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# UNITED NATIONS GLOBAL COMPACT COMMUNICATION ON PROGRESS

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14 December 2021

The United Nations Global Compact is an international initiative that addresses human rights, labour, environmental and corruption issues through a commitment to ten principles derived from the Universal Declaration of Human Rights, the International Labour Organisation's Declaration of the Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention against Corruption



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REGISTERED COMPANY NAME: Oceana Group Limited REGISTRATION NUMBER: 1939/001730/06  
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Our core purpose is to be a leading global fishing and commercial cold storage company creating sustainable value and positively impacting the lives of all our stakeholders. Over the past 18 months, we have been swimming against the current. Just as we think we've reached the end, another Covid wave or extreme weather event pushes us to swim harder in pursuit of our goals. As we navigate, the demand for fish protein is increasing in markets globally, aligning with larger trends relating to health and nutrition. As a growing global business, we are well-placed to meet these demands; in our own way, perhaps, Oceana is a keystone player in a world that is changing fast.

**Imraan Soomra (CEO)**

## **1 INTRODUCTION**

### **1.1 Who we are?**

Incorporated in 1918 and listed on the Johannesburg (JSE) and Namibian (NSX) stock exchanges, Oceana Group is a global fishing company, and an important participant in the South African, Namibian and USA fishing industries. We employ 4 195 people globally, of whom 2 840 are directly employed and 1 355 are indirectly employed. Oceana is a black owned company and a Level 1 B-BBEE contributor.

### **1.2 What do we do?**

Our core fishing business is the catching, procuring, processing, marketing and distribution of canned fish, fishmeal, fish oil, horse mackerel, hake, lobster and squid. The business includes midwater trawling (horse mackerel), deep-sea trawling (hake), and inshore fishing for pelagic fish (anchovy, the Gulf menhaden species, redeye herring, pilchard), squid and West Coast lobster.

In addition, we provide refrigerated warehouse facilities and logistical support services. We market and sell fish and fish products to consumers across the consumer spectrum, in 45 countries in Africa, North America, Asia, Europe and Australia.

### **1.3 Our Purpose**

Our core purpose is to be a leading global fishing and commercial cold storage company creating sustainable value and positively impacting the lives of all our stakeholders.

### **1.4 Our Mission Statement**

In achieving our core purpose, we

- responsibly harvest and procure a diverse range of global marine resources;
- promote food and job security by efficiently producing and marketing relevant products for global markets;
- actively harnessing talent and developing the potential of all employees;
- support diversity and empowerment; and
- invest in communities in which we operate, thereby consistently converting resources into shared value and providing superior and sustainable returns to all stakeholders.

## **2 ALIGNMENT OF OCEANA GROUP SUSTAINABILITY STRATEGY WITH THE UNGC AND SUSTAINABLE DEVELOPMENT GOALS**

### **2.1 Our Sustainability Strategy**

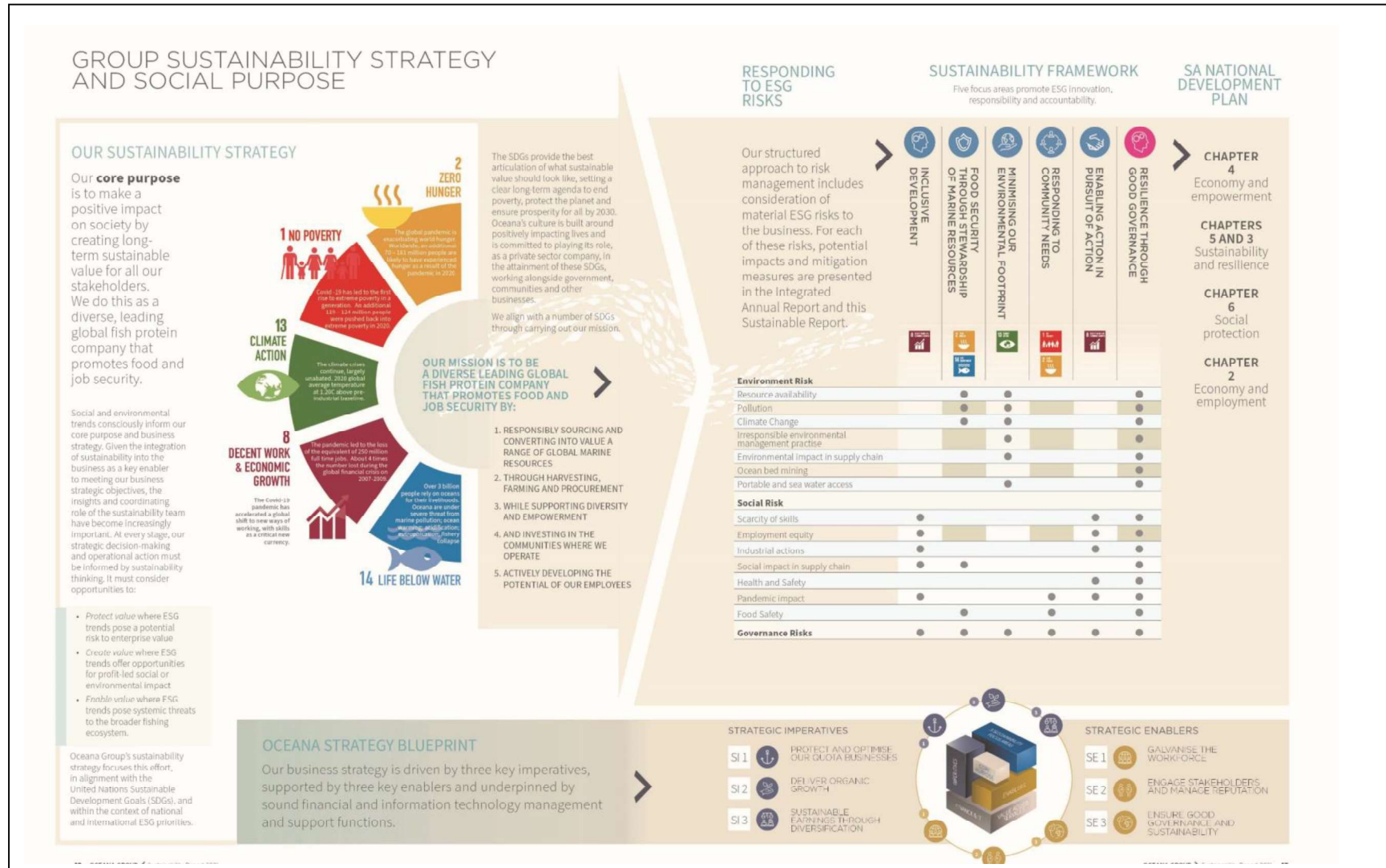
Oceana's culture is built around positively impacting lives. We are committed to playing our role, as a private sector company, in the attainment of the following five United Nations Sustainable Development Goals (UN SDGs) that we have prioritised, working alongside government, communities and other businesses. Our core purpose is to make a positive impact on society by creating long-term sustainable value for all our stakeholders. We do this as a diverse, leading global fish protein company that promotes food and job security.

