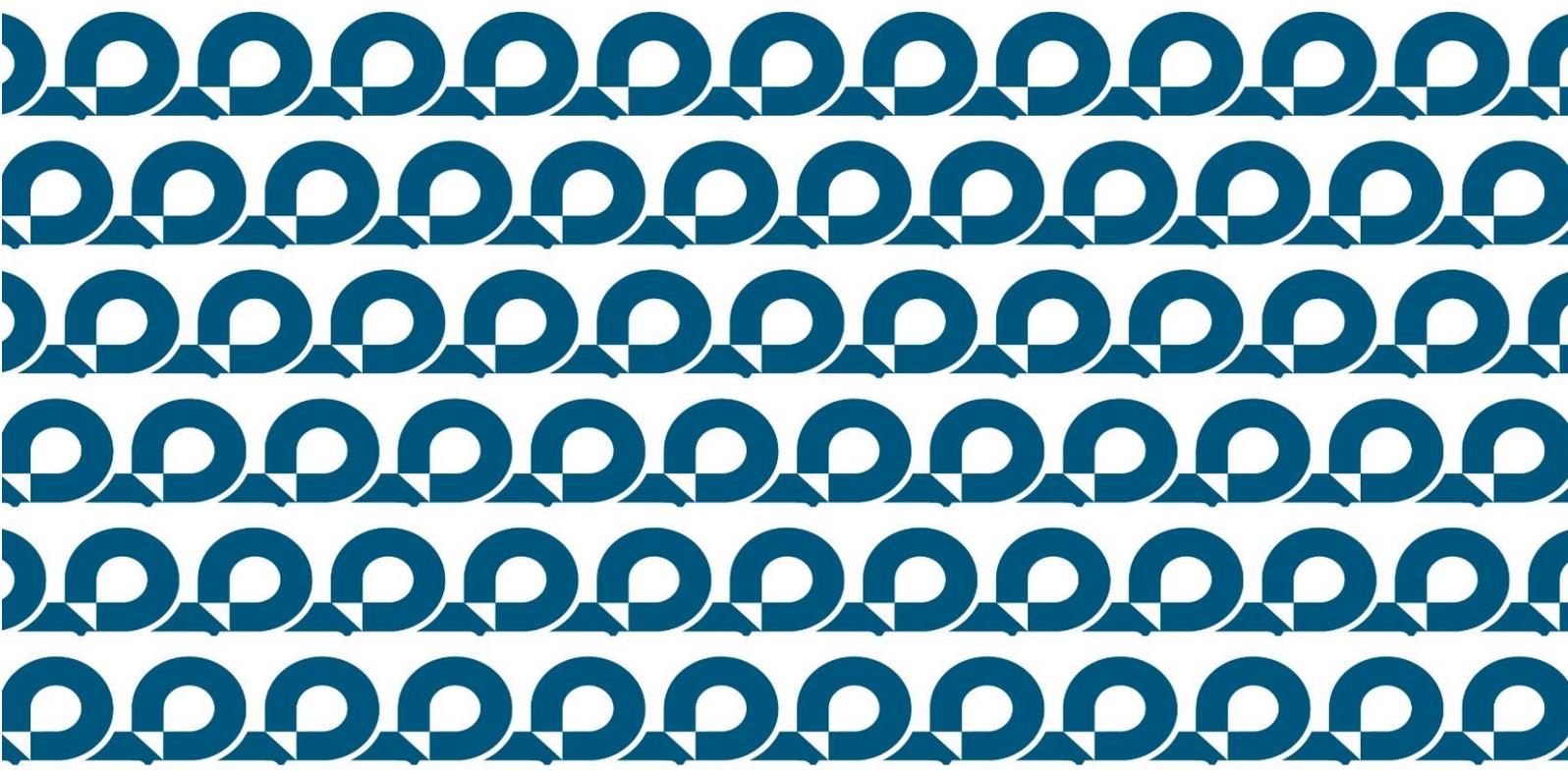




SECTORAL POLICY OF AQUACULTURE RESPONSIBILITY OF THE NUEVA PESCANOVA GROUP

Approved by the Executive Committee (COMEX) of the Nueva Pescanova Group in its Meeting held on September 23rd, 2019



