



Premier Fishing & Brands Limited

The First Choice

Sustainability Report

for the year ended 31 August 2022

A proudly South African Fishing Company



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INTRODUCTION

ENVIRONMENTAL, SOCIAL AND GOVERNANCE DATA TABLE (ESG)

ECONOMIC	UNIT OF MEASURE	2022	2021	2020
Total revenue generated	Rands	475 086 000	575 115 000	453 894 000
Total revenue generated in South Africa	Rands	123 661 000	148 600 000	113 316 000
Percentage of revenue generated in South Africa	%	26.03	25.80	23.80
Total revenue generated per employee	Rands	609 866	686 295	597 230
Net profit after tax	Rands	11 726 000	3 350 000	6 386 000
Value of net profit after tax generated in South Africa	Rands	3 052 182	866 000	1 596 500
Percentage of net profit after tax generated in South Africa	%	26.00	26.90	25.00
Value of net profit after tax per employee	Rands	15 053	3 998	8 402
Value of total compensation paid to employees, including wages and benefits	Rands	137 208 000	155 804 000	114 907 000
Average compensation paid to employees, including wages and benefits	Rands	176 134	185 924	151 193
Percentage of total compensation paid to employees, including wages and benefits	%	100.00	100.00	100.00
Total rand value of compensation paid to executive directors - excluding gains realised from LTIP Awards	Rands	6 603 158	4 702 000	6 462 000
Average compensation per executive director - excluding gains on the exercise of share options	Rands	2 201 053	2 351 000	1 615 500
Income disparity ratio: average compensation paid to executive directors relative to average compensation paid to employees - excluding LTIP	%	12.5	12.60	21.00
Total rand value of gains realised from LTIP Awards - executive directors	Rands	0	0	0
Total rand value of compensation paid to executive directors - including gains realised from LTIP Awards	Rands	6 603 158	4 702 000	6 462 000
Average compensation per executive director - including 'gains realised from LTIP Awards'	Rands	2 201 053	2 351 000	1 615 500
Income disparity ratio: average compensation paid to executive directors relative to average compensation paid to employees - including LTIP	%	12.5	12.60	21.00
Total compensation paid to prescribed officers - excluding gains realised from LTIP Awards	Rands	0	0	0
Average compensation per executive director & prescribed officers - excluding gains realised on LTIP Awards	Rands	1 650 790	1 567 333	2 154 000
Income disparity ratio: average executive directors & prescribed officers compensation relative to average employee compensation - excluding LTIP	%	12.5	8.40	14.00

Average compensation per executive director & prescribed officers - including 'gains realised on share options and/or LTIP Awards'	Rands	1 650 790	1 567 333	2 154 000
Income disparity ratio: average executive directors & prescribed officers relative to average employee compensation - including LTIP	%	9.4	8.40	14.00
Ratio of net profit after tax per employee to average compensation per employee	%	9.0	0	0.10
Rand value of total discretionary/measured procurement spend (South Africa only)	Rands	179 550 834	128 374 502	89 324 885
Rand value of historically disadvantaged South African (HDSA) procurement spend (South Africa only)	Rands	30 152 898	82 683 040	108 431 918
HDSA procurement spend: percentage of total measured spend (South Africa only)	%	16.8	64.00	121.40
Rand value of total taxes paid, inclusive of VAT, income tax, royalties, rates & taxes, and all other payments to Government	Rands	28 553 265	57 789 969	11 044 000
Rand value of total taxes paid in South Africa	Rands	28 553 265	57 789 969	11 044 000
Percentage of Total Taxes Paid in South Africa	%	100.00	100.00	100.00
Rand value of dividends paid to shareholders	Rands	0	13 000 000	32 899 000
Rand value of funds invested in research and development	Rands	0	0	0
Rand value of retained earnings	Rands	202 509 000	188 323 000	211 172 000
Ratio of payments to employees relative to dividends paid to shareholders	%	0	12.00	4.40
Ratio of payments to Government relative to dividends paid to shareholders	%	0	4.40	0.40
Rand value of current assets - total	Rands	363 934 000	310 338 000	334 018 000
Rand value of current assets - in South Africa	Rands	362 934 000	310 338 000	334 018 000
Rand value of current liabilities - total	Rands	68 075 000	74 397 000	73 932 000
Rand value of current liabilities - in South Africa	Rands	68 075 000	74 397 000	73 932 000
Rand value of capital expenditures (Capex)	Rands	30 701 520	25 285 547	65 410 000
Rand value of share buybacks	Rands	0	0	0
Wage Gap Ratio as per Companies Act - Ratio of Average Compensation per Top 5% to Average Compensation per Bottom 5% of Employees	Ratio	22:1		
Average Compensation per Male Employee - monthly	Rands	14 006.6		
Average Compensation per Female Employee - monthly	Rands	16 847.0		
Ratio of Male: Female Average Compensation	Ratio	1.20		
Rand value of capital expenditures (Capex) - in South Africa	Rands	30 701 520	25 285 547	65 410 000

INTRODUCTION

GOVERNANCE	UNIT OF MEASURE	2022	2021	2020
Board members	Number	9	9	10
Non-executive Board members	Number	6	7	8
Number of executive Board members	Number	3	2	2
Number of Prescribed Officers (Note: Persons who are NOT already counted as "Executives")	Number	1	1	1
Percentage of Board members who are deemed non-executive	%	66.7	77.80	80.00
What fees (Rands) were paid to executive/board remuneration consultants during the reporting period?	Rands	6 603 158.00		
Independent Board members	Number	4	5	9
HDSA Board members	Number	7	9	10
Number of Board members who are women	Number	4	4	4
Percentage of Board members who are women	%	44.4	44.40	40.00
Is the company's policy on Board Gender Diversity and Board Race Diversity publicly available?	Yes/No	No		
Does the company publicly provide targets with respect to Board Gender and Race Diversity?	Yes/No	Yes		
Does the company publicly provide progress against these targets ?	Yes/No	No		
Does the company publicly disclose AGM minutes?	Yes/No	Yes		
Does the company's publicly disclosure of AGM minutes include the Q&A session?	Yes/No	No		
Does the company disclose its positions on key policy positions (e.g., wage gap disclosure, min wage, carbon tax)?	Yes/No	Yes		
What fees (Rands) were paid to executive/board remuneration consultants during the reporting period?	Yes/No	Yes		
Does the company have significant Board sustainability expertise (i.e., % with measurable sustainability qualifications)?	Yes/No	Not Reported		
Does the company have significant Board Climate Change expertise (i.e., % with measurable Climate Change qualifications)?	Yes/No	Not Reported		
Does the company have a Whistle-blower Programme in place? HOTLINE	Yes/No	Not Reported		
Does the company have a Whistle-blower Programme in place? POLICY	Yes/No	Not Reported		
Number of Whistle-Blower incidents Reported	Yes/No	Not Reported		
Number of Whistle-Blower incidents leading to disciplinary hearing	Yes/No	Not Reported		
Number of employees receiving disciplinary action	Yes/No	Not Reported		
Total amount of political contributions made to political parties	Yes/No	Not Reported		
Is there a breakdown of political contributions per political party provided?	Yes/No	Not Reported		
Number of significant social and/or governance legal non-compliance directives, compliance notices, warnings or investigations	Yes/No	Not Reported		

Rand value of losses resulting from legal proceedings (including fines due to fraud, insider trading, antitrust, anti-competitive behaviour, market manipulation, malpractice or violations of other industry laws or regulations)	Number	0		
Total number of operations that have undergone a human rights assessment	Number	0		
Does the company have formal stakeholder engagement policies in place, including mechanisms for stakeholders to raise issues?	Yes/No	Yes		
Total number of complaints received concerning breaches of customer privacy	Number	0		
Number of allegations of discrimination and/or human rights violations within the workplace	Yes/No	Not Reported		
Average length of executive directors' service	Years	1.9	2	2
Average length of non-executive directors' service	Years	5.2	4	3
Average length of executive and non-executive directors' service (full Board)	Years	4.1	3	3
Average age of directors	Years	52.7	53	53.00
Overall Board and Committee meeting attendance	%	92.3	92.5	80.50
Name of External Auditor	Name	Thawt Inc.	Thawt Inc. and Crowe JHB	Thawt Inc. and Crowe JHB
Auditor remuneration: % of non-audit fees	%	0.00	0.00	0.00
Length of current auditor's service	Years	3	2	1
Independence of Board chairman	Yes/No	No	No	Yes
Publicly available policy on Board Conflicts of Interest & Politically exposed persons (PEP)	Yes/No	Yes	Yes	No
Public disclosure on any/all Board member conflicts of interest	Yes/No	Yes	Yes	Yes
Public disclosure on any/all Board member politically exposed persons (PEP)	Yes/No	No	No	
Publicly available climate-related financial disclosures, as per TCFD*	Yes/No	No	No	No
Publicly available human rights policy	Yes/No	Yes	Yes	Yes
ESG included into service level agreements with suppliers	Yes/No	Yes	Yes	Yes
Formally audit suppliers and contractors for ESG compliance (including human rights)	Yes/No	No	No	
Are shareholders given the right to vote on executive remuneration, and is the vote binding?"	Yes/No/Partial	Yes	Yes	Partial
Shareholders' vote on sustainability-related resolutions, and are the votes binding?	Yes/No/Partial	No	No	
Publicly disclose voting record on sustainability-related resolutions and are the votes binding?	Yes/No/Partial	No	No	
Executive remuneration linked to ESG	Yes/No	No	No	

* HDSA – Historically disadvantaged South Africans

* PEP – Politically exposed persons

* TCFD – Task Force on Climate-related Financial Disclosures

INTRODUCTION

PRODUCTION	UNIT OF MEASURE	2022	2021	2020
Outcomes of activities				
Total quantity of fish sold	Tonnes	14 699	23 188	20 596
Total quantity of cultivated abalone sold	Tonnes	46	28	73
Lobster (South Coast Rock Lobster)				
Total allowable catch (TAC)	Tonnes	354	359	316
Premier Fishing's share	Tonnes	142	135	127
Percentage of allocated quota caught	%	99	106.00	105.00
Sales volumes	Tonnes	140	143	105
Number of vessels wholly-owned	Number	3	3	4
Number of lobster facilities	Number	1	1	1
Lobster (West Coast Rock Lobster)				
Total allowable catch (TAC)	Tonnes	600	837	1 084
Premier Fishing's share	Tonnes	21	27	35
Percentage of allocated quota caught	%	57.00	100.00	100.00
Contracted quota acquired	Tonnes	50	54	54
Percentage of contracted quota processed	%	74.00	88.00	88.00
Sales Volumes				
Live lobster	Tonnes	38	63	60
Whole frozen lobster	Tonnes	0.4	9	11
Number of vessels wholly-owned	Number	1	1	2
Number of lobster facilities	Number	1	1	1
Pelagic – Pilchards				
Total allowable catch (TAC)	Tonnes	9 000	15 100	32 000
Premier Fishing's share	Tonnes	1 880	1 121	2 376
Percentage of allocated quota caught	%	127	105	29
Sales volumes	Tonnes	2 394	1 174	403
Pelagic – Anchovy				
Total allowable catch (TAC)	Tonnes	306 900	258 000	350 000
Premier Share	Tonnes	17 935	16 008	22 233
Percentage of allocated quota caught	%	58	84	74
Sales volumes	Tonnes	10 436	13 370	15 942
Number of vessels wholly-owned/co-owned	Number	3	3	4

Squid

Squid caught	Tonnes	623	2 193	971
Sales volumes	Tonnes	886	2 170	1 014
Number of vessels wholly-owned/co-owned	Number	21	21	21
Number of processing plants	Number	1	1	1

Abalone

Holdings	Tonnes	190	260	229
Total live equivalents processed	Tonnes	13	18	70

Abalone sales volumes

Live abalone	Tonnes	48	28	36
Canned abalone (24 cans per carton)	Cartons	525	139	1 951
Number of abalone facilities	Number	1	1	1
Total area owned	ha	6	6	6
Total area leased	ha	4	4	4
Total area utilised for cultivating	ha	4	4	4

Hake

Total allowable catch (TAC)	Tonnes	130 009	139 109	122 529
Premier Fishing South Africa - TAC	Tonnes	659		
Hake caught and sold	Tonnes	657	691	691
Percentage of allocated quota caught	%	100.00	100.00	100.00

Seagro

Sales volumes	Litres	133 795	71 100	7 008
Number of facilities	Number	1	1	1

Processing and Marketing

Contracted West Coast Rock Lobster sold	Tonnes	30	45	50
Contracted wild abalone acquired	Tonnes	2	18	21
Total contracted wild abalone processed	Tonnes	2	18	21
Sales volumes – wild abalone	CarTonnes	0	83	357
Sales volumes – frozen abalone	Tonnes	0	1	0

INTRODUCTION

HUMAN CAPITAL/LABOUR	UNIT OF MEASURE	2022	2021	2020
Number of permanent employees	Number	768	838	886
Number of seasonal employees	Number	0	n/a	
Number of contractors	Number	11	n/a	
Total number of employees	Number	779	838	886
Management (top and senior) deemed HDSA	%	49.00	42.00	
Management (top and senior) who are women	%	12.00	12.00	36.00
Employees who are deemed HDSA (South Africa only)	%	94.00	94.00	
Employees who are women	%	15.00	15.00	40.00
Employees who are permanent	%	99.00	100.00	100.00
Number of employees who are deemed disabled	Number	9	6	117
Employees who belong to a Trade Union	%	0	0	
Total number of employee terminations	%	89	117	
Employee turnover rate	%	11.42	14.00	
Person hours worked (PHW) - All employees and contractors	Number	1 777 815	1 546 992	
Total number of person days lost due to absenteeism	Number	0	0	
Absenteeism rate	%	0	0	
Total number of person days lost due to industrial action	Number	0	0	
Industrial action rate	%	0	0	
Number of employees trained	Number	192	175	5
Number of training interventions	Number	48	37	
Percentage of training spend in South Africa	%	100.00	100.00	100.00
Rand value of employee training expenditure	Rands	3 225 054	2 780 802	659 000
Rand value of Research and Development spend	Rands	0	0	0
Total number of person days lost due to industrial action	Number	0	0	0
Percentage of employees under the age of 30	%	29.0%		
Percentage of employees aged between 30 and 50	%	45.0%		
Percentage of employees over the age of 50	%	27.0%		
The total annual remuneration of the highest paid employee	Rands	6 439 268		
The total annual remuneration of the lowest paid employee	Rands	43 440		
The median remuneration of all employees	Rands	304 777		
Does the company provide a Rand Value of the Legislated Minimum Wage for each country it operates in?	Yes/No	Yes		
Does the company provide a Rand Value of Lowest Wage Paid for each country it operates in?	Yes/No	Yes		
Ratio of Lowest Paid Wage to Legislated Minimum Wage - South Africa	Ratio	6.3		

HEALTH AND SAFETY	UNIT OF MEASURE	2022	2021	2020
Total number of fatalities	Number	0	0	0
Total number of lost time injuries (LTIs i.e. injuries on duty leading to at least one lost day)	Number	21	30	
Total number of medical treatment cases (MTCs i.e. injuries on duty leading to medical treatment but no days lost)	Number	17	3	
Total number of recordable injuries (RIs)	Number	38	33	
Fatal injury frequency rate	Number	0.00	0.00	
Lost time injury frequency rate	Number	2.362	3.878	
Total recordable injury frequency rate	Number	4.275	4.266	
LTIFR and/or TRIFR target	Number	1.000	1.000	
COVID-19				
Number of COVID-19 certificate of fitness assessment conducted	Number	Not reported	7	
Number of positive COVID-19 test results	Number	Not reported	67	
Number of general COVID-19 tests conducted	Number	Not reported	274	
Number of PCR tests (known)	Number	Not reported	3	
Number of Antigen tests (estimated)	Number	Not reported	97	
Days lost due to COVID-19 positive cases	Number	Not reported	264	
Number of repeat positive cases	Number	Not reported	4	
Number of hospitalisations in Company owned hospitals	Number	Not reported	0	0
Number of recovered positive cases	Number	Not reported	64	
Number of outstanding positive cases	Number	Not reported	0	
Number of COVID-19 related deaths	Number	Not reported	1	1
COVID-19 recovery rate (total number of recoveries/total number of positive cases)	%	Not reported	96.00	
COVID-19 mortality rate	%	Not reported	1.49	
Rand value of investments in COVID-19 avoidance, mitigation and treatment	Rands	Not reported	409 079	
Has a commitment been made to Company sponsored vaccines	Yes/No	Not reported	No	No
Were vaccines provided in the 12 months to 31 March 2022	Yes/No	Not reported	No	No
Are vaccines provided for employees	Yes/No	Not reported	No	No
Are vaccines provided for family members	Yes/No	Not reported	No	No
Are vaccines provided for others	Yes/No	Not reported	No	No

INTRODUCTION

ENVIRONMENTAL	UNIT OF MEASURE	2022	2021	2020
Total petrol consumption	Litres	5 000	5 000	
Total diesel consumption	Litres	3 122 766	3 178 130	
Total Direct Energy Consumption – i.e., from non-renewable fuels burned (e.g., diesel, petrol, etc.)	GJ	128 335	130 607	
Volume of electricity purchased	MWh	7 788	7 497	6 497
Total volume of electricity self-generated from solar, wind or other sources	MWh	134	0	
Total volume of electricity consumed – purchased + self-generated	kWh/PHW	7 922	7 497	0
Electricity efficiency	kWh/PHW	4.46	4.85	
Total Indirect Energy Consumption from electricity consumed (Gigajoules, GJ)	GJ	28 520	26 989	
Total Direct and Indirect energy consumption (all sources)	GJ	156 855	157 596	
Total Energy Efficiency	GJ/PHW	0.088	0.102	0.00
Total Carbon Emissions (Tonnes TCO ₂ e) - Scope 1	TCO ₂ e	8 445	8 594	
Carbon Emissions (Tonnes TCO ₂ e) – Scope 2	TCO ₂ e	8 411	8 097	
Total carbon emissions (Tonnes of carbon dioxide equivalents, Co ₂ e)	TCO ₂ e	16 856	16 691	
Carbon efficiency – Kilograms of Co ₂ e per person hours worked	kgCO ₂ e/PHW	9.481	10.789	
Total volume of water consumed	m ³	20 719	45 913	
Water efficiency: Average volume of Water consumed per person hour worked	l/PHW	11.654	29.679	

Direct energy fuel consumption requirements within Premier is limited to the burning of fossil fuels (i.e., diesel), with no opportunity currently available to pivot using renewable energy sources.

