

Integrated  
Report 2021





# COMPANY DETAILS

•	NAME	Blumar S.A.
•	ADDRESS	Magdalena 181, Office 1301 South, Las Condes, Santiago
•	TYPE OF COMPANY	Publicly-traded company
•	CODE ON CHILEAN STOCK EXCHANGE	BLUMAR
•	TAX IDENTIFICATION NUMBER	80.860.400-0
•	SUBSCRIBED AND PAID-IN CAPITAL (USD)	\$330.308 MILLION USD
•	ADDRESS	

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**INDUSTRIAL PLANT TALCAHUANO**  
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•	REGISTRY OF SECURITIES	N°415
•	EXTERNAL AUDITORS	PricewaterhouseCoopers Consultores Auditores SpA
•	WEBSITE	<a href="https://www.blumar.com/">https://www.blumar.com/</a>
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•	PREPARATION	Administration and Finance Management. HR Management.
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# First Integrated Report of Blumar S.A.

The company has decided to publish its first Integrated Report, which shows how sustainability is embedded into the business model and its presence in the management of the environmental, social and governance dimensions (ESG). This report has been inspired by the principles of the International Integrated Reporting Council (IIRC).

The Report was developed along the guidelines of the GRI (Global Reporting Initiative) Standards, in accordance with the “Core” option, and complies with UN Global Compact requirements, and therefore for all purposes is presented as a Communication on Progress (CoP). The GRI Content Index defines the Sustainable Development Goals and Global Compact Principles that are related to the company’s performance.

This document presents the company’s results and advances in finances and sustainability from January 1 to December 31, 2021. The financial information includes consolidated results from Blumar S.A., while the information on sustainability considers the performance of Blumar S.A., Salmones Blumar S.A., Pesquera Bahía Caldera S.A. and Salmones Blumar Magallanes SpA.

Non-financial information from subsidiary PacificBlu S.A. and Entrevientos S.A. is not included.

The non-financial information includes environmental and social indicators, which consider 92% of Blumar SA’s revenues, which exclude the revenues corresponding to Entrevientos and PacificBlu.

The materiality assessment was conducted in accordance with the requirements set forth in the Practice Statement Making Materiality Judgments, issued by the International Accounting Standards Board (IASB). In addition, indications for the meat, poultry and dairy industry proposed by the Sustainability Accounting Standards Board (SASB) were considered.

The financial information in this report was audited by PricewaterhouseCoopers. On the other hand, the information on sustainability did not undergo an external audit. Nevertheless, the external audit from Deloitte verified the sanitary, social and environmental indicators of the Global Salmon Initiative (GSI). These are used to measure use of antibiotics and antiparasitics, lethal actions, fish escapes, mortality, non-medical methods and regulatory compliance.

## How to read this Integrated Report

The company’s Salmon and Fishing business divisions are published separately in this report. Therefore, to identify the origin of the information, icons will be displayed that facilitate reading and make it possible to associate the information with its respective business division:

Another relevant point to understand the structure and contents of this report are Blumar’s sustainability pillars.



Fishing



Salmon



Efficiency and  
Creation of Value



Relationships  
of Trust and  
Collaboration



Innovation and  
Adaptability



Environmental  
Commitment

### ICONOGRAPHY USED IN THIS INTEGRATED REPORT:



Frozen Jack  
Mackerel  
for human  
consumption



Fish Oil for animal  
feed production  
and human  
consumption



Fishmeal for animal  
feed production



Blumar Fleet



Atlantic Salmon



Farming Centers



Processing Plants



Fish Farming



Goal monitoring for the material topics will be categorized as achieved, in progress, and not achieved.



Achieved



In Progress



Not achieved





# Letter from the Chairman, Rodrigo Sarquis

It is an honor to share with you the first Integrated Report for Blumar S.A. and to tell you about how the company's strategy, governance, and management create value for all of our shareholders and stakeholders. The company firmly believes that a sustainability strategy and a business strategy are one and the same, integrating ESG issues (environmental, social, and corporate governance), as is highlighted in this document.

This report presents our financial results as well as the company's performance in sustainability. It shows the progress we have made in these aspects and also the challenges we need to continue working on for our target audiences, from communities to our investors.

The 2021 fiscal year demonstrated that not only financial results, but also the way in which we add value is what is important to Blumar. This is thanks to the skills of our thousands of employees to come together under one common goal: to produce food for the world in a sustainable and efficient way.

The period covered in this Integrated Report is very special to the company for a number of reasons. First of all, this year marked our 10th anniversary since we merged the companies Itata and El Golfo, and this union

has allowed us to renew our commitment to sustainable fisheries and aquaculture. This merger has given us a sound human team who are well prepared to face challenges and seize the opportunities available to us in our industries.

Our Board of Directors has also undergone renovation. In April, shareholders approved the incorporation of Bernardita Noguera (the first woman to hold the position of director at the company), Juan Ignacio Vinagre, Juan José Cueto, and Patricio Rojas. They have all joined us with the conviction that Blumar is a company with leadership, talent, and a vision for the future.

Our history has shown us that the past, present, and future of our company are tied to the sea. The actions we have committed to, many of which are described in this Integrated Report, allow us to envision an exciting yet challenging future, and we will demonstrate this through action, not just words.

In 2020, we became the first company in the industry to take out a syndicated loan under the category of Sustainability Linked Loan. This is subject to environmental commitments such as a reduced carbon footprint, decreased use of antibiotics, ASC certification, use of

renewable energy, and waste management. In 2021, we reported great progress in fulfilling these goals, which is touched on further in this document.

Since the beginning of 2020, the world, Chile, and Blumar have had to co-exist with the devastation left behind by a pandemic that has challenged us to change the way we connect and operate. We made people the focus of our management, we took care of each other, and we continued to work with extraordinary measures that allowed us to tackle this challenge with resilience and flexibility. Despite the tremendous impact of the closure of our salmon sales channels, our adaptive capacity and the improvement of markets made it possible for us to recover in this segment in 2021.

We believe aquaculture and fishing are activities with a great future. Salmon and jack mackerel afford us the possibility to offer the world healthy and sustainable proteins, and thanks to this, we have been able to minimize the effects of this production on ecosystems. We have strived to modernize our boats, farming centers, and processing plants, which has led to the diversification of our production, allowed us to reach new markets, and push forward on our path to sustainability.

An example of this is how we were able to reduce our use of antibiotics by 57% in 2021 in salmon farming, in comparison to 2017. This was an important breakthrough in our goal to reduce their use 58% by 2027.

This year we also saw that the jack mackerel quota for Chile grew by 15%, solidifying steady increases over the last decade and highlighting that industrial fisheries are in fact compatible with resource protection. At Blumar we care about having healthy fisheries and protecting the natural balance of our oceans.

Another milestone from 2021 was the end of the investment projects in Agua Mar in the Magallanes Region. We have been producing high quality salmon there that is being recognized in various international markets. This endeavor has also allowed us to create new brands, such as Laguna Blanca, which sells antibiotic-free (ABF) salmon and entered the U.S. market last year to respond to U.S. consumer needs.

This has made it possible for us to continue to improve our ranking in different markets, especially in the United States. This destination was one of several that displayed major recovery in salmon demand over 2020, which stimulated a global uptick in price. In turn, this allowed the company to financially recover following the difficulties from the previous fiscal year brought on

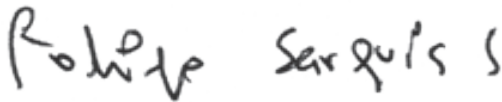
by the onset of the pandemic.

Along the same lines as our financial results and concern for efficiency, this period we began the process to sell disposable assets. We aim to focus our efforts on fishing operations and salmon farming, striving to make the company and its subsidiaries efficient in order to produce with high sustainability standards and consolidate our competitive advantages in different markets. In 2021, we finalized the sale of our 45% share in Friopacífico, which brought about earnings, net of taxes and consulting, of \$14,647,663 USD for the company.

Furthermore, we have our eye on what is occurring in Chile at the political and social level. We want to contribute to the transformational processes the country is experiencing and continue to advocate for relevant issues in the regions where we operate, such as decentralization, dialogue with communities, and fighting climate change. Salmon farming and fisheries are activities that stimulate regional economies and promote local development.

In light of what I have presented, we steadfastly believe that 2022 will be a year to continue making progress and solidifying major breakthroughs in sustainability and financial results. The aforementioned is a reflection of Blumar's strength and resilience to face challenges while maintaining professionalism and flexibility.

Lastly, I would like to express my gratitude for the trust instilled in us by our shareholders, suppliers and contractors, communities, and banks. I also would especially like to highlight and recognize the work of our thousands of employees. I thank them for their hard work and ongoing efforts. Their commitment has been fundamental in having a promising, sustainable, and innovative company.





# Letter from the Chief Executive Officer, Gerardo Balbontín

We have been integrating sustainability into our business for years at Blumar. Now we are taking a major step along this path by putting together our first Integrated Report, which incorporates the company's financial management and ESG.

We made great strides in sustainability during 2021 and began the year by entering into a contract to receive clean electricity entirely from non-conventional renewable energy sources. This has led to a significantly reduced carbon footprint and we have thus contributed to the UN Sustainable Development Goals (SDG), specifically SDG 13: "Climate Action."

In December 2020, we received financing through a syndicated loan with the Sustainability Linked Loan method. This allowed us to restructure our liabilities and also commit to voluntary sustainability goals as part of this operation. As such, we set goals related to reducing our carbon footprint, reducing our use of antibiotics, increasing the number of salmon Aquaculture Stewardship Council (ASC) certifications, waste management, and the use of renewable energy.

We set these goals for ourselves as part of our challenge to steadfastly and efficiently move forward to be a company that is better prepared for the future and to make a contribution in tackling climate-related challenges. For example, in 2021 we implemented a strategy to improve

the management and recovery of our waste, and we set a very ambitious goal: for 80% of our waste to be recovered as part of circular economy by 2027.

In this same vein, we have been part of Chile Global Compact since 2018, which reflects our ongoing concern with progressing in our commitment to the UN Agenda 2030 and the Sustainable Development Goals that are relevant to our business. This Integrated Report highlights the progress made through our initiatives and we reaffirm our commitment to the SDGs.

As a company we are not exempt from the effects of climate change and global warming. Understanding this context has been essential in order to put sustainability at the center of our activities and be a true contributor to the world's needs. Working conscientiously, realistically, and with a sense of urgency is what is necessary to take action in this area. This is precisely what we did in 2021. We measured the carbon footprint of all of our fishing and salmon facilities and outlined a strategy to reduce it in coming years and align ourselves with the country's carbon-neutral strategy by 2050.

This period also featured major milestones for our climate change strategy in the work we do as part of the Huella Chile program from the Ministry of the Environment. We were successful in getting 100% of the company's facilities to obtain the carbon footprint quantification seal, and this

was the first time we conducted this measurement in the farming centers in the Aysén and Magallanes Regions. We were also awarded a seal for reducing greenhouse gases in our fishmeal plant in San Vicente, as we were one of 21 companies awarded this accreditation.

The international organization Monterey Bay Aquarium also classified us, through their Seafood Watch program, as a "good alternative" for the consumption of Atlantic salmon from the Magallanes Region, where Blumar has a presence. This recognition is excellent news for our productive sector and the country because it acknowledges that the production of this animal protein displays excellent environmental parameters and places it as one of the eight farming regions that received this classification in the world.

Our outlook on sustainability, as being the focal point of our business strategy, has allowed us to progress quickly in bettering our interactions with the ecosystem and communities. All the measures, innovations, and technologies we have implemented together with the industry have allowed us to do things such as progressively raise the jack mackerel quota for Chile. In fact, this grew 15% in 2021 alone, which is part of a steady increase over the last 10 years. This made it possible for jack mackerel to go from being an overfished fishery to one that is fully operational. This shows us that sustainable resource management allows us to offer people a healthy food product.

An important part of sustainability is creating bonds of trust with communities. Several years ago, we developed a structure for community relations, and we consolidated it in 2021 through concrete actions that have emerged from this outreach process. Some examples of this are how we held open-door sessions, we participated in programs to benefit elderly adults, and we continued to promote various initiatives along with the trade associations we are part of, such as Comprometidos con el Sur (Committed to the South) from SalmonChile and the Sea Food Bank from Asipes. All of this work is part of our commitment to being a company that is connected to its neighboring territories. Remember that we endured a difficult moment for the company in 2020. Unusual and unexpected meteorological conditions in the Los Lagos Region caused our Caicura Center, near Hualaihué, to sink. This was a huge challenge for our teams, but we were able to rise above it with a comprehensive approach and concern for the environment and our neighbors. In 2021, we kept a number of environmental monitors active, which have not shown significant variations in the primary physical and chemical parameters of the water column. This has demonstrated to us that timely management, the deployment of resources, and transparency are fundamental in facing this kind of emergencies and reducing the impacts on the ecosystem.

Everything we have presented in this Integrated Report is a testament to our company's commitment to sustainability and people. Our teams located from Caldera down to Magallanes is what makes it possible to remain at the cutting edge of these issues. There are still many challenges that lie ahead, but we firmly believe we are on the right path to face the future.

