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 only 2.9 kilogram of carbon equivalents per kilogram of edible product, compared to 5.9 and 30 kilograms of carbon equivalents per edible kilogram of pork and beef respectively*.

The Mowi approach

We will focus on measuring and reporting energy use and GHG emissions. All our feed production, farming and processing sites are expected to measure and report energy use according to established internal procedures. Each year, we work with an independent third party to review our energy use and GHG inventory. We report our annual energy use and GHG emissions publicly, as well as disclose data to the Carbon disclosure project, an independent non-profit organization that holds the largest worldwide database on corporate climate change. In all our business areas (farming, feed, sales and marketing) we promote R&D projects that lead to energy-saving initiatives.

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 (2009).Carbon footprint and energy use of Norwegian Seafood Products.*