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Preamble

1. Sustainable development and responsible activity are undisputable and essential aspects of the business culture of the Nueva Pescanova Group, and this because the aquaculture activity is determined by the dependence on the production capacity of the surrounding ecosystem. We recognize that aquaculture farming carries with it the obligation to do so responsibly in order to ensure the conservation and effective management of natural resources, including the living, and especially the productive and regenerative capacity of the ecosystem.
2. Thus, in line with the commitments made in our **Corporate Social Responsibility (CSR) and Sustainability Policies**, the Nueva Pescanova Group, its professionals, and the people who act on its behalf will contribute to an appropriate and responsible development and planning of our aquaculture activity, in a way that satisfies the multiple needs and desires of the society and communities where we are present, without risking the possibility of having future generations benefitting from the entire array of goods and services that may be provided by aquatic ecosystems.
3. The conservation of natural resources and the productive and regenerative capacity of the ecosystem, as well as the creation of social and economic benefit, to benefit both present and future generations, by means of responsible activity, lay the framework for the definition of **Sustainability** for the Nueva Pescanova Group.
4. The intrinsic value of the natural resources consumed and the productivity of the ecosystem must always be transferred to the final product offered to the consumer in a responsible way, in order to promote the sustainability of those activities. The benefit created by the activities of the Group are also framed in the social sphere, by means of creating shared value, employment, knowledge, and infrastructures, among other things, for the good of society, and in the economic sphere, by means of creating tangible and intangible value to the shareholders and employees of the Nueva Pescanova Group, as well as its suppliers, customers, and communities where we are present.
5. The Nueva Pescanova Group, since its foundation, has sought to protect and improve the environment, either directly through its own investments in means with the utmost respect for the environment, or by collaborating towards a suitable regulatory framework that protects it, both nationally and internationally, and in its compliance. In the first case, aquaculture farms, laboratories, hatcheries and nurseries, packing plants, and other facilities of the Group are equipped for the highest respect for the environment. In the second case, and given the specific activity in this field, the Group has always pursued the highest preservation of the productive and regenerative capacity of the marine ecosystem. Such aspects are requirements of the responsible action in aquaculture operations of the Nueva Pescanova Group and an essential condition of Sustainable Aquaculture.
6. The Nueva Pescanova Group has its own code of conduct and good business practices entitled **Our Code of Ethics** which lays out a set of principles and guidelines for conduct intended to guarantee ethical, upright, and responsible behaviour from all its professionals. **Our Code of Ethics** expressly states our firm commitment to the best CSR practices as a unifying framework of the programs and activities with the Stakeholders, as well as the generation of wealth and well-being in society harmonising the creation of value by its partners with sustainable development in the scope of the environment, social cohesion, just labour relations, and constant communication with the different collectives related to the Nueva Pescanova Group in order to address their needs and expectations.
7. The philosophy of conservation and rationalisation of the Aquaculture activity of the Nueva Pescanova Group has been, and is today, one of the strategic pillars of responsible action of

the companies of the Nueva Pescanova Group, allowing us to see with a great deal of optimism the future of aquaculture production of protein of animal origin and for that long-term investments have been made throughout the last decades in the countries where we operate.

Article 1. Object

1. This Sectoral Policy has the following object:
 - a. To define the scope, principles, and objectives of responsible action in the scope of aquaculture farming in the Nueva Pescanova Group.
 - b. To formally establish the Responsible Activity Policy of our aquaculture activities identified in the **Corporate Policy on Corporate Social Responsibility of the Nueva Pescanova Group** (article 8), which it integrates and complements, promoting the sustainability of said aquaculture activities.
 - c. To contribute to the promotion of a culture of corporate responsibility based on the creation of value in a sustainable way, preserving the natural environment in which it operates, and committed to the development and well-being of the local communities.
2. This Sectoral Policy will be complemented by specific internal plans relating to both the operational and functional areas of the Nueva Pescanova Group (namely: waste management plans; occupational health and safety plans; training plans; certification plans, etc.).

