



HIGH LINER FOODS

2022 SUSTAINABILITY REPORT

A top-down photograph of a meal. A dark, textured plate holds a piece of pan-seared salmon with a golden-brown crust, served over a bed of green vegetables including broccoli and leafy greens. To the left of the plate, a small light-colored bowl contains sliced pink pickled ginger, and two whole garlic bulbs are scattered nearby. To the right, a dark bowl contains a dipping sauce with sesame seeds and chili flakes. A pair of dark chopsticks rests across the top of the plate. The background is a dark, textured surface.

Reimagining Seafood **TO NOURISH LIFE**

Our purpose, *Reimagining Seafood to Nourish Life*, revealed itself in our actions and results in 2022, guiding our efforts and deepening our commitment to sustainability. It also helped us discover our strengths as an organization, the challenges we face as an industry, and the value of working together to benefit our people, our communities and the environment. We are pleased to share this year's report, detailing our plans and performance on topics that mean the most to us, and to those we serve for a healthy and sustainable world.

About this report

Our 2022 Corporate Sustainability Report provides a broad overview of sustainability priorities, practices, and performance across all our operations and activities for the fiscal year ending December 31st, 2022, highlighting key events that occurred throughout the year. This report addresses specific metrics from the Food and Beverage Processed Foods Standard of SASB (Sustainability Accounting Standards Board) and disclosures from the Global Reporting Initiative (GRI) Standards — including the Sector Standards for Agriculture, Aquaculture and Fishing. In addition, we continue to develop our Environmental, Social and Governance (ESG) program and strengthen our management, measurement, and reporting practices, most recently in areas such as greenhouse gas (GHG) emissions and waste reduction. Unless otherwise stated, all currency amounts are in United States dollars (USD). **There has been no external assurance of the data in this report.**

We welcome feedback on our report and initiatives. Please contact us at info@highlinerfoods.com.



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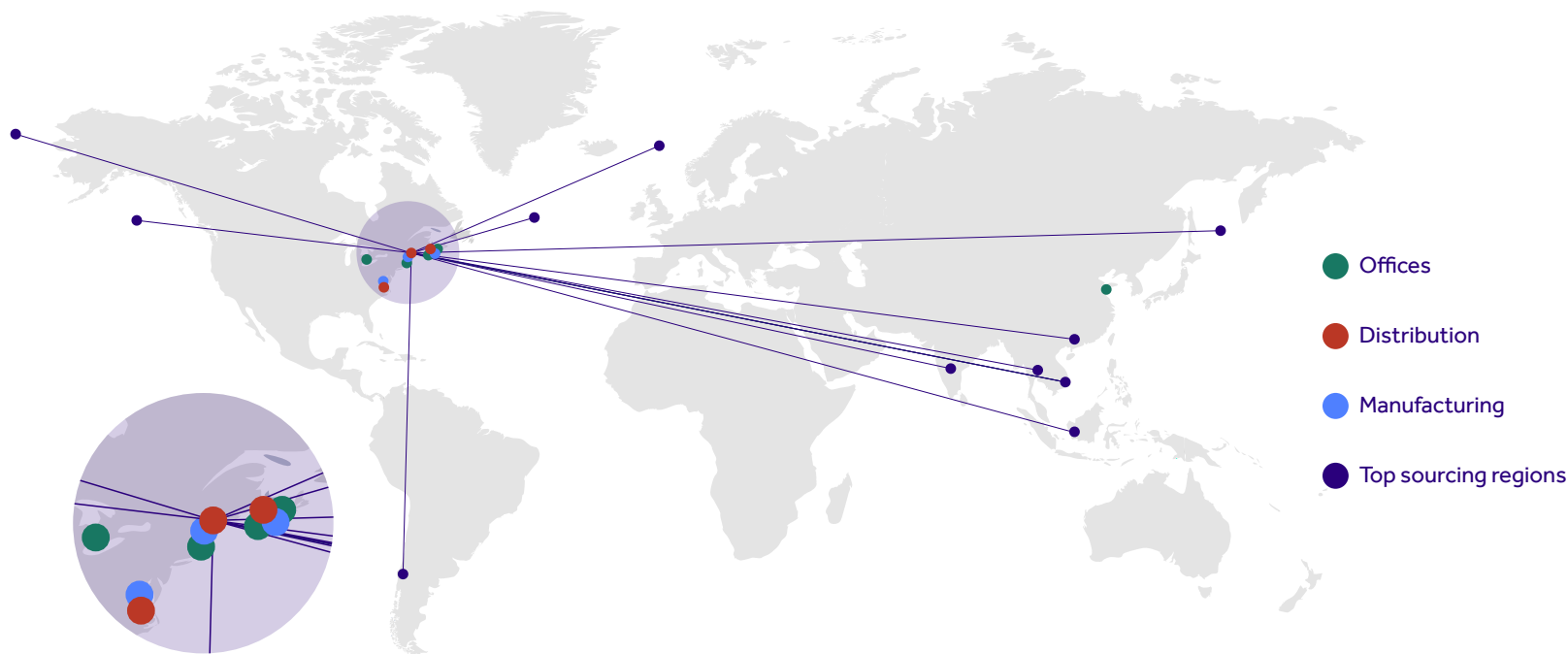
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Our global sustainability commitment

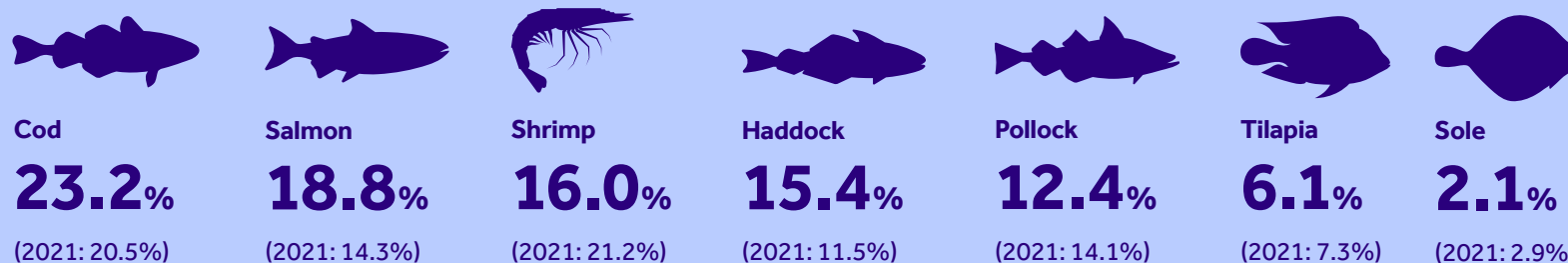
High Liner Foods is a leading North American processor and marketer of value-added frozen seafood to the foodservice and retail trade. Our unified platform and well-known core brands — sold throughout the United States and Canada in grocery and club stores and through restaurants and institutions — give us the unique ability to serve our customers with a variety of value-added seafood that meets their diverse needs. High Liner Foods is a publicly traded Canadian company trading under the symbol HLF on the Toronto Stock Exchange. We are focused on growth: our goal is to become the leader in branded and value-added seafood in North America and to help feed the world through sustainable and responsible sourcing.

Our value chain spans the globe, impacting communities, partners and environments worldwide. Our longstanding commitments to sourcing seafood responsibly and upholding high social and ethical standards were strengthened in 2022 through new initiatives and goals. Understanding and managing our climate-related impacts and investing in our employees create new ways in which High Liner Foods can improve the health and well-being of our stakeholders, further bringing to life our purpose of *Reimagining Seafood to Nourish Life*.



Our top species

We have the scale and a supplier network to deliver the products our customers and consumers want. A diversified sourcing strategy enables us to maintain supply continuity, and our commitment to leading practices and standards allows us to meet North America's growing demand for healthy protein in a sustainable way. Our top species by percentage of 2022 purchases (in USD):



CEO message

At High Liner Foods, our corporate purpose, *Reimagining Seafood to Nourish Life*, serves as our north star. At no other time has that purpose come to life more than in 2022, a year in which challenging market conditions were offset by our commercial success and sustainability accomplishments. In this report, you will find stories of the sustainability impacts created by our talented global team and guided by our foundational pillars: Nourishing Health and Wellness; Supporting People and the Community; and Regenerating Ecosystems. Below are just a few of the accomplishments from our 2022 Sustainability Report that exemplify the incredible work our team has achieved.

