



ESG REPORT 2021
SEAGEMS NORWAY AS

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Letter from our CEO

«Ensuring that the benefits of seafood can be experienced by all, today and for future generations to come»

Seagems Norway's mission is to create high-quality seafood ingredients in the most sustainable way possible. Our ingredients are made specifically to enhance people's meals through better tasting flavors and documented nutritional performance.

In 2021 our products contributed to more than 3 billion meals world-wide, enhancing flavors and nutrition with the benefits from seafood ingredients.

Seafood represent one of the world's largest sources of animal protein and are crucial to global food security and nutrition, in addition to offering development pathways that have the potential to contribute to sustainable development. However, due to the intensification and industrialization of fisheries and aquaculture globally there are significant sustainability related challenges. Overfishing represents one of the biggest environmental challenge for the world's fisheries. The Food and Agricultural Organization of the United Nations estimates that one-third of the world's fish stocks were overfished in 2015. There are also challenges post-harvest, as it is estimated that 35% of the global harvest is either lost or wasted every year.

Our passion for the ocean has put sustainability at the core of our operations, benefitting the entire seafood value chain, and bringing nutritious and sustainable seafood ingredients to the global market.

This is Seagems first sustainability report, and a beginning of our journey towards publicly and openly communicating our efforts, KPIs and results to our stakeholders. Our management approach to sustainability builds on our company values which are sustainable, innovative and inclusive as well as our commitment to the ten principles of the UN Global Compact of which we are a proud signatory.

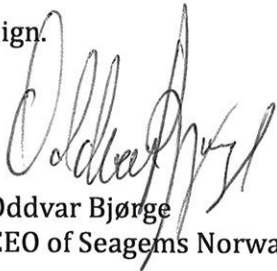
New developments for Seagems in 2021 were both market-, product- and production related. We entered new geographical markets such as Asia and North America while we grew in our existing markets in Europe, South America and Africa. We are working on introducing new products as concentrated liquids, tailored for making liquid soups and fond cups. The number of product lines doubled during the year and at the end of 2021 we had 5 production lines. With growth in volume comes need for space, and at the end of 2021 we signed up for yet another facility covering 1800 square meters, which will be ready in Q2 2022. We increased the number of employees from 13 to 16 and we increased our economic turnover from 32 to 48 million NOK. Achieving this while at the same time navigating a global pandemic makes me both humble and proud of our organization and the efforts of our valued employees. Our operations were not adversely affected by the pandemic, and thanks to many of our customer's

products being a wide range of staple foods, our markets remained relatively stable throughout the year.

Following internationally recognized standards for quality, food safety and sustainability is a cornerstone in our strategy, and one key achievement within this focus area in 2021 was receiving BRC grade AA which is the highest possible rating for a BRC audit.

We will continue our growth journey, and we will do so without compromising on our commitment to sustainability, in particular our commitment to sourcing MSC certified seafood raw materials. In the years to come we will use our strategic focus to continue growing our impact on access to nutrition by growing in new geographical markets as well as increasing the market share for our new and existing products. We will also continue our strategic sourcing work, making sure we do not only focus on cost when adding new suppliers, but rather look at the full impact of our sourcing in terms of environmental protection, quality and the opportunity to create jobs and reduce seafood raw material going to waste in the local communities from which we source our raw material.

Sign.

A handwritten signature in black ink, appearing to read 'Oddvar Bjørge'.

Oddvar Bjørge
CEO of Seagems Norway AS

About this report

For information about this report and its content, please contact Seagems Norway AS and Business Development & Strategic Sourcing Director Benjamin Bjørge.

This report is prepared for Seagems Norway AS (hence Seagems) in accordance with Oslo Børs Euronext Guidelines for ESG reporting and inspired by the GRI Standards.

The sustainability report has been reviewed and approved by the Board of Directors. The claims and data in this report has not been audited by a third party.

About Seagems Norway AS

Seagems is a seafood ingredients company founded on the knowledge of what we do. Our mission is to create high-quality seafood ingredients in the most sustainable way possible.

The founders and management team behind Seagems have long traditions in the valorization of residual raw materials from fisheries in the creation of value-adding flavor- and nutrition ingredients.

Our passion for the ocean has put sustainability at the core of our operations, benefitting the entire seafood value chain, and bringing sustainable seafood ingredients to the global market.

Seagems is registered as an Aksjeselskap "AS" company, a privately owned limited company registered in Norway.

Locations and markets served

Seagems is headquartered in Ellingsøy, Aalesund, Norway.

Seagems' headquarter is located conveniently by the cold and clean waters of the North Atlantic Ocean. Here the traditions of harvesting the oceans go back centuries, providing both food and opportunity to the people that settled in these areas.

Seagems Norway AS had a total of 16 employees as of 31.12.2021, of which all are full time employees.

