Policy on Climate Change and Energy Use

Our industry is dependent on a thriving and stable aquatic ecosystem. Our operations are vulnerable to climate change, particularly rising water temperatures and ocean acidification. It is essential that Mowi acts responsibly, transparently and proactively to reduce energy use. We must do this to remain a viable business in the future. By using energy more efficiently we expect to face fewer environmental risks, lower our operational costs and make our supply chain more resilient. Furthermore, we believe that fish farming is part of the solution. Making climate-smart protein available to a growing world population, through sustainable aquaculture, is an opportunity to reduce global greenhouse gas emissions (GHG).

The carbon footprint of farm-raised salmon is 6.4 kg of carbon equivalent per kg of edible product, compared with 12.2 kg of carbon equivalent per edible kg of pork and 39.0 kg per edible kg of beef (SINTEF, 2020, 2022[1]).

Governance
The Board of Directors take overall accountability and oversight of all risks and opportunities, including climate change. Mowi's sustainability strategy, Leading the Blue Revolution Plan, includes climate change as a key sustainability program. The integration of Leading the Blue Revolution Plan, into our business strategy is ensured by the Group Management Team, including a Chief Sustainability Officer (CSO). The management team and Mowi's global sustainability networks have an oversight of the group's carbon footprint and are committed to comply with prevailing environmental laws, regulations and relevant standards and work to continuously improve our environmental management system to reduce our environmental impact.

Our scopes 1, 2 and 3 GHG emissions* are audited by an independent third-party on a yearly basis and reported publicly in our integrated annual report (Mowi-Integrated-Annual-Report-2022.pdf). Mowi reports according to GHG protocol and GRI guidelines and has this global policy on climate change, internal standards on energy use, reporting and energy-saving initiatives and technical reports on energy use and GHG emissions. Climate change is also identified as a material topic in Mowi's materiality and risk assessment. Risks and opportunities linked with climate change as well as our climate strategy and performance are reported in our integrated annual, CDP climate and TCFD reports.

As part of our Green Bond and Sustainability-linked loan, Mowi is committed to align its capital expenditures with its GHG targets (more information is disclosed in our integrated annual report, Planet section).

Targets
Mowi has adopted a global approach to climate change which is aligned with climate science (our targets are approved by the Science Based Targets Initiative, SBTi) and the Paris Agreement to limit the increase in the global average temperature to well below 2°C, and ideally no more than 1.5°C, above pre-industrial levels by the end of the century.

Mowi has chosen to pursue the Representative Concentration Pathways (RCP) 2.6 pathways and the climate scenario that will limit the global average temperature to well below 2°C above preindustrial levels. As part of this process we also run a high-level assessment of the impact of 2°C and 4°C global warming scenarios to inform our strategy and financial planning. Therefore, Mowi has completed a climate-related scenario analysis2. The SBTi Corporate net-zero standard has been released in Oct 2021 and Mowi is in the process of understanding this standard and how carbon

removal projects can be used in a credible way to achieve net-zero. Information about our climate-related scenario analysis can be found in the TCFD report where a range of scenarios are used to illuminate future exposure to both transition and physical climate-related risks and opportunities.

Mowi has set science-based targets at the end of 2019:
- to reduce absolute scope 1 and 2 GHG emissions 35% by 2030 and 72% by 2050 from a 2016 base year.
- to reduce absolute scope 3 GHG emissions 35% by 2030 and 72% by 2050 from a 2018 base year (includes > 67% of total scope 3 emissions).

Our Climate Roadmap
We are working in collaboration with our peers in the seafood sector (industry associations), other ocean economies (e.g. Ocean Panel**) and our upstream (e.g. Råvareløftet** and Dialogue with the aquaculture Industry on Responsible Soy**) and downstream supply chain (e.g. Sustainable Air Freight Alliance, SAFA**) to optimise the value of the ocean to produce more sustainable food as a strategy against climate change while at the same time increasing our understanding of the potential impacts of climate change to our business.

Our policy engagement activities are aligned with the goal of restricting global temperature to 1.5ºC (therefore Mowi is committed to not lobby in favor of policy measures that are not aligned with the Paris agreement).

Mowi also collaborates with science to further advance our focus on circularity and climate change. We are participating in a EU project (Eco-innovation and Circular Economy Strategies in the Atlantic Area) aimed to promote and develop circular economy strategies for the seafood sector along the Atlantic.

For more detailed information about our climate roadmap please see our integrated annual report (Planet section).

