TRI MARINE

2020 Sustainability Report

Creating a ripple effect of positive change

From the CEO

This was an unprecedented year. Each and every one of us was impacted by the coronavirus pandemic. During a time when billions of people were on lockdown, there was a resurgence in demand for shelf-stable protein. Tri Marine rose to the occasion by ensuring increased supply of tuna for our valued customers while simultaneously instituting new health and safety measures to protect our frontline workers. This never would have been possible without the hard work and sacrifice of the fishers and fish processors in our global supply chains, and we owe them a huge debt of gratitude for making sure families around the world had healthy food to eat on their pantry shelves.

Tri Marine never stopped working, and that includes executing on our commitment to environmental sustainability and social accountability. As a member of the International Seafood Sustainability Foundation (ISSF), we agreed to several new resolutions that were either passed or came into force in 2020, including Supply Chain Transparency, Audit, Reporting and Purchase Requirements; Transactions with Vessels or Companies with Vessel-Based FAD Management Policies; and the Public Policy on Social and Labor Standards requirement. We also continued to expand our fisheries improvement project (FIP) work and Marine Stewardship Council (MSC) sustainability certifications globally. We satisfied growing market demand for third-party-certified products while driving improvements in fisheries that are not yet able to meet the MSC standards.

In addition, we continued our efforts to address human rights concerns in global seafood supply chains; not just our own, but industrywide. Tri Marine was a leader in establishing the Seafood Task Force Vessel Auditable Standards to support the organization's Code of Conduct at sea. We rolled out the open-source Tuna Handbook as a key resource to help tuna suppliers take the necessary steps on fair labor practices, while expanding training and outreach, and third-party auditing of our own suppliers.

Another area of emphasis in 2020 was evaluating the carbon footprint of our owned fishing fleet and processors: NFD, SolTuna, Seafman, and Gralco. Tri Marine recognizes that climate change is perhaps the greatest sustainability challenge humanity faces today, and that we cannot leave the problem to future generations without taking action ourselves. We have also standardized our data collection and reporting on other areas such as water usage, waste generation and packaging consumption with the goal to reduce our environmental impacts beyond the tuna fisheries at the foundation of our business.

I want to thank the entire Tri Marine family, and all of our suppliers, for their dedication and sacrifice during a tumultuous 2020. Brighter times are ahead, and we will continue doing our part, <u>creating a ripple effect of positive change</u> for a more sustainable tuna industry.

Together, we can make a difference.

Sincerely,

Juan Corrales

CEO. TRI MARINE GROUP



About Tri Marine

Tri Marine was founded in Singapore in 1972 by the Italian government to source yellowfin tuna for the growing Italian canned tuna market. In 1986, Tri Marine was privatized by a group of individual investors who then grew the company into a powerful integrated global business with a network of international branches in tuna trading, fishing, and processing. In the 1990s Tri Marine began supplying the Bolton Group, owner of the largest tuna brand in Italy, Rio Mare, and leader in other European and international markets. The relationship grew in the following years and Bolton ultimately acquired 100% ownership of Tri Marine in 2019.

Since its inception, Tri Marine has been a key player in promoting best practices in the tuna industry, supporting our mission to be 'The World's Best Tuna Supply Company.' That means having deep knowledge and experience, reliability of supply, best-in-class service, and responsible sourcing. Our core values support this mission, ensuring that we maintain long-term, mutually beneficial relationships built on honesty, transparency, respect, and ethical business practices.

Our Mission

Be the world's best tuna supply company through:

- Best-in-class service
- Reliability of supply
- Experienced industry experts
- Responsible sourcing

Our Values

Maintain long-term, mutually beneficial relationships built on:

- >>> Honesty
- **Transparency**
- >>> Respect
- Ethical business practices

What we do

While Tri Marine's core business is tuna trading, we are involved in all aspects of the supply chain – fishing, trading, logistics, processing, sales, and marketing. To support these functions, we have established a global network of fishing vessels, reefer carriers, processing facilities, and commercial offices strategically located to service suppliers and customers around the world. Our responsibly sourced tuna comes from all the major tropical tuna fisheries, with fisheries management governed by the four Regional Fisheries Management Organizations (RFMOs) found in the Pacific, Indian, and Atlantic Oceans. However, our emphasis continues to be on the Pacific, where 89% of our tuna supply came from in 2020.



In 2020 Tri Marine bought tuna from 200 purse seine vessels, 190 longline vessels, and 117 pole-and-line and hand line vessels. This is in addition to the two scout boats, five purse seiners and three pole-and-line vessels we own and operate in the Solomon Islands, managed by National Fisheries Developments (NFD). We traded over 570,000 metric tons of tuna in all its different forms – round fish, precooked loins, and shelf-stable finished goods – representing just over 10% of the global tuna catch of 5.3 million metric tons. This allows us to leverage our market position to pursue best practices in sustainability, which is part of our core values and commitment to corporate social responsibility and the environment.

Tri Marine has offices and operations in strategic locations across the tuna industry and our workforce totals over 5,413 employees. This year we saw strong revenue growth, with a substantial 12% increase over 2019 revenue that drove turnover to over \$1.2 billion USD. It was also Tri Marine's first full year as part of the Bolton Group. Through our strategic integration and alignment of processes and business approaches, we saw strong efficiency gains and further coordination on sustainability activities.

Organizationally, we expanded our CSR team to increase our work in environmental and social issues; we created an Industrial and Fleet Division to centralize procurement, planning and management control; we implemented a higher level of corporate technical services and tailored them to provide a stronger local presence in our regional offices; and we revamped our finance and IT departments. Operationally, we saw organic expansion and increased throughput in the Seafman, Gralco, and SolTuna production facilities, while implementing several new IT projects across the group.

And, of course, the COVID-19 pandemic presented us with unprecedented challenges. Many of our employees had their lives upended by lockdowns. Frontline workers from our Seafman, SolTuna, and Gralco plants and NFD fleet faced and overcame great difficulties to continue operations. Tri Marine was diligent in ensuring all our staff had access to the necessary health and safety PPE. We also proved that social distancing was not insurmountable, by hosting two virtual Global TMG events, each spanning six time zones, and including thirteen legal entities and eighty attendees. In this challenging environment, we adapted, managed change, and ultimately overcame immense obstacles, refusing to let the pandemic stop the flow and growth of our business.

200 PURSE SEINE Vessels 190 LONG-LINE 117 POLE & LINE/ HANDLINE



Revenue



About this report

This is the second Tri Marine Annual Sustainability Report. In our inaugural report in 2019, we provided a comprehensive sustainability policy update and an historical review of our key environmental and social responsibility programs over the last ten years. In this 2020 report, we shift our emphasis to integration with the Bolton Group and its three sustainability pillars: sourcing, production, and people. We also provide key performance indicators for each, including our first carbon footprint analysis. Additionally, we incorporate the United Nations Sustainable Development Goals (SDGs) most relevant to our business, with the shared intention of making clear progress towards a better planet by 2030.