Responsibly sourced seafood

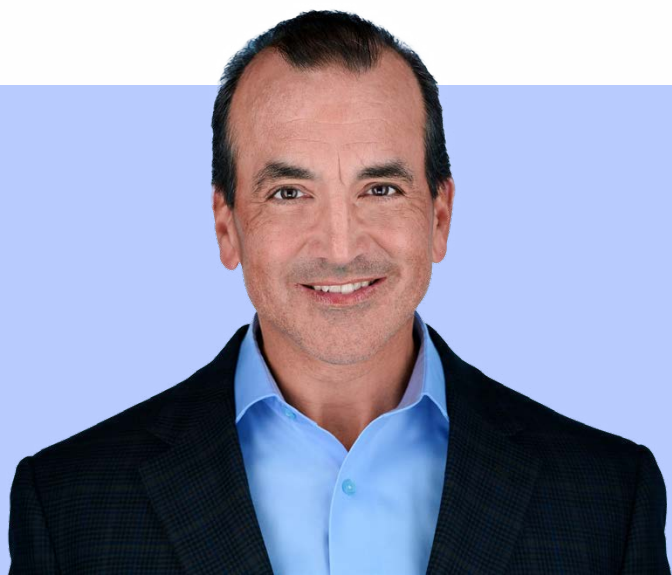
Despite significant challenges in the global supply chain, we were able to secure a steady seafood supply through the strength of our diversified global supply chain and our strong supplier relationships. 98% of the seafood we sourced was from audited suppliers, demonstrating our commitment to responsible sourcing practices that ensure we can feed a growing world population with healthy protein, now and into the future.

Managing our emissions

We are proud of our long legacy of sustainable business practices but understand the urgency with which the world needs to address climate change. To help mitigate the most severe effects of climate change, we committed to reducing our greenhouse gas (GHG) emissions 30% by 2030 (versus a 2021 baseline). We significantly advanced this goal in 2022 by including an accounting of our Scope 1 and Scope 2 emissions and a detailed study of decarbonization opportunities in each of our manufacturing facilities.

Food and material waste

We are well on our way to meeting our 10x20x30 commitment, an industry effort that sets a target for food suppliers to halve their food waste by 2030. In 2022, our food waste was 23% less than in 2018, and we continue on our journey of continuous improvement to achieve our 50% goal by 2030. Our collective dedication and commitment to these waste management goals was demonstrated when an employee at our Newport News, VA facility identified an innovative recycling solution for packaging previously sent to landfills. This effort diverted 600,000 pounds of waste from landfills in 2022, and our Portsmouth, NH facility will divert an additional 400,000 pounds when they implement the same recycling program in 2023.



Nourishing our people and our communities

Caring for our people and the communities in which we live and work represents a meaningful way our company purpose is brought to life. As COVID-19 protocols were lifted in 2022, we recognized that our well-being program was more important than ever, so we made enhancements to support our people and assist in their transition to new ways of working together (see details in the Supporting Our People section of this report). We are also making strides in our Diversity, Equity and Inclusion (DE&I) commitments through policy reviews, training programs and workshops to ensure our workplace provides a respectful sense of belonging for all. We continued to nourish our communities through 2022 with programs like The Re-Seasoning Coalition and expanded Day of Nourishment events, where employees volunteered almost 1,500 hours through organized community service events. Additionally, we donated \$255,780 in community support through donations and products in 2022.

High Liner Foods: Changing the way we see food

We achieved significant financial, operational and sustainability success in 2022, and remain focused on continued learning and improvements to advance our sustainability leadership. We believe the most impactful opportunities for our industry are on the horizon and we will embrace these through our commitment to sustainable business practices that protect our people, communities and planet.

Over the last five years, we've significantly transformed our business to drive long-term and sustainable value creation. Now operating from the strongest position in the Company's history, we're approaching our future with an open mind and fresh perspective.

Earlier this year we unveiled our new corporate brand to support our ambitious growth agenda. "High Liner Foods: Changing the way we see food" represents a fundamental shift and evolution in our business. This new brand identity is rooted in our purpose, demonstrates our leadership and confidence, and sparks infinite creative potential to help us chart our own course for new opportunities and innovations.

Given the fast pace of change and evolving consumer needs in our world today, we know that looking at our category, industry and business through different and non-obvious lenses will unlock enormous potential to inspire more sustainable seafood consumption. We believe seafood is the best natural protein capable of feeding the world and we're set on helping our customers and consumers see this potential in new and inspiring ways.

I would like to offer my congratulations and appreciation to all of our employees, customers and partners for the invaluable roles you have played in helping us reach this pivotal moment for our company and brand!

Sincerely,

Rod Hepponstall
President and CEO



2022 Sustainability highlights

Environment

7%
decline in water
intensity since 2021

1.8%
reduction in GHG emissions
compared to 2021 baseline

Sourcing

96%
of seafood
responsibly sourced

98%
of raw material sourced
from audited suppliers

Recognition

Canada's Top 100 – Atlantic Canada
and Nova Scotia Top Employer 2023

Safety

14%
decline in safety incidents
since 2021 (21 to 18)

28%
decline in safety incidents
compared to 2018 baseline (25 to 18)

People

10M
Hunger Mission
meals achieved

\$255,780
in community support in 2022 through
donations and products

Cigna Healthy Workforce Designation – Bronze Level



Our sustainability priorities

Informed by a materiality assessment conducted in 2021 that identified what matters most to our stakeholders, we continue to integrate our new corporate purpose, *Reimagining Seafood to Nourish Life*, into our business strategy in 2022.

This strategy is guided by three strategic pillars designed to drive strong business results and exemplary sustainability performance. The following pillars and related commitments will be detailed throughout the report:



Nourishing health and wellness

- Enhanced engagement with our workforce to better respond to their overall well-being
- Design and implementation of programs that support better health, better wealth, better mind
- Flexible hybrid work model while maintaining high levels of productivity



Supporting people and the community

- Fostering the growth and development of our people
- Expanding diversity, equity and inclusion (DE&I) programs, training and awareness for an equitable workplace and industry
- Service days in the communities where we live and work



