

## **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. Sustainable aquaculture is an opportunity to reduce greenhouse gas emissions (GHG) because it is one of the most climate-friendly ways of producing protein. The carbon footprint of farm-raised salmon is 7.9 kilogram of carbon equivalents per kilogram of edible product, compared with 12.2 and 39 kilograms of carbon equivalents per edible kilogram of pork and beef respectively\*.

### **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.

Mowi's targets on GHG emissions reduction are approved by the Science Based Targets Initiative (SBTi) and we have developed a low carbon transition plan using the RCP 2.6 climate scenario pathway. Our scopes 1, 2 and 3 are audited by independent third-parties on a yearly basis and reported publicly in our integrated annual report.

Mowi 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 and TCFD reports.

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.

### **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
- 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
- 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

**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

*\*SINTEF (2020)*