Sourcing

SDG 14 LIFE BELOW As the world's leading tuna supply company, our sustainability objectives start with

WATER

responsible sourcing. Tri Marine has committed to increasing the availability of Marine Stewardship Council (MSC)-certified sustainable tuna and driving fisheries improvement projects (FIPs) for fisheries that do not yet meet MSC standards. As a founding member of the International Seafood Sustainability Foundation (ISSF), one of our priorities is implementing voluntary conservation measures across the tuna industry. We're also committed to Regional Fisheries Management Organization (RFMO) advocacy. All of our activities support SDG 14 to conserve and responsibly use the oceans, seas, and marine resources for sustainable development.

Our responsible sourcing also extends to our global supply chain workforces. Tri Marine is a prominent figure in the Seafood Task Force (STF) and leads its Tuna Subgroup. The STF Code of Conduct and Vessel Auditable Standards have been endorsed by a broad range of industry, government and NGO stakeholders as providing effective human rights protections for workers if effectively implemented. Tri Marine has been proactive in training its suppliers,

generating and providing tools to assist with compliance, and conducting third-party audits to apply the code and standards. These efforts support SDG 8 to promote inclusive and sustainable economic growth, full and productive employment, and decent work for all.

Production

In addition to Tri Marine's business in tuna trading, we are also a major producer. We own and operate fishing vessels and

processing facilities in the Solomon Islands, Ecuador, and Colombia. Our objective with sustainable production is to better understand our impact through improved quantification. We also set goals to reduce emissions, consumption of non-essential materials, energy and water use, and waste. We use production metrics that include quality-control mechanisms such as safety checks, complaints, and related certifications. We're committed to ensuring more sustainable consumption and production patterns consistent with SDG 12. This report explores our commitment in more detail in the sections about our fishing fleet and plants.

People

& ECONOMI People are the third pillar of our sustainability GROWTH efforts. We're fully committed to ensuring worker safety and empowerment. This includes promoting a zero-injury culture on fishing vessels and in our processing plants, and supporting equal opportunities regardless of gender and position. Worker engagement through outreach and training is a priority area for developing and retaining talent. We're also dedicated to enhancing community engagement and well-being in the areas we operate, with programs that support education as well as improved personal and environmental health. As with our human rights work, these efforts are consistent with SDG 8.



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For the sustainable procurement and use of natural resources and raw materials



PRODUCTION

For the sustainability of our products and our plants



For the well-being of our people and support of the community

Sourcing

Maintaining a responsible supply of tuna and using natural resources and raw materials responsibly is the first pillar of the Tri Marine Sustainability Policy, to which we hold ourselves and all of our suppliers accountable. As we source and sell skipjack, yellowfin, bigeye, and albacore tuna from all the world's oceans, we adhere to a number of sustainability initiatives aimed at conserving these vital and renewable marine resources.

According to RFMO scientific bodies, over 87% of total global tuna catch comes from stocks that are abundant, but we face challenges with the remainder that are either at intermediate levels or overfished. Even with healthy stocks, we want to ensure management measures are in place to maintain those levels long term, and to minimize the ecosystem impacts of fishing activity. Tri Marine continues to be a leader in a number of multi-stakeholder initiatives aimed at improving tuna stock health and protecting the marine environment. These include being a founding member of ISSF, remaining an active participant in FIPs, holding multiple MSC certifications, and engaging in direct advocacy for improved tuna fisheries management at the RFMOs.

In 2020 our procurement from tuna fisheries that are MSC certified or in comprehensive FIPs was 324,133 metric tons, up from 263,437 metric tons in 2019, a 22% increase. Of that, 131,624 metric tons were MSC certified in 2020, a 62% increase over 2019's 81,269 metric tons. Furthermore, Tri Marine purchased 142,771 metric tons of tuna in 2020 from fisheries that had entered into MSC full-assessment but were not accounted for in these other categories. In total, 82% of TriMarine's 2020 tuna supply came from vessels participating in either MSC certified, FIP, or under MSC assessment fisheries.

We are extending our sustainable sourcing beyond tuna and the oceans to operations at Tri Marine processing facilities. We are establishing a baseline for all raw material use, with the goal to reduce plastic and non-recyclable content moving forward. Lower-impact packaging will be a new area of emphasis for Tri Marine.

Human rights remain at the forefront of our sourcing initiatives. All of our suppliers are expected to implement the Seafood Task Force Code of Conduct and Vessel Auditable Standards to demonstrate their shared commitment to worker protections. Tri Marine provides training tools as well as third-party oversight with a comprehensive auditing program.

2020 Responsible Sourcing



MSC Certified
 Comprehensive FIPs (A,B,C)
 Under MSC Assessment
 Conventional







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ISSF

Combining good science with effective management in the service of sustainability requires a multi-stakeholder approach that includes industry, government, academic institutions, and NGOs. To advance this goal, in 2009 Tri Marine joined with other industry leaders to found the International Seafood Sustainability Foundation (ISSF). ISSF's mission is to initiate and facilitate science-based programs to promote the long-term conservation and sustainable use of global tuna stocks, to reduce bycatch, and to maintain tuna ecosystem health. Over the last ten years, ISSF has become the foremost organization addressing tuna sustainability, and the Foundation is a cornerstone of Tri Marine's collaborative environmental stewardship.

Despite 2020's challenges, we made exceptional progress in advancing supply chain transparency and reporting by voluntarily expanding our reporting of landings data to all RFMOs as part of conservation measure 2.2. We now go beyond the information we gather at our fully owned and controlled facilities to include all tuna we trade globally. This comprehensive data includes fishing vessel details, trip dates, area of catch, and catch by species and size, providing scientists and resource managers the tools they need to make sound decision regarding harvest strategies and resource conservation. Combined for all four RFMOs, in 2020 we submitted 563 fishing trip data sets, which included 22,520 data points, significantly increasing the quantity and quality of information Tri Marine provides.

In adherence with conservation measure 2.4, we published our first annual Tri Marine Supply Chain Transparency Information Report in 2020. Furthermore, we had no major non-conformities and only one minor non-conformity in our annual third-party surveillance audit against all ISSF conservation measures. In addition, we began producing a monthly compliance report of vessels currently listed on the Pro-Active Vessel Register (PVR), identifying any changes or

deficiencies in their status. This helps ensure Tri Marine sources from vessels that are using best conservation practices and who follow through on their commitments.

We also developed a new online fishing supply chain registry in 2020. Launched in October, the Vessels in Other Sustainability Initiatives (VOSI) is a searchable list of vessels that operate in Marine Stewardship Council (MSC)-certified tuna fisheries, or that participate in tuna Fishery Improvement Projects (FIPs) worldwide. While the list is voluntary, we began encouraging vessels to join to increase transparency within the tuna community.