TYPICAL APPLICATIONS FOR OUR SEAFOOD INGREDIENTS ARE

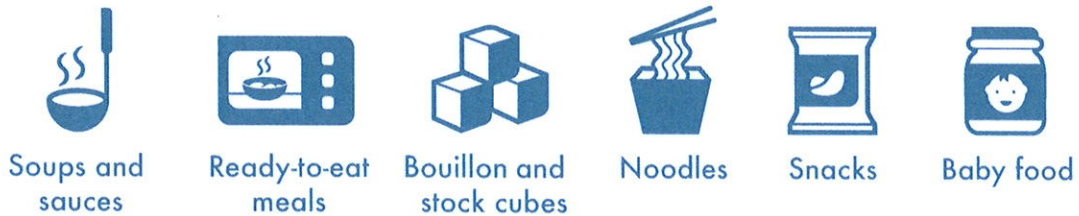


Figure 1: Seagems' product categories

Seagems serves global food industry customers in Europe, Africa, South America and Asia. Typical applications for Seagems' custom blend seafood ingredients are soups and sauces, ready-to-eat meals, bouillon and stock cubes, noodles, snacks, and baby food.

Key markets served

- Europe
- West Africa
- South America

Growth markets:

- Asia
- North America

Economic and tax information

Seagems creates direct economic value in Aalesund, Norway where our operations are located, through the payment of direct and indirect taxes, the payment of wages to employees and value creation for our owners. We create economic value and contribute to job creation indirectly in the local communities where we source our raw materials and services by buying goods and services from suppliers.

In 2021, Seagems AS revenue was 47.7 MNOK.

Payroll and social security expenses

In 2021, labor costs amounted to 9,9 MNOK. Payroll and social security expenses accounted for 19 percent of sales revenue.

Procurement of goods and services

In 2021 Seagems purchased goods and services valued at roughly 32 MNOK.

Tax information

Seagems' tax expenses for 2021 came to 0 NOK. This due to differences between tax and accounting dispositions and in line with Norwegian book keeping act.

Seagems' business model

The secret of creating high-quality and nutritious seafood ingredients is the freshness of the raw material. Through many decades we have developed long and strong relationships with our suppliers to assure that the raw material we use is not only fresh but also sustainably harvested in order to protect and preserve our oceans for future generations. Our seafood ingredients are therefore MSC certified which is an assurance of traceability and sustainability.

Directly from production, we upcycle side-streams from fresh raw materials into natural ingredients, ensuring that the quality of the ingredient is at its absolute highest level.

Our high-quality seafood ingredients are further used for flavor and nutritional purposes by the global food industry. We produce natural ingredients as powders, liquids, oils, and pastes, which can be applied in various kinds of finished food products.

THE MAIN RAW MATERIALS WE USE ARE FROM

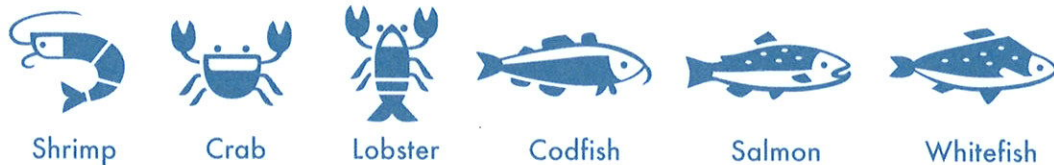


Figure 2: Seagems' main sources of raw material

Seagems' approach to sustainability

This report covers sustainability topics that are of importance to Seagems and the company's stakeholders. Seagems' approach to sustainability reporting is based on the principles in our Code of Conduct and the materiality assessment undertaken in May and June 2021. Seagems shall comply with applicable laws and regulations, respect human rights and act in a socially responsible manner.

Seagems is a UN Global Compact Signatory with status Active. The company submits an annual CoP to the UN Global Compact and has incorporated the ten principles into our Code of Conduct and business practices.

Our values

Our values describe how we solve our mission, as an organization and as colleagues. Our values express our expectations towards each other and what our clients, suppliers and society can expect from our conduct. Everything we do shall be in line with the following values:

Sustainable: we create value in a sustainable way and make a positive contribution to society.

Innovative: We always seek to understand, to seek new knowledge and learn from experience, so that we continuously gain new insight. We thrive in a changing world and see opportunities where others see challenges.

Inclusive: We believe that challenges are best solved together. We are open and clear in our communication both towards employees, customers and suppliers. Everything we do, we do as a team.

Corporate Governance

This chapter describes how Seagems manages our responsibility concerning Environmental, Social and Governance topics as well as broader sustainability topics concerning our operations and our impact.

Board of directors

The Board of Directors bears the ultimate responsibility for Seagems' sustainability approach and the sustainability report is discussed and approved by the Board.