Article 2. Scope of application

1. This Sectoral Policy must be complied with by all companies and professionals of the Nueva Pescanova Group with aquaculture activity or relevant to the it.
2. The Nueva Pescanova Group is composed by the company Nueva Pescanova, S.L. and all the Spanish and foreign companies owned and managed, directly or indirectly, by Nueva Pescanova, S.L.
3. By professionals of the Nueva Pescanova Group we mean every director, manager, representative and any other employee of the Nueva Pescanova Group, regardless of their location and employment relationship with the company.

Article 3. General principles and objectives of responsible action in aquaculture

1. Similarly to its fishing activity, the Nueva Pescanova Group promotes aquaculture farming as an important source for animal protein, capable of securing the availability of sustainable, safe, healthy, and verified food resources, thus reducing pressure on wild capture fisheries.
2. As a result, the Group is committed to responsible farming in its aquaculture farms, complying with the principles recommended by the Food and Agriculture Organization of the United Nations (hereinafter, FAO) aiming at a responsible and ecologically sustainable aquaculture activity, allowing for the rational use of the resources shared by this and other activities, always safeguarding the food safety of all aquaculture products through special care before and during harvest, processing, storage, and transportation, as well as with investments in technologies and processes to minimize the environmental impact of its activity, working ethically and transparently.
3. The general principles of responsible aquaculture activity in the Nueva Pescanova Group are focused on:

- a. The positive contribution to the long-term conservation and sustainable use of natural resources and of the productive capacity of the ecosystem, promoting their optimal use and maintaining their availability and quality for present and future generations.
 - b. The strict compliance of regulations and measures established for an appropriate planning of the territory and the environment, as well as other planning and development measures, including the analysis of potential environmental impacts and the implementation of the mitigation and management plans resulting from said analysis.
 - c. The appropriate documentation of its environmental performance and compliance with the appropriate legal or regulatory requirements, with the objective of facilitating the effective control and management of its aquaculture activity.
4. The Nueva Pescanova Group establishes, as objectives in the commitment to responsible action in aspects of aquaculture, environmental, and labour management:
- a. The certification of all their aquaculture production by relevant internationally recognized sustainability standards, which principles are aligned with those mentioned above, or at least, complying with those of FAO responsible aquaculture.
 - b. Promotion of aquaculture sustainability schemes and participation in aquaculture improvement projects, aligned with the Code of Conduct of Responsible Fisheries (CCRF) of the FAO, or other equivalent ones, where the aquaculture certification schemes do not reach, as a formula for continuous improvement and evidence of aquaculture sustainability.
 - c. Assurance of the preservation of the quality and productivity of the ecosystem and the diversity and availability of natural resources in sufficient quantity for present and future generations, in the context of efficient and sustainable use, good environmental management, and sustainable development.
 - d. Verification or certification that all employees of its aquaculture farms and associated activities are covered by legal contracts, decent and safe working conditions, fair wages, and complying with national and international labour regulations.

Article 4. Concrete measures for responsible action in aquaculture

1. In line with the general principles and objectives of responsible action in aquaculture, the Nueva Pescanova Group promotes the implementation of concrete measures in order to contribute to the conservation and effective management of natural resources, including biological resources, the ecosystem, and the sustainability of its aquaculture operations; namely:
 - a. The adoption of, or if necessary, the change to, efficient and environmentally sound farming practices in order to positively contribute to the conservation of natural resources and the productivity of the ecosystem, including the biodiversity and structure of the populations, in the relevant aquatic and terrestrial environments.
 - b. Assurance that the cultivation of a certain species does not cause negative effects on its wild populations or others of wild fauna and flora, thus preventing the spread of possible diseases (pathogens) and the cultivation of highly invasive species. The possible positive effects shall be exploited.
 - c. In the case of need of capturing wild stocks, the guarantee of the viability of the species in the wild, the functioning of the ecosystem, and the conservation of biodiversity.