In 2020, Tri Marine and other ISSF-participating companies contributed more than \$4 million to scientific research and conservation projects. That amount does not include contributions of vessel time and equipment, which is valued at \$50-\$98 million each year, depending on the projects undertaken. One project includes our work with TUNACONS to develop bioFADs to reduce marine plastic pollution, with initial trials underway and showing encouraging signs. Another important TUNACONS project is bycatch mitigation research, with a specific focus on Mobula rays, which are slow growing and vulnerable to depletion.

To help maintain fishing at sustainable levels, ISSF incorporates its scientific research into advocacy for regulatory measures at the RFMOs. For many years, Tri Marine has been an advocate at RMFOs through our participation as a delegate to the United States, Solomon Islands, Panama, Colombia, and Ecuador. Our regulatory efforts were strengthened this year by the creation of an internal Advocacy Committee and we look forward to charting further progress with each RFMO in 2021.



563 TOTAL VESSEL **DATA SETS SENT TO RFMOS** 22,250 DATA POINTS



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MSC

The Marine Stewardship Council (MSC) Certification continues to be the world's most highly recognized sustainable seafood certification and ecolabel. A growing number of major global seafood brands and retailers have made firm sustainability commitments to source only from fisheries that are MSC certified, that are in the process of being assessed, or that are engaged in credible fisheries improvement projects (FIPs) with a genuine intention to advance to MSC certification. These consumer-facing brands and retailers, together with MSCengaged fisheries, support MSC's three principles: sustainable fish stocks, minimal environmental impact, and effective fisheries management.

In 2020, 409 fisheries were MSC certified, with another 89 in full assessment, bringing the total number of MSC-engaged fisheries to almost 500. Collectively, these fisheries caught 14.7 million metric tons, accounting for 17.4% of global wild-capture fisheries catch. The number of consumer-facing MSC-labelled seafood products reached 18,735, with a value of over \$10 billion USD. Tuna fisheries represented 10% of MSC-engaged fisheries in 2020, totaling 49 MSC-certified and in-assessment fisheries. Almost 30% of the global commercial tuna catch was MSC certified, with another 20% in assessment. In just over 20 years since the MSC program was established, approximately 50% of the world's tuna catch has been sourced from MSC-engaged fisheries.



Collectively, Tri Marine's MSC (and FIP) engagement covers four tuna fishing gear types (purse seine, longline, pole and line, and handline) in all four oceans (Western and Central Pacific, Eastern Pacific, Indian, and Atlantic). In 2020, Tri Marine maintained its existing three MSC fishery certifications, with a fourth entering into assessment (see below). Tri Marine also continued to maintain multiple MSC Chain of Custody certifications, ensuring full traceability and separation of MSC catches in its global fishing, unloading, transshipment, trading, and processing operations.

In 2020, two of Tri Marine's MSC-certified fisheries entered into re-certification after nearing the end of their first fiveyear certification period – the *Solomon Islands Purse Seine and Pole-and-Line Skipjack* and *Yellowfin Fishery* and the *Tri Marine WCPO Purse Seine Skipjack* and *Yellowfin Fishery*. In line with changes to the MSC Fisheries Standard, which requires all purse seine set types in a single trip to be MSC certified (i.e. freeschool, anchored FAD, drifting FAD, floating logs), the scope of each certification has been extended to include drifting FADs and floating logs. Once the full assessments for each recertification are completed in 2021, skipjack and yellowfin from all set types under these two certifications will be MSC certified.

Tri Marine has also extended the scope of its WCPO purse seine certification to cover a large proportion of its client fleet from various flag states. Once re-certified, the scope will expand from the current eight US-flag purse seiners (with approximately 20,000 metric tons of MSC-eligible catch) to 38 vessels fishing under seven flags (US, Taiwan, Vanuatu, Federated States of Micronesia, Cook Islands, Solomon Islands, and New Zealand) and catching approximately 250,000 metric tons of MSCeligible skipjack and yellowfin annually. The majority of MSC catches from these vessels will be transshipped and delivered to processors in various locations, including Thailand, Vietnam, China, and Ecuador. Most US-flag vessels will continue delivering their catches directly to American Samoa. STAINABLE AFOOD SC /w.msc.org

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MSC

In 2020, over 80% of catch from Tri Marine's Solomon Islands purse seine and pole-andline fleet was MSC certified, totaling approximately 16,600 metric tons. From mid-2021, when the certification scope will be extended to include drifting FAD and log sets, annual MSC-qualifying catches are expected to exceed 20,000 metric tons. The majority of MSC-qualified catch from these vessels continues to be delivered directly to SolTuna in the Solomon Islands for processing, with production servicing local market demand and export markets in Europe for pre-cooked frozen loins and finished goods.

Tri Marine's Solomon Islands longline albacore and yellowfin fishery completed its first annual MSC surveillance audit in September 2020. The MSC Certification Assessment Body indicated the fishery is on target, addressing eleven certification conditions related to harvest strategies, bait utilization, at-sea monitoring, and national-level decisionmaking processes for tuna fisheries management. Five Taiwanese longliners chartered to Tri Marine's National Fisheries Development Ltd. (NFD) operated under the MSC fisheries certification, delivering almost 1,000 metric tons of MSC-eligible albacore and yellowfin.

As part of Tri Marine's ongoing efforts to stock its full supply base from certified sustainable sources, and specifically to meet US buyers' requirements for MSC-certified (or credible FIP) albacore, in 2020 we embarked on our fourth fisheries certification for Atlantic longline albacore. This certification covers 30 Taiwan-flag client longliners operating in the high seas of the North and South Atlantic Ocean. A decision was also made to enter 110 Taiwan, Vanuatu, and China-flag client longliners operating in the Western and Central Pacific and Eastern Pacific Oceans into full MSC assessment, beginning in January 2021.

In 2020, Tri Marine purchased 131,624 metric tons of tuna (whole round equivalent) from MSC-certified fisheries, a 62% increase above the volume we purchased from MSC-certified fisheries in 2019 (81,269 metric tons). We also purchased 142,771 metric tons from fisheries that have entered into MSC full-assessment fisheries that are not otherwise in FIPs. When combined with FIP procurement, 82% of Tri Marine's 2020 tuna supply came from vessels participating in either MSC certified, FIP, or under MSC assessment fisheries.

Year after year, Tri Marine delivers on our commitment to certified sustainable sourcing and to doing our part to improve the health of tuna fisheries around the globe.







SDG 14 LIFE BELOV WATER

TUNACONS FIP

TUNACONS is a fishery improvement project developed by five tuna fishing companies in partnership with the World Wildlife Fund (WWF). It seeks to deliver better, stronger management tools for improved fishing practices in the Eastern Pacific Ocean, bringing them up to MSC standards. With a fleet of 46 fishing boats flagged from Ecuador, Panama, and the United States, TUNACONS is committed to maintaining best practices that protect and maximize the resource. Despite the COVID-19 pandemic, Tri Marine and TUNACONS achieved key milestones in 2020, helping move the project closer to achieving MSC certification.