Social and environmental trends consciously inform our core purpose and business strategy. Given the integration of sustainability into the business as a key enabler to meeting our business strategic objectives, the insights and coordinating role of the sustainability team have become increasingly important. At every stage, our strategic decision-making and operational action is informed by sustainability thinking. It must consider opportunities to:

- Protect value where ESG trends pose a potential risk to enterprise value
- Create value where ESG trends offer opportunities for profit-led social or environmental impact
- Enable value where ESG trends pose systemic threats to the broader fishing ecosystem.

The graph below reflects alignment of Oceana's strategic imperatives with its sustainability strategy.

Figure: Alignment of strategic imperatives with Sustainability strategy



### RESPONDING TO ESG RISKS

Our structured approach to risk management includes consideration of material ESG risks to the business. For each of these risks, potential impacts and mitigation measures are presented in the Integrated Annual Report and this Sustainable Report.

| Risk Category                                   | Environment Risk | Social Risk | Governance Risks |
|-------------------------------------------------|------------------|-------------|------------------|
| Resource availability                           | ●                | ●           | ●                |
| Pollution                                       | ●                | ●           | ●                |
| Climate Change                                  | ●                | ●           | ●                |
| Irresponsible environmental management practise | ●                | ●           | ●                |
| Environmental impact in supply chain            | ●                | ●           | ●                |
| Ocean bed mining                                | ●                | ●           | ●                |
| Portable and sea water access                   | ●                | ●           | ●                |
| Scarcity of skills                              | ●                | ●           | ●                |
| Employment equity                               | ●                | ●           | ●                |
| Industrial actions                              | ●                | ●           | ●                |
| Social impact in supply chain                   | ●                | ●           | ●                |
| Health and Safety                               | ●                | ●           | ●                |
| Pandemic impact                                 | ●                | ●           | ●                |
| Food Safety                                     | ●                | ●           | ●                |

### SUSTAINABILITY FRAMEWORK

Five focus areas promote ESG innovation, responsibility and accountability.

**INCLUSIVE DEVELOPMENT**

**FOOD SECURITY THROUGH STEWARDSHIP OF MARINE RESOURCES**

**MINIMISING OUR ENVIRONMENTAL FOOTPRINT**

**RESPONDING TO COMMUNITY NEEDS**

**ENABLING ACTION IN PURSUIT OF ACTION**

**RESILIENCE THROUGH GOOD GOVERNANCE**

### SA NATIONAL DEVELOPMENT PLAN

**CHAPTER 4** Economy and empowerment

**CHAPTERS 5 AND 3** Sustainability and resilience

**CHAPTER 6** Social protection

**CHAPTER 2** Economy and employment

### OCEANA STRATEGY BLUEPRINT

Our business strategy is driven by three key imperatives, supported by three key enablers and underpinned by sound financial and information technology management and support functions.

#### STRATEGIC IMPERATIVES

- SI 1: PROTECT AND OPTIMISE OUR QUOTA BUSINESSES
- SI 2: DELIVER ORGANIC GROWTH
- SI 3: SUSTAINABLE EARNINGS THROUGH DIVERSIFICATION



#### STRATEGIC ENABLERS

- SE 1: GALVANISE THE WORKFORCE
- SE 2: ENGAGE STAKEHOLDERS AND MANAGE REPUTATION
- SE 3: ENSURE GOOD GOVERNANCE AND SUSTAINABILITY

### 3 UNGC SELF-ASSESSMENT

Oceana Group utilised the Global Compact Self-Assessment tool to assess compliance with the UNGC principles. The table below reflects our compliance with the UNGC principles namely, management, human rights, environment, anti-corruption and labour. The findings derived from the Global Self- Assessment tool are the basis upon which we implement a plan for continual improvement.

#### 3.1 Assessment methodology

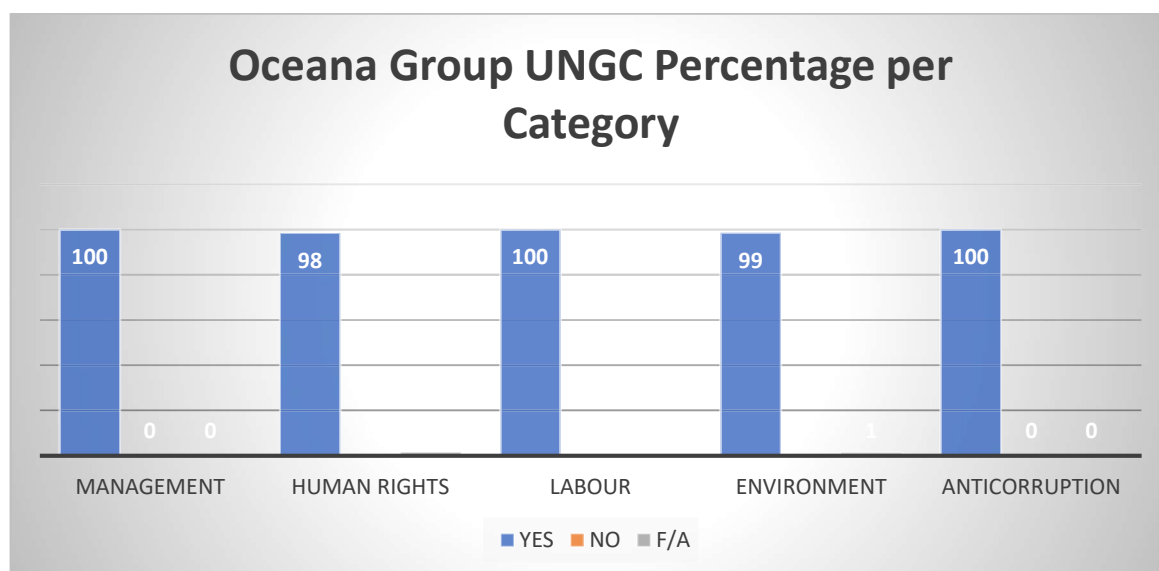
We undertake a bi-annual review of our compliance to the UNGC, including progress on action plans and programmes linked to the UNGC and SDG requirements.

