



Environmental, Social and Governance (ESG) Policy

Vega Sea A/S



1. BACKGROUND

- 1.1 Vega Sea is a Danish processor of smoked and fresh salmon and trout products of high quality. As part of delivering world class salmon and trout we aim to impact social responsibility and environmental, social and governance aspects ("environmental, social, governance" or "ESG") in a positive way within our industry.
- 1.2 Vega Sea is committed to long-term sustainable and responsible development. This means that we conduct our activities in compliance with applicable law and in alignment with recognised industry standards and best practices including also the Ethical Trading Initiative (ETI) Base Code. To demonstrate compliance with applicable law and alignment with recognised industry standards we are a signatory to the United Nations Global Compact, and hold several certifications, including Aquaculture Stewardship Council (ASC), Global Good Agricultural Practice (Global G.A.P), Marine Stewardship Council (MSC), European Union (EU) Organic, Orthodox Union (OU) Kosher, Kosher Australia (KA), Best Aquaculture Practices (BAP) as well as the Global Food Safety Initiative (GFSI) recognized which covers all aspects of food safety, legality of products, hygiene, food defense, food fraud, quality management and Hazard Analysis and Critical Control Points (HACCP).
- 1.3 We always carry on our business with a high standard of ethical and responsible behaviour. As part of ensuring high environmental, social and governance standards to our shareholders, employees and the community, we have adopted this environmental, social and governance policy.
- 1.4 As responsible and sustainable development are associated with certain dilemmas and complexities, Vega Sea will continuously seek to integrate, develop and improve material ESG matters.

2. PURPOSE

- 2.1 The purpose of this ESG Policy is to outline the principles for Vega Sea's approach to matters concerning environment, social and governance.

3. SCOPE

- 3.1 This ESG Policy is applicable to Vega Sea A/S and, at any time, all of its direct or indirect subsidiaries or affiliated companies over which Vega Sea holds the power to exercise control as well as the employees of all such companies (collectively "Vega Sea"). An overview of the said companies is attached in [Appendix 1](#).¹

¹ Appendix 1 – Vega Sea group structure



3.2 The scope of this ESG Policy covers material environmental, social and governance matters concerning any and all of Vega Sea's activities.

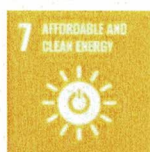
3.3 Environmental, social and governance matters are material if they affect, or have the potential to affect, Vega Sea's performance, position and development (the "outside-in" perspective) or Vega Sea has an impact on people and the environment (the "inside-out" perspective).

4. ENVIRONMENTAL, SOCIAL & GOVERNANCE REQUIREMENTS

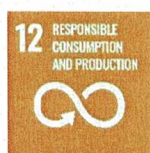
4.1 Sustainable Development Goals

4.1.1 Vega Sea has been a member of the United Nations Global Compact since 2014. As part of our commitment Vega Sea supports the United Nations Global Compact principles on human rights, labour rights & working conditions, environment and anti-corruption as part of our daily operations.

As further described below, we are committed to contributing to the United Nations Sustainable Development Goals (the "SDGs"). We have selected three SDGs:



Ensure access to affordable, reliable, sustainable and modern energy for all



Ensure sustainable consumption and production patterns



Conserve and sustainably use the oceans, seas and marine resources for sustainable development

We believe that these three SDGs presents the most material impact opportunities. These three SDGs serve as an integrated part of Vega Sea's ESG profile.

4.2 ESG Matters

4.2.1 We continuously seek to integrate ESG matters into our daily operations, including our processing of salmon and trout, by assessing and taking account of risks, impact of decisions and possibilities to use ESG in a value-creating manner, including:



4.3 **Environmental**

4.3.1 Vega Sea aims to align its business practices to the EU taxonomy for sustainable activities (Regulation (EU) 2020/852) in order to achieve sustainable economic activities. Vega Sea seeks to contribute to climate change mitigation, climate change adaptation, sustainable use of water and marine resources, protection and restoration of biodiversity and ecosystems, pollution prevention and circular economy.

4.3.2 As a part of our environmental performance and compliance, we have obtained and will maintain an energy management system in accordance with the ISO 50001:2018 standard on energy management.