- d. The use of feed for farmed species prepared with raw materials that do not have a negative impact on the natural environment where they are extracted from, respecting the relevant quality and safety criteria and other sustainability criteria adopted for the specific aquaculture farming.
 - e. The correct use of preventive or therapeutic products, disinfectants, or other chemical or biological agents, in sanitary treatment to minimize the possible harmful effects on the environment, animal welfare, or human consumption.
 - f. The commitment to the principles of animal welfare, with regard to the quality of the culture medium, feed in adequate quality and quantity, stock densities, predators control, health and disease control, guaranteeing its application in all phases of the life cycle and aquaculture production, from the seed selection and larvae production, seedling, breeding or growing, harvesting and slaughter, including handling and transport in all phases of the process.
 - g. The implementation, maintenance, and documentation of a management system for waste generated by the activity in all its aquaculture farms, giving them appropriate management and disposal solutions.
 - h. Respect for and compliance with the relevant measures of territory planning and environmental protection in order to ensure that the impact of the operation on the environment is proportionate to its capacity, avoiding overloading the absorption and regeneration capacity of the natural ecosystems in the environment or the receptors, either aquatic or terrestrial.
 - i. The reduction of waste from production or natural resources used, as well as the effects on other living resources.
 - j. Ensuring that the production, handling, processing, and distribution of aquaculture products is carried out in a way that maintains the nutritional value, quality, and safety of the products, reducing waste and minimizing any negative effect on the environment as much as possible.
 - k. Respect for the consumption of natural resources or influence on critical habitats in marine and freshwater ecosystems, such as wetlands, mangroves, reefs, lagoons, and breeding and spawning areas with the intention of protecting them or promoting their rehabilitation, complying with restrictions, whether temporary or not.
2. Compliance with other planning and development measures of the territory or coastal areas, in addition to planning measures for the aquaculture production activity.
 3. Ensuring that the professionals involved participate, where appropriate, in the process of formulating and executing policies in order to facilitate the application of the principles and objectives of responsible aquaculture in the Nueva Pescanova Group.
 4. The creation, maintenance, or improvement, in aquaculture farms and other supporting infrastructures to the aquaculture production, as well as in all associated activities, of safe and fair working and living conditions, which comply with the international regulations agreed upon and adopted by the pertinent international organizations, with a particular emphasis on the provisions established in the Conventions and Recommendations of the International Labour Organization (ILO).
 5. The collection of reliable data on aquaculture activity, also considering relevant environmental, economic, and social factors.

6. The effective and transparent documentation of the activities of aquaculture farming to facilitate the pursuit of surveillance and control mechanisms on those activities so that each aquaculture company can contribute to the report of statistical data and reliable management indicators to the Nueva Pescanova Group.
7. The assurance that international trade in aquaculture products is carried out in accordance with the principles, rights, and obligations established by the relevant international organizations and agreements, especially those established by the World Trade Organization and other regulations of international law on matters of international trade in aquaculture products.

Article 5. Application of general principles, objectives, and measures on responsible action in aquaculture

The Nueva Pescanova Group, in countries where it conducts its aquaculture activities, acts proactively in the application of the general principles, objectives and the mentioned concrete measures for responsible action in aquaculture, in the following ways:

1. Permanent dialogue with its stakeholders to develop and apply the principles of this Responsible Action Policy, via:
 - a. Participation with governments of the countries where it carries out its aquaculture farming activities, for a progressive and better legal and administrative planning of its natural resources, including biological ones, and the ecosystem facilitating the development of responsible aquaculture.
 - b. Collaboration with non-governmental organizations (NGOs) and other associations of the sector, scientific or otherwise, in the conservation of natural resources, including biological ones, and the ecosystem with respect to an appropriate planning and development of aquaculture.
 - c. Promotion of the responsible development and management of aquaculture through a prior assessment of the effects of aquaculture development on the diversity and integrity of ecosystems based on reliable scientific and technical information in order to minimize harmful ecological changes and the corresponding economic or social consequences that derive from water extraction, land use, effluent emission, drugs and chemicals use, and interaction with other aquaculture activities.
 - d. The formulation and implementation of plans and strategies to ensure that aquaculture development is ecologically sustainable and allows for the rational use of the resources shared by this and other activities.
 - e. The avoidance of aquaculture development that harms the livelihoods of local communities or hinders their access to fishing areas, or other economic activities.
 - f. Respect for the physical access of indigenous peoples and other communities with customary rights, when recognized in local national law, to the enjoyment of ecosystem services in the surroundings of its facilities and farms, provided that they does not collide with the control measures of access and biosecurity, maintaining, if necessary, corridors that facilitate said access.
 - g. Collaboration with research centres and universities on projects in aquaculture, genetic improvement, prevention of illnesses, harvesting efficiency, and feed, among other matters.
 - h. Participation in aquaculture improvement projects where appropriate, with the goal of improving the sustainability of the operation, including improving knowledge of

environmental risks or other means with approaches depending on the area or environment.

- i. The certification of all its aquaculture production centres through internationally recognized standards as the best practices established for the sector.
2. The adoption of measures to promote the sustainability of its activity in any place and time of the process, by means of the following:
 - a. The use of feed from a sustainable origin:
 - i. According to the Corporate Purchasing Policy of the Group, urging feed providers to adopt the principles and codes of conduct included in the **Providers' Ethical and Social Charter of the Nueva Pescanova Group**, which run from ethical behaviour and regulatory compliance, to environmental, sustainability, quality, and transparency. Every supplier must accept and sign the Responsible Declaration of **Our Providers' Ethical and Social Charter**.
 - ii. Working in collaboration with their feed suppliers (and manufacturers) to guarantee the fulfilment of the nutritional needs of the animals and the use of sustainable solutions, pursuing the most efficient results. Depending on the cultivation method (extensive or intensive) of the cultivated species, the development stage of the species, and other conditions, the composition of the feed may vary significantly.
 - iii. Evaluating the origin and sustainability of the raw materials, of marine or terrestrial origin, used in the preparation of these feeds.
 - iv. Working with designated, authorized, and audited suppliers in processes that include traceability, sustainability, food safety, quality systems, and ethical and environmental policies.
 - v. Dedicating special attention to verify the sustainability of raw materials of a marine origin, such as fishmeal and fish oil, choosing suppliers of recognized prestige and sourcing on certified fisheries or participants in sustainability programs.
 - vi. Integrating the most sustainable alternatives in line with the principles of the **Corporate Sustainability Policy of the Nueva Pescanova Group**.
 - vii. Collaborating with feed manufacturers to work on reducing the use of fishmeal and fish oils from direct or reduction fisheries, using, in their substitution, by-products of the fishing industries (such as tuna for example), encouraging circularity and optimization of the use of fishery resources.
 - b. Sanitary control, promoting the responsible use of pharmaceuticals and chemical products, and the transparency and traceability of their management, and specifically:
 - i. Maintaining the registration and traceability of all treatments prescribed by veterinary prescription, as a follow-up of a written veterinary health plan (VHP), this being available to the official health authorities.
 - ii. Complying with the plans for systematic vaccination, biosafety, cleaning and disinfection (C+D) and VHP, keeping the treatment logbook, recipes archive, and purchase delivery notes updated in order to guarantee traceability.
 - iii. Implementing strategies to reduce the use of therapeutic treatments through the promotion of preventive and systematic plans for C+D and biosafety.