The UNGC self-assessment was undertaken by a UNGC working group consisting of representatives from human resources, environmental sustainability, supply chain, risk, governance and compliance. In completing the assessment, we fulfilled the compliance criteria for identified actions for closure, a responsible person and a timeframe. The compliance assessment is applicable to our operations in South Africa, Namibia and the United States of America.

The results of the assessment form the basis for this Communication of Progress report. The graph below reflects the Oceana Group consolidated compliance assessment.

The results of the assessment form the basis for this Communication of Progress report.

**Figure 2:** Oceana Group 2021 UNGC Self-Assessment Results



## 4 IMPLEMENTING THE 10 PRINCIPLES

### 4.1 Human Rights

|             |                                                                      |
|-------------|----------------------------------------------------------------------|
| Principle 1 | respect the protection of internationally proclaimed human rights    |
| Principle 2 | ensure that the organisation is not complicit in human rights abuses |

#### 4.1.1 Policies in Support of our Commitment

The following policies have been put in place and communicated to employees in support of our commitment to protect and preserve human rights:

- Business Code of Conduct
- Health & Safety Policy
- Anti-bribery and Corruption Policy
- Compliance Policy
- Protection of Personal Information Policy
- Supplier Code of Conduct
- Employment Equity Policy
- Transformation Policy
- Human Rights Statement

#### 4.1.2 Measurement of Outcomes

The Oceana Group achieved a 2021 UNGC compliance self-assessment score of 100% for the human right category.

##### 4.1.2.1 Health and Safety

Maintaining safe, healthy work conditions remains key to delivering on our commitment to zero harm. The managing directors of all operating divisions are responsible for ensuring full compliance with relevant occupational health and safety legislation, and that the required structures are in place. We implement campaigns across our operations aimed at promoting a safety culture that goes beyond a culture of compliance. The disciplined adherence to Covid-19 protocols continues to strengthen Oceana's health and safety culture.

Ongoing activities to mitigate the inherent health and safety risks associated with our land- and sea-based activities include safety monitoring, training and enforcement programmes, provision of relevant personal protective equipment and access to medical facilities, and periodic safety audits on all sites and vessels. Health and safety training programmes include firefighting (all levels), first aid (all levels), safety handling of winches and lifting, competence in survival craft, GMP and HACCP, OHASA, pre-sea training, safety officer training, personal safety training and personal survival techniques. We provide periodic refresher training.



All incidents are reported via our online platform with consistent classification and risk rating used across the group. All serious, critical, and catastrophic incidents are investigated, corrective actions implemented, and shared with the broader group as part of our continual improvement commitment. No critical or catastrophic incidents were reported during this reporting period.

The site and vessel-specific health and safety risk assessments form the foundation of the health and safety management system. Marsh Risk Consulting annually audits the health and safety risk assessment and associated management system.

We place an emphasis on managing safety on our vessels. This is overseen by the Oceana Group vessel safety committee, headed. This includes conducting drills, reviewing standard operating procedures, and ensuring relevance for different types of vessels. All crew members undergo maritime authority safety training courses in line with fishing regulations in the respective jurisdiction. In implementing measures for our fishers and vessels we incorporate local and relevant international standards based on risks identified by both the company and the Authority (SAMSA), as well as the ILO Work in Fishing Convention (No. 188), which ensures best practice is followed in occupational safety and health protection, conditions of work on board vessels, working hours, accommodation and food, medical care and social security. All applicable sites ensure compliance with the Fishing convention.

To promote greater participation of our workforce in mitigating health, safety and environmental (HSE) risks, this year we implemented an initiative called the Good Catch campaign, aimed at encouraging employees in factory operations and on vessels to identify and report potential risks and hazards in the workplace, as well as opportunities to improve our practices.

An increase in levels of incidents reported demonstrates the effectiveness of the campaign in addressing fears associated with reporting non-conformances and 'near miss' incidents. Compliance with the health and safety component of the external audits for all land-based facilities was 98% (2020: 98%) and 95% for all vessels (2020: 98%).

In-house audits on our land-based facilities provide another level of assurance. The number and severity of safety incidents recorded has remained low and this year we saw a 24% reduction in the total number of disabling injuries recorded compared to last year. Once again there were no occupational fatalities this year.

#### **4.1.2.2 Respecting Human Rights**

We expect all our employees and relevant business partners and associates to behave ethically, always. We expect them to consistently show care and respect for colleagues, communities and the environment in which we operate.

The group's formal Code of Business Conduct and Ethics (Code) commits all our employees to observe the highest ethical standards in conducting the group's business. This includes a zero-tolerance approach when it comes to bribery and corruption. Respect for human rights is an integral part of the code, and our Values. Our

human rights policy, which is applied across all our operations, ensures that the human rights principles and requirements associated with the United Nations Global Compact (UNGC) are implemented. Our UNGC

Oceana's organisational culture supports and respects local and internationally recognised human rights, including the principles of the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises and the ILO core conventions on labour standards. We also enforce our human rights policy and a supplier code of conduct in the supply chain. Supplier contracts ensure against under-age or forced labour.

No incidents of under-age or forced labour were reported in FY2021.

