

CEO message

At High Liner Foods, our commitment to sustainability can be summed up simply: We offer the right fish from the right sources, fished or farmed from the right waters, using the right methods and delivered at the right price.

As a leading provider of responsibly sourced seafood, we understand our obligation to operate in a manner that minimizes our environmental footprint while maximizing the positive social and economic impacts of our business. We know that seafood is a better choice for people and the planet, often being healthier and less carbon-intensive than other protein choices. And, we recognize the importance of sustainable practices in ensuring the long-term health of our planet and the well-being of future generations.

Sustainability is deeply ingrained in our corporate culture and is reflected in every aspect of our operations, from sourcing to distribution. We reached several important milestones on our sustainability journey in 2023, and I am very pleased to showcase some of these incredible highlights in this year's Sustainability Report.

A year of action

We believe the key to our success is, and will always be, people. Our long-standing relationships serve as the foundation for our success — whether it's the people who we are proud to employ, the suppliers who are our trusted partners, the customers and consumers who believe in the quality of our products, or our investors who support our long-term vision. To each of these groups of individuals, we are proud to share how we are keeping our commitments, laying the groundwork, and looking forward.

Environmental action

In 2023, we continued to improve the processes to quantify High Liner Foods' carbon footprint. We implemented refinements to our greenhouse gas inventory to ensure we have a comprehensive understanding of our business' contribution to climate change and to prepare for new and anticipated reporting requirements. This also provides us with information that is more decision-useful for purposes of planning and management.

We also established a Continuous Improvement team in 2023. The first mission for this new function is to identify food waste reduction opportunities. This is an important step toward our goal of reducing food waste intensity 50% by 2030 versus our 2018 baseline.

Empowered people

Enhancing our human resources policies and programs was another major achievement in 2023. These efforts are already showing results, including increased employee engagement and high satisfaction with our onboarding processes. Because our employees are essential to our success, an engaged and empowered workforce will impact everything — quality, safety, value — and ultimately our performance and success.

Social compliance

Social compliance in the fishing industry has become an increasingly pertinent topic as the global demand for seafood continues to rise. Stakeholders are increasingly recognizing the importance of ensuring that seafood supply chains are socially responsible and equitable as concerns of illegal fishing, human rights abuses, and unsustainable practices gain prominence. High Liner Foods is proud to have taken proactive, tangible steps in 2023 to demonstrate industry leadership in social compliance.

The High Liner Foods Supplier Code of Conduct has been the backbone of our social compliance program since 2014 and underwent significant updates in 2023. With new whistleblower mechanisms and stronger provisions to address modern slavery risks, the new policy solidifies our zero-tolerance approach to human rights abuses anywhere in the High Liner Foods supply chain. The revised Supplier Code of Conduct will be published in 2024, and details of our efforts to preclude human rights abuses in our supply chain will be published in May 2024 in alignment with Canada's Bill S211, "An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act".





Society's Shifting Seafood Expectations

We believe seafood is a better choice for people and the planet because we feel it is often healthier and less carbon-intensive than other protein choices.

Did you know:

- The percentage of per capita consumption of seafood increased by 84% from 1960 to 2022
- From 2021 to 2023, the consumption of seafood increased by 8%,¹ making it the fastest-growing protein in North America

Focusing on sustainability in our supply chain creates tremendous opportunity:

- Nine out of ten people are concerned with seafood sustainability
- Three out of every four consumers (74%) say buying responsibly sourced seafood is important²
- 63% will ask if seafood is sustainable before ordering in a restaurant²

¹ Mintel – Protein & Meat Alternatives Report, 2022.

² NielsenIQ. Sustainability: The new consumer spending outlook. October 2022; FMI Power of Seafood Report, 2023.

Looking forward

For 125 years we have proven our ability to navigate change and remain resilient in the face of challenges. This success is a testament to our adaptability, forward-thinking strategies and dedication to overcoming obstacles.

While we remain keenly focused on the work at hand, we recognize that we must also look beyond the horizon to predict potential opportunities (and threats) that may impact us. This includes ensuring we continue to have a diversified and consistent supply chain, despite changing weather patterns, unpredictable seafood migration, the geopolitical environment, updated regulatory requirements, and ever-changing customers' needs for responsibly sourced seafood.

Looking ahead, we see the opportunity to expand restaurant-style flavours and formats of seafood at home, while keeping in mind four key macro trends:

1. **Demand for Value** – Consumers are impacted by economic uncertainty but continue to seek quality products even when shopping for entry-level price points. At the same time, they value elevated food experiences, whether dining out or at home.
2. **Convenience without Compromise** – With ongoing staffing challenges, retailers and foodservice operators will continue to turn to value-added solutions that save time and money. There is no room to compromise on taste and quality for convenience.
3. **Caring about the Greater Good** – There is increasing demand for nutritious food that is both affordable and accessible to all.

Consumers are also favouring purpose-driven brands that are committed to demonstrating socially equitable and planet-friendly practices, which is why our long-term efforts appeal to customers, particularly those looking for alignment of purpose and values as a differentiator when making purchasing decisions.

4. **Modern Meals** – Consumers' relationship with food and food culture is often sophisticated, seeking out choices that are more globally inspired and experiential. Younger consumers especially embrace global cultures — their food choices reflect a desire for fun and exploration, as well as alignment with their values.

As we move forward, we remain steadfast in our commitment to sustainability and recognize that our journey is ongoing. We will continue to innovate, collaborate, and lead by example, striving to make a meaningful difference in the world while delivering value to our stakeholders.

Thank you for your continued support and partnership as we work together to build a more sustainable future.

Paul Jewer
President & CEO
High Liner Foods