This comprehensive management has also translated into excellent financial results for all of our shareholders. In 2021, Blumar generated EBITDA of \$100.264 million USD, much higher than the \$2.630 million USD from 2020, which was heavily impacted by the Covid-19 pandemic, especially our aquaculture division. This is the division that experienced the largest variation in results over the previous year due to the reactivation of the global economy and the demand from our primary markets. As such, the average sales price went from \$4.05 USD/kg WFE to \$5.59 USD/kg WFE. This allowed us to substantially increase the EBIT margin per kilo of Atlantic salmon sold, which went from -\$0.93 USD to \$0.22 USD/kg WFE. In turn, the fishing division also recorded an increase in its results, where the EBITDA increased by 36%. This performance is primarily due to the greater sales of frozen jack mackerel, which is the result of this better use of the resource for human consumption, one of Blumar's primary objectives. This promising situation has allowed us to fulfill our commitments with suppliers and shareholders. Therefore, in 2021, debts were paid via confirming that the company held as of December 31, 2020, for \$37.7 million USD and dividends were paid for \$10 million USD.

We especially thank all of our suppliers connected to the issue of sustainability, many of whom are entrepreneurs themselves. Their innovation and ability to come up with solutions for the environment allow us to create strategic and positive partnerships that have an impact on our environmental and health management. As a company, we would like to continue to support the development of new ideas and technologies that allow us to fulfill our sustainability goals.

I would also like to extend my special thanks to the Blumar team. Their resilience, talent, and commitment make it possible for us to improve our reports and indicators year after year. This is a reflection of the collaborative and caring spirit that we celebrated in 2021 as part of our tenth anniversary.





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# BLUMAR AT A GLANCE


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Blumar is a Chilean company that operates in the fishing and aquaculture industry with more than 70 years of experience. Our fish products are frozen jack mackerel for human consumption and fishmeal and fish oil for animal feed production.

Our salmon is marketed as a fresh and frozen product and its main destination is the United States, where we have a commercial office that distributes throughout the country. Other important markets are Brazil as well as countries in Latin America, Europe, and Asia.

## 1.1 • Major numbers

EFFICIENCY AND CREATION OF VALUE		RELATIONSHIPS OF TRUST AND COLLABORATION	
Total income	\$626.449 million USD	Employees	2,109
Fishing:	\$233.494 million USD	Percentage of women	28%
Salmon:	\$392.955 million USD	Total training hours	57,540
Percentage of local suppliers	70%	Social investment	\$472,000 USD
		Beneficiaries of community work	7,389



## INNOVATION AND ADAPTABILITY

Reduction in the use of antibiotics since 2017


57%

ASC certified salmon farming centers

17

ASC certified salmon production

75%



## ENVIRONMENTAL COMMITMENT

% of recycled waste of total recycled waste by business division:

Fishing:

45%

Salmon:

62%

Fish escapes


0

Facilities measuring carbon footprint

100%


% Renewable Energy

67%




20%

Industrial quota of Jack Mackerel central-south area




21%

Industrial quota of Sardine central-south area




21%

Industrial quota of Anchovy central-south area




55

Aquaculture concessions




34

Centers in use during 2021




8

Operating Ships




4

Fishmeal Plants



6

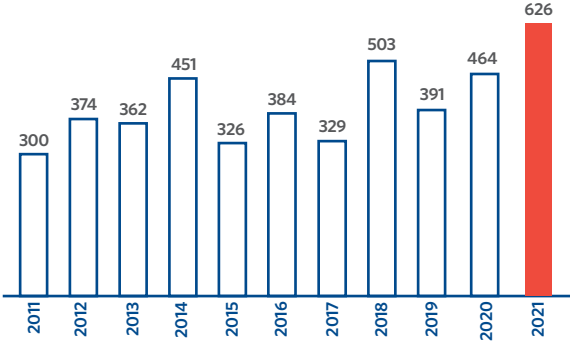
Final Product Plants



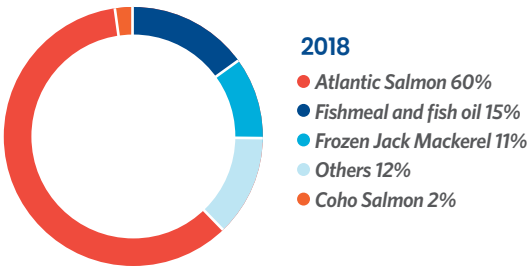
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Refrigerated Warehouse

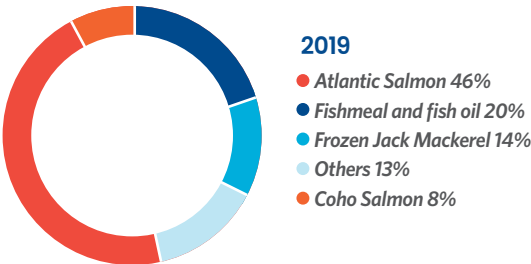
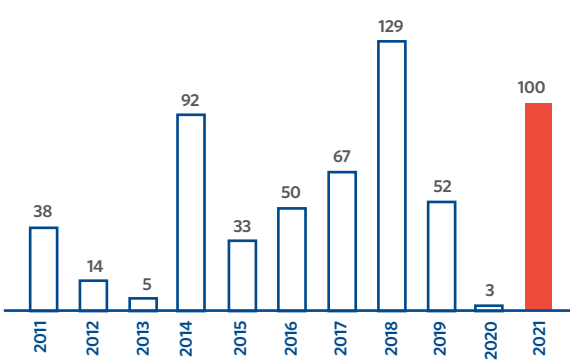
REVENUE (million USD)



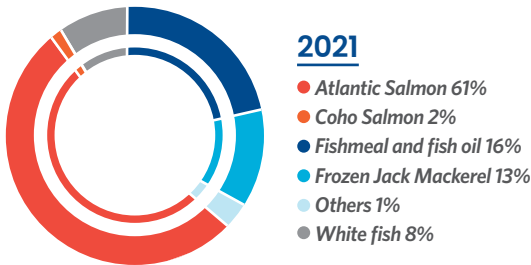
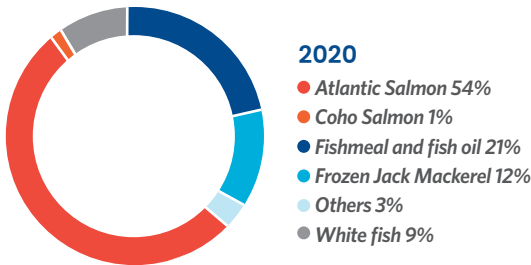
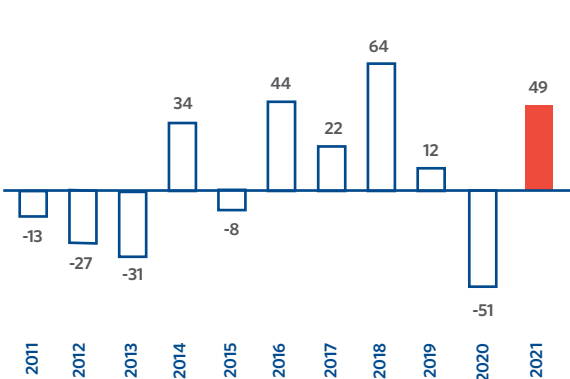
REVENUE COMPOSITION BY PRODUCT (% of revenue)



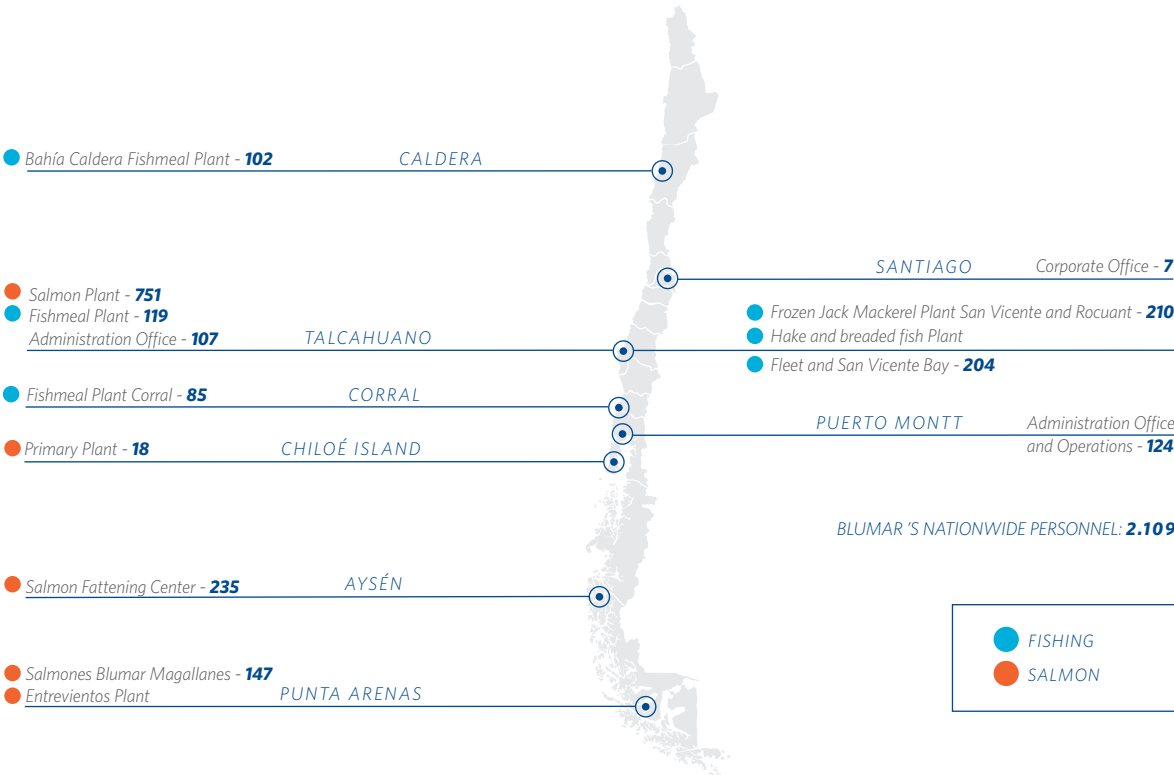
EBITDA (million USD)



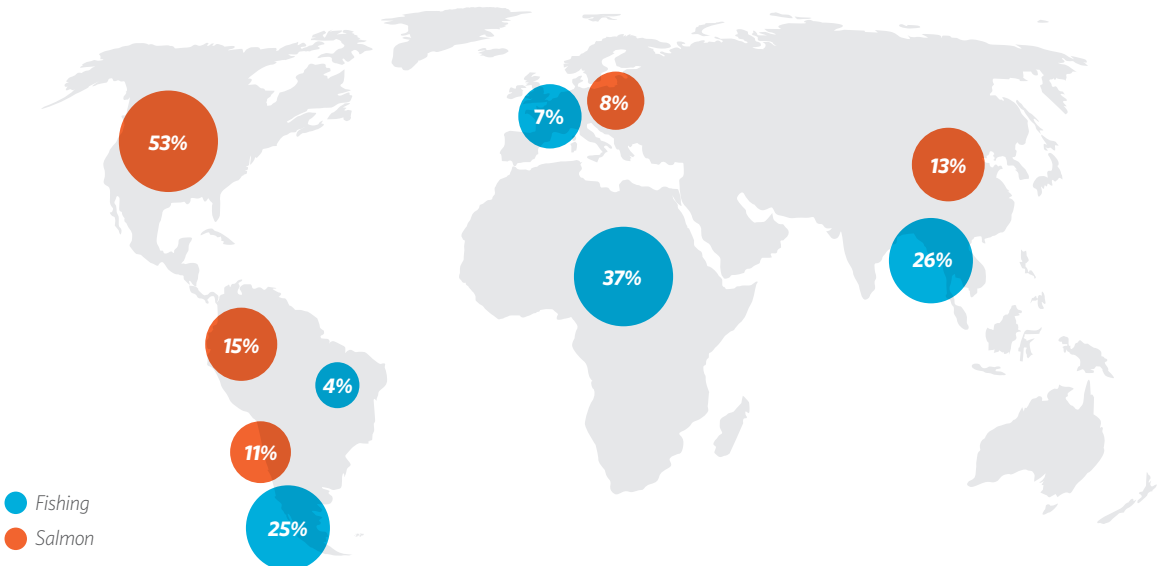
NET UTILITY (million USD)



FIRST LEVEL ASSETS THROUGHOUT CHILE



SALES DISTRIBUTION 2021 BY DESTINATION BLUMAR S.A. (% in USD)



CERTIFICATIONS







MILESTONES OF THE PERIOD

1 • Blumar shifts to 100% use of clean energy in its production processes

Blumar and its subsidiaries signed an energy supply contract with Enel Generación to change its energy matrix to only be supplied by renewable energy sources, such as wind, solar, geothermal or hydropower.

2 • Election of the Blumar S.A. Board of Directors

In April 2021, at the Annual Shareholders Meeting, the new Company Board of Directors was elected, which is now composed of Rodrigo Sarquis Said (Chairman), Juan Ignacio Vinagre Tagle (first Vice-Chairman), Andrés Santa Cruz López (second Vice-Chairman) and Bernardita Noguera Briceño, Pablo Santa Cruz Negri, Juan José Cueto Plaza and Patricio Rojas Ramos as directors. This election marked a milestone for Blumar S.A., given that Bernardita Noguera is the first female director in the company's history.

3 • Salmones Blumar Magallanes

The Company decided to move forward in the organization and integration of its corporate identity, hence the subsidiary BluRiver was renamed Salmones Blumar Magallanes. In addition, the Corporate Farming Management was created.

4 • Comprehensive waste management

The environmental area has signed an agreement with Rembre Magallanes to remove the waste generated in the company's farming centers, administrative offices and warehouses. The waste will then be delivered to a recycling company in the north of Chile.

5 • Premium Salmon: Laguna Blanca

The whole farming cycle for "Laguna Blanca" is completely free of antibiotics and is a product certified under the aquaculture standard of the Aquaculture Stewardship Council (ASC), which establishes protocols for sustainable seafood farming that is socially and environmentally responsible.