We implement an anonymous and secure whistle-blowing facility to facilitate the confidential reporting of concerns about potentially unethical, unlawful or unsafe conduct or practices that conflict with our values and Code. This service is available to all employees, contractors, stakeholders and community members to anonymously report suspected fraud, corruption and any form of irregularity and unethical behaviour. Its purpose and confidentiality are emphasised at employee induction and training sessions. The facility is also available in Namibia and the United States.

All reported allegations are investigated, each to its logical conclusion and disciplinary action taken against perpetrators identified.

#### **4.1.3 Continual Improvement Commitment**

We strive for continuous improvement in our management of health and safety risks. This year we piloted the implementation of an ISO 45001: 2018 at the at Lucky Star, conducting a structured risk assessment and addressing gaps in meeting requirements, which are mainly administrative.

## **4.2 Labour**

|             |                                                                                                               |
|-------------|---------------------------------------------------------------------------------------------------------------|
| Principle 3 | Businesses should uphold freedom of association & effective recognition of the right to collective bargaining |
| Principle 4 | The elimination of all forms of forced and compulsory labour                                                  |
| Principle 5 | The effective abolition of child labour                                                                       |
| Principle 6 | Eliminate discrimination in respect of employment and occupation                                              |

#### **4.2.1 Policies in Support of our Commitment**

The following policies are in place and have been communicated to employees:

- Employment Equity Policy
- Recruitment & Selection Policy
- Life Threatening Diseases Policy

- Employee Wellness Policy
- Ask Nelson Employee Assistance Programme Policy
- Business Code of Conduct
- Health & Safety Policy
- Compliance Policy
- Anti-bribery and Corruption Policy
- Transformation Policy

#### **4.2.2 Measurement of Outcomes**

The Oceana Group achieved a 2021 UNGC compliance self-assessment score of 100% for the labour category.

#### **4.2.3 Covid-19 mitigation**

The coronavirus pandemic has remained the foremost health challenge facing our employees, their families and communities. In all the jurisdictions in which we operate, we have maintained best practice Covid-19 prevention and treatment regimes, supported by ongoing awareness campaigns and training. We have ensured alignment with evolving regulations through regularly updated Covid-19 standard operating procedures (SOP) for vessels and land-based operations. The SOPs are supplemented by site specific risk assessments, and customised where applicable.

We have continued to adapt our ways of working in response to Covid-19 challenges. This includes maintaining a hybrid working from-home approach to allow for flexibility and ongoing remote work where appropriate and increasing the use of digital platforms to communicate and engage with employees.

Our leaders have continued to demonstrate resilience and ability in navigating Covid-19- related challenges. All our operations have continued to place a focus on supporting the mental wellbeing of our employees during this challenging time. We have maintained a focus on monitoring and supporting potentially vulnerable 'at risk' employees, ensuring those with chronic conditions such as obesity and cancer were well monitored, along with sufficient medication for entire vessel trips. We have supported employee immune systems, including offering flu boosters and providing medicine care packs that included vitamins to permanent and seasonal employees at all our operations.

Oceana fully supports Covid-19 vaccinations as the major public health step in combatting the pandemic. We have proactively encouraged employees to get vaccinated, placing an emphasis on our bigger vessels, where levels of vaccination uptake have been encouraging.

Our US operations have achieved a 76% vaccination rate. In South Africa, Oceana has partnered with a pharmacy to assist in rolling out the vaccination programme to our staff and their families as they became eligible in line with the governments roll out plan. To date we've achieved a 56% vaccination rate in our South African operations. In Namibia, 8% of the workforce has been vaccinated and we've increased our efforts to encourage and promote the vaccination of our Namibian staff.

At year end, 52% of workforce had been Covid-19 vaccinated through dedicated workplace sites. We will continue to promote vaccinations and strive to achieve a reasonable level of population immunity. Booster and annual vaccination requirements will be incorporated into our standard annual medical process.

Adherence to protocols has ensured effective control of Covid-19 infection rates recorded at our operations. Vessel operations were disrupted at times, but none of our operations were disrupted by widescale infections.

#### **4.2.4 Skills development and training**

This year we invested R60 million on employee skills development (2020: R60.9 million), building critical skills in such areas as marine science, vessel crewing, artisans, supply chain management, IT, finance, and food safety, quality and processing. We deliver over 190 different types of training programmes a year.

Scarcity of skills remains a key risk and challenge in the business. Our skills development investment and initiatives are geared to enhance individual and business performance, ensure business continuity and accelerate workforce transformation. The aim of our graduate, internship, learnership and apprenticeship programmes is to strengthen our emerging talent pipeline.

The Maritime Academy was launched in March 2021 and is driving a step change in our performance by delivering customised training to meet our business needs and the needs of South Africa's fishing industry. The Academy facilitates all internal employee training needs across the group, as well as providing opportunities for Hout Bay community members and small-scale fishers, nationwide, to be trained.

#### **4.2.5 Building leadership capacity**

We invest in building a strong and diverse leadership team and an agile, performance-based, purpose led company culture. Our Chief People Officer leads our efforts. This year we continued to develop our internal capacity and systems to deliver a consistent HR offering to all Oceana people.

The high levels of commitment and performance demonstrated by our workforce, amid the enduring challenges of the Covid-19 pandemic, is testament to the quality of our people, the effectiveness of our structure, and the resilience of our operating systems. In enhancing our engagement with employees, we continue to improve technology adoption and drive innovation across the business.

Through our leadership and culture initiatives we continue to make progress in fostering an experienced leadership team that demonstrates values-driven behaviour. Following the successful OLAP (Oceana Leadership Acceleration Programme) in 2020, alumni of this programme have continued to embed the skills learnt, with positive impacts evident both at an individual level and within teams.

In 2021, we embarked on the OMAP (Oceana Management Advancement Programme) aimed at middle management development. This is a robust, predominantly self-directed learning journey designed to focus on operational excellence and execution incorporating personal mastery and leadership skills. These custom designed GIBS programmes drive the desired leadership competencies, enhancing leadership, strategic,

adaptive and future fit skills. In today's volatile, unpredictable and fast-paced world, this is essential to build a high-performance future-ready organisation.

#### **4.2.6 Promotion of employee wellbeing**

Through the pandemic, we have maintained an inspiring sense of shared responsibility and accountability across the workforce for our collective wellbeing.