Seagems AS Board of Directors as of 31.12.2021

CEO, Oddvar Leif Bjørge

Chairman of the Board, Kristin Fjellby Grung

Board member, Jan Audun Dyreholt Bjørge

Board member, Karl Inge Slotsvik

Board member, Benjamin Bjørge

Board member, Jan Bjørge

Executive management team

Seagems' Executive Management bears the responsibility for the company's strategy, development and day-to-day work. This means the Executive Management is responsible for compliance with legislation and regulations and our Code of Conduct as well as for the implementation of appropriate and effective initiatives to ensure that we reach our goals.

Seagems AS Executive Management team as of 31.12.2021

CEO, Oddvar Leif Bjørge

COO, Petter Trond Ekornåsvåg

Head of Sales, Jan Audun Dyreholt Bjørge

Strategic Sourcing Director, Benjamin Bjørge

Head of Quality, Anita Tøsse Eldevik

Head of Logistics, Reidun Reginiussen

Annual General Meeting (AGM)

The Annual General Meeting (AGM) is Seagems' supreme governing body and where shareholders can influence how sustainability is practiced.

The Production facility at Ellingsøy

The COO and Head of Quality at Ellingsøy are responsible for the follow up and compliance with policy, strategy, targets and governance documents related to sustainability. The day-to-day work with corporate social and environmental responsibility is usually handled by the COO together with the Head of Quality and with support from the Corporate Executive Management.

Stakeholder dialogue

The prioritization of Seagems' stakeholders as well as the internal mapping of stakeholder dialogue was undertaken by an interdisciplinary working group consisting of Seagems' employees representing Seagems' management team, quality and operations, sales, and strategic sourcing.

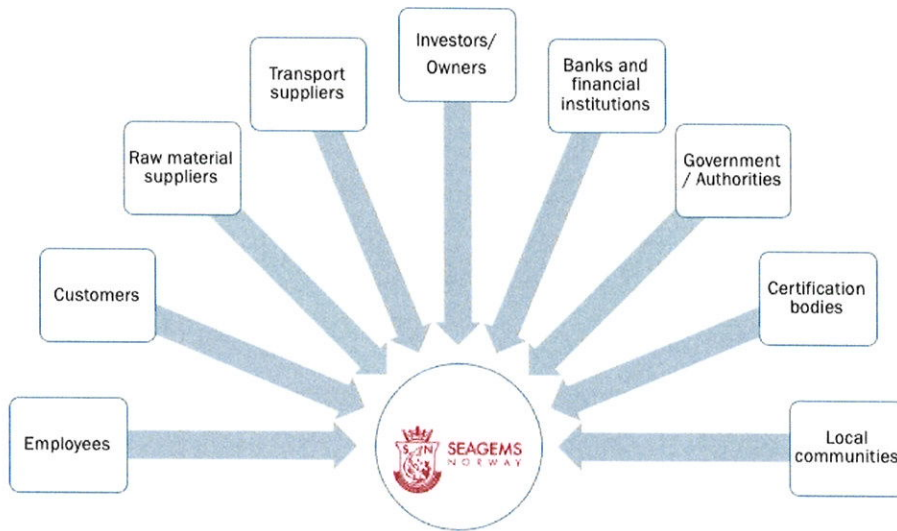


Figure 3: Stakeholders identified

Stakeholder group	Arena for dialogue	Expected of Seagems
Employees	Management Information board on site Code of conduct Quality assurance system Town hall meetings Unions Vernerunde (safety tour)	Safety A good working environment Working for a sustainable company Knowledge about products
Customers	Day to day follow up by KAM RFIs, quality questionnaires Recipe mix dialogue Non-conformance systems Site visits	High quality product Nutrient content Sustainable raw materials
Raw material suppliers	MSC certificates Visits to supplier sites (pre-covid) Supplier code of conduct	Compliance Long-term customer relationship Clear guidance on requirements
Transportation services suppliers	Supplier code of conduct	Compliance Long-term customer relationship Clear guidance on requirements
Investors / shareholders	Annual general meeting BoD	Return on investment Risk management Good corporate governance Compliance and anti-corruption Financially sustainable operations
Banks and financial institutions	Direct dialogue	Good corporate governance Compliance and anti-corruption Financially sustainable operations Return on investment
Governments / authorities: Mattilsynet FDA Tollvesenet Sjømatrådet	Inspections Certification and re-certification Email and phone contact Non-conformance system	Follow rules and regulations Clear and accessible documentation Animal welfare and food safety Consumer safety (products)
Certification bodies and Standards: BRC MSC Halal	Certifications and re-certification Supplier documentation Quality assurance system Site visits	Follow up on certifications and requirements Clear and accessible documentation Diligence in day to day follow up of quality, safety and sustainability
Local communities	Website Local newspaper Direct dialogue	Jobs No pollution No noise, smell or other disturbances

Table 1: Stakeholders and arenas for dialogue

Materiality assessment

The Materiality assessment according to Euronext ESG Guidelines was established in 2021 by a working group consisting of members of the Executive Management Team with input from internal stakeholders, based on the internal stakeholder dialogue and information gathering. The main goal of the materiality assessment is to establish key

reporting topics for Seagems, reflecting the key risks and opportunities created by our business activities. Further, these topics are included in Seagems ESG report, describing how the most important topics are included in general risk management and strategy process and the measures Seagems is taking to reduce risks associated with material issues and how these are integrated into operational management and corporate governance.

