

BLUMAR

2023 ESG Report

August 2024



FY 2023 ESG Report – Blumar S.A.

This is a supplementary ESG Report in addition to what Blumar S.A. published in the 2023 Integrated Report.

I. Governance and Economic Aspects

Production

Year	2020	2021	2022	2023
Production Volume	158,874	197,961	194,596	209,448

Risk Management

The company has a Comprehensive Risk Management model, formalized through its Comprehensive Risk Management Policy and a risk management system protocolized in the Comprehensive Risk Management Procedure. Blumar's risk management model covers the identification, evaluation, treatment and monitoring of corporate risks (first level of the Company) and is applied through all levels of the business, incorporating all processes and sub-processes. The company's corporate risk update, involves the identification of new business risks and the update or elimination of those previously raised, in order to evaluate those risks that can generate negative impacts or new opportunities for Blumar. The process of identification and evaluation of corporate risks is convened by the Audit Management, and all business areas participate in it, to raise and manage all types of risks that could impact the company, being these regulatory, strategic, financial, climate change, reputational, operational, among others. To the date, we only consider our own operations.

Currently, the risk management model carries out the risk process on an annual basis, due to the Company's need to update its risks and opportunities in a context that, in the short term, is highly dynamic, whether due to external threats, regulatory changes, new technologies, environmental fluctuations, among others, or internal, ensuring the care of people and the environment in which the businesses are developed.

Financial incentives with risk management metrics

Corporate incentives are related to specific risks Blumar has identified as key concerns. For example, the risk related to Occupational Health and Safety is connected to the performance evaluation of many employees, primarily in the Operations area in Farming, Fleet and process plants, with special emphasis on Managers, Assistant Managers and Heads. These performance evaluations are based on incentives for achieving the defined objectives, varying in each management positions. Managers of the aforementioned areas, have a 5% of financial incentives related to the achievement of occupational health and safety objectives.

Salmon Farming Executives have among their performance objectives the goal of staying at the top of the industry with respect to antibiotic use.

Trade Associations

Top 3 largest expenditures in trade associations

	USD
Pesqueros Industriales del Bio Bio	681,000
Salmon Chile	312,434

Climate Alignment in the Participation of Trade Associations

Blumar actively participates in trade and commercial associations, and as part of its commitment to sustainability seeks to align all its affiliations with the objectives of the Paris Agreement.

One of the initiatives in which we participate is the United Nations Global Compact, which provides us with tools to comply with the commitments of that agreement.

We also belong to the SalmonChile and Pescadores Industriales del Biobío unions, through which we participate in Clean Production Agreements (APL) that promote industries to address and manage the issue of climate change and the reduction of the carbon footprint, in line with the aforementioned agreement.

The Sustainability and OHS Deputy Management continuously reviews that our commitments with public policies and participation in trade and commercial associations remain aligned with our Sustainability Strategy and the objectives of the Paris Agreement. Also, the CEO reports to the Corporate Affairs, Ethics and Sustainability Committee of the Board the initiatives in which Blumar participates.

Usually, the Board of Directors and CEO select and decide in which trade associations Blumar participates, but also management areas can request the participation in new trade associations and memberships.

Furthermore, our position statement on public policy related to climate change is explicitly aligned with the principles of the Paris agreement. This is reflected in the corporate carbon footprint reduction commitment, based on SBTi, which is published in our Climate Change Policy and in our annual Integrated Reports.

Tax Reporting by jurisdiction

In the table below, we disclose financial information for each jurisdiction:

	Blumar S.A.	Blumar Asia
Names of resident entities	Blumar S.A.	Blumar Asia Limited
Primary activities	Group matrix, engaged in the fishing industry, whose main activities are: fishing, processing, transformation, commercialization and export of fish.	Distribution and commercialization of Atlantic Salmon in the Chinese and Hong Kong markets and, in general, to provide brokerage services for this product in both jurisdictions.
Number of employees	2,286	2
Revenues	USD 674,447,000	USD 75,420,400
Profit (Loss) before tax	USD 18,236,000	USD 82,202,070
Income tax accrued (current year)	USD 23,294,000	USD 6,781,670
Income tax paid	USD 19,229,000	USD 16,711,020

Supply Chain Management

Purchasing practices towards suppliers are continuously reviewed to ensure alignment with our Corporate Code of Conduct and Supplier and Contractor Code of Conduct, enabling any possible conflicts with ESG requirements. Therefore, year after year we continuously improve actions related to supplier management and the promotion of ESG issues.