COVID-19 caused much of the TUNACONS work to move online. This allowed us to expedite the development of multiple webinars simulcast in Spanish and English. Topics included training for captains and raising crew awareness about the safe management, handling, and release of non-target species (bycatch).

Early in 2020, Tri Marine and members of the TUNACONS team visited Compañía de Empaques in Medellín, Colombia, in search of biodegradable materials for the construction of FADs. Compañía de Empaques specializes in the transformation of natural fibers into rope, cloth, and other woven textiles, and it is highly regarded for sourcing its fibers from more than 50,000 small-scale farming families. One biodegradable and high-resistance fiber, fique, was of particular interest, and it along with balsa wood and abaca are the main natural materials currently being tested for the TUNACONS project. Our developmental biodegradable FAD work with TUNACONS has been conducted in partnership with Cape Fisheries and other vessel owners proactively seeking bioFADs to replace conventional FADs. Conventional FADs are made of synthetic materials that are contributing to marine plastic pollution. In 2020, over 400 bioFADs were deployed alongside conventional FADs. Fishermen caught 1,143 metric tons of fish using bioFADs, for an average of about 38 metric tons per set (a small proportion of FADs deployed, both bio and conventional, were set upon in the study period). While early signs are encouraging, we have discovered some challenges with cost, durability of materials, and flotation issues compared to conventional, synthetic FADs. As we work towards 100% bioFAD use, hybrid designs are showing promise.

On the strength of our experimental work on bioFADs, TUNACONS members committed to replace at least 20% of the traditional FADs with bioFADs by December 31, 2020. To reach that goal, Tri Marine increased our investment in technological and scientific resources to reduce the amount of synthetic materials in traditional FADs and to replace them with materials that are environmentally sustainable.









Indonesia FIP

In 2020, Tri Marine joined our local supplier and NGO partners to continue fishery improvement efforts with small-scale pole-and-line, handline, and purse seine vessels in Indonesia.

In January, the Indonesian Pole-and-Line and Handline Fisheries Association (AP2HI) and the International Pole-and-Line Foundation (IPNLF) transitioned eight Units of Assessment (UoA) from fisheries improvement projects (FIPs) into MSC full assessment. The assessment covered 380 pole-and-line and handline vessels operating in archipelagic waters around Flores, Bitung, and Maluku (Western and Central Pacific Ocean), which collectively catch approximately 11,000 metric tons of tuna per year. Twelve months later, the fishery successfully obtained MSC certification.

Tri Marine can now proudly source certified sustainable skipjack and yellowfin from one-by-one vessels covered under this certification. As key players in Indonesia's tuna supply chain and as members of AP2HI and IPNLF, Tri Marine and our Indonesian supplier have actively supported various FIP activities, including improved vessel-level data collection and monitoring that were key to this MSC certification.

A second tranche of one-by-one UoAs continues to be engaged in comprehensive FIPs, which are A-rated on fisheryprogress.org. These UoAs are on track to enter into MSC full assessment in 2022. Kendari (South-East Sulawesi), where Tri Marine sourced over 60 per cent of its pole-and-line and handline tuna in 2020, is one of these second tranche UoAs. Tri Marine's Indonesia South-East Sulawesi Purse Seine FIP entered its second year of implementation in 2020. Much of our focus was on FIP activities intended to meet the robust FIP pre-conditions agreed to with WWF, and strengthening vessel-level scientific data collection and compliance.

KEY ACHIEVEMENTS IN 2020

- WWF Italy/International deemed the FIP to be "robust," effective August 1, 2020, enabling raw material sourced from participating vessels to be included in volumes classified as 'sustainable' for the purposes of the Bolton Food-WWF Sustainable Partnership Agreement.
- The FIP continued to maintain its A rating from fisheryprogress.org for "advanced progress."
- A year one external FIP review conducted by an independent FIP consultant concluded that the FIP was on target with the five-year FIP Action Plan.
- PPS Kendari (the provincial fisheries authority) verified that 100% of purse seine vessels participating in the FIP were reporting catches via Indonesia's new electronic logbook system, enabling the collection of real-time, comprehensive vessel-level catch data.
- While observers are not mandatory on small-scale tuna vessels (<30 gross metric tons) in Indonesia, the FIP voluntarily committed to place human observers on participating FIP vessels. We developed a strategy to increase onboard observer coverage by 20% by the end of 2023, to meet globally recognized scientifically representative coverage rates, and to improve compliance monitoring. The strategy includes observer placement, field coordination, recruitment and training, observer safety, data management, and cost recovery.





Indonesia FIP

- We made considerable progress deploying observers on FIP vessels, with a total of 22 fishing trips carrying observers. MMAF started addressing the need to increase the number of observers in the national pool, conducting training for 20 new recruits, with co-funding support from this FIP. Four of the new recruits have been deployed to Kendari, bringing the total number of Kendari-based observers to nine.
- MMAF and PPS Kendari provided in-principle support to the FIP to voluntarily install vessel monitoring systems (VMS) on participating FIP vessels to track vessel movements for compliance monitoring and traceability, and to improve safety and communication at sea for observers. In 2021, we will procure and install spot trace tracking units on FIP vessels and monitor arrangements developed with MMAF/PPS Kendari.
- We engaged a field coordinator in Kendari to provide on-the-ground support for the implementation of vessel-level FIP activities, including observer placements, e-logbook usage, VMS installation, and support for various research and data collection initiatives.
- The FIP agreed to support The Nature Conservancy (TNC) with a trial of TNC's Crew-Operated Data Recording System (CODRS) on three purse seine vessels. Data on catch composition, fishing positions and fishing practices collected via CODRS aids stock assessments and has the potential to augment observer and vessel logsheet data.
- We committed to provide support to ISSF and WWF US for a research project funded by the Walton Family Consortium on anchored-FAD usage by South-East Sulawesi purse seine vessels.

 We provided ongoing proactive engagement in national and regional FIP initiatives, including harvest strategy development, FAD management, data collection, observers, National Tuna Management Plan, and Fisheries Management Area governance.

3.500+

INDONESIAN SMALL-SCALE TUNA VESSELS

In 2020, 230 Indonesian small-scale purse seine, pole-andline and handline vessels participated in these FIPs and supplied Tri Marine with approximately 30,000 metric tons of raw material for loins processing. These 230 vessels employed at least 3,500 fishers.

In addition to the Indonesian and TUNACONS FIPs with whom Tri Marine is directly involved, we continue to source and sell tuna from several other purse seine and longline FIPs globally. In total, Tri Marine purchased approximately 131,813 metric tons of tuna from fisheries engaged in comprehensive A-, B-, and C-rated FIPs, representing 35% of its total supply.



