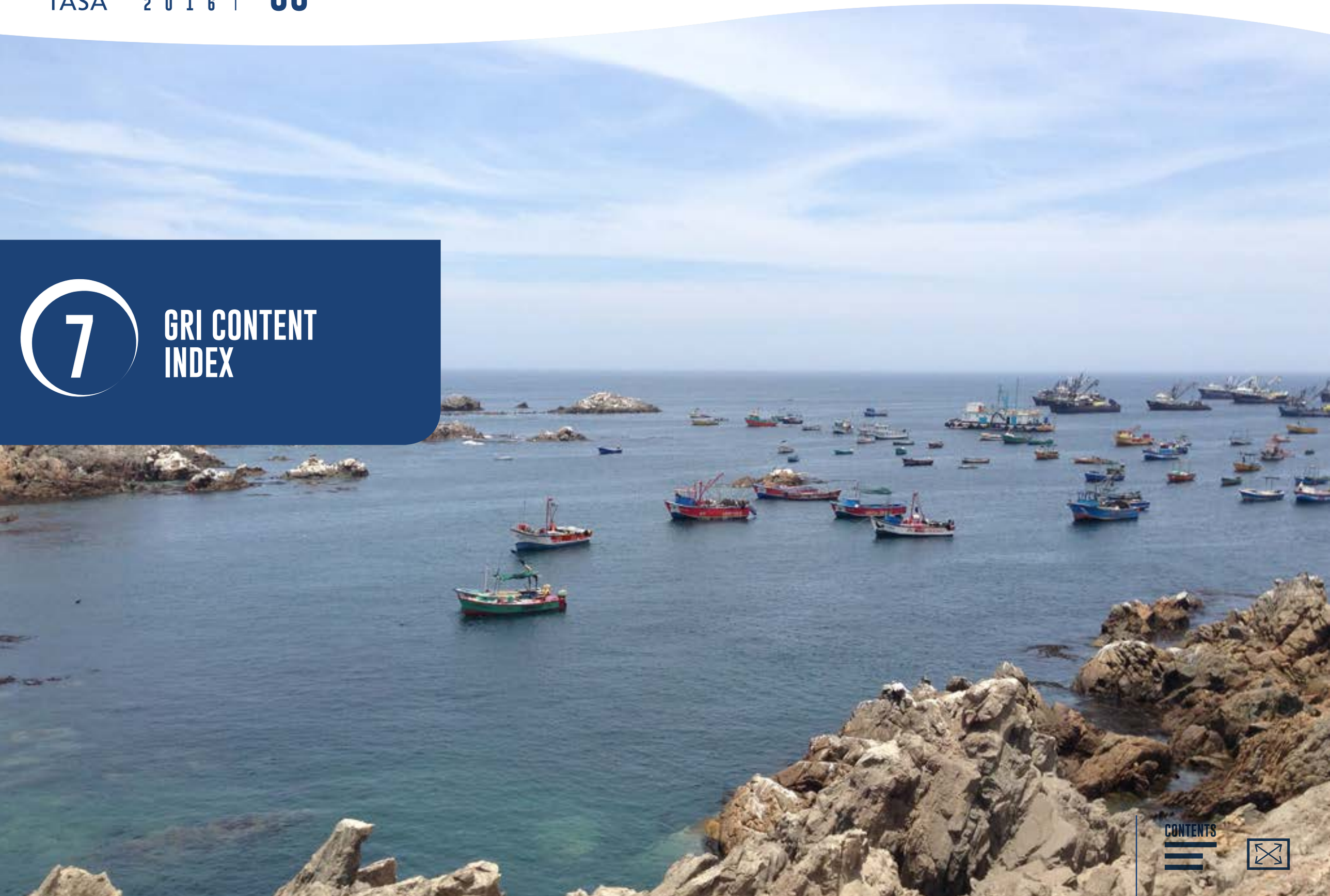
- **Businesses should encourage the development and dissemination of environmentally friendly technologies.**

We test and apply clean technologies for production in all the business units, as a result of research oriented towards mitigating the environmental impact. An example of this is the gradual change of our FAQ drying process (direct fire drying) to the Steam Dried system (indirect steam drying) in our Plants. Two of our plants, operate with natural gas, which has enabled us to reduce our CO_2 emissions.