Supporting the mental wellbeing of our workforce has been critical during the Covid-19 pandemic, which has inevitably increased levels of stress. We have continued to implement mental health and resilience interventions, including a focus on executive mental wellness and prevention of 'burnout'. In promoting wellbeing, we encourage employees to make use of our employee assistance Programme (EAP), which offers free counselling and support sessions (virtually, face to face and off-site) to help individuals cope with a range of personal challenges that can impact their work performance and their family life. The services include providing life, parent and leadership coaching, career guidance, manager support, and legal and financial advice. The EAP also extends to employees' immediate family members. This year we successfully rolled out the EAP to our Namibian employees.

Recognising the emotional impact of the pandemic on our people we have offered monthly virtual wellness workshops, across our operations, on topics including grief and loss, kindness, burnout, and suicide prevention. We have also held monthly health engagement sessions on topics such as work-life balance, cancer, diabetes. In promoting employees to exercise to help them feel calm or work through stresses, we provided interactive sessions such as 'Mindfulness Yoga'. We encourage employees to raise wellness issues they face so that we can seek to assist in alleviating challenges.

#### **4.2.7 Positive employee relations**

We take pride in the positive engagements and mutual respect and appreciation we nurture with our employees. Our sustained support measures and communication during the Covid-19 pandemic have strengthened levels of appreciation and trust among our employees. We have continued to implement engagements aimed at positioning our leadership as being available, approachable and supportive towards our employees. In addition to internal newsletters and other digital communications, management meetings and personal interactions, we have consultative employee forums that meet regularly. We encourage employee feedback through management meetings and through shop stewards

#### **4.2.8 Union membership**

Of our employees, 64% are unionised, where we recognise the rights of various representative unions across the business. We have maintained constructive relationships with our union stakeholders. We believe that the quality of the relationship between management, employees and labour unions across our operations is reflected by our low employee turnover rate of 10% (2020: 9.6%).

#### 4.2.9 Continual Improvement Commitment

The Covid-19 pandemic accelerated the uptake of online learning to mitigate restrictions on in-person training.

Self-guided learning has become a standard practice. In 2022, we plan to:

- increase online training
- develop structured graduate, learnership and apprenticeship (new entrant) programme across all divisions for a range of disciplines.
- expanding our support to vessels including offering artisanal training, assistance with passing exams and career guidance.
- develop material for industry-relevant new entrant programmes,
- The vaccine roll-out to workplaces will gather pace in the next financial year.

#### 4.3 Environment

|             |                                                                                  |
|-------------|----------------------------------------------------------------------------------|
| Principle 7 | Businesses should support a precautionary approach to environmental challenges   |
| Principle 8 | Undertake initiatives to promote greater environmental responsibility            |
| Principle 9 | Encourage the development and diffusion of environmentally friendly technologies |

##### 4.3.1 Policies in Support of our Commitment

The following policies are in place and have been communicated to employees:

- Business Code of Conduct
- Supplier Code of Conduct
- Environmental Policy
- Compliance Policy

##### 4.3.2 Measurement of Outcomes

The Oceana Group achieved a 2021 UNGC compliance self-assessment compliance score of 99%.

This year, we undertook 13 external compliance audits to ensure compliance with relevant legislation and permit requirements, as well as to comply with our own system requirements. Compliance targets for 2021 required an overall average score of 90% and a minimum score of 65% for each element in the audit.

- Land-based facilities: Eight Oceana land-based facilities were externally audited. All divisions met the minimum target for the overall score as well as the individual element minimum requirement for each of the components. The group achieved a score of 98% (2020: 98%).

- Sea-based vessels: One small pelagic vessel, two hake vessels and two-horse mackerel vessel were audited. The average score was 98% (2020: 98%).

### **4.3.3 Environmental Risk Management**

We assess our environmental risks and progress with mitigation measures twice a year. The Group continues to monitor the impact of climate change on our activities, products, and services. The following mitigation measures have been put in place to address the above climate change impacts and reduce our contribution to greenhouse gas emissions:

- Implementation of a carbon neutrality plan
- Freon gas conversation to ammonia
- CCS Paarden Eiland solar PV pilot
- Project Aurora (West Coast Solar PV Project)

The top 5 OGL Environmental Risks are as follows:

1. Variation in availability of marine resources due to human action and climate change (biodiversity loss)
2. Pollution of atmosphere, water, and land by Oceana Group
3. Variation in availability of primary resources due to climate change
4. Reputational damage due to irresponsible environmental management practice
5. Unsustainable environmental practices by suppliers of raw material, products, and services

Climate change features as one of our top three environmental risks at group level and we continually develop our understanding and response to the potential effects on our business and value chain. We analyse climate-related risks and opportunities, over short-, medium- and long-term time horizons, and substantive financial impacts from a financial perspective, in our CDP submissions.

### **4.3.4 Conserving water and reducing water pollution**

Oceana has maintained a focus on minimising its water footprint, particularly in South Africa, which is approaching physical water scarcity by 2025. Demonstrating our commitment to water conservation and consciousness, our high capital investment in various water reuse and reduction initiatives in recent years, have resulted in a 30%-40% absolute reduction in the group's demand on municipal water supply, against a 2018 baseline.

We significantly reduce our reliance on potable water through two desalination plants, established at St Helena Bay and Laaiplek in 2018, which enable us to produce up to 1.4 million litres of potable water per day. We also have two reverse osmosis plants at our cold store facilities in Cape Town, and a borehole/well system, to cater for our facilities in the City of Cape Town.