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Fair Trade

The Fair Trade Fisheries Standards are unique for combining both environmental and social rigor, and applying a system that ensures shared value throughout the supply chain, especially down to the individual fisherman. Fair Trade emphasizes transparency, fairness, economic empowerment, and strengthening of communities by providing producers with a guaranteed price premium on Fair Trade label products. NFD and SolTuna in the Solomon Islands achieved Fair Trade USA certification in early 2019 and underwent their first annual audit in 2020 to maintain the certification. This ensures that progress will continue to be made on worker organization (including regular meetings of the Fishers Association), improved safety systems for vessels and processing facilities, stronger waste management, and many other progressive activities.

The Fair Trade program currently covers a local labor force of 254 fishermen who catches skipjack and yellowfin tuna, and 2,400 plant workers who processes them. In 2020, these workers received over \$75,000 USD of premium. The fishers decided they wanted to use their premium to make significant investments in their communities. A needs assessment was conducted with the fishers and SolTuna staff to help identify their priorities about issues such as food and nutrition, water, education, healthcare, housing, and the environment. The fishers and the Fair Trade Committee are excited about helping their communities and are looking forward to finalizing plans for funding and rolling out projects. In addition to stand-alone Fair Trade projects that can be implemented in 2021, the Fair Trade Committee is also exploring opportunities to collaborate with other community initiatives to increase the scope and reach of those projects.



Photo credit: IPNLF



SDG 8 DECENT WORK & ECONOMIC GROWTH

Global Ghost Gear Initiative

Tri Marine was the first tuna company to partner with the Global Ghost Gear Initiative (GGGI) and has worked with the group to assess and address our abandoned, lost, and discarded fishing gear (ALDFG) impacts. ALDFG is also known as ghost gear given its ability to continue to 'fish', contributing to the unnecessary loss of marine life and marine plastic pollution. GGGI is fully dedicated to this issue and has established a cross stakeholder alliance of fishing industry, NGOs, academia and government focused on solving the problem of ALDFG worldwide.

The main gear types used in tuna fisheries are purse seine, longline, pole and line, and troll. Longline, pole and line, and troll gear loss is minimal. However, tuna purse seiners have become increasingly reliant on the use of fish aggregating devices, or FADs, for their catch.

An estimated 100,000 FADs are deployed each year globally and create a notable ghost gear concern. The FADS are composed of rafts and tails hanging below them are usually made from old nylon netting, causing entanglement of sea life, contributing to marine debris, and stranding on beaches and reefs. Tri Marine worked with GGGI to establish a Best Practice Framework for FADs that includes the following principles:

- FAD marking and tracking
- Regional Fishery Management Organization (RFMO), local government and self-reporting
- Non-entangling design
- Biodegradable materials
- Recovery efforts

Non-entangling designs with biodegrade materials will help resolve much of the FAD ADLFG issue. While we work on developing and testing these bioFADs (see pg. 12 of this report), we also aim to increase our retrieval numbers. Tri Marine has been working with the US fleet operating out of American Samoa, in partnership with the Nature Conservancy and the Secretariat of the Pacific Community, to do just that. So far, we have analyzed 2 million data points from 4000 FADs, identifying hotspots best suited for recovery efforts. We have now entered the economic analysis of that project. One step at a time we are working toward a more sustainable future for FAD associated tuna fisheries.









FAD Free Program

At Tri Marine, our commitment to protecting marine resources is unyielding. As such, we're keenly aware of the need to ensure that fish aggregating devices (FADs) are used responsibly. With our FAD-Free program, we're developing strategies to better manage the resource by creating a traceable and verifiable path for fishers to bring to market that part of the catch not associated with FADs.

Tri Marine has developed robust procedures for verifying the traceability of FADfree tuna from the moment it is caught until it is delivered to the customer. For these procedures to work correctly, training fishing vessel crews and processing plant workers is critical, particularly about fish segregation, handling, and labelling from the point of capture. Due to COVID-19, training was conducted online with nineteen fishing vessels, four tuna processing plants and office staff at Tri Marine, for a total of 177 persons reached. The training was followed up by auditing, also conducted virtually with desktop audits, to review documents from participating vessels. The audits confirmed that the vessels had indeed used best practices in FAD-free fishing. From this initial success we are working through an iterative process, making continual improvements to the program and continued progress with FAD-controlled fishing.

 2020
 Loins
 Finished goods
 Total

 FAD-FREE FISH
 5,047мт*
 22,150мт*
 27,197мт







*whole round equivalent

Human Rights

Seafood Task Force

The Seafood Task Force is an industry-led organization driven by 35 commercial members, including major direct sourcing buyers like Tri Marine, FCF, Thai Union, and Star-Kist, as well as many of the world's largest retailers and brands such as Walmart, Costco, and Mars Pet Care. The Task Force aims to demonstrate continuous improvement in addressing and preventing illegal forced and slave labor on fishing vessels and throughout the supply chain. The Task Force's work is guided by the Seafood Task Force Code of Conduct and Vessel Auditable Standards, which set out clear guidelines. Many buyers, brands, and retailers now require the adoption of the STF Code of Conduct by their supply vessels.

Seafood Task Force Guidelines provide worker protections related to:

- Child labor
- Forced labor
- Employment contracts
- Freedom of movement and personal freedom
- Retention of personal documents
- Recruitment fees
- Humane treatment
- Workplace equality
- Freedom of association
- Grievance procedures
- Wages and benefits
- Working hours
- Worker awareness and training
- Private employment agencies and recruiters
- Health and safety





Despite COVID-19, 2020 was a busy year for implementing change. An updated member agreement went into effect in November for all STF members. A key section of the agreement was devoted to the prevention of Illegal, Unreported and Unregulated (IUU) fishing. As a requirement for being a Tri Marine supplier, fishing vessels must acknowledge the updated Seafood Task Force Code of Conduct and Vessel Auditable Standards and agree to being randomly selected for auditing. Tri Marine promotes continual improvement and works with suppliers to establish and implement any corrective actions needed to come into compliance with the Standards, and we will cease sourcing in instances where no progress is made. We also made significant progress designing a new self-assessment questionnaire, which we will begin integrating into vessel training in 2021.



Tri Marine Ethical Sourcing Policy

Human Rights at Tri Marine came into sharper focus in 2020. Our continued work with the Seafood Task Force (STF) led to the creation of the <u>Tuna Handbook</u>, developed to support the Vessel Code of Conduct and Auditable Standards. We asked all fishing vessels who supply Tri Marine to acknowledge the new handbook and adopt the social practices it outlines.

Training of staff, vessel owners, and crewing agencies continued to be paramount. Tri Marine launched the Tuna Handbook in Taiwan with a series of events to encourage its adoption. Overall, 24 fleets with 67 vessels, crewing agencies, and officials from the Taiwan Fishing Authority attended.