PRINCIPLE 10

- **Businesses should work against corruption in all its forms, including extortion and bribery.**

Our Code of Conduct and Ethics establishes a series of norms for fighting against corruption in all of its forms. We train our personnel every year and monitor their compliance through the Audit Management.



7 GRI CONTENT INDEX

GRI	Materiality Disclosures TASA — Apr 2017 Service	ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
GENERAL STANDARDS DISCLOSURE							
STRATEGY AND ANALYSIS							
	GENERAL STANDARDS DISCLOSURE						
G4-1	Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	4.7, 6.2,			Pg. 5	No	No
G4-2	Provide a description of key impacts, risks, and opportunities.				Pg. 12	No	No
ORGANIZATIONAL PROFILE							
	GENERAL STANDARDS DISCLOSURE						
G4-3	Report the name of the organization.	6.3.10, 6.4.1, 6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.8			See Cover	No	No
G4-4	Report the primary brands, products, and services.				Pg. 23-25	No	No
G4-5	Report the location of the organization's headquarters.				Avenida Las Begonias 441-Of. 352 San Isidro - Lima 27	No	No
G4-6	Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.				Pg. 26	No	No
G4-7	Report the nature of ownership and legal form.				TASA is a private company, owned by the Breca Group.	No	No
G4-8	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).				Pg. 27	No	No

GRI		ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
GENERAL STANDARDS DISCLOSURE							
G4-9	Report the scale of the organization.	6.3.10, 6.4.1, 6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.8			Pg. 7, 23, 26, 74 y 92	No	No
G4-10	a. Report the total number of employees by employment contract and gender. b. Report the total number of permanent employees by employment type and gender. c. Report the total workforce by employees and supervised workers and by gender. d. Report the total workforce by region and gender. e. Report whether a substantial portion of the organization's work is performed by workers who are legally recognized as selfemployed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors. f. Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).		Principle 6	8.5	Pg. 75-76	No	No
G4-11	Report the percentage of total employees covered by collective bargaining agreements.		Principle 3	8.8	Pg. 78	No	No
G4-12	Describe the organization's supply chain.				Pg. 91	No	No
G4-13	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain.				There have been no significant changes in the size, structure and ownership of TASA.	No	No
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization.				Pg. 12-13	No	No
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.				The Global Compact of the United Nations and its 10 principles; Biodiversity and Companies Initiative.	No	No
G4-16	List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization.				Pg.21	No	No

GRI		ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
GENERAL STANDARDS DISCLOSURE							
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES							
	GENERAL STANDARDS DISCLOSURE						
G4-17	a. List all entities included in the organization's consolidated financial statements or equivalent documents. b. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.				Only TASA appears.	No	No
G4-18	a. Explain the process for defining the report content and the Aspect Boundaries. b. Explain how the organization has implemented the Reporting Principles for Defining Report Content.				Pg. 56-57	No	No
G4-19	List all the material Aspects identified in the process for defining report content.	5.2, 7.3.2, 7.3.3, 7.3.4			Pg. 58, pg. 60 For this Report it was decided to report only the GRI aspects associated with material strategic matters. Those that were not linked to any aspect of GRI were also considered.	No	No
G4-20	For each material Aspect, report the Aspect Boundary within the organization.				Pg. 60	No	No
G4-21	For each material Aspect, report the Aspect Boundary outside the organization.				Pg. 60	No	No

GRI		ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
GENERAL STANDARDS DISCLOSURE							
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	5.2, 7.3.2, 7.3.3, 7.3.4			The restatements that may appear in this sustainability report originate from our materiality analysis of 2016.	No	No
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.				There are no significant changes in the scope and aspect.	No	No
STAKEHOLDER ENGAGEMENT							
	GENERAL STANDARDS DISCLOSURE						
G4-24	Provide a list of stakeholder groups engaged by the organization.	5.3			Pg. 53	No	No
G4-25	Report the basis for identification and selection of stakeholders with whom to engage.				Pg. 53	No	No
G4-26	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.				Pg. 54	No	No
G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.				Pg. 55	No	No