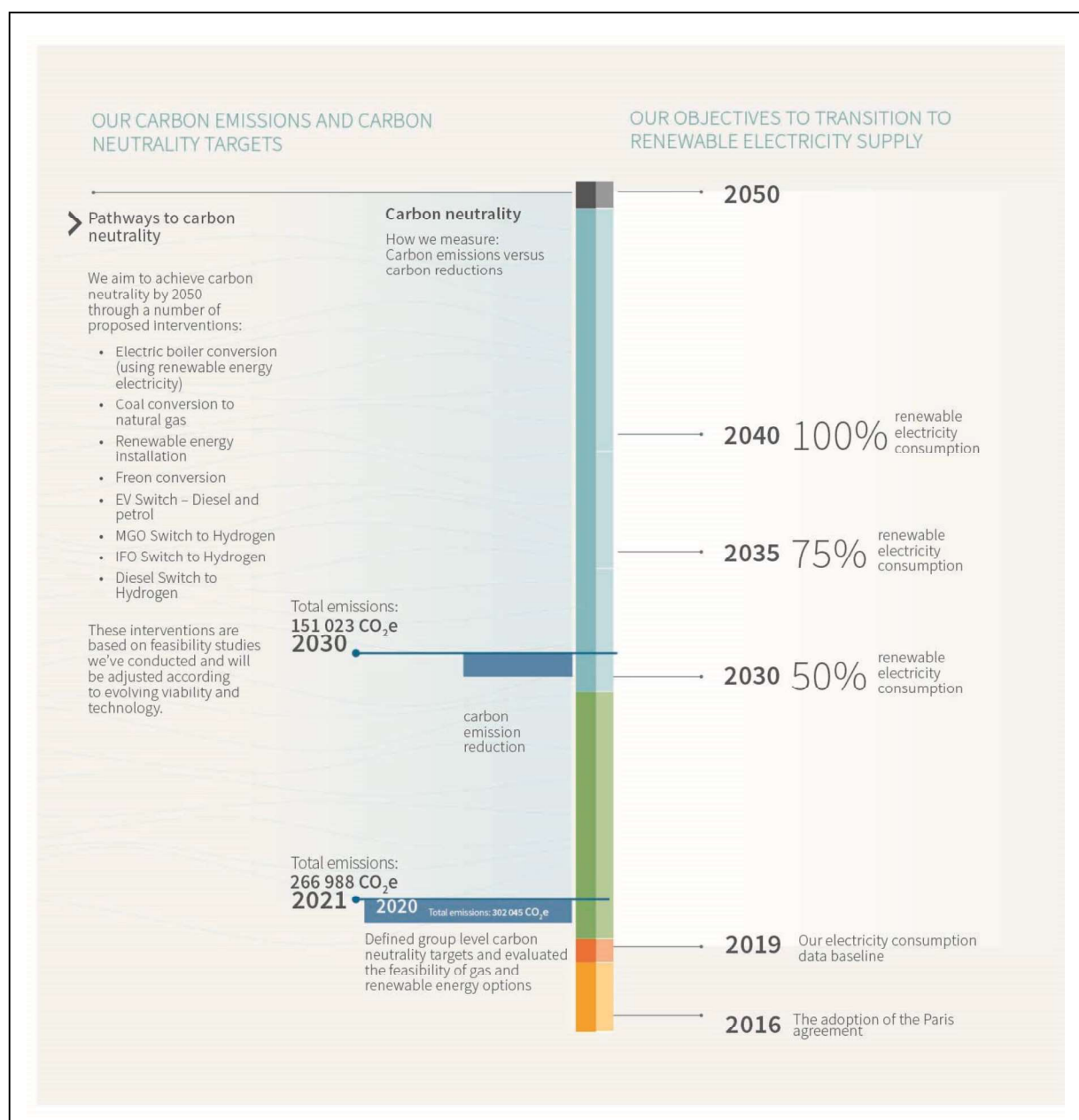
The group's total municipal potable water consumption reduced by 17% year-on-year, to 307 289kℓ. Usage per unit of activity increased to 0.40kℓ per ton of product produced or stored and handled, compared to 0.43kℓ in FY2020.

The slight increase in potable water consumption per ton of product produced is associated with the continued high standard maintained in terms of WASH and deep clean before and after production cycles

### 4.3.5 Climate change adaption

As the immediate threat of Covid-19 gives way to awareness of a range of interrelated systemic challenges, climate change will be front of mind. Following the work of our Energy Resilience Team, we have launched our Carbon Neutrality Project to reduce emissions by 50% by 2030 and target net zero by 2050. This includes renewable energy projects on the South African West Coast.

The figure below reflects the proposed carbon neutrality journey together with the associated targets and proposed interventions.





#### 4.3.6 Fishing responsibly

Oceana has a longstanding reputation for promoting responsible stewardship of the marine environment and mitigating the group's onshore impacts. We engage regularly with regulators and government departments and partner with scientific working groups, industry associations and non-governmental organisations, relating to each of the species that we harvest, to seek solutions that support small-scale fishers and an ecosystem approach to fishing.

Key partnerships include the following:

- Responsible Fisheries Alliance (RFA): Our longstanding partnership with the RFA and WWF has provided a platform for collaborative research and contributions towards reducing seabird mortalities, improving the management of by-catch, improving fisheries management, and addressing threats to the marine environment.
- South African Deep-Sea Trawling Industry Association (SADSTIA): This partnership has promoted improved management of 12 non-target fish species that are caught alongside hake in the deep-sea trawl fishery.
- South African Mid-Water Trawling Association: This industry association reflects the interests of mid-water trawlers and is of relevance to our activities pertaining to horse mackerel.
- SA Pelagic Fishing Industry Association: This industry association reflects the interests in the small pelagic resource sector and is of relevance to our activities pertaining to the SASSI orange listing of the pilchard resource.
- West Coast Rock Lobster Association: This industry association reflects the interests of the West Coast rock lobster resource sector and is of relevance to our activities pertaining to the resource improvement plan.
- Gulf States Marine Fisheries Commission: Daybrook is an active member of the Menhaden Advisory Committee to the Gulf States Marine Fisheries Commission, an initiative that drives the conservation, development, and full utilisation of the fishery resources of the Gulf of Mexico.

Oceana has a zero-tolerance approach to illegal, unreported and unregulated (IUU) fishing, which undermines fish stocks, negatively impacts food security, and ultimately reduces social and economic opportunities.

While the majority (86.4%) of our harvested commercial fishing rights were on the South African Sustainable Seafood Initiative (SASSI) green list, the West Coast rock lobster (WCRL) fishery has been red-listed for a number of years due to problems around IUU and the resource remains under threat, and the pilchard and horse mackerel species remain orange listed.

