



Sustainability Report 2010



COPEINCA



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COPEINCA at a glance...

In its Sustainability Report COPEINCA presents the main indicators for the past 4 years. In them one can see the change experienced in the company between 2007 and 2008 and the growth and consolidation both nationally and internationally. COPEINCA continues along this route in search of excellence and committed compliance with national environmental regulations and those of the sector.



Main indicators	2007	2008	2009	2010
Number of employees	1363	2344	2038	1620
Number of Plants	6	10	6	6
Vessels	32	64	64	30
Net Sales (USD)	96,746,022	232,550,000	210,765,000	233,042,000
Total Assets (USD)	1,644,856,269	706,910,000	689,837,000	492,274,000
Total liabilities	1,174,229,469	366,914,000	323,131,000	310,260,000
Total equity	470,626,800	339,996,000	366,706,000	182,014,000
Tons of Fish Meal produced	84,913	169,473	176,723	104,498
Tons of Fish Oil produced	24,486	35,866	36,821	20,786
Raw Material				
Anchovy (MT)	334,614	758,117	766,885	445,370
Materials				
Bags (units)	1,082,971	3,041,488	3,542,174	2,083,183
Antioxidant (Kg)	44,291	156,650	110,771	62,613
Resources				
Diesel 2 (gallons) ¹	533,615	4,032,696	3,786,310	2,724,576
Residual Petroleum (gallons)	3,343,811	7,433,771	7,628,047	4,563,464
Electrical Energy (GJ)	21,485	23,231	32,353	29,232
Water (m³)	220,669	215,226	256,020	207,492
CO ₂ Emissions	48,436	134,255	135,379	87,781
Accident Statistics				
Total Accidents	40	173	137	100
Days Lost	1,436	4,455	13,596	2,545

¹ During 2007 the consumption of Diesel by our Fleet was not recorded completely as we were going through a stage of purchases and acquisitions. With effect from 2008 all the consumption is recorded in our system.



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1. Letter from the CEO

I am very pleased to present the **Fourth Sustainability Report for COPEINCA**. This document represents our commitment to the Millennium Goals and the Global Compact which we have been subscribed to since 2007.

In the first place I would like to comment on the successful placement of COPEINCA bonds on the international market, for 175 million dollars at the beginning of February. The operation exceeded all our expectations. This bond, which impacted positively on our country's image permitted us to carry out the short term investments needed to improve our operational efficiency and comply with the highest environmental standards. In this way we can position ourselves as the most efficient and profitable company in the sector. We are currently the second fishing company in the country and, notwithstanding the moderate appearances of the Niño and Niña phenomena's, we have demonstrated the strength of our operations and have continued with our investment projects.

We ended 2010 with more than 75% of our fleet equipped with a modern refrigeration system and 80% of our plants prepared to produce 100% of our fish meal by indirect drying and very high quality. We perform our work always with the objective of minimizing accidents both in the fleet and in the plants. In this regard during 2010 we have managed to considerably reduce the number of these accidents and the working days lost as a consequence of these accidents. We know that our employees have played a fundamental role in the excellent business we have experimented in 2010. As a result, we have initiated the **Ability Development Program** for all our organizations leaders, with which we reinforce teamwork, quality and compliance with results and above all, leadership. At the same time we have launched the **Quality of Life Program**, oriented towards balancing the labor commitments and the family life of our employees.

In social aspects we created **COPEINCA's Volunteer Program** in order to generate an interaction space between our employees and the community and within which we began, in the month of April, the **Eco-business School Program**. I am certain that all this will increase the number of volunteers next year and everyone will be infected with the energy and enthusiasm of the students with whom they have shared their achievements.

Finally, I would like to share with you COPEINCA's commitment to the **Global Compact**. We were able to participate for the first time in the **United Nations Yearbook**, which assembles the world's best sustainability practices that are promoted by means of the Compact. In June the Global Compact Leaders' Summit was celebrated, organized by the United Nations and we were able to promote the principles of the Global Compact and the **Millennium Goals** in the different meetings and dialogue tables in which we participated. This serves to ratify our commitment with the initiatives we have adopted and consolidates Social Responsibility as a transversal part of our organization. We invite you to revise the goals and objectives we have set for the future.

Our conduct does nothing more than confirm the commitment of the company towards a profitable business, that, in the medium term guarantees us environmentally friendly technological investments in order to counteract the impact of our operations. We will continue to be committed and on route to achieving the sustainability of the resources and of the business.

I would like to thank each of our employees who make it possible for us to be a sustainable company in time with the vision and the energy to become better every day.

Cordial greetings
Samuel B. Dyer Coriat



2. Mission, vision and values

Values



In COPEINCA we value and recognize people. We offer good treatment and relationship both inside and outside the organization.



In COPEINCA everyone works towards achieving the best performance standards and innovation to contribute to the achievement of the company's objectives.



In COPEINCA we are open to hear different points of view recognizing and learning from our mistakes and promoting self criticism.



In COPEINCA we take responsibility for our acts and always consider the triple result, economic, social and environmental.

Mission

To produce and sell fishmeal and fish oil with efficiency, quality and responsibility.

Vision

To be the world leader in the production of fish meal and fish oil.



3. About COPEINCA

With the release of this Fourth Sustainability Report 2010, COPEINCA reaffirms its commitment to report the business economic management, integrated with the social and environmental results recorded during 2010

COPEINCA is concentrated in the production of fishmeal and fish oil covering completely the value chain, from the capture of the fish to the final distribution. The company operates anchovy vessels that fish off the coast of Peru and process the raw material in six processing plants situated along the coast. The anchovy (*Engraulis ringens*) captured, in addition to that purchased from third parties, is processed under the highest standards of quality, ensuring a superior level of fishmeal.

With the release of this Fourth Sustainability Report 2010, COPEINCA reaffirms its commitment to report the business economic management, integrated with the social and environmental results recorded during 2010. From now on, management information and the results obtained will be presented annually. Based on the Global Reporting Initiative (GRI), the Global Compact principles and the Millennium Goals, this document contains information on the plants of Bayovar, Chicama, Chancay, Ilo, Chimbote and Huarney, in addition to the administrative office in Lima.

a. 2010 Management

COPEINCA is a public limited company, established in accordance with Norwegian legislation. As a company listed on the Oslo Stock Exchange (OSE), we are subject to the demands of corporate government established in that country and must therefore publish an annual statement of our performance throughout the year on this subject, according to the Norwegian Code of Corporate Government Practices. For more information please obtain the document through the following link:
<http://www.copeinca.com.pe/website/content/pagina1.php?plD=544>.

b. Corporate Government Practices



Brief summary

The maximum administrative authority in our organization is the Board of Directors, whose mission is to look out for the interests of the shareholders, and ensure enforcement of the company strategies in order to achieve established objectives. This Board is conformed by 4 Shareholder Directors and 4 Independent Directors including the Chairman of the Board who does not occupy an executive position within the organization.

The independent members were invited to form part of the Board after examining their professional careers and personal contributions in activities related to the industry, both nationally and internationally. The current Board has been maintained since 2009 and comprises the following members:

Kristjan Davidsson, Chairman
Samuel Dyer Ampudia, Vice Chairman
Mimi Berdal, Director
Luis Dyer Ampudia, Director
Piero Dyer Coriat, Director
Sheyla Dyer Coriat, Director
Marianne Elisabeth Johnsen, Director
Iván Orlic Ticerán, Director

The main committees held by the company are:

- Audit, Control and Risks.
- Human Management, Ethics, Corporate Government and Social Responsibility.
- Strategies, Acquisitions and Finance.

Each year the Board evaluates its own performance related to the previous period by means of the publication of the annual report, the financial statements and the sustainability report. This evaluation includes the performance of each committee, as well as that of each of the directors.

COPEINCA holds the conviction that, in order to consolidate and develop as a leading company, it must observe enterprise objectives and ethical principles that must be applied in its relationship with clients, suppliers, shareholders, employees and with society in general.

COPEINCA has implemented an integrated system of risk management in order to preserve the integrity of its resources, increase its competitive advantage and guarantee the continuity of the business in light of the different internal and external risks to which the company is exposed. Risk management is a process that is carried out by the Board, by management and by all employees in general in accordance with the company Risk Administration Manual and based on the COSO ERM methodology.

COPEINCA holds the conviction that, in order to consolidate and develop as a leading company, it must observe enterprise objectives and ethical principles that must be applied in its relationship with clients, suppliers, shareholders, employees and with society in general. Ethics and integrity ensure the credibility of all the stakeholders and the company expects all its employees to maintain the highest standards in these principles.

Honesty, dignity, respect, loyalty, integrity, efficiency, transparency and awareness of ethical principles are the greatest values that direct COPEINCA's relationship with its public.

In 2010, the company performed two biannual processes to identify and evaluate strategic risks in which it did not identify corruption as a critical risk due to the low level of impact and the probability of occurrence; consequently there has been no general training on the subject. Notwithstanding this, all company personnel receive the Code of Conduct and the Internal Working Rules (RIT) manuals where the ethical behavior that is demanded by our employees is specified.

Additionally the company has an Anonymous Communication Line located on its web site (www.copeinca.com.pe), which allows any employee, supplier or client to denounce acts contrary to this Code and the Internal Working Rules, or any unethical behavior in general that could involve company employees.

C. Risk Management



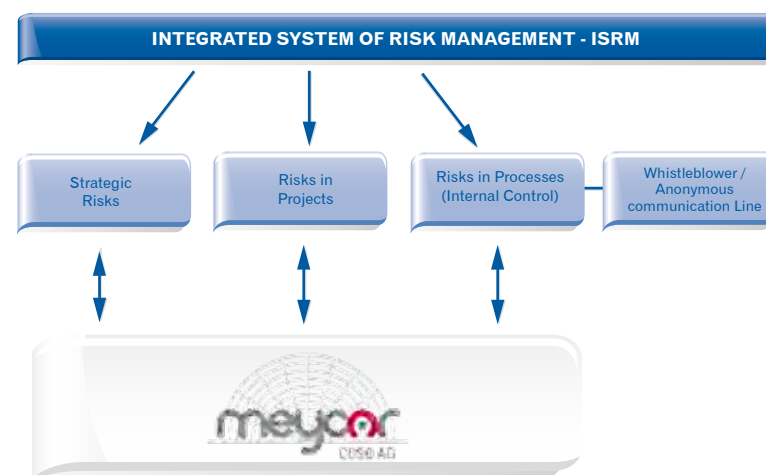
Risk Management System

As part of the Board's commitment to corporate government practices, COPEINCA has implemented a Risk Management System under the COSO ERM methodology that positions us as one of the leading companies in Peru in implementing this tool.

COSO ERM is a risk management model, accepted around the world that assists companies to achieve their strategic objectives, efficiency and efficacy in their operations, confidence in their financial reports and compliance with local and foreign laws and regulations.

MEYCOR COSO Software for internal control and risks

In the second half of 2010, COPEINCA implemented this software for internal control and risks (MEYCOR COSO) that permits the decentralization of its administration in the areas of the company, identifying the threats that could affect our meeting the strategic objectives of the projects and processes to be carried out.



COSO ERM is a risk management model, accepted around the world that assists companies to achieve their strategic objectives, efficiency and efficacy in their operations, confidence in their financial reports and compliance with local and foreign laws and regulations.

With this tool the various areas can better identify the actual controls that mitigate risks; self evaluate them and propose improvement plans, as well as obtain indicators of our risk management effectiveness in each company process.

The MEYER COSO software will allow us to decentralize the administration of risks and controls MEYCOR COSO as well as obtain indicators of the effectiveness of the company's risk management.





4.Sustainable Development for COPEINCA

COPEINCA contemplete in all its decisions the three grand axes of economic growth, social development and environmental conservation, striving to communicate and put into practice the principles and values of social responsibility in all its processes, operations and areas of the company transversally.

Five years have gone by since COPEINCA decided to bet on Sustainable Development as an intelligent way to do business. Now more than ever, it firmly considers that to guarantee business sustainability it is essential to ensure compliance with ethical principles and respect for people and the environment. Consequently, COPEINCA acts in accordance with the challenges that establish social responsibility policies, the Millennium Goals and the principles of the Global Compact of which it has been a member since 2007.

This brings the company to contemplate in all its decisions the three grand axes of economic growth, social development and environmental conservation, striving to communicate and put into practice the principles and values of social responsibility in all its processes, operations and areas of the company transversally.

The identification of the main risks and opportunities of the business is vitally important for company development. Every year, during the strategic management sessions, the strategic objectives and the specific indicators by area are determined and the risks, opportunities and main impacts are redefined for the corresponding year's management.

Risks

- Volatility in the prices of fuel.
- Locating the biomass.
- Variation in fishmeal and fish oil prices.
- Effects of climatic changes that affect the size and the volumes of the fish.

a. Principal risks and opportunities

b.

Main challenges
in terms of
Sustainability

Opportunities

- Modernization and conversion of equipment to produce steam dried fish meal.
- Environmental demands through the Ministry of the Environment.
- Construction of fishing vessels with greater capacity and state of the art technology to conserve the quality of the anchovy better.
- Leadership in the fishing sector in aspects of sustainability.

During 2010, COPEINCA has worked on the basis of the challenges of the sustainability policies. The programs and activities carried out were designed to achieve satisfaction in each of our stakeholders.