GRI		ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
GENERAL STANDARDS DISCLOSURE							
REPORT PROFILE							
	GENERAL STANDARDS DISCLOSURE						
G4-28	Reporting period (such as fiscal or calendar year) for information provided.				2016	No	No
G4-29	Date of most recent previous report (if any).				2015	No	No
G4-30	Reporting cycle (such as annual, biennial).				Annual	No	No
G4-31	Provide the contact point for questions regarding the report or its contents.	7.5.3, 7.6.2			Wendy Rojas Sub-Manager of Sustainable Development and Communi-cations Las Begonias 441, Of. 352, San Isidro Telf: +511 611-1400 annex 1735	No	No
G4-32	a. Report the 'in accordance' option the organization has chosen. b. Report the GRI Content Index for the chosen option (see tables below). c. Report the reference to the External Assurance Report, if the report has been externally assured. (GRI recommends the use of external assurance but it is not a requirement to be 'in accordance' with the Guidelines.)				The 'in accord-ance' option of this report is 'in comprehensive accordance'. Pg. 96 - Pg. 111	No	No

GRI		ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
GENERAL STANDARDS DISCLOSURE							
G4-33	a. Report the organization's policy and current practice with regard to seeking external assurance for the report. b. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided. c. Report the relationship between the organization and the assurance providers. d. Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report.	7.5.3, 7.6.2			This report hs been submitted to external verification by Avanza Sostenible, an independent consultant specialized in these processes. This process was carried out at the request of the Sub-Management of Sustainable Development and Communications, to add value to the report.	No	No
GOVERNANCE							
	GENERAL STANDARDS DISCLOSURE						
G4-34	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	6.2, 7.4.3, 7.7.5			Pg.7, Pg. 10	No	No
G4-35	Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.				Pg. 7	No	No
G4-36	Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.				Pg. 9	No	No

GRI		ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
GENERAL STANDARDS DISCLOSURE							
G4-37	Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body.	6.2, 7.4.3, 7.7.5		16.7	Pg. 10, pg. 55	No	No
G4-38	Report the composition of the highest governance body and its committees.			5.5;16.7	Pg. 7, pg. 10	No	No
G4-39	Report whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organization's management and the reasons for this arrangement).			16.6	Pg. 7	No	No
G4-40	Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members.			5.5; 16.7	Pg. 7, pg. 9	No	No
G4-41	Report processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders.			16.6	Pg. 11	No	No
G4-42	Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.				Pg. 7	No	No
G4-43	Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.			4.7	Pg. 9	No	No
G4-44	a. Report the processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is a self-assessment. b. Report actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics, including, as a minimum, changes in membership and organizational practice.		Principle 10		Pg. 9	No	No

GRI		ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
GENERAL STANDARDS DISCLOSURE							
G4-45	a. Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes. b. Report whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities.		Principle 10	16.7	Pg. 10, Pg. 56	No	No
G4-46	Report the highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.				Pg. 10	No	No
G4-47	Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.				Pg. 10	No	No
G4-48	Report the highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered.	6.2, 7.4.3, 7.7.5			They are the Committee of Audit, Risks and Finance; Strategy and Performance; Human Talent Management who review the Sustainability Report.	No	No
G4-49	Report the process for communicating critical concerns to the highest governance body.				Pg. 10	No	No
G4-50	Report the nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them.		Principles 1 and 2		Pg. 10	No	No
G4-51	a. Report the remuneration policies for the highest governance body and senior executives. b. Report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives.				Pg. 9	No	No