The materiality assessment concluded the following material topics for Seagems to report on:

- Business ethics
- Product impact
- Working environment
- Energy and emissions

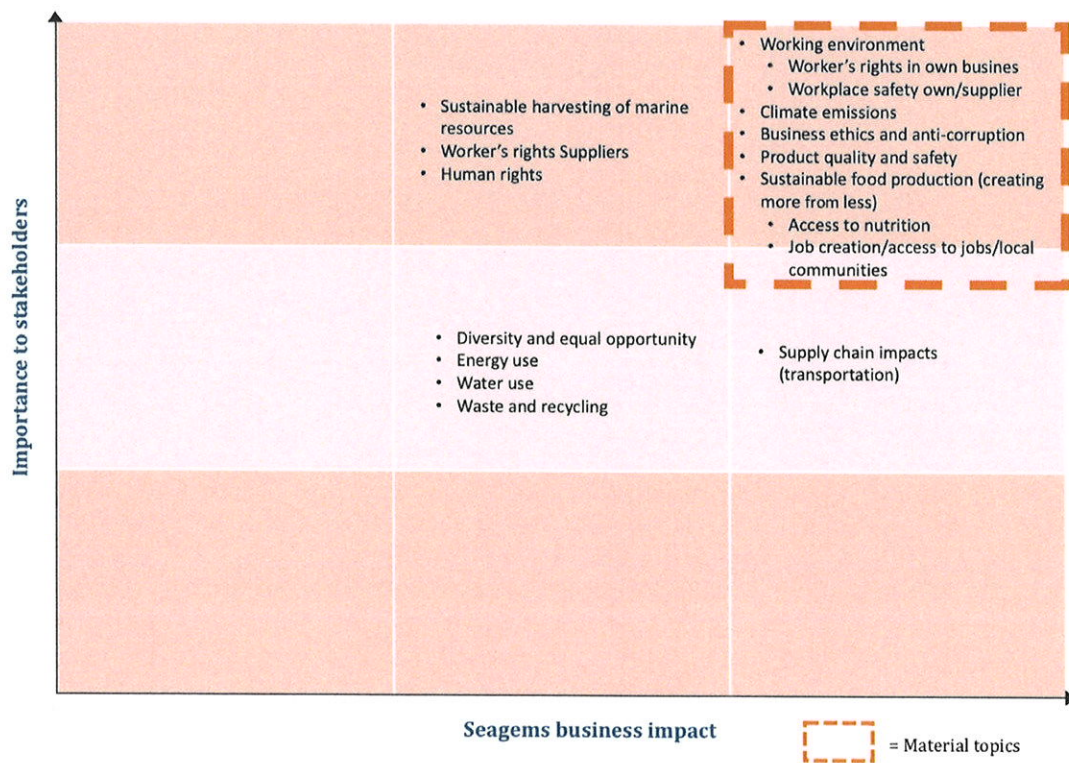


Figure 4: Materiality assessment for Seagems

Reporting on material topics

In the next chapter, each of the overarching sustainability topics and their relevance to Seagems are developed in detail. This includes an explanation of why the topic is considered material to the company, the direct and indirect impact on the company and its stakeholders as well as the significance of its business impact on the company



and on the assessment and decisions of stakeholders. This chapter includes reporting according to GRI 205 Anti-corruption, GRI 416 Customer health and safety, GRI 305 Climate emissions and GRI 403 Occupational health and safety.

Business ethics and anti-corruption

Seagems’ approach to business ethics is governed by the company Code of Conduct which is communicated to all employees, suppliers and business partners.

Seagems has a zero-tolerance for corruption and will conduct its business with honesty and integrity and in compliance with all applicable laws and regulations concerning bribery and corruption.

The company has clear guidelines for handling conflicts of interest, and all internal identified conflicts of interest are handled according to the “arm’s length principle”.

Operations assessed for risks related to corruption

When operating in the global food sector there is a risk both of corruption and bribery as well as the sector specific risk connected to food fraud. Seagems undertakes a continuous risk assessment of all suppliers concerning financial corruption based on location and the Corruption Perception Index as well as a risk analysis of each sourced raw material concerning the risk of food fraud. This is also part of the pre-screening of suppliers and the approval process for chosen suppliers.

Communication and training about anti-corruption policies and procedures

The Code of Conduct communicates Seagems’ expectations concerning anti-corruption and business ethics to our suppliers. All new suppliers must sign the Supplier Code of Conduct and confirm commitment to the principles covered by the code, including anti-corruption and bribery principles and guidelines for gifts and hospitality.