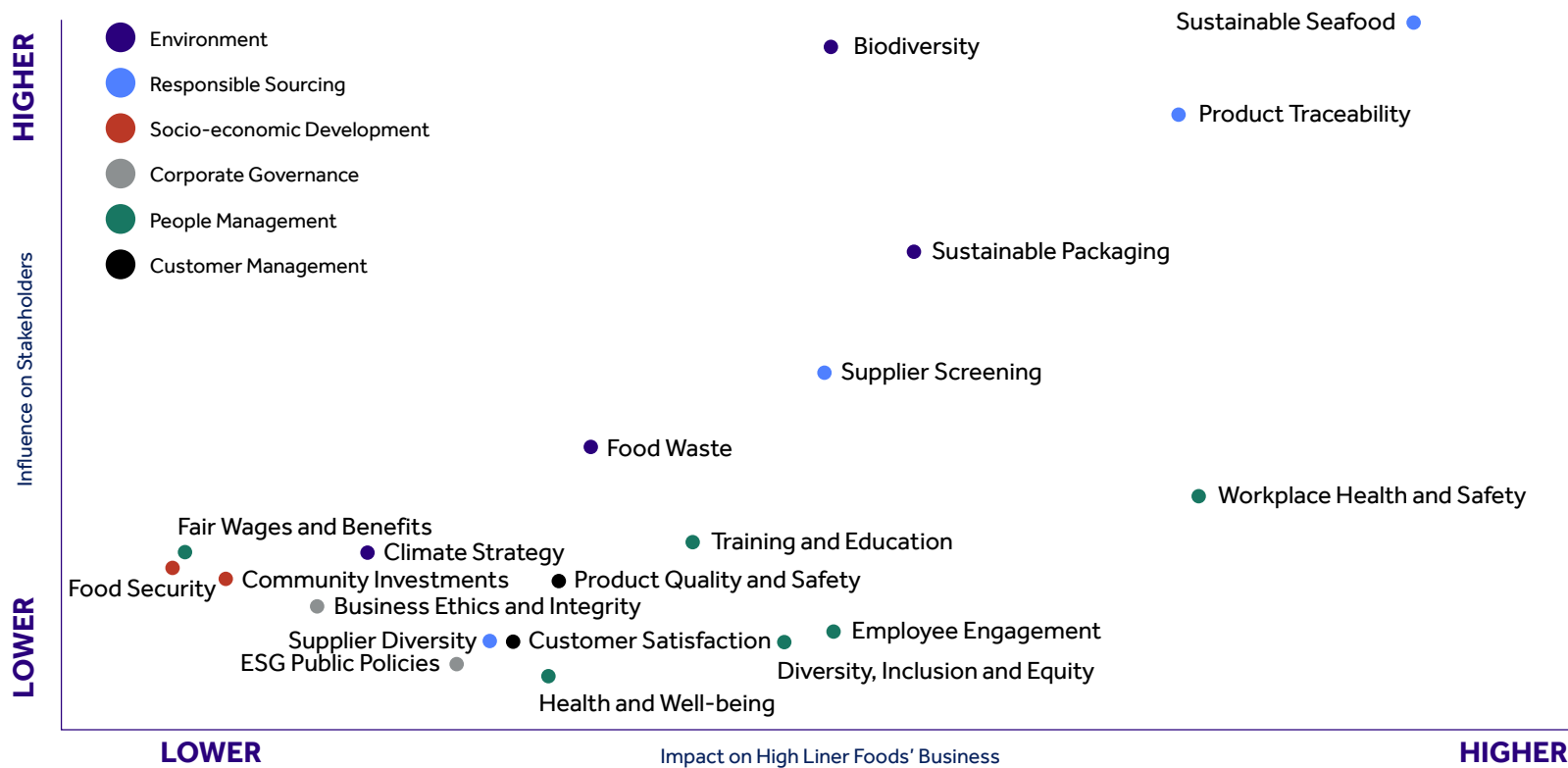
Regenerating ecosystems

- Responsible and diversified sourcing
- Food waste reduced by 30% vs. 2018 baseline — on track with 50% reduction by 2030 vs. 2018 baseline
- Set GHG (Scope 1 & Scope 2) emissions reduction goal of 30% by 2030 vs. 2021 baseline

Materiality assessment

Our 2021 materiality assessment process included engaging with approximately 1,200 stakeholders through surveys and interviews to help us prioritize our sustainability initiatives and set meaningful performance targets in key sustainability areas.

The following matrix was developed in alignment with the GRI Standards and represents an overview of the most material sustainability topics for High Liner Foods and areas where we can make meaningful impacts. Highlighted topics are those where progress was made in 2022 and are detailed throughout the report.



Partnering for a sustainable future

High Liner Foods has actively engaged with industry and supply chain partners in advancing sustainability issues since 2010, when we first chartered a strategic course for the Company to ensure our actions were aligned with environmental and social best practices. Never have partnerships and collaboration played such an essential role as they do today in our quickly evolving world, as seen by an increase in **extreme weather events** and across dimensions that include disrupted supply chains, inflation, and soaring energy costs following the global pandemic. While we are confident in our capabilities and our position for growth, we know that the quality of our partnerships and the work we do together is the best way to ensure a sustainable future for all.

Stakeholder engagement

We regularly meet with industry members, government, academia, non-governmental organizations (NGOs), customers and other stakeholders to discuss topics and issues that are highly relevant and helpful to High Liner Foods' current and future business.

“Consumer insights show that sustainability is an increasingly crucial component of what consumers demand. Gordon Food Service continually searches for ways to enhance our sustainability offerings and communicate with our customers about this topic. High Liner Foods’ dedicated and thorough approach to sustainability allows us to confidently service our customers and provide them with a plethora of seafood solutions that are both exciting and sustainable.”

– Blake Groll, Category Manager at Gordon Food Service

Key partnerships and affiliations

- Alaska Seafood Marketing Institute (ASMI)
- Aquaculture Stewardship Council (ASC)
- Fair Trade USA
- FishWise
- Genuine Alaska Pollock Producers (GAPP)
- Global Seafood Alliance (GSA)
- Global Good Agriculture Practices (Global GAP)
- Global Sustainable Seafood Initiative (GSSI)
- Marine Stewardship Council (MSC)
- National Fisheries Institute (NFI)
- National Seafood Council Task Force (NSCTF)
- New Hampshire Department of Fish & Game
- National Oceanic and Atmospheric Administration (NOAA)/ National Marine Fisheries Service (NMFS)
- Ocean Wise (Vancouver Aquarium)
- Seafood Nutrition Partnership (SNP)
- Seafood Task Force (STF)
- Seafood Watch (Monterey Bay Aquarium)
- Stronger America Through Seafood (SATS)
- Sustainable Fisheries Partnership (SFP)
- University of Massachusetts
- University of New Hampshire
- World Wildlife Fund (WWF)



National Seafood Council Task Force: Enhancing the national appetite for seafood

Since 2019, High Liner Foods has worked with the Marine Fisheries Advisory Committee to identify ways the seafood industry could unite on issues that matter to its long-term viability and raise public awareness on topics including the safety and health benefits of seafood as a protein and dispelling the negative perceptions of aquaculture.

This led to the creation of the National Seafood Council Task Force (NSCTF) in 2022, with High Liner Foods as one of its founding members.

The goal of NSCTF is to bring together the seafood industry to fund innovation, research and education, with the overall objective of universally promoting the vital benefits of seafood for the economy, American jobs, public health and the environment.

GOVERNANCE



Our ability to expand our leadership in seafood sustainability and enable new engagement with consumers and customers is largely dependent on addressing today's sustainability concerns with meaningful action while operating at the highest ethical standards."

Paul Jewer, Executive Vice President and Chief Financial Officer



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Our approach

High Liner Foods believes good governance and oversight mechanisms are critical to the success of our business and, increasingly, the quality and success of our sustainability performance.

High Liner Foods' Board of Directors brings diverse perspectives and skills from their professional experience and effectively represents the long-term interest of shareholders. Essential skills and experiences include those identified by the Board as necessary for a global food-processing company.

High Liner Foods' Board of Directors and Committees Composition

Board Member	Audit Committee	Governance Committee	Human Resources Committee
The Honourable Scott Brison, Independent Director	●		●
Joan Chow, Independent Director	●		
Rob Dexter K.C., Independent Director			●
Andy Hennigar, Independent Director			
David Hennigar, Independent Director			
Rod Hepponstall, President and Chief Executive Officer			
Shelly Jamieson, Independent Director		ⓐ	
Jolene Mahody, Independent Director	ⓐ	●	
Andy Miller, Independent Director			●
Robert Pace, Chair of the Board, Independent Director		●	
Frank Van Schaayk, Independent Director		●	ⓐ

ⓐ Committee Chair



Board diversity:

27% women

Independent directors:

91%

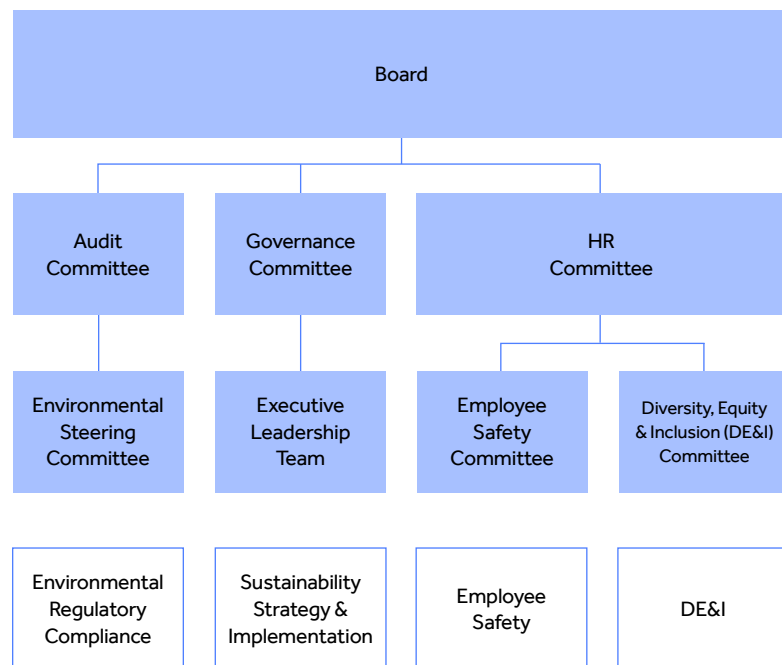
Average tenure:

13 years

Sustainability governance

The Board undertakes an annual review of our governance structures and practices to ensure we operate in accordance with all local regulatory requirements and in the jurisdictions where we operate. Three Board committees oversee our sustainability program to manage risk associated with sustainability topics across all business areas.

