

Equality, Non-discrimination and Gender Pay in Mowi Feed AS - 2021

1. Introduction

This Equality, Non-discrimination and Gender Pay is developed based on the requirements featured in the Norwegian Equality and Anti-discrimination act, including paragraphs §§ 26 and 34.

The report includes a gender pay analysis of gender pay differences across all the roles and levels in Mowi's Norwegian entities, shows the proportion of women and men employed in each job category, assesses the pay of employees performing the same and different types of work, and identifies gender pay gap in roles dominated by a specific gender. Salaries includes all salary components. The report further includes identification of risks, measures taken to address these risks, and on their impact. The report also includes an overview of parental leave and the duration of leave taken, the status of part-time and temporary employment in the organization, and results of a mapping of involuntarily part-time work. The overall findings have been discussed with the labour union representatives.

2. Mowi's equality and non-discrimination approach

Code of conduct

Mowi is committed to high ethical standards in our business dealings worldwide. Abiding by the principles of Code of Conduct is an essential element in our ability to engender trust and is an integral part of the Mowi Way. Our Code of Conduct guides what we do and say each day, it provides direction and guidelines and sets the standards of behaviour which we can expect from one another, and which external parties can expect from us.

The Code of Conduct includes a policy in chapter 5.2 on equality and non-discrimination, stating that All Mowi's activities shall be conducted without discrimination based on race, ethnicity, national or other origin, disability, age, gender, sexual orientation, gender identity and expression, language, religion, or any other characteristic where a person is not treated as an individual.

The Code of conduct includes in addition Policies and principles that may impact equality in separate ways, such as Safety, Fair Working Conditions, Culture, Human rights, Sustainability, and Whistleblowing. An example is the Code of Conduct chapter 6.1 stating that Mowi aims to be an open, positive, and supportive community, showing respect and support for individuals and our diverse cultures and chapter 7.1 on Human Rights stating that employees have the right to work in an environment that promotes diversity, equal opportunity, and non-discrimination.

Our Code of Conduct forms the overarching principles and framework of our OneMowi Operational Excellence program and Global policy framework.

Policies

Our ethical standards and expectations are anchored in a framework of global policies with strong principles on equality that apply across our operations and supply chain. The policies guide our interaction with employees, suppliers, partners, and stakeholders.

ONE Mowi is Mowi's global system for Policies and procedures. The system aims to ensure that Mowi follows a one-company approach and acts in a consistent and responsible manner towards our

stakeholders. Our Business Units have the obligation to implement the global policies locally, and to ensure alignment between local and Group policies and procedures.

Mowi has several policies and procedures covering and securing equality and non-discrimination. Our key policies are the policies of Human Rights, Health & Safety, Whistleblowing, Diversity & Inclusion, Recruitment, Salary, Bonus, Talent, and Performance Management. In addition, we have policies and procedures securing the privacy and personal data of our employees. Our framework of policies may be found at Mowi.com/sustainability.

Practical approach

Our commitment to equal rights is expressed in our business conduct, in policies and procedures, and in numerous programs, projects, training, communication campaigns, and other initiatives in the Group.

On ethical business conduct, we run annual, mandatory training and testing on the Code of conduct. In our Learning portfolio we also offer training on Human Rights, unconscious bias, equality and non-discrimination, leadership principles, values, and health and safety. In our Leadership programs, elements on ethical business conduct is included.

We have a Human Rights Program, based on Mowi's commitment and approach to secure fundamental Human rights and decent working conditions in connection with our business. We run a Diversity & Inclusion program, aiming to increase diversity, and more specifically improve the gender ratio and increase female management, and a Health and safety program aimed at keeping people safe and protected in all parts of our business. We carry out gender pay analysis and have created a Job Architecture base on consistent Job grading across the group using a globally recognised method.

We safeguard our efforts through risk assessments, audits, job grading, employee surveys, and whistleblowing channels securing safe reporting of incidents and concerns.

Risk Management

Mowi has an established risk management and internal control system, including ESG (Environmental, Social & Governance) risks. Risk management and internal control is an important enabler for the group to meet its strategic goals, forming an integrated part of the Group's decision-making processes as central elements in the organisation. Risk management provides reasonable assurance to stakeholders that Mowi will achieve its goals, using the COSO enterprise risk framework. In Mowi, the number of female employees and female managers is significantly lower than the number of male employees. It is an important target for Mowi to improve the gender balance in the group, and we will continue our efforts in attracting and retaining female talents and female managers to the company.

Human Rights Due Diligence is a Risk Management tool applied by Mowi to identify, assess and respond to the most significant risks and adverse impacts within our operation, supply chain and business relationships. Assessment of risk in relation to equality is part of this Due Diligence Process where we aim to review risks including but not limited to country, sector, product, nature of work, type of workers, indirect causes, etc.

The foundation in Mowi on quality is solid, with our strong approach on Ethical Business Conduct, our Policy framework, our Risk Management process, tracking and communication of metrics and results, our learning efforts, and the collaboration with external stakeholders. The elements of our approach are implemented and secured as described in this report, including our Code of Conduct and Global Policies, Global Employee Surveys, Health and Safety programs, Privacy program, Diversity and Inclusion Program, Whistleblowing channel, and tracking of Fair Working conditions. In addition, we put emphasis on keeping a close collaboration with our Labour Unions, developing our extensive Learning portfolio, and engaging with local Communities.