CORPORATE SOCIAL INVESTMENT (CSI)/SOCIO-ECONOMIC DEVELOPMENT (SED) AND ENTERPRISE DEVELOPMENT (ED) EXPENDITURES	UNIT OF MEASURE	2022	2021	2020
CSI/SED				
CSI/SED spend on education	Rands	889 082	399 999	
CSI/SED spend on skills development, including Adult Education and Training (AET)	Rands	2 794 423	2 969 775	
CSI/SED spend on health, including HIV/AIDS	Rands	511 252	1 217 675	
CSI/SED spend on basic needs and social development, including nutrition/feeding projects	Rands	1 277 866	542 728	
CSI/SED spend on infrastructure development	Rands	0	0	0
CSI/SED spend on arts, sports and culture	Rands	0	0	5 000
CSI/SED spend on other	Rands	757 590	136 714	0
Are CSI/SED projects aligned to Government's National Development Plan?	Yes/No	Yes	Yes	Yes
Enterprise Development				
Rand value of ED spend	Rands	2 666 600	4 284 746	9 026 000

The total figure for CSI/SED in South Africa is R6 230 213.

The process of data gathering and coalition from the operations is undergoing a process of continuous improvement. This will result in more data, thus higher volumes for electricity and water consumption indicators

INTRODUCTION

ABOUT THIS REPORT

This is the second year that Premier Fishing & Brands Ltd ("PFB", "the Company" or "the Group") has produced a Sustainability Report in support of our Integrated Annual Report.

This report aims to inform our stakeholders clearly and concisely, including providers of financial capital, stakeholders and future shareholders of PFB of our investments across the various divisions within PFB.

The content of the Sustainability Report has been informed by the following:

- Basic regulatory and compliance guidelines
- King IV™ Report on Corporate Governance for South Africa 2016 (King IV™)
- The International Integrated Reporting <IR> Framework
- The Companies Act, 2008 (Act 71 of 2008), as amended (Companies Act)
- The JSE Listings Requirements
- International best practices
- Independent Third-Party Assurance from Integrated Assurance & Reporting Services (IRAS)

Our report is informed by:

- Sustainability Data Transparency Index (SDTI)
- The Global Reporting Initiative (GRI), but not aligned to the GRI standards
- Sustainability Accounting Standards Board (SASB), but not aligned to its standards

SUSTAINABLE DEVELOPMENT GOALS (SDGs)

We have prioritized the following capitals with the SDGs that are relevant and aligned with our strategy:



STATEMENT OF RESPONSIBILITY

The Board of directors of PFB ("the Board") is ultimately responsible for sustainability. It has tasked the Social, Ethics and Transformation Committee to monitor, manage and report to the Board on sustainability matters.

PFB is committed to promoting a strong culture of social responsibility, encompassing ethical values, community responsibility, environmental protection, cautious use of natural resources, economic advancement and employment.

ASSURANCE

Independent third-party assurance over this report, inclusive of key sustainability data indicators, was provided by Integrated Reporting & Assurance Services (IRAS). Their assurance statement is available on our website for download.







ABOUT PREMIER FISHING AND BRANDS LTD

Business profile
Our business model
Our value chain
Geographic footprint
Our organisational structure
Vision
Our mission statement
Strategy
Our stakeholder engagement

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ABOUT PREMIER FISHING AND BRANDS

BUSINESS PROFILE

Premier is a fishing and aquaculture Group that has existed since 1952. Premier is listed on the Johannesburg Stock Exchange (JSE).

Premier is one of the largest black-owned and managed fishing companies in South Africa.







The Group is predominantly involved in commercial fishing, fish processing, and its products' marketing. This includes sustainable aquaculture through our abalone farm and the manufacturing of Seagro, an environmentally friendly fertiliser.

Our diversified product range includes lobster, squid, abalone, pelagic fish (pilchards, anchovy, red eye etc), hake (deep sea and longline) and horse mackerel.

We own factories, facilities, and fishing vessels, operating over two South African provinces and employ over 750 people. Most of our people employed are in impoverished fishing communities in which we operate, thereby creating much needed employment opportunities.

OUR BUSINESS MODEL

Our business model is the mechanism in which we deploy our capitals inputs along the various phases of our value chain. Our primary value chain ensures that we convert capital inputs into core value-added outcomes that are beneficial to all our stakeholders.

OUR CAPITAL INPUTS	
	Financial Share capital
	Natural Diverse fisheries portfolio, water and energy
	Human Specialist skills, gender and race diversity
	Manufactured Fishing vessels, processing plants and abalone farm
	Intellectual Strong customer relationships Production processes
	Social and Relationship Supplies, customers and communities

PRIMARY ACTIVITIES		
FISHING OPERATIONS	AQUACULTURE	FERTILISER
<ul style="list-style-type: none"> • Catching • Over 20 vessels are used to harvest our own fishing quota of SCRL, WCRL, small pelagics, squid and hake • Catching services provided to other small-quota holders 	<ul style="list-style-type: none"> • Hatchery • Breeding of abalone • Production of spat (baby abalone) • Abalone is reared and grown for a further 20 to 30 months until it is ready for market 	<ul style="list-style-type: none"> • Procurement • Procure fish concentrate from one of our customers
PROCESSING		
<ul style="list-style-type: none"> • Fish is landed at our factories • The fish is graded and packaged for distribution 	<ul style="list-style-type: none"> • Abalone is harvested and packed for shipping abroad 	<ul style="list-style-type: none"> • Process the fish concentrate into liquid fertiliser • Package liquid fertiliser

"Our business units and operations are lean, aligned and arranged by function to ensure high productivity, cost and operational efficiencies with quick decision-making processes".

OUR EXTERNAL ENVIRONMENT

KEY ENABLERS

- Optimal organisational structure and capable employees
- Diverse fisheries portfolio which can be leveraged to drive growth
- Optimal capital structure to fund expansions and acquisitions
- Collaboration with other fishing companies, small-quota holders and abalone farmers to drive growth

COLD STORAGE AND DISTRIBUTION

- Use of cold storage space through our HACCP-approved cold-store facilities

BRANDING, SALES AND MARKETING

- Value-added services

FINANCIAL VALUE MATRIX

Income stream

- Income is generated from the sale of harvested and cultivated marine products
- Cold storage and distribution
- Interest received on cash balances

EXPENSES

To maintain value

- Our main expenditure is incurred during the catching and harvesting of marine products, which includes wages, diesel, maintenance, packaging, electricity, etc.
- We are legally obliged to pay direct and indirect taxes to SARS

To expand value

- Capital expenditure
- Marketing

OUR OUTPUTS



Live and frozen lobster



Frozen hake



Frozen squid



Pelagic fish



Live, frozen and canned abalone



Bottled Seagrow fertiliser



Regulatory

- Allocation of fishing rights
- Compliance with legislation

Macro-economic

- South African Rand/US Dollar exchange rate
- Global economic growth rate

Operating

- Catch rates
- Cash flow management
- Availability of critical skills
- Climate change and weather

OUR VALUE CHAIN

FISHING VALUE CHAIN

Natural resource (marine resources) catching and procurement of lobster, squid, hake and small pelagics

1. Our fishing vessels are efficiently utilised to harvest and land allocated quota in the form of either live or frozen fish.
2. Through maintaining strong relationships with quota holders, we procure stock from third party quota holders.

Processing

1. Live fish is landed in oxygenated seawater tanks, stored, purged, and prepared for export.
2. Whole frozen and lobster tails are processed for the export market.
3. Lobster is graded according to size and packed in our branded boxes for the export market.
4. Raw small pelagics are delivered to our customer factory for processing.

Outputs

Live lobster
Frozen lobster tails
Frozen whole lobster
Frozen lobster heads
Frozen squid
Frozen hake
Pilchards
Anchovy

AQUACULTURE VALUE CHAIN

Breeding and procurement

1. We utilise scientific methods to induce the breeding of male and female abalone to produce spat.
2. Through maintaining strong relationships with other abalone farmers, we procure additional spat when the need arises.

Breeding and procurement

1. The best quality feed is procured and fed to our animals.
2. We continuously monitor the size of the animals until they reach a size preferred by the market.
3. We harvest abalone as live animals, process these at our own facility and package them in our branded boxes for the export market.
4. We harvest abalone as live product and outsource the processing for canned and dried abalone for the export market.

Outputs

Live, canned, dried and frozen abalone

FERTILISER VALUE CHAIN

Procurement

1. Through maintaining a strong relationship with other fishing companies, we are able to procure fish concentrate (a by-product of the fishmeal process) from them.

Processing

1. We utilise our plant facilities and skills to process the fish concentrate to liquid fertiliser (Seagro).
2. The liquid fertiliser is packaged and branded in our bottles.

Output

Liquid Seagro fertiliser

Branding, Sales and Marketing

Our experienced and skilled marketing team sells our high-quality products at competitive market prices.

Income is generated from processing, marketing and selling third-party quota holder's fish.

Income is generated from hiring out part of our cold storage facilities to third parties.

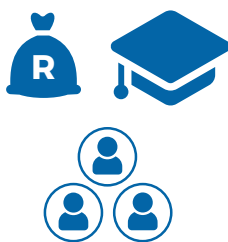
Income is also generated from catching third-party quota.

Key Capitals

Financial Capital

Intellectual Capital

Social & Relationship Capital



Branding, Sales, and Marketing

Our experienced and skilled marketing team sells our high-quality products at competitive market prices.

Key Capitals

Financial Capitals

Intellectual Capitals



Branding, Sales, and Marketing

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Key Capitals

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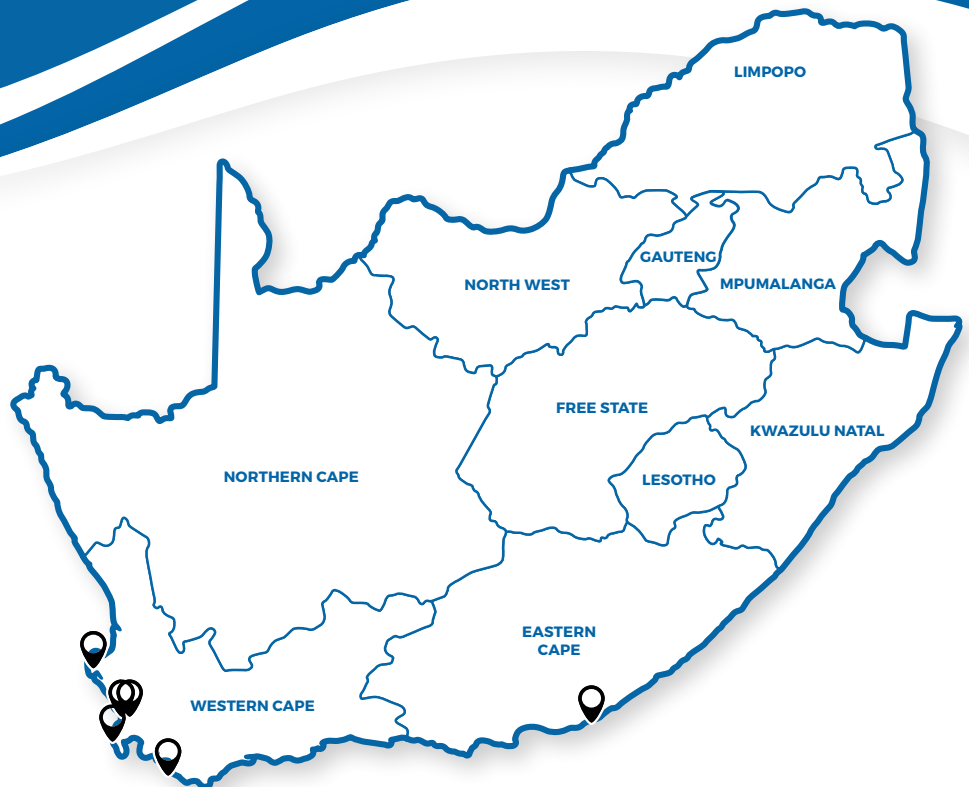
Social & Relationship Capital



GEOGRAPHIC FOOTPRINT

SOUTH AFRICA

We operate in the Western and Eastern Cape Provinces. The fishing grounds from which we harvest marine resources stretch from Lambert's Bay in the Western Cape to Port Elizabeth in the Eastern Cape. Our aquaculture operation is based in the Overberg region of the Western Cape.



SOUTH COAST ROCK LOBSTER, COLD STORAGE – V&A WATERFRONT, CAPE TOWN, WESTERN CAPE

WEST COAST ROCK LOBSTER – HOUT BAY HARBOUR, WESTERN CAPE

HAKE, HORSE MACKEREL SALES AND MARKETING – CAPE TOWN, WESTERN CAPE

SEAGRO, PILCHARDS AND ANCHOVY – SALDANHA BAY HARBOUR, WESTERN CAPE

CULTIVATED ABALONE – GANSBAAI HARBOUR, WESTERN CAPE

SQUID AND COLD STORAGE – PORT ELIZABETH, HUMANSDORP, EASTERN CAPE

OUR GLOBAL BRANDS



OUR ORGANISATIONAL STRUCTURE



Premier Fishing & Brands Limited

PREMIER FISHING SA (PTY) LTD (PREMIER FISHING SA)

100%



Premier Fishing & Brands
The First Choice

Premier Fishing SA is the catching and processing business unit of the Group. Premier Fishing SA owns medium- to long-term fishing rights for South Coast rock lobster ("SCRL"), West Coast rock lobster ("WCRL"), small pelagics (pilchards and anchovy), hake trawl, hake inshore, squid, large pelagics.

PREMFRESH SEAFOOD SA (PTY) LTD (PREMFRESH)

100%



Premfresh is the sales and marketing business unit of the Group and a owned subsidiary of Premier Fishing SA. Premfresh has an experienced marketing team with more than 30 years' combined experience in the marketing of fish and fish-related products and conducts the sales of all of the Group's products. Premfresh also provides sales and marketing services to outside small quota holders.

TALHADO FISHING ENTERPRISES (PTY) LTD (TALHADO)

50.3%



Talhado undertakes the catching, processing, and marketing of squid with both sea and land-based freezing facilities. With our stake in Talhado, the Group is the biggest squid player in the squid industry.

MARINE GROWERS (PTY) LTD (MARINE GROWERS)

100%



Marine Growers is a 100% owned subsidiary of Premier Fishing SA and is the aquaculture business unit of the Group, based in Gansbaai. Marine Growers owns an abalone farm that cultivates abalone for the export market. South African abalone (*Haliotis midae*) is highly sought-after internationally, particularly in the Asian market.



South Coast Rock Lobster

Processing plant and location: **1 PLANT, V&A WATERFRONT**

Quota managed

Market: **UNITED STATES OF AMERICA**



3
vessels



West Coast Rock Lobster

Processing plant and location: **1 PLANT, HOUT BAY**

Quota managed

Market: **CHINA, HONG KONG, JAPAN**



1
vessels



Squid

Processing plant and location: **HUMANSDORP**

Effort based

Market: **EUROPE**



4
3 owned and
1 part-owned



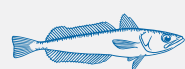
Pilchards and Anchovy

Quota managed

Market: **SOUTH AFRICA**



3
vessels



Hake

Quota managed

Joint venture with Blue Continents Products (BCP)

Market: **EUROPE**



1
vessel



Seagro

Processing plant and location: **SALDANHA BAY**

Market: **SOUTH AFRICA**



Cold Storage

Processing plant and location: **1 COLD STORE, V&A WATERFRONT**

Market: **SOUTH AFRICA**



Squid

Processing plant and location: **PORT ELIZABETH**

Quota size and managed kilograms: **TOTAL ALLOWABLE EFFORT**

Market: **EUROPE AND JAPAN**



15
vessels



Atlantic Abalone

Owned and leased land area: **6 HECTARES**

Processing plant and location: **1 LIVE PACK FACILITY, GANSBAAI HARBOUR**

Yearly production output kilograms: **INCREASED TO 260 TONS IN 2022 FINANCIAL YEAR**

Market: **CHINA, HONG KONG, TAIWAN**

Note: Squid vessels – 3 owned and 1 part-owned

ABOUT PREMIER FISHING AND BRANDS

VISION

Our vision is to be the first choice in everything we do, and with our stakeholders.

The First Choice

MISSION STATEMENT

Is to be a vertically integrated empowered marine business using ethical and sustainable practices to grow and harvest marine resources in a manner which will provide superior and sustainable returns to our stakeholders.

STRATEGY

Our long-term value creation ambitions are framed around and governed by pursuing our strategic vision.

PURPOSE

To be a pre-eminent vertically integrated empowered marine business that uses ethical and sustainable business practices to deliver desired outcomes.