Sustainability Governance Structure



Committee	Member composition	Report structure	Key sustainability functions
Governance Committee	Board-level	Board of Directors	<ul style="list-style-type: none"> Oversees organization's sustainability strategy and management's implementation of sustainability into overall governance structure, business strategies and risk management practices Reviews management's monitoring and compliance with Diversity Policy Reviews and updates Code of Conduct and ensures management has systems for enforcement
Human Resources Committee	Board-level	Board of Directors	<ul style="list-style-type: none"> Reviews all occupational health and safety laws in areas where the Company operates Reviews the Occupational Health & Safety Policy, approves changes to policies and reviews management's action plans relating to the health and safety performance of the Company Reviews and approves performance metrics and weightings for executive incentive programs Receives reports from the DE&I management committee
Environmental Steering Committee	Cross-functional managers	Audit Committee	<ul style="list-style-type: none"> Oversight of matters relating to regulatory compliance and evolving requirements Monitors and manages activities such as waste and hazardous substances and GHG emissions Reports to Audit Committee of the Board of Directors quarterly



Executive Short-Term Incentive Plan

A 10% weighting on sustainability goals was implemented in 2021, with a 5% weighting on a safety goal and 5% related to a material waste management goal in the Executive Short-Term Incentive Plan, allowing executives to focus on safety as our top priority throughout the organization and emphasize waste management as a key priority with ambitious targets.

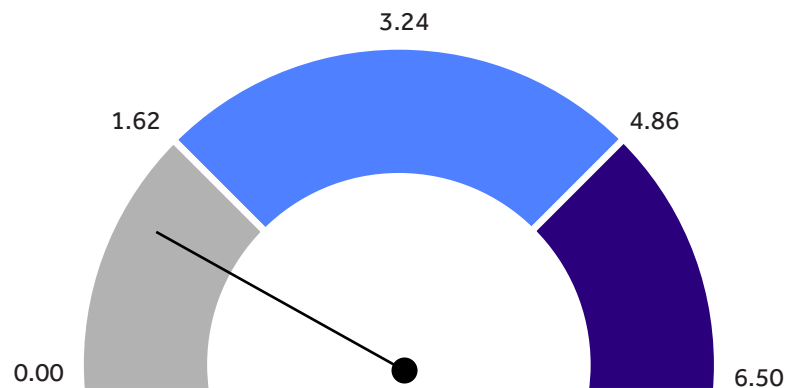
We did not meet our safety target over the past two years; however, we developed and implemented a safety improvement plan in late 2022 to help us achieve our target going forward. In 2022, while the incident rate was higher than desired, the severity of the incidents decreased. Even without reaching our goal, our recordable rate is 5X lower than the industry benchmark.

Key policies related to sustainability and updates

All corporate policies can be found on our website's [Governance Policies](#). The following are links to our sustainability-related policies:

- [Code of Conduct](#)
- [Board and Executive Officer Diversity, Equity & Inclusion Policy](#)
- [Supplier Code of Conduct](#)
- [Corporate Social Responsibility Policy](#)

Total Case Incident Rate (TCIR)



High Liner Foods

1.2 TCIR

Seafood industry benchmark: 6.5

Updates to our Supplier Code of Conduct (SCOC)

High Liner Foods requires seafood suppliers to adhere to the High Liner Foods SCOC, and to operate in accordance with internationally recognized standards for human rights, employment and worker safety. We updated our SCOC in 2021 to include additional robust audit requirements for our seafood suppliers; as of 2022, of the raw materials used in High Liner Foods' products purchased from primary seafood suppliers,¹ 98% were sourced from audited suppliers (98% 2021).

¹ Primary seafood supplier is defined as any vendor supplying 250K pounds or more of seafood.



RESPONSIBLE SOURCING



2022 was a challenging year for global supply chains. We maintained our course on responsibly sourced seafood. We continue to design solutions that will differentiate our business, minimize the impact on the environment and feed a growing world population.”

Bill DiMento, Vice President Corporate Sustainability and Government Affairs



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15 Responsible sourcing

Responsible sourcing

Sustainable seafood continues to be among the highest priorities for High Liner Foods as we look to feed a growing world population now and in the future. We are approaching our goal of delivering 100% responsibly sourced products and continuously updating our activities in this area to ensure we protect a supply of healthy protein and our environment through leadership and best practices, diversification of our supply chain, innovation, and collaboration with industry partners.

Defining responsibly sourced seafood

The strict criteria we use to define responsibly sourced wild-caught and farmed seafood is based on various certification schemes approved by respected NGOs and industry experts to ensure that seafood is wild-caught or farmed using methods that minimize the impact on species, stock and the environment.

2022 seafood sold by weight



Our wild-caught seafood is:

- Legally caught, secure from poaching and protected from overfishing;
- Suppliers must demonstrate that they minimize damage to fish habitats and use effective strategies to avoid bycatch;
- MSC certified or from suppliers undergoing full MSC assessment;
- Recognized by the GSSI benchmark;
- From credible, publicly documented Fishery Improvement Projects; or
- OceanWise™ recommended or rated Best Choice or Good Alternative by Seafood Watch™.

Our farmed seafood (aquaculture) is:

- Disclosed through the Sustainable Fisheries Partnership's Ocean Disclosure Project;
- Recognized by the GSSI benchmark;
- Aquaculture Stewardship Council (ASC) certified or from suppliers undergoing full ASC assessment;
- Global Seafood Alliance Best Aquaculture Practices certified (1–4 stars);
- From credible, publicly documented Aquaculture Improvement Projects; or
- OceanWise™ recommended or rated Best Choice or Good Alternative by Seafood Watch™.



High Liner Foods sustainable seafood accomplishments 2022

- Support of Fishery Improvement Projects (FIP) for Newfoundland cod, Argentina hake, squid;
- Leader of Supply Chain Social Compliance Monitoring Auditing;
- Work with Monterey Bay Aquarium (MBAq) to enhance Chilean salmon CSARP (Chilean Salmon Antibiotic Reduction Program);
- Collaboration with MSC, ASC, WWF, GAPP and GSA; and
- Continued leadership in the Stronger America Through Seafood coalition, Global Sustainable Seafood Initiative, National Fisheries Institute and Seafood Nutrition Partnership.



“Two-thirds of shoppers (64%) say they would switch from a brand they usually buy to another brand that provides more in-depth product information, beyond nutrition facts.”¹

¹ NielsenIQ, 2022

Driving a profitable and sustainable business

In 2022, we continued to channel our capabilities and resources to provide a steady and consistent supply of products we know North America needs in a supply-constrained world. Not only did we meet the demand in a challenging year for global supply chains, but we also achieved 96% responsibly sourced seafood.

Two significant advances that will further strengthen our responsible sourcing efforts and supply chain resiliency are diversification programs that explore the sourcing of local species and strategic supply relationships and joint ventures. These deeper relationships will also allow us to share our knowledge and sustainability best practices with suppliers, ultimately supporting the sustainability performance of all parties and enabling enhanced reporting.

Collaborating for a resilient supply chain: Universal Fishery Identification

From manufacturers to consumers to regulatory bodies, the expectations of product traceability in many sectors are steadily increasing. It is a complex undertaking in the seafood industry: source fishery names change often or differ from one organization to the next, and fishery data is not standardized and varies depending on the NGO with which the customer is partnered. And while it is a cumbersome exercise for the industry, traceability is necessary to verify the responsible practices of fisheries and fishers and is critical to ensuring sustainable fisheries management practices.

The Universal Fishery Identification (UFID) is a Sustainable Fisheries Partnership (SFP) initiative that will develop a universally recognized unique ID for every source fishery in the world. Backed by the Food and Agriculture Organization (FAO) of the United Nations, the UFID will become the common language for global industry stakeholders.

