

Supplier Code of Conduct

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Letter from the Supply Chain and Logistics SVP

Dear Supplier,

I'm delighted to introduce you to Espersen's Supplier Code of Conduct (the Code), one of the most important documents you will receive from our company. Thoughtfully reviewing it, and aligning with its requirements, will strengthen the relationship and mutual trust between us.

At Espersen, we have the tremendous opportunity to work with hundreds of suppliers in countries across the globe. We rely on these suppliers every day to support our mission of inspiring people to enjoy healthy and delicious seafood, helping to feed a growing population with this comparatively climate-friendly food source.

We are privileged to have built numerous long-standing partnerships that enable us to deliver on this mission. And we welcome new suppliers to our ecosystem.

But partnering with our suppliers is much more than quality products or timely delivery. That's because, at Espersen, how we conduct our business is as important as our results. We strive to conduct business in a sustainable manner that encompasses concerns about resource use and protecting the oceans. And ensuring we safeguard seafood supplies for future generations, including wild and farmed fish raw material, packaging and ingredients.

This unshakeable requirement rests upon our values, who we are as a company and individuals, and how we align with the needs of our various stakeholders. Although living up to such aims may present new challenges for some, we expect all our suppliers to share this commitment to integrity while conducting business with and/or on behalf of Espersen. In fact, your compliance with the Code is a condition of doing business with us.

Of course, we appreciate that sustainability standards and expectations will evolve over time. So please view this Code as a living document that will be updated from time to time to reflect such changes.

And finally, a big thank you to our suppliers for your collaboration and hard work – helping to ensure mutual success for all. I look forward to continuing our business relationship – or, if you're new to Espersen, to getting our new relationship off to a great start!

Sincerely,

Michael Didriksen
Senior Vice President, Supply Chain and Logistics



Michael Didriksen
Senior Vice President,
Supply Chain and
Logistics

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Introduction & scope

Doing our part

We believe that to ensure a sustainable future, we must do everything possible to encourage sustainable practices – both within our company and beyond.

Why it matters

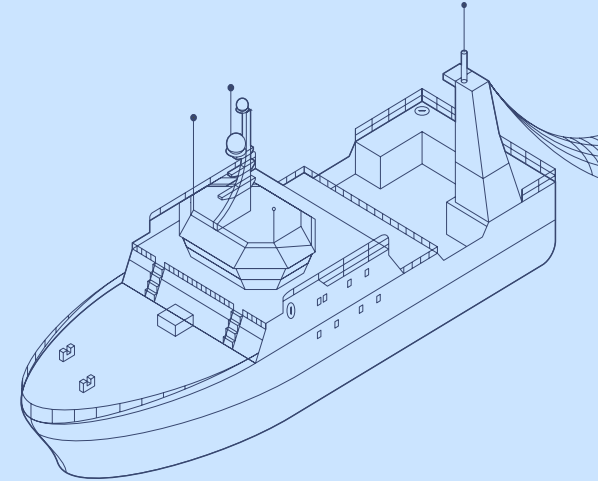
The world's food systems are under great pressure. With the global population expected to reach 8.6 billion by 2030, meeting the protein and nutritional demands of this growth is one of the greatest sustainability challenges of our time.

Happily, foods based on white fish species present an important source of high-protein, micronutrient-rich nutrition. The marine fishing industry can play a key part in providing this healthy nutrition in the coming decades – but only if we can work together across the entire value chain to conserve and sustainably fish from marine resources.

At the same time, we are committed to meet our customers' expectations, and share their values for high-quality, safe products, environmental responsibility, and social conscience. Last, but not least, we comply with legal requirements everywhere we operate – and are obliged to ensure that our suppliers do the same.

Our Sea, Our Fish, Our Food

The words "Our Sea, Our Fish, Our Food" encourage all Espersen employees, suppliers and customers to take personal ownership of the contribution we make together to protect the ocean, ensure the abundance of raw materials, and provide high-quality, nutritious and delicious food. Ultimately, the result of our combined



Supplier Code of Conduct

Our Supplier Code of Conduct (hereafter called the Code) is designed to align our suppliers with the same responsible business standards we practice – and which our customers and other key stakeholders expect of us. It is in no way intended to conflict with or modify the terms and conditions of any existing contract.

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efforts is more sustainably sourced, processed and packaged products for consumers.

We're proud to be able to say we have a long tradition of working with our suppliers to identify and promote innovative practices and technologies that enable more accurate selectivity, improved fish handling, reduced energy use and lower environmental impact. Our leading values of doing business are honesty and integrity, and acting sustainably is an integral part of our operations.

We recognize, too, that our operations consume substantial water resources and generate waste. But we are working hard to minimize these impacts through sustainable practices, striving to strike a harmonious balance between meeting the global demand for nutritious seafood and safeguarding people and the environment. Our suppliers join us on this journey, just as we join them in theirs.

Who is this Code for?

This Code applies to all our suppliers of fish raw materials, ingredients, packaging, transport, storage, and services. It sets out the minimum standards that all suppliers must follow and may be enforced accordingly. Please note that there are special requirements for food suppliers, detailed in section 3.5 of the Governance section.

Suppliers are responsible for educating their employees, agents and subcontractors to ensure they follow the requirements outlined in this document. If at

any time, the supplier is unable to comply with one or more of the requirements, Espersen must be informed as soon as possible. We also ask that all documents and certificates provided by each supplier contain accurate information. If any details change or are found to be incorrect, let us know promptly. And of course, if challenges arise regarding terms laid out in this Code, we are open to discussing a timeframe action plan to address these issues.

Notes

We believe in collaboration and partnership – especially when working with suppliers that prioritize continuous improvement! If you have questions or feedback regarding this Code, contact your Espersen buyer or contact person.