OUR STRATEGIC AMBITIONS

To be the first choice – sustainability first	Increase revenue year-on-year	Grow EBITDA from our quotas	Secure sustainability in the long-term through our fishing quotas
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DELIVERING ON OUR STRATEGIC FOCUS AREAS

<ul style="list-style-type: none"> Organic growth and acquiring companies that complement our existing operations, as well as expanding our areas of operation with companies that fit our overall strategy. 	<ul style="list-style-type: none"> Continued expansion of our abalone farm Acquire companies with a strategic fit to the Group Procurement and trading of fish species. 	<ul style="list-style-type: none"> Increase capacity utilisation of land and sea-based assets Innovative fishing and production techniques Improve catch plans and increase catch rates. Further introduce solar technology with the expansion of the abalone farm Implement shared services. Construct a canning and drying facility at our abalone farm to enable the processing of our own canned and dried abalone. 	<ul style="list-style-type: none"> Alignment of Group with regulator's policy of allocating fishing rights. Full compliance with laws and environmental, health and safety regulations. Create job opportunities through community partnerships and the expansion of the abalone farm. Support initiatives to improve health and education in the communities in which we operate Continue to develop a plan to measure and reduce our carbon footprint.
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KEY ENABLERS

Access to capital to enable support of the growth of our existing business and the ability to acquire more businesses, increase capacity utilisation of land-based assets	Embedding a culture of leadership that fosters diversity, innovation, organisational effectiveness, employee health and safety	Committed employees who believe in the Company and its purpose who incorporate passion and commitment into their work ethic	Engaging with both external and internal key stakeholders	Committed to product quality and consistency	Efficient operational and logistic activities to meet customer demands
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OUR STAKEHOLDER ENGAGEMENT

We appreciate the role of our stakeholders and are committed to nurturing impactful relationships that deliver mutual benefits and encourage transparent, objective and relevant communication. We recognise the importance of building and maintaining trust and respect with our various stakeholders. We strive to respond timeously and appropriately to issues raised in our interactions with our stakeholders.

Our stakeholder management approach involves understanding stakeholders' needs and expectations, addressing those needs and expectations, and identifying and acting on opportunities of mutual benefit.

Our stakeholder engagement involves identifying stakeholders who have the most significant impact on our business. Our engagement includes communicating our strategy, performance, decisions, and activities that impact or are of significant interest to our stakeholders and understanding their needs and expectations.

We addressed essential risks and opportunities and responded timeously and appropriately to issues raised in our interactions with our various stakeholders.

The following table provides an overview of our key stakeholders, their needs, expectations, how we engaged with them, and their contribution to value creation in our business.

OUR STAKEHOLDER RELATIONS

SHAREHOLDERS

We have a broad shareholder base, which includes individuals, institutional investors, private and public companies

Stakeholder

Engagement was done through formal and informal interactions, including:

- Engagement with stakeholders;
- SENS announcements;
- Print media;
- Site visits;
- Road shows;
- Ad hoc meetings as requested;
- Our website - www.premierfishing.co.za

Primary concerns and expectations

- Sustainability of the business;
- Return on capital invested
- Optimal capital allocation and management
- Execution of growth strategies
- Appropriate risk identification and management processes
- Good corporate governance

Expectations managed

- Sound corporate governance rules are implemented in the business
- The Group managed to increase its profit after tax to R12m from R3m in the prior year
- Currently in progress with implementing growth strategies

Value for Premier

- Supply of capital
- Low geared balance sheet

Value for Stakeholder

- Capital growth
- Dividends
- Return on investment

GOVERNMENT AND REGULATORY AUTHORITIES

Including: DAFF, SARB, SARS SAMSA, MCM, NRCS
Accreditation: HACCP, FDA, SABS, NRCS

Stakeholder

We engage with them through various forums, including:

- Emails and telephonic conversations
- Site inspections and audits
- Industry association meetings

Primary concerns and expectations

- Compliance with laws and regulations of authorities

Expectations managed

- Continuous training of management and staff responsible for compliance with various regulations by the respective authorities
- Immediate corrective action noted in the event of findings raised by authorities
- Participation in industry working groups
- Meeting with industry regulators

Value for Premier

- Favourable legislation and less interference
- Repeated utilisation of fishing quotas

Value for Stakeholder

- Contribution to taxes supports job creation
- Other strategic initiatives
- Payment of landing levies and taxes

CUSTOMERS

We have a wide array of both foreign and local customers.

Stakeholder

We engage with them through various forums, including:

- Emails and telephonic conversations
- Contract negotiations and ongoing interactions in the ordinary course of business
- Meetings, including site visits and one-on-one engagements

Primary concerns and expectations

- Delivery of quality products and services
- Price competitiveness
- Leveraging of our B-BBEE credentials
- Adherence to regulatory requirements, good corporate governance and ethics
- Reliable long-term supply of products

Expectations managed

- Ensured that inventory is available
- Ensured that all products supplied have the legal paperwork from the relevant authorities in place
- Ensured that products are safe to consume and consistent with the Premier quality and brand
- Ensured adherence to all necessary standards, such as HACCP, SABS, FDA and EU standard tests
- Complied with international laws, regulations and legislation.

Value for Premier

- Repeat business and revenue growth
- Understanding trends and opportunities
- Improved ability to compete
- Reputable brands

Value for Stakeholder

- Quality products and services
- Fair prices
- Correct labelling
- Better products and services

SUPPLIERS

We have a wide range of suppliers; we source products and services mainly from empowered local suppliers.

Stakeholder

We engage with them through various forums, including:

- Emails and telephonic conversations
- Contract negotiations and ongoing interactions in the ordinary course of business
- Meetings, including site visits and one-on-one engagements
- Supplier audits
- Service-level agreements

Primary concerns and expectations

- Long-term security of supply
- Fair treatment and fair payment terms
- Entrepreneurship and supplier-development programmes
- Commitment to B-BBEE policies

Expectations managed

- Ensured that we sourced supply with reputable businesses – Code of Ethics
- Fully committed to B-BBEE
- Made fair and timeous payments
- Implemented several entrepreneurship and supplier-development programmes

Value for Premier

- Good service
- Committed and consistent supply
- Good pricing
- Good-quality products

Value for Stakeholder

- Fair allocation of business pay on time
- Zero corruption

EMPLOYEES AND TRADE UNIONS

We have permanent and seasonal workers as well as contracted fishermen.

Stakeholder

Communication channels include:

- Emails and notice boards
- Internal meetings with trade union representatives take place on a regular basis
- Performance reviews and feedback sessions
- Company website
- Induction programmes
- Role blueprints, including job grading and job specification requirements
- Training and development sessions

Primary concerns and expectations

- Career development opportunities including skills training
- Job security
- Market-related salaries and wages and equal pay
- Health and safety
- Transformation and diversity
- Involvement in secondary and tertiary education programmes
- Employee wellness programmes
- Corporate social investment in communities
- Employee engagement and communication – the importance of open and honest feedback

Expectations managed

- The Group embarked on updating role blueprints, benchmarking and evaluation measures and identifying further skills development plans
- We focus on health and safety standards and procedures and ensure that working conditions are acceptable
- We made a substantial investment in skills development
- The Group also has a bursary programme which facilitates higher education
- We have also implemented a wellness clinic at our abalone farm.

Value for Premier

- Engaged and motivated employees
- Ability to attract and retain key skills

Value for Stakeholder

- Fair pay
- Interesting work
- Growth and development, equal treatment
- Health and safety

LOCAL COMMUNITIES AND OTHER SMALL QUOTA HOLDERS

This is the community in which we operate, including small-quota holders.

Stakeholder

We engage with the community through direct one-on-one meetings and through roadshows at community centres as well as via:

Primary concerns and expectations

- Social-investment programmes
- Job creation
- Enterprise development

Expectations managed

- Regular donations to sports-development programmes in the communities of Saldanha and Gansbaai
- School donations and support programmes in the communities of Hawston and Gansbaai
- Creation of job opportunities through the abalone farm expansion
- Free administration-support services and technical training to contracted small-quota holders

FDA Food and Drug Administration HAACP Hazard Analysis and Critical Points Control MCM Marine Coastal Management NRCS National Regulator for Compulsory Specifications SABS South African Bureau of Standards SAMSA South African Maritime Safety AuthoritySARB South African Reserve Bank SARS South African Revenue Service





OUR APPROACH TO SUSTAINABILITY

*Sustainability governance
Sustainability first
Our sustainability governance
framework
Materiality determination
Our material matters
Responding to the sustainable
development goals*

29

OUR APPROACH TO SUSTAINABILITY

SUSTAINABILITY GOVERNANCE

Our Board oversees and drives a strategic approach to sustainability that responds to the interests of all key stakeholders while protecting and creating value. The Group's core purpose, business model, performance, risks, opportunities and sustainable development are inseparable elements of the value-creation process.

Our Board is aware that its responsibility and accountability and producing solid financial results include managing the Company's environmental and social impact and addressing stakeholders' expectations, including regulators, investors, business partners and employees.

Our products and services are the tangible outputs of our business activities, and our social and ethical responsibilities guide our day-to-day activities. Therefore, all forms of sustainability are critical in our strategy and operational activities.

The ultimate responsibility of sustainability rests with the Board, and the Board has tasked the social, ethics and transformation committee to manage, monitor and advise it on these matters.

Our goal has always been to provide innovative management solutions to every client while remaining committed to social responsibility. We are committed to implementing sustainable business practices that minimise the impact on the environment from our operations.

SUSTAINABILITY FIRST

We must make decisions that directly impact our stakeholders as a business. The sustainability of our resources has been the core of our business since its inception, including our employees, financial institutions, labour organisations, civil society and citizens, and the level of trust they have in us. These decisions are based on financial information alone and on assessing risks and opportunities using the information on a wide variety of immediate and future issues. Building and maintaining trust in South Africa's businesses and the Government is fundamental to achieving a sustainable economy.

The Group ensures that its subsidiaries act in an environmentally friendly manner that considers the existence of the communities in which our operations are located through sustainable use of ocean resources for economic growth, improved livelihoods, and jobs while preserving the health of the ocean ecosystem. The Group also has policies in place regarding the health and safety of its employees. Additionally, we are committed to being industry leaders and adding value to our services by implementing sustainable business practices that minimise our operations' impact on the environment. Environmental commitments are an integral part of their day-to-day activities.

The Group's carbon emissions impact the environment, and we commit our businesses to a journey of responsible environmental stewardship. We acknowledge that a stable economy and a sustainable business require a sustainable environment. We work closely with the relevant authorities to safeguard various fish species and pay careful attention to the environmental impact of our operations.

The value of our sustainability reporting process is that it ensures that the Company considers its impacts on sustainability issues, and it enables us to be transparent about the risks and opportunities we face. Our stakeholders play a crucial role in identifying these risks and opportunities for the Company, particularly non-financial.

The Group continually works towards sustainable development through careful stewardship of natural resources, eradicating poverty, and income inequalities, with the goals being employment, accessing quality and affordable basic services, and fostering a stable and just society.

We have instituted measures throughout our operations to ensure that we meet our own requirements for sustainability and those of the United Nations Development Goals, which should be realised by 2030.

OUR SUSTAINABILITY GOVERNANCE FRAMEWORK

BOARD OF DIRECTORS

The Board of directors is primarily responsible for overseeing sustainability issues through the committees listed below:

CHIEF EXECUTIVE OFFICER

The CEO is accountable to the Board for the implementation of the Group's strategy and the overall management of the Group

AUDIT AND RISK COMMITTEE	REMUNERATION COMMITTEE	SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE
<ul style="list-style-type: none"> Is responsible for overseeing and reviewing the integrated reporting process. Reviews the annual financial statements, interim reports, and preliminary results announcement. They ensure the integration in terms of reporting and the application of our business model. They ensure that the combined assurance model is applied. They oversee the internal audit function. They are responsible for risk management, consider the top risks, and monitor the progress of mitigating them. Findings and recommendations are reported at Board level. They are responsible for the governance of technology and information. They recommend the services of the external auditor. 	<ul style="list-style-type: none"> Reviews and approves the remuneration and benefits policy and the reward philosophy and strategy adopted by the Company. They ensure that the Company remunerates responsibly, fairly, and transparently. They review and approve the reward philosophy and strategy. They determine the remuneration packages of the executive directors and senior managers. They recommend to the Board the fees to be paid to non-executive directors for their services. 	<ul style="list-style-type: none"> Ensures that the Company is and remains a committed, socially responsible corporate citizen. They report on organisational ethics, sustainable development, and stakeholder relationships. They monitor the Company's social impact, oversee compliance, and ensure sound ethical and governance practices. They ensure compliance with statutory duties and encourage leading practices by having the social, ethics and transformation committee progress beyond mere compliance to contribute to value creation. They are responsible for overseeing transformation management, ensuring that management has implemented and maintained an effective transformation management process in the Group. They assist the Board in leading transformation within the Company and ensuring appropriate policies and procedures are in place. They ensure compliance with the amended B-BBEE Codes of Good Practice as revised from time to time. They manage and ensure best environmental practices.

DAILY RESPONSIBILITY IS DELEGATED TO DIVISIONAL MANAGEMENT

MATERIALITY DETERMINATION

Our report addresses social, environmental, and economic issues that have been identified as being of the highest importance. Our materiality determination is structured around our risk register as a starting point. Our risks and opportunities are identified, prioritised and mapped according to probability and potential impact, and mitigation strategies are refined to ensure our ability to pre-empt each issue for the benefit of our stakeholders competently.

Our approach to materiality determination is informed by The International Integrated Reporting Council <IR> Framework considering our various stakeholder groups and ensuring value creation over the short, medium, and long-term.

We enable our stakeholder engagement processes to inform the audit and risk committee of any additional risks that are deemed material to the ongoing sustainability of the Group. Whenever necessary, outcomes of engagement activities will escalate new threats or concerns to the audit and risk committee for their consideration, noting that some material issues may not end up on the risk register but are necessary to address.

OUR APPROACH TO SUSTAINABILITY

(CONTINUED)

As a result of our materiality determination process, our most material matters are listed below:

MATERIAL MATTERS

Fishing resource availability

- A reduction in the fish biomass could result in the Total Allowable Catch (TAC) for West Coast Rock Lobster, South Coast Rock Lobster, hake, pelagic or a reduction in the total effort catch of squid would affect the sustainability of our business.
- Work closely with the Department of Forestry, Fisheries, and the Environment (DAFF).
- Ensure compliance with DAFF and all fishing regulatory requirements.

Reallocation of fishing rights

- Continue to foster relationships with small scale fishers
- Build strong relationships with small fishing companies
- Partner with small fishing companies

Environment

- Adverse weather conditions
- Climate change and energy efficiency
- Carbon emissions
- Property damage
- Managing our direct environmental impact
- Promoting sustainable water usage
- Promoting energy efficiency
- Managing operational disruptions
- Materials and waste management

Regulatory

- Ensuring sound corporate governance practices
- Ensuring compliance with International Financial Reporting Standards (IFRS) and the JSE Listings requirements
- Ensuring compliance with all other applicable laws and regulations
- Transparent engagements with our stakeholders
- Fostering ethical behaviour

Developing people

- Workplace transformation and diversity
- Promoting within the organisation
- Skills development
- Attracting and retaining talent

Employee health and safety

- Promote and enable a healthy and safe working environment for our employees in response to the COVID-19 pandemic
- Addressing employee health and safety concerns timeously

Responsible products and services to our customers

- Financing and infrastructure
- Treating our clients fairly
- Promoting responsible investment
- Promoting our product offering and service

Investing in a prosperous society

- Through transformation and empowerment
- Responsible procurement, enterprise, and supplier development
- Corporate social investment

OUR APPROACH TO SUSTAINABILITY

(CONTINUED)

The group prioritised and mitigated the following key risks to create sustained value

The following table describes our principal identified risks, which continue to have the potential of a material impact on the Group's ability to create value. These are outlined below:

- 1 Resource availability**
- 2 Reallocation of fishing rights**
- 3 Exchange rate volatility**
- 4 Cyber risk**
- 5 Regulatory compliance**
- 6 Environmental**
- 7 Macroeconomic environment**
- 8 Attracting and retaining skilled staff**

The following table provides a detailed insight into our key identified risks, together with their potential impacts and mitigating actions. In determining our mitigation strategy, we have considered the severity and likelihood of the occurrence of the risks we face:

Risk exposure





1 Resource Availability

The risk that a reduction in the fish biomass could result in a reduction in the Total Allowable Catch (TAC) for West Coast Rock Lobster (WCRL) South Coast Rock Lobster (SCRL), hake and pelagic, or a reduction in the total effort catch of squid.

RISK CONTEXT	MITIGATING ACTIONS	RISK EXPOSURE	RATE: 1 (2021:1)
<p>The West Coast Rock Lobster (WCRL) Resource remains a challenge for the industry at large.</p> <p>During the year under review, the Department of Forestry, Fisheries and the Environment (the Department) announced a reduction in the TAC for the fishing season period under review.</p> <p>The group's quota was reduced to 21 tons for own permit and we pushed for 50 tons for outside rights holders. For now, the most material effect of any reduction in the relevant TAC's, pertains only to the WCRL.</p>	<p>The Group remains committed to assisting government by ensuring strict compliance with the TAC, thereby assisting the recovery of the resource, and safeguarding the sustainability of the resource for the future.</p> <p>The Group continues to incubate and procure fish from third-party quota holders so that a reduction in the quota for the Group can be mitigated by third-party quota holders.</p> <p>Additionally, we continue to enhance our operational efficiencies, thereby avoiding critical job losses.</p>	<p>Residual vs. Inherent</p> 	<p>A reduction in the Total Allowable Catch (TAC) affects the Revenue Generated by the Group and ultimately the investors' returns on shareholding</p> 

2 Reallocation of Fishing Rights

The risk that a reduction in the fish biomass could result in a reduction in the TAC for WCRL, SCRL, hake and pelagic or a reduction in the total effort catch for squid.