6 • Innovative management software

BluFarming is a modern farming management platform that aims to minimize the hours of work spent preparing multi-factorial spreadsheets, offering reports with productive data of the different areas, and their respective information analyses, with just one click.

7 • Blumar celebrated its tenth anniversary

In a hybrid ceremony at the salmon plant in Talcahuano, Blumar commemorated its tenth anniversary. This event featured the presence of a limited number of employees from Caldera to Magallanes, as well as representatives of the communities, labor union leaders and authorities.

8 • High standard in the production processes

After an official visit to the Blumar salmon plant in Talcahuano to learn about the processes prior to international shipments of the products, ProChile authorities praised the company's high standard of management.

9 • Huella Chile Seals

Blumar received the quantification and reduction seals - related to the measurement and reduction of greenhouse gases - from Huella Chile. For the first time, the company obtained the certifications for its farming centers in the Aysén and Magallanes Regions.

10 • Sale of FrioPacífico SpA

As part of its strategy to sell expendable assets, in November, Blumar S.A. finalized the transfer of its 45% share in FrioPacífico SpA, Chile's leading cold storage company, to Emergent Cold Latin America (Emergent LatAm), a company seeking to expand its operations in Latin America.

11 • Global Compact recognizes Blumar projects

The Company was awarded by the UN Global Compact Network through its "Conecta 2021" program, which recognizes companies that submitted success stories designed to generate impact in the Global Compact's fields of action and contribute to the progress of the SDGs and the fulfillment of 2030 Agenda. Blumar was awarded in the category "SDG Interconnection" for its project "Integrated Multi-trophic Aquaculture" and in the category "Planet" for the "Blumar Circular Economy" initiative.

12 • Fishing Business Results

The year 2021 was marked by an increase in international prices for fishmeal (+3%), frozen jack mackerel (30%) and a decrease in the case of fish oil (-11%). The fish oil market experienced a sharp drop in prices, due to the high supply coming from Peru, added to the good production line in Europe. The prices for frozen jack mackerel rose due to the reactivation of the African

market, with prices rising as the year progressed. The assigned industrial fishing quotas were 378,232 tons for jack mackerel, 35,098 tons for anchovy in Regions III and IV, and 122,215 tons for sardine and anchovy in Regions V-X. The own catch in 2021 reached 96,831 tons, very similar to the previous year.

The fishing operation costs remained similar to those of 2020, given the good productivity of the ships.

On the other hand, the purchase of raw materials was 205,083 tons, up 32% from 2020. This is mainly due to a better season for purchasing artisanal fishing in the III Region, added to a greater purchase in the XIV Region. Given the above, the level of supply of raw materials was 301,914 tons, 20 % higher than the 252,346 tons in 2020.

13 • Aquaculture Business Results

In the aquaculture division, the company harvested 66,788 tons WFE of Atlantic salmon, of which 39,043 tons WFE were harvested in the Aysén Region and 27,745 tons WFE in the Magallanes Region, the latter with very good production, sanitation and cost results. Aquaculture sales for 2021 reached \$392.955 million USD, an increase of 49% from 2020. This is due to an 8% increase in sales volume, determined by an inventory liquidation generated in 2020. The average price for Atlantic salmon rose by 38%, from \$4.05 USD/kg WFE in 2020 to \$5.59USD/kg WFE in 2021.

Ex-cage costs of Atlantic salmon increased by 9% compared to 2020, from \$3.36 USD/kg WFE in 2020 to \$3.65 USD/kg WFE in 2021. This was mainly due to an increase in ex-cage cost in Region XI, caused by poor performance of some centers during the first half of 2021.

The above resulted in an increase in EBIT per kg WFE sold, which increased from -0.93 USD/kg wfe in 2020 to 0.22 USD/kg wfe in 2021.



# 1.3 History of the Company

The history dates back to the late 1940s with the emergence of the fishing company Pesquera Itata under the name of Jorge Sarquis y Cía Ltda. Later, in the early 1960s, the fishing company El Golfo Stengel y Compañía Limitada was created.

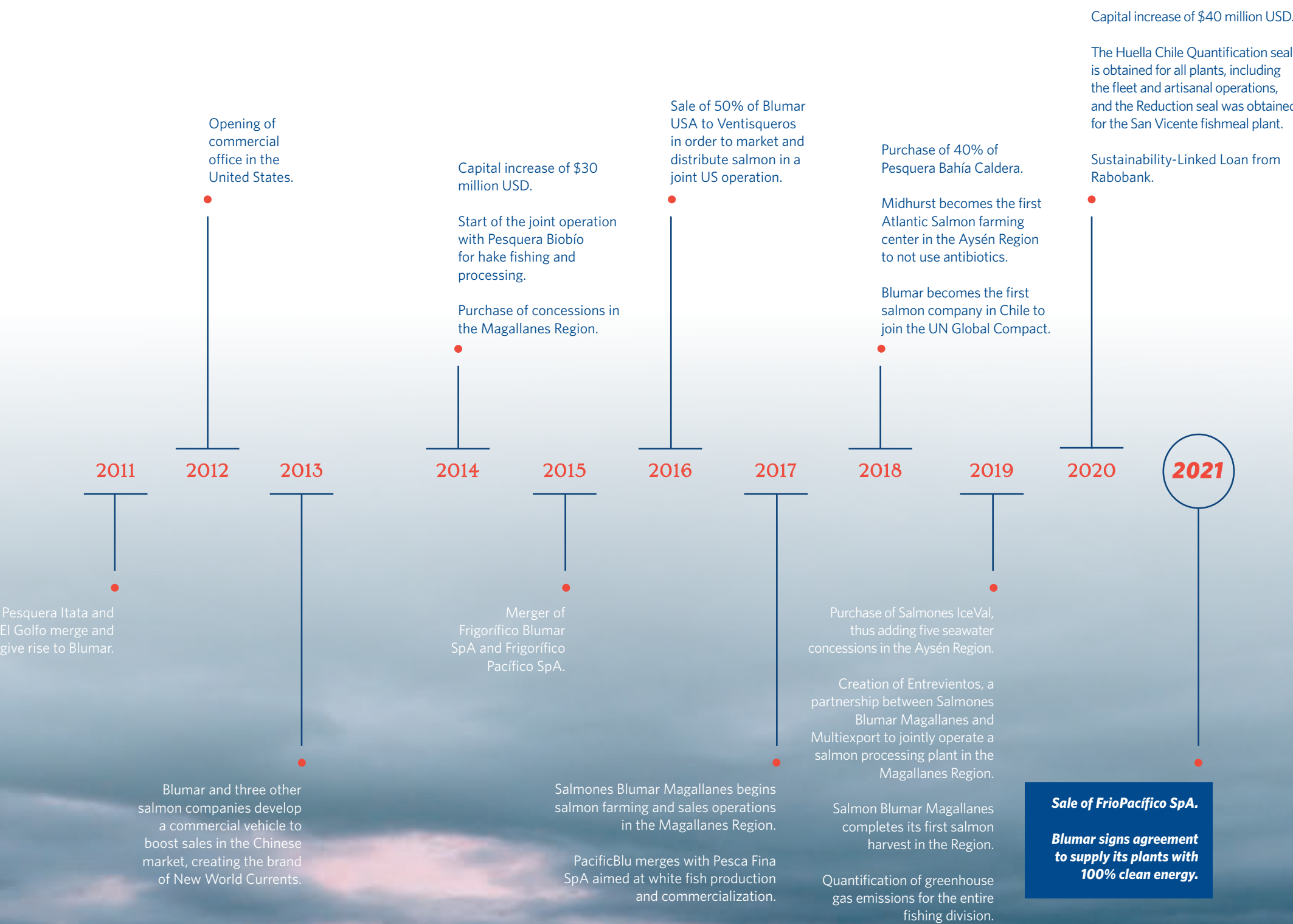
In the 1980s, El Golfo Stengel y Compañía was purchased by Hugo Yaconi, Mario Vinagre, Ernesto Noguera, Manuel and Jaime Santa Cruz and Itata, which involved an improvement of the fleet to increase production of fish oil and fishmeal.

The 1990s marked a radical change in business management. Itata went public on the Santiago Stock Exchange and took over Pesquera Atacama S.A. El Golfo created Tripesca and entered the domestic retail distribution business with the company El Golfo Comercial.

In 2000, Itata inaugurated its frozen jack mackerel plant and merged with Pesquera Confish S.A. Furthermore, El Golfo and Itata acquired two thirds of Pesquera Qurbosa S.A.

In 2004, Itata merged with Playa Blanca and formed Pesquera Bahía Caldera in the Atacama Region of Chile. In 2006, a major change occurred for both companies, with the venture into the aquaculture business. At first through farming and processing of mussels and later, salmon.

Finally, in 2011, due to a significant decrease in catch quotas of the main fishing resources, both companies decided to merge in the search for new markets and challenges, thus creating Blumar.





# 02

## VALUE CREATION STRATEGY

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## COMPANY STRATEGY

# 2.1

Blumar operates in the protein industry in the fishing and aquaculture division, our main products being frozen and fresh salmon, frozen jack mackerel, fish oil and fishmeal.

The Blumar seal guarantees the quality of our products and processes, the concern for the quality of the service provided to our customers, our experience, the integrity of our team and the management of a sustainable value chain. Sustainability management is a central element of the company's business model.

Blumar's strategy prioritizes responsible development that ensures both economic growth and the wellbeing of people and natural resources used in production processes. Furthermore, our approach focuses on innovation and the continuous improvement of our working models, until establishing sustainability in all areas of the company and including it as part of our employees' routines.

As the Blumar team, we believe that the only way to create long-term value for all our stakeholders is through sustainable growth, which allows us to contribute to the socioeconomic development of the communities where we operate, while keeping material topic management at the heart of our strategy and striving to reduce our environmental impact.

Our HR management, with the Sustainability area, is in charge of implementing sustainability through projects and initiatives. Activities are carried out through an annual working plan with an allocated budget. Every area has to guarantee the fulfillment and monitoring of the strategy. To ensure the development of sustainability across the company, we seek to integrate it strategically at different levels. We evaluate our sustainability

management through the following actions:

The performance of the company's senior executives and leaders is evaluated annually, through a series of individual objectives concerning ESG (Environmental, Social, Corporate Governance) parameters related to our material topics.

A report on the progress made in the Sustainability Strategy is presented to the Board of Directors annually.

The company has a Committee on Corporate Affairs, Ethics and Sustainability in the Board of Directors that spearheads the sustainability plan and holds regular meetings.

In order to evaluate and manage its performance on ESG issues, Blumar participates in the Dow Jones Sustainability Index.

### 2.1.1 • Environment and trends

The main trends in the fisheries and aquaculture sector are biodiversity loss, animal welfare and resource recovery.

#### **Reduction of greenhouse gas emissions**

Fisheries and aquaculture contribute moderately to greenhouse gas (GHG) emissions, although their intensity may vary according to the subsector and the species farmed or fished. However, there could be greater impacts from supplier operations than from the direct production operations of both industries.

The main emission mitigation measures<sup>1</sup> are related to reducing energy consumption, increasing the percentage of renewable energy use, and making better use of fuel and raw materials. In turn, and as occurs in other

food sectors, the management of the distribution and packaging activities of some components of the supply chain are also central points for reducing the carbon footprint of the sector.

On the other hand, technological innovations have the potential to reduce energy consumption in fisheries and aquaculture production, as well as to introduce more efficient post-harvest distribution systems.

#### **Deforestation and marine biodiversity**

Marine ecosystems and their biodiversity provide a wide variety of goods and services. Much of the world's population lives in coastal areas and depends on their resources. Therefore, the loss of ecosystem services can cause significant changes to human well-being.

The impacts of fisheries and aquaculture activities on biodiversity are deferred. Aquaculture could have an impact on the nutrient balance in the surrounding area.

In turn, the fisheries sector presents important challenges such as rising temperatures and ocean acidification. This could affect the distribution of some species and disrupt the functioning of the ecosystem and the services it provides to humans. In addition, unregulated activities could modify the benthic habitat its community structure by impacting complex ocean ecosystem processes and, in the long term, affect their sustainability and resilience<sup>2</sup>. Climate change could have effects on the catch, the available biomass of fishery resources, and economic returns, unless proactive and adaptive strategies are adopted.

On the other hand, continued dependence on marine resources puts pressure on wild fish stocks and constrains growth for salmon producers. In addition, production is sensitive to the effects of climate change on the marine environment. For this reason, producers are innovating to find alternative ingredients, such as soy, but without neglecting the collateral impacts that these may have on sustainability, such as increased deforestation areas, increased risk of GHG emissions and biodiversity loss.

#### **Use of antibiotics in cultivated species**

In aquaculture, several types of chemicals are used (e.g.

antiparasitics and antibiotics) that could have some effect on native species<sup>3</sup>.

The importance of developing a plan to reduce the use of antibiotics in aquaculture production in Chile has been clear for some time. Thus, in 2012, Sernapesca began disseminating the concentration of antimicrobial agents used in the industry. The last report stated that during 2020, the Antimicrobial Consumption Index (AAI<sup>4</sup>) was 0.035%, confirming the downward trend recorded since 2015, when it stood at 0.063%<sup>5</sup>.

#### **Animal welfare**

In aquaculture, animal welfare helps to cultivate better adapted species throughout the production chain, which can be seen in the quality of the final product. Welfare includes the animal's condition, how it faces its environmental conditions and the low or no stress level to which it is subjected, in conditions of production, transportation or slaughter. Animal welfare is considered good if the animal can develop in adequate aquatic environment, is healthy, well-fed, safe, not suffering from physical and/or thermal discomfort and if it can express normal patterns of behavior and does not experience pain or fear<sup>6</sup>.