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1. Environment:

Protecting the Planet

Why it's important: We recognize that marine ecosystems are crucial for global food security and the livelihoods of millions of people. At the same time, reducing water consumption, carbon emissions and waste helps mitigate environmental impact and supports the resilience of communities dependent on these ecosystems.

1.1 Responsibly Managed Seafood

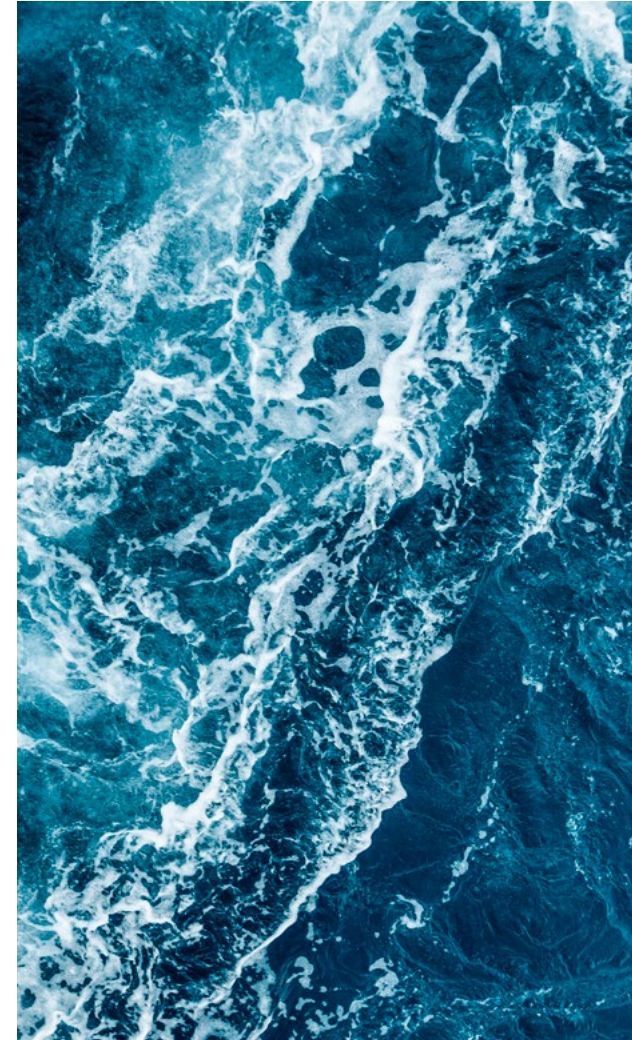
Espersen encourages seafood suppliers (wild or farmed) to aim for responsibly managed seafood and third-party certification. This is the preferred choice. Preferred standards are certification schemes that have been announced as 'GSSI recognized' (Ref. Annex).

- **Wild Catch:** Suppliers that provide wild catch are expected to strive for responsible fisheries management, such as to minimize overfishing, by-catch and lost/abandoned gear, and to reduce physical impact on the ecosystem. All international and national or regional restrictions including seasonal fishing, restricted marine areas, etc. must be respected.

- **Aquaculture:** Suppliers providing farmed seafood need to have an environmental management plan for material assessed environmental impacts (i.e. pollution, chemical uses, etc.). Lastly, for open pen and nets, this Code requires appropriate practices, monitoring, and an action plan related to the prevention of species escapement.

1.2 Resource use

Naturally, we expect suppliers to comply with all relevant local, national, and international environmental legislative and regulatory requirements that apply to their business. The supplier shall have adequate management and monitoring of its own resource use.



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This includes energy consumption, water consumption and waste generated. Resource use should be reasonable for the supplier's business model, with a focus on continuously improving and reducing usage. Waste, and in particular hazardous waste, must be disposed of legally, and with minimal environmental damage and health risks.

1.3 Emissions

We encourage all suppliers to continuously reduce their emissions, and to work towards science-based emission targets. And we are ready to offer our support, where possible, in the journey to reduce emissions.

As Espersen has approved science-based targets, data-sharing initiatives regarding emissions reductions are in place. So, from time to time, we will request selected suppliers to report on their environmental data and practices – and we ask these suppliers to do their best to support such requests.

1.4 Packaging

- **Sourcing:** We encourage the use of materials sourced from recycled materials (when feasible and food-safe) and/or renewable sources for packaging. We encourage relevant packaging suppliers to use third-party, responsibly sourced paper and cardboard materials, such as Forest Stewardship Council (FSC). Providing transparent information about packaging materials and their recyclability is essential. We value efforts aimed at reducing waste.

- **Reduction:** We advocate for minimizing the use of single-use plastic in packaging, where feasible. When supplying Espersen, use as little packaging material as possible while ensuring product safety. Additionally, favor packaging that minimizes space during shipping and storage.

- **Recyclability:** Prioritize materials that are easily recyclable. In addition, when possible, opt for materials that can be reused or have a lower environmental impact for disposal methods.

- **Continuous Improvement:** We support the exploration of innovative ways to enhance packaging sustainability. Suggestions and ideas for improvement are welcomed.

1.5 Logistics

- **Equipment:** When transporting products to Espersen, suppliers must use Euro 6 standard trucks, as a minimum. And carriers are required to use only trucks and trailers with valid ATP and FRC approvals when transporting products to us. Maintenance programmes should be available upon request.
- **Operations:** Espersen encourages carriers to strive to carry out transport and warehousing in the most environmentally friendly way possible, and we prefer to work with suppliers who have proven environmental programmes. Our focus is on optimizing the volumes carried per transport and we endorse the use of round trips where possible to reduce wasted kilometers.

1.6 High environmental risk ingredients (direct & indirect)

Ingredients and indirect ingredients, such as animal or fish feed, that come with higher environmental impact risks (such as deforestation or overexploitation) need to meet extra requirements if they are provided by the supplier, their sub-suppliers, or sub-contractors.