Employees are given an introduction training when starting the job, covering the Employee Code of Conduct and guidelines for gifts and hospitality. An annual training session covering the Code of Conduct contents is undertaken by the Head of Quality to ensure any additions and alterations to the code are communicated to employees. In 2021, the annual training was held November 26th 2021.

	Completed training in 2021 (number of persons trained)	Completed training in 2021 (in percentage)
Board of Directors	5	85%
Employees	16	100%

Table 2: Completed training on anti-corruption

Seagems has implemented a whistleblowing procedure and a whistleblowing channel where employees, suppliers or other stakeholders can report concerns of potential corruption or other types of misconduct.

The Norwegian Work Environment Act (NWEA) defines the law on whistleblowing in Norway. Workers and employees have the right to “blow the whistle” about critical circumstances.

NWEA defines circumstances as critical if:

- A circumstance is in violation of laws and regulations
- A circumstance is in violation of Company Rules
- A circumstance is in violation of common sense of what is reasonable or ethically acceptable

Employees have the right to notify unfair workplace conditions, this also applies to hired employees. In critical cases, or cases that might affect the food safety of the products, the employee has the duty to report. The Norwegian Law protects employees that has “blown the whistle” – if the employees feel victimized at work because of the whistleblowing, they have the right to take the case to court.

Any reports will be taken and processed by the senior management, including CEO. It is possible to report a concern anonymously using a physical mailbox located at Seagems’ premises. All issues reported, either by phone or mailbox, will be handled by senior management. Records of the assessments shall be made, and where appropriate, actions taken, shall be documented.

Confirmed incidents of corruption and actions taken

In 2021 there were no reported suspected incidents of corruption or bribery. Seagems did not withdraw from any contracts or collaborations due to corruption risk in 2021. Seagems or the company’s employees have not been involved in any legal proceedings concerning corruption in 2021.

	2020	2021
Reported incidents of corruption	0	0
Number of agreements terminated or cancelled due to corruption risk	0	0

Table 3: Reported and sanctioned incidents of corruption

Goals and actions for Seagems' work on business ethics and anti-corruption in 2022:

- Undertake business ethics training for all Board members
- Create and implement policy related to the Transparency Act in the organization
- Undertake training on the Transparency Act in the organization
- Update existing policy for GDPR

Product quality and safety

The products and business model of Seagems is a key contribution to sustainability both when it comes to providing access to the health and taste benefits of seafood and creating valuable ingredients from value streams that are normally underutilized. In addition, our business has an indirect positive impact on the societies where we buy our raw material in terms of contributing to creating new jobs, particularly for unskilled labor.

Providing benefits of seafood while minimizing negative environmental impact

Seafood represent one of the world's largest sources of animal protein and are crucial to global food security and nutrition, in addition to offering development pathways that have the potential to contribute to sustainable development.¹

However, due to the intensification and industrialization of fisheries and aquaculture globally there are significant sustainability related challenges. Overfishing represents one of the biggest environmental challenge for the world's fisheries. The Food and Agricultural Organization of the United Nations estimates that one-third of the world's fish stocks were overfished in 2015.² There are also challenges post-harvest, as it is estimated that 35% of the global harvest is either lost or wasted every year.³ Social issues related to fisheries and aquaculture include unfair labor practices, child labor, health hazards, conflict over natural resources, and outcompeting smallholders as the industry grows.⁴ These issues are more common in countries that lack proper policies, regulations and laws.⁵

Seagems is MSC Chain of Custody Certified by Intertek as of 02.05.2019. This means that all our suppliers must meet the MSC Fisheries Standard used to assess if a fishery is well-managed and sustainable. The MSC Chain of Custody Standard ensures that products from MSC certified sustainable fisheries are traceable and separated from non-certified products. The Standard reflects the most up-to-date understanding of internationally accepted fisheries science and management.

¹ FAO 2020

² FAO 2018

³ FAO 2020

⁴ Boyd et al., 2020; Bhari & Visvanathan 2018

⁵ Bhari & Visvanathan 2018

The MSC Fisheries Standard has three core principles that every fishery must meet.

- *Sustainable fish stocks:* Fishing must be at a level that ensures it can continue indefinitely and the fish population can remain productive and healthy.
- *Minimizing environmental impact:* Fishing activity must be managed carefully so that other species and habitats within the ecosystem remain healthy.
- *Effective fisheries management:* MSC certified fisheries must comply with relevant laws and be able to adapt to changing environmental circumstances.