Guaranteeing animal welfare requires proper handling during the different stages of the production chain, transportation and, finally, that the animals are harvested using the appropriate protocols for their metabolism and physiology. Common welfare problems include sea lice, illness, aggression, and stress.

Therefore, at the industry level, animal welfare directly promotes productivity and profitability through the production of higher quality products. The FAO<sup>7</sup> also indicates that consumers, especially in more developed economies, are increasingly concerned about sustainability, animal welfare and food safety, which may also affect their consumption habits in relation to marine products.

#### **Food safety and sustainable proteins**

The current challenge of feeding the planet will grow over the next 30 years, when the world's population will

[1] <https://www.fao.org/3/i0994s/i0994s.pdf>

[2] [3] [https://cdn.digital.gob.cl/filer\\_public/86/3b/863b82f8-b481-4c93-b83b-ac1ad69cb9b9/8biodiversidad-acuicultura-buschmann.pdf](https://cdn.digital.gob.cl/filer_public/86/3b/863b82f8-b481-4c93-b83b-ac1ad69cb9b9/8biodiversidad-acuicultura-buschmann.pdf)  
[4] The AAI indicates the relationship between the amount of active substance used, divided by the year's salmonid harvest. Thus, if in 2015, the productive sector used 557 tons of antimicrobials and harvested 883,000 tons of salmonids, in 2020, the industry used 177 tons less of antimicrobials (379.6 tons) while producing almost 200,000 tons more (1,075,000 tons of total production, according to preliminary figures from Sernapesca).  
[5] <http://www.sernapesca.cl/noticias/sernapesca-publica-informe-de-uso-de-antimicrobianos-2020>  
[6] <https://www.mundoacuicola.cl/new/bienestar-animal-en-acuicultura-una-herramienta-de-ganancia-productiva/>  
[7] <https://www.fao.org/3/i5555s/i5555s.pdf>



have increased to 9,700 million people after growing by 2,500 million between now and 2050<sup>8</sup>. This will not only be a challenge in regard to combating malnutrition, but also concerning the increased demand for protein associated with healthy nutrition of an aging population. Likewise, with the growth of middle-class income in large emerging markets, more people have access to food rich in different, more nutritious proteins.

The EAT-Lancet Commission<sup>9</sup> recommends increasing the consumption of fish, legumes and nuts as sources of sustainable and healthy proteins. This will result in increased global demand for food, thus increasing the consumption of high-quality proteins.

In this context, the FAO<sup>10</sup> has pointed out that “fish is a food of excellent nutritional value, providing high-quality proteins and a wide variety of vitamins and minerals, including vitamins A and D, phosphorus, magnesium, selenium and iodine.” Moreover, global health authorities are increasingly promoting the health benefits of salmon consumption: it is nutritious, rich in micronutrients, minerals, marine Omega-3 fatty acids, high-quality proteins and vitamins.

2.1.2 • Our culture

Blumar's Principles

**Collaborative work:** the stakeholders are very important to the company. With the aim of creating value and prosperity, we constantly work together on guaranteeing appropriate and fair treatment for both parties.

**Preserving biodiversity:** the company seeks to coexist respectfully and in harmony with the environment and

thus conserve for future generations the resources offered by the environments where it operates.

**Social Impact:** our close relationship with neighboring communities is fluid, frank, horizontal and established by our employees themselves, which allows for the development of projects with mutual benefit and social impact.

**Wellbeing:** we consider our employees to be priority stakeholders because they make up the foundations of Blumar. This is why their wellbeing and development must be guaranteed, which also includes our contractors.

**Relationship with suppliers:** we treat our suppliers fairly and, where appropriate, work with them in partnership. This helps keeping the company at the forefront of industry standards.

**Transparency:** Blumar's open-door policy and transparency with society, the media, trade associations and authorities have allowed us to build trust and enable collaborative work for the sustainability of the industry.

**Mission:** to be a leading company in fishing and aquaculture, while managing our resources sustainably, protecting the environment and creating value for our shareholders, customers and employees. At the same time, we want to provide products and services with quality standards that are recognized in the markets where we operate.

**Vision:** to become the leader in fishing and aquaculture in Chile, meeting our customers' expectations and innovating through continuous improvement in our management, in our empowering relationship with our employees, communities, and authorities, as well as in environmental care.

Blumar's values

**Efficiency:** achieve our goals and hold up our end of the bargain, implicating the smallest amount of resources possible.

**Honesty:** to be transparent and always seek the truth. We keep our word.

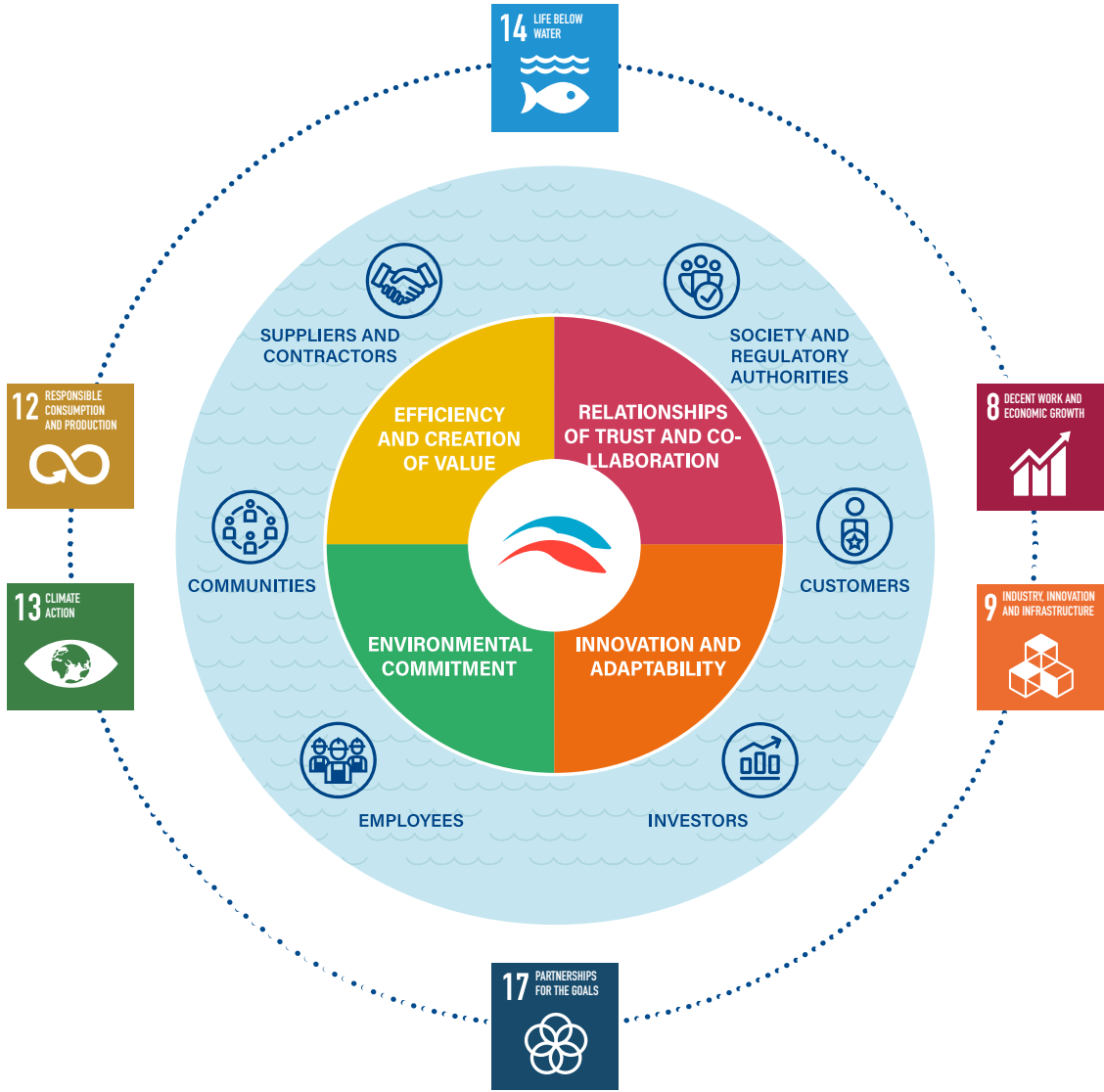
**Loyalty and Commitment:** to be true to our principles, ideals and responsibilities, always doing what is best for our team, the community, and our customers.

**Responsibility:** we are aware of the fact that every relationship is built on trust; so we take responsibility for the impacts we cause.

**Austerity:** we use our resources in an efficient way, optimizing all our processes. We always try to improve and strive for effort and simplicity.

**Constructive Spirit:** we are constantly seeking excellence in everything we do, and we rely on continuous improvement.

Blumar's Strategy



[8] [https://population.un.org/wpp/Publications/Files/WPP2019\\_PressRelease\\_ES.pdf](https://population.un.org/wpp/Publications/Files/WPP2019_PressRelease_ES.pdf)  
[9] The EAT-Lancet Commission consists of 37 world-leading scientists from 16 countries from various scientific disciplines. Its objective is to reach a scientific consensus by defining objectives for a healthy diet and sustainable food production.  
[10] <https://www.fao.org/focus/s/fisheries/nutr.htm>

2.1.3 • Strategic pillars

Our strategic pillars are:



Efficiency and  
Creation of Value

We strive to create maximum value for all shareholders equally, while also generating shared value for all our stakeholders. We work to maximize profitability in all our lines of business, with the objective of consolidating our position in the industry and maintaining our leadership. Therefore, we are focused on continuously improving our different processes, prioritizing the quality of our products and the efficient use of resources.



Innovation and  
Adaptability

We try to be aware of the needs of our environment and the opportunities it provides, in order to be able to adapt to diverse social, environmental, regulatory, and economic challenges. Innovation is essential to add value and maintain our leadership.



Environmental  
Commitment

In the fishing division, marine life is our main resource and we are indebted to it. We concern ourselves with its care and survival over the long term, managing resources responsibly and minimizing environmental impacts. In the aquaculture division, we respect and have a constant commitment to the environment and we mitigate the impacts that our activity generates. We participate in various initiatives to ensure the sustainability of our environment and preserve it for future generations.



Relationships  
of Trust and  
Collaboration

We work together with our various stakeholders, through close collaboration prioritizing the quality of our relationships. We foster a good working relationship with our employees through sincere and direct dialogue. We promote opportunities for dialogue and participation with the local community through diverse initiatives.

Focus

- Continuous improvement
- Product quality
- Internal culture

- R&D
- Adapting to change
- Genetic research
- Product development

- Environmental Management
- Adaptation to climate change
- Commitment climate change
- Climate-related risks

- Reputation
- Strategic alliances
- Labor Relations
- Relationship with stakeholders
- Collaboration

Associated risks

- Loss of competitive value
- Industry volatility
- Accidents
- Interruption of operation

- Changes in consumer demand
- Use of antibiotics
- Disease control
- Competition / innovation

- Climate change
- Extreme environmental events
- Regulatory Compliance
- Civil claims and from civil society

- Reputation-related
- Loss of our social license to operate
- Lack of knowledge of civil society

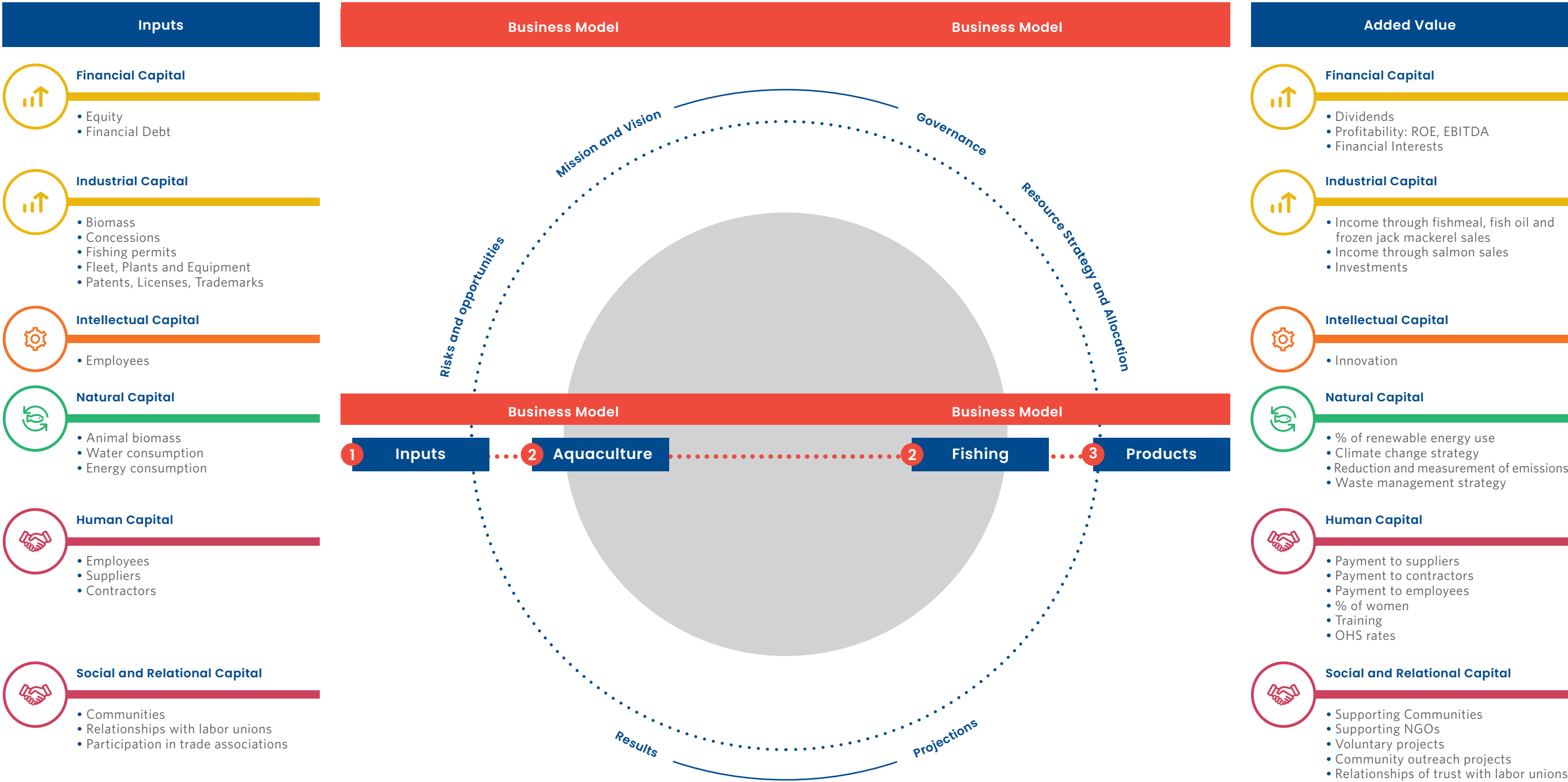




2.1.4 • Value creation model

The company seeks to create long-term value for all its stakeholders. We believe that the only way to achieve this is through sustainable growth, which allows us to contribute to

the socioeconomic development of the communities where we operate, while keeping material topic management at the heart of our strategy and striving to reduce our environmental impact.