In 2022, High Liner Foods co-designed the global pilot with SFP and will be among the first companies to test and use the IDs for sourcing Namibian hake. The pilot will help identify process improvements and ultimately lead to standardized species reporting that will support processors, manufacturers and the government in reporting. The UFID can also support small-scale fishers who can leverage their IDs to gain visibility about consumer preferences and have opportunities to raise their profile by connecting their IDs to branding and storytelling.



PEOPLE AND COMMUNITIES



Caring for our people and the communities where we live and work represents the most important way we can live our purpose, *Reimagining Seafood to Nourish Life*. We will continue to learn from our people and the world around us to ensure the safety and well-being of all.”

Johanne Myers, Executive Vice President Human Resources

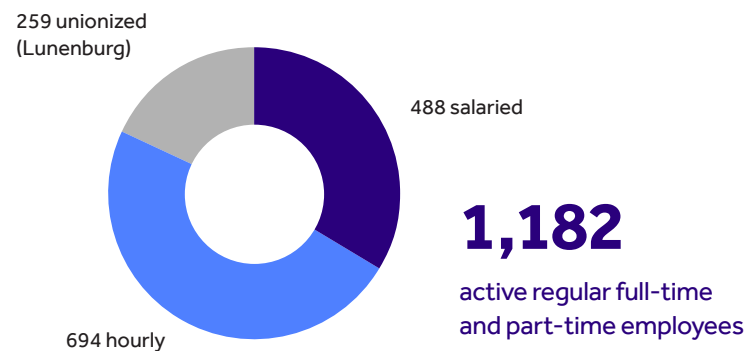


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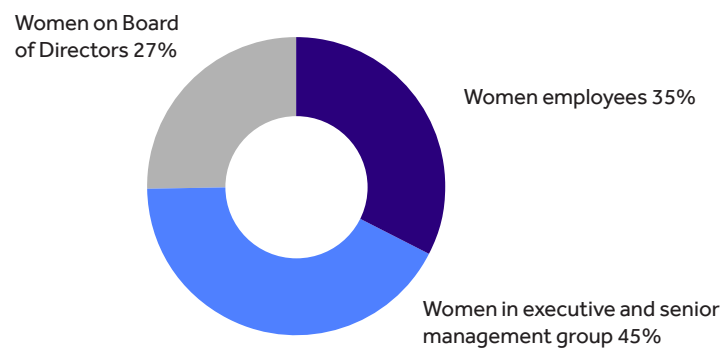
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Our team

Our workforce

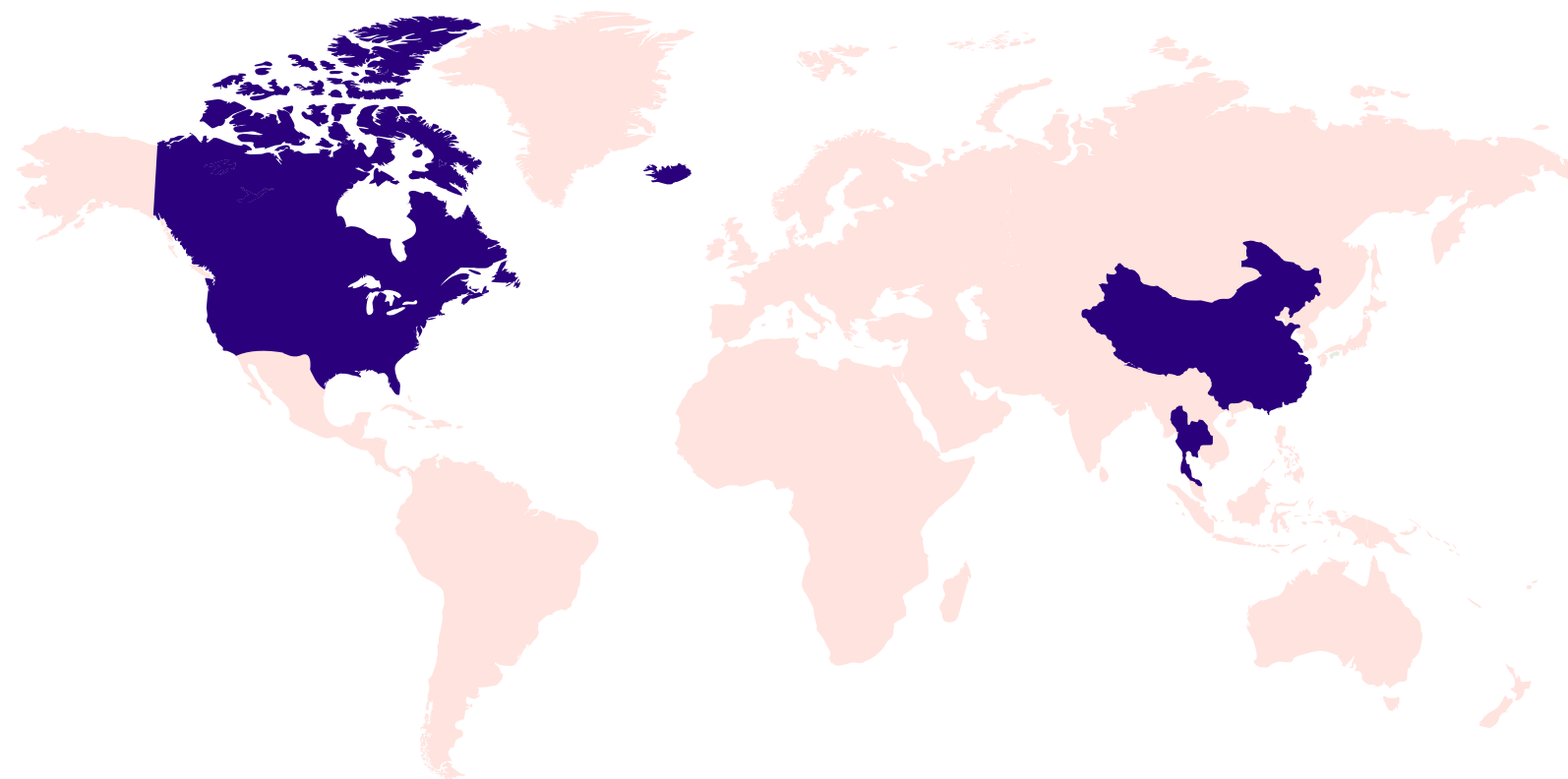


Representation of women in our workforce



The contributions of women are a valued component of our success as an organization. To learn more about High Liner Foods' Diversity, Equity and Inclusion efforts, please see [page 20](#) in this report.

Where we work



United States	Canada	China	Thailand	Iceland
661	501	14	4	2

Health and safety

Environmental, health and safety (EHS)

There were a total of 18 recordable injuries (RIs) in 2022 representing an increase of 12.5% incidents compared to 16 incidents in 2021 but down 28% compared to our 2018 baseline. While there was an increase in incidents in 2022, severity of recordable injuries continue to trend downward. Overall, we aim to improve our yearly safety record and will continue to explore ways to accomplish this as a workplace that keeps our team safe.

COVID response

In the second quarter of 2022, all of our sites moved to Phase 4, "Living with COVID," of our COVID-19 response. We slowly removed COVID-19 protocols, including on-site requirements and travel restrictions. Our site captains were inactivated in the third quarter. Still, our Human Resources and Environmental, Health and Safety teams continue monitoring the COVID-19 situation to ensure we can respond expeditiously if necessary.



SafeStart® training

SafeStart® is a program we first introduced to our U.S. manufacturing and warehouse facilities, followed by Lunenburg, to provide a human factor focus around the clock. An analysis of safety incidents showed that many of these occurrences were preventable by understanding how states like rushing, fatigue, frustration and complacency lead to safety risks. SafeStart® training provides guidance on identifying, anticipating and avoiding potentially unsafe situations at work, home and on the road.

In 2022, SafeStart® was extended to all salaried employees throughout High Liner Foods North America. As a result, 97% of all salaried employees hired before August 2022 have been trained. We are including SafeStart® training for new hires and Flex Units.

Supporting our people

Nourishing the health and wellness of our people

High Liner Foods continues to support our people through our well-being program grounded by its three key pillars: better health, better wealth, better mind. This holistic approach guides our considerations and activities to ensure we support and develop a strong team during work hours and after the workday is done.