SUSTAINABILITY CHALLENGES	STAKEHOLDERS	ACTIVITIES AND PROGRAMS CARRIED OUT IN 2010	GOALS AND CHALLENGES 2011 AND 2012
WELLBEING OF OUR EMPLOYEES AND THE COMMUNITY	<ul style="list-style-type: none">• Employees• Nearby communities• Investors• Shareholders	<ul style="list-style-type: none">• Implemented management system based on the OHSAS 18001 standard in all plants.• Quality of life program• Management skills program• Annual training plan• Leaders of Communication and Change program• Leadership with APROs• COPEINCAs Volunteer Program• Eco-business School Program• Internal communication channels: Magazine “El Anzuelo”, Incasite, Suggestions Box etc.	<ul style="list-style-type: none">• All plants with OSHAS 18001 certification.• Increase Working Environment in 3%• Implement 360° performance evaluations.• Implement SR Culture in all APROs.• Increase volunteers by 25%• Advise 7 Eco-businesses schools.• Complete 100% of investment plan• Achieve “0” accidents in plant and fleet.
PROFITABLE ENVIRONMENTAL MANAGEMENT (CARE FOR THE ENVIRONMENT AND PROTECTION OF RESOURCE)	<ul style="list-style-type: none">• Environment• State• Investors/Shareholders• 3rd party fleet	<ul style="list-style-type: none">• Cleaner production• Technology change 100% steam dried product• Implementation of emission and effluent control program.• Implementation of the ISO 14001 management system	<ul style="list-style-type: none">• Reduce maintenance costs and expenses and equipment standardization by 5%• ISO 14001 certification in all plants• 100% efficiency in PAMA project• Implement Marine Stewardship Council certification• 100% compliance with environmental norm.
QUALITY ASSURANCE AND PRODUCT TRACEABILITY	<ul style="list-style-type: none">• Clients• Suppliers	<ul style="list-style-type: none">• GMP and BASC certification• Prepare studies of Omega 3, 6 and 9 to strengthen products and manufacture own brands.• Build own vessels with advanced cooling technology so as to improve quality of raw material	<ul style="list-style-type: none">• Develop own brands• Increase production of Prime and Super Prime fishmeal.• Obtain Eco-labels on products.• All plants with IFFO certification.• Develop suppliers in zones we operate in.• 75% clients satisfied• Maintain fish meal and oil prices in top 2 of market.
CREATION AND PROTECTION OF SHARED VALUE	<ul style="list-style-type: none">• Employees• Nearby communities	<ul style="list-style-type: none">• Virtual program of Eco-business school program• Participation in the SR technical sub-committee of the National Fishing Society• Participation in the Sustainable Development Committee of AMCHAM.• Participation in SR Committee of Peruvian Nordic Chamber of Commerce• Participation in SR fairs.	<ul style="list-style-type: none">• Develop and explain “New COPEINCA culture”• Develop shared and sustained leadership• Participate in fairs and forums in RS matters• Participate in SNIP projects under Law 29230 in Chicama and Chimbote.
REPUTATION MANAGEMENT	<ul style="list-style-type: none">• Media• Investors/Shareholders• Financial Institutions	<ul style="list-style-type: none">• Annual Publication of Sustainability Report and UN progress reports (COP) aligned to GRI, Millennium Goals, and principles of Global Compact.• Publication of SR management based on Global Compact principles in UN Yearbook.	<ul style="list-style-type: none">• Perform reputation study with main Stakeholders• Maintain B+ application level in Sustainability Report under validation of independent 3rd party and GRI.• Establish Dialogue Table with different Stakeholders• Maintain Company Profitability• Achieve EBITDA of over US\$80.00

Affiliations

During 2010, the company was affiliated to the following:

- Peruvian-American Chamber of Commerce (AMCHAM).
- National Fishing Society (SNP).
- Peruvian – Nordic Chamber of Commerce.
- Huarmey development table.
- APROCHICAMA.
- APROSECHURA.
- APROCANCAY.
- APROCHIMBOTE.
- APROSUR.
- Exporters Association (ADEX).
- International Fishmeal and Fish Oil Organization (IFFO).
- Fish, Oil and Meal World.
- China Feed On line.
- Oil World – Ista Mielke Gmbh.
- Veritrade LTDA.
- Intrafish.
- Goed – Global Organization for EPA and DHA Omega 3S.
- Aug – Technopress.
- Dun & Bradstreet SAC.
- Shanghai JC Intelligence Co. Ltd.

Awards

In 2010, COPEINCA received various awards and recognitions from the following institutions:

- *Prize for progress in safety*, from the Insurance Company MAPFRE.
- *Best practices of Corporate Government*, from the Lima Stock Exchange.
- Valuable support for the employees in the Eco-Business School Program which is conducted by the Institute for the Promotion of Sustainable Development (IPES).
- Support and leadership in the Responsibility Committee of the Peruvian – Nordic Chamber of Commerce.



c.

Materiality of the Sustainability Report

All the information contained in this report covers those indicators in social, environmental and economic approach that are truly important for COPEINCA and its main Stakeholders, as has been identified through the Benchmark of Sustainability Reports of leading companies in Sustainable Development, as well as international and national fishing companies that report based on the GRI indicators. At the same time in the 3rd Sustainability Report 2008 – 2009 a survey was included at the end of the document that collected suggestions and concerns on the contents of the document that help to report information that is relevant for a determined Stakeholders and which has been developed in this document:

- Progress in investment projects to achieve quality standards very much higher than the sector.
- Sustainable social management programs focused on community welfare mainly in health and education.
- Actions to be implemented to fight the effects of climate change and its consequences on marine resources.
- Programs or certifications implemented in order to avoid or minimize accident indexes in the plant and above all during periods of fishing.
- Investment in collaborator training programs.

d.

Stakeholders

The company considers it fundamental to relay on the support and evaluation of each Stakeholder with which it relates. Consequently, in 2004, an initial identification of all stakeholders was carried out by all managers to determine the influence and impact of each of them, this exercise was complemented by an specific image evaluation of COPEINCA carried out by *Conecta Asociados* to identify the main companies, institutions and communities that are impacted by or impact on COPEINCA. Since then, all activities considered some stakeholders described on the next page, however other stakeholders identify are expected to be included in 2013 as a working policy for them is not implemented. Every year a research study is performed on the attitudes and perceptions held by these groups, to understand their opinions and viewpoints regarding corporate performance, as well as to execute the necessary measures to improve the management of COPEINCA.

Employees

COPEINCA contributes to its employees' quality of life by promoting programs that offer tranquility and human satisfaction, and place emphasis on:

- Health campaigns for the prevention, diagnosis and toxicological examination of diseases.
- Nutritional programs at work sites.
- Development of management skills programs.
- Management system based on the OHSAS 18001 standard that contemplates the development of activities in all work centers under occupational health and safety schemes.
- “Starfish” useful vacation program for the children of employees.
- Annual Training Plan.
- Quality of Life program.
- Daily Communication channels: (Incasite, suggestions inbox, e-mail); communications channels every 3 months (El Anzuelo magazine); annual communication channels (labor climate surveys).

Shareholders

- Board Meetings.
- Shareholders' Meetings.
- Information on the value and the composition of shares, published on the web site.
- Open and direct channels with the company General Management and the Vice President of the Board resident in Peru.
- Periodic visits by the General Manager and the Financial Manager.
- Daily Communication channels: (Incasite); annual communication channels (image and perceptions surveys).

Clients

- GMP + B2 Certification.
- Visits by commercial management to the main clients in their countries of origin to learn





of their needs. At the same time when the clients visit Peru, they receive personalized attention and are invited to visit COPEINCA installations.

- Annual evaluations of client satisfaction.
- Daily Communication channels: (e-mail); communications channels every 3 months (virtual bulletin); annual communication channels (satisfaction evaluation).

Suppliers

- The implementation of a tool that permits the integration and exchange of information with suppliers of goods and services.
- The generation of a favorable impression among suppliers due to the volume of production and sales, financial strength, corporate management and compliance with obligations.
- The business relationship that the suppliers develop with COPEINCA permits them to fortify their performance due to their compliance with the standards and demands that exist in the international market.
- Annual communication channels (image and perceptions surveys).

Communities

- Implementation process of the ISO 14001 standard aimed at preventing and minimizing environmental impacts in neighboring communities, as well as in the quality of life of the employees.
- Development of Eco-business Schools' Program
- Creation of COPEINCA volunteer program to strengthen links between employees and the community.
- Active participation in Fishmeal and Fish Oil Producers' Associations in order to promote activities that favor the communities and the artisan fishermen.
- Annual communication channels (image and perceptions surveys).

Government

- Periodical and open information channels on COPEINCA activities with the main Associations of the sector and government entities.
- Annual communication channels (image and perceptions surveys).

Media

- Corporate Affairs Manager maintains a constant and permanent contact with the principal

communication media both national and international in written press, radio and television.

- Meetings with specialized reporters in the sector.
- Annual communication channels (image and perceptions surveys); Daily Communication channels (local media in Lima, Chimbote y Tacna).

Financial entities

- The financial entities perceive COPEINCA's performance as favorable, positively evaluating the financial soundness, the good financial management, the professionalism of the management teams, as well as the management strategies and the investment decisions of our production units.
- The absence of current or potential conflicts that could affect commercial relations between COPEINCA and the financial sector.
- Annual communication channels (image and perceptions surveys).

Third Party Fleet

- This Stakeholder complements COPEINCA's production, generating bigger and better business opportunities (raw material and employment) in third party fleets.
- Specific outfitting of third party fleets.
- Creation of an area of Raw Material Planning and Storage, that coordinates and directly controls the movements of our own fleet, as well as the purchase (prices and amounts) of fish from the third party fleet.
- Annual communication channels (image and perceptions surveys).
- Investment in vessel implementation of third party fleet in order to accede to European markets.

The interaction with every stakeholder is different. The principal channels of participation with the employees are: the suggestions inbox, satisfaction surveys and the communication and change leaders' program with a permanently interaction. Annually surveys of satisfaction are carried out for the clients. During the shareholders' meetings carried out every 3 months approximately, the principal suggestions are gathered to take them to the practice inside the management of the company. Finally with the suppliers, communities, state, media, financial institutions and third parties fleet of, carries out the annual study of perceptions at the expense of an external consultant



5. Social Management

This years COPEINCA has actively participated in the Global Compact. Since 2010 the company's best practices related to the 10 principles are published in the United Nations' International Yearbook.

Throughout the year 2010 social management has been maintained under the scheme of the sustainability challenges described above. Various programs have been implemented in order to comply with the objectives of the Social Responsibility policy. Programs are carried out with the support of partners or strategic allies, coordinating directly with COPEINCA activities for the well- being of the different Stakeholders.

Commitment to external initiatives

The Global Compact

COPEINCA was the first Peruvian fishing company to present a Sustainability Report. This report was audited in 2005, and subsequently the company has presented reports for the periods corresponding to 2006 – 2007 and 2008 – 2009, as can be seen on the company's web site. These reports reflect the main indicators that show COPEINCA's environmental and social performance, as well as the programs and activities carried out within the framework of Social Responsibility.

a. Communities



The document is prepared on the basis of international indicators such as those of the Global Reporting Initiative (GRI), the Millennium Goals and the principles of the Global Compact. As a result, and thanks to the efforts of all our employees, from the first of COPEINCA's "Communications on Progress", the United Nations classified the Sustainability Report presented as notable, which has been a great encouragement for the company and motivation to continue with the firm challenge of constantly improving to satisfy the needs of our Stakeholders. To access this information please enter into the following link: http://www.unglobalcompact.org/COP/analyzing_progress/notable_cops.html.

This years COPEINCA has actively participated in the Global Compact. Since 2010 the company's best practices related to the 10 principles are published in the United Nations' International Yearbook. In June 2010, COPEINCA participated in the World Leaders Summit held in New York in which we learned and exchanged relevant information with regard to the strategy of the multinational companies.



RS TODOS

During 2010, the second stage of the project took place. Formally, a public event was organized in order to communicate in more detail the conclusions and recommendations reached during the preparatory working stage which took place during 2009. We hope that, in this way, we can achieve a more extensive communication of this responsibility activity and perform the necessary follow up to the recommendations produced during the two previous stages of preparation and communication.

Throughout this period the printing of the materials will be ensured to communicate them and a mechanism will be established to follow up the recommendations that appeared in the previous stages. The mechanism will be a proposal agreed by promoters and partners of the project.

Following the 2009 and 2010 commitments, the project continued its development in Cajamarca, Piura, La Libertad and Arequipa, receiving support from four large sources: civil society, (NGO's, unions, etc.), educational entities, private companies and the State. The more representative common agreements were:

- Strengthen the Regional Promotional Nucleus.
- Define and establish specific social responsibility (SR) objectives and activities in each region.
- Develop the communication actions and the company positioning.
- Create a platform that permits group reflection, the sharing of interregional information and the exchange of strategies.
- Establish a SR week or month for a national campaign.
- Recognize and incorporate other initiatives in the ESR process.
- Raise regional information in order to know the situation, detecting resistances that serve as sensitivity indicators generated by the ESR process.