- iv. Backing environmental prevention and protection measures, such as the use of probiotics and symbiotics, to balance the culture medium.
- v. Complying with current legislation regarding the use of antibiotics, respecting suppression periods, using them only as a last resort, under veterinary prescription and striving to avoid their use through prophylaxis and management plans, applying the best veterinary practices.
- vi. Promoting research to improve and encourage preventive management practices.
- c. The management of the origin of breeders, using breeding animals coming from the *self-renewal* of the stock of breeders using a private internal selection program and private improvement plan.
- d. In the case of farming a new species, using wild animals, ensuring minimal impact on the wild population and its viability.
- e. Predator control, implementing the necessary measures to minimize the action of predators with an impact on the fish farm. In extensive production systems, these measures will mainly be intended to scare off seabirds, such as pelicans and cormorants, while in intensive production facilities, we guarantee the integrity of the physical systems that block possible access.
- f. The prevention and mitigation of escapes, designing, installing, and operating equipment and systems in a way that minimizes the risk of compromising the health and welfare of animals and preventing any risk of escape:
 - i. In the case of the cultivation of native/endemic species, the environmental impacts of possible escapes of cultivated individuals are minimal, both on the ecological balance and on the genetic pool, with possible aspects such as larger size, more vitality, or more aggressiveness being temporary, and the ecological advantage is not significant.
 - ii. In production systems, using ponds (extensive) and tanks (intensive), onshore in both cases, of appropriate quality, construction, and materials, with enough strength and impervious to minimize the risk of escape due to a failure. Likewise, all drains are equipped with meshes adapted to the size of the individuals cultivated in each case.
 - iii. In the case of the cultivation of non-native species, strengthening the inspections of these physical containment conditions and implementing a contingency and mitigation plan according to the emergency and safety plans of the facilities in each case.
- g. Animal welfare, recognizing that there is a relationship between animal well-being, health, and the success of its development and growth. The strategy and success of the aquaculture farming should include a commitment to the welfare of the animals being farmed:
 - i. In this sense, the Nueva Pescanova Group is committed to ensure the compliance with the “five liberties” of farmed animals, universally recognized, which is stated as animals free of: **Hunger and malnutrition**, offering a suitable diet to maintain their health and strength; **extreme discomfort, physical harm and pain**, providing a physical environment suited to each species; **injuries and illnesses**, by means of adequate prevention and rapid diagnosis and treatment; **impediments to expressing normal behaviour**, providing sufficient space and proper conditions suited to each species; and **fear and anxiety**, minimizing all sources of stress.

- ii. Considering that the lack of or difficulty in having or providing any of the “five liberties” is an indicator of the poor well-being of cultivated species and that it may result in an unwanted loss of efficiency of our aquaculture farm.
 - iii. Considering it to be essential that the cultivated species do not suffer from diseases, thus ensuring that the animals are not exposed to extreme conditions that can cause physiological weaknesses, maintaining the optimal farming conditions throughout their life cycle, and minimizing sources of stress. In this sense, our actions are focused on:
 - The appropriate design of the equipment and installations to avoid physical injury and ensure minimal stress to the farmed species.
 - The implementation of systematic and continuous measures for surveillance of optimal conditions depending on each phase of development and cultivation.
 - Daily visual control for the appropriate monitoring of the feeding conditions and physicochemical quality parameters of the culture medium.
 - Performing systematic controls for disinfection, disinsection and deratization (DDD).
 - Regularly conducting routine laboratory controls, systematic sanitary plans, and disease monitoring.
 - The classification of individuals by sizes.
 - The periodic control of biomass.
 - The training of staff on welfare and good handling practices.
 - The minimization of the impact of predators.
 - Observance of the relevant protocols/procedures in the transportation of animals backed by veterinary certificates from the competent authority.
 - The assurance that the sacrifice of farmed animals respects national regulations, in particular the regulation *AENOR UNE 173300 (Pisciculture. Guide to good practice for sacrifice)* and good practices suggested internationally (such as those included in the *Aquatic Animal Health Code* of the World Organization for Animal Health).
 - h. The process of evaluating and monitoring potential environmental impacts by the New Pescanova Group's aquaculture activity, as well as the monitoring of other relevant environmental aspects, will always be in line with our commitment to territorial planning and environmental performance, with the environmental reporting regulations applicable to the activity of the Group's companies and with the requirements of the aquaculture sustainability certification schemes to which they are subject.
3. Adoption of the best practices available and relevant to our aquaculture activities, with the objective of improving the performance and transparency of the operations:
 - a. Always providing the origin of all product, from the farming site to the market (traceability).
 - b. Applying a correct labelling and identification system for an appropriate control of product from harvesting to the consumer's table.