RISK CONTEXT	MITIGATING ACTIONS	RISK EXPOSURE	RATE: 1 (2021:1)
<p>The Fishing Right Allocation Process (FRAP) for the granting of long-term commercial fishing rights was announced end of March 2022.</p> <p>The Department reviewed the rights process to allow for a potential of 25% new entrants into the sector. Premier Fishing was successful in all applications</p>	<p>The Group is one of the most transformed fishing companies in South Africa, with a level 1 B-BBEE rating with a 93.63% black ownership.</p> <p>This positions the Group as a strong contender in being allocated appropriate quotas.</p> <p>To further mitigate the potential for a reduction in the Group's own quota, Premier continues to retain strong relationships with its existing smaller fishing company partners and has actively engaged in seeking additional partners, to operate in a similar manner. This is to ensure an equitable distribution of available marine resources.</p>	<p>Residual vs. Inherent</p> 	<p>Revenue and profitability will decrease, and this will affect business going concern.</p> <p>The loss of fishing rights by the group or by rights holders who are contracted with the group will result in operations being affected and may lead to job losses in the company as the fishing rights are the backbone of Premier Fishing Group</p> 

OUR APPROACH TO SUSTAINABILITY

(CONTINUED)




3 Exchange rate volatility

The risk of the ZAR strengthening against the US Dollar and Euro.

RISK CONTEXT	MITIGATING ACTIONS	RISK EXPOSURE	RATE: 1 (2021:1)
Currency volatility due to various political and macro-economic factors continues.	The Group implements operational strategies, which enable it to save on ZAR denominated costs in the event of the strengthening of the ZAR, thereby maintaining its margins.	Residual vs. Inherent	<p>A strengthening rand against hard currencies means that export sales when translated to Rands will see a decline in reported Revenue.</p> <p>A strengthening Rand also results in outstanding debts from customers, in the group are translated to a lesser amount in Rands resulting in foreign exchange losses</p>
			

4 Cyber risk

The risk that the Group's information systems will be threatened by cyber-attacks.

RISK CONTEXT	MITIGATING ACTIONS	RISK EXPOSURE	RATE: 1 (2021:1)
Cyber-attacks have increased in frequency and sophistication and with the increased use of technology, the exposure to cyber-attacks inherently exists.	<p>The Group continues to invest in up-to-date information technology systems, thereby safeguarding the Group's critical information.</p> <p>The Group continuously provides employees with training and information on how to mitigate software virus threats.</p>	Residual vs. Inherent	<p>A cyberattack can affect and also hinder operations as all business systems in place within the group are highly dependent on the use of technology for the ease of work carried out.</p> <p>A cyberattack may result in business operations coming to a standstill as the group's data processing is highly dependent on the servers for data storage.</p>
			 

5 Regulatory compliance

The risk of non-compliance with laws and regulations and JSE Listing requirements.

RISK CONTEXT	MITIGATING ACTIONS	RISK EXPOSURE	RATE: 1 (2021:1)
The Group operates under strict and complex regulatory and policy frameworks.	<p>The Group endorses best practices and is HACCP accredited.</p> <p>The Group employs experienced staff who understand the various regulatory requirements.</p> <p>The Group has legislature-compliance training and monitoring programmes.</p> <p>Rigorous compliance and quality audits are conducted, ensuring the highest standards. Policies and procedures are constantly updated to adapt to new regulations and legislative requirements.</p> <p>Residual vs. Inherent</p> <p>Material aspect affected</p>	Residual vs. Inherent	<p>Non-compliance with laws and regulations may affect business continuity.</p> <p>The laws and regulations are put in place to control the group's activities. Should the group use the fishing rights beyond the stipulated quota then there is a risk that no quotas will be allocated for the next fishing season.</p> <p>JSE listing requirements are very critical in keeping the company listed and should these not be adhered to then there is a risk that the holding company is delisted.</p> <p>BEE ratings are highly essential, and retention of the BEE levels is crucial for business continuity as the fishing rights allocation takes the status into consideration</p>



6 Environment

The risk of adverse weather conditions affecting landings of fish stock and the Red Tide in the Gaansbaai area.

RISK CONTEXT	MITIGATING ACTIONS	RISK EXPOSURE	RATE: 1 (2021:1)
There are challenging weather conditions and natural movement of biomass.	<p>The Group employs experienced skippers who maximise the catch rates during the available fishing days.</p> <p>We have engaged the services of veterinarians and a top marine biologist, who have developed standard practices to assist with the management of our animals during a red-tide occurrence.</p>	Residual vs. Inherent	Adverse weather conditions affect the catch, and this has a huge impact on the Revenue generated by the group



OUR APPROACH TO SUSTAINABILITY (CONTINUED)

7 Macroeconomic environment

The risk of significant increases in wages demanded by staff, and unplanned operational disruptions as a result of labour disputes.

RISK CONTEXT	MITIGATING ACTIONS	RISK EXPOSURE	RATE: 1 (2021:1)
The current economic environment in South Africa is characterised by the harsh increase in the cost of living and low economic growth.	<p>The Group continues to pursue growth and diversification of its portfolio to unlock value and create much-needed jobs and employment opportunities</p> <p>The Group constantly engages with trade-union representatives to ensure that employee demands are in line with the Group's affordability.</p>	Residual vs. Inherent	Labour disputes and high wage demands has an adverse impact on operational costs which will significantly rise and an increase in overheads will result in Losses.



8 Attracting and retaining skilled staff

The risk of losing employees with critical skills and experience.

RISK CONTEXT	MITIGATING ACTIONS	RISK EXPOSURE	RATE: 1 (2021:1)
South Africa continues to experience high levels of emigration, adding to the challenge of attracting and retaining skilled talent.	<p>The Group has instilled a rich, diversified, and inclusive company culture – and has an engaged open-door policy.</p> <p>The Group strives to ensure employee satisfaction by empowering staff to promote productivity and enhance outcomes.</p>	Residual vs. Inherent	<p>Retention of highly skilled staff is very important as skilled and experienced staff are crucial stakeholders who ensure the going concern of the business as the main operations of the companies require skilled personnel.</p> <p>For instance, a loss of a skipper who is in charge of the vessel that the group relies on, for fishing has a huge impact on the revenue as there is a possibility of decline in Revenue due to a drop in fish caught.</p>



OUR APPROACH TO SUSTAINABILITY

(CONTINUED)

RESPONDING TO THE SUSTAINABLE DEVELOPMENT GOALS



The Company is reporting on its sustainable development goals for the second time. We remain committed to supporting our Government's commitment to the SDGs in the areas where we operate. We use guidance from industry bodies to inform internal and external stakeholder commitments and to measure our performance against 14 of the 17 SDGs.

Our operations contribute to many of the goals. We will continue to strengthen our commitment to the relevant SDGs with the assistance of our leadership team.

The table below identifies which goals are relevant to the Group, our progress, and set targets.



GOAL	RESPONSE	PROGRESS TO DATE	TARGETS
NO POVERTY			
Goal 1 	We work hard to ensure the Company is sustainable. We are building capacity for the future, where more people can be gainfully employed, thus contributing to the economy, helping to eradicate poverty by creating employment opportunities.	<ul style="list-style-type: none"> Wages at all operations are in line with industry standards set by the Government Work towards building resilience in the communities in which we operate to reduce their exposure to climate-related events We spent R137.2m in salaries and wages Support for small scale fishermen and employment in impoverished communities. 	<ul style="list-style-type: none"> No specific financial targets have been set. We have had very few retrenchment cases as the Group was stable and was able to keep all employees.
ZERO HUNGER			
Goal 2 	End hunger, achieve food security, improve nutrition, and promote sustainable agriculture	<ul style="list-style-type: none"> We help put food on the table for more people in providing work. The fish we catch also provides nutritious sustenance for many. We are committed to ensuring the sustainability of our fish stocks. By-catch for "fry-ups". 	<ul style="list-style-type: none"> No target has been set
GOOD HEALTH AND WELL-BEING			
Goal 3 	We promote good health and well-being.	<ul style="list-style-type: none"> We continually aim to create an environment conducive to improving the health and well-being of our employees and the communities in which we operate. We have programmes for our employees and provide access to various health services. We monitored and screened our employees for COVID-19 and identified cases to be monitored. We monitor our employees for potential substance abuse. We ensure that our employees are screened and fit before going to sea. We provide medical assistance to our employees. We spent quite a sum on health care. 	<ul style="list-style-type: none"> No specific target has been set. We had one death due to COVID-19 in 2022. The number of COVID-19 positive cases continue to decline.

QUALITY EDUCATION

Goal 4



Knowledge is power, and we ensure inclusion, quality education and learning opportunities for all.

- We provided training and development support programmes that inform, uplift, upskill and enable our employees.
- We also make many of these platforms available to the families of our teams.
- Our training includes accredited maritime training, SETA learnerships, AET and adult literacy interventions and short courses including life skills, business training, computer skills, professional project management, health and safety, accounting, marketing, COVID-19, HIV and aquaculture training.
- We promote education through our Bursary programme.
- Our SED programmes support Early Childhood Development (ECD), primary, secondary, and tertiary education.
- To date more than 50 people benefitted from our educational programmes. · We spent R2.794 million on education, training, and development in 2022.
- We spent more than R1.8m on bursaries and learnership programmes, including ECD, primary, secondary, and tertiary education.

- A portion of our SED budget goes towards educational support.
- No specific financial targets have been set for training and development interventions.
- The Group will continue its commitment to its ECD, primary, high school and tertiary education, bursary and learnership programmes, but no financial targets have been set.

GENDER EQUALITY

Goal 5



Empower women and girls and end all forms of discrimination.

- We remain committed to being an equal opportunity employer.
- We do not discriminate against race, gender, or creed.
- We root out all forms of discrimination which are embedded in our Code of Ethics, Code of Conduct and The Way We Work policies
- We had no incidents of gender discrimination during the year.
- We have a transformative culture representative of an inclusive South Africa and are a leading example of gender equality
- Our non-executive chairperson is a woman of distinction.
- 44% of board members
- 25% of executives
- 12% of our top management are females · 15% of our employees are female in the male-dominated fishing industry.
- The Company continued to work within its communities to promote empowerment at all levels of society.

- Zero tolerance for all forms of discrimination.
- Increase female representation in the Group at all levels, but no specific target has been set.

CLEAN WATER AND SANITATION

Goal 6



Ensure potable water and the sustainability thereof

- All operations in the Group have access to potable water.
- The abalone farm's primary source of water is from the ocean for its operations

- Develop water management plans.

AFFORDABLE CLEAN ENERGY

Goal 7



Ensure reliable energy and the consumption thereof for our operations.

- We increased the solar energy capacity at the abalone farm.
- A total of 134 MWh was self-generated in 2022..
- We spent over R6m on the implementation of solar energy to date.

- Our solar energy project is done through a phased approach.


OUR APPROACH TO SUSTAINABILITY

(CONTINUED)


DECENT WORK AND ECONOMIC GROWTH

<p>Goal 8</p> 	<p>Promote economic growth and employment and decent working conditions</p>	<ul style="list-style-type: none"> • We contribute to the economy through our investment diversification and collaboration with the communities in which we operate. • We create favourable working conditions that attracted talent and assisted us in growing our businesses. • We offered internships. • We partner with small-scale fishers to ensure their livelihood by offering our administration services, catching, processing and marketing of the quota their allocations. • We collaborate with our industry and joint venture partners to ensure a sustainable marine resource for future generations. 	<ul style="list-style-type: none"> • No specific targets have been set. • Our goal is to ensure sustainable income through our operational performance.
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INDUSTRY INNOVATION AND INFRASTRUCTURE

<p>Goal 9</p> 	<p>Promote, develop and support production through our activities, job creation and infrastructure</p>	<ul style="list-style-type: none"> • We continue to improve our infrastructure, taking into account our operational needs. • We ensure the optimal use of our assets and disposed of obsolete assets and infrastructure. • We use innovation at our abalone farm with our growing tanks powered by solar energy. • We continue with the expansion of our abalone farm. • We monitor and implement methods for our fishing fleet to minimise the negative impact on the environment. 	<ul style="list-style-type: none"> • Our goal is to construct a processing facility at our abalone farm, creating additional employment. • This will increase operational capacity. • We are working towards our medium-term targets to improve our environmental efficiencies.
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REDUCED INEQUALITIES

<p>Goal 10</p> 	<p>Bridging the socio-economic divide is critical to the long-term survival of our country. Promote and empower the economic, social and political inclusion of all races, ethnicity, sex, age, disabilities and religion.</p>	<ul style="list-style-type: none"> • We offer access to education, improvement, and empowerment programmes to help break down the endemic inequality barriers in South Africa. • We work towards income generation, growth, and opportunities while eliminating discrimination. • We ensure that our wages for our lower skill levels were targeted above the inflation rate. • We ensure the promotion of all persons' social, economic, and political inclusion regarding age, sex, race, disability, ethnicity, religion, or other status. This is entrenched in our Code of Ethics, Code of Conduct, and The Way We Work policies, as well as our service agreements with our suppliers and contractors. • All forms of discrimination are prohibited from all activities and operations. • Our policies are structured to create greater equality within our workforce through retention and recruitment. • Our major subsidiaries all attained a B-BBEE Level 1 accreditation in line with the DTI Codes of Good Practice. 	<ul style="list-style-type: none"> • We have zero tolerance for all forms of discrimination. • Maintain and improve our wages for our lower skills above the inflation rate. • Maintain a B-BBEE Level 1 accreditation in line with the DTI Codes of Good Practice for all our major subsidiaries.
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SUSTAINABLE CITIES AND COMMUNITIES

Goal 11



The communities in which we operate are important to us.

- We support our communities in which we operate through employment, education, and corporate social investment initiatives involving our time, skills, and money. This ensures that they and we remain sustainable.
- The effect of climate change, the need to preserve our environment, and access to modern infrastructure promote information sharing.
- Our stakeholder engagement includes the communities in which we operate.
- Our top risks and the mitigation thereof include adverse weather conditions that impact the Group and the communities in which we operate.

- No specific targets have been set.
- Our ongoing risk management process is monitored regularly, and action is taken appropriately to mitigate any potential risks.

RESPONSIBLE CONSUMPTION AND PRODUCTION

Goal 12



Ensure responsible consumption and production.

- We monitor the efficient use of our natural resources and continue to work for an overall reduction.
- We continue to reduce our waste consumption.
- We will continue to engage with our employees, contractors, suppliers and industry bodies to ensure the sustainability of all natural resources.

- No specific targets have been set, but we continue to improve our water, energy, carbon emissions and waste disposal.

CLIMATE ACTION

Goal 13



Combat climate change and the impact of emissions

- We installed solar energy at our abalone farm – this will continue through a phased approach.
- We continue to monitor the effect of our operations and our vessels in terms of their carbon emissions.

- No specific targets have been set.

LIFE BELOW WATER

Goal 14



Protect and promote the sustainable use of marine resources, pollution and protecting our ecosystem.

- As a fishing company, we are dependent on our marine resources.
- We continue to support the sustainability and conservation of our marine resources by protecting our oceans and marine resources.
- We continue to reduce our marine pollution by protecting and restoring our ecosystems, ending illegal fishing and over-fishing by utilising science-based management plans to restore fish stocks and repair the oceans.
- We prohibit unregulated fishing and poaching of our marine resources.
- 10% of coastal and marine areas need to be conserved, while unregulated fishing plus subsidies, which are contributing to overfishing, must be prohibited.
- The accommodation of small-scale fishers needs to be granted, and marine conservation needs to be enhanced.

- We continued to abide by the total allowable catch for our various species as per the permits granted to us.
- The Group was successful in the FRAP ("Fishing Rights Application Process") as it secured 15 years of fishing rights for the following sectors:
 - South Coast Rock Lobster,
 - Squid,
 - Anchovy,
 - Pilchard,
 - Hake Deep Sea and
 - Hake Longline





HUMAN CAPITAL

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Our human capital highlights, outcomes and actions

Training and development

Human rights

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HUMAN CAPITAL

OUR KEY HUMAN CAPITAL INPUTS



INTRODUCTION

Our Human Capital is a crucial asset of our Group. Our people remain central to everything we do and are vital to our ambition to deliver an excellent stakeholder experience and sustainable, profitable revenue growth. They play a pivotal role in the Group's drive to achieve its strategic objectives. We allow our employees to develop their skills and abilities through various skills programmes and benefit from being part of a progressive and dynamic organisation.

Our COVID-19 response remained a significant focus during the financial year, with the various variants, against the backdrop of the Group's operational requirements.

OUR HUMAN CAPITAL HIGHLIGHTS, OUTCOMES AND ACTIONS

OUR APPROACH TO HUMAN CAPITAL

Our approach to managing our human capital is by investing in our employees through:

- Developing our current and future leaders.
- Attracting, developing and retaining employees with the proper management and technical skills to drive our strategy.
- Embedding the best people management practices across the Group and position the Group as an employer of choice.
- Aligning our structure to support and deliver on our strategy.
- Enhancing transformation and diversity across the Group.
- Ensuring fair and responsible remuneration practices by implementing key performance indicators within individual business units.
- Enhancing communication and collaboration across the Group through training, diversity and career pathing.

HIGHLIGHTS ON THE PROGRESS ON OUR HUMAN CAPITAL IN 2022

The section below details the progress made in creating value, the relevant key performance indicators, our 2022 progress, the risks related to the material matters and the associated opportunities.

According to our capitals, we tracked our progress defined by the International Integrated Reporting Council's Integrated Reporting <IR> Framework as the resources and relationships used and affected by an organisation.