GRI		ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
GENERAL STANDARDS DISCLOSURE							
G4-52	Report the process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management. Report any other relationships which the remuneration consultants have with the organization.		The ten principles		Pg. 9	No	No
G4-53	Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	6.2, 7.4.3, 7.7.5		16.7	Through our measurements of the Work Environment we collected the perception of our collaborators. In order to compare ourselves with other companies from our sector we contracted a survey service.	No	No
G4-54	Report the ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.				Pg. 76	No	No
G4-55	Report the ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.				Pg. 76	No	No
ETHICS AND INTEGRITY							
G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	4.4, 6.6.3		16.3	Pg. 11	No	No

GRI		ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
GENERAL STANDARDS DISCLOSURE							
G4-57	Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.	4.4, 6.6.3		16.3	Pg. 11	No	No
G4-58	Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.			16.3	Pg. 11	No	No

GRI		ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
SPECIFIC STANDARDS DISCLOSURE							
CATEGORY: ECONOMIC							
	ECONOMIC PERFORMANCE						
G4-EC1	Direct Economic Value generated an distributed	6.8.1, 6.8.2, 6.8.3, 6.8.7, 6.8.9		2.a; 4;7.a; 7.b; 8.1; 9.1; 9.4; 9.5; 9.a	Pg. 92	No	No

GRI		ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
SPECIFIC STANDARDS DISCLOSURE							
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	6.5.5		13.1	On pages 61 to 63 it is described how climate change presents risks and opportunities for TASA. The financial consequences have not been measured.	No	No
G4-EC3	Coverage of the organization's defined benefit plan obligations	6.8.7			In TASA all of the social benefits are covered with the company's resources. However, Pension Fund contributions are for the account of our collaborators.	No	No
G4-EC4	Financial assistance received from government				Pg. 59	No	No
	MARKET PRESENCE						
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation			1.1; 5.1; 8.5	Pg. 76	No	No
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation			8.5	Pg. 75	No	No

GRI		ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
SPECIFIC STANDARDS DISCLOSURE							
	INDIRECT ECONOMIC IMPACTS						
G4-EC7	Development and impact of infrastructure investments and services supported			2.a; 5.4; 7.a; 7.b; 9.1; 9.4; 9.a; 11.2	Pg. 92	No	No
G4-EC8	Significant indirect economic impacts, including the extent of impacts			1.1;1.2;1.4;2.3;3.8;8.2;8.3;8.5;10.1;10.b;17.3	Pg. 92	No	No
	PROCUREMENT PRACTICES						
G4-EC9	Proportion of spending on local suppliers at significant locations of operation			12.7	Pg. 92	No	No
CATEGORY: ENVIRONMENTAL							
	ENERGY						
G4-EN3	Energy consumption within the organization		Principles 7, 8 and 9	7.2; 7.3; 8.4; 12.2; 13.1	Pg. 72	No	No
G4-EN4	Energy consumption outside of the organization		Principles 7, 8 and 9		Pg. 72	No	No
G4-EN5	Energy intensity		Principles 7, 8 and 9	7.3; 8.4; 12.2; 13.1	Pg. 72	No	No

GRI		ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
SPECIFIC STANDARDS DISCLOSURE							
G4-EN6	Reduction of energy consumption		Principles 7, 8 and 9	7.3; 8.4; 12.2; 13.1	Pg. 72	No	No
G4-EN7	Reductions in energy requirements of products and services		Principles 7, 8 and 9		Not applicable	No	No
	BIODIVERSITY						
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		Principles 7, 8 and 9	6.6; 14.2; 15.1; 15.4; 15.5	Our Environmental Management System certified by the ISO 14001 standard, permit us to care for and preserve the protected and unprotected areas of great value for biodiversity, such as the bays of Paracas (Ica), Samanco, Végueta (Lima), Atico (Arequipa) and Ilo (Moquegua).	No	No
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas		Principles 7, 8 and 9	6.6; 14.2; 15.1; 15.4; 15.5	Pg. 63 - pg. 64	No	No