Turning side streams from fisheries into nutrition	2020	2021
Tonnes of raw material converted to ingredients	~3900 ⁶ tonnes	~5000 ⁷ tonnes
Volume of products sold	795 tonnes	1068 tonnes
Amount of raw material purchased under MSC certification	100%	98%

Table 4: Product quality KPIs for fishery side streams turned into nutrition

Access to quality nutrition

Seafood represents an important source of nutrition to the world’s population and will become increasingly important due to population growth and the growing burden of malnutrition. Malnutrition in all its forms (obesity, undernutrition, micronutrient-related malnutrition) continues to be one of the greatest global challenges.⁸

The world is currently experiencing a double burden of malnutrition, that includes both undernutrition and overweight, an issue which is particularly dominant in low- and middle-income countries. More than 2 billion people worldwide are affected by deficiencies in vitamins and minerals, another 2 billion are overweight and 500 million are experiencing undernutrition.⁹

Health attributes of seafood ingredients

- High content of easily digestible proteins
- Well balanced in all essential amino acids
- High content of natural iodine
- High content of the essential omega-3 PUFAs EPA and DHA
- Rich in nucleotides

Accessing a healthy diet consisting of adequate nutritional value is difficult in many parts of the world and is linked to a range of complex, underlying and interlinked

⁶ Estimated from volume of product

⁷ Estimated from volume of product

⁸ WHO & FAO 2018

⁹ WHO & FAO 2018

issues such as household food security, poverty, health status and health services, unproductive agricultural sectors, climate change, conflicts, education level and the underlying socio-political context of the country.

Access to nutrition	2021
Number of meals served with Seagems' ingredients included worldwide	~3 billion
Number of recipes produced by Seagems	16

Table 5: Access to nutrition KPIs

To ensure the highest possible standard when it comes to quality, food safety and sustainability, Seagems systematically implements and obtain the following standards and certifications:

- MSC Chain of Custody
- BRC: Global Standard for Food Safety
- HACCP
- Halal

The BRC Global Standard for food safety is one of the most frequently used tools worldwide for due diligence and supplier approval. BRC is based on the most recent and updated food safety standards and methodologies, and it is recognized by Global Food Safety Initiative – GFSI. The standard helps companies select and qualify their suppliers and provides a framework for managing product safety, integrity, legality and quality in the food and food ingredient manufacturing, processing and packing industry. The requirements in the standard are related to the quality management system, the HACCP system and relevant prerequisite programs, including GMP (Good Manufacturing Practice), GLP (Good Laboratory Practice) and GHP (Good Hygiene Practice) requirements.

Certification to the global BRC standard comprises assessment of a company's premises, operational systems and procedures against the requirements of the standard. The BRC standard is regularly revised and maintaining certification requires adherence to the latest version of the standard. In 2021, the company received an AA rating which the highest possible rating for a BRC audit.

To ensure the highest quality of our products and minimize risk of non-conformities on quality, Seagems has implemented a Quality Management System for our operations at Ellingsøy. The Quality Management System includes risk assessment according to HACCP procedures as well as clear guidance on quality for all technical procedures throughout the production process. As part of our Quality Management System, Seagems has a plan for microbiological testing for both raw materials and finished products. The routines for traceability and product recalls are tested at least once annually, and in 2021 this was completed on February 3rd with satisfactory

results. The routine includes external notice to the Norwegian Food Safety authorities for serious incidents of non-compliance. There was not identified or reported any incidents of non-compliance with regulations or voluntary codes in 2021.

Product quality and safety	2020	2021
Amount of Seagems product categories assessed for improvement of health and safety impacts through company Quality Management System	100%	100%
Reported number of non-conformities on quality according to internal voluntary codes	17	21
Reported number of serious non-conformities on quality resulting in a fine or penalty	0	0
Reported number of serious non-conformities with regulations resulting in a warning	0	0
Completed traceability and product recall tests	1	1

Table 6: Product quality and safety KPIs

Goals and actions for Seagems' work on product quality and safety in 2022

- Zero product recalls
- Zero serious non-conformities with regulations resulting in a warning
- Maintain BRC grade A as a minimum
- Recertification of MSC CoC Certification

Energy and emissions

Reducing emissions to the external environment and utilizing raw materials that would otherwise be wasted or downcycled are integral parts of Seagems' business model. Operating from coastal communities it is also an important goal for Seagems to minimize its environmental footprint and emissions to air, soil and water. As part of Seagems' commitment to the UN Global Compact, the company takes a precautionary approach to environmental and climate impact, and through its Supplier Code of Conduct encourages its suppliers to do the same.

Seagems impacts the natural environment directly through the use of energy and raw materials processed in its business operations and indirectly through the purchase of raw materials, goods and services including transportation.

The main direct impacts from Seagems' business operations are energy use and solid waste from production at the production facility in Ellingsøy. The main indirect impacts from Seagems' business operations are the environmental impacts from the raw material suppliers.

Energy use and travel in Seagems' operations

Seagems' production facility on Ellingsøy, Norway is run on electricity only, and does not purchase any additional fuel for running its machinery. Other sources of energy and fuel use are employee business travels by car and air travel.