Minimum ESG requirements to suppliers

Suppliers are excluded from being contracted according to the following criteria:

- All suppliers: For any new supplier, a series of legal, accounting, financial and general information documents are requested to our supplier master. If these documents are not submitted, the supplier is not accepted.
- Service providers: On issues related to Occupational Health and Safety, if workers are not accredited in this area, they cannot enter our facilities. Likewise, during the labor and social security accreditation process, they are asked to provide a monthly certification on these issues. If they are found to be in serious non-compliance with these points, their services are terminated.
- Input suppliers: For input suppliers, they are required to comply with GFSI regulatory requirements (BRC, IFRS, BAP, FSSC22.000), ISO, HACCP, among other certifications. If they do not have these certifications, their inputs are not purchased.

Supplier evaluation process

The evaluation is performed on all materials and services suppliers that have a material impact on the objectives of the Management System (MG). These suppliers are evaluated according to the input or service they deliver, considering the objectives of the MG: safety, quality, compliance, environment, and social, labor and human rights aspects.

Item	Description
Supplies	The inputs considered include primary and secondary packaging, chemical products, process inputs and services. These amount to 497 domestic and 5 foreign suppliers at the end of 2023.
Periodicity	Monthly and annually.
Registration	In the register called List of Suppliers, the person in charge and the person responsible for evaluating each input and service on behalf of the aquaculture segment is indicated.
Types of evaluation	There are 4 types of evaluations: suppliers of inputs and services in general, evaluations focused on ESG issues and evaluations focused on social issues. In case a supplier is used by more than one user, it will be evaluated by each of them and a weighted average will be taken, which will be sent to the supplier once the evaluation and analysis process is completed.

The evaluation is carried out quantitatively, expressing the result according to 4 categories of evaluation. Blumar will only work with suppliers in the good or excellent categories. Those who obtain a regular evaluation must, within a period not exceeding three months, overcome their non-conformities; otherwise, they will be removed from the Supplier List.

Assessment	Parameter
Excellent	Result of the evaluation \geq 95%
Good	Result of the evaluation \geq 85%
Regular	Result of the evaluation \geq 75%
Insufficient	Result of the evaluation $<$ 75%

Aspects considered in supplier's assessment		
Assessment of the associated service 1	0 to 30%	- Compliance with the service specification. - Delivers quality service in a timely manner.
Assessment of the associated service 2	0 to 10%	- Fulfillment of committed delivery dates. - Compliance and respect for the company's internal procedures. - Willingness to change schedules and dates. - Emergency response capacity.
Technical assistance	0 to 20%	- Timely delivery of required information. - Adequate and timely handling of complaints. - Willingness to communicate adequately and in a timely manner. - Adequate personnel.
Characteristics of the supplier	0 to 20%	- Certification related to its activity. - Audits or visits by third parties (clients). - It has a sustainability policy.
Occupational health and safety	0 to 20%	- Personnel have had work-related accidents. - Updated information in the Prevention/ Contractors Portal. - Participation in S&SO activities organized by Blumar or subsidiaries.

Specific Evaluation Process in the Farming Area

The Farming area in 2023 conducted a survey and classification of suppliers, which involved cataloging them according to type of service (materials or services), criticality in financial impact and procurement risk. Considering these criteria, we defined the group of suppliers that will be subject to evaluation and applied the rubric evaluation based on four fundamental pillars: Subcontractor compliance, Service quality, Service appreciation and Sustainable compliance.

This evaluation allowed us to obtain a comprehensive view of our suppliers' performance in key areas, thus ensuring compliance with our established standards and requirements.