Mowi had 17 cases reported as part of our whistleblower channel in 2021. The majority of the reported cases were made anonymously. Six of the reported incidents were related to work place harassment, where 2 were related to claims of sexual harassment. Eight reported incidents were related to breach of internal policies, and three reported incidents were related to possible breach of law in relation to policy on Covid-19, discrimination, and required Certifications. Examples of initiatives and actions taken include leadership development, conflict resolution training, formal disciplinary process, internal communications, and re-implementation of global policy and strengthening of local policies.

With regards to Human Rights, the most material risks were in 2021 assessed to be 1) Local Communities, 2) Health & Safety, 3) Equality, 4) Freedom of assembly and association, 5) Fair employment and fair compensation and 6) Modern slavery, child labour, and forced labour, in relation to our supply chain.

Approach going forward

Our approach is dynamic as our dedication to continuous development enables us to learn from and improve our current direction. We continue our work to strengthen our policy framework, our risk assessment, our learning program development, communication and collaboration with stakeholders and external partners.

We track closely the development of our activities. We have set specific targets on Diversity, as an example, where we aim for an increase of female management to 30% in 2025. At the end of 2021, we were at 25%. Further, we aim to increase the number of female applicants to 30%, that at the time is only at 22%.

The process is a continuous journey and results may take time to achieve. We believe, however, that we have the right approach and initiatives in place that will take us in the right direction.

3. Reporting methodology

The main methodology for the gender pay report has been to categorise jobs and job families, as base for salary comparisons. The method has been applied for both individually negotiated salaries and collective negotiated salaries. There is however a greater variety of job families within the individually negotiated salaries. Within a job family there may however be a span of level and responsibilities that impacts the ability to compare jobs of equal work or equal value.

Jobs with individually negotiated salaries are categorized into job families, and then into different jobs. The job families are categorized based on functions and jobs that are related to each other in terms of work content, value, skills and competency needs. Job family and jobs categorization enables a comparison of salaries within the same job family, across different job families, as well between jobs and job level.

Jobs with collective negotiated salaries have been categorized into different collective agreements. Within the different agreements, different jobs, job families and seniority levels have been compared. A comparison has also been made between the different agreements, where relevant. For jobs at top seniority level, variable extras have been added to their salaries such as bonus payment and certificate additions, as part of the mapping and analysis.

Jobs and job families in individually negotiated salaries and collective negotiated salaries have been compared as part of the mapping. Our finding is that the work content is too different to be regarded as work of equal value and a comparative gender pay analysis is therefore not relevant in this regard.

All jobs and job families in the Norwegian entities have been mapped as part of the gender pay analysis, however, jobs and job families with less than 5 male and 5 female incumbents have been excluded in this report to ensure employee confidentiality and privacy.

On an overall level, the data are not affected by this reporting method. For some jobs, job families, and levels in the organisation, such as differences between management and non-management it affects

however our ability to conclude and report, due to a lack sufficient data to report on gender pay. The data is included and will be visible on an overall level, for example on business unit level.

A limitation in the data is that some job families contain a more mixed group of jobs and functions than others when it comes to level or responsibility, which impacts our ability to analyse gender pay within the family. In this situation, it may be more relevant to compare with jobs of similar value and scope included in other job families. This is commented in the report where relevant.

The numbers in this report are based on 2021 figures. Similar mapping and analytics were done in 2018. We did not detect any salary differences based on gender in overall numbers at that time.

4. Employees, gender balance, parental leave, temporary and part time work

Mowi Feed AS	Gender Balance / Employees	Temporary Employees	Part time Employees	Parental Leave (average weeks*)
Female #	27	1	0	*21
Male #	70	6	0	*14
Female %	28	1	0	n/a
Male %	72	6	0	n/a

5. Gender pay analysis for Mowi Feed AS

The gender pay analysis has been done for Mowi Feed AS as an entity with more than 50 employees. Highlights and overall findings are presented below, with a more detailed presentation in following sections

5.1 Overall findings

- The gender pay analysis of all salaries, including collective and individually negotiated salaries show a female salary of male of 85%. As this figure is not weighted for managers/non-managers or seniority, it has limited informative value.
- For collective negotiated salaries, there isn't sufficient data for gender pay reporting.
- For individually negotiated salaries of managers there isn't sufficient data for gender pay reporting.
- For individually negotiated salaries of non-managers, the female salary of male is 92%

When including weighting for managers, non-managers and seniority in the salary analysis, the gender pay ratio changes. Details on weighted numbers are found in section 5.2 and onwards.

Salaries and jobs are categorised into job families where jobs are comparable. The categorization gives important insight into areas of gender pay equality as well as gender pay differences, that will enable a targeted approach in following up on gender pay going forward.

In Mowi, the number of female employees and female managers is significantly lower than the number of male employees. It is an important target for Mowi to improve the gender balance in the group, and we will continue our efforts in attracting and retaining female talents and female managers to the company.

5.2 Collective negotiated salary