- **Palm Oil (Direct & Indirect ingredient):** All palm oil delivered to Espersen must be 100% Roundtable on Sustainable Palm Oil (RSPO) certified (please refer to the Annex if applicable to a supply).
- **Soy (Indirect ingredient):** Soy is an indirect ingredient for Espersen, through farmed animal ingredients. Before the first shipment, the supplier must state whether the animal feed used in production contains/ed certified or non-certified soy (please refer to the Annex if applicable to a supply).
- **Fishmeal (Indirect ingredient):** Fishmeal should be sourced responsibly. Espersen prefers certified fish meal (MarinTrust, MSC, ASC, etc.) for our indirect ingredient supply.

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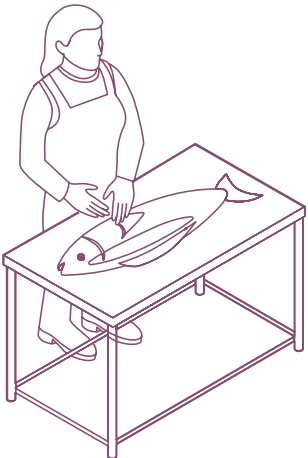
2. Social:

Respect for People

Why it's important: Respecting people means valuing their rights, safety, and ethical treatment in all aspects of life. By valuing the dignity, well-being, and fair treatment of individuals, we can foster a just and equitable society together.

2.1 Human Rights

Espersen's suppliers must be committed to good practices in labor, human rights, and general worker welfare, providing safe and healthy working conditions and dormitories where applicable. As a minimum, compliance with the Ethical Trade Initiative (ETI) Base Code is required. And, of course, suppliers must comply with the United Nations Declaration of Human Rights and ILO's fundamental Conventions and Principles about people's rights at work. The ETI Base Code is built on the nine themes listed below. Please refer to the Code's annex for specific definitions and terms regarding these pillars.



1. Employment is freely chosen
2. Freedom of association and the right to collective bargaining are respected
3. Working conditions are safe and hygienic
4. Child labor shall not be used
5. Living wages are paid
6. Working hours are not excessive
7. No discrimination is practiced
8. Regular employment is provided
9. No harsh or inhumane treatment is allowed

2.2 Ethical and social audits

To work with Espersen, our suppliers need to follow a management system that ensures compliance with all legislative and regulatory requirements, including this Code. If a supplier and/or its relevant sub-suppliers or sub-contractors are based in a high or medium-risk



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country (defined by our sustainability department's use of Sedex's radar risk tools), all must acquire a third-party social audit verification and the audit should cover site and land-based primary production. For all other suppliers, including vessels, a minimum standard is to provide information on their ethical standard through the Espersen supplier questionnaire.

Accepted ethical audit schemes include, but not limited to:

- Sedex Members Ethical Trade Audit, 4-pillar scheme (SMETA, based on ETI Base Code)
 - If the supplier has a Sedex account, they must share their company and site code. Along with allowing Espersen to link to the company in the Sedex platform.

I'm proud of our long history of building strong, win-win relationships with both large and small suppliers around the world. We value our strategic relationships with suppliers and the significant role they play in supporting us to deliver on our purpose of inspiring people to enjoy healthy and delicious seafood, by providing the most sustainably sourced and produced fish and seafood choices.

Peter Michael Gruhn, Procurement Manager, Fish Category

- Business Social Compliance Initiative (BSCI)
- Social Accountability 8000 (SA8000:2008)
- Initiative for Compliance and Sustainability (ICS)
- Announced SSCI (Social and Scheme Management Criteria) recognized schemes

Every one to two years, and depending on the audit type and expiration, Espersen's sustainability department will re-evaluate the social audits of suppliers based in high or medium-risk countries.

2.3 Social compliance at sea (vessel suppliers)

Overall, Espersen aims for continuous improvement in social transparency for vessel suppliers. Suppliers with vessels or relevant sub-suppliers and sub-contractors linked to Espersen's supply, are encouraged to work towards vessel social certification schemes, such as FISH Standard for Crew, National Fisheries Institute (NFI) and Responsible Fishing Vessel Standard (RFVS). For suppliers without a vessel certified scheme, all direct vessel suppliers are required to answer all questions within Espersen's "Vessels and Factory Trawlers Questionnaire". Suppliers who are traders must strive to fill in the vessel questionnaire from sub-suppliers that supply to Espersen. However, due to nature of the trading business, supplemental risk assessment and solutions will be performed by Espersen for traders or vessels, if the full questionnaire cannot be completed due to limited information, country specific laws, or sub-supplier complexity.

2.4 Health and Safety

We are committed to protecting the safety and health of our employees, our contractors, our customers and the communities in which we operate. Similarly, we expect our suppliers to provide a safe and healthy workplace for their employees and contractors.

We believe it is a basic right that employees should feel safe at work. Our suppliers, therefore, must implement policies and management relating to workplace health and safety. Appropriate first aid supplies and emergency plans and emergency evacuation routes must be in place, and in production facilities and on vessels, health and safety training must be implemented for all employees. Personal protective equipment (PPE) must be available to workers and used at appropriate workstations. Suppliers must strive to reduce accidents and work-related absences, through accident monitoring and safety training. Suppliers that provide accommodation for their employees must do so under appropriate conditions (refer to this Code's Annex, which outlines the standard for appropriate conditions).

2.5 Migrant and agency workers

Suppliers that employ migrant workers, and/or recruit workers through agencies, are responsible for taking action to prevent unethical recruitment practices such as modern slavery, forced labor and human trafficking. All suppliers and contractors must cooperate with audits and assessments via relevant documentation on preventing modern slavery. Additionally, suppliers must adhere to Espersen's Responsible Recruitment Policy, found on our website: Espersen – Policies

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3. Governance:

The highest ethical behavior

Why it's important: We believe that a foundation of trust is a crucial element that not only sustains the present but also paves the way for a future where business and society flourish together.