Our **feed** business area reduces GHGs by:
• Developing more efficient feeds
• Prioritize feed raw materials that reduce the group's GHG emissions without reducing fish performance and welfare
• Invest in R&D to test emerging feed raw materials where a low carbon footprint is a key factor for success
• Promoting sustainable capture fisheries as a source of fish meal and fish oil
• Sourcing vegetable raw materials from deforestation-free areas
• Building new feed plants that are energy-efficient
• Prioritizing the use of technology that supports a low-carbon transition plan
• Working with suppliers to reduce emissions from feed raw materials including fuel use for marine raw materials and emissions from agriculture in the case of vegetable feed raw materials
• Optimize logistics

Our **farming** business areas reduce GHG emissions by:
• Reducing feed conversion ratio (less feed equals less raw materials and less energy)
• Switching from diesel to onshore electrical power supply wherever possible
• Supporting research on the use of renewable energies at exposed sites
• Optimization of crew transportation to distant farming
• Investing in innovation projects to reduce emissions resulting from our farming activities (mainly related to fuel use; e.g. hybrid feed barges, on-site generation of electricity)

Our **sales and marketing** business areas reduce GHG emissions by:
• Maximizing transport efficiency by working with logistics
• Prioritizing the use of equipment that maximizes energy efficiency

- Maximizing fillet yield production
- Improving our packaging solutions
- Increasing the share of renewable electricity used on-site

(1) SINTEF, 2020, 2022 (Greenhouse gas emissions of Norwegian seafood products).

*CO2e emissions from land use change (LUC) in Mowi's feed in 2022 was 193 314 tonnes CO2e (economic allocation; Agri-footprint and EF 3.0 databases). This covers all LUC related with sourcing feed raw materials. For Mowi, zero LUC is associated with conversion of coastal wetlands (mangroves, seagrass and marshes), conversion/draining and burning of peatlands, and conversion of savannas and natural grasslands.

**Ocean Panel, WRI Ocean Panel – High level panel for a sustainable ocean economy High Level Panel for a Sustainable Ocean Economy (oceanpanel.org)
**SAFA, Sustainable Air Freight Alliance, Sustainable Air Freight Alliance | Collaborations | BSR Sustainable Air Freight Alliance | Focus Areas | Sustainable Business Network and Consultancy | BSR
**Råvareløftet, Dette skal laksen spise i framtida - Bellona.no
* *Aquaculture Dialogue Responsible Soy, Creating a Dialogue with The Aquaculture Industry on Responsible Soy: Creating a dialogue with the aquaculture industry on responsible sourcing - ProTerra Foundation

(2) Climate-related scenario analysis
Information about our climate-related scenario analysis can be found in the TCFD report (part of our integrated annual report) where a range of scenarios are used to illuminate future exposure to both transition and physical climate-related risks and opportunities.

In addition to the RCP2.6 and 4.5 climate scenarios, we run two IEA scenarios for carbon tax/pricing modelling, the Stated Policies Scenario (STEPS) and the Sustainable Development Scenario (SDS). The STEPS scenario was a 'well-above 2°C scenario' scenario which considers current policy settings. The SDS scenario was a "'well-below 2°C scenario' which draws a pathway to effective climate mitigation with a 'well-below 2°C' outcome, while also taking into consideration other sustainable development goals such as global health or easy access to energy. The carbon pricing modelling outcomes and our mitigation actions (reduced dependency of fuels and increasing the use of renewable energy sources) are presented in our TCFD report.

Some of our stakeholders are also interested on the projected impact of physical risks on the availability and price volatility of feed ingredients and how we mitigate those risks. This information is available is our Sustainable Sourcing Feed Policy available here: Policies - Mowi Company Website

The impact of temperature increase and variability on the productivity of animals and our mitigation actions, including plans to address algal blooms, is available in our integrated annual report (Planet section) and TCFD report (see opportunity section).

In 2022, we ran an assessment of sea surface temperatures at our farming locations using satellite data sets, gathered from NASA's Earth Observing System Data and Information System. The comparison of average monthly records of ocean temperature from the past 2 years to the same data set from the past 20 years indicate no clear pattern in local ocean temperature changes at our farming locations. Therefore, the impact of heat stress/physical risks on the prevalence of disease and the resulting impact on veterinary and medicine costs is predicted to be below a significant financial impact (defined as between 5 - 10% compared to our 2021 operational EBIT). As a mitigation actions towards this risk, Mowi is investing in R&D on non-medicinal tools to manage sea lice and breeding and genetics to optimize disease-resilience of our fish (see R&D section of our integrated annual report).

Electricity and fuel costs have increased in 2022 (see note 28 of the financial disclosures of our integrated annual report). Mowi is working towards increased energy efficiency across our value chain and several energy-saving initiatives have been implemented across our feed, farming and processing plants (see climate roadmap in our integrated annual report).

In 2022, the number of financially material events resulting from physical and policy related climate risk is zero.

May 2023