Tri Marine continued extensively auditing our distant-water fishing vessel suppliers. Due to the global pandemic, we were limited to desktop audits, but the initial results yielded thousands of data points. Analysis of our audit data identified ten indicators within the standards that accounted for 21.56% of all non-conformities, with the top five coming mainly from Principle 14 - Private Employment Agencies. [See table.]

There remains much work to be done on improving human rights for fishers. In addition to our vessel training and outreach, Tri Marine is developing a model crew contract that meets legal requirements in Taiwan and Indonesia as well as the STF Standard. The draft contract is currently under review with the STF.

In late 2020 we furthered research on grievance mechanisms available to fishers, depending on nationality, fishing region, and flag state of the vessel. We also set a goal for 2021 of auditing a minimum of 10% of all Tri Marine supplier fishing vessels (50+ boats) to measure their compliance with the STF Standard. This includes all major tuna fishing gear types (purse seine, longline, and pole-and-line vessels) fishing in all four RFMO management zones. 我們的理念 - 従市場面切入 第年末点本環発用基本素(SSI) ・15 Austrie BRA 和時期の以所有支/All HIGC 和品生物は中なり回知。 用手管理者自由自然SSC 認識系統 ・16 Austrie BL支充所有文化。所有上すを共然 MSC 和本年に目前認識 ・10、有用作作用AUC (20) ・10、大方式MSC (20) 認識原則 ・10、時間有下的化力変更任何集明

SEAFOOL



TOP 5 NON-CONFORMITIES FOUND IN AUDITS

- 1 Health and safety assessment documentation
- **2** Licensing documentation for crew agencies
- **3** Verification of crew training on STF standards
- 4 Availability of contracts between vessel owner and crew agency

三海集團永續發展計畫

TRI MARINE

環境保護及社會

ENVIRONMENTAL AND SOCIAL POLIC

TRIMARINE GROUP SUSTAINABILIT

5 Availability of worker payment receipts



Photo credit: Tri Marine

RFMO Engagement

Tri Marine continues its long-standing and proactive engagement in tuna regional fisheries management organizations (RFMOs). To date, Tri Marine's RFMO engagement has largely focused on the Western and Central Pacific Fisheries Commission (WCPFC) and the Inter-American Tropical Tunas Commission (IATTC), since our company sources the majority of its supply from the Western and Central Pacific (WCPO) and Eastern Pacific Oceans (EPO).

Going forward, with management of Bolton's Via Ocean purse seine fleet falling under Tri Marine's purview, our engagement in the International Commission for the Conservation of Atlantic Tunas (ICCAT) will increase. Given the precarious stock status of yellowfin tuna in the Indian Ocean, we also intend to engage more proactively in the Indian Ocean Tuna Commission (IOTC).

Industry is a critical stakeholder in tuna fisheries management. Hence, Tri Marine representatives participate actively in RFMO meetings as members of national delegations aligned with the geographic location of our major business operations. In WCPFC, our representatives join the Solomon Islands, USA, American Samoa, and China delegations; in IATTC, we work with the Ecuadorean delegation via TUNACONS, participate directly on the USA delegation, and engage with Colombia, Panama, and the EU. We also collaborate in pre-competitive RFMO advocacy initiatives with other industry members and NGOs, including TUNACONS, the International Seafood Sustainability Foundation (ISSF), World Wildlife Fund (WWF), International Pole-and-Line Foundation (IPNLF).

Global Ghost Gear Initiative (GGGI), and The Nature Conservancy (TNC). In addition, we participate in voluntary research projects supporting RFMO scientific initiatives relating to tuna tagging, bycatch mitigation, FAD management, and onboard electronic monitoring.

In 2020, COVID-19 greatly impacted the work programs of all tuna RFMOs. Scientific data collection and compliance monitoring have been impeded by the suspension of onboard human observers. The inability to travel resulted in all meetings being held virtually with significantly contracted agendas. This resulted in the deferral of key decisions relating to tuna fisheries management to 2021, with status quo measures maintained. In all RFMOs, Tri Marine is advocating for the development of harvest strategies for key tuna stocks and the adoption of harvest control rules. In the meantime, we support the adoption of precautionary tuna stock management measures, including hard catch/effort limits and strengthened FAD measures, to maintain healthy stocks and also to re-build overfished stocks. We also advocate for strengthened monitoring at sea through increased human and/or electronic observation.



Production

Tri Marine owns and operates a fishing fleet in the Solomon Islands as well as canneries in the Solomon Islands, Ecuador, and Colombia. Our objective is to produce high-quality tuna products that help feed the world, and to do so in a way that promotes longterm resource sustainability and that minimizes the environmental impact of our operations. Our owned facilities produced 48,731 metric tons of canned tuna and cooked tuna loins in 2020, up from 44,576 metric tons in 2019.

Our fleet in the Solomon Islands, NFD, caught 22,487 metric tons of tuna, down from 30,192 in 2019. Although NFD's catch was down, production of cans and loins supported by other fleets was up. Under the constraints of COVID-19, this is a major accomplishment during a time when having shelf-stable food was more important than ever to families. However, we also recognize that tuna catch and processing does come with environmental impacts. Tri Marine has established a baseline of energy and water use, emissions, and packaging, and we are now consistently evaluating the impact of our fishing fleets and processing facilities against those baseline metrics.

CANNED TUNA AND COOKED TUNA LOIN PRODUCTION





Production

SDG 12

RESPONSIBLE

PRODUCTION

Carbon Footprint

Our carbon footprint is comprised of three scopes of energy usage. Scope 1 is from the fuel consumption and emissions of our fishing fleet and factories. Scope 2 covers emissions from purchased electricity, heat, and steam. Scope 3 emissions are those generated from our purchase of goods and services and other indirect sources per the graphic below, and will be considered in future reports. This report presents our consolidated Scope 1 and 2 emissions, and thus evaluates our owned fleet and processors of NFD, SolTuna, Seafman, and Gralco.

In total, Tri Marine's operations generated an estimated 46,922 tons of CO₂ equivalent, averaging just over a half ton (.51) of CO₂ emissions per single ton of finished product (canned tuna). Compared to other sources of food production, particularly animal protein, this is quite low. For example, alternatives like beef generate over 10 times the amount of GHGs for the equivalent weight. Nonetheless, we aim to better understand and address our carbon footprint.

In the Solomon Islands, our fleet and cannery are heavily reliant on diesel fuel, which generates the majority of Tri Marine's Scope 1 emissions. Our facilities in Ecuador and Colombia are able to access cleaner energy and have a higher percentage of Scope 2 emissions. In all cases, we are researching how to achieve further efficiencies and employ alternative sources.