Programs like yoga, kickboxing and Zumba are offered virtually once per week at no expense, while different contribution and pension plans, along with guidance from financial advisors, are provided through our benefits providers. Health and wellness fairs were conducted in the U.S. in November 2022, with vendors in attendance to ensure employees were aware of the offerings and the best plan for each individual's unique needs.

Additionally, the following changes in 2022 contributed to the well-being of our employees:

- Hybrid work model – Non-operational employees can work in the office at least two days of their choice a week — *do your best work where you work best*
- Increased mental health support – Added health benefits related to counselling and the types of therapies included

Employee engagement

By shifting our engagement efforts, we can now make data-informed decisions instead of purely anecdotal ones. In the past, employees were faced with lengthy surveys that were often only partly completed. In 2022, we conducted pulse surveys through the Glint platform offered by LinkedIn. This resulted in a 1% increase in employee engagement after six months, matching us with Glint's North American benchmark score of 75%. These short surveys with up to 24 questions are meant to drive conversations and provide data to inform the organization about what we are doing right and where improvement is needed. We aim to increase the frequency of these pulse surveys to include topic-focused surveys, such as DE&I. These surveys are also included in our onboarding and exit interview processes.

Diversity, equity and inclusion

As an organization that cares about the well-being of its people, we recognize the value of creating a workplace that is not only diverse but inclusive and respectful. The DE&I Committee, established in 2020, launched training programs and workshops for different groups within the organization, while in 2022, the Committee laid the following foundational elements built around the employee life cycle to drive meaningful progress:

- Policy review – Ensuring appropriate language is used and that policies support the diversity of groups within the organization
- Executive Leadership Team (ELT) and VP-level DE&I training – Delivered workshops through the Canadian Equity Consulting Group



The Re-Seasoning Coalition

High Liner Foods is proud to be one of the initial sponsors of the 2022 launch of The Re-Seasoning Coalition (TRSC), a non-profit initiative dedicated to increasing the representation of Black Canadians at every level of the foodservice industry. TRSC is focused on delivering foodservice sector-specific information, training and frameworks that support employers in assessing the strength of their DE&I programs, assisting program participants in implementing strategically prepared pipelines for diverse talent, and preparing businesses to support and build stronger relationships within the communities they serve.

High Liner supported the survey development and was a financial sponsor of the project, which was co-founded by our in-house chef, Philman George, with entrepreneur Elle Asiedu. The resulting research and resources will illuminate the public about the racial inequalities that exist in the Canadian foodservice industry and the "dollars and sense" required to push industry leaders.

Women in leadership

With the goal of showcasing our strong company culture, and commitment to DE&I, we launched our “HLF Women in Leadership” spotlight series. We celebrated the contributions of our women leaders through feature posts on our company LinkedIn page and our intranet site. These spotlights exhibit the valued difference that strong women leaders can make within an organization.

Talent acquisition and retention

For many sectors, 2022 was a year that presented both acquisition and retention challenges relating to talent. Certain areas of our business also experienced these challenges; however, overall, we consider our 2022 voluntary turnover rate of 13.6% a success and a testament to our reputation as a desirable place to work.

An enhanced referral program and strategic candidate sourcing strengthened our recruitment and shortened our requisition rate (i.e., the average number of days a job vacancy remained open) from 58 to 41.5 days, a decrease of 28%.

We attribute our positive trending acquisition and retention rates to a range of factors and activities, including the work we did to enhance candidate preparedness and online engagement. Posts that spotlight the women in leadership positions at High Liner Foods, announcements of our Cigna award for health and well-being, and other initiatives that benefit our employees and communities led to the growth of our High Liner Foods LinkedIn page from 6,000 followers to just under 10,000 at the end of 2022.

In 2023, we will support talent acquisition and build a talent pipeline by developing and launching an internship program and engaging with STEM programs at colleges and universities to raise awareness about opportunities at High Liner Foods.

Professional development and employee training

In addition to the DE&I training mentioned earlier in this report, the following skills and development activities took place in 2022:

- Developed the Leadership Academy, a “Corporate University” program for leaders, offering six core courses and two optional courses on topics that include communicating and leading with empathy, leading efficiently through planning and time management and driving performance through teamwork and delegation;
- Formalized and piloted our “Fin-to-Fin” Mentoring Program to help employees accelerate personal and professional goals;
- Developed *Reimagining Work: Hybrid Working Playbook*, a guide for effective management and high productivity in a hybrid work environment; and
- Completed succession planning to evaluate career growth within High Liner Foods (VP and Director roles).



Mentorship pairings:

10

Women promoted:

46.8%

Total promotions:

62

(salaried)

Development plans completed:

65%

of employees

Salaried:

62 in 2022

2021: 31

Community giving

Nourishing our world

Our purpose of *Reimagining Seafood to Nourish Life* extends to the communities where we live and work. Our organization and people take great pride in supporting initiatives that support the well-being of others and the health of the natural world.

In 2022, we reached our goal set in 2015 to provide 10,000,000 meals over 10 years to people in need in our communities through donations to food banks and other organizations that promote food security. Meeting our goal three years ahead of schedule demonstrates the critical need in our communities and our dedication as an organization to mobilize and contribute to programs that help others.

Our Day of Nourishment launched in 2021 and provided our employees with organized community service events where they can use their paid volunteer hours to help nourish our communities. We expanded the Day of Nourishment in 2022 by doubling paid volunteer hours to 16 and creating a second day of community service events aligned with Earth Day. Our employees volunteered nearly 1,500 hours in 2022.

“Providing our members with healthy and tasty meals offers them dignity and the knowledge that they belong to a community that genuinely cares. Without the donation from High Liner Foods, Eden could not have provided our clients with the same high-quality product due to the high cost of the ingredients. We appreciate the enthusiasm that High Liner brings to Eden’s Learning Kitchen each time they support us, whether through their generous food donations or the delicious meals they prepare.”

– Peter Costello, Eden Food for Change



High Liner Foods provided
10,000,000
meals over 10 years to people
in need in our communities

Our employees volunteered nearly
1,500
hours in 2022

Paid volunteer hours:
16
(versus 8 in 2021)

Fall Day of Nourishment: Eden Food for Change

High Liner Foods employees spent the day in the Eden kitchen preparing a nourishing dish of Lemon Pepper Sole, Italian-style side dishes and a medley of root vegetables. By the end of the day, the team had prepared meals for more than 250 people.

ENVIRONMENT



Guided once again by our purpose of *Reimagining Seafood to Nourish Life*, and through careful planning, our capital investment program has shifted from a bottom-line savings approach to measures that will preserve the environment while supporting profitability.”

Tim Rorabeck, Executive Vice President Corporate Affairs and General Counsel



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Protecting the environment

Protecting the environment

As the effects of climate change become more frequent, more severe and more challenging for communities and businesses, High Liner Foods is committed to helping the world mitigate the most severe effects by managing our greenhouse gas emissions. We also recognize that the effects of climate change, like adverse weather conditions and natural disasters, could impact the quality of various seafood species and other non-seafood products and our ability to procure and sell them.

The following sections detail our strategic programs to help protect the environment and mitigate our related material risks:

GHG emissions

Calculating our emissions

In 2021, we began creating a GHG Inventory Management Plan (IMP) aligned with the Greenhouse Gas Protocol Corporate Standard. We leveraged the IMP to complete our first GHG inventory for Scope 1 direct emissions and Scope 2 indirect emissions from our North American operations in 2022. We also worked with external GHG accounting experts to assess the assurance-readiness of our IMP. That assessment, in conjunction with our Internal Audit team, helped create key controls and an audit program to provide future assurance regarding the completeness and accuracy of our GHG disclosures.