Eco- Business School Program

This initiative began in 2010 with the Sustainable Development Promotion Institute (IPES) which designed the enterpriser program of environmental education addressed to young students during their last cycle of secondary school. Academically supported by the Ministries of Education and Environment, the objective is to strengthen young people's capacities to identify reality, understand the functioning of the market and understand the procedures and challenges that imply building, managing and administering an economic business undertaking an environmentally friendly manner and developing leadership and managerial skills to this end.

The efforts of this initiative led the company to promote COPEINCA Volunteer Program to motivate the participation of employees. To do this, groups of 4 or 5 persons were formed to support each school in the development of their business plan, and make their Project a profitable alternative in time. This was a virtual consultancy by means of the web page designed especially for this initiative. Additionally, periodical visits were carried out to strengthen the close communication between both parties.

These are some of the program's achievements:

- 33 educational institutions trained.
- 2,598 hours of training given.
- 10 educational institutions benefited directly.
- 210 students benefited directly and 7000 indirectly.
- More than 3000 families benefited.
- 105 hours of volunteer work.
- 5,727 dollars invested.

APROs Management

One of the strategic allies in sustainable development in each port where COPEINCA operates is the Association of Producers of Fishmeal and Fish Oil (commonly called APROs). With the APROs the objective is to strengthen the social responsibility and environmental care activities that the company carries out.

Through the Image, Communications and Social Responsibility Committee of the National Fishing Society (SNP), a Strategic Planning Manual was prepared to serve as a guide to establish a diagnosis, define an social responsibility policy with guidelines, sustainable schemes and common values, as well as other management and differentiation elements. Throughout the year several meetings were held to approve the communication and implementation of the guide in all the APROs so that they can constitute themselves as corporate entities.

With the support and coordination of the National Fishing Society a management model was produced for the APROs, defining guidelines to establish these associations as corporate bodies. Unanimously each APRO has a presidency led by a fishing company in the zone. In the case of COPEINCA we assumed the presidency of APROSECHURA and APROCHIMBOTE, as well as participating actively in APROCHICAMA, APROCHANCAY and APROSUR.

Generation of value – Direct and Indirect Economies

The indirect economic impact constitutes an important part of the economic influence that COPEINCA exerts in the context of sustainable development. While the direct economic impacts and the market influence tend to center in immediate consequences of the monetary flows towards stakeholders, the indirect impacts include the additional effects generated by the money circulation in the economy. COPEINCA therefore is a participant and socioeconomic change agent within the radius of influence where its operations are carried out, proven by the creation of new business in the different zones. During 2010 a total of 10 new enterprises have been recorded close to the company plants, especially:

- Restaurants
- Stores
- Lodgings

In addition to generating indirect economic value, COPEINCA has a direct influence on the economy through infrastructure investments, with an impact that goes beyond the scope of the direct business operations. In this aspect we include social assistance and equipment, activities that in 2010 added up to 26,477 dollars.

Employees Experience

"Amor a Manos Limpias" in ARENA – Santa Clara volunteer day



The volunteer program in COPEINCA started in 2010 since the Eco-business School program was launched. With this first initiative, employees were aware of the need in different cities in Peru and wanted to share a special moment with children of lower income neighborhoods. So, the “Amor a Manos Limpias” activity was programmed and co-organized with the Nordic-Peruvian Chamber of Commerce and other affiliated companies.

“I was glad to participate in this activity; the idea was to share a special morning full of teaching spaces and recreational moments with more than 350 children. The best part is that as it was a Christmas time, all children were especially happy as all year’s studying sacrifice was rewarded with this sharing activity. All volunteers spend a great morning and we had the opportunity to make 350 kids happy”

Annia Vargas, Environmental System and Industrial Security Coordinator.

OHSAS 18001 certification



As an objective in the Strategic Plan, during 2010 COPEINCA worked intensely at the implementation of the Security and Occupational Health Management System based on the international norm OHSAS 18001, first in all the fishing processing plants of Ilo and Chicama but with the aim that by 2012 all plants would be certified.

The operational controls are realized every day by the safety area, relying on the support of the different headquarters of the plant and always led by the superintendent. Moreover, these security requirements are also demanded for contractors as they receive inductions, deliver their IPER table to prevent risks of accidents and occupational diseases in their own employees as part of their Security and Occupational Health Management System.

Jaime Pinedo, Corporate Chief of Industrial Security

Eco-business School Program

Taking part in the volunteer program for Eco-Business was an amazing and enriching experience for my group and me.

I know that many volunteers signed up thinking that it was a way of helping the boys and girls from different lower income neighborhoods but we never imagine all the lessons and experiences they gave us.

My group worked really hard with the girls who decided to recycle all plastic materials (PET) into “Echo bags”. Seeing the illusion in these girls, dreaming, creating and finding solutions to everyday’s difficulties involved us as volunteers reminding us that as human beings we can always reach our goals especially when it comes to giving or sharing. I strongly believe that it is possible to achieve much more with little time and commitment than simply donating material goods.

I feel happy to have known these girls, leaders of our community and role model.

Maria Elena Olmos,
Investors Relations Analyst





b.
Suppliers

The Logistics Management, continuing with the interaction of purchases on the E-biz Latin platform, has integrated on-line facilities during 2010 so that suppliers can pre-register their invoices, obtain their tax retention documents and establish the programming of their respective payments.

In this way the purchasing processes, the stores, accounts and treasury are integrated in the following activities:

- Supplier registry (implemented).
- Price contest (under trial).
- Quotes.
- Comparative charts.
- Requests for purchase.
- Confirmation of receipt of merchandise, registry and visualization of invoice status.
- Programming and confirmation of payment.
- Printing of tax retention certificates.

With which the following benefits are obtained:

- Reduction in supply costs.
- Reduction in the purchasing cycle.
- Less use of paper.
- Reduction in manual charge for invoices.
- Reduction in the emission process for retention certificates.
- Reduction in telephone calls and e-mails to consult suppliers.
- Increase in the level of service to our internal clients.
- Improvement in commercial relationship with suppliers.

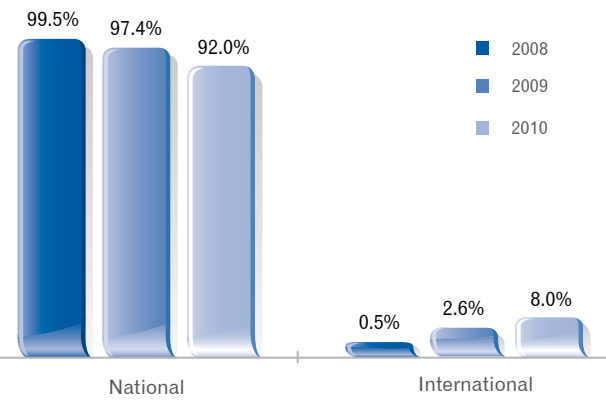
We are currently developing the technical coordination so that the logistics operator JOVIZA can register the supplier's dispatch note and its visualization in the SAP module.

This year there has been an increase in international purchases related to the equipment implementation in all COPEINCA fishing plants, due to the operational efficiency processes carried out in 2010.

Purchase of Materials

The buying process is established with different national and international suppliers. This year there has been an increase in international purchases related to the equipment implementation in all COPEINCA fishing plants, due to the operational efficiency processes carried out in 2010.

Percentage of National and International Purchase



During the past year, due to the Chilean Earthquake, we were faced with high peaks in the sales price of fishmeal reaching US\$ 2,000 per ton (historically the highest price ever). There was also a reduction in the fishing quota from 3.5 million tons to 2.5 million tons for the second 2010 period, between April and May of 2010. With this reduction the demand increased and transactions were agreed at levels of around US\$ 1,900 per ton. Even though the prices did not drop to the levels that were operative 2 years ago (US\$ 800 and 900 per ton) they did fall and stayed between US\$ 1,600 and 1,700 per ton.

Around April, there was another occurrence that took the prices down and this was the news of the delay in the aquaculture season in China, the principle consumer of fishmeal in the world and the main buyer from Peru. In September and October 2010, when normally 50% of the new season's fishmeal has been sold, the producers had not managed to sell the production, due mainly to the delays in China. The European markets also began to replace fishmeal in their formulas and therefore require less volume of the product than previously.

Finally the pre-sales for 2010-II began almost with the November production, before being informed that La Niña phenomena would affect fishing. Later it was confirmed that the season would be suspended temporarily and that the quota would only be around 38% of the usual figure. With this suspension of the 2010-II season, Peru experienced another price peak reaching US\$2,000 per ton, dragging in its elevation the prices of the fishmeal that was already in China. In spite of these occurrences, Peru did not reach these prices.

Main Products

Fishmeal

Fishmeal is protein concentrate based on fish (anchovy) presented in a powder form and used for animal feed. There are two types of fishmeal depending on the drying process:

- Steam Dried Fishmeal (SD): this is dried by transmission of heat without the flame contacting the product.
- Flame Dried Fishmeal (FD): this is dried by direct fire with the calorific action of the flame in contact with the product.

Commercially speaking the life time of fishmeal is one year; however fishmeal with longer periods must include an antioxidant in a dose of between 500 to 600 ppm. The production date is printed on the bag and the brand is also included at the time of production. There are markets (like China) that demand, in addition to the pre-printed brand, special indications on the bag including product quality specifications (protein, TVBN, histamine, salt and sand) as well as the plant registration number.

In Europe there must be a warning that the product is not apt for human consumption and does not contain remains of mammal bones. For all shipments, especially bulk shipments, where bags are not used and therefore no production date indicated, this must appear on the Pre-shipment Surveyor's Report, which is a certificate issued by a specialized company.

All the COPEINCA plants are approved for operation by the Peruvian Fishing Technology Institute (ITP) in accordance with the requirements and conditions established in the Sanitary Standard for fishing and aquaculture activities. Additionally, all plants hold certifications for BASC, GMPB2 and the IFFO Standard

Fish Oil

Is the fat content of the raw material (anchovy), extracted during the fishmeal production process by the presses, it is centrifuged to separate water from the oil before polishing the product in order to extract solids (lipoproteins) and water. This product is known as crude fish oil and has a high content of essential fatty acids (Omega 3).

Fish oil does not have a specific expiry date that accompanies the product nor does it contain additional substances such as the antioxidant of the fishmeal. Its quality depends, among other things, on the use it is given and will also depend on the product parameters at the time of shipment, such as acidity, anisidine and peroxides among others. The lower the percentage of these parameters, the slower the solidification and therefore a better quality of oil is obtained. The production date appears on the export documents.

Certified Operation

All the COPEINCA plants are approved for operation by the Peruvian Fishing Technology Institute (ITP) in accordance with the requirements and conditions established in the Sanitary Standard for fishing and aquaculture activities. Additionally, all plants hold certifications for BASC, GMPB2 and the IFFO Standard and for 2012 the certification with ISO 14001 and OHSAS 18001 will be completed; currently only the plants of Chicama and Ilo are certified with this norm. Finally, and depending on the destination, an additional license or registry of the company and the plant is requested to allow entry into a specific territory, as is the case of China, Taiwan and Russia among others.

Approximately 90% of the raw material caught by the company is refrigerated immediately after capture and during the voyage to the processing plant by means of the RSW system (Refrigerated Sea Water) with which the vessels are equipped. In this way the highest standards of raw material freshness are guaranteed which means top quality fishmeal with high protein and low levels of TVBN and histamine.

As explained above, in order to export the fishmeal and fish oil, there must be certain export documents that accredits the specifications of the same and the methods used to obtain the results, ensuring therefore the quality not only on behalf of the company but also by an independent third party. The documents that indicate origin and detail the quantity shipped, the packing and the containers used must also be included.



The basic documents for export are the following:

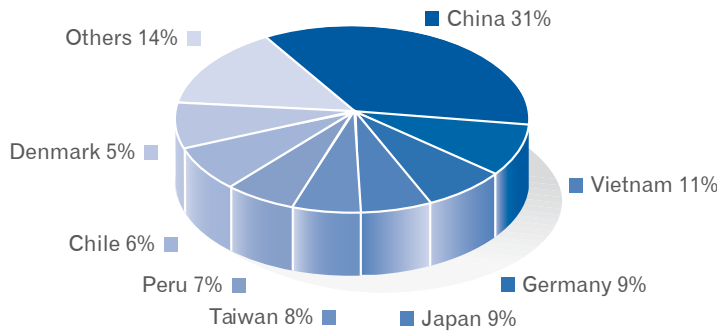
Pre-Shipment	
Pre-Shipment Certificate	Meal and Oil (Surveyor)
Non dangerous cargo certificate	Meal (Surveyor)
Cholera Certificate	Meal (Surveyor)
Instructions to Surveyor	Meal and Oil (Copeinca)
Instructions to Customs Agent	Meal and Oil (Copeinca)
Dangerous Goods Declaration (Format IMO)	Meal (Surveyor)
Preliminary ITP Project	Meal and Oil (Surveyor)
Post Shipment	
Certificate of Origin	Meal and Oil (Chamber of Commerce)
Sanitary Certificate	Meal and Oil (ITP)
Certificate of Analysis	Meal and Oil (Surveyor)
Packing List	Meal and Oil (Surveyor)
Bill of Lading	Meal and Oil (Shipping Company)
Commercial Invoice	Meal and Oil (Copeinca)

Main Markets

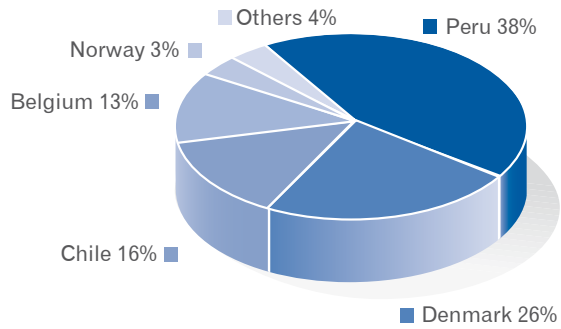
The main market for fishmeal is China with a total purchase of 51,647 tons during 2010 (38.01% of total share), followed by Vietnam, Germany, Japan and Taiwan with 13.89%, 11.04%, 10.34% and 9.05% respectively. Although China continues to be the main buyer of fishmeal in 2010 its international share fell as a result of increases in other markets, such as Vietnam and Japan and the delay in the aquaculture industry experienced by China itself.