Energy use in operations	2020	2021	Unit
Electricity purchased (*Purchased with guarantees of origin)	232 447,15	271 447,00*	KWh
Other fuel sources used (e.g. fossil fuels, propane, steam or gas)	0	0	N/A

Employee business travel	2020	2021	Unit
Air travel	78 381	131 595	km
Road travel in diesel car	2 642	3 960	km

Table 7: Energy use

Climate emissions from Seagems' business operations

Seagems' CO₂-emissions have been calculated by CEMAsys and in accordance with the Greenhouse Gas Protocol (GHG-Protocol), developed by the World Business Council for Sustainable Development (WBCSD) and World Resources Institute (WRI). In alignment with the GHG Protocol, Seagems takes into consideration the greenhouse gases CO₂, N₂O, HFCs, PFCs and NF₃ when converting consumption data to tons CO₂-equivalents (tCO₂e).

The below data on greenhouse gas emissions includes the following sources, based on the operational control of Seagems, of CO₂e emissions:

- **Scope 1** direct emissions: Scope 1 includes all direct emission sources. This includes all use of fossil fuels for stationary combustion or transportation, in owned, leased or rented assets. Seagems has not identified any sources of direct Scope 1 emissions in their business operations.
- **Scope 2** indirect emissions from electricity purchased: Emissions from the consumption of purchased energy where the organization has operational control. There are two different methods, with accordance to the GHG Protocol, of calculating emissions from electricity consumption. These are location-based and the marked-based methods. The location-based method reflects the average emission intensity of the grids on which energy consumption occurs, while the market-based method reflects emissions from electricity that companies have purposefully chosen. The table below shows the emissions generated by Seagems in Scope 2. CO₂ emission factors used for electricity are location- and marked based and are calculated using emission factors based on Association of Issuing Bodies (AIB) (2021), European Residual Mixes 2020.

- *Scope 3* includes indirect emissions from value chain activities. The Scope 3 emissions are a result of the company's upstream and downstream activities, which are not controlled by the company. Seagems have included emissions from employee business travel by car and air travel. Emission factors are from DEFRA.

	2020	2021	% change
Scope 1	-	-	-
Scope 2 (location-based)	2.1 tCO ₂ e	2.7 tCO ₂ e	29.8%
Scope 3			
<i>Business travels</i>	15.3 tCO ₂ e	21.4 tCO ₂ e	39.4%
<i>Total emissions</i>	17.4 tCO₂e	24.1 tCO₂e	38.2%
Scope 2 (marked-based)	92.0 tCO ₂ e	-	- 100%

Table 8: Scope 1,2 and 3 emissions calculated

Accounts for GHG emissions from the generation of purchased electricity consumed by Seagems' facilities. Consistent with the scope 2 guidance from the GHG Protocol, both location-based and marked-based methods have been reported. Seagems used the location-based method primarily when calculating the emissions with country specific emissions factors from Association of Issuing Bodies (AIB). Seagems has purchased Guarantees of Origins (GoOs) or Renewable Energy Certificates (RECs) in the reporting year for all operations, which is included in the marked-based calculation.

The total emissions have increased from 17.4 tCO₂e to 24.1 tCO₂e, where we see a rise in emissions from both scopes presented in the table. The increase of emissions connected to electricity are due to an increased level of production. Business travels rose with 39.4%, to a total of 21.4 tCO₂e. The travel restrictions put in place under the global Covid-19 pandemic eased up in 2021, making it possible to travel for business more frequently.

In accordance with GRI: Disclosure 305-1: Direct (Scope 1) GHG emissions and 305-2: Energy indirect (Scope 2) GHG emissions.

Moving forward

Seagems aims to do a full Scope 3 screening, to further calculate scope 3 emissions and set short- and long-term reduction targets. It is essential to put sustainability work on the agenda, and Seagems will continue this journey in the upcoming years, with sustainability in their core values. Committing to setting a Science Based Target is also in Seagems' pipeline, aligned with the Paris Agreement to limit global warming to well below 2 degrees and pursuing efforts to limit it to 1.5 degrees.

Managing supply chain impacts from aquaculture raw material suppliers

Seagems does not currently purchase any raw material from aquaculture or fish farming. However, Seagems has set requirements to any future aquaculture suppliers, which states that farmers shall aspire to reach the Best Aquaculture Practices as defined by the Best Aquaculture Practices Certification, Global GAP, Aquaculture Stewardship Council, or Global Aquaculture Alliance's Best Aquaculture Practices Certification and/or are under an Aquaculture Improvement Project (AIP). No aquaculture operations shall take place in protected and/or sensitive habitats.

Seagems and water use

Responsible water use must be an important focus point for the seafood industry. A growing issue in the traditional seafood ingredient production model is the unnecessary transportation of frozen raw materials due to the globalization of seafood processing. When transporting frozen seafood raw materials, 80% of the goods are water. This issue must be eliminated for the sustainability of seafood ingredient production. With our distributed production model, the fresh raw material is dried to a semi-finished powder directly at the source of the raw material. This significantly reduces the water usage in production and water content of the raw material being transported allowing for increased volumes per shipment and reduced fuel consumption. There is no water used for production in our facilities in Norway.