N₂O NF₃ HFC₅ PFC₅ CO SF CHA



Total Tons of CO₂ Equivalent (tCO₂eq)

Legal Entity/Production Site	2020
Tri Marine - Ecuador	6,702
Tri Marine – Colombia	5,473
Tri Marine - Solomon Islands	12,677
Tri Marine - Fleet	22,070
TOTAL	46,922



CO₂ Emissions Index on Finished Product

Legal Entity/Production Site	2020
Ecuador	0.27 tCO ₂ eq/t*
Colombia	0.70 tCO2eq/t*
Solomon Islands	0.77 tCO2eq/t *
Fleet	0.98 tCO2eq/t**
TOTAL	0.51 tCO ₂ eq/t*

* Finished product ** Tuna caught

Production

Our Solomon Islands fishing operation, NFD, has both shore-based and at-sea operations that produce the largest proportion of our carbon emissions listed in the figures on the previous page. While NFD has made great strides in reducing air pollution by using more low-sulphur fuel, the carbon emissions from the fleet's diesel engines remain a concern. Advancements in hull design and coatings to reduce fuel consumption have been implemented, but finding alternatives to diesel in the fishing and shipping industry remains a huge challenge.

NFD and its sister company, the SolTuna cannery, are located in the small town of Noro in the remote Western Province of the Solomon Islands where infrastructure is limited. Energy comes primarily from diesel generation, both on site at the cannery and from the local public grid. SolTuna and NFD continue to explore ways to improve the efficiency of diesel power while analyzing alternatives, including capturing solar energy for shore-based operations and reusing steam from the SolTuna boilers.

Tri Marine's Seafman cannery in the bustling coastal hub of Manta, Ecuador, is one of the oldest in the region in what has become the tuna capital of Latin America. The Andes Mountains and its alpine waterways allow Ecuador to generate clean hydroelectric power for Manta and the Seafman cannery.

Colombia has an advanced infrastructure and the Gralco cannery located in the important northern port city of Barranquilla relies on energy from the local grid, with power generated from natural gas.

While Gralco and Seafman have relatively clean sources of energy, they are still relying heavily on diesel and oil for their steam plants, presenting opportunities for reductions at both processors. In the more remote environment of the Solomon Islands, this reliance on fossil fuels is especially heavy.

While there are constraints to reducing our carbon footprint, Tri Marine considers climate change the single greatest environmental issue facing humanity today. We're fully committed to doing our part to develop and implement innovative solutions. As such, we are setting a goal of a 25% reduction in our scope 1 and 2 GHG emissions per metric ton of tuna produced by our processing facilities by 2030 from 2020 levels.









Water, Waste, and Packaging

In addition to greenhouse gas emissions, we have conducted a benchmark analysis of the water and packaging materials we consume and the waste we generate. In 2020, our production facilities used 802,008 cubic meters of water, down from 857,693 in 2019. A growing proportion of our water use is from rainwater collection, which takes pressure off municipal supplies, particularly at SolTuna in the Solomon Islands. In addition, we recycled and reused 177,977 cubic meters of water in 2019, and even more – 205,657 cubic meters – in 2020.

We recognize the impact of plastic pollution and are doing our part to address the issue. We've set a goal of converting 50% of our plastic packaging to recycled or bio-based sources by 2025, and we're making great progress in reaching that goal. In 2019, we used 1,053 tons of plastic packaging, and we reduced that to 883 tons in 2020. We also increased our use of recycled materials from 152 tons in 2019 to 171 tons in 2020. Additionally, we're increasing our output of loins and cans while achieving these reductions, demonstrating an even greater proportional decrease in our use of plastics.

We're also making strides in reducing our waste. From all of our production facilities and the NFD fleet, we generated approximately 1,775 tons of waste in 2019 and 1,642 tons in 2020, a 7.5% reduction. Of these totals, we recycled or reused 39% of our waste in 2019, and 34% in 2020.

		Water	
		Consumption	Recycled/Reused
6.5%	2019	857,693 cubic meters	177,977 cubic meters
REDUCTION	2020	802,008 cubic meters	205,657 cubic meters

		Waste		
		Generation	Recycled/Reused	
7.5%	2019	1,775 tons	39%	
	2020	1,642 tons	34%	

		Plastic Packaging		
		Consumption	From Recycled Material	
16%	2019	1,053 tons	152 tons	
REDUCTION	2020	883 tons	171 tons	



Tri Marine employs 5,413 people across three processing plants, eight trading offices, and a fishing fleet in the Solomon Islands. In 2020, our employees worked a total of 9,881,764 hours, over 1.1 million eight-hour shifts. Throughout the pandemic, our global team was needed desperately, and our people did an exceptional job continuing to catch and process tuna for the world while navigating the many serious challenges of COVID-19. Many of our office staff worked remotely. Fishers and processors kept delivering despite having to work under stringent safety protocols and with repeated coronavirus testing.

In 2020, 55% of Tri Marine's global workforce was female, and the number of women in executive roles increased from 15.6% in 2019 to 18.8%. At all our facilities and on our fleet, we continue to work towards an injury-free workplace. While we have not achieved that goal yet, we did reduce the number of high-consequence injuries by 50%. Our injury rate per million hours worked was 16.7, with a high-consequence injury rate of just .21.

People Statistics

Item	2019	2020
Total Number of Employees	5,098	5,413
Total Number of Men	2,260	2,438
Total Number of Women	2,838	2,975
% Women	55.7%	55%
Turnover of Employees	919	1,378
% Turnover of Employees	18%	25.5%
Total Hours Worked	9,416,023	9,881,764
Injuries	80	165*
High-Consequence Injuries	2	1
High-Consequence Injuries/mil hours worked	.43	.21
Injury Rate/mil hours worked	8.5	17.10
Training Hours	47,276	43,048

*Includes injuries from temporary workers not included in employee numbers. Gralco data included for 2020 but not 2019.











Seafman

Of all Tri Marine employees, 29.9% work at Seafman. The plant is an equal opportunity leader – 50% of the executive management team is female. Management is highly committed to health and safety. As such, it established a health and safety committee, made up of six managers and six employees, to provide essential training. The committee presented training sessions that included fire and evacuation, chemical spill response, first aid, and more.

In addition to safety training, the Seafman quality control and human resources teams also conducted a number of production, quality assurance, and employee retention training programs.

Seafman also works to enrich the lives of employees and their families through a number of programs. These include recognizing the employee of the month and employees who achieve attendance milestones, delivering personalized birthday cards, and staging vacation and Christmas programs for workers' children. Another invaluable program provides school backpacks and conducts a raffle for school supplies and computers.

	50%
AM	SENIOR
	MANAGEMENI ROLES ACQUIRED BY
$\bullet \bullet \bullet$	WOMEN

Safety Training 2020

Туре	People
Fire and Evacuation	416
Chemical Spill	32
First Aid	30

Training Sessions 2020

Subjects	People Traine
Production	1896
Quality Assurance	362
Occupational Health and Safety	998
General Training	31
Accounting	1
Physical security	2
Logistics and Procurement	6
Maintenance	140
Environment	106
Human Resources Policies	22





Gralco

Gralco also strongly supports employment for women. In 2020, 63.9% of all Gralco employees and 43% of the plant's management were female. The plant has a special priority to hire single mothers who are heads of households; these women make up the majority of the plant's workforce.