The main fish oil market during 2010 was the local one with a 37.96% share, followed by Denmark with 25.42% (one of the main ports of entry to Europe). Chile and Belgium also stand out with respective shares of 16.42% and 13.22%. It is important to note the growth in Chile after the 2010 earthquake and its reduction in fishing quotas, it is hoped the increase will be maintained during 2011.

Main Fishmeal destinations in 2010



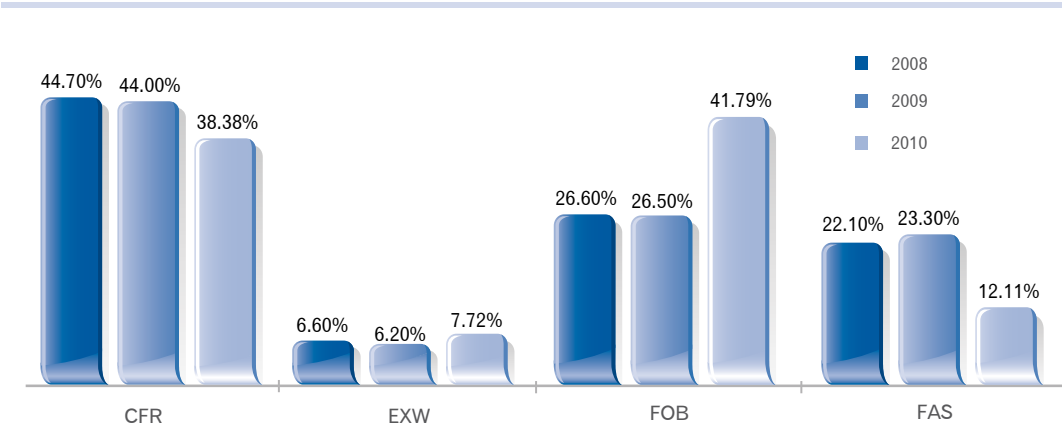
Main Fish Oil destinations in 2010





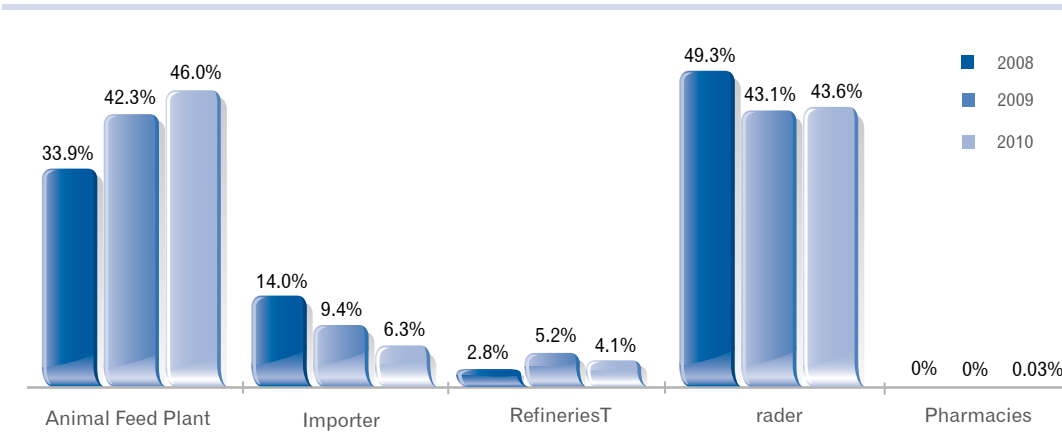
The sales distribution, in terms of international delivery, is mainly concentrated in sales under FOB and CFR incoterms and is as follows:

Sales distribution according to delivery terms



Fishmeal sales in 2010 were directed mainly to the animal feed plants which increased their volume share from 42% in 2009 to 46% in 2010, followed very closely by sales to traders at 43.63%, a similar percentage to the previous year. In the case of fish oil, the refineries maintained their share at 4% compared to 5% in the year before. It should be mentioned that many of the local sales of fish oil go to refineries that export it to different markets. This is the case of two local buyers who appear in the list of principle Peruvian exporters but buy locally.

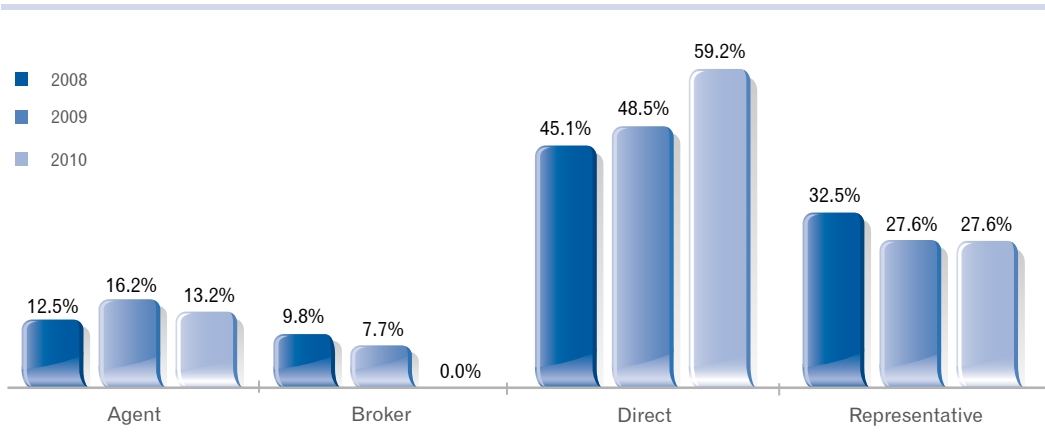
Client Profile



With regard to distribution channels, during 2010 sales were channeled directly, increasing from 48% to 59% with respect to 2009. The sales through representatives and brokers were 28% and 13% respectively maintaining a similar share as that of the year before. These results are based on a strategy of establishing long term relationships focused on product quality and the security of a constant offer.

In comparison to the year before, the survey showed an improvement of +8 points in the general perception of the company. At the same time COPEINCA is perceived as Top 3 by 66% of the clients evaluated (+4 points compared to the year before).

Distribution Channels



Client Satisfaction Surveys

For the second consecutive year a client satisfaction survey was carried out through on-line interviews. Ipsos Apoyo, consultancy company selected for this survey, guarantees total confidence to the clients with their responses. Requests were sent to 74 clients around the world and 56 replied (76%). The sample included final clients, traders and importers of fishmeal and fish oil as clients whose main intermediaries are representatives and brokers. The survey evaluated 7 attributes: re-purchase recommendation, quality of the relationship, client attention, service, product quality, execution of dispatch and quality of service in delivery of documents and product. In comparison to the year before, the survey showed an improvement of +8 points in the general perception of the company. At the same time COPEINCA is perceived as Top 3 by 66% of the clients evaluated (+4 points compared to the year before).

The survey also permitted the identification of opportunities for corporate improvement. As a result, for 2011 it is planned to continue with the evaluation so that the information obtained can be of greater value for the company and can produce bigger and better results for our clients.



6. Economic Management

The issue is going to allow COPEINCA to carry out in the short term, the necessary investments to improve operational efficiency and continue to comply with environmental standards and the new quota regulations. Consequently it will become the most efficient and profitable company in the sector, progressing with this towards the vision of consolidating itself as a world leader.

One of most outstanding aspects during 2010 has been the successful placing of bonds on the international market. In February, COPEINCA issued bonds for US\$ 175 million in a successful operation where the demand superseded all expectations on being over-subscribed five times with an equivalent of US\$ 700 million. This was the first Peruvian corporate bond issued in 4 years since a Peruvian company performed an operation of this type, achieving a positive impact on the country's image in the international marketplace.

The issue is going to allow COPEINCA to carry out in the short term, the necessary investments to improve operational efficiency and continue to comply with environmental standards and the new quota regulations. Consequently it will become the most efficient and profitable company in the sector, progressing with this towards the vision of consolidating itself as a world leader.

At the same time, with the issue of this bonus the company could orient its financial obligations to more competitive terms and conditions, as well as achieving positioning in the group of companies with the highest standards of quality in the world.

Sustainability
Report 2010
Corporación
Pesquera Inca
S.A.C
COPEINCA

1. Calculations Base		2010 value (thousands of dollars)	
Net Sales		233,042	
Income for operations		-1,540	
EBITDA		76,227	
Gross payroll		30,741	
2. Internal Social Indicators	Value \$ (thousands of dollars)	% of Gross payroll	% of EBITDA
Food provision	668	2.17%	0.88%
Other Social Contributions (EsSalud, SENATI, IESS)	-	0.00%	0.00%
Accident medical insurance, other	138	0.45%	0.18%
Ocupational health and safety (medicines, in-plant physician, etc)	-	0.00%	0.00%
Education	-	0.00%	0.00%
Culture	-	0.00%	0.00%
Professional training and development	235	0.76%	0.31%
Nurseries	-	0.00%	0.00%
Profit participation	523	1.70%	0.69%
Other contributions to employees	122	0.40%	0.16%
Attentions to employees	104	0.34%	0.14%
Gifts for employees	-	0.00%	0.00%
Outfits for employees	91	0.30%	0.12%
Transportation for employees	355	1.15%	0.47%
Total Internal Social Indicators	2,236	7.27%	2.93%
3. External Social Indicators	Value \$ (thousands of dollars)	% of Gross payroll	% of EBITDA
Education	24.3	0.08%	0.03%
Culture	-	0.00%	0.00%
Health and sanitation	-	0.00%	0.00%
Sports	31	0.10%	0.04%
Struggle against hunger and food safety	-	0.00%	0.00%
Donations (health, evironment and citizen security)	74	0.24%	0.10%
Other	-	0.00%	0.00%
Total contributions to society	129.3	0.42%	0.17%
3rd Category Income	3,988	12.97%	5.23%
Non-domiciled Income	2,541	8.27%	3.33%
Total External Social Indicators	6,658	21.66%	8.73%
4. Environmental Indicators	Value \$ (thousands of dollars)	% of Gross payroll	% of EBITDA
Investments related to company production	4,855	6.37%	2.08%
Expenses in environmental training programs	17	0.02%	0.01%
Expenses in external programs and/or projects	30,420	39.91%	13.05%
Total environment-related investments	35,292	46.30%	15.14%

As to the establishment of “annual goals “ to minimize residues, consumption (as a general rule in the production/operation) and “increasing the efficiency in the use of natural resources, the company:”	() does not have goals () cumplies 0-50%	() complies 51 - 75% (x) complies 76-100%	
5. Operation Body Indicators		2010	
Number of employees at the end of the period	1,629		
Number of admissions furing the period	161		
Number of employees unde contract	688		
Number of students on apprenticeship program	14		
Number of employees over 45 years	261		
Number of women working in the company	103		
Percentage of executive positions	31%		
6. Data related ti the company citizenship		2010	
Total number of work accidetns	100 (76 en Flota y 24 en Plantas)		
Social and environmental projects developed for the company are defined by:	() The board of directors	(x) The board and the managers	() In agreement with all employees
Safety and Health standards in the workin environment are defined by:	(x) The board and the managers	() In agreement with all employees	() All
With regard to the unionization freedom, the right to collective barganing and the internal representation of the workers, the company,	() does not get involved	(x) follows ILO standards	(x) ipromotes and follos ILO standards
The health and safety programs consider:	() The board of directors	() The board of directors	(x) all employees
Profit or results participation considers:	() The board of directors	() The board of directors	(x) all employees
In selecting the suppliers, the ethics, social and environmental responsibility standards adopted by the company:	() are not condidered	() are suggested	(x) are required
With regard to the participation of the employees in voluntary and social action work programs, the company:	() does not considered	() supports them	(x) organizes and encourages
Total number of consumer claims and obervations	In the company 0	in INDECOPI* 0	In the courts 0
Percentage of claims and observations attended to or solved:	In the company 0	in INDECOPI* 0	In the courts 0
7. Additional data			
*INDECOPI	National Customer Defense and Intellectual Property Institution		



7. Environmental Management

During 2010, COPEINCA managed to consolidate itself as the second Peruvian fishing company with a total production of more than 106,000 tons of Fishmeal and 26,000 tons of fish oil.