GRI		ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
SPECIFIC STANDARDS DISCLOSURE							
G4-EN13	Habitats protected or restored		Principles 7, 8 and 9	6.6; 14.2; 15.1; 15.4; 15.5	The movement of our vessels is subject to constant monitoring by SISESAT (Satellite tracking system), to prevent them from infringing zones protected by the SERNANP (National Service of Natural Areas Protected by the State).	No	No
G4-EN14	Total number of iucn red list species and national conservation list species with habitats in areas affected by operations, by level of extinction risk		Principles 7, 8 and 9	6.6; 14.2; 15.1; 15.4; 15.5	Pg. 64	No	No
	EMISSIONS						
G4-EN15	Direct greenhouse gas (ghg) emissions (scope 1)		Principles 7, 8 and 9	3.9; 12.4; 13.1; 14.3; 15.2	Pg. 72	No	No
G4-EN16	Energy indirect greenhouse gas (ghg) emissions (scope 2)		Principles 7, 8 and 9	3.9; 12.4; 13.1; 14.3; 15.2	Pg. 72	No	No

GRI		ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
SPECIFIC STANDARDS DISCLOSURE							
G4-EN17	Other indirect greenhouse gas (ghg) emissions (scope 3)		Principles 7, 8 and 9	3.9; 12.4; 13.1; 14.3; 15.2	Pg. 72	No	No
G4-EN18	Greenhouse gas (ghg) emissions intensity		Principles 7, 8 and 9	13.1; 14.3; 15.2	Pg. 72	No	No
G4-EN19	Reduction of greenhouse gas (ghg) emissions		Principles 7, 8 and 9	13.1; 14.3; 15.2	Pg. 73	No	No
G4-EN20	Emissions of ozone-depleting substances (ods)		Principles 7, 8 and 9	12.4	Pg.72	No	No
G4-EN21	Nox, sox, and other significant air emissions		Principles 7, 8 and 9	3.9; 12.4; 14.3; 15.2	NOX: 3,809.98 mg/m3 SOX: 13,098.33 mg/m3 MP: 2,554.26 mg/m3	No	No
	EFFLUENTS AND WASTE						
G4-EN22	Total water discharge by quality and destination		Principles 7, 8 and 9	3.9; 6.3; 6.6; 12.4; 14.1	Pg. 71	No	No
G4-EN23	Total weight of waste by type and disposal method		Principles 7, 8 and 9	3.9; 6.3; 12.4; 12.5	Pg. 70, pg. 71	No	No
G4-EN24	Total number and volume of significant spills		Principles 7, 8 and 9	3.9; 6.3; 6.6; 12.4; 14.1; 15.1	No significant spills have been recorded.	No	No

GRI		ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
SPECIFIC STANDARDS DISCLOSURE							
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the basel convention2 annex i, ii, iii, and viii, and percentage of transported waste shipped internationally		Principles 7, 8 and 9	3.9;12.4	Not applicable. TASA does not generate this type of residues.	No	No
G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff		Principles 7, 8 and 9	6.6; 14.2; 15.1; 15.5	Not applicable. It is institutions like IMARPE, the scientific organism of the Peruvian State, among others, which carry out monitoring of biodiversity.	No	No
	COMPLIANCE						
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations		Principles 7, 8 and 9	16.3	No sanctions have been reported for infringing environmental regulations.	No	No
	ENVIRONMENTAL GRIEVANCE MECHANISMS						
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms		Principles 7, 8 and 9	16.3	During the year 2015 no environmental grievance was presented.	No	No

GRI		ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
SPECIFIC STANDARDS DISCLOSURE							
CATEGORY: SOCIAL - LABORAL PRACTICES AND DECENT WORK							
	EMPLOYMENT						
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region			5.1; 8.5; 8.6	Pg. 76	No	No
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation			8.5	Pg. 77-78	No	No
G4-LA3	Return to work and retention rates after parental leave, by gender			5.1; 8.5	100%	No	No
	OCCUPATIONAL HEALTH AND SAFETY						
G4-LA5	Percentage of total workforce represented in formal joint management–worker health and safety committees that help monitor and advise on occupational health and safety programs			8.8	Pg. 85	No	No
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender			3.3; 3.4; 3.9; 8.8	Pg. 82	No	No
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation			3.3; 3.4; 3.9; 8.8	Pg. 84	No	No
G4-LA8	Health and safety topics covered in formal agreements with trade unions			8.8	Pg. 85	No	No
	TRAINING AND EDUCATION						
G4-LA9	Average hours of training per year per employee by gender, and by employee category			4.3; 4.4; 4.5; 5.1; 8.5	Pg. 79	No	No
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings			8.5	Pg. 79	No	No
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category			5.1;8.5	Pg. 81	No	No