MATERIAL MATTERS	KEY PERFORMANCE INDICATOR
<ul style="list-style-type: none"> COVID-19 and the impact on our employees Effective leadership to develop and lead our employees to deliver high performance Teamwork and a respectful culture Clean, safe and healthy operational premises Employee health and safety Employee job security Employee recruitment and retention of critical skills Training and development of employees Remuneration and employee recognition Employee job satisfaction and diversity Diversity and cultural transformation Employee productivity, efficiency and costs Management retention and succession plans Protection of personal information 	<ul style="list-style-type: none"> We continue to monitor the impact of COVID-19 on our employees and to ensure that our employees work in a healthy and safe environment We monitored employee job security because of the volatile economic climate We tracked our employee attrition for the retention of critical skills We encouraged, reviewed and tracked training and development of employees to develop critical skills to drive business performance through external training institutions We ensured that our employees are remunerated fairly and responsibly and are provided recognition for their performance We continuously imbed and monitor diversity and cultural transformation across all levels with all recruits We ensured the delivery of our strategic objectives by driving a high-performance culture, productivity, efficiency and monitoring costs We monitored employee job satisfaction, productivity, efficiency and costs We ensured that employee's personal information was protected at all times
2022 PROGRESS	WHAT ARE THE RISKS RELATED TO OUR MATERIAL MATTERS?
<ul style="list-style-type: none"> We promoted and enabled a healthy and safe environment for our employees in response to the COVID-19 pandemic We emphasised our employee value proposition We encouraged remote working resulting in better work performance and less stress and anxiety for employees We continued to promote a working environment that allows employees to deliver high performance We continued with the development of critical skills to drive business performance as well as building leadership capability to enable productivity, high performance and sustainable growth We continued with our transformation and employment equity plans We identified employees for development We rolled out our transformation and equity employment plans We trained our employees on the Protection of Personal Information Act, 2013 	<ul style="list-style-type: none"> Our employee's mental health during the COVID-19 Lockdown and any knock on effects The impact of the COVID-19 pandemic in terms of further job creation The loss of critical skills due to the impact of the COVID-19 pandemic Higher than market-related salary demands Developing critical skills The inability to retain skills and high-caliber employees The inability to find suitable accredited training and development service providers The inability to recruit skilled employees The challenge of training inexperienced employees could take longer than anticipated



HUMAN CAPITAL (CONTINUED)

ACTIONS AND OPPORTUNITIES THAT ENHANCED OUR OUTCOMES

- We enhanced our risk-management processes to ensure a safe and healthy working environment, including mental health
- Remote working conditions creates better productivity
- Workplace wellness programmes that emphasise employee well-being, in and out of the office
- Employee development – bursaries and learnerships
- Identify and offer internships and learnerships in identified disciplines
- Leadership development programmes
- Continuously promoting a working environment in which our employees are valued, respected and developed, thereby enabling them to perform at a high level.
- Continuous funding of the Premier Fishing Bursary scheme, which assists our employees by teaching children's critical skills that are needed within the Group
- Providing learnership programmes, thereby contributing towards skills enhancement within the Group as well as broader society

OUTCOMES OF OUR ACTIVITIES ON HUMAN CAPITAL

		2022	2021
Number of employees	Number	779	838
Total amount paid in salaries, wages and benefits	Rands	137 208 000	155 804 000
Total amount paid to contracted fishermen	Rands	25 591 000	44 518 000
Total amount paid towards the Premier Fishing Bursary Trust	Rands	R643 000	399 000
Total number of employees trained	Number	192	175
Total amount paid for skills development	Rands	3 225 054	2 780 000
Number of employee safety incidents	Number	22	33
Number of fatalities	Number	0	0

Premier employs more than 750 people on the coastal regions of South Africa and is committed to contributing towards job creation for previously disadvantaged communities, to meet the Group's growth plans and employment targets.



TRAINING AND DEVELOPMENT



We increased our training and development programmes during the year. As a result, R3 084 000 (2021: R2 780 000) was spent on 192 employees who undertook training and 48 training interventions. Some of the initiatives include:

- Health & Safety
 - Fire fighting
 - First aid
 - Deck officer
 - Electronic navigation systems
 - Personal survival techniques
 - Personal safety & personal responsibility
 - Reach truck and forklift re-licence
- Governance training
- Tax training
- Numeracy & literacy assessments
- Aquaculture training
- Health & Safety induction programme
- HIV AIDS training
- Alcohol & drug training
- Fire emergency procedures
- Respiratory protection
- Heating conservation
- DHAS Alt seminar
- Red tidewater sampling

We paid for the following four bursaries during the year, totaling R160 319. All of the recipients are previously disadvantaged South Africans.

- PG Dip: Accounting
- PG: BPhil Hon Marketing Management
- NC: HR management N5
- Electrical – prep and trade test

We distributed R686 400 in learnership programmes for the year

WHAT WE WANT TO ACHIEVE

Provide further training and development opportunities to enhance skill sets throughout the Group

OUR FOCUS	OUR APPROACH
<p>As part of our vision, some of our high-level strategic focus areas include:</p> <ul style="list-style-type: none"> • Foster equality within our work environment irrespective of gender, race, creed and other forms of diversity. • Build leadership capacity among women. • Promote skills development and learnership programmes. • Promote performance management. • Ensure full compliance with the changing regulatory requirements and that all Workplace Skills Plans, Annual Training Reports and Pivotal Reports as per SETA requirements have been developed. 	<ul style="list-style-type: none"> • Engage with our employees at all levels to provide us with the necessary feedback and input in understanding and responding to improving their skills and training needs. • Encourage employees to utilise the bursary programme. Ensure that jobs are available for learners after completion of learnership programmes. • Conduct performance reviews with employees.

LOOKING AHEAD

- Identify career development opportunities and skills training interventions.
- Review succession plans
- Nurture future talent.
- Maintain regulatory compliance.



HUMAN CAPITAL (CONTINUED)

NURTURING FUTURE TALENT

Career development and succession planning remain key priorities. A skills audit and training needs analysis, including performance reviews, is used to fast-track the process to secure and retain future talent. Continual investment in skills retention allows for the focused development of identified employees. In addition, the Group has an active policy to encourage individuals wishing to study further.

Some of the challenges faced are:

- Developing the next generation of leaders due to the low staff turnover in certain sectors of our business
- Achieving diversity in the fishing industry
- Impact of COVID-19 pandemic on training initiatives
- Finding high quality talent
- Succession planning ensure that plans are in place to develop candidates earmarked for the future. We are in the process of the implementation thereof, while the focus also remains on the retention of critical skills in the Group.

WHAT WE WANT TO ACHIEVE

Our Human Capital focuses on strengthening the capability and integrity our employees bring to their roles, which contributes to the business's success and maximises stakeholder value.

OUR FOCUS	OUR APPROACH
<ul style="list-style-type: none">• Continue to develop our employees.• Continue to enhance diversity across the Group in a male-dominated fishing environment.• Continue to embed best people management practices.• Maintain constructive relationships with organised labour unions.	<ul style="list-style-type: none">• Our employees remain critical enablers of our strategy and key to improving our performance.• The relevant skills and diverse ideas determine our operational excellence, the efficacy of our client-focused solutions and improvements.

LOOKING AHEAD

- Attract and develop skilled young talent with diverse backgrounds and industry knowledge.
- Develop new and innovative ways to strengthen the mindset within the Group to ensure delivery of our strategic objectives.
- Develop effective and integrated talent mechanisms to identify internal and attract external talent.
- Develop opportunities to expand our junior leadership.
- Implement innovative approaches to learning skills including self-guided online training, coaching and virtual training
- Identify training to upskill employees for junior management positions.
- Identify training for middle and senior management.
- Identify candidates for learnerships.
- Identify candidates for bursaries.

DIVERSE WORKFORCE

As one of the leading black empowerment companies, we believe that diversity helps us maintain our winning edge. Therefore, Premier remains committed to building a workforce that reflects the communities in which we operate.

We continue to work towards an inclusive talent pool that taps into the potential across race, gender, sexual orientation, and demographics throughout our businesses. In addition, we have intensified our efforts to entrench diversity and inclusiveness in our business units through training, mentorship and recruitment programmes.

BURSARIES AND LEARNERSHIPS

Our employees continue to benefit through our extensive skills development, wellness and employment equity programmes, and the Group has fully complied with the Employment Equity Act 55 of 1998.

Bursaries were awarded to children of employees and other candidates based on their matric or tertiary results, also considering their economic situation. In addition, training, learnerships and bursaries were awarded to deserving candidates in the Group during the year under review.

WORK TRENDS POST-COVID-19 PANDEMIC

As companies shift to more remote work operations, they need to explore the critical competencies to collaborate digitally and adjust employee experience strategies.

We will continue to play an expanded role in our employees' physical, mental and financial well-being.

Before the advent of the COVID-19 pandemic, critical roles were viewed as critical skills or the capabilities an organisation needed to meet its strategic goals. However, employers now realise that there is another category of critical roles —critical to the success of essential workflows.

We had to balance our decisions to resolve immediate concerns during the COVID-19 pandemic with the long-term impact on our employment brand. We had to transition from designing for efficiency to designing for resilience by designing roles and structures around outcomes to increase agility and flexibility and formalise how processes can flex. We provided our employees with varied, adaptive, and flexible roles to acquire cross-functional knowledge and training.





WHAT WE WANT TO ACHIEVE

OUR FOCUS

OUR APPROACH

- employees are educated on human rights
- no child labour is permitted
- no forced and compulsory labour is permitted
- there is zero tolerance towards human rights abuses, fraud, corruption and related activities as stated in our The Way We Work Policy, Code of Conduct and Code of Ethics

- We engage with and expect our suppliers, partners and customers to uphold our standards and contribute positively towards enforcing human rights.

- Ensuring that there are no human rights infringements
- Ensure that no child labour takes place
- Ensure that there is no forced or compulsory labour
- Ensure a safe and healthy working environments

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HEALTH AND SAFETY



The health and safety of all employees remains of paramount importance and is one of our non-financial KPIs. As a fishing company, our employees work at sea, on locations around the coast of South Africa, in cold storage, manufacturing and processing facilities; hence health and safety are a constant concern.

Health and safety regulations are embedded in our working environment in our quest for an accident-free working environment. We assisted our fishing partners by providing education and training across the health and safety environment. In addition, we monitor and ensure that our contractors abide by our health and safety rules and regulations.

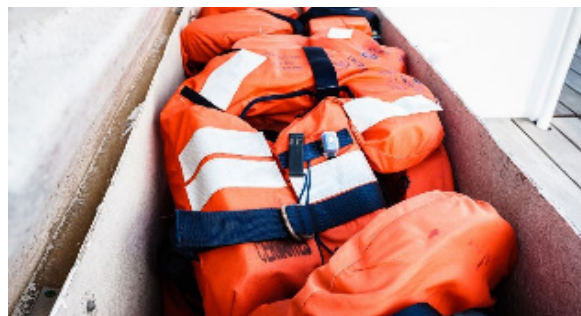
Our health and safety representatives undertook further training to ensure compliance with the protocols for COVID-19 and health and safety in the workplace. Our training interventions included first aid, firefighting, personal survival techniques, personal safety and personal responsibility and the induction of health and safety protocols in the workplace.

Despite COVID-19 related challenges, our commitment to ensuring safe working environments, especially for our seafarers, was maintained through continuous communication. We have created greater awareness of the risk exposure to proactively reduce our stakeholders' vulnerability to environmental, health and safety hazards. We have strategies in place to manage and minimise the potential impact of HIV/AIDS and the consequential loss of skills and productivity. We have an appropriate and comprehensive HIV/AIDS strategy throughout our subsidiaries.



VESSEL SAFETY

We continue to enhance safety on our vessels under the direction and oversight of the Health & Safety Officer. We implemented measures for our fishers and vessels by incorporating local and relevant international standards based on risks identified by the company and the Authority (SAMSA). In addition, we ensured that all the safety training is up to date and is readily available for our crew in accordance with SAMSA requirements. Each vessel has a Health & Safety Representative on board who has the necessary skills and required training.



We continue to look at new initiatives for our vessels by outlining expectations of our crews in simple language, and provide updates electronically to onboard vessel safety with lessons learned from other vessels, accidents and marine notices.



HUMAN CAPITAL (CONTINUED)

In addition, an active “Social, Ethics and Transformation Committee Monitoring Indicators and Workplan” is in place, which is monitored by the executive team covering health and safety and the environment. The executive team monitors best practices in terms of detailed monitoring indicators, prevailing laws and regulations. They present a description of their findings and recommendations to the Social, Ethics and Transformation Committee at the biannual meeting, which includes:

- reviewing the health and safety manual and updated it accordingly
- reviewing the health and safety plan considering COVID-19 protocols
- engaging with health and safety representatives and employees
- ensuring that the Group does routine monitoring of its machinery and ensures that they are safe and in working order through the health and safety officer
- engaging employees and managers are trained to respond to workplace emergencies and that first aid kits are readily available
- providing safety gear where applicable considering gender differences and the special needs of pregnant women
- ensuring that the Group provides clean and sanitary facilities appropriate to both genders
- ensuring that the health and safety representatives routinely check fire extinguishers and fire escapes
- ensuring that potable water facilities, adequate lighting, ventilation, and temperature are suitable and steady in the workplace
- reviewing internal policies and procedures
- reviewing the emergency preparedness plan and procedures for potential disasters for the building

OUR OVERALL GROUP STATISTICS

	2022	2021
Number of fatalities	0	0
Number of lost time injuries (LTIs, i.e. injuries on duty leading to at least one lost day)	21	30
Number of medical treatment cases (MTCs, i.e. injuries on duty leading to medical treatment but no lost days)	17	3

INDUSTRIAL RELATIONS



The Group has formal policies and procedures in line with the Labour Relations Act.

Premier exercised its right to cancel prior Union representation due to the low number of members as it did not meet the 25-30% threshold. One subsidiary in the Group has an open relationship with the Food and Allied Workers Union.

WHAT WE WANT TO ACHIEVE

Protect everyone in their working environment and promote economic development, fair labour practices, peace, democracy and social development.

OUR FOCUS	OUR APPROACH
<ul style="list-style-type: none"> • Maintain good relations with the labour unions to ensure no tensions or threat of industrial action. 	<ul style="list-style-type: none"> • Maintain a strong relationship with the labour union. • Review operational labour plans regularly to ensure continuity of service to clients.

LOOKING AHEAD

- Maintain strong relationships with various trade unions.
- Maintain compliance with the Labour Relations Act.

EMPLOYEE BENEFITS



Our employees are extremely important stakeholders to the success of the Group. To foster the growth and well-being of our employees the following are in place:

- Provident fund
- Pension fund
- Medical aid
- Group risk insurance (linked to the provident fund)
- Employment equity
- Training and development
- Learnership programme
- Bursary programme
- Disciplinary code
- Funeral cover
- Skills development programmes

Refer to the Remuneration Committee Report in the Integrated Report for more information.



Employee's participating in the "Jerusalem Challenge"



HUMAN CAPITAL (CONTINUED)

EMPLOYMENT EQUITY AND TRANSFORMATION



EMPLOYMENT EQUITY

We continue to provide equal employment opportunities and promote internal employees, and we remain committed to driving our employment equity goals and enhancing diversity across the Group.

Premier complies with the Employment Equity Act, and senior executives work with the Department of Labour to ensure ongoing compliance and proactive implementation of regulations and plans. In addition, open dialogue is encouraged between employees and management through our information sessions and committees.

As part of our vision, we have various targets as well as our B-BBEE rating under the codes. We will continue to promote and drive excellence and opportunities across our workforce by:

- further promoting empowerment and transformation at all levels in the Group.
- fostering equality within our work environment irrespective of gender, race, creed and other forms of diversity.
- meeting employment equity targets.
- ensuring full compliance with the changing regulatory requirements on employment.
- further entrenching The Way, We Work, the Code of Ethics and Code of Conduct across the Group; and
- implementing a standardised report to review and monitor our progress across the Group on our diversity status.

GENDER AND RACE DIVERSITY

Gender and race diversity is one of our key performance areas in a male-dominated fishing environment. We believe that gender and race diversity at all levels in the Group maximises opportunities to achieve our business goals through the diverse environments in which we operate.

Superstition among fishing crews has traditionally said that women on ships are bad luck – and it is among many of the reasons women in the fishing industry are in short supply. It is a very male-dominated industry, and many women may be intimidated by that, but that may be their own preconceptions. “Fishing” tends to be narrowly viewed as only catching fish at sea, often leaving women out of the equation, and fishing does not always appeal to women as it can be very physically demanding. Women tend to take on more essential roles like fish processing, sales and marketing, these activities are often overlooked in fisheries management and research. In addition, our fishing fleet is not conducive for women to be at sea for extended periods in terms of living and ablution facilities.

The companies in our Group remain aware of complying with the requirements of the policies for any new recruitments. In addition, we have Board-approved gender and race diversity and broader diversity policies to which we adhere.

WHAT WE WANT TO ACHIEVE

Further promote gender and race diversity throughout the Group.
Women in the fishing and aquaculture sectors are directly involved in all the value chain processes. However, their role is not always formally recognised despite their work.

OUR FOCUS	OUR APPROACH
<ul style="list-style-type: none"> • Sourcing, attracting and retaining a diverse group for business-critical positions. • Managing the expectations of a multi-generational workforce. • Accelerating the promotion of diversity given the low employee turnover across management levels and senior positions. • Continue to accelerate diversity to transform our succession pipeline. • Work towards launching a job-shadowing intervention for potential successors. • Work towards building an external talent pipeline for business-critical positions to support and supplement the internal talent pool. 	<ul style="list-style-type: none"> • Diverse teams with varied experiences, styles and backgrounds are better able to understand and meet the needs of our client base, improving our ability to compete for business. • Transformation and diversity across the Group contribute to our relevance in specific markets. • Our employment equity targets go beyond compliance.

LOOKING AHEAD

- Our objective is to grow black representation and black women representation at junior and senior management levels.
- Work towards employing more women in fishing and women at fishing in relation to our vessels and various departments.
- Accelerate diversity across the Group.

EMPLOYEE DIVERSITY AND PEOPLE WITH DISABILITIES

We believe in the power of diversity to support our businesses. We are committed to diversity through all levels in the Group, up to and including leadership. Persons with disabilities (9) represent 1.2% of our total employee population.