During 2010, COPEINCA managed to consolidate itself as the second Peruvian fishing company with a total production of more than 106,000 tons of Fishmeal and 26,000 tons of fish oil. Despite the fact that it was a difficult year, due to La Niña and El Niño phenomena that brought about a reduction in production almost 50% lower than a normal year, the company has confirmed the soundness of its operations, has obtained a positive cash flow and has continued with its investment plan that will convert it into the most profitable company in the sector.

To achieve this objective, the company has initiated the building of 3 vessels that signify a landmark in the national fishing industry. The differentiation is due to the form and fishing possibilities that the refrigeration system installed provides, from the catch to the processing plant. These vessels as well as the plant and fleet investment plan are going to permit us to become more efficient and to raise our standards of environment protection. The installations will be “friendly” and will comply with the most demanding certifications in environmental care (ISO 14001), as has occurred in the Chicama and Ilo plants where we have implemented ISO 14001 and OHSAS 18001. Additionally, all the company’s plants currently have IFFO responsible supply certification and GMP + B2 for nutritional safety.

For 2011, COPEINCA, due to its investments and the efficiencies achieved expects to substantially improve the quality of its products and, as a consequence, the profitability of its business, as well to contribute to the care of the environment and the preservation of the anchovy biomass.

COPEINCA has acquired the Diamante fishmeal processing plant located in Chancay, the equipment and machinery will permit an increase in the processing capacity. Something similar took place in Chicama where part of the facilities was sold permitting COPEINCA to stay with a processing capacity of 60 ton/hour that was transferred to another plant.



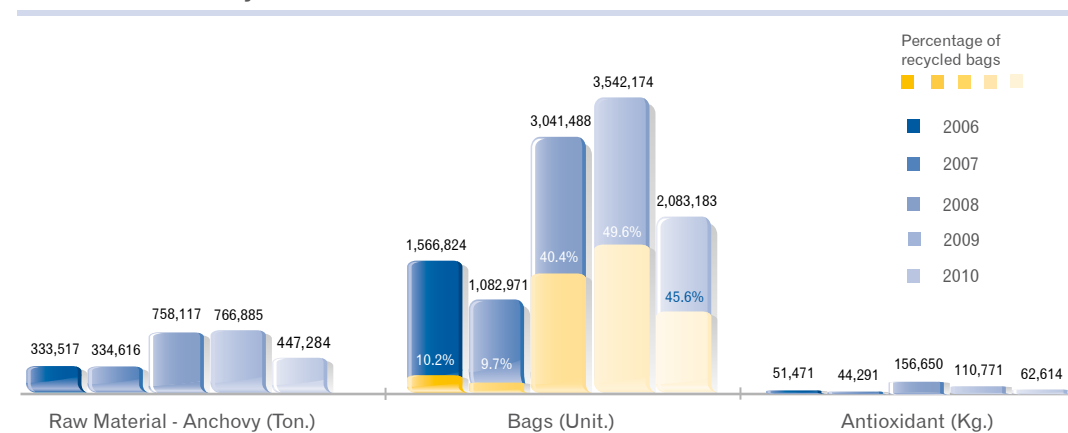
a.
Principle
environmental
investments

More than US\$30 million were invested in technological projects; US\$17 million has been directed invested in environmental improvements. This innovation process and technological change will permit COPEINCA to become a point of reference for the sector from the middle of 2011.

b.
Used materials

The materials detailed in the following chart form part of the products used, in addition to the anchovy, which is the main raw material:

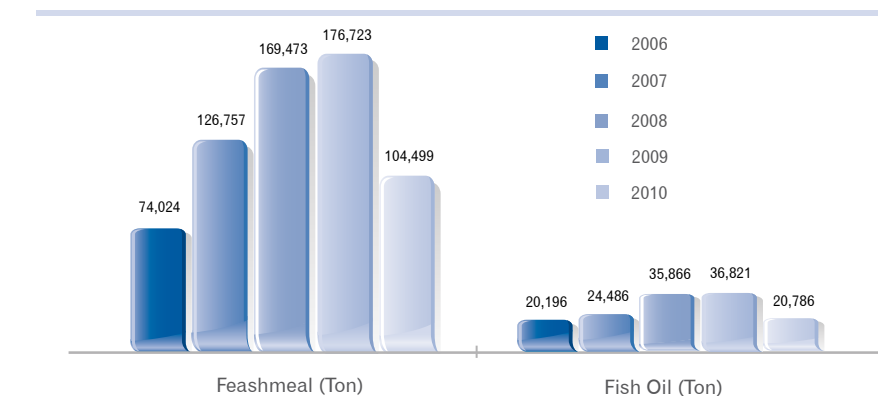
Raw material - Recycled materials



As can be seen in the chart Production Data below, during 2010 COPEINCA felt the presence of the El Niño and La Niña phenomena along the Peruvian Coast producing a significant reduction in the anchovy catch, that at the same time was reflected in the consumption of materials used within the productive process.

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Data Production

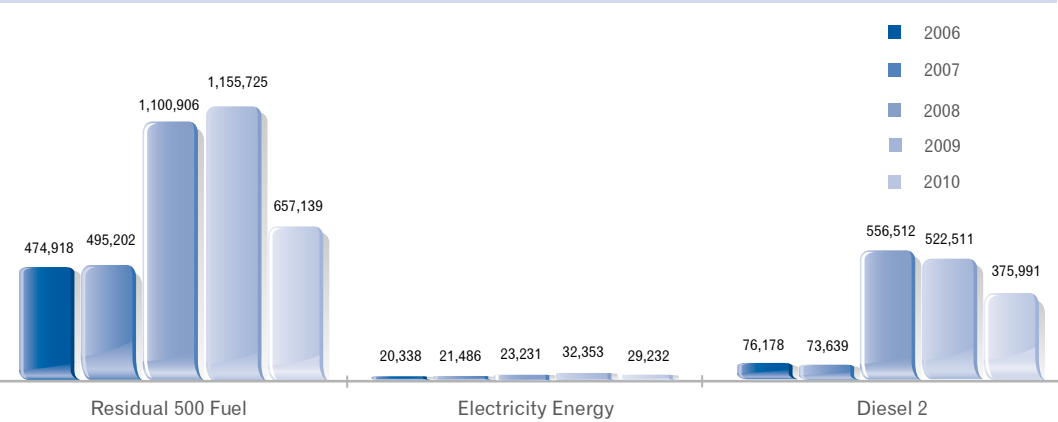


In 2009 there was a significant drop in the use of antioxidant (AO) in the productive process: the reduction was from 0.92kg AO/ton of fishmeal to 0.62kg AO/ton of fishmeal which implies a better use of our resources. This year the same effect is registered due mainly to the climatic conditions and the quality of the fish that reduces the re-processing and therefore the consumption of this material. With regard to second use bags that were mainly discarded after bulk shipments, are now recycled and re-used which meant that in 2010 45.6% of them were sold.

Energy Generation

COPEINCA's productive process principally uses diesel 2 for the diesel generators and residual petroleum (bunker) for the plant. Diesel 2 is also used by all the fishing fleet. The indirect energy (non renewable) consumed comes mainly from the public network of Hidrandina, EDELNOR and Electro Sur.

Energy Generation (GJ)



As can be seen in the “Energy Generation Chart”, consumption has fallen in relation to 2009 due to a reduction in the national catch during the last months of 2010. The emissions of greenhouse gases are also directly related to these low energy consumptions recording a total of 87,781 tCO2e in 2010 which, compared to the 135,379 tCO2e in 2009, is a significant reduction.

In parts of the production process, such as dryers, coolers, and the stick water plant, other gaseous emissions have been monitored since 2009.

Average concentrations (mg/m³)												
	Particulate Material				Hydrogen Sulfide (H ₂ S)				NO _x **		SO _x **	
	2009		2010		2009		2010					
Plant	SD	FD	SD	FD	SD	FD	SD	FD	2009	2010	2009	2010
Bayovar	7.2	82.275	NM	NM	< 0,009	0.01	NM	NM	118.2	NM	0.8	NM
Chicama	25.34	436.73	16.36	SE	0.045	ND	0.13	SE	228.6	53.59	861.8	307.9
Chimbote	ND	169.85	11.85	SE	N	0.019	0.99	SE	227.8	247.5	1034.3	1749.5
Huarmey	NM	851.32	NM	NM	NM	ND	NM	NM	229.6	NM	862.6	NM
Chancay*	6.835	-	8.125	-	0.61	-	ND	-	190.2	NM	632.2	NM
Ilo	NM	NM	28.2	-	NM	NM	ND	-	NM	214.4	NM	ND

N.M
N.D
S.E
*
**

No monitored
Undetectable concentration
No emissions
Neither Chancay nor Ilo have FD line
The boilers were the sources monitored to obtain these emissions

Source:
MONITORING REPORT ON ATMOSPHERIC
EMISSIONS, AIR QUALITY AND ENVIRONMENTAL
NOISE - Inspectorate Services Perú S.A.C.

In each plant energy improvements identified within the Cleaner Production Program (CPP) were implemented in order to continue with operational improvements for energy efficiency.

In each plant energy improvements identified within the Cleaner Production Program (CPP) were implemented in order to continue with operational improvements for energy efficiency. In the summary chart below the activities and progress made are shown.

Plant	Project	Progress
Bayovar	Plant conversion to Steam Dry with a production capacity of 170 ton/hr	75%
	Implementation of steam recirculation	100%
	Installation of washing towers.	100%
	PAMA Project - Closed circuit unloading system	75%
Chicama	Plant conversion to Steam Dry with a production capacity of 160 ton/hr	100%
	Installation of washing towers and steam recirculation system.	100%
	First stage of PAMA project.	100%
	Replacement of aquotubular boilers by pyrotubular boilers	100%
Chimbote	Plant conversion to Steam Dry with a production capacity of 250 tont/hr	75%
	Equipment investment for oil and fat treatment	100%
	First stage of PAMA project executed	100%
	New 4 stage pyrotubular boilers installed	100%
Huarmey	Installation of washing towers.	100%
	Changed positive displacement pumps for vacuum pumps.	100%
	First stage of PAMA project implemented	100%
	Changed 2 aquotubular boilers of 600 and 500 BHP capacity for one 1,000 BHP 4 stage pyrotubular boiler	100%
Chancay	Steam Dry conversion with increased production capacity from 80 to 168 ton/hr.	75%
	Installation of three 4 stage and one 3 stage pyrotubular boilers.	100%
	Implementation of HLT system to recycle third stage drying gases.	
	Installation of vacuum pump system	100%
Ilo	Raw material reception system relocated.	100%
	Pipe system for transfer of raw material without contaminants was installed	100%
	Steam recirculation system was installed	100%
	Steam recirculation system being installed	70%
	Solids recovery, oil and oil polishing system installed.	100%



As part of its environmental commitment, COPEINCA has implemented a series of initiatives in all its plants in order to reduce the use of energy and positively contribute to the environment:

- In Bayovar, campaigns were carried out to encourage electrical energy savings during the close seasons, at weekends or periods when there is no fish, reducing also electrical consumption during the day. Among our employees we introduced a campaign for the responsible use of computers, switching them off when not used for periods in excess of 30 minutes and replacing the classical screens with more efficient energy use LCDs. The air conditioning equipment has been replaced by modern equipment with less consumption.
- In Chicama, there is continuous maintenance of lighting and fluorescent energy savers. The analogical screens have also been changed to digital obtaining a considerable saving in electrical energy in addition to performing programmed maintenance on the equipment and the air conditioning so that they are in perfect working order.
- En Huarmey, there have also been sensitization campaigns among employees and the efficient handling of lights operated during night by the security service guards.
- In Chancay, with the new plant extension project being executed, the reactive energy was reduced by means of the installation of a battery of condensers that permitted a substantial saving for the company. At this site there was a migration of monitors towards more efficient digital systems.
- In Chimbote, the illumination installations are efficient and they are being extended to all areas of the plant. The air conditioning is installed at 60% which produced savings in electrical energy. All the old monitors have been changed for flat screens and all employees have been asked to use electrical and electronic devices responsibly.
- In Ilo, we are working with all personnel to make them aware of the need to save energy

As part of its environmental commitment, COPEINCA has implemented a series of initiatives in all its plants in order to reduce the use of energy and positively contribute to the environment.

and the security service guards perform controls to ensure that all electronic devices does not remain switched on. 30 screens were changes for slim screens with less electrical consumption

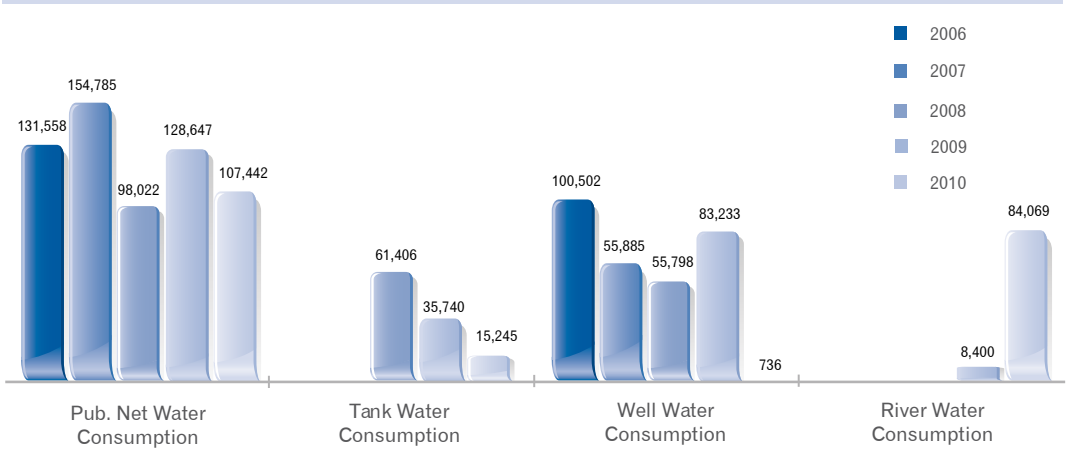
- In Lima, computer equipment has been changed for new modern and slimmer technology, recording consumption reductions from 70 W to 20 W, a saving of more than 50%. All our printers have also been changed for lower consumption models and in terms of lighting we continue to use fluorescent lighting and saver bulbs.