GRI		ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
SPECIFIC STANDARDS DISCLOSURE							
	LABOR PRACTICES GRIEVANCE MECHANISMS						
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms			16.3	Pg. 11	No	No
	CATEGORY: SOCIAL - SOCIETY						
	LOCAL COMMUNITIES						
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	Principles 1 and 2		Pg. 86	No	No
G4-SO2	Operations with significant actual and potential negative impacts on local communities		Principles 1 and 2	1.4;2.3	Pg. 86	No	No
	COMPLIANCE						
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations		Principles 1 and 2	16.3	At the closing date of this report, there is no agreed administrative labor fine for non-compliance of the social and labor laws derived from inspection visits carried out during said period.	No	No

GRI		ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
SPECIFIC STANDARDS DISCLOSURE							
	GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY						
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms			16.3	Pg. 86	No	No
CATEGORY: SOCIAL - PRODUCT RESPONSIBILITY							
	CUSTOMER HEALTH AND SAFETY						
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement				Pg. 43	No	No
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes			16.3	No case is reported of any intentional non-compliance of the legal regulation or of the voluntary codes during their life cycle.	No	No
	PRODUCT AND SERVICE LABELING						
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements			12.8	The labeling of our products contains the following information required by the Technological Fishing Institute: 1. Origin of the components of the product or service. 2. Safe use of the product.	No	No

GRI		ISO 26000	Global Compact	SDG Target	Page / Direct response	Omissions	External verification
SPECIFIC STANDARDS DISCLOSURE							
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes			16.3	No non-compliance is reported of the legislation or voluntary codes related to product information and labeling.	No	No
G4-PR5	Results of surveys measuring customer satisfaction			16.3	In the year 2016 the Commercial Management did not carry out a client satisfaction survey.	No	No
	COMPLIANCE						
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services			16.3	No fines are reported for non-compliance of the regulations and legislation related to the supply and use of products and services.	No	No

Third Party Checked Letter

Lima, March 14, 2017

Messrs.
Tecnológica de Alimentos S.A.
San Isidro, Lima.

The Third Party Check of the Sustainability Report 2016 of Tecnológica de Alimentos S.A. (TASA), the scope of which includes all of the company's operations in Peru, corresponds to the review of fulfillment of the option of Comprehensive Compliance according to the G4 Guidelines of the Global Reporting Initiative (GRI). In order to do this, we have proceeded in the following manner:

1. We have read and analyzed the Sustainability Report 2016, based on the G4 Guides for the Preparation of Sustainability Reports of the GRI: Manual of Application and Principles and Basic Contents.
2. An initial review was carried out and comments and observations to be remedied were prepared.
3. A final review of the final diagrammed version of the Sustainability Report 2016 was carried out.

The Third Party Check by Avanza Sostenible does not verify the veracity of the Basic General and Specific Contents established in the Guidelines of the Global Reporting Initiative (GRI) – G4. This responsibility falls upon the reporting organization and its stakeholders.

The following criteria have been considered for the analysis:

1. Principles for the definition of the Content and the Quality of the Sustainability Report

In comparing TASA's 2016 Sustainability Report, in relation to the Principles to determine the content of the report stated by the GRI, we have considered each of the following:

- **Materiality:** The report details the identification and valuation process of 12 material aspects identified by the company which have led it to consider 20 GRI aspects, through document revisions and validation meetings with representatives of the company. Indicators of the company are incorporated together with the obligatory general and specific basic contents of the GRI. However, it is recommended to specify why there were no material aspects of Human Rights, such as Freedom of association and collective bargaining.
- **Participation of the stakeholders:** The Company incorporates the opinions and expectations of its stakeholders, collected for this report through surveys and dialogue panels.
- **Context of Sustainability:** The report presents TASA's commitment to sustainability in the Message of the Chairman of the Board, where he describes how the company adapted to the difficulties of the sector, as well as the measures that it took to improve its performance in social and environmental aspects. The fishing sector was affected by a moderate El Niño Phenomenon that reduced the availability of fish resources, which is detailed later in the section related to products and environmental management.
- **Completeness:** Among the described material aspects and indicators, significant, essential and coherent information of the company's economic, social and environmental management has been detailed.