2.1.5 • Investment Plan

A. Investment and financing policy

Over time, Blumar has managed an investment and reinvestment policy aimed at maintaining all its productive assets in optimal operating conditions.

Our financing policy has privileged financing with asset maintenance with our own yearly resources. The company has also been financed with the support of banking institutions, when the period's cash flow has been more restricted or investments have been larger.

B. Investments for the period

During 2021, investments amounted to \$26.0 million USD.

B.1 Blumar S.A.

Investments in the fishing division reached \$6.5 million USD, including the following:

Fishmeal and Fish Oil Plants

A total of \$2.8 million USD was invested in the fishmeal and fish oil plants in San Vicente, Coronel, Corral and Caldera, mainly for the plants in San Vicente and Caldera. At these plants, all investments were mainly focused on updating the equipment to improve the process efficiency and reduce environmental impacts.

Frozen jack mackerel processing plants

Blumar owns two frozen jack mackerel processing plants, one located in San Vicente and the other on Rocuant Island in Talcahuano, where \$1.1 million USD were invested during 2021. At the San Vicente plant, the resources were mainly used to increase freezing capacity, renovate cafeterias and update equipment.

Industrial fleet

\$2.2 million USD were invested in Blumar's fleet, mainly at the RSW plants, for vacuum pumps and other equipment to improve the jack mackerel for human consumption.

Bays and unloading of industrial and artisanal fishing

\$0.3 million USD were invested in bay and unloading

areas for fishing to renew assets and keep them in optimal condition for the operation of the industrial and artisanal fleet.

Furthermore, other projects were carried out for \$0.1 million USD, mainly concerning computer systems and other IT improvements. In addition, other minor investments were made in the finished products, warehouse and administration areas.

B.2 Salmones Blumar

Investments in this division reached \$19.5 million USD, which focused on the following concepts:

Farming Centers

\$16.8 million USD were invested and distributed in \$2.2 million USD for equipment purchases, \$6.4 million USD for anchoring, \$6.5 million USD for cages and nets and \$1.7 million USD for improvements to pontoons, platforms, photoperiod and other equipment.

Salmon processing plant in Colón

\$1.8 million USD were invested at this plant, including a process automation project and the purchase of a portion cutting machine, among others.

An additional \$0.9 million USD were assigned to other projects, such as investments in computer systems, administration projects and others.

C. Investment plans 2022

For 2022, the investment budget will total \$34.0 million USD, with \$12.2 million USD assigned to Blumar S.A., \$1.9 million USD to Pesquera Bahía Caldera, \$16.2 million USD to Salmones Blumar S.A. and \$3.7 million USD to its subsidiary Salmones Blumar Magallanes SpA.

For salmon, investments will focus on asset maintenance (farming centers) and improvements in processing plant optimization. While for fishing, investments will focus on the maintenance of assets (fleet, plants and bays) and the expansion of the storage capacity in frozen jack mackerel plants.



2.1.6 • Alliances and partnerships

Blumar's participation in different organizations and trade associations, both international and national, is key to maintaining constant connection for collaborative work in the places where we operate. Furthermore, we actively contribute to initiatives and projects aimed at health and environmental improvements. Fish health, sustainability of marine resources and research support are the main lines of approach.



<http://www.asipes.cl/>

The company shares the Association of Industrial Fisheries' (Asipes) objective to promote the development of industrial fishing in the Biobío Region. Therefore, two of our directors participate in the Asipes' Board of Directors, as well as some of our executives who sit on the HR Committee and the Environment and Communications Committee.



<http://www.asipec.cl/>

Through the fishing subsidiary Pesquera Bahía Caldera we are committed to the development of the fishing industry in the Atacama Region, therefore we actively participate in the Trade Association of Fishing Industries and Marine Farming. Since 2016, our representative has been the association's president.



<https://www.sonapesca.cl/>

The National Fishing Society (Sonapesca) is a trade federation that brings together the main trade associations and stakeholders of industrial fishing in the country. We share our experience in the various committees through Asipes, as well as in meetings, projects and sector initiatives as appropriate.



<https://www.salmonchile.cl/>  
For a sustainable aquaculture and community outreach, Blumar is part of SalmonChile, an association that has been working for 36 years to unite the main producers and suppliers in the industry, to take on the health, environmental, regulatory, social and economic challenges of the sector. One of our directors and the CEO of the company sit on the Board of Directors of this association. In addition, the CEO is a member of the Executive Committee, in addition to his contribution to the Territorial and Communications Committees.



<http://www.salmonicultoresmagallanes.cl/nosotros/>  
Since Blumar began operations in the Region, we have participated actively in the Magallanes Salmon Farming Association, given that we seek to promote the sustainable and efficient development of salmon farming in Magallanes. The salmon manager for the Magallanes Region holds the vice-chair of the association, and also serves on the Communities and Communications committees.

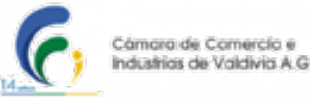


<http://www.corbiobio.cl/>  
Blumar is a regional company and therefore interested in contributing to regional development through Corbiobío, a private, pluralistic, independent and non-profit corporation, which seeks to promote the development of the Biobío Region, fostering decentralization and citizen participation in matters of public interest.



<https://www.irade.cl/>  
This institute seeks to be a leader in the Biobío Region and the country as a promoter of excellence and good practices in the management of companies and their relationship with the different stakeholders. Since we at Blumar share that vision, we have been an active

member of Irade since 1989. Our HR Manager sits on the Board and other executives take part in some of the association's working groups, such as HR, Communications, Sustainability and IT.



<https://www.cciv.cl/>  
The Chamber of Commerce and Industry of Valdivia represents commerce and industry in the Los Rios Region, which is made up of 67 companies of different categories. In 2018, Blumar joined the chamber, providing opportunities to engage with the community of Valdivia. Blumar's representative in Corral is the vice-president of the Chamber, and thus participates on a regular basis.



<https://globalsalmoninitiative.org/>  
The company participates in the Global Salmon Initiative because we share a common vision: to offer a healthy and sustainable source of protein for a growing population, while minimizing its environmental footprint and improving our social contribution. Blumar's CEO is the vice-chair of GSI and also participates in various working tables focused on topics such as ASC certification, environmental and health performance, climate change and communications.



<https://www.pactoglobal.cl/>  
In April 2018, Blumar joined the Global Compact Chile Network, becoming the first salmon company in Chile and the second in the fishing sector to participate in this UN initiative. From that moment on, the company committed to integrating the Ten Principles of the Global Compact into its strategies and operations, together with declaring that its work on sustainability aligns with the Sustainable Development Goals (SDGs). In addition to the above, we participate in the Global Compact Council in the Biobío Region and in working tables according to our SDGs.



<https://proyectopincoy.com/>  
The Pincoy Project is a collaborative initiative that seeks to reduce the use of antibiotics in salmonid production in Chile. Blumar is one of the seven companies that take part in this initiative. We are an active member of the committees on fresh water, sea water, health, and data and communications. These committees hold regular meetings to design strategies that are implemented in the fresh water and sea water pilot centers.



<https://www.corpaysen.cl/>  
The main objective of the Aysén Productive Development Corporation is to promote activities or initiatives that contribute to the development of the Aysén coast in the cultural, environmental and economic fields of the region, while building up trust and fostering dialog between public and private actors. Blumar's representative in the Aysén Region is a member of the Board of Directors and participates in the regular meetings.



<https://www.comlog.cl/>  
The Port Logistics Community of Talcahuano is an entity that brings together the different actors linked to the logistics of the district of Talcahuano in the Biobío Region. Blumar's executives participate in the Technical Table of Processes and Logistics Coordination, which holds monthly sessions.



<https://www.intesal.cl/>  
The Salmon Technology Institute (Intesal) was founded in 1995 and belongs to SalmonChile, with the objective of providing scientific and technical support to the Chilean salmon industry. Blumar has an ongoing relationship with the institute since one of its executives sits on the Board of Directors.



<http://www.inpesca.cl/>  
The Fishing Research Institute is a private scientific and technical research and management entity. Its main objective is to develop multidisciplinary scientific research aimed at the evaluation, diagnosis, prediction and analysis of the main fisheries in the south-central region of Chile. Two of Blumar's executives are members of the Institute's Advisory Council.



<http://ictiobiotech.cl/>  
The Technological Consortium of Aquaculture Health was founded in 2014 based on the work carried out by the Center of Aquaculture Biotechnology of the University of Santiago, in addition to the effort of Blumar and Ventisqueros, and the biotechnology company ActivaQ.

Main contributions to trade associations and associations:	
	USD
TRADE ASSOCIATIONS	1,473,286
FISHING AND SALMON	
GSI	51,098
OTHERS	186,175
TOTAL	1,710,559

Blumar and its subsidiaries declare that they do not finance political campaigns or candidates, ballot measures or referendums, lobbyists or lobbying groups nor support political organizations, according to what is set out in Law 20,900 and the company's donation policy. In 2018, 2019, 2020 and 2021 no contributions were made.



**Alliances with NGOs and Foundations**

In addition to our direct work with communities, Blumar formed important alliances with NGOs, and signed different agreements, some for the benefit of educational establishments and others that support people in socially vulnerable situations.



**NGO "CANALES"**

Non-profit development corporation whose mission is to promote professional technical establishments in the southernmost part of Chile. With them, we seek to generate a systematic and long-term support in order to improve the quality of the training process. Blumar collaborates with their operations in the Los Lagos and Aysén Regions, and additionally offers internships at its facilities and provides specialized classes conducted by our employees.



**Foundation "ENSEÑA CHILE"**

A network of people committed to building a fairer Chile starting in the classroom. We contributed with resources to their work in the Los Lagos and Aysén Regions, while helping to organize presentations about education for their teachers and also for employees from our company.



**FOOD BANK "ALIMENTOS BIOBÍO SOLIDARIO"**

Food bank that contributes to reducing hunger, improving nutrition and preventing food waste. Blumar's support focuses on funding their operations in the Biobío Region and participating in corporate volunteer activities for food rescue. Moreover, we provide fish to be distributed to people in socially vulnerable situations.



**"LAS ROSAS" FOUNDATION**

Support organization for the elderly, where Blumar contributes funds for their operations in the Regions of Biobío and Los Ríos and by participating in their annual dinners..

**Other institutions**



**IDEMAR**

Focused primarily on education, the foundation "Instituto del Mar Capitán Williams" seeks to promote education and research at all levels, as well as the protection and development of the Chilean cultural heritage, with emphasis on all matters related to maritime activities in any of its forms.



**CEAT**

The High Technology Education Center (CEAT) is a private non-profit corporation, whose purpose is to show innovative institutional and educational proposals, carrying out its mission on two axes: 1) training of middle-level technicians at Mauricio Hochschild Vocational Technical School, which it sustains financially, and 2) external services consisting of training, improvement, technical assistance, consultancy, project management, production, evaluation of labor skills and others.





# 2.2

Blumar reviews its materiality assessment every year with the objective of identifying the economic, social, environmental and corporate governance issues that are priorities for its stakeholders and for the sustainability of the business.

Issues with a high probability of generating a significant impact are considered relevant, both on the business and on the valuations and decisions of stakeholders.







### 2.2.1 • Stakeholders

We define stakeholders as a group of individuals or institutions, both private and public, that play a role in our value chain and/or that may be affected by the company's activity.

Identifying the actors involved and hearing their opinion allows Blumar to understand and manage the aspects that affect the community and society in a close and transparent way. Since everyone plays a significant role, ongoing dialog is essential in each of the operations in order to maintain relationships of trust.