The main sources of water that supply the plants come from the public network, from large tanks and our own wells. However, since 2009 we are also using river water, mainly in the Chimbote plant, which has increased in 2010 as can be seen in the following chart.

C. Water Consumption

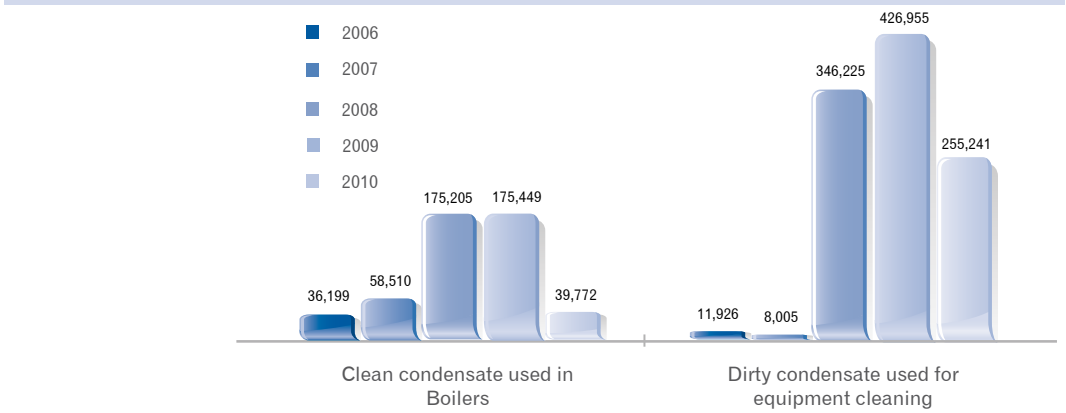


Water Consumption by source (m³)



No source of water has been affected significantly by its extraction. Moreover, and thanks to the improvements implemented in 2010, water consumption was recorded at 207,492 m³, 19% less than that recorded in 2009. A large percentage of the water that goes into the productive process is re-used in the boilers (clean condensate) while dirty concentrate is used to clean equipment, obtaining in 2010 a total of 19.2% of recycled water. At the end of 2010, 853,696 m³ was poured back into the ocean, 57% less than in 2009.

Total water re-used (m³)



The industrial effluents consist of water for unloading raw material which is used as a means of transporting the fish from the dock to the plant. Before, the blood water – from the storage of raw material in the wells-, formed part of these effluents. However at present, this is reintroduced into the productive process as it contains high protein values and does not contaminate the ocean when discharged.

A large percentage of the water that goes into the productive process is re-used in the boilers (clean condensate) while dirty concentrate is used to clean equipment, obtaining in 2010 a total of 19.2% of recycled water.

The use of pumping water begins with the ecologic TRANSVAC bomb, where the relation of water/raw material is maximum 1:1, resulting in a lower volume of water to be treated than with traditional pumps. The recovery of solids follows larger than 0.5 o 1mm depending on the plants, the Trommels or the rotary drums. These solids are stored and subsequently returned to the process together with the raw material.

The recovery of fat is performed in flotation cells where micro bubbles carry the fat to the surface. The resulting effluent from this process still has fats and solids, which is why it is taken to a foam collection tank. This foam is heated so that it can then pass on to a separation of solids process and a fat separation process by a centrifuge operation. The solids recovered are added to the fishmeal manufacturing process and the oil recovered is stored. The final effluent is sent to the ocean by means of an underwater piping system. The main concentrations are shown in the following chart:

Plant	Average Fat and Oil		BOD ₅		Total Suspended Solids (TSS)	
	2009	2010	2009	2010	2009	2010
Bayovar	3,061	2,995	28,597	28,698	13,717	14,983
Chicama	3,719	1,323	28,805	13,136	14,253	6,930
Chimbote	4,593	2,040	38,109	21,573	15,642	10,569
Huarmey	2,099	1,932	22,792	16,264	10,345	14,457
Chancay	3,440	1,633	20,483	8,475	7,016	7,148
Ilo	5,144	943	14,170	3,950	7,325	2,597

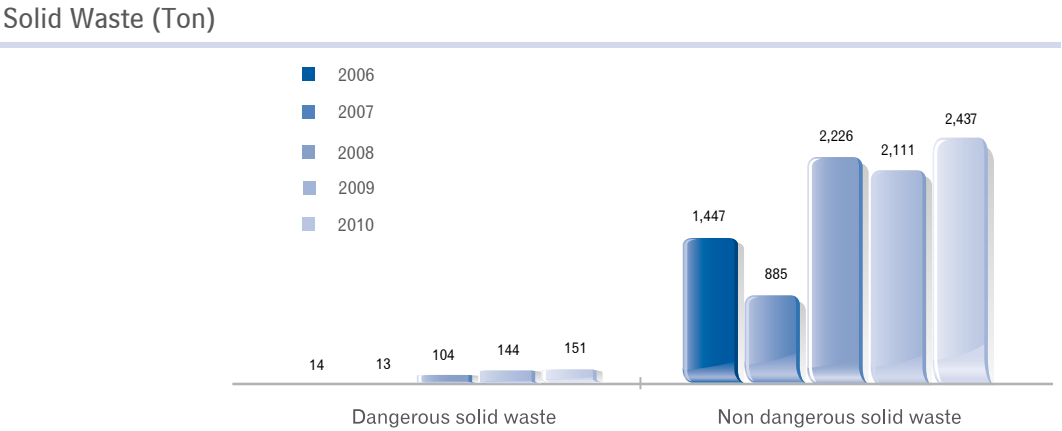
Units: mg/lit.

As it can be seen, the improvements and efficiencies implemented since 2009 are reflected in the significant reduction in concentrations of oils, fats, suspended solids and BOD5 that are monitored regularly by an accredited external laboratory.



d.
Solid Waste

In order to manage the dangerous and non dangerous solid residues there is a Corporate Solid Waste Procedure that governs the management of the residues generated in all plants. In the graph below, the total waste generated by the company can be seen. An increase in non dangerous solid waste was registered in 2010 as well as in dangerous solid waste due principally to the waste generated by the implementation of different projects at all the sites.



The management of solid waste begins with segregation in different devices distributed at various points in the plant. After segregation, if the residue is dangerous, it is taken to a temporary store for dangerous residues that has all safety measures installed demanded by national legislation.

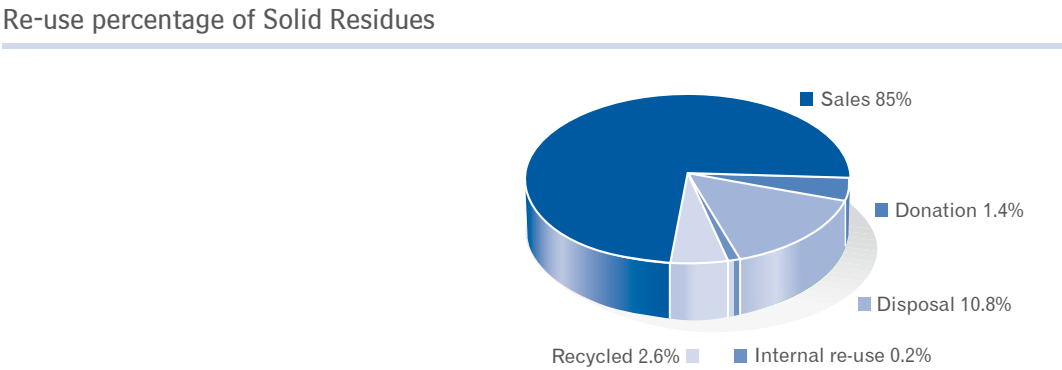
Subsequently solid waste that cannot be used are disposed through the Solid Waste Service Company (EPS-RS) which is authorized by the Municipality and registered in the General Direction of Environmental Health (DIGESA). The residues are taken from the

plants to safety land fills where they are dumped so as not to cause an environmental impact. The useable dangerous residues, such as batteries and oil, are recycled by a Solid Waste Commercialization Company (EPS-RC) giving value by means of specialized treatment.

In the case of non dangerous solid waste, if they are handled by the Municipality they are managed through the corresponding institution and if they are industrial and re-useable they can be subjected to different types of treatment:

- Internal recovery: metal cylinders, bags of salt, rubber tires, and discarded plastic sheets, pieces of wood.
- Sale to third parties; scrap, PVC buoys, pieces of netting, fishmeal bags, wooden residue, fish oil residues, organic process residues.
- Internal or external donation: cardboard and paper remains, glass residue air filters.

As an efficient company COPEINCA seeks to obtain a maximum reduction in volumes of solid residue generated and at the end, that these residues receive treatment, as occurs in 75% of the cases at present:





8. Human Management

The challenge for 2010 was to align all the employees to work practices that would lead COPEINCA to becoming a world leader in the production of fishmeal and fish oil.

The challenge for 2010 was to align all the employees to work practices that would lead COPEINCA to becoming a world leader in the production of fishmeal and fish oil. Consequently the general management decided to begin a Leadership Skills Development Program, better known as DHL. The program was selected as a special need to orient the company leaders toward one single and unique style of managing people, identifying four key leadership competences that will have to be developed together with the employees under their charge:

- Transformer leadership
- Development of teams
- Continuous improvement
- Orientation towards results

These four competencies are worked through a series of workshops, individual and group coaching sessions implemented by the human management together with the support of JML Consultants. In the first stage, 360° surveys were carried out with the employees so that the performance of the leader participating in the program could be evaluated. Later, with the official opening of the program the first workshop of transformer leadership took place with the team of managers. In the second stage the workshops and coaching sessions were covered more deeply and finally, in the third stage, surveys were carried out with all the employees in order obtain the program's results and their impact on day to day work.

Quality of Life Program

COPEINCA began the Quality of Life Program in September 2010. The main objective is to provide an working environment and companionship for all the company's employees. The human management, through the social management area, focuses on the needs of employees in terms of physical, emotional and affective health (family integration).

The quality of life at work covers all the efforts we can make in order to improve all employees' motivation. This idea seeks to implement personalized transcendental motivation programs with the objective of generating physical, social and emotional welfare for all employees and their families. Consequently, in order for the program to be successful, it is fundamental to be able to rely on the best attitude of each employee in order that, as is occurring, the best results are obtained.

a.

Main human management programs



Occupational Health

One of the first programs implemented during 2010 was occupational health in which a series of measures and actions aimed at maintaining, improving and repairing the health of people in their working, social and personal lives were implemented. The program includes planning, organizing executing and evaluating activities related to safety and hygiene and preventive medicine, with the objective of creating a healthier and safer working environment for all employees.

At the end of the program an area designated for the filing of our employees' clinical histories will be implemented. This is an essential tool needed to finalize the ISO and OHSAS certifications. Additionally the company will subscribe agreements with specialized centers for the benefit of personnel: like gyms, educational and recreational facilities for the family, centers to relax, optical services among others.

The medical evaluations of the employees were taken by Millenium Service Company, a specialized supplier contracted by means of a public bid, coordinated with the logistics area, following a timetable established for each plant.

Leaders of Communication and Change

In 2009 the COPEINCA Network of Communication and Change Leaders was created. In this network, a group of employees performed the work of informing and communicating information to all the company areas and levels, through the receipt of concerns, promoting good relations and transmitting interesting news. The network helped in the improvement of the working environment, the welfare of the employees and to catalyze and resolve obstacles or internal communication difficulties by means of a satisfactory handling of the company's official information.

The network is supported directly by the human management area and supports the general management in divulging aspects that are related to the welfare and development of COPEINCA's employees. In 2010 The First Meeting of Leaders of Communication and Change was held and managed by Eco Consultants. The main objective was to strengthen

COPEINCA promotes a safe and healthy working environment in such a way that not only are the rights of personnel not affected but also, promoted and developed among all employees.

interpersonal relations as well as the communication abilities of each leader, through 12 hour immersion training courses. By the end of 2010, the program is working with 139 leaders in the whole organization.

COPEINCA promotes a safe and healthy working environment in such a way that not only are the rights of personnel not affected but also, promoted and developed among all employees. Consequently we work with a management policy that indicates that all members of the company should develop on the principle of equal conditions and opportunities and, as a result, have access to the same benefits and remunerations according to their position within the company's hierarchy. During 2010 no specific training in Human Rights was carried out and yet we have not identified discriminatory practices or actions within the organization.