WHAT WE WANT TO ACHIEVE

Diversity at all levels in the Group, up to and including leadership and employing more people with disabilities

OUR FOCUS	OUR APPROACH
<ul style="list-style-type: none"> • Address the ongoing challenge to our transformation efforts with the impact of employee transfers. • When companies are acquired, the employees associated with these transfers into our business are part of the agreement – these transactions could dramatically impact our employment equity statistics. • Address the shortage of specific skills in various business units. • Continue to improve our recruitment process to accommodate people with disabilities. 	<ul style="list-style-type: none"> • To address these challenges, we continue to focus on growing talent that complements our transformation efforts through initiatives such as our learnership and internal development programmes. • Continue to employ people with disabilities.

LOOKING AHEAD

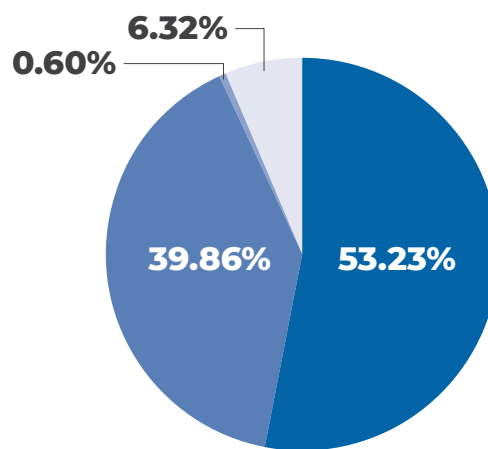
- Entrench our transformation plans.
- Address specific skills shortages.
- Employ more people with disabilities.



HUMAN CAPITAL

(CONTINUED)

DESIGNATED GROUPS					DESIGNATED GROUPS				NON-DESIGNATED GROUPS		
									FOREIGN NATIONALS		
	MALE				FEMALE				MALE	FEMALE	
CATEGORY	AFRICAN	COLOURED	INDIAN	WHITE	AFRICAN	COLOURED	INDIAN	WHITE	OTHER	OTHER	TOTAL
Board executives		1	1			1					3
Senior management		14		19	1	2		1			37
Middle management	13	21	1	6	3	6	0	3			53
Skilled upper (junior management)	14	14	0	6	11	10	0	2			57
Semi-skilled	341	188	0	4	32	39	0	3			607
Labour/unskilled											
Contractors	6	1			3	1					11
Seasonal	4	4			2						10
TOTAL	378	243	2	36	52	59	0	9			779



2022	NUMBER	%
African	382	49.1
Coloured	269	44.6
Indian	2	0.3
White	47	6.0
TOTAL		
Total females	120	28%
Total males	559	72%
TOTAL		





SOCIAL AND RELATIONSHIP CAPITAL

Introduction

*Our social and relationship capital
highlights, outcomes and actions*

Our stakeholder relationships

Enterprise and supplier development

Sustainable fishing and our value chain

*Socioeconomic development (SED)/
corporate social investment (CSI)*

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SOCIAL AND RELATIONSHIP CAPITAL

INTRODUCTION

Our strategic focus on being an exemplary custodian assists us in managing our impact on the communities around us and actively contributing to their socioeconomic development through various initiatives.

The Group is aware of the critical role of a business in uplifting and developing the previously disadvantaged majority. We recognise that the COVID-19 pandemic significantly impacts our employees, their families, and the local communities living around our operations. Accordingly, we have taken a proactive approach to assist.

The Group is committed to investing in society's upliftment and playing a pivotal role in improving the quality of life among disadvantaged communities through its corporate citizenship initiatives. We continue to subscribe to a sustainable approach in conducting our business.

OUR SOCIAL AND RELATIONSHIP CAPITAL HIGHLIGHTS, OUTCOMES AND ACTIONS

OUR APPROACH TO SOCIAL AND RELATIONSHIP CAPITAL

Our approach to managing our social and relationship capital in the Group is to:

- Provide support to small quota holders;
- Provide support to the communities in which we operate.
- Procure goods and services from previously disadvantaged individuals and companies.
- Provide bursaries to our employees through the Premier Fishing Bursary Programme;
- Provide learnerships to deserving individuals.
- Fund junior soccer teams as part of our sports development drive in Saldanha Bay.
- Fund sports development activities at primary schools in Gansbaai.
- Maintain positive relationships with representatives from the various unions.
- Maintain positive engagement with the Department of Agriculture, Forestry and Fisheries (DAFF); and
- Provide support to other sport and recreational codes, if it is for a good cause.

HIGHLIGHTS ON THE PROGRESS ON OUR SOCIAL AND RELATIONSHIP IN 2022

The following section details the progress made in creating value, the relevant key performance indicators, our 2022 progress, the risks related to the material matters and the associated opportunities.

MATERIAL MATTERS

- Compliance with laws and regulations
- Ethical and transparent leadership
- Corporate governance practices
- Social community and economic development
- Transformation and diversity
- B-BBEE
- Collaborative stakeholder engagement
- Corporate Social Investment (CSI)
- Support independent SMMEs
- Support enterprise development programmes

KEY PERFORMANCE INDICATOR

- Ensure compliance with laws and regulations by adhering to ethical standards and preventing corruption
- Ensured an ethical and transparent leadership team
- Monitor and ensured that corporate governance practices are adhered to through policies and procedures that are in place
- Drive diversity and transformation throughout the Group to meet targets
- Drive the CSI strategy across the Group through social, community and economic development
- Paying our taxes and royalties to the Government
- Meeting our B-BBEE targets in the Group
- Support local business and promote social and economic development through positive stakeholder engagement
- Provide employment opportunities and skills development for community members in which the Group operates
- Provide training and development through our bursary and learnership programmes
- Support independent SMMEs through financial and infrastructure support

2022 PROGRESS

- We implemented specific procurement and loan financing programmes to support SMMEs through our enterprise development
- We engaged with small fishing communities and provided financial assistance
- We continued to engage with investors to ensure that our shareholder expectations were aligned with our strategies
- We ensured that we operated ethically and had transparent leadership
- We continued to drive diversity and transformation in our businesses
- We contributed R2 666 600 to enterprise development such as advances to quota holders to help them perform their jobs.
- We contributed to supplier development through our procurement spending
- We contributed to socioeconomic development through our CSI initiatives
- We continued to prioritise our social investment projects in skills development, community development and the environment through our strategy across the Group and created value through socio-economic investment
- We focused on improving educational outcomes in the Western Cape, the Overberg region, and the Eastern Cape through training
- We continued to support an early childhood development (ECD) facility
- We ensured a closer working relationship with regulators
- We fostered positive employee and union relationships
- We supported local businesses and promoted social and economic development
- We supported SMMEs with interest free loans through our enterprise development
- We provided employment opportunities, learnerships and skills development
- We continued to create awareness of the Code of Ethics and Code of Conduct, including the whistle-blowing facility
- We continued to create awareness of The Way We Work Policy
- We had no breach of ethical standards or corruption reported
- We effectively monitored our risk management and regulatory compliance
- We paid our taxes and royalties to the Government
- We maintained constructive relationships with our partners, business peers and sector organisations
- We spent over R3 million on bursaries, learnership programmes and other types of training

WHAT ARE THE RISKS RELATED TO OUR MATERIAL MATTERS?

- Compliance with regulatory and legislative requirements requires the Group to keep abreast of changes, failing which we could incur reputational damage resulting in fines and loss of goodwill within society at large
- Adverse reputation
- Industry regulations can impact the business performance
- Investor and stakeholder confidence could impact our businesses negatively should we fail to uphold our responsibilities in our social relationships



SOCIAL AND RELATIONSHIP CAPITAL (CONTINUED)

ACTIONS AND OPPORTUNITIES THAT ENHANCED OUR OUTCOMES

- Being a responsible corporate citizen by investing in social services in our communities and creating value
- Promoting social and economic development by assisting small-quota holders and businesses in growing and adding value
- Delivering on diversity and transformation
- Delivering on our B-BBEE targets
- Paying our taxes and royalties to the Government will contribute to social needs
- Providing employment opportunities and skills development for our employees
- Investing in our youth by facilitating access to higher education through our bursary and learnership programmes
- Ongoing proactive and transparent relationships with our regulators
- Fostering synergistic relationships between private and public sectors
- Fostering an entrepreneurial culture

OUTCOMES OF OUR ACTIVITIES ON SOCIAL AND RELATIONSHIP CAPITAL

		2022	2021
Social investment expenditure	Rands	6 230 213	5 266 892
Enterprise development	Rands	2 666 600	4 284 746
Expenditure for procurement	Rands	Over R250 million	Over R250 million
Value of total taxes paid in South Africa	Rands	28 553 265	57 789 969

OUR STAKEHOLDER RELATIONSHIPS

We appreciate the role of our stakeholders and are committed to nurturing impactful relationships that deliver mutual benefits and encourage transparent, objective and relevant communication. We recognise the importance of building and maintaining trust and respect with our various stakeholders. We strive to respond timeously and appropriately to issues raised in our interactions with our stakeholders.

Our stakeholder management approach involves gaining a thorough understanding of our stakeholder's needs and expectations, addressing those needs and expectations, and identifying and acting on opportunities of mutual benefit.

Our stakeholder engagement involves identifying stakeholders who have the most significant impact on our business. Our engagement includes communicating our strategy, performance, decisions, and activities that significantly interest our stakeholders and understanding their needs and perspectives.

We addressed essential risks and opportunities and responded timeously and appropriately to issues raised in our interactions with our various stakeholders.



SOCIAL AND RELATIONSHIP CAPITAL (CONTINUED)

SHAREHOLDERS

We have a broad shareholder base, which includes individuals, institutional investors, private and public companies

Stakeholder

Engagement was done through formal and informal interactions, including:

- Engagement with stakeholders.
- SENS announcements.
- Print media.
- Site visits.
- Road shows.
- Ad hoc meetings as requested.
- Our website www.premierfishing.co.za

Primary concerns and expectations

- Sustainability of the business.
- Return on capital invested
- Optimal capital allocation and management
- Execution of growth strategies
- Appropriate risk identification and management processes
- Good corporate governance

Expectations managed

- Sound corporate governance rules are implemented in the business
- The Group increased its profit after tax to R12m for the current year, from R3m in the prior year
- Currently in progress with implementing growth strategies

Value for Premier

- Supply of capital
- Low geared balance sheet

Value for Stakeholder

- Capital growth
- Dividends
- Return on investment

GOVERNMENT AND REGULATORY AUTHORITIES

Including: DAFF, SARB, SARS SAMSA, MCM, NCRS
Accreditation: HACCP, FDA, SABS, NRCS

Stakeholder

We engage with them through various forums, including:

- Emails and telephonic conversations
- Site inspections and audits
- Industry association meetings

Primary concerns and expectations

- Compliance with laws and regulations of authorities

Expectations managed

- Continuous training of management and staff responsible for compliance with various regulations by the respective authorities
- Immediate corrective action noted in the event of findings raised by authorities
- Participation in industry working groups
- Meeting with industry regulators

Value for Premier

- Favourable legislation and less interference
- Repeated utilisation of fishing quotas

Value for Stakeholder

- Contribution to taxes supports job creation
- Other strategic initiatives
- Payment of landing levies and taxes

CUSTOMERS

We have a wide array of both foreign and local customers.

Stakeholder

We engage with them through various forums, including:

- Emails and telephonic conversations
- Contract negotiations and ongoing interactions in the ordinary course of business
- Meetings, including site visits and one-on-one engagements

Primary concerns and expectations

- Delivery of quality products and services
- Price competitiveness
- Leveraging of our B-BBEE credentials
- Adherence to regulatory requirements, good corporate governance and ethics
- Reliable long-term supply of products

Expectations managed

- Ensured that inventory is available
- Ensured that all products supplied have the legal paperwork from the relevant authorities in place
- Ensured that products are safe to consume and consistent with the Premier quality and brand
- Ensured adherence to all necessary standards, such as HACCP, SABS, FDA and EU standard tests
- Complied with international laws, regulations and legislation.

Value for Premier

- Repeat business and revenue growth
- Understanding trends and opportunities
- Improved ability to compete
- Reputable brands

Value for Stakeholder

- Quality products and services
- Fair prices
- Correct labelling
- Better products and services

SUPPLIERS

We have a wide range of suppliers, we source products and services mainly from empowered local suppliers.

Stakeholder

We engage with them through various forums, including:

- Emails and telephonic conversations
- Contract negotiations and ongoing interactions in the ordinary course of business
- Meetings, including site visits and one-on-one engagements
- Supplier audits
- Service-level agreements

Primary concerns and expectations

- Long-term security of supply
- Fair treatment and fair payment terms
- Entrepreneurship and supplier-development programmes
- Commitment to B-BBEE policies

Expectations managed

- Ensured that we sourced supply with reputable businesses – Code of Ethics
- Fully committed to B-BBEE
- Made fair and timeous payments
- Implemented several entrepreneurship and supplier-development programmes

Value for Premier

- Good service
- Committed and consistent supply
- Good pricing
- Good-quality products

Value for Stakeholder

- Fair allocation of business pay on time
- Zero corruption

EMPLOYEES AND TRADE UNIONS

We have permanent and seasonal workers as well as contracted fishermen.

Stakeholder

Communication channels include:

- Emails and notice boards
- Internal meetings with trade union representatives take place on a regular basis
- Performance reviews and feedback sessions
- Company website
- Induction programmes
- Role blueprints, including job grading and job specification requirements
- Training and development sessions

Primary concerns and expectations

- Career development opportunities including skills training
- Job security
- Market-related salaries and wages and equal pay
- Health and safety
- Transformation and diversity
- Involvement in secondary and tertiary education programmes
- Employee wellness programmes
- Corporate social investment in communities
- Employee engagement and communication – the importance of open and honest feedback

Expectations managed

- The Group embarked on updating role blueprints, benchmarking and evaluation measures and identifying further skills development plans
- We focus on health and safety standards and procedures and ensure that working conditions are acceptable
- We made a substantial investment in skills development
- The Group also has a bursary programme which facilitates higher education
- We have also implemented a wellness clinic at our abalone farm.

Value for Premier

- Engaged and motivated employees
- Ability to attract and retain key skills

Value for Stakeholder

- Fair pay
- Interesting work
- Growth and development, equal treatment
- Health and safety

LOCAL COMMUNITIES AND OTHER SMALL QUOTA HOLDERS

This is the community in which we operate, including small-quota holders.

Stakeholder

We engage with the community through direct one-on-one meetings and through roadshows at community centres as well as via:

Primary concerns and expectations

- Social-investment programmes
- Job creation
- Enterprise development

Expectations managed

- Regular donations to sports-development programmes in the communities of Saldanha and Gansbaai
- School donations and support programmes in the communities of Hawston and Gansbaai
- Creation of job opportunities through the abalone farm expansion
- Free administration-support services and technical training to contracted small-quota holders

FDA Food and Drug Administration HACCP Hazard Analysis and Critical Control Points MCM Marine Coastal Management NRCS National Regulator for Compulsory Specifications SABS South African Bureau of Standards SAMSA South African Maritime Safety AuthoritySARB South African Reserve Bank SARS South African Revenue Service



SOCIAL AND RELATIONSHIP CAPITAL (CONTINUED)

ENTERPRISE AND SUPPLIER DEVELOPMENT

By developing entrepreneurs and supporting SMMEs and small businesses in the communities in which we operate, we stimulate economic growth and create work opportunities. In addition to the value, we create through our business units, we assist the communities through our enterprise development initiatives, contributing to economic development and transformation.

We believe that socioeconomic development goes beyond legislative compliance and continually strive to meet and exceed the benchmarks set by the B-BBEE Codes of Good Practice. The Group recognises the rights and responsibilities of businesses within a broader societal context and reinforces its aim to implement a social contract between business, government and civil society.

Some of our socioeconomic development initiatives include:

- ongoing support of an ECD facility.
- learnership programmes which raise the skill levels of previously disadvantaged individuals.
- organisational involvement and sponsorship of start-up workshops held annually.
- supporting entrepreneurs as they extend their product offering.
- full administration support and services – including infrastructure for small scale fishers.
- bursary programmes.
- imparting skills and resources to small businesses to improve business management capacity.
- offering learning programmes; and
- helping to develop small businesses.

Our vision includes various initiatives. Below are some high-level strategic focus areas:

- Continue to support the communities within which we operate
- Assist with access to resources – financial and in-kind
- Support entrepreneurs and assist with their development
- Assist with infrastructure development
- Provide learnership programmes
- Provide bursaries
- Provide internship programmes
- Continue to provide administrative support and services, including infrastructure

ENTERPRISE DEVELOPMENT

Enterprise development is an essential element of our economic growth. This is done by investing time, knowledge and capital to assist SMMEs in establishing, expanding or improving their businesses and empowering modest income-generating informal activities to grow and contribute to the local economy.

The Group has several enterprises and suppliers that are more than 51% black-owned, which are small to medium enterprises that it supports with providing business development or providing low-interest loans that enable the business to purchase equipment and provide products and services more efficiently and at a cheaper cost.

Some of these financial advances include:

- To contracted quota holders to assist them in diving for abalone, which the Group assists with marketing and export of the product; and
- To contracted lobster quota holders to assist them in fishing for lobster, which the Group assists with marketing and exporting their product.

Our preferential procurement contributed to black-owned businesses development by directing spending to HDSA-owned businesses. We continue improving on our supplier development initiatives. All our subsidiaries adhere to the Group's procurement policy. We encourage our suppliers to be evaluated to determine the extent of their transformation. We only accept B-BBEE verification certificates from an accredited verification agency based on the gazetted B-BBEE codes that are acceptable.