Training is another Gralco priority. The plant is dedicated to meeting all the rigorous health and safety standards established by current national and international regulations. 16% of all Tri Marine employees work at Gralco. Gralco is the plant that accounts for our highest number of training hours at one location. They logged 20,705 training hours out of 43,048 for the whole company in 2020. Training focused on good manufacturing processes, as well as employee safety, as part of the plant's efforts to have a zero-injury culture. To that end, Gralco began an improved indexing of worker accident frequency and severity in 2020. COVID-19 created a whole new list of serious safety concerns and the plant safeguarded all workers by providing them expanded PPE, distancing protocols, and testing.

Gralco is also committed to helping improve the lives of our employees and their families. We created Love and Friendship Day, a gathering of fun and fellowship for all workers; we installed a family photo booth at the Marine Show; and we distributed boxes of candy to children for Los Angelitos Day.







ECENT WORK

ECONOMIC GROWTH

SolTuna

SolTuna is our largest plant and accounts for 40.1% of all Tri Marine employees. This year, women comprised 54.9% of the entire SolTuna workforce and 25% of the senior management team. SolTuna has been a leader in promoting women into non-traditional roles, first with a group of women qualified to operate a forklift. Now, seeing a female forklift driver at the plant is commonplace, as it is to see female welders, plumbers, carpenters, diesel mechanics, line leaders, supervisors, superintendents, area managers, shift managers, and department managers. Women also now hold top positions in production, quality control, human resources, and administration.

SolTuna is committed to preventing and eliminating harassment in the workplace, and it has instituted policies and protocols for reporting bullying and harassment complaints. SolTuna has also worked hard to establish a zero-injury workplace. It reported 37.3% fewer recordable injuries per million hours worked than the Tri Marine average. And in 2020, the plant's workforce suffered no high-risk incidents or accidents, a major accomplishment.



In addition to providing millions of cans of tuna in a safe working environment, SolTuna strives daily to make improvements in the lives of its employees, their families, and the communities in which they live. In the aftermath of Cyclone Harold, SolTuna worked with the Salvation Army to provide tuna for 790 families across 16 communities in the Solomons. Internally, the plant continues to support a canteen that serves over 2,000 locally sourced meals a day, provides housing near the plant for workers who don't live close by, and provides time off and transportation to home villages during the winter holiday season, allowing workers time to gather and celebrate with their families throughout the Solomons.

Other SolTuna highlights:

- The biggest private employer in the Solomon Islands, which has an estimated unemployment rate of 30%.
- Along with the NFD fishing company, SolTuna is the principle source of economic development in Noro and the Western Province.
- SolTuna and NFD account for 11% of the Solomon's national exports and 6.5% of its GDP.
- Each year, SolTuna regularly hosts groups of 15-20 apprentices from the national university for three months of practical training.
- A profit bonus program distributes 10% of annual profits to all workers, prorated on the number of days worked during the year.



Summary

SDG 14 LIFE BELOW WATER

SDG 12 RESPONSIBLE CONSUMPTION & PRODUCTION

SDG 8

DECENT WORK

& ECONOMIC

GROWTH

Given the impacts of the COVID-19 pandemic, 2020 was an anomaly. However, Tri Marine continued to make great strides pursuing its mission to be the world's best tuna supply company. This includes demonstrating continued leadership on environmental and social issues through transparency, multi-stakeholder collaboration, and continuous improvement on key issues. This year's sustainability report summarizes our work on the three Bolton corporate social responsibility pillars: Sourcing, Production, and People. The report also highlights areas of overlap with three key UN Sustainable Development Goals: Decent Work and Economic Growth, Responsible Consumption and Production, and Life Below Water.

The proportion of our tuna sourcing from responsibly managed fisheries continued to grow, with an emphasis on the globally recognized sustainability standards of the MSC. We expanded procurement from fisheries already certified, pushed additional vessels, gear types and regions into certification and advanced FIPs for sources not yet able to meet the standards. Tri Marine's procurement from tuna fisheries that are MSC certified or in credible FIP was 324,133 metric tons, up from 263,437 metric tons in 2019, a 22% increase. Of that, 131,624 metric tons were MSC certified in 2020, a 62% increase over 2019's total of 81,269 metric tons. We also purchased 142,771 metric tons from fisheries that have entered into MSC full-assessment fisheries that are not yet fully certified or in FIPs. 82% of Tri Marine's 2020 tuna supply came from vessels participating in either MSC certified, FIP, or under MSC assessment fisheries.

On the production front, Tri Marine provides its first careful examination of its greenhouse gas emissions in this report, in addition to updates on water, waste, and packaging impacts. Tri Marine recognizes that climate change is perhaps the greatest sustainability challenge humanity faces today, and that we cannot leave the problem to future generations without taking action ourselves. In total, Tri Marine's operations (NFD, SolTuna, Seafman, and Gralco) generated an estimated 46,922 tons of CO_2 equivalent, averaging just over half a ton (.51) of CO_2 emissions per single ton of finished product (canned tuna). But we still strive to reduce impact further, and we are committing to a 20% reduction by 2030. In other areas, we reduced the use of plastic packaging to 883 tons in 2020, down from 1,053 tons in 2019. We also increased our use of recycled materials from 152 tons in 2019 to 171 tons in 2020.

Tri Marine recognizes that its most precious asset is its people. We continued our work to improve the well-being of our staff and increase protections for all workers in our supply chains. Tri Marine employed 5,413 people across all its businesses in 2020, with 55% of the workforce being female, and the number of women in executive roles increasing from 15.6% in 2019 to 18.8% in 2020. Protecting our people from COVID-19 was our primary concern and priority, and we implemented new safety measures at all our facilities and operations. We also took additional steps to advance human rights on fishing vessels in 2020. To promote labor protections, we led training sessions with 24 fleets and 67 vessels and conducted 17 audits against the Seafood Task Force standards with 11 fleets and 94 vessels.

While we are proud of our accomplishments, we still recognize there is much more to do. In 2021, we aim to continue increasing the proportion of our sourcing from MSC-certified fisheries and those in MSC full assessment or FIPs. We will also take a more proactive approach to FAD management and RFMO engagement. Additionally, we plan to expand our human rights work in collaboration with Bolton and its partnership with Oxfam. Finally, we are committed to continue assessing our carbon footprint with a Scope 3 analysis, going beyond our own facilities to also analyze the impacts of our supply chain.

In closing, Tri Marine wants to say <u>thank you</u> to our team, suppliers, and customers. We always aim to take a collaborative approach to sustainability, seeking and applying innovative ways to be a better business partner and corporate citizen. We look forward to our collective next steps on this journey. Together, we can make a difference.