Goals and actions for Seagems' work on energy and emissions in 2022

- Improve data quality for climate accounting by undertaking a project to get a better overview of climate emissions from Seagems operations, and improve data collection and quality for scope 3 emission data
- Undertake project to calculate the emissions from a Seagems product in a life cycle perspective

Working environment and worker's rights

In 2021, Seagems employed 16 full time employees. Two people left their jobs during 2021 and five people were hired. This gives a turnover rate of 16,67 percent.

Seagems seeks to be a great workplace for all our employees, and the working environment shall be characterized by open, clear and honest communication. We seek to create a safe environment for all who work in Seagems, where feedback is given with the intention of creating improvements and where all employees shall feel safe to speak up about their expectations, experiences and concerns.

The company does not have an internal HSE Management system as of today, however this is on the agenda to be in place by 2022. However, general HSE reporting as per law is conducted by our COO.

In 2021, the average number of training hours per employee is 5 hours/year.

Remuneration policy

All salaries are set based on education, experience and local market benchmark, this includes executive compensation. Today there is no other type of remuneration of any employee other than annual fixed salary, or payment per hour.

Worker's representation in formal joint management-worker health and safety committees

As of 2021, 12 percent of the total workforce are covered by collective bargaining agreements. The company is not required to have a Health and Safety Committee (Arbeidsmiljøutvalg) due to the low number of employees currently employed. There are however safety tours undertaken together with an external party (Medi3) to secure health and safety in the workplace. In late 2021 a risk assessment of the production area related to risks posed by level of noise and dust was conducted, and the outcome and actions of this is planned finalized in Q2 2022. All installations in the Ellingsøy production facility are assessed by a HACCP committee consisting of an external technical/process engineer, Head of Quality and COO.

Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities

One of the key working environment risks at Seagems is the onset or gradual development of allergy towards crustaceans. In 2020 two employees had to leave shortly after being hired due to allergy towards crustaceans. A new ventilation system has been implemented to reduce dust from production and minimize the risk of employees developing allergic reactions. There is not identified any particular groups of workers with high incidence or high risk of diseases related to their occupation, but due to the nature of the work there is assumed to be higher risk for those working in production than for those working in office based roles. In 2021 there were no accidents reported in Seagems' organization, and no serious or other occupational injuries occurred. Sick leave was at 2,87 percent and the employee turnover rate in 2021 was 16,67 percent¹⁰.

Injuries and accidents	2020	2021
Number of accidents reported	0	0
Number of serious injuries reported	0	0

Table 9: Injuries and accidents

¹⁰ Calculated as employees who left the company over average number of employees during 2020.

How Covid-19 affected Seagems' operations in 2020 and 2021

As for most Norwegian companies Covid-19 led to changes in the working environment, most prominently in the form of strict hygiene and infection prevention measures and remote work for those employees not working in production.

However, due to Seagems' products mainly contributing to staple foods in the markets where we operated, the overall business performance and economic performance was not seriously affected.

Seagems workforce	2020			2021		
	Men	Women	Total	Men	Women	Total
Full time employees	11	2	13	13	3	16
Part-time employees	2	0	2	0	0	0
Employees total	13	2	15	13	3	16

Table 10: Seagems AS employees

Sick leave (percentage)	2020	2021
Men	2,87	2,92
Women	0%	2,67
Total	2,87	2,87

Table 11: Sick-leave

Goals and actions for Seagems' work on working environment in 2022

- Implement internal HSE Management system
- Undertake risk assessment for occupational injuries (Vernemiljørunde)
- Conduct information campaign towards employees about noise and adverse health effects from noise
- Conduct information campaign towards employees about unions and worker's rights in Seagems to encourage worker-business dialogue

GRI Index

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	102-4 Location of operations	4,5,6
	102-5 Ownership and legal form	4
	102-6 Markets served	4,5,6
	102-7 Scale of the organization	4,5,6
	102-8 Information on employees and other workers	20
	102-9 Supply chain	14,15,16,17
	102-10 Significant changes to the organization and its supply chain	N/A
	102-11 Precautionary Principle or approach	2
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	102-13 Membership of associations	N/A
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	102-14 Statement from senior decision-maker	2,3
	Ethics and integrity	
	102-16 Values, principles, standards, and norms of behavior	7,2
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	102-21 Consulting stakeholders on economic, environmental, and social topics	10
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GRI 205: Anti-corruption	205-1 Operations assessed for risks related to corruption	12,13,14
	205-2 Communication and training about anti-corruption policies and procedures	12,13,14
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	403-3: Occupational health services	Medi3
	403-4: Worker participation, consultation, and communication on occupational health and safety	21,22
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