Economic growth is key to addressing unemployment, gender and race equality, health and poverty. We expect our enterprise development clients and suppliers to meet the same high standards in ethics, labour rights, health and safety, and the environment. In addition, they are expected to adhere to our Enterprise and Supplier Code of Conduct.

Our business units encourage enterprise development clients and suppliers to improve disclosures about their performance. This, in turn, helps us support them in building their capability and improving their performance. Increasing transparency and addressing sustainability in the supply chain allows them to build customer trust, reduce costs, secure continuity of supply, respond to stakeholder needs, and protect our brand. Collaboration with suppliers also encourages innovation to develop more sustainable products for our customers.

We continue to pursue partnerships with key stakeholders and form joint venture initiatives to promote localisation. In addition, our business units continue to engage with their principals to identify local manufacturing opportunities and promote skills transfer in line with South Africa's National Development Plan 2030.

Our business units improve sustainability standards and performance throughout their supply chain by:

- providing free administration and support services.
- technical training to contracted small-quota holders.
- embedding sustainability into core business practices by integrating the Code of Conduct into contracts and assessing their sustainability performance.
- engaging with suppliers and enterprise development clients to improve performance through audits, corrective actions and follow-up engagements.
- assisting to steer the economy towards a stable environment that nurtures growth and increases the country's economic competitiveness.
- partnering to build capability through training and regular dialogue.
- fostering relationships between the private and public sectors to embrace social investment as a shared vision; and
- fostering an entrepreneurship culture among previously disadvantaged groups.

SUPPLIER DEVELOPMENT

We continue to look at ways to strengthen efficiencies within the traditional supplier base while increasing capacity and procurement from non-traditional, historically disadvantaged service providers. The efforts remain essential to promoting sustainability and creating value among our stakeholders.

We implemented entrepreneurship and supplier-based development programmes.



SOCIAL AND RELATIONSHIP CAPITAL (CONTINUED)

B-BBEE

We ensured compliance with amended B-BBEE Codes of Good Practice as revised from time to time and continue to drive our B-BBEE targets throughout the Group. We are fully committed to B-BBEE and have policies, including a work plan to meet targets. We tried to ensure that we received maximum points for all the elements of our B-BBEE Certificate and attained a Level 1 accreditation.

PERFORMANCE AGAINST THE DTI'S SCORECARD

PFB's three major subsidiaries, Premier Fishing SA (Pty) Ltd, Marine Growers (Pty) Ltd and Talhado Fishing Enterprises (Pty) Ltd all achieved level 1 accreditation. A Copy of each BEE certificate can be found on the Group's website. (www.premierfishing.co.za)



SOCIAL AND RELATIONSHIP CAPITAL (CONTINUED)

SUSTAINABLE FISHING AND OUR VALUE CHAIN

FISHING VALUE CHAIN

Natural resource (marine resources) catching and procurement of lobster, squid, hake and small pelagics

1. Our fishing vessels are efficiently utilised to harvest and land allocated quota in the form of either live or frozen fish.
2. Through maintaining strong relationships with quota holders, we procure stock from third party quota holders.

Processing

1. Live fish is landed in oxygenated seawater tanks, stored, purged and prepared for export.
2. Whole frozen and lobster tails are processed for the export market.
3. Lobster is graded according to size and packed in our branded boxes for the export market.
4. Raw small pelagics are delivered to our customer factory for processing.

Outputs

Live lobster
Frozen lobster tails
Frozen whole lobster
Frozen lobster heads
Frozen squid
Frozen hake
Pilchards
Anchovy

AQUACULTURE VALUE CHAIN

Breeding and procurement

1. We utilise scientific methods to induce the breeding of male and female abalone to produce spat.
2. Through maintaining strong relationships with other abalone farmers, we procure additional spat when the need arises.

Breeding and procurement

1. The best quality feed is procured and fed to our animals.
2. We continuously monitor the size of the animals until they reach a size preferred by the market.
3. We harvest abalone as live animals, process these at our own facility and package them in our branded boxes for the export market.
4. We harvest abalone as live product and outsource the processing for canned and dried abalone for the export market.

Outputs

Live abalone
Canned abalone
Dried abalone
Frozen abalone

FERTILISER VALUE CHAIN

Procurement

1. Through maintaining a strong relationship with other fishing companies, we can procure fish concentrate (a by-product of the fishmeal process) from them.

Processing

1. We utilise our plant facilities and skills to process the fish concentrate to liquid fertiliser (Seagro).
2. The liquid fertiliser is packaged and branded in our bottles.

Output

Liquid Seagro fertiliser

Branding, Sales and Marketing

Our experienced and skilled marketing team sells our high-quality products at competitive market prices. Income is generated from processing, marketing and selling third-party quota holder's fish.

Income is generated from hiring out part of our cold storage facilities to third parties.

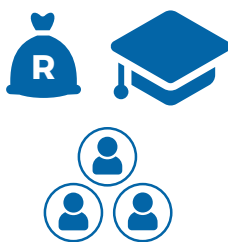
Income is also generated from catching third-party quota.

Key Capitals

Financial Capital

Intellectual Capital

Social & Relationship Capital



Branding, Sales and Marketing

Our experienced and skilled marketing team sells our high-quality products at competitive market prices.

Key Capitals

Financial Capitals

Intellectual Capitals



Branding, Sales and Marketing

Our experienced and skilled marketing team sells our high-quality products at competitive market prices.

Key Capitals

Financial Capital

Social & Relationship Capital





SOCIO-ECONOMIC DEVELOPMENT (SED)/CORPORATE SOCIAL INVESTMENT (CSI)

The Group participated in the following CSI initiatives during the year:

PREMIER FISHING BURSARY PROGRAMME

This bursary programme offers employees the opportunity to enhance their skills and pursue a degree in higher education through colleges and universities. The bursary programme also assists employees in educating their dependents who wish to study at a tertiary institution.

The bursary also includes dependents in Grades 11 and 12 wanting to qualify for future higher education by assisting them with additional lessons.

This year the bursary programme assisted 34 employees to further educate their dependents are studying at various institutions ranging from Early Childhood Development through to Tertiary. Since its inception, the bursary programme has assisted more than 35 dependents.



PREMIER FISHING LEARNERSHIP PROGRAMME

The Premier Fishing Learnership Programme for unemployed learners concentrates on advancing skills contributing to society. For the year under review, 16 learners concluded their learnership programme through Training Force.

NATIONAL SEA RESCUE INSTITUTE (NSRI)

We are a Gold Sponsor to the NSRI as we are passionate about what they do.

The NSRI is a volunteer rescue organisation that is on call 24/7. Their mission is to save lives in South African waters. They also educate communities and strive to innovate, evolve, and extend their water safety initiatives through employment and visibility. More than 1 350 unpaid volunteers' man the NSRI at over 50 rescue bases, including satellite or auxiliary stations and inland dams. In addition, they have more than 20 Lifeguard Units around the country.

The NSRI assists commercial trawlers and leisure yachts and activates for fishermen, swimmers, anglers, hikers, paddlers and surfers. They mobilise for swift-water and flooding scenarios, fires on vessels, and medical evacuations off ships and coastal clifftops. Families and communities are impacted emotionally and economically when lives are lost. Through water-safety education and active rescue, they can save lives, change lives and create futures.



TALHADO CHILDREN'S HAVEN

Talhado Children's Haven or "Speel Kliniek" as the children call it, was started in 1998 by Child Welfare as a children's clinic at the request of mothers living in Sea Vista. At the time, no doctor was attending the government clinic in the area, and mothers had to take their sick children to Humansdorp if they needed the services of a doctor. Toys were provided for the children to play with while they waited for the doctor, and this led to the aftercare center (or 'Spiel Kliniek' as the children like to call it!) when it became apparent that many of the children did not have access to toys at home and many were left at home on their own after school while mothers worked. In 1999, the principal of Sea Vista Primary School (Afrikaans medium school) approached the Haven and requested that they start a Pre-Primary School as children attending school in Grade 1 at that time did not have the skills necessary for starting school.



At that stage, the Haven was run by voluntary community members. They were reluctant to employ a teacher as they did not enjoy regular funding. This all changed when Talhado Fishing Enterprises (Talhado) was approached. It was then possible to use the regular funding from Talhado to pay for a teacher, and thus, the Talhado Pre-Primary School opened its doors in 2000 to its first twenty-five pupils and one teacher. A new classroom was built in 2008 funded by WBHO and a couple from Norway.

In 2017, the programme evolved, and officially Talhado Montessori School was established with two classrooms and certified teachers. Talhado is now the feeder school for Sea Vista Primary School in St Francis Bay and Mzingizi Primary School in Humansdorp. In addition, some of our learners are now attending Stulting Primary school in Humansdorp, and a few have even earned bursaries for the exclusive private school, St Francis College. The school serves the community of Sea Vista and Zwelitsha (informal settlement), mainly Afrikaans or Xhosa speaking. Pre-primary classes are taught in Afrikaans and Xhosa.



SOCIAL AND RELATIONSHIP CAPITAL (CONTINUED)

SIYALOBA TRAINING ACADEMY

Siyaloba Training Academy was established as a sustainable non-profit organisation in 1999. Their passion and promise is to improve lives through quality, relevant, accredited training for all. Over the past two decades, Talhado established a reputation for delivering quality training to the private sector, and through funded initiatives, to address the skills development needs of coastal communities.

Today, Siyaloba Training Academy is a professional and credible skills development institution for all industries and a B-BBEE partner of choice.

Talhado is a proven partner of choice to the communities they serve and are proud to have a solid track record of large-scale community development project success.



The Academy's headquarters are in the Port Elizabeth harbour. From here, they serve their clients and coastal communities in the area between East London and Mossel Bay, with portable training taken nationally to remote areas in which poverty is most rampant. Profits are channelled to skills development projects that address social impact within vulnerable communities.

Talhado's product offering includes accredited maritime training, SETA learnerships, AET and adult literacy interventions and short courses including life skills, business training, computer skills and professional project management

Siyaloba Training Academy is:

- fully accredited as a professional training centre with Transport SETA (TETA).
- an accredited provider with South African Maritime Safety Authority (SAMSA); and
- has programme approval with Services SETA to present learnerships and skills programmes.

Siyaloba is registered as a Section 21 (non-profit), Public Benefit Organisation and a SARS Section 18A beneficiary in terms of its commitment to communities in need and its training and development initiatives.

SALDANHA BAY RUGBY CLUB

The Saldanha Bay Rugby Club, situated in the heart of the West Coast, is open to all community members. The club has a strong focus on sports development for the youth. We continued with the sponsorship of their rugby teams during the year under review.



SOMERSET HOSPITAL

Somerset Hospital is one of the oldest hospitals in Cape Town having opened its doors in 1864 and is declared a heritage site. A subsidiary provided financial support for the upgrade of Somerset Hospital's medical facilities.

GANSBAAI AND HAWSTON PRIMARY SCHOOLS

The Gansbaai and Hawston Primary Schools, situated in the Overberg region, were assisted with the sponsorship of their sports teams as well as donations towards the schools. This resulted in the students being able to participate in sports development at a competitive level.



SMALL QUOTA HOLDERS

Many of the small quota-holders do not have the infrastructure to catch their total allowable catch. We continued to assist small-quota holders in the communities we operate in by entering into agreements to catch, process and market their West Coast Rock Lobster and wild abalone. In addition, we provide administration services, training and other services to small-quota holders and fishers. We assist the small-quota holders with ensuring that their businesses are compliant with prevailing laws and regulations.

“VOORSKOT”

We provided “Voorskot,” an advance of working capital to previously disadvantaged fishermen in the local and surrounding fishing communities in which we operate.

OTHER - DIRECT SUPPORT FOR NGOS AND COMMUNITY GROUPINGS

The Group acknowledges its responsibility to the social upliftment of the communities within which it operates. Through the continuation and expansion of its social responsibility programmes, we provided donations or other support to various individuals and communities. For example, we sponsored a local “dart” player to participate in the World Dart Championships. We also assisted ex-employees in the Port Nolloth area by paying the municipality on their behalf.





INTELLECTUAL CAPITAL

Intellectual property
Product responsibility
Brands

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INTELLECTUAL PROPERTY

Our intellectual property is considered intangible assets owned and legally protected by our Company from external use or implementation without our consent. It is used to drive our profits, gain new customers, create new products and services and improve our businesses.

These include:

- Our patents and trademarks
- Our business processes and systems
- Our highly skilled and experienced employees

OUTCOMES OF OUR INTELLECTUAL PROPERTY

		2022	2021
Patents and trademarks	Number	20	20

OUR ACTIONS

- We protect our intellectual property with state-of-the-art IT systems.
- We have strong customer relationships; and
- We have HACCP approved production facilities and processes in place

PRODUCT RESPONSIBILITY

Our business culture and environment have seen us adapt to the changing environment in which we operate. We have respect for preserving value for future generations in fish stocks and the ocean's ability to replenish and renew itself in trying conditions. Consequently, we do not over-fish on our total allowable catch or purchase poached fish resources.

We have various processing plant facilities in Cape Town, Humansdorp, Port, Elizabeth, Saldanha Bay and Gansbaai. We also have cold storage facilities in Cape Town.

We ensure that our products are safe for human consumption, and we have had no incidents of contaminated products since inception.



BRANDS

"The First Choice"







Premier Fishing SA (Pty) Ltd owns medium to long-term fishing rights for South Coast Rock Lobster, West Coast Rock Lobster, small pelagics, hake trawl, hake inshore, squid and large pelagics.

Marine Growers (Pty) Ltd is the aquaculture business unit of the Group. Our hatchery breeds cultivated abalone for the export market. In addition, we produce spat (baby abalone), and our abalone is reared for 20 to 30 months before being exported. The canning of our abalone is outsourced to a third-party.

Talhado Fishing Enterprises (Pty) Ltd undertakes the catching, processing and marketing of squid with sea and land-based freezing facilities.

Seagro procures fish concentrate from one of our customers to produce our organic Seagro fertiliser.

Our brands are world-renowned, with our main markets being the United States of America, China, Hong Kong, Europe and South Africa. Our brands include:

BRAND	PRODUCT	COUNTRY
	South Coast Rock Lobster	United States of America
	West Coast Rock Lobster	China, Hong Kong & Japan
SEA DIAMOND	Squid	Europe & Japan
	Pilchards and Anchovy	South Africa
	Hake	Europe
 Growing gardens organically	Seagro	South Africa
 <small>Marine Growers a subsidiary of Premier Fishing SA (Pty) Ltd</small>	Abalone	China, Hong Kong & Taiwan





NATURAL CAPITAL

Introduction

Highlights on the progress on our natural capital in 2022

Sea/Water

Waste

Carbon emissions

Climate change

Outcomes of our natural capital

Our actions that enhanced our outcomes

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INTRODUCTION

As a fishing company, our primary source of income is from the ocean and the harvesting, processing and sales of our product basket. Therefore, we ensure that we fish responsibly and that our products are safe for human consumption.

Our natural capital includes the responsible use of natural resources, our effective environmental management systems, our goals to address carbon emissions and the responsible use of electricity.

We have a zero-tolerance approach to illegal and unregulated fishing practices as this undermines fish stocks and negatively impacts food security. In a highly regulated operating environment, we ensure full legal compliance with all regulatory bodies.

HIGHLIGHTS ON THE PROGRESS OF OUR NATURAL CAPITAL IN 2022

The following section details the progress made in creating value, the relevant key performance indicators, our 2022 progress, the risks related to the material matters and the associated opportunities. We tracked our progress according to our capitals defined by the International Integrated Reporting Council's Integrated Reporting <IR> Framework as the resources and relationships used and affected by an organisation.



MATERIAL MATTERS

- Total allowable catch (TAC) and effort-based catch
- Renewal of Fishing Rights Allocation Process
- Small-quota holders
- Energy consumption and efficiency using alternative energy in our operations
- Manage our water consumption
- Manage our hazardous waste
- Carbon emissions
- Waste management
- By-catch

KEY PERFORMANCE INDICATOR

- Catching our entire TAC and increasing our effort-based catches
- Recruitment of additional small quota holders
- Effective environmental management system
- Waste and electricity management
- Allocation of capital to address long-term goals
- Waste management
- Effective water usage
- Collaborate and partner with others to find innovative solutions related to our processes and by-products

2022 PROGRESS

- Caught our allocated quota for the year
- Increased our small quota holders
- Continued with the implementation of renewable energy solutions
- Production of human-safe products
- We collaborated with industry partners to enhance our impact
- Environmentally friendly products
- Reviewed and implemented further additions to the environmental management system
- Reduced electricity consumption through the installation of solar energy at the abalone farm
- Reduced water consumption
- Capital allocated for the implementation of long-term goals
- We promoted responsible fishing practices across our supply chain
- We created awareness amongst our seafaring employees to fish responsibly

WHAT ARE THE RISKS RELATED TO OUR MATERIAL MATTERS?

The following risks cannot be partly or fully mitigated as it falls outside of our control:

- Reallocation of long-term fishing rights
- Red tide (ocean-related)
- Marine resources
- The uncontrollable cost of electricity and load shedding
- The uncontrollable costs of petrol and diesel
- The uncontrollable cost of water
- The extent of future water scarcity in the country
- The effects of climate change on sustainability
- Change in regulatory requirements
- Environmental challenges including carbon emissions impact, waste management and coastal marine management
- The abalone farm is dependent on electricity 24 hours per day, and the goal is to offset as much as possible through solar installations

WHAT ARE THE OPPORTUNITIES CREATED BY THE MATERIAL MATTERS?

- Favourable quota allocation will substantially increase revenue and will also present an opportunity for more spend on SMMEs, social and economic investments
- Further implementation of renewable energy through a phased approach at the abalone farm
- Expansion of the abalone farm
- Identified monitoring and measuring programmes to increase our environmental accountability and sustainable fishing practices
- Convert natural capital into financial and societal value by deploying technology and other resources
- Implement innovative procedures to reduce electricity and water consumption
- Leveraging industry expertise on waste management
- Leveraging industry expertise on alternative water and energy resources
- Increase production in organic environmentally sustainable products.