4.3.3 To reduce any negative impact that Vega Sea may have on the environment, we strive to be innovative and efficient, for example by reducing fish waste and limiting our use of packaging materials and utilities by adopting new technologies and methods.

4.3.4 We are committed to integrate and fulfil the following SDGs:

4.3.4.1 *SDG number seven regarding affordable and clean energy*

It is Vega Sea's ambition to make the production more efficient in respect of utilities usage, and thereby reduce utilities used per kilogram raw material produced. For this purpose, Vega Sea has established an energy management team to explore energy improvements and energy efficiency measures and to make sure that Vega Sea adhere to the ISO 50001:2018 standard.

4.3.4.2 *SDG number twelve regarding responsible consumption and production*

Vega Sea strives to increase kilogram food produced that is suitable for human consumption relative to all fish produced in Vega Sea measured in relation to the food waste index. In this respect, Vega Sea has initiated several value-added product developments that are expected to increase kilogram food produced suitable for human consumption.

4.3.4.3 *SDG number fourteen regarding life below water*

It is Vega Sea's ambition to increase the ratio of fish produced with a certificate, that has sustainable farming as one of its core focus areas, and thereby contribute to reducing overfishing, illegal, unreported and unregulated fishing and destructive fishing practices. We therefore emphasize the importance of this matter when discussing raw material usage with our customers. Furthermore, Vega Sea aims for producing our own brands with a certified raw material that supports sustainable farming.



4.4 **Social**

4.4.1 Human rights

- As part of Vega Sea's value chain management and our commitments, as set out in section 1.2, we support and respect international human rights contained in the International Bill of Human Rights, the United Nations Guiding Principles on Business and Human Rights and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.
- We will assess our actual and potential adverse impact on human rights, and we will remedy adverse impacts on human rights in case we are involved in such.
- We work to ensure non-discrimination, diversity and equal opportunities by supporting labour rights and decent working conditions and creating structures which do not limit employees, or other people in our value chain, based on gender, nationality, sexual preferences, ethnicity, disabilities or religious beliefs.

4.4.2 Labour

- We provide decent working conditions for our employees that follows applicable laws within our industry. This includes, but is not limited to, that we pay fair, equal and at least the minimum wages to our employees together with different allowances, and that we comply with the applicable laws on working hours.
- To ensure that our employees are familiar with and understand their employment conditions, we provide our employees with employment contracts in their native languages, and we offer to read out the contracts to those employees, who cannot read.
- We provide a healthy and safe work environment for our employees. In this respect, we ensure that sound and effective health and safety procedures are in place, and that employees have been given industry-relevant and mandatory training.
- We encourage development of our employees' capabilities and understanding of their rights and duties by offering education and training.
- We protect our employees against any corporal punishment, mental or physical coercion, abuse or harassment.
- We respect the freedom of association and recognize the right to collective bargaining.



- We have zero tolerance for all use of forced labour, child labour and human trafficking in our value chain.
- We only hire workers older than 15 years of age, and we ensure that young workers between 15 and 18 years of age do not perform any kind of hazardous work or night work.

4.4.3 Diversity and inclusiveness

- We support elimination of discrimination in respect of employment and occupation because of age, sex, race, colour, disability, religion or belief, language, national or social origin, trade union membership or any other discrimination grounds recognized by international law.
- We work to ensure a diverse and inclusive workforce, including with respect to mental and physical wellbeing.
- This includes, but is not limited to, that we provide onsite English language education for employees to strengthen communication and we strengthen our HR organization to ensure diversity and inclusiveness in our recruitment, retention and exit processes.
- We aim to educate our employees and business partners and inspire with tools to lead a diverse workforce.

4.5 Governance

4.5.1 At Vega Sea we have implemented a quality management system to ensure that we comply with high level food safety in alignment with our commitments, including our ASC and MSC certification, Global G.A.P certification and our commitment to the United Nations Global Compact. In order to achieve a sustainable quality system, Vega Sea adopts and specifies specific key performance indicators (the "KPIs") to enhance our integration and fulfilment of the SDGs.

4.5.2 We will maintain a high level of integrity and accountability in all our external relationships.

4.5.3 We have zero tolerance for corruption or bribery. We will not receive or accept any bribes, nor will we offer, promise or give any kind of bribes to improperly influence public officials, judges or business associates.