The Farming area applied a detailed segmentation and evaluation process during 2023, highlighting the importance of strategic supplier management aligned with our sustainability and operational efficiency objectives. This process included a segmentation and an evaluation policy:

Segmentation:

- I. Obtaining database: Collection of Purchase Orders (POs) issued in the analyzed period.
- II. Dynamization to obtain total purchase amounts and quantity of POs issued per supplier.
- III. Enrichment of the data Columns of fantasy name, region of operation, description of the item are added. It is determined to work in this first instance with suppliers over USD 100,000 per year.
- IV. Strategic sourcing analysis: The two axes of the Kraljic matrix are defined according to the following criteria:
 - a. Strategic importance of purchases (impact on the business): impact on quality, impact on breakage, impact on added value, environmental impact, impact on cost.
 - b. Complexity of the supply market: barriers to entry, availability of sourcing, supplier power.

Evaluation policy:

The following relevant performance factors are defined:

- I. Subcontractor Compliance - Platforms
 - a. Purpose: To evaluate the performance of strategic suppliers in key areas to ensure compliance with established standards and requirements.
 - b. Expected Benefits: To ensure that suppliers meet expected performance levels in critical areas.
- II. Operational Compliance
 - a. Objective: Resource optimization. Identify opportunities to optimize resources and improve operational efficiency in supplier management.
 - b. Expected Benefits: Cost reduction, improved resource management and maximization of value provided by strategic suppliers.
- III. Service Appreciation
 - a. Objective: To evaluate the perception and appreciation of service by internal users who directly receive the services provided by suppliers.
 - b. Expected Benefits: To ensure internal customer satisfaction, guaranteeing that the services provided meet expectations and operational needs.
- IV. Sustainable Compliance
 - a. Objective: Evaluate and promote sustainable and responsible practices in the supply chain.
 - b. Expected Benefits: Align suppliers' activities with environmental, social and governance (ESG) criteria, contributing to the overall sustainability of the organization.

ESG specific criteria assessed

Finally, the following are the specific ESG criteria we evaluate in suppliers:

1. Waste reduction and recycling
2. Water consumption
3. CO2 emissions
4. Energy consumption
5. Renewable energy consumption
6. Impact on the local community
7. Diversity
8. Labor Certification
9. Code of Business Conduct and Ethics
10. Transparency and disclosure: Does the company transparently disclose its organizational structure, management policies and practices?
11. To what extent has the company prepared and published sustainability reports that address environmental, social and corporate governance issues?

The results of the 2023 evaluation process have provided us with valuable insights to strengthen our supplier relationships, identify areas for improvement and reaffirming our commitment to sustainable and responsible practices throughout our supply chain.

Supplier desk-assessment

For Blumar it is essential to have high standards in its supply chain, so once a year it performs supplier evaluations through its platform. The evaluation is performed to all suppliers of materials and services that have a material impact on the objectives of the Management System (MS). These are evaluated according to the input or service they deliver, considering the objectives of the MS: safety, quality, legality, environment and social, labor and human rights aspects.

Supplier on-site assessments

In Social aspects, each time a service provider enters our facilities, it undergoes an internal audit process through the Labor Verification Body (OVAL), which is certified under ISO 27001.

In addition, on-site visits made by employees of the company are made to critical suppliers to verify the standards established and agreed upon and regulation requirements.

To have an independent accredited auditing body input suppliers are required to comply with regulatory requirements associated with the Global Food Safety Initiative (GFSI) who provides a framework for comparing food safety management schemes to ensure they comply with internationally recognized food safety standards such as BRC, IFRS, BAP, FSSC 22.000, ISO, HACCP, among other certifications of which if they do not have these certifications we cannot purchase inputs from suppliers.

For service suppliers, we request background certificates of retentions of the Employment History Verification Agency (EHVA, "Organismo Verificador de Antecedentes Laborales" in spanish), which is certified under ISO 27001 and associated with compliance with Law 20,123 on Subcontracting.

Improvement plans for suppliers assessed

The improvement plans are sent once the evaluation and analysis process is finished, and when there are results below the expectation (75%). If we need to continue working with this supplier, they have a 3 month period where these observations are worked on to improve results. After that time, we re-evaluate.