The Sustainability Report has considered the Principles to determine the quality of the preparation of the report: balance, comparability, precision, punctuality, clarity and reliability.

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- **Balance:** The report highlights information emphasizing the positive aspects of the social responsibility management of the company; however, it also mentions the adverse economic performance caused by the lower availability of fish resources due to natural phenomena. In the case of social aspects, it shows the annual evolution of its accident indices, thus identifying the ups and downs of safety management.
- **Comparability:** This sustainability report conserves most of the GRI aspects reported in the previous edition. Only two aspects have been withdrawn: Materials and Water, which have been discarded through the materiality analysis. Furthermore, the aspect of Claim mechanisms regarding labor practices was added.
- **Precision:** The report shows sufficiently precise and detailed information to enable it to be interpreted by the stakeholders of the company. It would facilitate the understanding of the document if it had a glossary of terms for those stakeholders who are not so familiar with the fishing sector.
- **Punctuality:** The report clearly establishes that the periodicity of its publication is annual. This periodicity has been complied with since the 2008 edition.
- **Clarity:** The information included is comprehensible and easy to find. It is important to define to whom this sustainability report is addressed and in this manner it can be adapted to the specific interest publics, such as, for example, members of the community or shareholders.
- **Reliability:** The data presented in this report is provided by the company itself, data verified by external sources was not verified.

2. Compliance of the general and specific basic contents that need to be reported to achieve the option of Comprehensive Compliance of the GRI

The sustainability report of TASA has reported the following information:

General and Specific Basic Contents for the option of Comprehensive Compliance of the GRI				
Description of GRI Information		Minimum required	Sustainability Report 2016	
			Fully reported	Partially reported
General Basic Contents G4		58	54	4
Specific Basic Contents G4				
Management approach -DMA[1]		Material Aspects	20	0
Indicators	Economic Performance	All the contents of each Material Aspect	9	0
	Environmental Performance		23	0
	Social Performance			
	Labor Practices and Decent Job		11	0
	Society		4	0
	Product Liability		6	0
	Human Rights		0	0

3. Conclusions and recommendations for future sustainability reports

As part of the analysis we suggest some aspects to be improved:

- ✓ It is advisable for the company to specifically communicate its achievements and provide information regarding the sustainability challenges that it has faced during the period, as a means of demonstrating transparency in its management and how it has faced the situation.
- ✓ Develop an evaluation of the main human rights issues related to its sector and verify how they are being managed within the company.
- ✓ Extend its good practices and provide information on how it evaluates the companies that are a part of its value chain.

[1] Disclosure of Management Approach.

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- ✓ It is suggested that more precise and contextualized accident indicators should be reported, both its own as well as those of its subcontractors, in addition to the labor fluctuations of the projects and the types of contracts of all its collaborators.
- ✓ Finally, we value the great effort of TASA in reporting the progress of its sustainable management since the year 2008, evolving its reports in parallel with the Guidelines of the GRI.

AVANZA SOSTENIBLE is a sustainability consultancy company with more than 5 years of experience in the development of sustainability reports; and it has not participated in the preparation of this Sustainability Report. After the analysis carried out, we can confirm that the Sustainability Report 2016 of TASA fulfills the conditions for compliance with:

The option of Comprehensive Compliance G4 according to the Guidelines of the Global Reporting Initiative (GRI)

Yours sincerely,

CECILIA RIZO PATRÓN
Executive Director
Avanza Sostenible

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TASA

INTEGRATED REPORT 2016

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