The local pilchard resource in South Africa has pleasingly continued its slow, steady recovery, evidenced by a marginal increase in the total allowable catch (TAC), but remains SASSI orange listed. While we doubled the volume of locally caught pilchards this year, largely capitalising on fishing in the East of Cape Agulhas, which historically has been a challenge, we have continued to mitigate our impact on local pilchard yields by sourcing most of our supply as frozen fish from pilchard fisheries in Morocco that are at an advanced stage of a fisheries improvement project (FIP).

| SOUTH AFRICAN COMMERCIAL FISHING RIGHTS | %          | SASSI CATEGORY |
|-----------------------------------------|------------|----------------|
| Anchovy (SA)                            | 75.60      | Green          |
| Pilchard (SA)                           | 7.04       | Orange         |
| Deep-sea hake (SA)                      | 10.77      | Green          |
| Horse mackerel (SA)                     | 6.43       | Green          |
| West coast rock lobster                 | 0.07       | Red            |
| Squid                                   | 0.09       | Green          |
| South coast rock lobster                | 0.01       | Green          |
| <b>TOTAL</b>                            | <b>100</b> |                |

We have continued our active engagement with stakeholders, including the traceability task-force to enhance the traceability of WCRL, and will continue to work with DEFF, WWF and the industry to identify the most effective way of policing and managing the resource.

Gulf menhaden is one of the few reduction fisheries in the world to be MSC certified, the best accreditation one can achieve for wild catch. Our hake operations also retained its MSC chain of custody certification.

#### 4.3.7 Environmental Performance Targets

The Oceana environmental policy, available on our website, outlines our commitment to effective management of resources, reduced impacts on the environment and host communities, as well as compliance to legal requirements. The policy is cascaded across all operations including through our supply chain. We continue to drive improvements through our ISO 14001-aligned environmental control system (ECS), conducting internal and external audits to monitor levels of compliance.

| NDP/SDG supported | Key performance area          | Target                                | Target date | 2021 performance against targets                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-------------------|-------------------------------|---------------------------------------|-------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SDGs: 13,12       | GHG EMISSIONS (SCOPE 1 AND 2) | Carbon Neutrality by 2050             | 2050        | <p>On Track. In FY 2020 we identified the interventions required in order to meet our target. These interventions include:</p> <ul style="list-style-type: none"> <li>Renewable electricity projects</li> <li>Freon conversion projects</li> <li>Coal to electricity or less carbon intense fuel source.</li> </ul> <p>Additional; alternative interventions Oceana are exploring include:</p> <ul style="list-style-type: none"> <li>Marine gas oil switch to LNG</li> <li>Intermediate Fuel Oil switch to LNG</li> <li>Diesel switch to LNG LNG.</li> </ul> <p>All the proposed interventions are subject to feasibility studies we conduct</p> |
|                   |                               | 50% Carbon emission reduction by 2030 | 2030        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

| NDP/SDG supported | Key performance area     | Target                                                            | Target date | 2021 performance against targets                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------------|--------------------------|-------------------------------------------------------------------|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                   |                          |                                                                   |             | <p>and will be adjusted according to evolving viability and technology.</p> <p>This year our GHG emission intensity increased year-on-year by 19% at our land-based facilities, and 71% for our vessels. The increase can be attributed to the reduced production throughput and catch rates due to Covid-19 disruptions and international supply chain challenges.</p> <p>During FY2021, absolute emissions decreased by 14.6% when compared to FY2020. This was primarily due to reduced operational activity as a result of disruptions related to Covid-19 infections and vessel breakdowns and maintenance.</p> <p>This year, we reduced our energy usage by 15% year-on-year.</p>                                                                                                                                                                                                                                                                                     |
|                   |                          | 50% renewable electricity consumption                             | 2030        | <p>On Track. In reducing our consumption of non-renewable electricity, our current focus is on developing our own electricity generation capabilities from solar photovoltaic (PV) technology for facilities where we consume electricity the most. We have made progress with a long-term major renewable energy project on the West Coast, where we have extensive land. An environmental impact assessment and land rezoning process is underway to establish a 10MW solar facility.</p> <p>Our CCS operations are very reliant on electricity supply to meet cold storage requirements. This year we completed a small-scale solar roof-top project (480kWh plant) to supplement the energy supply for our Paarden Island store. The initiative became operational in August and will provide all the store's daytime electricity needs. We are exploring opportunities for on-site electricity generation capacity through solar energy, at our other cold stores.</p> |
|                   |                          | 75% renewable electricity consumption                             | 2030        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                   |                          | 100% renewable electricity consumption                            | 2040        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| SDGs: 6, 14, 12   | Water usage and disposal | 5% product water usage intensity reduction from base year of 2018 | 2025        | Oceana has maintained a focus on minimising its water footprint, particularly in South Africa, which is approaching physical water scarcity by 2025. Demonstrating our commitment to                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

| NDP/SDG supported | Key performance area   | Target                                                                                                                                                                                                                                                 | Target date | 2021 performance against targets                                                                                                                                                                                                                                             |
|-------------------|------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                   |                        |                                                                                                                                                                                                                                                        |             | water conservation and consciousness, our high capital investment in various water reuse and reduction initiatives in recent years, have resulted in a 30%-40% absolute reduction in the group's demand on municipal water supply, against a 2018 baseline.                  |
| SDGs: 15, 12      | Waste disposal         | Zero waste that is fit for human consumption directed to landfill                                                                                                                                                                                      | 2021        | The group's total municipal potable water consumption reduced by 17% year-on-year, to 307 289kℓ. Usage per unit of activity increased to 0.40kℓ per ton of product produced or stored and handled, compared to 0.43kℓ in FY2020.                                             |
|                   |                        | Recycling increase/diversion of waste directed to landfill of 2% per annum                                                                                                                                                                             | 2022        | Ongoing. Oceana generated 9 031 tons of waste in 2021, of which 33% was recycled and 77% sent to landfill.                                                                                                                                                                   |
| SDG 14            | Responsible harvesting | Contribute to ensuring the transition of red-listed commercial fish species to an orange-listing and transition orange-listed commercial fish species to green-listed                                                                                  | 2025        | Ongoing. Participating in the West Coast Rock Lobster Conservation Improvement Project and working with DFFE, WWF and the industry to identify the most effective way of policing and managing the resource                                                                  |
|                   |                        | All our targeted wild-caught fish resources will be sourced from fisheries that are undertaking an Industry and DEFF approved credible, time-bound improvement project, WWF-SASSI green-listed, or caught from MSC (or equivalent) certified fisheries | 2025        | 86.4% of our targeted commercial fishing rights on the SASSI green list. Maintained MSC certification for our Hake operations and achieved MSC certification for Gulf menhaden. IFFO RS-accreditation retained for 100% (i.e. all five) of fishmeal and fish oil operations. |

Our quarterly sustainability forums bring together key functional and divisional senior members to develop strategy, assess progress on energy and water conservation projects, waste management and our KPIs on climate change and energy management. These forums enable learning to be shared and initiatives to be driven as a collective.