4.5.4 In order to secure a consistent approach to ESG matters in Vega Sea and to fulfill the purpose of this ESG Policy, we work on the basis of the following set of agreed principles aiming to ensure relevant, robust and proportional processes:

- Establishment of strategies, actions plans and guidelines



- Assessment of risks and impacts
- Assessment of Vega Sea's value chain and business relations
- Communication and training
- Controlling and follow-up
- Evaluation and revision

4.5.5 In Vega Sea, we want to act upon matters threatening the reputation, culture and earnings of our business, at the same time we want to encourage our employees, directors, customers, suppliers, and other business partners to raise concerns relating to Vega Sea. Therefore, we have established a whistleblower system for confidential or anonymous reporting of all serious concerns, which are made available to our employees, directors, customers, suppliers, and other business associates.

5. ROLES AND RESPONSIBILITY

5.1 The CEO is the owner of this ESG Policy. Vega Sea's CEO and Board of Directors must approve this ESG Policy as well as any amendments hereto. The CEO and the Board of Directors must assess on an ongoing basis whether certain ESG matters must be assessed by one or more committees formed by the CEO and the Board of Directors.

5.2 The CEO and the Board of Directors must have the appropriate and requisite capabilities and skills in the field of environmental, social and governance matters to properly assess, implement, review and oversee compliance with the obligations under this ESG Policy.

5.3 The CEO and the Board of Directors must ensure that the appropriate and requisite mandates, resources, capabilities, skills and governance structures (including reporting lines) are established and maintained in Vega Sea's organisation in order to achieve the objectives and purpose of this ESG Policy.

5.4 The Senior Management Group is responsible for implementation of this ESG Policy, including the establishment and maintenance of a governance structure to support compliance at any time with this ESG Policy.

5.5 The CFO is responsible for ESG reporting as well as the collection, validation and assurance of relevant ESG data, appropriate controls for such purposes as well as any other responsibilities related to ESG reporting.

5.6 The responsibilities may be delegated to the appropriate persons in accordance with and with due care for, *inter alia*, the Rules of Procedure of the Board of Directors and the instructions to the executive management.



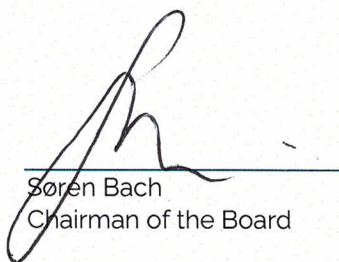
6. EVALUATION AND REVISION

- 6.1 The CFO must report monthly on the progress of Vega Sea towards the relevant UN Global Goals, and any specific ESG KPIs, to the Board of Directors. In addition, the CFO must also report annually on the status of this ESG Policy and the compliance with and/or deviations from this ESG Policy to the Board of Directors.
- 6.2 The CEO and the Board of the Directors must assess this ESG Policy annually and whether there is any need for updating this ESG Policy, including any appendices hereto.

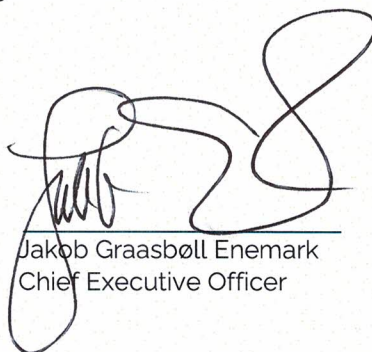
7. COMMENCEMENT

- 7.1 This ESG Policy comes into force on the date of approval of this ESG Policy or on the date of any subsequent amendments to this ESG Policy.

Adopted by the Board of Directors of Vega Sea A/S



Søren Bach
Chairman of the Board



Jakob Graasbøll Enemark
Chief Executive Officer



VERSIONS

Version	Date of adoption	Amendments <i>Amendments must be listed with a clear description of the amendments and the reason for such amendments</i>	Responsible
1	31. March 2022	The ESG Policy version 1, was processed by the Board of Directors, at the Board meeting of 31st March 2022.	Søren Bach & Jakob Graasbøll Enemark

APPENDICES

Appendix 1 – Vega Sea group structure



APPENDIX 1