Notes

¹ "Personal data is any information that relates to an identified or identifiable living individual." (https://commission.europa.eu/law/law-topic/data-protection/reform/what-personal-data_en)

² Examples of types of frameworks are: information and security policies, internet security controls, ISO 27001. Non-exhaustive list.

³ Serious cyber breaches are incidents that, if not communicated to Espersen, would/could cause Espersen a significant loss, such as malware infection or difficulty in delivering products to the company's customers within an agreed timeframe.

⁴ Reference supplier CoC Annex

3.1 Legal compliance

Of course, in addition to adherence to this Code and other product-specific requirements, suppliers must comply with applicable national and international laws and standards. Information we provide must be kept confidential and under controlled access, ensuring relevant personal data¹ protection regulations (e.g., GDPR) and other privacy laws are followed. Reference the Annex for specifics around GDPR guidelines. Suppliers must have a framework for cyber risk management² in place and, as a minimum, ensure that best-practice cyber security policies are complied with.

Should any suspected or actual breach of law or this Code take place, by any employee or subcontractor to a supplier, then it must be reported immediately to the supplier's Espersen buyer contact. Particularly serious cyber breaches³ or personal data breaches⁴ should be reported within 24 hours.

Suppliers must also have suitable procedures and processes in place to ensure that any non-compliance with this Code is discovered, proactively taking corrective action as necessary, and notifying us of any non-compliance without delay.



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3.2 Business ethics

Suppliers commit to conducting business in an ethical manner and operating according to fair market competition. Policies and procedures must be in place to avoid involvement in corruption, fraud or bribery.

- **Reporting concerns & grievances:** Suppliers must have a confidential channel available for all workers to report concerns, violations, or grievances (e.g., health & safety, labor standards, illegal activities). For example, confidential email, hotline, suggestion/complaint box, trade unions, or a whistleblower platform. Ideally, at least one available reporting channel should be via a third party (i.e., trade union representative or 3rd party platforms). Where possible, channels must be available in the workers' native language. And those who do decide to use such channels must be free from the fear of retaliation (e.g., loss of wages, loss of job, or personal threats). Actual or suspected breaches of this Code may also be reported confidentially via Espersen's website or via <http://whistleblower.espersen.com/>
- **Animal Welfare:** Suppliers providing animal-based raw material (meat, eggs, dairy, etc.) must, as a minimum, comply with all relevant legislative and regulatory requirements regarding animal welfare. In addition, animal health and welfare monitoring and management must be established. See the Annex for specific raw material animal welfare requirements.

3.3 Trade sanctions and restricted areas

Due to legal restrictions, global sanctions or customer requirements, certain products or areas can be restricted from sourcing. Non-compliance with trade sanctions relevant for the engagement with Espersen is unacceptable. Should suppliers have engaged in any activity that breaches a trade sanction, or become aware of a claim, action, or suit related to a trade sanction, Espersen must be informed. Suppliers are responsible for complying with and keeping up to date on trade sanctions.

Espersen does not accept raw and/or processed seafood materials arriving on vessels with flag states from blacklisted regions/countries and/or are on official IUU (blacklisted) vessel lists (IUU lists can be found on RFMOs websites). These lists are subject to change. If the list changes due to customer requests, we will inform our suppliers.

Espersen's customers have restricted the supply from certain regions, territories, and countries. The list of areas and eventual changes will be communicated to the affected supplier/s through the Espersen buyer and product specifications. Suppliers must comply with these restrictions and communicate non-compliances immediately.

3.4 Food, food contact materials & packaging and food logistic suppliers only

The safety of our products is very important. Therefore, suppliers of fish, ingredients, food-contact packaging, distribution and storage must meet additional requirements.

- **Food safety and quality:** Suppliers in this category must comply with relevant food safety laws and regulations of the country in which they operate, as well as in the receiving markets. To become an Espersen supplier, approval by the Supplier Quality Assurance Team is necessary, based on an internal questionnaire. Preferably, suppliers comply with the relevant [GFSI recognised certification programme](#), which is 3rd party verified on a yearly basis. Any changes to the supplier's certification status (GFSI and GSSI recognised) must be communicated to Espersen's Supplier Quality Team as soon as possible and, if a certificate is revoked,



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no later than within 12 hours. Suppliers and service providers whose quality management system is not third-party certified must take a risk-based approach and develop their system based on Codex Alimentarius 7 principles of the HACCP system, to be found in the document

CXC 1-1969 “General Principles of Food Hygiene”.

Independent of certification status, suppliers must have an effective incident management procedure in place that is tested at least yearly. Suppliers must appoint emergency contact employees within their own organisation, share these contacts, and proactively notify the Espersen Supplier Quality Team in case of any changes. In the event of a food safety related emergency (e.g., product recall, authorities request, etc.), suppliers are required to provide requested information to Espersen within 3 hours (up to 12 hours response time can be accepted where there is a significant time difference). Should nonconformities be detected by the supplier, related to already produced or shipped volumes, Espersen must be informed immediately.

Suppliers are responsible for verifying the quality of their products according to agreed specifications and legislation requirements from a physical, chemical, organoleptic and microbiological point of view. Compliance with relevant requirements is tested during Espersen's intake control, and suppliers are advised of any non-conformities found during this process.

The supplier must have a system for managing complaints that, in case of a complaint or rejection of a load, includes a thorough root cause analysis. Findings need to be reported to Espersen together with corrective and preventative action plans to avoid the same mistake repeating.

- **Food fraud and authenticity:** Suppliers in this category need to undertake a vulnerability assessment of their supply chain, premises and production steps against potential fraud of the food, packaging or services provided. Once risks are identified, appropriate measures must be taken to mitigate those. Suppliers must ensure to apply the same requirements to their suppliers to ensure authenticity throughout the supply chain.
- **Packaging:** The packaging used for products supplied to Espersen must comply with applicable national and EU regulations. All packaging items must have a written specification and up to date conformity declaration. For all materials in contact with food, a migration study certificate must be provided. Special requirements for food contact materials and packaging apply – please see the Annex.