With regard to child labor, COPEINCA has specific conditions detailed in the Internal Working Rules (RIT) in which it is specified that in order to work in the company all employees must meet a series of conditions, one of which is that of being at least 18 years old. This is why no processing plant or office was identified as a potential risk for child labor.

b. Human Rights, diversity and equal opportunities

c.

The Code of Conduct

This code has been applicable since 2009 and is the document that indicates the guidelines or principles that the organization expects of its employees. The Code serves as a reference for the acts and behavior of all COPEINCA members. Its objective is to guarantee the company's good reputation and promote among all the employees a commitment to integrity and excellence.

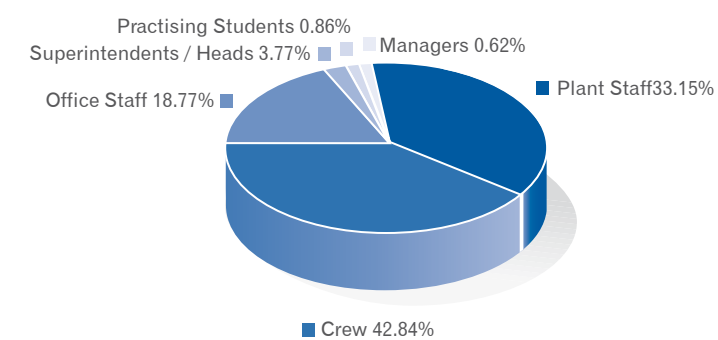
An anonymous channel of communication has been implemented by which all employees can inform and record any incompliance or fault to the Code of Conduct.

d.

Employees

At the end of 2010 the company had a total of 1,620 employees, significantly less than 2009 due to reductions of workers in the fleet area that represent a high percentage of the total number of company employees.

Details of Collaborators by 2010



In general terms, the entry of personnel corresponds to a selection process to cover vacant positions. The turnover of crew is due to the fact that many vessels were discarded in order to have a lower number of more efficient units.

2010		
CATEGORY	ENTRIES	LOSSES
Managers	1	1
Superintendents/ Heads	2	0
Office Staff	48	62
Plant Staff	91	46
Crew	4	494
Practicing Students	15	22
Total	161	625

COPEINCA's policy of labor benefits is directed at all employees and particular efforts are made in the company leaders occupying management, superintendent or chief positions.

The employee's recruitment process depends on the RIT requirements. On recruiting, the most important element is to find an ideal collaborator for the position to be filled. This person may or may not come from the zone where the work will take place, however COPEINCA recognizes the importance of the person being near to his/hers family and this criteria is considered at the time of recruitment. The search process is performed in the work zone and nearby, in case no qualified person is found the search is extended to zones further away and could even be performed outside Peru.

In the Chancay, Chimbote and Huarney plants, COPEINCA has labor unions that in 2010 represented a total of 8.95% of the company's labor force. These unions are plant unions and do not belong to external labor organizations.

COPEINCA's policy of labor benefits is directed at all employees and particular efforts are made in the company leaders occupying management, superintendent or chief positions. The benefits are revised periodically to ensure they are up-to-date, remain competitive and effectively respond to new situations and challenges that the company faces.

Among the main benefits we have:

- Food
- Fishing Incentive
- EPS Health Insurance
- Life Insurance
- Personal transport vehicle
- Fuel, maintenance, general insurance and 3rd party insurance.
- Loans
- Stock options
- Schooling
- Transport of personnel to the plant
- Complementary all risk insurance and pension
- Lap top

The remunerations offered by COPEINCA are considerable higher than the minimum wage in Peru which in 2010 were held at S/. 550.00. The company's employees record a minimum wage that is 62% higher than the legal minimum.

e.

Labor benefits



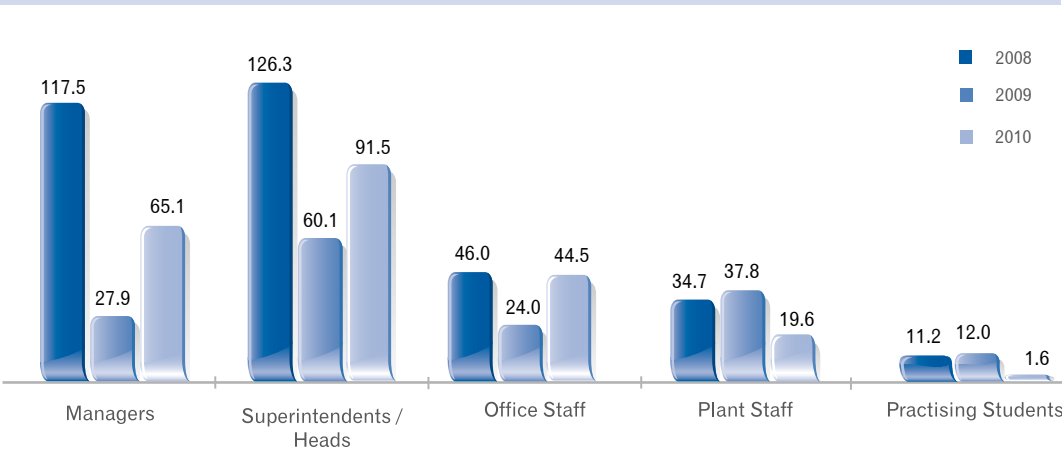
f. Skills development

As part of the COPEINCA'S professional formation process, each year a training plan is prepared and carried out based on information received from each manager. After completing the format to raise training needs for each area, priorities are determined for each formation in order to place priorities on the more relevant and which fit into the operational plan of the corresponding area, as well as the budget assigned for training.

All areas of the company have a special budget for this, although some areas have more than others in response to the company's strategic plan. The areas of production and quality and research receive more training hours, as well as more specialization in technical matters, as a result they are assigned a larger percentage of the budget. As for the production areas, each plant has its own budget, which is administered directly by the Superintendent and reported to the of human management area.

During 2010 a total of S/. 235,000 have been invested, representing 29,672 hours of training.

Total Hours Training Per Capita



The areas of production and quality and research receive more training hours, as well as more specialization in technical matters, as a result they are assigned a larger percentage of the budget.

As part of the Leadership Skills Development Program (DHL), in 2010 COPEINCA focused on performance evaluations directed especially to managers, superintendents, section heads and supervisors of all the units that have personnel under their responsibility. By the end of 2010, a total of 122 employees have been evaluated.

For the year 2011 the development of the evaluation program will continue as well as the monitoring of progress programmed for each leader. In special cases referring to the incorporation of personnel, during the program development, only leaving reports will be applied.

The BASC certification promotes the implementation of a self-management program based on the principal of better practices and continuous improvement that guarantee the security of international commerce. In order to verify the conformity of the Management System for Secure Commerce – BASC, a systematic process of evaluations is established, through audits that lead later to the certification which lasts one year. A work plan and a specific timetable are currently being developed to carry out BASC evaluations at all the sites including Lima.

g. Performance Evaluations

h. Security and occupational health



By decision of top management and progressively, a base line diagnosis has been established for the implementation and verification of an Integrated Management System (OHSAS 18001 and ISO 14001) for all the company plants from 2010 onwards. For 2011 the plants of Ilo, Chicama, Bayovar and Chimbote are expected to hold these international certifications. Additionally a special budget has been assigned for the improvement of the security structure at all sites.

In accordance with Supreme Decree N° 009 – 2005 – TR, COPEINCA has a committee for health and safety at work comprising company management representatives and representatives of the workers, with an equal participation percentage. The worker representatives are elected by means of a vote among employees from the plants and the fleet.

Finally, in coordination with human management, annual safety training programs have been established and are communicated by the mural newspapers, *Incasite* and *El Anzuelo* magazine.

In the following chart the results of the main indexes of accidents are presented.

	2007	2008	2009	2010
Accidents in Plant	15	39	11	24
Accidents de Fleet	25	134	126	76
Days Lost in Plant	353	719	466	390
Days Lost in Fleet	916	3,736	13,130	2,155

As can be seen in the table, during 2010, accidents in the plants have increased by 118% with regard to 2009. This is mainly due to the fact that throughout this year a greater number of investment projects have been carried out in the plants, leading to a greater number of accidents. Despite this however, the days lost in the plants are significantly lower than in previous years meaning that accidents were less serious.

These campaigns are fundamental in COPEINCA's labor management due to the influence they have on the employees and their physical, mental and social well-being and the fact that they lead to the full development of the individual.

The programs are grouped in three types:

- Preventive: in order to avoid risks and the development of diseases.
- Promotional: to improve living conditions, productivity and work.
- Occupational: to detect, control, monitor and prevent future diseases.

The main problems in which intervention is necessary to prevent, control and monitor are the work accidents and the occupational and regular diseases of the employees. The high index of medical days off produces important losses for the company and, in the long term, affects the employee. In 2010 strategies have been developed to reduce work accidents, in coordination with the insurance companies who have the responsibility of carrying the company's human risk, by the end of 2010 92% of employees have been evaluated in occupational health.

i.
Accident
Statistics

j.
Training
campaigns in
occupational
health and safety



9. Annexes

a. Glossary

CFR (Cost and Freight):

COPEINCA delivers when the merchandise is on board the vessel in the port of shipment. The cost of transporting the merchandise to the agreed port of destination is also the responsibility of COPEINCA. However, the risk of loss or damage to the merchandise, as well as any other additional cost due to events occurring after delivery, is the responsibility of the client. The term CFR demands the customs dispatch of the merchandise for export.

COSO

This tool is recognized all over the world to provide orientation on fundamental aspects of organizational government, company ethics, internal control, company risk management, fraud and the presentation of financial statements.

EXW (Ex Works - Agreed place):

COPEINCA delivers when it places the goods at the disposal of the buyer at our premises or at another agreed place.

FAS (Free Alongside Ship):

The seller delivers when the merchandise is placed alongside the vessel in the agreed port of shipment. This implies that the buyer is responsible for all costs and risks of loss or damage to the merchandise from that moment. The term FAS requires the seller to dispatch the merchandise in Customs for export.

FOB (Free On Board):

The merchandise is placed on the vessel by the dispatcher free from all expenses, the buyer being responsible for freight, Customs and other expenses.

GRI (Global Reporting Initiative):

A pioneer organization in the preparation of sustainability indicators, recognized and used throughout the world. COPEINCA is committed to the application and continuous improvement of this indicators.

ISO 9001:

A Standard that specifies the requirements for a good quality management system that can be used for internal application and certification. The current version has been adopted as a model to follow in order to obtain the corresponding quality certificate.

ISO 14001:

An International Standard that establishes how to implement an efficient environmental management system. It has been conceived to administer the delicate equilibrium between profit maintenance and reduction of the environmental impact. With the commitment of all the organization it permits the achievement of both objectives.

ISO 26000:

The International Standards Organization (ISO) has decided to take on the development of an international standard that will provide guidelines for Social Responsibility (SR). It will not be a certifiable standard. It will assist organizations to take on the management of SR, respecting the cultural, social, environmental and legal differences and the conditions for economic development. It provides a practical guide towards making SR operative, identifying and obtaining the commitment of the stakeholders, and reinforcing

the credibility of the reports and complaints presented about SR.

Millennium Goals:

In the United Nations Millennium Summit of the year 2000, all the member states undertook together to carry out actions to advance along the road for peace and human development. The Millennium Statement led to the approval of the Eight Millennium Development Goals, which are: 1) Eradicate Extreme Poverty and hunger. 2) Achieve Universal Primary Education. 3) Promote equality among classes and the autonomy of the woman. 4) Reduce infant mortality. 5) Improve maternal health 6) Combat HIV and AIDS, malaria and other diseases. 7) Guarantee the sustainability of the environment. 8) Form a World Development Association.

OHSAS 18001:

These standards constitute a series of voluntary international standards applied to the management of safety and occupational health and are based on the norms BS8800 of the British Standard.

Global Compact:

The United Nations Global Compact is an initiative of ethical commitment directed towards the companies of every country so that they take on, as an integral part of their strategy and operations, ten principles of conduct and action in Human Rights, Work, Environment and the Fight against Corruption. The objective is to promote the creation of a global corporate citizenship that permits the conciliation of interests and processes of corporate activity with the values and demands of civil society, as well as with United Nations Organization projects, the sector international organizations, the unions and the NGO's.

SAP:

Is the world's main supplier of corporate software for the delivery of products and services. It helps to speed up innovation and applications for the company under the concepts of growth and the creation of value.

TVBN (Total Volatile Basic Nitrogen):

Is an index that specifies product freshness.



Third Party Checked Letter – Copeinca´s 2010 Sustainability Report

June 30, 2011

Corporación Pesquera Inca S.A.
La Victoria
Lima

From our consideration:

This letter aims to perform the Third Party Checked to confirm compliance with the Level B of the 2010 Sustainability Report of Corporacion Pesquera Inca SA, according to the requirements of the Global Reporting Initiative (GRI).

Our external verification was based on a detailed review of the report according to the outlines of the "Guide for the Development of Sustainability Reporting" from the GRI G3. The conclusions of this analysis will be developed in this letter, included the following points:

- The overview of the alignment with the principles of GRI for the development of sustainability reports.
- The confirmation of the grade B, according to the fulfillment of the reported performance indicators necessary to achieve that level.
- Recommendations for improving future reports.