In 2023 Blumar achieved its goal of evaluating 100% of its critical suppliers, reaching 502 critical suppliers, of which no supplier was evaluated as insufficient, so no corrective action plans were applied and/or contracts terminated. Furthermore, we have a goal that all suppliers we detect that have negative impacts, would have support with corrective actions and capacity building plans.

In the event that service suppliers submit labor certifications with retenable contingencies, they are notified and given training so that they can support and remedy these contingencies, we apply measures to withhold payment of invoices associated with the amount declared in the labor and social security certification.

II. Environmental Aspects

Third party Certifications of the Environmental System

At Blumar, sustainability is central to our production and sales strategy. To support this, we pursue external certifications that validate our production practices against clean and responsible production standards. Our markets require various certifications for both direct and indirect human consumption. External audits of our environmental management system evaluate regulatory compliance, permits, and directives from the Superintendence of the Environment. We ensure the legality, quality, and safety of our fishing and aquaculture products through established policies and procedures, including a Management System that is subject to periodic audits.

Among various certifications we have, key certifications of ASC and BAP in salmon, and MSC in fishing, as applicable to each operation. Additionally in fishing, our Environmental Management System is externally audited by GESTEC. In total, we achieve a 92% coverage in Blumar's operations provided by these certifications and external audit.

Energy Management

Energy Management Programs

- Energy audits to identify opportunities for improving energy performance

Currently, the company is finalizing its Energy Management System, which will be audited in 2024 by a certifying body to achieve ISO 50001. Additionally, the company has appointed two energy management leaders and internal auditors in various strategic areas to establish a continuous improvement process in this field.

- Investments in innovation or R&D to decrease energy consumption

The Energy Management System is focused on enhancing the standards for tracking the primary energy sources consumed across different areas. In the medium term, this will involve investing in monitoring systems and energy-saving equipment.

- Energy efficiency training provided to employees to raise awareness of energy consumption reduction

The implementation of the Energy Management System includes training for key personnel to increase awareness of the system and the company's commitments to managing various energy consumption processes. The aim is to enhance understanding and improve overall energy management practices.

Waste Management and Circular Economy

Waste Management Programs

- Waste audits to identify opportunities for improving waste performance

Salmones Blumar is involved in a national aquaculture certification process with State Entities, known as the 'Clean Production Agreement.' This process aims to certify the company's operational and traceability practices. In this context, the company, in collaboration with Kyklos, has conducted a comprehensive review that details the types and quantities of waste generated and the current final disposal strategy, with an emphasis on continuous improvement.

Additionally, through international certifications such as BAP and/or ASC, the company indirectly certifies its waste management practices via accredited certifying bodies. These certifications require compliance with national environmental regulations regarding waste.

- Investment in innovation or R&D to minimize waste

Blumar's waste management strategy, driven by the voluntary commitments outlined in its Corporate Waste Strategy Policy, has achieved a waste valorization rate of 86%. Nevertheless, the company remains dedicated to ongoing improvement in waste management. To further enhance performance, a more robust waste segregation strategy is being implemented. The company's ultimate objective is to achieve a Zero Waste strategy in the medium term.

- Waste diversion from landfill is certified by an independent accredited body

Blumar's strategy for final waste disposal involves using third-party valorization and/or segregation companies, which are responsible for managing and certifying the quantity of waste sent to landfills. This data is cross-verified with internal traceability records maintained by Blumar and is reported monthly to SINADER, the state's national waste reporting systems.

Waste Disposal Indicators

	Unit	FY 2020	FY 2021	FY 2022	FY 2023	Target 2023
Total waste recycled/reused	Metric tonnes	1,019.97	20,178	13,131	14,286	-
Total waste disposed	Metric tonnes	1,530.62	2,283.44	2,144	2,456	4,688
-Waste landfilled	Metric tonnes	1,530.62	2,283.44	2,144	2,456	-
-Waste incinerated with energy recovery	Metric tonnes	0	0	0	0	-
-Waste incinerated without energy recovery	Metric tonnes	0	0	0	0	-
-Waste otherwise disposed	Metric tonnes	0	0	0	0	-
-Waste with unknown disposal method	Metric tonnes	0	0	0	0	-
Data coverage	Percentage of revenue	90%	92%	93%	93%	-

Food Loss & Waste Management

- Measurable group-wide targets to reduce the total weight of food loss & waste:

Specific targets have not been established to reduce the total weight of food loss and waste, since what is considered waste (mortality in farming and aquaculture centers and process waste) is used as input for the production of fishmeal and fish oil. Consequently, the loss is zero.