3.5 Storage, logistics and distribution

- **Legal:** Carriers are obliged to operate in compliance with EU and Danish legislation regarding chilled and/or frozen goods. The shipper will hold no responsibility in the carrier's failure to comply with the most

recent legislation in EU and Denmark. Carriers are obligated to have self-inspection programs in accordance with EU legislation and is obligated to have procedures in place for receipt, storage, labelling, inspection and recording of goods.

- **Operations:** Carriers are obligated to monitor and record temperature condition during transportation of the goods. The temperature should be monitored via logger or satellite and documented at request from the shipper either online or per report. Chilled and frozen goods must be transported at temperatures of 2C or 5C for chilled goods and –18C for frozen goods. Carriers must also ensure that transport is carried out in accordance with the legislation and have a written breakdown procedure



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ready, including contingency plans and corrective action plans. Carriers must have programs in place for maintenance and cleaning of equipment used transporting Espersen products. Records should be available upon request. Furthermore, carriers need to ensure loading, transport and unloading of goods is carried out under hygienic conditions without risk of contamination and unauthorized access to the goods.

3.6 Traceability and transparency

All food products supplied must be traceable from the harvest/catch, through all processing steps, until final delivery to Espersen. Suppliers must have appropriate procedures in place that ensure continuous documentation throughout the supply chain. All suppliers must report the country of origin where the raw material was caught, raised or grown/harvested – and respect potential exclusions e.g., restricted trade areas.

3.7 Verification and auditing

At any time, Espersen may make either announced, semi-announced, or unannounced audits to our suppliers, assessing compliance with requirements of this Code. We expect our suppliers to present correct documentation and access to sites, personnel, fishing vessels, and/or farms upon audit requests. If non-compliance with the Code is found during the audit, the supplier must follow up and implement corrective actions in an agreed timeframe.

Regarding verification requests, when requested, for example to support a certification audit, the Supplier needs to provide relevant documentation and informa-

tion to Espersen in due course. That can include certificates, audit reports, specifications, countries of origin, laboratory results etc.

3.8 Non-compliance

Espersen values strong, long-term relationships with our suppliers. Non-compliance with this Code, however, may mean that we cease to buy a supplier's products or services.

Physical signature:

With this signature, I declare that this Supplier Code of Conduct, including all additional information provided in the Annex, has been read and understood. All products or services supplied to Espersen will comply with the Supplier Code of Conduct, and with both relevant national and international legislation.

Signature

Print Name

Title

Date

Email

Supplier (Company name)

Sedex account information for supplier or relevant sub-supplier/s (if applicable):

ZC:

ZS:

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Annex

This Annex to the Espersen Supplier Code of Conduct will be regularly reviewed, and we will inform suppliers if an update is required. The Annex is a standalone document and does not require a signature.

The Annex section numbers correlate to the section numbers in the Code.

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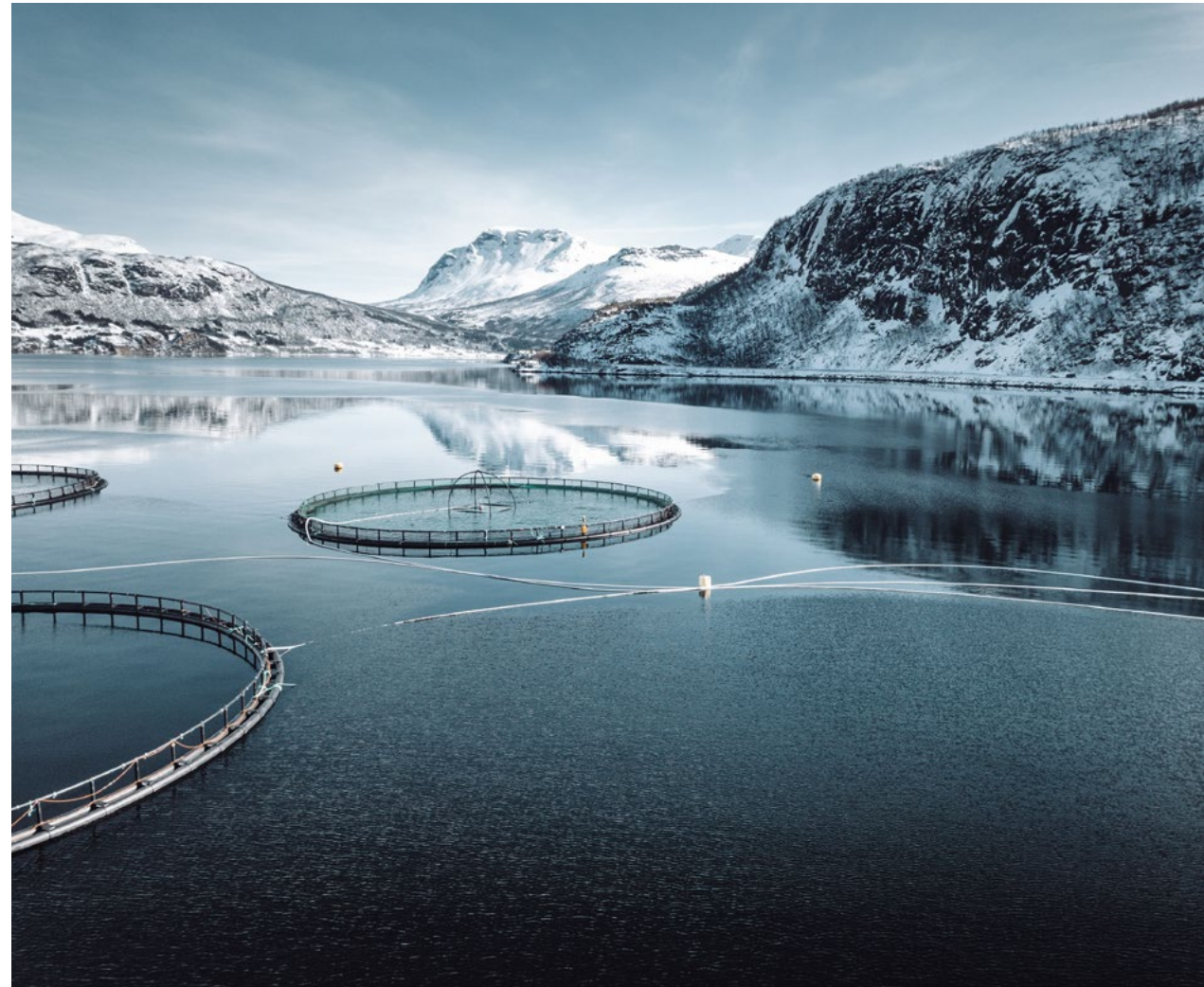
1. Environment