GHG emissions

GHG protocol category	Description	Methodologies	2021 GHG emissions (CO ₂ e metric tons)	2022 GHG emissions (CO ₂ e metric tons)
Scope 1	Stationary combustion emissions from on-site use of fuel at North American sites: 3 manufacturing facilities, 1 warehouse and 3 corporate offices. Mobile combustion emissions from fuel used by company-operated truck fleet. Fugitive emissions from HVAC refrigerant.	<p>Monthly utility invoices for each North American site used to determine total fuel use. Mobile combustion calculated by volume of fuel estimated to be consumed based on total annual mileage and assumed fuel efficiency for each vehicle type. Simple estimation methods used to calculate HVAC fugitive emissions based on equipment make/model and Global Reporting Protocol efficiency standards for commercial HVAC units.</p> <p>An Emission Calculation Tool, Beta Version, made available by the Greenhouse Gas Protocol was used to calculate GHG emissions based on various emission factors and global warming potential (GWP) from: IPCC Fifth Assessment Report (AR5), U.S. EPA and UN Climate Change.</p>	11,414 (includes Biogenic emissions of 506 MT CO ₂ e)	10,502 (includes Biogenic emissions of 305 MT CO ₂ e)
Scope 2 (location-based)	Emissions from electricity consumed on all North American sites: 3 manufacturing facilities, 1 warehouse and 3 corporate offices.	Monthly utility invoices for each North American site used to determine total electricity use.	22,104	21,939
Scope 2 (market-based)		An Emission Calculation Tool, Beta Version, made available by the Greenhouse Gas Protocol was used to calculate GHG emissions based on various emission factors and global warming potential (GWP) from: IPCC Fifth Assessment Report (AR5), U.S. EPA. Market-based emission factors provided by power suppliers based on mix of power included in power purchase agreements (PPA).	19,341	18,173

2022 Summary of GHG emissions reduction achievements

- GHG inventory management plan for Scope 1 and Scope 2 emissions completed
- Kicked off a feasibility study for 16 emissions reduction projects identified by Siemens
- Established reduction targets for Scope 1 and Scope 2 emissions with a 2021 baseline year

Defining a pathway to achieving a meaningful reduction

In 2022, Siemens was hired to analyze the operations at all three manufacturing facilities and identified potential opportunities to cut total GHG emissions. Their review included the following:

- Identification of 16 potential actions to reduce Scope 1 and Scope 2 emissions by 30% (9K MT CO₂e), including:
 - Installation of energy-efficient equipment to replace existing units and heat recovery measures that would account for ~13% in reductions;
- Identification of emissions “hot spots” within our operations, allowing us to prioritize emission reduction opportunities; and
- Feasibility and cost assessments of on-site wind and solar power generation.

2023: Goals and commitments

Our 30 by 30 goal is to reduce Scope 1 and Scope 2 GHG emissions by 30% by 2030 versus the 2021 baseline. While we are confident in achieving this goal, we do not expect our progress to be linear given the research and analysis we must conduct to identify and implement emission reductions.

Scope 3 emissions, indirect emissions from the supply chain, are often the overwhelming majority of an organization's total emissions. Working with our supply chain partners, we are committed to completing our Scope 3 inventory in the first half of 2024 to ensure we are fully aware of our impact on climate change and can identify where we can focus on making material reductions to our emissions.



Waste reduction

Food waste reduction

Reducing food waste is an essential component of global food security and sustainability. One-third of all food products are wasted before consumption, resulting in almost \$1T in economic losses and between 6% and 8% of global GHG emissions.

We embarked on a refreshed journey to eliminate food waste in 2019 when we joined Kroger in the 10x20x30 program, which sets a target for at least 10 of the world's largest food retailers to engage at least 20 of their suppliers to halve food loss and waste by 2030. In addition, we committed to reducing food loss and waste in our operations by 50% by measuring and publishing our food loss and waste inventories and taking action to reduce our waste.¹

In 2022, our food waste was 23% less than in 2018 (down 15% vs. 2021). We believe we can achieve our 2030 food waste goal through continuous improvement, capital investment and a team-driven approach to finding solutions.

Food waste reduction goals

We aim to reduce food waste by

50%

by 2030 versus the 2018 baseline

2022 Waste reduction achievements

2.7M pounds of food waste,

15%

decrease versus 2021

Simple solutions add up to a significant impact

In 2021, our Lunenburg Continuous Improvement team installed guardrails on conveyor belts and added "fill guides" collection hoppers. These were simple solutions, but in both cases we were able to significantly reduce food waste by eliminating food falling on the production floor.

A breakthrough in recycling

In 2022, we continued to explore innovative solutions that would retain the food safety and food waste reduction benefits of packaging components like plastic liners with more sustainable materials while increasing the share of recyclable materials. Currently, 92% of our packaging is recyclable or compostable, and 49% has post-consumer waste content.

Our people's commitment to continuous waste management improvement was demonstrated in 2022 when an employee at our Newport News facility found a recycling solution for the 1.2 million pounds of wax-impregnated liners used across our facilities. After many years of research, Greg Muller (Manager, Warehouse Plant Operations), who manages recycling as part of his role at High Liner Foods, successfully sourced a company that would accept the liners from Newport News, where 600,000 pounds of liners are used annually. This effort diverted 600,000 pounds of waste from the landfill and reduced trips to the landfill by 63% vs. 2021 (also resulting in savings of Scope 3 GHG emissions). Our Portsmouth plant uses 400,000 pounds of liners annually, which will start being recycled in 2023.



Our operations implement best-in-class processes to support our food and material waste reduction goals:

- Daily scorecards: we measure the waste per SKU to isolate opportunities that will help us move towards zero waste;
- Prioritize goals for each facility with data identifying reduction opportunities;
- Encourage cross-functional teams to identify where losses originate and potential solutions, including repurposing waste; and
- Sharing solutions across the organization to improve our operations by maximizing waste reduction efforts.

¹ Food waste is defined as any food/inedible parts sent to landfill or other waste facilities — goal is a reduction in food waste as a percentage of production pounds.

PERFORMANCE



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Sustainability performance

Topic	Metric	2022	2021	2020	2019	SASB code	GRI disclosure number
About Our Company							
Weight of products sold	Pounds	250,920,587	233,731,110	240,654,379	257,233,387	FB-PF-000.A	2-6
Number of production facilities	Number	Plants: 3 Owned warehouse: 1 Leased warehouse: 1				FB-PF-000.B	2-6
Total product manufactured	Pounds (000,000s)	164.5	151.7	154.1	152.7		2-6
Responsible Sourcing							
Top species – Shrimp	Percentage of sales	16.0%	21.2%	20.5%	21.7%		2-6
Top species – Cod	Percentage of sales	23.2%	20.5%	22.6%	30.2%		2-6
Top species – Salmon (Wild & Farmed)	Percentage of sales	18.8%	14.3%	11.5%	13.2%		2-6
Top species – Haddock	Percentage of sales	15.4%	11.5%	12.0%	11.1%		2-6
Top species – Pollock	Percentage of sales	12.4%	14.1%	15.2%	9.7%		2-6
Top species – Tilapia	Percentage of sales	6.1%	7.3%	6.8%	6.0%		2-6
Top species – Sole	Percentage of sales	2.1%	2.9%	2.5%	3.3%		2-6
Seafood responsibly sourced	Percentage (%)	96.0%	98.0%	96.0%	96.0%		2-6
Raw material responsibly sourced from audited suppliers	Percentage (%)	98.0%	98.0%	98.0%	98.0%		2-6

Topic	Metric	2022	2021	2020	2019	SASB code	GRI disclosure number
Responsible Sourcing (continued)							
Percentage of seafood – Wild caught (based on pounds sold)	Percentage (%)	77%	76%	74%	77%		2-6
Percentage of seafood – Farmed (based on pounds sold)	Percentage (%)	23%	24%	26%	23%		2-6
Seafood purchases covered by required social audit	Percentage (%)	100%	98%	98%	98%		2-6
Required social audits approved with no conditions	Percentage (%)	98%	100%	100%	100%		2-6
Environment							
Energy Management							
Energy use	kWh	54,317,912	53,886,784	52,842,570	51,764,371	FB-PF-130a.1	302-1
Energy intensity	kWh per 100,000 pounds manufactured	33,020	34,968	34,291	33,892		302-3
GHG Emissions							
Scope 1	Metric tons (t) CO ₂ -e	10,199	10,908	N/A	N/A		305-1
Scope 1 (Biogenic)	Metric tons (t) CO ₂ -e	305	506	N/A	N/A		305-1
Scope 2 – Location-based	Metric tons (t) CO ₂ -e	21,927	22,104	N/A	N/A		305-2
Scope 2 – Market-based	Metric tons (t) CO ₂ -e	18,162	19,341	N/A	N/A		305-2
GHG emissions intensity	Metric tons (t) CO ₂ -e per 100,000 pounds manufactured	19.7	22.1	N/A	N/A		305-4