- Break-down of food loss & waste volumes by food category and/or lifecycle stage:

What is considered as 'food loss and waste' is silage (fish mortality in salmon farming centers) and organic waste in the processing plant. These values are broken down as follows:

- Silage: 2,377 tons
- Process: 10,747 tons

These are used as input for the production of fishmeal and fish oil. Consequently, the loss is zero.

The amount of waste is 100% from salmon; in fishing, there is no waste because it is processed in the same plants.

Water Management

Water Efficiency Management Programs

- Establishment of targets to reduce water use:

Blumar measured its water footprint for the years 2022 and 2023 using the ISO 14.046 and the Water Footprint Network (WFN) methodology. Measuring the water footprint is a crucial objective for Blumar, as it provides essential data that serves as a basis for managing and reducing water use in operations. During 2022 and 2023, we successfully measured the footprint, which will enable us to better understand our environmental impact and adopt concrete measures to reduce water usage.

- Awareness training provided to employees on water efficiency management programs:

The areas of sustainability, environment, and operations were trained in the water footprint under the Water Footprint Network (WFN) and ISO 14.046, through the clean production agreement in the fishing and aquaculture segment.

Water Consumption Indicators

	Unit	FY 2020	FY 2021	FY 2022	FY 2023
A. Water withdrawal (excluding saltwater)	Million cubic meters	0.545321	0.508519	0.489884	30.119593
B. Water discharge (excluding saltwater)	Million cubic meters	0.440621	0.319995	0.431477	30.033639
Total net fresh water consumption (A-B)	Million cubic meters	0.104700	0.188524	0.058407	0.085954
Data coverage	percentage of revenue	90	92	93	93

Note: In 2023, Blumar began operating its own fish farm in the Puyehue commune, which extracts fresh water from a river. This new operation is the reason for the increase in fresh water extraction. However, according to the regulations and requirements of the General Water Directorate (GWD), which regulates fresh water extraction through a series of legal and administrative mechanisms, all extracted water must be returned or reintegrated to its source in the same quantity and quality.

How do we ensure that the quantity and quality are the same? First of all, there are flow meters both at the extraction point and at the discharge point of the hatchery that record the respective cubic meters. On the other hand, there is the "Liquid Industrial Waste treatment", which refers to the processes used to treat and purify the wastewater generated by the process before discharge. These processes are essential to comply with environmental regulations and minimize the negative impact on the environment.

Water Consumption in water-stressed areas

	Unit	FY 2020	FY 2021	FY 2022	FY 2023	Target 2023
Total net freshwater consumption in water-stressed areas	Million cubic meters	0.019328	0.026222	0.03	0.08	0
Data coverage	percentage of total sites located in water stress areas	100	100	100	100	-

Note: Up to 2022, the Caldera fishmeal plant is located in an area classified as extremely high water stress by the World Resources Institute. Although, since 2023 the World Resources Institute change the categories in each region of Chile, we update the information considering the Biobio region processing plants, excluding Coronel fishmeal Plant.

Water Related Incidents

In the past 4 years, Blumar has not experienced any interruptions in operation or plant closures due to incidents related to physical disruptions in the water supply or restrictions that would limit its extraction and could result in a significant financial impact.

	Unit	FY 2020	FY 2021	FY 2022	FY 2023
Total actual and opportunity costs from water-related incidents	USD - US Dollar	0	0	0	0

Carbon Footprint

Corrections were made in the calculation of GHG emissions during the process of carrying out the data verification process, for this reason the data published in our 2023 Integrated Report differs from the 2023 Carbon Footprint Verification Report, containing this last report the corrected values.