1.1 Fish & seafood certifications: Preferred standards are certification schemes that have been announced as 'GSSI recognized':

<https://www.ourgssi.org/gssi-recognized-certification/>. The list of GSSI recognized standards are subject to change (the link is active), meaning new certifications can be added or previously approved ones can be dropped.

1.6 High environmental risk ingredients (direct & indirect)

- **Palm Oil (Direct & Indirect ingredient):** All palm oil delivered to Espersen must be 100% Roundtable on Sustainable Palm Oil (RSPO) certified. Certification must be provided to Espersen before the first delivery. Suppliers must provide documentation and evidence that they operate legally in accordance with the EUDR: [Regulation - 2023/1115 - EN - EUR-Lex \(europa.eu\)](#)
- **Soy (Indirect ingredient):** Soy is an indirect ingredient for Espersen, through farmed animal and fish ingredients. Before the first shipment, therefore, suppliers must provide a statement of whether the animal feed used in production contains/ed certified. Suppliers must provide documentation and evidence that they operate legally in accordance with the EUDR: [Regulation - 2023/1115 - EN - EUR-Lex \(europa.eu\)](#)



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2. Social

2.1 ETI Base code: Founded on the International Labour Organization (ILO), an internationally recognized code of labour practice. Definitions have been taken from the Ethical Trading Initiative, with slight modification, however, for definition number six, regarding fishing vessels.

1. Employment is freely chosen

1.1 There is no forced, bonded or involuntary prison labour.

1.2 Workers are not required to lodge “deposits” or their identity papers with their employer and are free to leave their employer after reasonable notice.

2. Freedom of association and the right to collective bargaining are respected

2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.

2.2 The employer adopts an open attitude towards the activities of trade unions and their organizational activities.

2.3 Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.

2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

3. Working conditions are safe and hygienic

3.1 A safe and hygienic working environment must be provided by all our suppliers, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps must be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimizing, where possible, the causes of potential hazards in the workplace.

3.2 Workers must receive regular and recorded health and safety training, repeated for new or reassigned workers.

3.3 There must be access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage provided.

3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.

3.5 Responsibility for health and safety must be assigned to a senior management representative.

4. Child labor shall not be used

4.1 There must be no new recruitment of child labor (“child” and “child labor” are defined in Appendix 2).

4.2 Companies shall develop or participate in and contribute to policies and programmes that provide for the transition of any child found to be performing child labor to enable her or him to attend and remain in quality education until no longer a child.

4.3 Children and young people under 18 must not be employed at night or in hazardous conditions.

4.4 These policies and procedures must conform to the provisions of the relevant ILO standards.

5. Living wages are paid

5.1 Wages and benefits paid for a standard working week must meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. And they should always be enough to meet basic needs and to provide some discretionary income.

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5.2 All workers must be provided with written and understandable information about their employment conditions in respect to wages before they enter employment, and about the particulars of their wages for the pay period concerned each time that they are paid.

5.3 There must be no deductions from wages as a disciplinary measure, and no deductions from wages not provided for by national law without the express permission of the worker concerned. All disciplinary measures should be recorded.

6. Working hours are not excessive
Land-based suppliers:

6.1 Working hours must comply with national laws, collective agreements, and the provisions of all points below, whichever affords greater protection for workers. Sub-clauses 6.2 to 6.6, below are based on international labor standards.

6.2 Working hours, excluding overtime, shall be defined by contract and not exceed 48 h/ week.*

6.3 All overtime shall be voluntary. Overtime must be used responsibly, taking into account the extent, frequency and hours worked by individual workers and the workforce as a whole. It must not be used to replace regular employment, and always be compensated at a premium rate, recommended to be not less than 125% of the regular rate of pay.

6.4 Total hours worked in any 7-day period must not exceed 60 hours, except where covered by the clauses below.

6.5 Working hours may exceed 60 hours in any 7-day period only in exceptional circumstances where all the following are met:

- This is allowed by national law.
- This is allowed by a collective agreement freely negotiated with a workers' organization representing a significant portion of the workforce.
- Appropriate safeguards are taken to protect the workers' health and safety.
- The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.

6.6 Workers shall be provided with at least one day off in every seven-day period or, where allowed by national law, two days off in every 14-day period.

At sea suppliers (Vessels):

6.1 Crew on fishing vessels at sea must have shifts that provide sufficient breaks/rest periods between shifts.

6.2 Except for single-person vessels operated by the owner, working hours and rest periods during each fishing trip must be logged.

7. No discrimination is practiced

7.1 Employers must not discriminate in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

8. Regular employment is provided

8.1 Work must be performed on the basis of a recognized employment relationship, established through national law and practice.

8.2 Obligations to employees under labor or social security laws and regulations arising from the regular employment relationship must not be avoided through the use of labor-only contracting, subcontracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment. Such obligations must not be avoided through the excessive use of fixed-term contracts of employment.