In the following lines we develop our conclusions:

1. Alignment with the principles of the GRI

The 2010 Sustainability Report complies with the principle of *Materiality* for several reasons. In addition to providing relevant information on its overall performance, the report clearly explains the key impacts, risks and opportunities of the company from the standpoint of sustainability. It also notes that suggestions have been compiled in order to report relevant information for a particular stakeholder.

On the other hand, the report offers a wealth of information on environmental performance; we nevertheless consider that the contents of management with communities need more precision about the scope, description of interventions and the results obtained.

As for the management of the value chain, we believe it is necessary to know whether the practices of sustainability and human rights that the company describes are being extended to their suppliers or not. In the Peruvian fishing industry, a responsible management of suppliers should not be limited to the management of purchasing indicators.

The 2010 Sustainability Report complies with the principle of *Stakeholder Inclusiveness* as it lists all of them and notes that the organization regularly conducts studies to identify and to determine their impacts and understand their perceptions and attitudes. It also lists the issues that have been incorporated into the report, after having collected the information expectations of the stakeholders consulted through a survey.

The report is also aligned with the principle of *Sustainability Context* because it explains the outlook and approach of the company in relation to the integral action. As well, it addresses the relationship established between the challenges of sustainability of the company, its stakeholders, activities and goals.

On the principle of *Completeness*, it would be important for future opportunities to point out the magnitude of the company's performance, including key indicators of the behavior of third parties or suppliers. It is also expected that the section on community issues specifies the scope of each of its interventions and the areas where they are developed.

www.responde.pe

b.
2010
Sustainability
Report´s
Validation



Third Party Checked Letter – Copeinca’s 2010 Sustainability Report

2. Compliance with the necessary indicators to confirm the application level B

The 2010 Sustainability Report of Corporacion Pesquera Inca SA develops all the profile information and management approach of the organization as well as 63 performance indicators, 40 of which are core and 23 are additional.

According to the GRI guidelines, to meet the application level B the organization must report a minimum of 20 core performance indicators and at least one from each dimension (economic, environmental, human rights, labor practices, society and product responsibility). Therefore, the analysis allows us to confirm that the 2010 Sustainability Report meets the level B.

3. Opportunities for improving future reports

Due to the importance of certain aspects of the industry which Copeinca belongs to, and the relevance of certain stakeholders, we believe there are some key aspects to consider when developing this publication.

- ✓ We think it is imperative to report the management of the value chain more fully due to the high impact it has in the activity, as the fleet of third parties does. While the management of social responsibility starts with the internal standards, sometimes the wider impact of the exercise is produced through these actors.
- ✓ It is necessary to know the company's position on relevant issues for the industry and the sustainability of the fishing resources, such as the quota law. This content is clearly related to the sustainability issues described in the report.
- ✓ The topics related to social management must also be addressed more fully, specifying impact, scope and scale. Also, the section on APRO can pick up these issues with greater emphasis, if the management of community relations of the company is being channeled through them.
- ✓ We recommend the organization to gather up and highlight more case studies with concrete stories that illustrate how social responsibility has been introduced and managed by the organization.

Responde is a consulting firm specialized in the promotion of social responsibility and reputation management, and was not involved in drafting this sustainability report. After the arguments presented, we can confirm that the 2010 Sustainability Report of Corporacion Pesquera Inca SA qualifies to meet the application level:

B: “Third Party Checked”

Sincerely yours,


Jorge Melo Vega Castro
General Manager

Index of Basic contents of the GRI

		2006 In Accordance	C	C+	B	B+	A	A+
Mandatory	Self Declared				✓			
	Third Party Checked			Report Externally Assured	✓	Report Externally Assured		Report Externally Assured
Optional	GRI Checked			Report Externally Assured		Report Externally Assured		Report Externally Assured

The table presented below indicates the location of the contents of the GRI indicators.

		Considerations regarding the indicators reported		
Indicator	Pages	Indicator Scope	World Compact Principles	Observations
Strategy and analysis				
1.1	4	●	-	Statement of continuous support
1.2	10,11	●	-	a. Main Risks and Opportunities
Organization profile				
2.1	6	●	-	a. 2010 Management
2.2	20	●	-	c. Commercial Management
2.3	-	●	-	Annual Memorandum (page 29)
2.4	53	●	-	-
2.5	-	●	-	We operate only in Peru; in the departments of Piura (Bayovar), La Libertad (Chicama), Ancash (Chimbote and Huarmey), Lima (Chancay) and Moquegua (Ilo)
2.6	53	●	-	Annual Memorandum (page 13)
2.7	20	●	-	c. Commercial Management
2.8	2	●	-	-
2.9	28	●	-	7. Environmental Management
2.10	12	●	-	-
Report parameters				
3.1	6	●	-	2010
3.2	-	●	-	2008-2009
3.3	6	●	-	Anual
3.4	53	●	-	-
3.5	10,11	●	-	b. Main challenges in terms of Sustainability c. Sustainability Report Material

C. Global reporting Initiative (GRI) Index

Considerations regarding the indicators reported				
Indicator	Pages	Indicator Scope	World Compact Principles	Observations
3.6	6	●	-	-
3.7	-	●	-	There are no limitations
3.8	-	●	-	We have no subsidiaries
3.9	-	●	-	We report on the basis of GRI protocols
3.10	6	●	-	a. 2010 Management
3.11	28	●	-	Environmental Management
3.12	47	●	-	-
3.13	-	●	-	This year's report was verified by <i>Responde</i> (see letter).
Governance, commitments and engagement				
4.1	6	●	From 1 to 10	b. Good Corporate Government Practices
4.2	6	●	From 1 to 10	b. Good Corporate Government Practices
4.3	6	●	From 1 to 10	b. Good Corporate Government Practices
4.4	6	●	From 1 to 10	Annual Memorandum (page 62)
4.5	6	●	From 1 to 10	Annual Memorandum (page 62)
4.6	6	●	From 1 to 10	Annual Memorandum (page 62)
4.7	6	●	From 1 to 10	b. Good Corporate Government Practices
4.8	5	●	From 1 to 10	-
4.9	6	●	From 1 to 10	b. Good Corporate Government Practices
4.10	6	●	From 1 to 10	b. Good Corporate Government Practices
4.11	7	●	7	Risk Management
4.12	16	●	From 1 to 10	Communities
4.13	12	●	From 1 to 10	-
4.14	13	●	-	d. Stakeholders
4.15	13	●	-	d. Stakeholders
4.16	13	●	-	d. Stakeholders
4.17	11,13	●	-	c. Sustainability Report Material
GRI PERFORMANCE INDICATORS				
Economic performance indicators				
EC0	26	●	1,4,6,7	6. Economic Management
EC1	26	●	-	6. Economic Management
EC2	26	○	7	We do not yet have a detailed report that sets out said financial consequences; however we expect to have more information in the medium term.
EC3	40	●	-	-
EC4	-	●	-	No financial aid from the government is received
EC5	40	●	1	-
EC6	19	○	-	There is no written or approved policy yet.
EC7	39	●	6	-
EC8	18	●	-	-
EC9	18	○	-	-
Environmental performance indicators				
EN0	28	●	7,8,9	7. Environmental Management

Considerations regarding the indicators reported				
Indicator	Pages	Indicator Scope	World Compact Principles	Observations
Environmental performance indicators				
EN1	29	●	8	-
EN2	29	●	8,9	-
EN3	30	●	8	-
EN4	30	●	8	-
EN5	31	●	8,9	-
EN6	31	●	8,9	-
EN7	31	●	8,9	-
EN8	32	●	8	-
EN9	32	●	8	-
EN10	32	●	8,9	-
EN11	-	●	8	-
EN12	-	●	8	-
EN13	-	●	8	-
EN14	-	●	8	-
EN15	-	●	8	-
EN16	30	●	8	-
EN17	-	●	8	-
EN18	30	●	7,8,9	-
EN19	-	●	8	-
EN20	30	●	8	-
EN21	33	●	8	-
EN22	35	●	8	-
EN23	-	●	8	There were no significant spills
EN24	-	●	8	-
EN25	-	●	8	-
EN26	30	●	7,8,9	-
EN27	28	●	8,9	-
EN28	-	●	8	88.9 UIT (1peruvian UIT = S/. 3600 or US\$ 1285)
EN29	-	●	8	-
EN30	26,28	●	7,8,9	-
Labor practices and decent work performance indicators				
LA0	37	●	1,3,6	8. Labor Management
LA1	39	○	-	We still do not have all the indicator details required by the indicator; however we are working towards this for the 2011 Sustainability Report.
LA2	40	○	6	We still do not have all the indicator details required by the indicator; however we are working towards this for the 2011 Sustainability Report.
LA3	40	●	-	-
LA4	40	●	1,3	There is no specific collective agreement signed with any collaborator (union member or not). For all employees we observe the code of conduct manual or the RIT.
LA5	-	●	3	-
LA6	42	●	1	h. Occupational Safety and Hygiene
LA7	42	●	1	h. Occupational Safety and Hygiene

Considerations regarding the indicators reported				
Indicator	Pages	Indicator Scope	World Compact Principles	Observations
LA8	42	●	1	h. Occupational Safety and Hygiene Safety and Occupational Health matters are dealt with on the basis of BASC y OHSAS 18001 certifications.
LA9	42	●	1	
LA10	41	●	-	-
LA11	37,41	●	-	-
LA12	42	●	-	The development and performance of 35% of all employees have been evaluated.
LA13	6	○	1,6	b. Good Corporate Government Practices
LA14	-	●	1,6	-
Human Rights performance indicators				
HR0	37	●	1,2,3,4,5,6	-
HR1	-	●	1,2,3,4,5,6	-
HR2	-	●	1,2,3,4,5,6	-
HR3	38	●	1,2,3,4,5,6	-
HR4	38	●	1,2,6	No discrimination incidents were recorded
HR5	-	●	1,2,3	-
HR6	38	●	1,2,5	-
HR7	38	●	1,2,4	No site has been identified as a risk of being the origin of episodes of forced or non consented work.
HR8	-	●	1,2	-
HR9	-	●	1,2	We have not recorded any incidents of violation of the rights of indigents.
Society performance indicators				
SO0	10	●	10	4. Sustainable Development for COPEINCA
SO1	16	○	-	We still do not have all the indicator details required by the indicator, however we are working towards this end for the next report.
SO2	7	●	10	100% of sites analyzed
SO3	7	●	10	c. Risk Management
SO4	-	●	10	There were no incidents of corruption
SO5	-	●	10	We do not participate in Lobbying activities
SO6	-	●	10	We do not contribute money to political parties.
SO7	-	●	-	We do not have monopolistic practices.
SO8	-	●	-	936.14 UIT (1peruvian UIT = S/. 3600 or US\$ 1285) and 14 non-monetary sanctions.
Product responsibility performance indicators				
PR0	20	●	1,8	c. Commercial Management
PR1	20	○	1	c. Commercial Management. We still do not have all the indicator details required by the indicator, however we are working towards this for the 2011 Sustainability Report.
PR2	-	●	1	There were no incidents of legal non compliance with voluntary codes.
PR3	20	●	8	c. Commercial Management
PR4	-	●	8	The product information on the package and the label correspond to standard regulations. Some destinations require the product to bear additional information and if it is not presented there is a risk that the product will be rejected by Customs at the destination. During 2010 only one such case occurred.

Considerations regarding the indicators reported				
Indicator	Pages	Indicator Scope	World Compact Principles	Observations
PR5	20	●	-	c. Commercial Management
PR6	20	●	-	We are affiliated to the World Compact the logo of which is printed on our fish meal bags.
PR7	-	●	-	There have been no incidents recorded related to marketing communications.
PR8	-	●	1	COPEINCA guards client information, only General Management, the Assistant General Manager and the Commercial Manager have access to it. Proof of our fidelity is the absolute absence of claims regarding violations of our client's privacy.
PR9	-	●	-	We do not carry out marketing communications, publicity, promotional activities or sponsorships.

References

- The requirement or indicator is reported completely.
- The requirement or indicator is partially presented and/or only qualitative information is presented.
- No information on the requirement or indicator is presented.

d.

We value
your opinion

Sustainability Report 2010

It is important for us to receive your opinion, please complete this small survey and send it to our offices at Calle Francisco Graña 155. La Victoria. By fax to 2134030. By e-mail to: pamayo@copeinca.com.pe

1. Indicate the Interest Group that best fits your profile

<input type="checkbox"/> Community	<input type="checkbox"/> State
<input type="checkbox"/> Collaborators	<input type="checkbox"/> Press
<input type="checkbox"/> Supplierss	<input type="checkbox"/> Finantial Sector
<input type="checkbox"/> 3rd Party Fleet	<input type="checkbox"/> Shareholders
<input type="checkbox"/> Clients	

2. This document contains COPEINCA’s financial, social and environmental performance. How would you classify each performance according to the contents of the report?

	Poor	Regular	Good	Very Good
Economic				
Social				
Environmental				

3. How would you evaluate our report according to the following aspects?

	Poor	Regular	Good	Very Good
General opinion				
Quality of contents				
Interest of contents				
Wording and language				
Design				

4. What additional comments or suggestions can you give us to improve it?

5. Should you like to continue receiving similar documents from the company please give us you contact information

Name and Family Name:			
Adress:			
Town/City:	Province:	Country:	
Telephone:	E-mail:		

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Graphic design: Carla Franco / Ursula San Miguel
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COPEINCA