We disclose Scope 1, 2 and 3 GHG emissions, according to the GHG Protocol methodology:

GHG (Scope 1)	Unit	FY 2020	FY 2021	FY 2022	FY 2023	Target 2023
Total direct GHG emissions (Scope 1)	metric tonnes CO2 equivalents	62,122	73,529	64,432	67,152	66,743
Data coverage	percentage of revenue	90	92	93	93	-

GHG (Scope 2)	Unit	FY 2020	FY 2021	FY 2022	FY 2023	Target 2023
Location-based	metric tonnes CO2 equivalents	12,869	14,128	10,896	9,571	11,711
Data coverage	percentage of revenue	90	92	93	93	-
Market-based	metric tonnes CO2 equivalents	12,869	7,003	2,852	1,452	1,500
Data coverage	percentage of revenue	90	92	93	93	-

GHG (Scope 3)	Unit	FY 2020	FY 2021	FY 2022	FY 2023
Total indirect GHG emissions (Scope 3)	metric tonnes CO2 equivalents	159,084	144,756	317,583	340,134

GHG Scope 3 by category	Emissions in the reporting year (Metric tons CO2e)*
Purchased Goods and Services	180,068
Fuel-and-energy-related-activities (not included in Scope 1 or 2)	11,831
Upstream transportation and distribution	14,169
Waste generated in operations	1523
Upstream leased assets	13,305
Downstream transportation and distribution	107,535

*Note: GHG Protocol standard: Activity data (unit) x Emission factor x GWP.

Climate-related Incentives and Products

Climate-Related Management Incentives

persons entitled to the incentive benefit	Type of incentive	Incentivized KPIs
Chief Executive Officer (CEO)	Monetary	Improve performance in the DJSI index by 10%. This index considers the environmental dimension, which in turn includes a section that specifically addresses whether the company has a climate strategy.
Operations Managers: Fishery manager,	Monetary	Improve performance in the DJSI index in the

Farming manager, and Salmon processing manager		environmental dimension by 10%. The environmental dimension of DJSI contains a section that addresses specifically if the company has a climate strategy and applies TCFD.
Finance and Administration Manager	Monetary	Improve performance in the DJSI index in the economic and governance dimension by 10%. This will be achieved through the purchase of Non-Conventional Renewable Energy contracts and the establishment of ESG metrics in supplier evaluation.

Low-Carbon Products

Among commercially available low-carbon proteins, salmon has one of the smallest carbon footprints among common food animals. Farmed salmon is one of the most efficient and sustainable forms of protein, offering one of the lowest carbon footprints compared to all animal protein sources, high protein retention and an efficient feed conversion factor. Thus, farmed salmon can provide a healthy and climate-friendly protein source based on global food demand.

Given that only 5% of the oceans are currently used for food production, there is an opportunity for the oceans to contribute in closing the protein gap, especially as land-based sources are under pressure from a changing climate that will reduce the production and productivity of many agricultural products. In addition, the land currently used for agriculture or livestock will be needed to mitigate climate change by sequestering carbon through reforestation, among other initiatives.

Furthermore, to reduce emissions Blumar signed a non-conventional renewable energy supply contract with Enel Generación for all operational facilities, ensuring the supply of 100% renewable energy in its plants and factories, certified by I-REC (International Renewable Energy Certificates).

Biodiversity Risk Assessment

Blumar declare in the [Biodiversity Commitment](#), that all operations with an approved Environmental Qualification Resolution (EQR) frequently submit information regarding the conditions, commitments and measures established in the corresponding EQR, such as environmental monitoring of biodiversity and periodic evaluations of the environmental impact of our operations to identify and mitigate any negative impact on biodiversity and ecosystems.

Also carry out permanent monitoring of environmental parameters, such as wastewater from the treatment plants that is discharged into the receiving water body.