#### 2.2.1.1 Communication channels with our stakeholders

Below is a description of each stakeholder and their relationship with the company, as well as the communication channels and their frequency:

		Why are they relevant?	Communication channels and frequency
	<b>Employees</b>  Individuals who have an indefinite or fixed-term employment contract with Blumar or any of its subsidiaries.	Our employees are essential to fulfilling our commitment and purpose.	<ul style="list-style-type: none"><li>• Joint Labor Committees (monthly)</li><li>• Work Climate Survey (biannual)</li><li>• Executive Committees for Occupational Health and Safety (monthly)</li><li>• Team meetings (weekly)</li><li>• Operational meetings (daily)</li><li>• Meetings with Labor Unions (ongoing)</li><li>• Staff Intranet (ongoing)</li><li>• Notice Boards (ongoing)</li><li>• HR Department (ongoing)</li></ul>
	<b>Suppliers and contractors</b>  Companies that supply Blumar with raw materials or services that are used in the production process.  This stakeholder group includes contractors who provide different services to the company.	Suppliers and contractors are a key part of the value chain. At Blumar, we strive to establish relationships of trust based on mutual respect. We always try to support local providers in the communities where we operate.	<ul style="list-style-type: none"><li>• Joint Labor Committees (monthly)</li><li>• Outcome meetings concerning audit PEC [Competitive Company Program] (biannual)</li><li>• Specific meetings (upon Blumar's request)</li><li>• Supplier follow-up meetings (as needed)</li><li>• Supplier fairs (annual or biannual)</li><li>• Contractor portal (ongoing)</li><li>• Supplier portal (ongoing)</li></ul>
	<b>Clients</b>  <b>Fishing sector:</b> mainly wholesalers; focused on Europe, Africa, Peru and other South American markets.  <b>Salmon sector:</b> mainly wholesalers; in some markets we have offices to manage the business relationship and to be close to key markets.	Clients are the partners that help us to reach consumers.  Through them, the company learns about the particular requirements and needs of consumers.	<ul style="list-style-type: none"><li>• Virtual meetings (upon request of the client or Blumar)</li><li>• International product fairs (annual or biannual)</li><li>• Direct contact (ongoing)</li></ul>
	<b>Communities</b>  The Blumar community comprises neighboring areas where we carry out our fishing and salmon farming operations.	Community is a central part of our operation and is present in Blumar's daily activities. It is the community that gives us the social license to operate. The company needs to understand what issues are of concern to them, in order to resolve them in a timely manner.	<ul style="list-style-type: none"><li>• Roundtables (monthly)</li><li>• Healthy food fairs (as needed)</li><li>• Bilateral Meetings (ongoing)</li></ul>
	<b>Investors</b>  This stakeholder group includes shareholders, investment funds, creditors and risk classifiers.	They provide the capital to operate. The company delivers value to the shareholders through the dividend and also through the stock price.	<ul style="list-style-type: none"><li>• Shareholders' Meeting (Annual or Special)</li><li>• Financial Market Commission (ongoing)</li><li>• Integrated Report (annual)</li><li>• Outcome presentations (quarterly)</li><li>• Individual meetings (upon the investor's request)</li></ul>
	<b>Society and regulatory authorities</b>  Blumar is a publicly traded company and is therefore regulated by the Financial Market Commission (CMF). In addition, given the industries in which we operate, we collaborate with the Ministry of the Environment and the Undersecretary of Fisheries.	These are the institutions that supervise and certify the operation.	<ul style="list-style-type: none"><li>• Direct contact (ongoing)</li><li>• Press releases (ongoing)</li><li>• Visits (as needed)</li><li>• Blumar Magazine (three editions a year)</li><li>• Newsletter (ongoing)</li><li>• Social Media: Instagram, Twitter, and LinkedIn (ongoing)*</li><li>• Grievance channel (ongoing)*</li><li>• Integrated Report (annual)*</li><li>• Website (ongoing)*</li></ul>

\* These channels are cross-sectional for all stakeholders



2.2.2 • Materiality 2021

2.2.2.1 Double materiality and dynamic materiality

When we apply the concept of double materiality, we clearly distinguish between external impacts that affect the company and impacts the company generates in its environment. Financial materiality or “impacts inwards” – of greater interest to investors – allows us to identify and assess the sustainability issues that may influence the value of the company. Environmental and social materiality, or “impacts outwards” involve impacts on the economy, environment, and people and that are of interest to a broad set of stakeholders, such as consumers, civil society organizations, and communities, among others.<sup>[1]</sup>

Based on the growing evidence and regulation of environmental impacts, investors are including climate considerations in their decisions. The concept of dynamic materiality allows us to identify aspects that are currently irrelevant to a company or an industry, but that may become material in the future.<sup>[2]</sup>

2.2.2.2 Materiality Assessment 2021

During 2021, Blumar incorporated financial analysis

into its environmental and social materiality through the SASB (Sustainability Accounting Standards Board) standard for the food and beverage sector: meat, poultry and dairy industry.

The topics of this standard and others were added after they were revealed by the interviewees who took part in the Materiality Assessment. After this, a prioritization of material topics was established, according to the importance for the company and its stakeholders. They were distributed into three categories of management relevance in the short term: high, medium and low impact.

The preparation of the Materiality Assessment followed the recommendations of the Global Reporting Initiative (GRI) and Standard AA1000, developed by the Institute of Social and Ethical Accountability. An independent team led the process and considered participation of the main stakeholders as well as representatives of Blumar.

The definition and prioritization of relevant topics 2021 involved three stages: *Identification, prioritization and validation.*



[1] Guidelines on non-financial reporting: Supplement on reporting climate-related information (2019/C 209/01), (European Commission, 2019). Available at: [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52019XC0620\(01\)&from=EN](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52019XC0620(01)&from=EN).  
[2] Embracing the New Age of Materiality: Harnessing the Pace of Change in ESG, (WEF, 2020). Available at: <https://www.weforum.org/whitepapers/embracing-the-new-age-of-materiality-harnessing-the-pace-of-change-in-esg>.

Stage	Description	Main activities
Identification	<p>During this stage, an extensive list of relevant topics for the 2021 financial year was drawn up, which was revealed through questionnaires and/or face-to-face interviews with investors, directors, senior executives, suppliers, clients and employees. In addition, SASB topics were incorporated.</p> <p>All these information sources were organized in a comparative manner, with the aim of defining common elements and/or new concerns to be incorporated into the annual report. From this analysis, new topics to be considered emerged, of which the following stand out: Carbon footprint, safer and cleaner oceans, biodiversity protection, sustainable management of natural resources, information security, human rights, diversity and inclusion. The area of environmental management was expanded, giving rise to new topics such as energy management, water management, waste management and odor management.</p>	<ul style="list-style-type: none"><li>• Comprehensive document analysis of internal and external sources</li><li>• Meetings and interviews with key area managers and directors of the company</li><li>• Extensive list of 23 relevant topics</li></ul>
Prioritization	<p>Once the identification process was completed, the next step was to prioritize the issues to distribute them within Blumar’s materiality matrix for 2021.</p> <p>Therefore, a quantitative-comparative analysis of the relative importance of each of the defined topics was carried out, considering the stakeholders’ opinions.</p> <p>23 topics were selected in this process.</p>	<ul style="list-style-type: none"><li>• Internal and external stakeholder consultations</li><li>• Quantitative weighting</li><li>• Prioritization of relevant topics for 2021</li><li>• Effective consultations carried out for the prioritization of material topics:</li></ul> <div>5 investors 35 clients 33 employees 7 directors 88 suppliers 4 trade associations</div>
Validation and Matrix	<p>The process and the results obtained were validated by the company’s Sustainability Committee, which is composed of 17 members of the executive team and chaired by Blumar’s CEO.</p> <p>Prior to its publication in the 2021 Integrated Report, the committee reviewed the representation of all aspects considered material and the matrix.</p>	<ul style="list-style-type: none"><li>• Consolidation of global prioritization results for Blumar’s business and stakeholders: high priority, medium and low priority.</li><li>• Materiality Matrix 2021</li></ul>

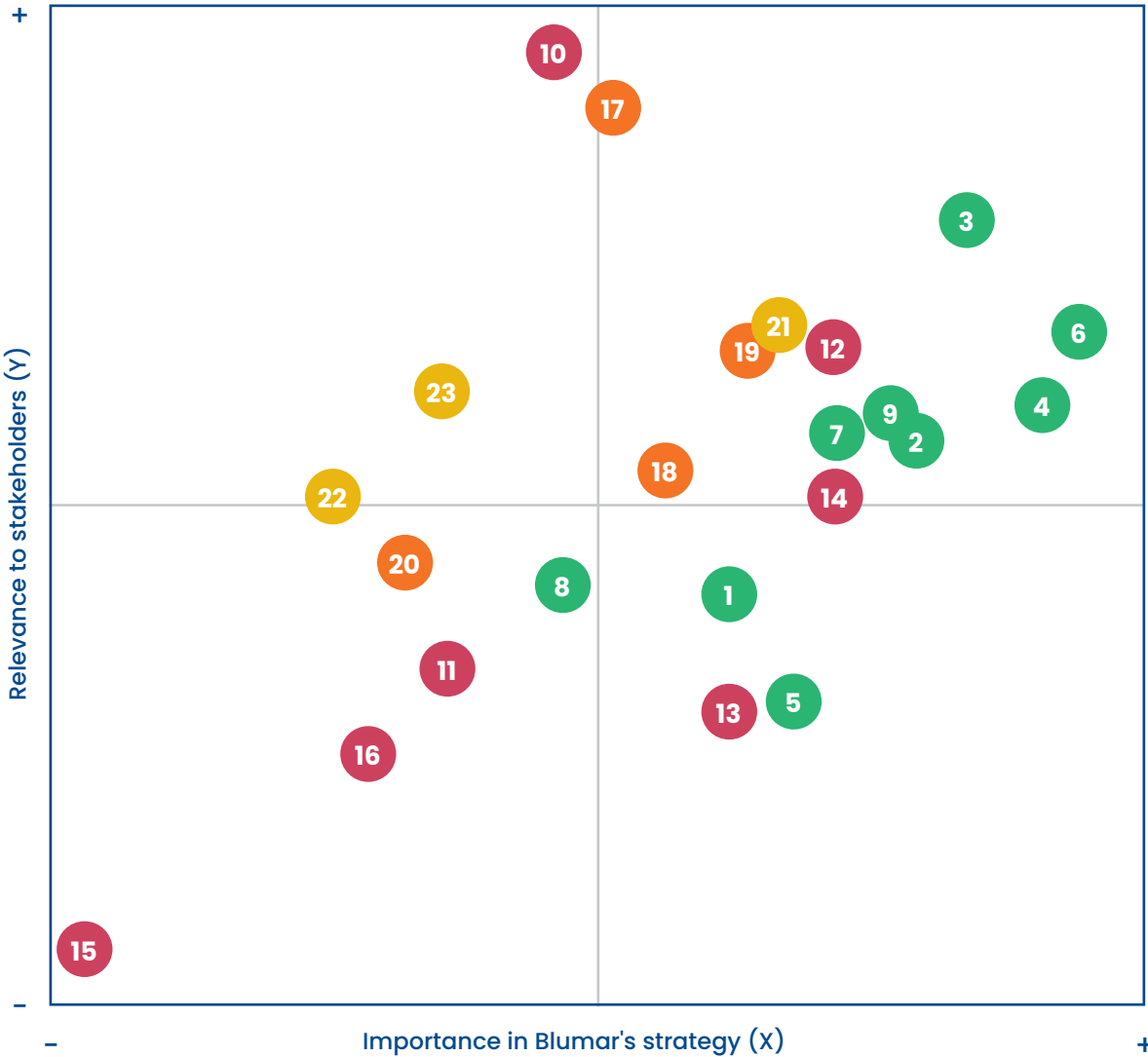
Material topics

Sustainability is linked to Blumar's operation through the Sustainability Strategy, which comprises four pillars: Relationships of Trust and Collaboration, Efficiency and Creation of Value, Environmental Commitment and Innovation and Adaptability. This perspective allows to

better organize the management and the impacts caused by the company's activity. In order to provide a better account throughout this Integrated Report, the following material topics for 2021 are presented below, classified according to the aforementioned pillars of sustainability:

 Environmental Commitment	<div><div></div>1</div> Carbon footprint
	<div><div></div>2</div> Energy management
	<div><div></div>3</div> Water management
	<div><div></div>4</div> Waste management
	<div><div></div>5</div> Odor management
	<div><div></div>6</div> Safer and cleaner oceans
	<div><div></div>7</div> Biodiversity protection
	<div><div></div>8</div> Sustainable management of natural resources
	<div><div></div>9</div> Climate change
 Relationships of Trust and Collaboration	<div><div></div>10</div> Workforce Health and Safety
	<div><div></div>11</div> Talent attraction and development
	<div><div></div>12</div> Wellbeing of the employees
	<div><div></div>13</div> Human rights
	<div><div></div>14</div> Labor Relationships of Trust
	<div><div></div>15</div> Diversity and Inclusion
	<div><div></div>16</div> Relationship with the community and indigenous peoples
 Innovation and Adaptability	<div><div></div>17</div> Process and product certifications
	<div><div></div>18</div> Animal care and welfare
	<div><div></div>19</div> Use of antibiotics (maximize ABF production)
	<div><div></div>20</div> Client management
 Efficiency and Creation of Value	<div><div></div>21</div> Supply chain management
	<div><div></div>22</div> Information Security
	<div><div></div>23</div> Risk Management

2.2.3 • Materiality Matrix 2021





2.2.4 • Management approach



Efficiency and Creation of Value

Material topic	SASB	Why is it material?	Targeted	How do we manage this?
Supply chain management <sup>[1]</sup>	Environmental and Social Impacts of Animal Supply Chains	Suppliers and contractors are part of the company's value chain, therefore they are indispensable actors for the operation, considering that they supply and support our various processes.	Suppliers, contractors and regulatory authorities.	Review pages 108 and 168.
Information Security <sup>[2]</sup>	NA	Ensure that the company meets the highest ethical standards, protecting the information of both employees and clients, and reducing the impacts through integrated risk management.	Investors, regulatory authorities and customers.	Review page 92.
Risk Management <sup>[3]</sup>	NA	Part of Blumar's corporate promise to "Do things the right way" is to execute all company actions with the highest ethical standards, protecting operational continuity and reducing impacts through integrated risk management.	Investors, regulatory authorities and clients.	Review page 87.