↓ Notes

* International standards recommend the progressive reduction of normal hours of work, when appropriate, to 40 hours per week, without any reduction in workers' wages as hours are reduced.

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9. No harsh or inhumane treatment is allowed

9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation must be prohibited and actively discouraged.

2.4 Health & Safety

- Employer provided accommodations

Naturally, national and state regulations regarding housing, labor, health and fire safety should always be followed. If the employer charges rent for the housing, it should be at a reasonable proportion of their workers' salaries.

Land-based suppliers

Housing should be in an area where environmental risks don't present high threat (i.e., pollution) and must be properly constructed for the environmental risks of the area (i.e., hurricanes, earthquakes). And workers should be allowed to have communication systems to reach others outside of the accommodation and working facilities (i.e., telephones, internet access). In addition, the designated areas listed below need to follow specific principles:

Sleeping areas

- A separate bed for each worker.
- Room size provides adequate movement for individual workers to move comfortably in the room.
- Beds are arranged in a safe manner (not too highly tiered/bunked) with adequate spacing between beds and headroom (if tiered/bunked).

- Adequate ventilation, heating, and lighting systems that are operational and maintained.
- Accommodations should be separated by gender.
- Personal lockers or individual lockable area where workers can safely secure their belongings.
- Number of workers sharing a room is not excessive
- Sleeping rooms should be arranged so workers on the same shift share a room to reduce disturbance during sleep and rest periods.

Canteens, dining & sanitary areas

- Canteen and dining areas are in a separate room from sleeping quarters
- Food storage and preparation areas are in good condition and protected to avoid contamination.
- Food provided to workers must be of a good variety and enough for each individual.
- Safe and potable water is provided along with fresh hot and cold water.
- Adequate sanitary areas to ensure hygiene and health standards are maintained. For example, soap and hygienic paper are kept in stock, there are sufficient toilets and showers for the number of people living in the building, these are regularly cleaned, etc.
- Adequate privacy is provided in sanitary areas.

At sea suppliers (Vessels):

In general, the vessel and all areas must be in good structural condition. And the designated areas below must:

Galley

- Contain cooking appliances in good condition and which pose no health risks.
- Store food in a suitable condition to avoid contamination (i.e., fridge, food storage room).
- Provide hand-washing facilities.
- Provide continuous access to potable water.
- Ensure cooking areas are kept in good and clean condition.
- Provide a good variety and quantity of food for each crew member.

Sleeping areas

- Ensure air ventilation and heating systems are operational and maintained.
- Have insulation to reduce noise from vessel machinery.
- Not directly open into engine, catch storage or processing rooms.
- Have designated bunks for all vessel passengers for the whole fishing trip.
- Demonstrate accommodation privacy for all genders (if the crew is mix-gendered), with reasonably practical designated sleeping areas.

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3. Governance

3.1 Legal compliance GDPR

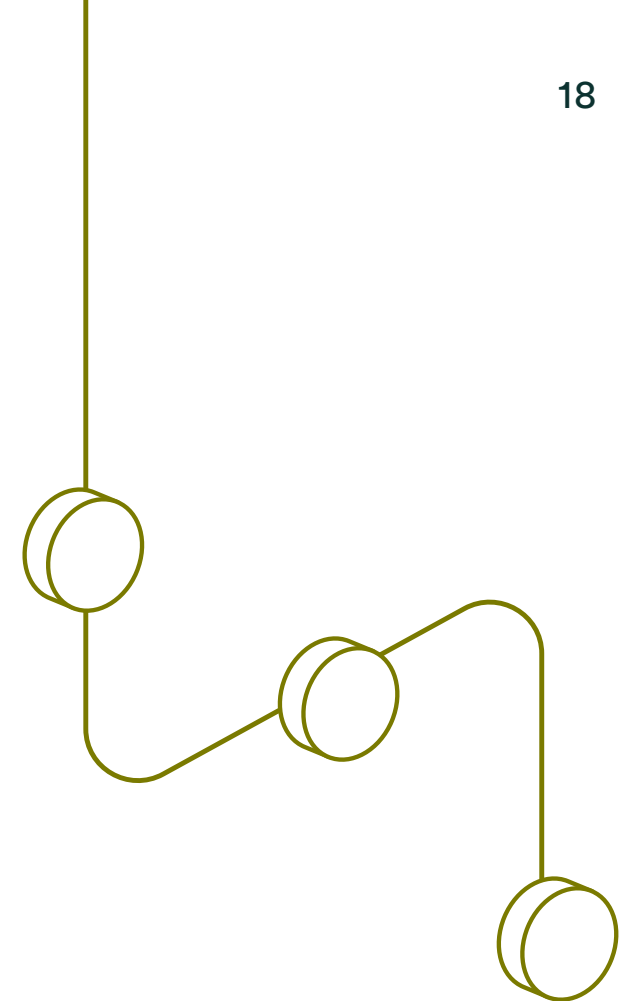
As a company based within the European Union, Espersen is obliged to adhere to the General Data Protection Regulation (GDPR). Of course, not all our suppliers are based within the EU, and therefore may be covered by other data legislations. But, if a transfer of personal data needs to take place from a country within the European Union to a country outside the European Economic Area or EU, it can only take place after a Data Processing Agreement, a Transfer Impact Assessment (TIA) and a specific, written instruction are in place. Espersen suppliers must implement technical, physical, and organizational measures to ensure a high level of security of Personal Data processing and to protect such data against unauthorized or unlawful processing, and against accidental loss, destruction, damage, alteration, or disclosure. The Data Processor's security measures must always meet or exceed the requirements of any applicable laws and regulations, including GDPR. As part of this, suppliers are obliged to regularly monitor the performance of subcontractors, remaining fully liable for their work. And, if asked, suppliers will need to provide Espersen with information on the substance of the contract related to the implementation of the data protection and security obligations within the subcontract relationship.