In addition, the seabed is monitored, where salmon farming centers must operate at levels compatible with the capacity of the bodies of water in which they are located, for example, with good oxygen conditions and without causing damage to the seabed. In order to guarantee this, environmental background reports (EBR) of the farming centers are carried out in a determined period, which establishes the environmental conditions of a plant during its productive stage. Depending on the characteristics and category of each concession, the following are sampled in the EBR:

- Sediment granulometry
- Total organic matter in the sediment
- Benthic macrofauna
- pH, redox potential and temperature in the sediment.
- Dissolved oxygen in the water column.

To identify and assess biodiversity risks related to the dependency and impact of Blumar's activities, IPER matrices are utilized. These matrices allow for the identification of hazards and the evaluation of company risks. This evaluation methodology provides a risk inventory and assigns ratings that facilitate their prioritization and the establishment of appropriate control measures.

Furthermore, Blumar's centers conduct environmental assessments to identify risks or effects on biodiversity stemming from their operations. In centers where there is a need to periodically update this information, environmental monitoring is carried out. Additionally, a periodic record of interactions or sightings of marine mammals is maintained. All ASC-certified centers also conduct Biodiversity Studies.

III. Social Aspects

Labour Practices and Human Capital Management

Employee Nationality

Nationality	Share in total workforce	Share in all management positions
Chilean	98.25%	96.88%
Venezuelan	1.09%	1.73%
Colombian	0.21%	0.69%
Argentinean	0.13%	0.34%
Peruvian	0.13%	0.34%
Bolivian	0.13%	0%

Gender Pay Gap Analysis

Analysis	Difference men vs. women
Mean gender pay gap	26%*
Median gender pay gap	26%*
Mean bonus gap	26%
Median bonus gap	25%

* Third-party verified.

Employee Development Programs

We detail two programs that were developed in 2023 to enhance or improve your employees' skills:

1. Innovation Training Program, taught by the Universidad de Concepción

This program consisted of 6 sessions where 32 people participated in person and an average of 70 people online, considering both managerial and junior positions.

The selected profile had experience in processes or activities that would allow them to apply aspects of innovation to generate value, solve problems, satisfy needs or take advantage of emerging opportunities in a specific and challenging context. Likewise, the purpose of implementing this training program was for its participants to understand the purpose of innovation and how it can contribute to improve profitability and ensure the long-term growth of the company,

The Following topics were specifically addressed:

1. What is innovation?
2. Innovation processes
3. Agile Framework: Sprint
4. Digital Transformation
5. Objectives and Key Results
6. Change Management

As a company it was important to train employees in innovation, as it is crucial for the success and sustainability of the company for several reasons:

- Improved competitiveness: innovation training empowers our employees to develop new ideas and solutions, which can differentiate the company from its competitors. This is especially important as we are located in dynamic markets where the ability to adapt and offer unique products can mean a significant competitive advantage.
- Increased efficiency and productivity: We believe that innovation is not only about creating new products, but also about improving internal processes. Well-trained Blumar employees can identify and apply more efficient methods, reducing costs and increasing productivity.
- Fostering a positive work environment: The fact that our organizational environment values and promotes innovation tends to be more attractive to our employees, increasing job satisfaction and reducing turnover because they know that their ideas and efforts can have a real impact on the company.
- Adapting to market changes: The ability to innovate allows us to adapt quickly to market changes and our customers' needs. This prepares our employees to anticipate and respond to these changes proactively.
- Long-term sustainability: Innovation is fundamental to long-term sustainability and ensures that the company not only survives, but thrives in the future, adapting to new technologies and market trends. This is essential to maintain and improve profitability over time.

All the people who participated in the innovation program are still part of the company, where several employees are part of some efficiency project, which consists of raising various initiatives focused mainly on cost reduction. All these initiatives are 100% linked to innovation, considering for example changes in packaging, reduction in the use of fuel, use of new technologies, efficiency in transportation and production, etc. Furthermore, the turnover rate has remained at zero for this group of participants.

2. High Potential Managers Program, taught by Universidad del Desarrollo

This program seeks to enhance the managerial skills of young professionals with 1 to 10 years of work experience, as well as meet the needs of companies that want to retain and develop emerging talent. It focuses on the development of strategic thinking, business understanding, and leadership, as well as

strengthening key executive skills for professional progress. The number of participants of this program was 8 employees and had a total of 60 hours of duration.