We do not currently invest in research and development due to the nature of our business and the maturity and efficiency of our processes.



WATER/SEAWATER

Our water consumption is mainly potable for our employees and production facilities.

We use seawater at our abalone facility for the growing of spat in the tanks. The water is pumped from the ocean through channels into the various tanks. We do not discharge effluent water back into the ocean as this will affect marine life.

WASTE

The amount of waste generated and disposed of by Premier is minimal and no measures are in place to measure and/or report the volume of waste sent for recycling. It is important to note that the bulk of what could be reported as "waste" would be organic material from processing of fish. The vast majority of which is sent for use in the production of Seagro fertiliser and thereby is not considered as waste.

- During the reporting period, the Company disposed of and dismantled three vessels which was taken off-site by a third-party contractor for scrap. The volume of metal recycled was the responsibility of the contractor as part of the engagement.
- The by-catch and crushed shells – The by-catch from the fishing operations does not get dumped back into the ocean. In terms of some of our licences, some of the by-catch (e.g. squid, octopus and kingklip) is sorted and sold while other products (e.g. silver fish) is given to our fishermen as "fry-up".
- Environmental contamination – No waste is dumped at sea from our fishing vessels as this is illegal. All our vessels have significant controls to ensure that any/all spills are contained and disposed of when the vessels return to port. Oil spill kits are on board all our vessels to soak up spills and brought back to port for the proper disposal thereof. All oil spills are reported in terms of a mass balance process. Only spills that may occur is if or when a collision occurs which could result in significant damage. Non-compliance could result in severe fines being imposed and fishing permits revoked.

CARBON EMISSIONS

We are working towards reducing our Scope 1 and 2 carbon footprint.

Our 2022 carbon emissions were respectively, 8 445 and 8 411 tCO₂e.

CLIMATE CHANGE

Environmental pressures influence our business activities regarding the production and consumption of our products. We therefore observe our targets when environmental conditions change, the resources move to areas suitable for them.

OUR ACTIONS THAT ENHANCED OUR OUTCOMES

We continue to pursue:

- The use of solar energy at our abalone farm which contributes to our sustainable farming practices; and
- We continue to research and develop activities to ensure the highest product quality is produced.

Premier is not a member of the Carbon Disclosure Project – Driving Sustainable Economies, Water Disclosure Project, or a signatory to the UN Global Compact. However, policies, procedures, systems and controls from environmental management are influenced by their recommendations as well as by the Task Force on Climate-Related Financial Disclosures (TCFD).





MANUFACTURED CAPITAL

Introduction

Outcomes of our manufactured capital

Our actions that enhanced our outcomes

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INTRODUCTION

Our manufactured capital consists of property, plant, equipment and the production of our products.

Our strategic objective of supplying high-quality, affordable products is underpinned by our catching, processing and manufacturing capabilities, vertical integration in some aspects of our supply chain and the ownership of our processing and manufacturing facilities. Our processing and manufacturing facilities present a range of production capabilities and capacities aligned to our current and future commercial objectives.



South Coast Rock Lobster Tails - *Palinurus Gilchristi*

Palinurus Gilchristi is a cold-water species, rose in colour, occurs in the deep temperate of the South Atlantic ocean. Our fleet of lobster trawlers operates from headquarters in Cape Town. Our cold storage facility, processing plant, and engineering workshop provide comprehensive support to ensure optimum utilisation of our vessels and lobster products. This lobster is caught with the long line lobster trap method at depths of 50m to 150m in water temperatures of 8°C to 10°C. This lobster is easily recognisable as a deep, cold-water species with its exceptionally high tail to total body mass yield of 45%, giving it one of the highest tail yields of any lobster in the world. Its delicate flavour and tail yield make this quality lobster excellent value for money. The South Coast lobster is a market leader in the USA's frozen, cold water tail market.

The tails are processed onboard our HACCP approved vessels by competent and trained employees. It is then offloaded into our cold store that is PPECB approved to be graded and weighed accordingly on our land-based facility by trained employees. Each tail is wrapped individually and packed into 10lb/4.54kg cartons.

Our facility is HACCP and FDA approved and on the EU and China list.



South Coast Whole Frozen Lobster - *Palinurus Gilchristi*

The catching and processing method is the same as the South Coast Rock Lobster tails.

The lobster is processed onboard our HACCP approved vessels by competent and trained employees. It is then offloaded into our cold store that is PPECB approved to be graded and weighed accordingly on our land-based facility by trained employees.

Our facility is HACCP and FDA approved, and, on the EU and China list.



West Coast Rock Lobster Tails - *Jasus Lalandii*

This cold-water species occurs from the mouth of the Orange River on the West Coast, down to Cape Agulhas at the southern tip of Africa. Catching is using ring nets, and short line traps at depths of between 2m to 160m in water temperatures of 9°C to 14°C. Fishing grounds extend from the inter-tidal zone to about 15km offshore.

Vessels are generally small to enable the crew to operate in shallow waters and are never at sea for more than one or two days.

The lobster from storage tanks is drowned, tailed, dewormed, chilled and drip-dried, wrapped in clear plastic sheets, blast frozen, graded and packed in coded single cartons of 4.54kg net mass, then transferred to our cold store that is PPECB approved.

Competent and trained employees do the processing of the lobster.

Our facility is HACCP and FDA approved, and on the China list.



West Coast Live Lobster - *Jasus Lalandii*

The catching method is the same as above.

Live lobster is offloaded from the boats, weighed in, stored in tanks and purged for a minimum of three days in running chilled seawater tanks which has a UV filter. It is then removed from the tanks for grading and packed into printed 10kg or 14kg plain polystyrene cartons with wood wool and frozen iced gel packs for export markets.

Competent and trained employees do the processing of the lobster.

Our facility is HACCP and FDA approved, and on the China list.



West Coast Whole Cooked Lobster (*Jasus Lalandii*)

Lobster of a specific size is taken from live storage tanks after 3 days purging, drowned, cooked, washed, chilled and drip-dried, wrapped in transparent plastic sheets, blast frozen, graded and packed into trays of 2.5kg net mass.

SEA DIAMOND



Squid

Squid is caught in the Indian Ocean using the hand line jigging method. From November to February, squid is caught mainly at no more than 10 miles offshore during the day. From March to October, squid is caught mainly at night at 10 to 20 miles offshore. Water temperature is typically 15°C – 18°C. The squid is caught, rinsed, blast frozen and placed in plastic bags on board the vessel. Squid blocks are then transported to land-based cold storage on landing, where they are packed into boxes.

Catching - The squid caught is kept in clean plastic bins and then weighed every 4 hours. The squid is kept moist with clean seawater for those 4 hours.

Through our 50.3% stake in Talhado, they catch, process and market squid with both sea and land-based freezing facilities. With our stake in Talhado, the Group is the largest squid player in the industry.



Marine Growers a subsidiary of Premier Fishing SA (Pty) Ltd.



Abalone - *Haliotis midiae*

Our abalone farm was one of the first abalone farms in South Africa and has been operational for more than 18. The farm is situated in the most southern port of Southern Africa, in Gansbaai.

The close proximity of the site to the sea and favourable sea temperatures indirectly influences the feeding habits of the abalone

Atlantic Abalone is a sustainable business that does not rely on quotas. The farm currently produces 120 tons of cultured abalone per annum and is running at full capacity.

The operations process consists of a hatchery, grow-out facility, grading and a live pack processing plant. Live cultivated abalone is received from grow-out, then it is purged. Packed into foam boxes of approximately 8.1kg nett mass by competent and trained employees, then packed on pallets and dispatched by refrigerated trucks to the airport.

Our facility is HACCP and on the China list.



Seagro

The by-product of fish in a concentrated form (fish oil) is a raw material purchased from one of our customers. The fish concentrate is processed into a liquid fertiliser and packaged for sale.



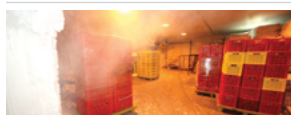
Hake

Our hake quota is caught, processed and marketed through a joint venture agreement.



Pilchards

Pilchards are canned and sold in the South African market, and anchovy is used to produce fishmeal sold globally for animal feed.



Commercial Cold Storage

The cold storage facility is a warehouse for the Group's products and external customers. We offer storage space for dry goods in addition to frozen products.



MANUFACTURED CAPITAL (CONTINUED)



OUTCOMES OF OUR MANUFACTURED CAPITAL

		2022	2021
Total quantity of fish landed and sold (pelagic)	Tonnes	17 983	26 532
Total quantity of cultivated abalone sold	Tonnes	46	Over 100
Capital expenditure	Rands	30 702 000	35 142 000

OUR ACTIONS THAT ENHANCED OUR OUTCOMES

- The construction of our abalone farm incorporates modern high-quality technology that contributes to sustainable aquaculture practices.
- Through the expansion of the abalone farm, employment was created for 100 people.
- We engaged with small quota holders.
- We maintained our relationships with our customers.
- We engaged with new customers.
- We increased our sales volumes despite the impact of COVID-19.
- We maintained the health and safety of our employees on our vessels and our manufacturing and processing facilities with zero fatalities; and
- We continued to invest in maintaining our existing vessels, plant and equipment to maximise our assets' usefulness and longevity.







FINANCIAL CAPITAL

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Our performance

Outcomes of our financial capital

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INTRODUCTION

Our financial capital is generated from our various business operations, processing, production facilities, breeding and procurement. The Group's primary income source depends on resource availability and the Total Allowable Catch (TAC).

OUR PERFORMANCE

The Group encountered few challenges in the 2022 season, which started with the squid sector suffering a severe drop in the catch. The whole squid sector in the country faced this same predicament, which resulted in a significant drop in Revenue from R575 115 000 in 2021 to R475 086 000 in 2022. Revenue decreased thereof by 17.40%. The Department of Trade and Industry awarded the Premier Fishing Group with R30 000 000 funding to assist in the operational activities of the Abalone farm in Gansbaai. The government assistance ultimately improved the operating for the group which increased from prior year by 2.42% despite the challenges faced in the industry in 2022.

Our lobster, squid and pelagic division obtained excellent catch rates, despite the challenges faced during the year and the reduction in the TAC for West Coast Rock Lobster with a high demand for our product in the Far East. Our South Coast Rock Lobster is recognised as a leading brand in the USA. We managed to land 98% of our allocated lobster quota.

The pelagic quota was reduced in the trading year, in addition to this 1 of the boats used by this division was not operating for three months of the financial year, this had a huge impact on the reported revenue of the pelagic division in the 2022 year.

Our squid division did not perform very well compared to the prior year due to the scarcity of the resource which was faced by many companies in the industry nationwide. The squid division suffered a significant drop in revenue of 50% from 2021 financial year. Ultimately, this had the overall effect of the decrease in revenue reported by the group in 2022.

The hake division remained relatively stable and the exchange rate fluctuations had an impact on the reported revenue.

Our abalone farm's sales volumes increased from 28 tonnes to 46 tonnes as it strategically grew its abalone to a larger size to meet market demands, hence maximising margins despite the adverse post impact of COVID-19 on the Asian export market.

Revenue and profitability in our Seagro, cold storage, processing and marketing sectors decreased. The Group contracted more quota holders in the West Coast Rock Lobster sector however impact of a reduced quota and resource shortage resulted in a drop in processing and marketing revenue. The demand for Seagro (fertiliser) remains high in the agriculture sector as more farmers move to organic products. We derived income from our cold storage by increasing our rental space capacity.

The ongoing impact of the COVID-19 pandemic, the volatile exchange rate, the decrease in our TAC, and climatic conditions all served to have an impact on our bottom line in this reporting year, however, we remain confident that we have the resources and resilience to regain ground in the forthcoming season.

OUTCOMES OF OUR FINANCIAL CAPITAL

		2022	2021
Revenue	Rands	475 086 000	575 115 000
Gross profit	Rands	153 217 000	191 758 000
Operating profit	Rands	14 192 000	13 856 000
Cash generated from our operations	Rands	12 537 000	52 992 000
Total assets	Rands	1 008 144 000	999 269 000
Net asset value per share	Cents	292.06	292.53
Dividends declared to our shareholders	Rands	0	13 000 000
Capital expenditure	Rands	30 702 000	35 140 000

REVENUE PER SECTOR

		2022	2021
Lobster	Rands	202 956 000	170 723 000
Pelagics	Rands	73 405 000	93 530 000
Hake	Rands	30 908 000	33 049 000
Squid	Rands	103 085 000	206 245 000
Aquaculture	Rands	39 226 000	35 108 000
Seagro, cold storage, processing and marketing	Rands	25 506 000	36 460 000

OUR ACTIONS THAT ENHANCED OUR OUTCOMES

- We converted resources into sustainable value for our stakeholders.
- We managed our operating costs and ensured that our margins were maintained.
- We negotiated with our suppliers to ensure the effective management of our working capital.
- We generated income from processing, marketing and selling third-party quota holder's fish.
- We generated income from our cold storage facilities; and
- Our experienced and skilled marketing team sold our products at competitive market-related prices.

WHAT WE WANT TO ACHIEVE

Despite the unknown with the COVID-19 pandemic, we remain optimistic and will continue our journey in achieving our strategic objectives and delivering sustainable value for our stakeholders.

Lobster	<ul style="list-style-type: none"> • Remain focused on acquiring additional contracted quota to mitigate instances of reductions in TAC. • Implement improved vessel scheduling to maximise the number of sea days, reducing our total catching period, hence increasing profits.
Pelagic	<ul style="list-style-type: none"> • Improve scheduling of vessels and timing of catching during the peak catching season will improve revenue and profitability.
Squid	<ul style="list-style-type: none"> • Due to the cyclical nature of the catches during the season, work with industry and scientific groups and utilise industry information to accommodate seasonality and plan to catch at the most optimal time. This will reduce costs and increase revenue and profitability.
Abalone	<ul style="list-style-type: none"> • Continue with the expansion of the abalone farm as this will increase the current production output, increase sales volumes and profitability.
Hake	<ul style="list-style-type: none"> • Continue to work with our joint venture partners to acquire optimal rates for our product, thus increasing revenue.
Seagro	<ul style="list-style-type: none"> • Meet the demand of Seagro as it continues to increase. • Install a fish meal plant
Processing and marketing	<ul style="list-style-type: none"> • Increase the number of contracted lobster quota holders • Increase the number of contracted wild abalone holders <p>The above will increase margins, revenue and profitability</p>
Cold storage	<ul style="list-style-type: none"> • Offer additional storage space for hire for dry goods to increase revenue income

GLOSSARY OF ACRONYMS

AET	Adult Education and Training
B-BBEE	Broad-Based Black Economic Empowerment
BCP	Blue Continents Products
Capex	Capital Expenditure
CEO	Chief Executive Officer
CO ₂ e	Carbon Dioxide equivalents
CSI	Corporate Social Investment
DAFF	The Department of Agriculture, Forestry and Fisheries
dti	Department of Trade and Industry
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
ECD	Early Childhood Development
ED	Enterprise Development
EFFORT	Effort-based catch
ESG	Environmental, Social and Governance
EU	European Union
FAC	First Aid Case
FAWU	Food and Allied Workers Union
FDA	Food and Drug Administration
FRAP	Fishing Rights Allocation Process
GJ	Gigajoules
GRI	Global Reporting Initiative
HACCP	Hazard Analysis and Critical Control Points
HDSA	Historically Disadvantaged South Africans
HIV/AIDS	Human Immunodeficiency Virus / Acquired Immunodeficiency Syndrome
HR	Human Resources
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
IR	Integrated Reporting
IRAS	Integrated Reporting & Assurance Services
IT	Information Technology
JSE	Johannesburg Stock Exchange
kg	Kilogram
kgCO ₂ e	Kilograms of Carbon Dioxide equivalents
KING IVTM	King IV Report on Corporate Governance in South Africa
KPI	Key Performance Indicator
kWh	Kilowatt-hour
LTI	Lost Time Injury
LTIFR	Lost Time Injury Frequency Rate
LTIP	Long-Term Incentive Plan
MCM	Marine Coastal Management

MTC	Medical Treatment Case
MWh	Megawatt-Hour
NC	National Certificate
NCFAWU	National Certified Fishing and Allied Workers Union
NRCS	National Regulator for Compulsory Specifications
NSRI	National Sea Rescue Institute
PCR	Polymerase Chain Reaction
PEP	Politically Exposed Persons
PFB	Premier Fishing & Brands Ltd
PG	Postgraduate
PHW	Person Hours Worked
PPECB	Perishable Products Export Control Board
RI	Recordable Injury
SA	South Africa
SABS	South African Bureau of Standards
SAMSA	South African Maritime Safety Authority
SARB	South African Reserve Bank
SARS	South African Revenue Service
SASB	Sustainability Accounting Standards Board
SASMIA	The South African Squid Management Industrial Association
SCRL	South Coast Rock Lobster
SDG	Sustainable Development Goal (also United Nations, or UN, SDG)
SDTI	Sustainability Data Transparency Index
SED	Socio-economic Development
SENS	Stock Exchange News Services
SETA	Sector Education and Training Authority
SMME	Small, Medium and Micro-Enterprise
TAC	Total Allowable Catch
TALFU	Trawler and Line Fishermen's Union
TCFD	Task Force on Climate-related Financial Disclosures
TCO ₂ e	Tonnes of Carbon Dioxide equivalents
TETA	Transport Education Training Authority
TRIFR	Total Recordable Injury Frequency Rate
US	United States
USA	United States of America
UV	Ultraviolet
VAT	Value-Added Tax
VOORSKOT	Advance of capital
WBHO	Wilson Bayly Holmes-Ovcon
WCRL	West Coast Rock Lobster
ZAR	South African Rand



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