Topic	Metric	2022	2021	2020	2019	SASB code	GRI disclosure number
Environment (continued)							
Water Management							
Water usage	Gallons	107,082,938	107,424,891	104,602,741	107,923,940		303-5
Water intensity	Gallons per 100,000 pounds manufactured	650,960	698,290	679,945	720,454		303-5
Food Waste							
Food waste	Pounds (000,000s)	2.675	2.587	2.898	3.498		306-3
Food waste as % of total manufactured pounds	Percentage (%)	3.58%	3.69%	4.15%	5.05%		306-3
Change in food waste as % of total manufactured pounds vs 2018 baseline	Percentage (%)	-23%	-20%	-11%	9%		
People Management							
Regular full-time and regular part-time employees	Number	1,182	1,102	1,124	1,136		2-7
Salaried employees	Number	488	459	668	450		2-7
Hourly employees	Number	694	643	456	686		2-7
Unionized employees	Number	259	233	233	226		2-7
Workforce that is female	Percentage (%)	35.0%	49.0%	36.1%	35.7%		2-7, 405-1
Board members who are female	Percentage (%)	30.0%	30.0%	30.0%	40.0%		405-1
Combined executive and senior leaderships teams who are female (ELT & SMG)	Percentage (%)	33.3%	34.5%	28.6%	26.7%		405-1

Topic	Metric	2022	2021	2020	2019	SASB code	GRI disclosure number
People Management (continued)							
Employees by country – United States	Number	661	632	659	711		2-7
Employees by country – Canada	Number	501	451	445	435		2-7
Employees by country – China	Number	14	13	14	14		2-7
Employees by country – Thailand	Number	4	4	4	5		2-7
Employees by country – Iceland	Number	2	2	2	2		2-7
Retention rate	Rate	79.6%	79.8%	80.9%	75.6%		
OSHA reportable incidents	Number	18	21	21	20		
OSHA incident rate (combined Canada/US)	Rate	1.3	1.4	1.7	0.7		403-9
Socio-economic Development							
Donated products and financial support	USD	\$255,780	\$252,750	\$1,671,428	\$214,341		
Meals provided for local communities since 2015	Number	10,115,462	9,484,926	8,758,702	6,381,537		

GRI index

Disclosure number	Disclosure title	Response, link or additional information
General Disclosures		
The Organization and Its Reporting Practices		
2-1	Organizational details	2022 Sustainability Report, About this report, p. 2
2-2	Entities included in the organization’s sustainability reporting	2022 Sustainability Report, Our global sustainability commitment, p. 3
2-3	Reporting period, frequency and contact point	2022 Sustainability Report, About this report, p. 2
Activities and Workers		
2-6	Activities, value chain, and other business relationships	2022 Sustainability Report, Our global sustainability commitment, p. 3
2-7	Employees	2022 Sustainability Report, People and communities, Our team, p. 18 ; Sustainability performance, pp. 31–32
Governance		
2-9	Governance structure and composition	2022 Sustainability Report, Sustainability governance, p. 12 2022 Management Information Circular , Board of Directors, pp. 10–18
2-10	Nomination and selection of the highest governance body	Board and Executive Officer Diversity, Equity & Inclusion Policy Board Charter
2-11	Chair of the highest governance body	2022 Management Information Circular , Board of Directors, p. 15
2-19	Remuneration policies	2022 Management Information Circular , Compensation Framework, p. 23 2022 Management Information Circular , Clawback, p. 29
2-20	Process to determine remuneration	2022 Management Information Circular , Compensation Governance & Risk Management, pp. 26–27

Disclosure number	Disclosure title	Response, link or additional information
Strategy, Policies and Practices		
2-22	Statement on sustainable development strategy	2022 Sustainability Report, Our sustainability priorities p. 7
2-23	Policy commitments	Code of Conduct , Our Core Values & Guiding Principles, p. 2
2-24	Embedding policy commitments	Code of Conduct Supplier Code of Conduct Corporate CSR Policy
2-26	Mechanisms for seeking advice and raising concerns	Code of Conduct , pp. 11–15
2-28	Membership associations	2022 Sustainability Report, Partnering for a sustainable future, p. 9
Material Topics		
3-1	Process to determine material topics	2022 Sustainability Report, Materiality assessment, p. 8
3-2	List of material topics	2022 Sustainability Report, Materiality assessment, p. 8
Economic		
Economic Performance		
3-3	Management of material topics	MD&A , pp. 6–13
201-1	Direct economic value generated and distributed (EVG&D)	MD&A , pp. 48–100
201-2	Financial implications and other risks and opportunities due to climate change	MD&A , p. 38
Procurement Practices		
3-3	Management of material topics	2022 Sustainability Report, Responsible sourcing, pp. 15–16 Supplier Code of Conduct

Disclosure number	Disclosure title	Response, link or additional information
Anti-corruption		
3-3	Management of material topics	Code of Conduct , Part 3: Our Business: Competition and Business Ethics, p. 6
Anti-competitive Behavior		
3-3	Management of material topics	Code of Conduct , Part 3: Our Business: Competition and Business Ethics, p. 6
Environmental		
Energy		
3-3	Management of material topics	2022 Sustainability Report, Sustainability performance, p. 30
302-1	Energy consumption within the organization	2022 Sustainability Report, Sustainability performance, p. 30
302-3	Energy intensity	2022 Sustainability Report, Sustainability performance, p. 30
Water		
3-3	Management of material topics	2022 Sustainability Report, Sustainability performance, p. 31
303-5	Water consumption	2022 Sustainability Report, Sustainability performance, p. 31
Food Security		
3-3	Management of material topics	2022 Sustainability Report, Waste reduction, p. 27
Emissions		
3-3	Management of material topics	2022 Sustainability Report, Protecting the environment, pp. 24–26
305-1	Direct (Scope 1) GHG emissions	2022 Sustainability Report, Sustainability performance, p. 30
305-2	Energy indirect (Scope 2) GHG emissions	2022 Sustainability Report, Sustainability performance, p. 30
305-4	GHG emissions intensity	2022 Sustainability Report, Sustainability performance, p. 30

Disclosure number	Disclosure title	Response, link or additional information
Waste		
3-3	Management of material topics	2022 Sustainability Report, Waste reduction, p. 27
306-3	Waste generated	2022 Sustainability Report, Sustainability performance, p. 31
Supplier Environmental Assessment		
3-3	Management of material topics	Supplier Code of Conduct
Social		
Employment		
3-3	Management of material topics	2022 Sustainability Report, Sustainability performance, pp. 31–32
Labor/Management Relations		
3-3	Management of material topics	MD&A , p. 39
Occupational Health and Safety		
3-3	Management of material topics	2022 Sustainability Report, Health and safety, p. 19
403-5	Worker training on occupational health and safety	2022 Sustainability Report, Health and safety, p. 19
403-6	Promotion of worker health	2022 Sustainability Report, Supporting our people, pp. 20–21
Training and Education		
3-3	Management of material topics	2022 Sustainability Report, Health and safety, p. 19 ; Supporting our people, pp. 20–21
404-2	Programs for upgrading employee skills and transition assistance programs	2022 Sustainability Report, Supporting our people, pp. 20–21

Disclosure number	Disclosure title	Response, link or additional information
Diversity and Equal Opportunity		
3-3	Management of material topics	2022 Sustainability Report, Supporting our people, pp. 20–21
405-1	Diversity of governance bodies and employees	2022 Sustainability Report, Our team, p. 18
Non-discrimination		
3-3	Management of material topics	2022 Sustainability Report, Supporting our people, pp. 20–21
Supplier Social Assessment		
3-3	Management of material topics	Supplier Code of Conduct , Part 2: Audit Program, p. 4
Customer Health and Safety		
3-3	Management of material topics	2022 Sustainability Report, Partnering for a sustainable future, p. 9



HIGH LINER FOODS

At High Liner Foods, sustainability is integral to our core business. As we pursue increasingly ambitious objectives such as adopting a GHG management program and forming a growing number of sustainability-oriented partnerships and collaborations, our purpose of *Reimagining Seafood to Nourish Life* continues to sharpen our vision and fuel our progress.

To learn more:

highlinerfoods.com/sustainability highlinerfoods.com/investors

Concept and Design: worksdesign.com