Personal Data Breach Notification

In the event of a “Personal Data Breach”, i.e., a breach of security leading to accidental or unlawful destruction, loss, alternation, unauthorized disclosure of, or access to Personal Data transmitted, stored or otherwise processed, the Supplier must, as quickly as possible but no later than in 24 hours after becoming aware of it, notify Espersen in writing and additionally in any other reasonable and prompt manner (e.g., by phone).

The Personal Data Breach notification must contain at least the following:

- A description of the nature of the Personal Data Breach including, the categories and approximate number of Data Subjects concerned and the categories and approximate number of data records concerned.
- The name and contact details of the person responsible for the Supplier's data protection matters.
- A description of likely consequences and/or realized consequences of the Personal Data Breach.
- A description of the measures taken to address the Personal Data Breach and to mitigate its possible adverse effects.



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If the information listed above can't be provided at the same time, it may be provided in phases as quickly as possible. Suppliers must document any Personal Data Breach and make the record available to Espersen upon request.

3.2 Animal welfare

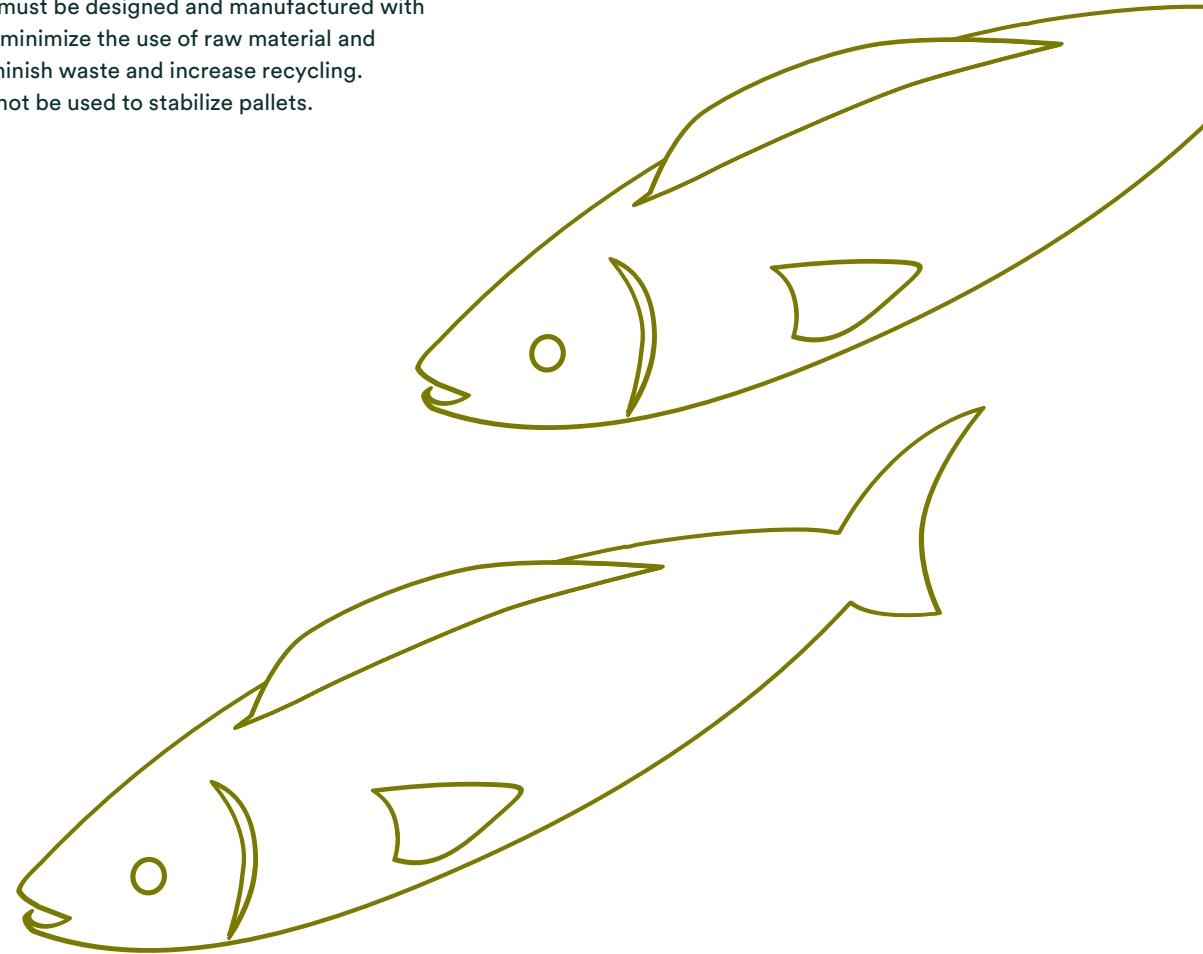
- **Eggs:** All pure eggs (powdered eggs, frozen, egg yolks or whites) sold to Espersen must be cage free, with a minimum standard of barn eggs.

3.4 Food, Food Contact Materials & Packaging and Food Logistic Suppliers only

Food contact and food packaging materials

- "Food contact materials" refers to all materials and articles intended to come into contact with the product.
- Products must not be treated with radiation.
- The use of Polyvinyl Chloride (PVC) is not accepted in food contact materials.
- The use of Bisphenol A is not accepted in food contact materials.
- Suppliers must have a Declaration of Compliance for all food contact materials.
- Packaging must not contain substances on the Reach Candidate List <http://echa.europa.eu/sv/candidate-list-table>.
- Organic fluorinated substances in packaging must be as low as possible and declared by each supplier.
- Food contact materials of cardboard and paper containing fluorinated substances (PFAS) must not be used.

- Packaging made of paper and carton must not be bleached with chlorine.
- Packaging must be designed and manufactured with the goal of minimize the use of raw material and energy, diminish waste and increase recycling.
- Nets must not be used to stabilize pallets.





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