This program offers long-term benefits to companies by driving knowledge management and talent retention. The goal is to retain at least 80% of the employees who participated in this program and after implementing this program, to date, we have had zero turnover rate of 100% of the participants.

Hiring indicators

The percentage of open positions filled by internal candidates remained the same as in 2022, being 2.8%.

Long-Term Incentives for Employees

Blumar has two types of long-term incentives for employees below the senior management level, one considers the length of service in the company, and the other, considers the productivity in salmon farming centers.

1. Length of service in the company:
When an employee, as of the date of the permanent contract, completes the years of seniority in the company as defined by the collective bargaining agreement or contract, he/she will be granted a single seniority premium for each range of years. This incentive starts after 5 years of seniority in the company.
2. Salmon farming centers:
For the personnel working in cultivation centers, the company has an incentive called "End of Cycle Bonus", which is a performance evaluation metric at the end of the productive cycle, which evaluates a structure of variables that are more independent from each other, and weight in a more appropriate way with their incidence in the final result. This metric maintains a business and value-added orientation. The duration of each crop cycle ranges from 15 to 20 months.

Performance assessment

In 2023, the performance of senior executives and employees from different areas and positions was assessed to visualize overall goal fulfillment. We measured the performance of 31% of employees based on objectives and periodically (ongoing) concerning performance and career development based on multidimensional variables. This tool has allowed us to establish personal and group commitment plans to ensure process continuity, but also to keep a competitive advantage and execute Blumar's corporate strategies. Furthermore, we used it to develop and implement an appropriate and balanced compensation framework for all employee categories, adopting compensation plans that incorporate both fixed and variable components.

Thus, the company has a comprehensive approach and reward system based on individual performance metrics, which not only reflect commitment to team growth and development, but also ensure fair and equitable remuneration at all organizational levels.

Workplace and Family Benefits for Employees

Workplace flexibility:

1. Right to two-hour time bands in total for workers who are mothers and fathers of children up to twelve years of age, and people who have personal care of them. This means that they may anticipate or delay the start of their work by up to one hour, which will also determine the time of departure at the end of the day.

2. Situations derived from the fact of being the mother, father or guardian of a minor diagnosed with Autism Spectrum Disorder and who has been duly informed to the Labor Inspectorate in the terms required by law.
 - a. The worker shall be entitled to attend emergencies that affect the integrity of the minor under his/her care in the educational establishment where he/she attends, which requires for its recovery, necessarily the presence of the person under his/her care.
 - b. The time that the employee spends attending to these emergencies shall be considered as work for all legal purposes.
 - c. The Head Office may not consider the employee's attendance to the referred emergency as an untimely or unjustified departure, with the purpose of terminating his/her work contract by configuring the cause established in Article 160 N° 4 letter a), that is, by abandoning his/her workplace or duties.
3. For preventive examinations, workers whose employment contracts are for a term of more than thirty days shall be entitled to a half day of leave once a year during the term of the employment contract to undergo mammography and prostate examinations.

Family benefits:

1. By Chilean law, working parents have the right to use at least one hour a day to feed their children under two years of age (during the working day). This is a right of working fathers and mothers and, therefore, does not have any type of discount, because the time used to feed the children is considered as an hour worked. Otherwise, in Talcahuano Salmon processing plant, 2 hours of this benefit are granted to workers where there is a 50% female workforce.
Moreover, also by law workers who are mothers and fathers of children up to twelve years of age, who have personal care of them, are entitled to two-hour time bands. This means that they may anticipate or delay the start of their work by up to one hour, which will also determine the time of departure at the end of the day.
2. Blumar complies with the Chilean law that gives the right for parental leave, for mothers to have 18 weeks and fathers 1 week.

Human Rights

We have implemented mitigation measures, which are detailed in our 2023 Integrated Report, at 100% of our 40 operating sites.

Considering our business risk analysis, review of complaints in our communication channels, double materiality analysis and various related third-party audits and certifications that consider human rights issues, to date there are no actual human rights violations.