- c. Adopting measures to optimize the use of natural resources, energy, and chemical products, measures to reduce emissions to air, effluent discharge and waste, promoting more efficient and responsible consumption and production processes.
 - d. Adopting measures to promote waste valorisation via recycling, energy recovery, and circular economy solutions, as well as organic by-products resulting from the preparation and transformation of food products.
 - e. Promoting a culture of responsible use of natural resources, energy, and materials, throughout the entire supply chain, that may favour the use of clean energy, avoiding the use of scarce resources, promoting the use of reusable and recyclable materials, and reducing pollution, that result, among other things, in less harmful gases in the atmosphere, greater availability of freshwater, and less pollution by chemical substances and microplastics in the marine environment.
4. Sharing these values and principles of responsible action in aquaculture matters throughout the supply chain and ensuring that its suppliers of raw material of aquaculture origin are governed by the same responsible action values and, as applicable, that they accept and sign the Responsible Declaration of the **Providers' Ethical and Social Charter of the Nueva Pescanova Group**.

Article 6. Development and control

The Corporate Director of Aquaculture of the Nueva Pescanova Group controls the implementation, development, and compliance with this Sectoral Policy of Aquaculture Responsibility in all aquaculture companies of the Group, as well as guaranteeing and coordinating the implementation of projects or other actions aimed at improving or developing it.

Article 7. Evaluation

The Corporate Department of Aquaculture, in collaboration with the Corporate Department of CSR & IR, shall on a yearly basis evaluate the compliance and efficiency of this Sector Policy and the projects and actions executed in the Nueva Pescanova Group, being incorporated into the Annual Report on Activities of the corresponding Business Unit, which will be presented to the CEO and the COMEX of the Group.

Article 8. Dissemination, training and communication

It is the Corporate Department of Aquaculture that is responsible, in collaboration with the Corporate Department of CSR & IR, according to the Corporate Policies of CSR and Sustainability, and in collaboration with the Corporate Communication Director in the terms established in the Corporate Communication Policy, for the appropriate actions of dissemination, training, and communication to ensure the effective awareness of this Sectoral Policy, as well as any international regulation developed by the same, including its translation into the relevant languages within the Nueva Pescanova Group and its eventual dissemination and publication both through the corporate intranet **PESCANET** as well as in the relevant websites directly controlled by the Nueva Pescanova Group.

Article 9. Revision and changes

1. This Sector Policy shall be periodically revised, and at least once per year, by the Corporate Department of Aquaculture.
2. Any changes to this Sectoral Policy will be approved by the Executive Committee (COMEX) of the Nueva Pescanova Group, at the proposal of the Corporate Director of Aquaculture.

Article 10. Approval, effective date, and validity

This Sectoral Policy was approved, at the proposal of the Corporate Director of Aquaculture, by the Executive Committee (COMEX) of the Nueva Pescanova Group in their Meeting held on September 23, 2019, at their corporate headquarters in Chapela (Redondela – Pontevedra – Spain), being in force and being valid for the entire Nueva Pescanova Group starting from that date.

Article 11. Modification control

Version	Modification summary	Modification promoter	Modification approval entity	Modification approval date
v_1	Initial approval of this Sectoral Policy	Corporate Director of Aquaculture	COMEX	9/23/2019

SECTORAL POLICY OF AQUACULTURE RESPONSIBILITY IN THE NUEVA PESCANOVA GROUP