#### 4.3.8 Continual Improvement Commitment

In 2022, at CCS in Walvis Bay we plan to convert to using sea water for our condensers, ensuring that we no longer use fresh water for any refrigeration requirements, from 2023.

A *water balance exercise* was piloted this year at a site in St Helena Bay and will be rolled out across the group in 2022.

Informed by the work of our Group Energy Resilience Team, we are embarking on our roadmap to achieve a 50% reduction in carbon emissions by 2030 (2019 baseline) and 100% renewable electricity by 2040.

#### 4.4 Anti-corruption

|              |                                                                                          |
|--------------|------------------------------------------------------------------------------------------|
| Principle 10 | Businesses should work against all forms of corruption, including extortion and bribery. |
|--------------|------------------------------------------------------------------------------------------|

##### 4.4.1 Policies in Support of our Commitment

The following policies are in place and have been communicated to employees:

- Anti-bribery and Corruption Policy
- Compliance Policy
- BEE Procurement Policy
- Recruitment & Selection Policy
- Policy for selection & appointment of Directors
- Policy on Trading in Company Securities
- Human Rights policy and statement
- Global Anti-corruption and Bribery policy (supplement to the Anti-bribery and Corruption policy)
- Supplier Code of Conduct
- Business Code of Conduct and Ethics
- Fraud Policy

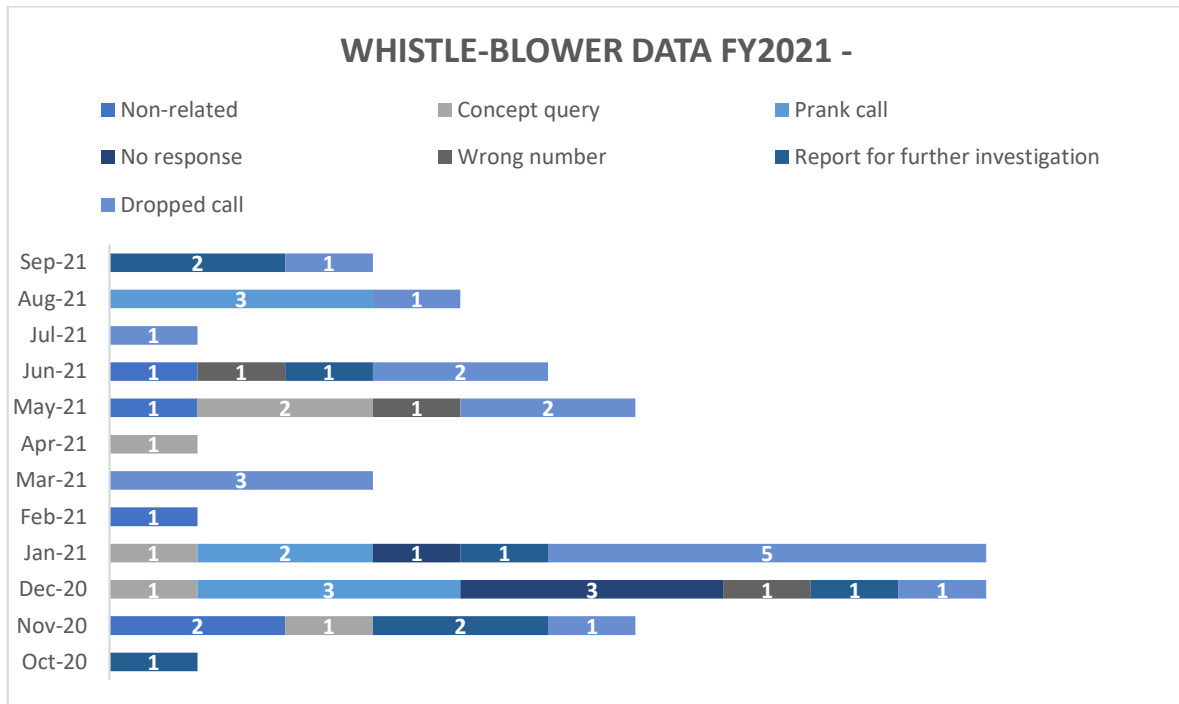
##### 4.4.2 Measurement of Outcomes

The 2021 self-assessment resulted in a compliance score of 94% with the anti-corruption UNGC requirements. All eligible new employees continue to undergo comprehensive training on Competition Law, bribery and corruption as well as the Oceana Code of Conduct.

##### 4.4.3 Zero tolerance to fraud and corruption

The group has a formal code of business conduct and ethics. An anonymous and secure whistle-blowing facility has been in place for many years. Its purpose and anonymity are emphasised at employee induction and training sessions. The facility is also available in South Africa, Namibia and the United States. This year the Oceana Group launched a Whistleblowing campaign which served as a reminder of the mechanisms available to anonymously and safely report unethical behaviour to help ensure an environment free of fraud, corruption and bribery.

For the period of 1 October 2020 to 30 September 2021, the anonymous and secure whistleblowing facility received a total of 51 calls, of which eight required further investigation. This represents a 60% increase in calls which require further investigation when compared to the same reporting period in FY 2020. The increase in calls requiring investigation is likely to be attributable to the fraud awareness campaign run in November 2020. The table below reflects the call categories.



**Figure 4:** Whistle-blower data FY2021

December 2021