[1] Includes aspects regarding supply chain management.  
[2] Includes all aspects related to ensuring the security of the company's information.  
[3] Includes everything related to ethics, compliance, integrity and risk management.



Innovation and Adaptability

Material topic	SASB	Why is it material?	Targeted Stakeholders	How do we manage this?
Process and product certifications <sup>[1]</sup>	Food security	This is a key aspect to ensuring product quality and for adjacent processes to meet high international standards, in terms of sustainable production and seeking good practices for continuous improvement.	Employees, investors, suppliers and contractors, regulatory authorities and the community.	Review page 105.
Animal care and welfare <sup>[2]</sup>	Animal care and welfare	The welfare of the species we cultivate is an indispensable element to maintain high standards in the salmon industry. Therefore, their care is key to achieving the quality and efficiency of our processes.	Clients, investors, regulatory authorities and the community.	Review page 116.
Use of antibiotics <sup>[3]</sup>	Use of antibiotics	The welfare of the species we cultivate is an indispensable element to maintain high standards in the salmon industry. Therefore, their care is key to achieving the quality and efficiency of our processes, seeking to maximize production without using antibiotics.	Clients, investors, regulatory authorities and the community.	Review page 117.
Client management <sup>[4]</sup>	NA	It is essential to proactively manage our clients' needs, as well as to quickly resolve all problems, allowing the company to maintain relationships of trust with its clients.	Clients and investors.	Review page 114.

[1] This covers all certifications for fishing and salmon processes, as well as product certifications.  
[2] This covers all efforts made to ensure animal welfare, such as the quality and genetics of smolts, feeding strategy, the use of antibiotics, antiparasitics and mortality, in the case of salmon.  
[3] This covers Blumar's health strategy, where animal welfare always comes first, and in some cases antibiotics and antiparasitics agents must be used in the salmon farming process.  
[4] This concerns client management and satisfaction, sales channels and packaging.



Environmental Commitment

Material topic	SASB	Why is it material?	Targeted Stakeholders	How do we manage this?
<b>Carbon Footprint</b> <sup>[1]</sup>	GHG emissions	Measuring and reducing emissions is an integral part of the company's Sustainability Strategy.	Clients, investors, regulatory authorities and the community.	Review page 134.
<b>Energy management</b> <sup>[2]</sup>	Energy Management	An adequate energy management allows Blumar to operate in a sustainable and more environmentally friendly way.	Clients, investors, regulatory authorities and the community.	Review page 138.
<b>Water management</b> <sup>[3]</sup>	Water Management	In the face of growing water scarcity, the company remains committed to sustainable resource management.	Clients, investors, regulatory authorities and the community.	Review page 146.
<b>Waste management</b> <sup>[4]</sup>	NA	Proper management of waste generated by the company is essential to operate in an environmentally responsible manner.	Clients, investors, regulatory authorities and the community.	Review page 140.
<b>Odor management</b> <sup>[5]</sup>	NA	The management of odors generated by the company is fundamental to the maintenance of the environment in which it operates.	Clients, investors, regulatory authorities and the community.	Review page 134.
<b>Safer and cleaner oceans</b> <sup>[6]</sup>	NA	Blumar seeks a sustainable relationship with the maritime environment and the maintenance of life and biodiversity.	Clients, investors, regulatory authorities and the community.	Review page 141.
<b>Preserving biodiversity</b> <sup>[7]</sup>	NA	At Blumar, we understand that the environment must be protected for future generations and that it is of great interest to all stakeholders. In addition, the company depends on the marine resources provided by the environment.	All defined stakeholders.	Review page 147.
<b>Sustainable management of natural resources</b> <sup>[8]</sup>	NA	Responsible management of all natural resources is a fundamental part of the company's operations.	All defined stakeholders.	Review page 148.
<b>Climate change</b> <sup>[9]</sup>	GHG emissions	Blumar is committed to preventing and mitigating the effects of climate change that may affect the company, while maintaining sustainable management in its operations.	All defined stakeholders.	Review page 127.

[1] This refers to management of greenhouse gas emissions in the company's operations.  
[2] This considers the elements of energy management related to processes at Blumar.  
[3] This concerns the measures taken in relation to water management in the company's activities.  
[4] This involves the management of waste generated throughout the company's production process and its proper disposal.  
[5] This refers to the aspects of managing odors emitted during production processes.  
[6] This relates to the comprehensive management of the company's processes to ensure a safe and clean environment for its species and marine biodiversity.  
[7] This includes all environmental impacts of the production processes on biodiversity.  
[8] This concerns responsible management of all natural resources involved in the company's operations.  
[9] This includes all aspects of the impact of our operation on climate change, in particular emissions and energy.



Relationships of Trust and Collaboration

Material topic	SASB	Why is it material?	Targeted Stakeholders	How do we manage this?
<b>Workforce Health and Safety</b> <sup>[1]</sup>	Workforce Health and Safety	At Blumar, our ongoing concern is the health and safety of our employees, as it allows us to maintain safe operation.	Employees, investors, suppliers and contractors.	Review page 159.
<b>Talent attraction and development</b> <sup>[2]</sup>	NA	The development of the employees' skills and the attraction of new talent are critical to empowering teams and strengthening organizational culture.	Employees and regulatory authorities.	Review page 156.
<b>Wellbeing of the employees</b> <sup>[3]</sup>	NA	Relationships based on mutual respect ensure the commitment and wellbeing of our employees.	Employees and regulatory authorities.	Review page 155.
<b>Human rights</b> <sup>[4]</sup>	NA	Blumar is committed to respect for human rights in all its operations, promoting to cater to this concern throughout the whole value chain.	Employees, community, investors and regulatory authorities.	Review page 163.
<b>Labor Relationships of Trust</b> <sup>[5]</sup>	NA	Employees, suppliers and contractors make up the company's business. Therefore, it is important to maintain a healthy climate that creates trust throughout the organization.	Employees, community, investors and regulatory authorities.	Review page 166.
<b>Diversity and Inclusion</b> <sup>[6]</sup>	NA	Employing diverse work teams fosters a holistic view that brings competitive advantages, through the integration of different points of view.	Employees and regulatory authorities.	Review page 164.
<b>Relationship with the community and indigenous peoples</b> <sup>[7]</sup>	NA	Creating shared value with the communities neighboring the company's facilities plays a key role. Blumar seeks to contribute to the development of the territories where it operates, improving the people's quality of life.	Communities, regulatory authorities and investors.	Review page 177.

[1] This topic considers all aspects concerning the care and protection of employee health and safety.  
[2] This involves all measures taken by the company for attraction of new talent and training for all employees.  
[3] This includes everything related to labor practices, benefits, compensation, working climate and commitment to employees.  
[4] This includes all actions that relate to the employees' human rights.  
[5] This includes all actions that allow us to develop relationships of trust with the employees, especially through labor unions.  
[6] This includes everything related to labor practices and employee diversity and inclusion.  
[7] This involves the relationship with the communities and indigenous peoples surrounding the company's facilities.



2.2.5 • Progress concerning the SDGs

Blumar is one of the companies that have joined the Global Compact Chile. Accordingly, this Integrated Report presents the company's work and commitment to comply with the UN 2030 Agenda and the 17 Sustainable Development Goals (SDGs).

Linking SDGs and Blumar	Blumar's strategies	Company projects and initiatives	
<div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div><div></div></div> <div>Creating jobs and committing to foster development make work opportunities possible, as well as steady and inclusive growth, which reduces inequalities.</div>	<div>We help reduce unemployment in all the places where we operate. Our employees are one of the fundamental stakeholder groups for the proper functioning of the company, because only through collaborative work do we see results.</div> <div>We make every effort to maintain a healthy working climate and constant organizational development, through trainings and activities for the employees at Blumar, and this is how we grow together.</div>	<div><ul style="list-style-type: none"><li>Local Employment and Development.</li><li>Supporting technical education: agreements with the Maullín and María Behety schools and the NGO Canales.</li><li>Supporting vocational training: internships.</li><li>Training programs for employees: technical and soft skills courses.</li></ul></div>	<div><ul style="list-style-type: none"><li>Human Rights Policy.</li><li>Market-compliant compensation alignment.</li><li>Work Climate Survey.</li><li>Grievance channel.</li><li>Ongoing management of Occupational Health and Safety.</li><li>Business Conduct and Ethics Code.</li></ul></div>
<div><div>9</div><div>INDUSTRY INNOVATION AND INFRASTRUCTURE</div><div></div></div> <div>Key to good economic performance is investing in infrastructure that fosters major social stability, to achieve sustainable development and create communities that are more resilient to climate change.</div>	<div>As a company, we adapt to our environment's needs and constantly evolve our products and processes, with the aim of leading and adapting to changes in the industry. We are aware of the need to invest in high-tech products and improve our processes.</div>	<div><ul style="list-style-type: none"><li>Company Investments.</li><li>Support for infrastructure in local communities, such as the Anahuac fishermen's village tourism project.</li><li>Investment in product innovation.</li><li>Participation in the Fishing Research Institute.</li><li>Participation in initiatives: Pincoy Project, GSI, Center for Diseases, Technological Salmon Institute and the Aquaculture Health Technology Consortium.</li></ul></div>	
<div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div></div></div> <div>Sustainable production and consumption promote the efficient use of energy and resources. The aim is to mitigate the impact on the environment and thereby improve quality of life.</div>	<div>Our company has different systems that allow us to manage the responsible consumption of energy and water resources, while reducing emissions and treating effluents. We adopted a systemic approach that controls our supply chain to make it more sustainable.</div>	<div><ul style="list-style-type: none"><li>Clean Production Agreement for zero waste in the fleet.</li><li>Clean Production Agreement, Climate Change Strategy and Circular Economy for the salmon sector.</li><li>Certification optimization program for the use of antibiotics (PROA) at our farming centers in the Magallanes Region.</li><li>Environmental management (waste, energy, water).</li><li>Management Department of Fish Health.</li><li>Contract for non-conventional renewable energy at all plants.</li></ul></div>	
<div><div>13</div><div>CLIMATE ACTION</div><div></div></div> <div>Climate change is a global challenge that is affecting different sectors of the global economy and the balance of ecosystems.</div>	<div>We are committed to more sustainable economic activity while respecting the environment, by means of strategies to manage waste, energy and the emissions from our production.</div> <div>We fully understand that climate change is hurting our planet and we accept the challenge to care for it and adapt to the guidelines of this goal, which affects us all equally.</div>	<div><ul style="list-style-type: none"><li>Corporate Climate Change Policy.</li><li>Climate Change Strategy.</li><li>Environmental Policy.</li><li>Quantification seals <i>Huella Chile</i> for all facilities.</li><li><i>Huella Chile</i> seal for carbon footprint reduction at the</li></ul></div>	<div><ul style="list-style-type: none"><li>San Vicente fishmeal plant.</li><li>Blumar Circular Economy.</li><li>Recycling points at company offices.</li><li>Waste Management Strategy.</li><li>Recycling of fishing nets in alliance with Bureo.</li></ul></div>
<div><div>14</div><div>LIFE BELOW WATER</div><div></div></div> <div>Considering that one of our products comes from the sea, our business relies on a healthy ocean. Therefore, responsible management of the ocean and marine resources is key to the sustainable development of our industry, where marine pollution, overfishing and ocean acidification are major problems. We minimize our environmental impact by applying best practices and following the highest environmental standards available for aquaculture and fishing.</div>	<div>All our processes are monitored and studied by experts for the specific species. In the case of salmon this is done to not alter their development cycle, and for fishing, to not alter their habitat.</div> <div>Our fleet has advanced technology that facilitates capture processes and waste management. Farming centers are equipped with state-of-the-art systems for monitoring fish and caring for biodiversity.</div>	<div><ul style="list-style-type: none"><li>Clean Production Agreement for zero waste in the fleet.</li><li>Clean Production Agreement for Climate Change Strategy and Circular Economy for the salmon sector.</li><li>Beach cleanups.</li><li>Agreement with NGO BirdLife.</li><li>Regulatory compliance.</li><li>Fleet with state-of-the-art technology and high-tech farming centers.</li><li>Partnership with artisanal fishermen.</li></ul></div>	
<div><div>17</div><div>PARTNERSHIPS FOR THE GOALS</div><div></div></div> <div>For the common good, it is essential to create strategic alliances between different entities. A successful sustainable development program requires close relationships and partnerships with civil society, governments and the private sector. These alliances are built on shared values and principles, which focus on people and the planet.</div>	<div>At Blumar, we have a strong, ongoing partnership with our stakeholders, with the objective of maintaining smooth communication. Through this method, we make our management transparent and create ties between those who have common interests.</div>	<div><ul style="list-style-type: none"><li>Alliances and collaboration through trade associations such as Irade, Corbiobío, CCIV, COMLOG, Asipes, Asipec, SalmonChile, the Magallanes Salmon Farming Association, Sonapesca, Global Compact, Round Tables, Intesal, universities, among others.</li><li>Blumar's strategy.</li><li>Community outreach plans.</li><li>Integrated Report under GRI, SASB and CMF standards.</li></ul></div>	

Other SDGs to which the company also contributes through its sustainable management:

Linking SDGs and Blumar	Blumar's strategies	Company Projects and Initiatives
<div><div>2</div><div>ZERO HUNGER</div><div></div></div>	<p>Through our fishing and aquaculture products, we produce proteins of high nutritional value, which contribute to a healthy diet, rich in vitamins, minerals and essential fatty acids and Omega 3.</p>	<p>To promote consumption of fish and salmon, as they contribute to a healthy and nutritious diet for all.</p> <ul style="list-style-type: none"><li>• Ongoing donations to neighborhood councils and local communities.</li><li>• Contribution to Corporación Alimentos Biobío Solidario.</li><li>• Foodbank Project by Asipes.</li><li>• Certifications of our products MSC, ASC, IFFO RS, BAP, IFS, Halal, Kosher.</li></ul>
<div><div>3</div><div>GOOD HEALTH AND WELL-BEING</div><div></div></div>	<p>We have policies, standards and procedures to ensure the health and safety of employees and contractors in our operations.</p>	<p>Manage the wellbeing of individuals working in Blumar operations.</p> <ul style="list-style-type: none"><li>• Occupational Health and Safety Policy.</li><li>• Covid 19 Seal for all company facilities awarded by ACHS.</li><li>• Certification of the Occupational Health and Safety Management System.</li><li>• Projects focused on the health and well-being of our communities, such as "Committed to the South," "Better quality of life" and support for the construction of a community health center.</li><li>• Internal Hygiene and Safety Standards.</li></ul>
<div><div>4</div><div>QUALITY EDUCATION</div><div></div></div>	<p>We develop programs in order to create new partnerships. In addition, we carry out training initiatives in the communities where we operate.</p>	<p>Develop the company's internal talent.</p> <p>Increase the number of people who have the necessary skills to access employment.</p> <p>Adapt educational facilities in our communities to meet children's needs and to provide safe learning environments.</p> <ul style="list-style-type: none"><li>• Scholarships for children of employees for basic, middle and university education.</li><li>• Contribution to educational organizations such as NGO Canales and Enseña Chile (Chilean chapter of Teach For All).</li><li>• Support to communities in waste management and disposal.</li><li>• Program Blumar at your school - Composting Program.</li><li>• Agreements with schools.</li></ul>
<div><div>6</div><div>CLEAN WATER AND SANITATION</div><div></div></div>	<p>In the fishing and aquaculture processes, we use water responsibly. According to the AQUE-DUCT report, none of our operations are located in zones of high water stress.</p>	<p>Manage water use, mitigating possible contamination and treating effluents to return them to the cycle, to increase resource reuse</p> <ul style="list-style-type: none"><li>• Efficient water management in our processes.</li><li>• Blumar Circular Economy.</li></ul>

2.2.6 • ESG Commitments

Sustainability is integrated into all aspects of Blumar's business. It is fundamental to our business strategy, which aims to create and share value with all stakeholders.

Therefore, the management approach is based on the materiality matrix and the stakeholder groups the company connects with, while aligning with the SDGs and their content.

In this context, Blumar marked a milestone within the

Chilean aquaculture industry as the first company in the sector to sign a syndicated loan, specifically a Sustainability Linked Loan. It is financed by the lender group led by Rabobank U.A., together with the banks BCI, Banco Santander-Chile, Banco Security and DNB Bank ASA. The loan allowed us to incorporate our goals into the company's material ESG aspects, in order to align them with our strategy and including them in the ESG plan. This milestone reflects the company's leadership and commitment to integrating these dimensions into its business. Our commitments and goals, as well as their progress, are as follows:

 <div>Use of antibiotics</div> <div><b>Engagement</b> To reduce use of antibiotics by 58% by 2027, considering the year 2017 as a baseline.</div> <div><b>2021 Progress</b> In 2021, 169 grams API per ton of produced salmon were used, which is a 57% reduction compared to 2017.</div> <div><b>Material topic</b> Health and wellbeing of the species</div>	 <div>ASC certification</div> <div><b>Engagement</b> To gradually increase the number of ASC-certified salmon farming centers, with the goal of reaching 60% certified centers between 2026 and 2027.</div> <div><b>2021 Progress</b> 16 ASC-certified salmon farming centers in the 2020-2021 period, representing 59% of the total number of centers harvested during the same period.</div> <div><b>Material topic</b> Process and product certifications</div>	 <div>Waste management</div> <div><b>Engagement</b> To develop a waste reduction plan and goal during 2021 for the company.</div> <div><b>2021 Progress</b> A corporate waste management strategy was developed and the target for recovery of 80% of waste by 2027 was defined.</div> <div><b>Material topic</b> Climate change Environmental Management</div>
 <div>Renewable energy</div> <div><b>Engagement</b> Use of 100% renewable electric energy from a generation company at all Blumar plants by 2027.</div> <div><b>2021 Progress</b> In March 2021, the contract with Enel for the supply of 100% non-conventional renewable energy for all Blumar plants and subsidiaries was closed and started in April 2021.</div> <div><b>Material topic</b> Climate change Environmental Management</div>	 <div>Carbon Footprint</div> <div><b>Engagement</b> To measure the carbon footprint in all of Blumar's operations. During 2021, to set a goal baseline and establish a Climate Change Strategy.</div> <div><b>2021 Progress</b> The carbon footprint of 100% of our fishing and salmon facilities was measured, a Climate Change Strategy was developed and a target of 30% reduction of the corporate carbon footprint was established from scope 1 and 2 to 2030, based on 2020, and to achieve carbon neutrality by 2050.</div> <div><b>Material topic</b> Climate change Environmental Management</div>	





# 03

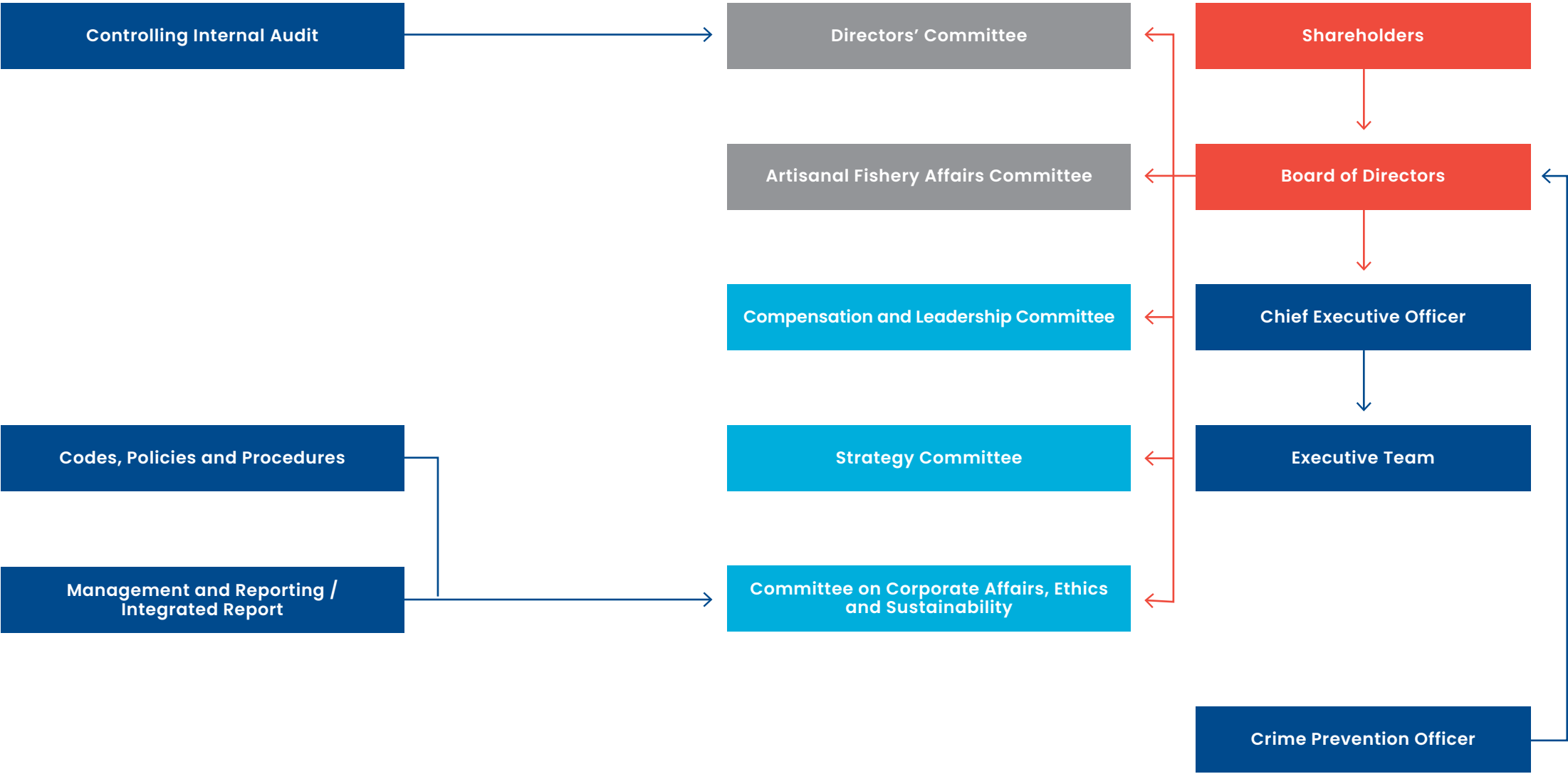
## CORPORATE GOVERNANCE

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- Blumar's Corporate Governance framework fosters transparency, supporting effective supervision and execution, and promotes good conduct, professionalism, and the independence of Board members, Committees and the CEO with the executive team. At the same time, it ensures compliance with the internal and external regulations of the market, the Crime Prevention Model and the Code of Business Conduct and Ethics, as well as other relevant regulations.
- The model establishes the mechanisms and instruments necessary to ensure that the company permanently identifies, analyzes and adopts the best practices, principles and recommendations regarding Good Corporate Governance.
- Furthermore, it ensures the existence of appropriate mechanisms for the selection of Board members, who guarantee a reasonable balance in the performance of its mission and contribute to the creation of value of the company.
- The model establishes procedures and controls to ensure the quality, efficiency of the operation and performance of the Board of Directors, its Committees, CEO and senior executives. This is achieved through a performance evaluation and/or self-evaluation, which is conducted annually, and the structured and planned succession of the CEO and the senior executives, with the objective of ensuring the continuity and sustainability of Blumar and its subsidiaries.
- Moreover, it establishes a compensation system for the CEO and the senior executives, which is reasonably proportionate to their importance for the company, its economic situation and the market standards of comparable companies.
- Additionally, it considers an internal audit process to ensure an adequate control and risk management environment in the company's operations.

Corporate Governance Model





3.1.1 • Ownership and control

In accordance with the provisions contained in Title XV of Law No.18,045 on Public Companies, Blumar S.A. does not have a controlling shareholder group as of December 31, 2021.

Identification of principal shareholders (more than 10% share)

PRINCIPAL SHAREHOLDERS AS OF DECEMBER 31, 2021	N° SHARES	%
Sociedad de Inversiones Petrohué S.A.	550,035,333	34.00%
Pionero Fondo de Inversión	196,659,000	12.15%
Inversiones Orontes S.A.	45,782,846	2.83%
Inversiones Cumilahue LTDA.	3,968,010	0.25%
Teresa Said Demaría	2,773,914	0.17%
Jimena Sarquis Said	1,838,358	0.11%
Inversiones Roble Viejo S.A.	1,239,683	0.08%
Inversiones Patria LTDA.	692,171	0.04%
Inversiones Río Tamaya LTDA.	500,313	0.03%
Inversiones Santa Manuela LTDA.	491,670	0.03%

Sociedad de Inversiones Petrohué S.A., Inversiones Orontes S.A., Inversiones Cumilahue Limitada, Inversiones Roble Viejo S.A., Inversiones Patria Limitada, Inversiones Río Tamaya Limitada, Inversiones Santa Manuela Limitada, doña Teresa Said Demaría y doña Jimena Soledad Sarquis Said have an unwritten joint action agreement.

Identification of major shareholders as of December 31, 2021

TAX ID NUMBER	SHAREHOLDERS AS OF DECEMBER 31, 2021	N° SHARES	%
94.699.000-0	Sociedad de Inversiones Petrohué S.A.	550,035,333	34.00%
76.309.115-5	Pionero Fondo de Inversión	196,659,000	12.15%
77.490.500-6	El Condor Combustible S.A.	146,657,570	9.06%
87.144.000-K	Inversiones Marte SpA	142,831,967	8.83%
96.519.800-8	BCI Corredor de Bolsa S.A.	141,387,465	8.74%
96.608.050-7	Empresas SCN S.A.	88,350,000	5.46%
88.606.800-K	Inversiones Baracaldo Limitada	58,614,752	3.62%
96.992.300-9	Nogaleda Inmobiliaria y Comercial S.A.	55,238,229	3.41%
96.844.750-5	Inversiones Orontes S.A.	45,782,846	2.83%
96.804.330-7	Compass Small Cap Chile Fondo de Inversión	31,648,932	1.96%
Total Major Shareholders		1,457,206,094	90.06%
Others		160,777,518	9.94%
Total Shares		1,617,983,612	100.00%

As of December 31, 2021, the number of shareholders of Blumar S.A. amounted to 107.

Major changes in ownership

In December 2021, the family Piriz Yaconi, through Newco Compañía de Rentas e Inversiones San Ignacio Pesqueras Dos SpA, Newco FS Tres SpA, FS Dos SpA, Compañía de Rentas e Inversiones San Ignacio Pesqueras Dos SpA and FS tres SpA, sold all of its Blumar S.A. shares, totaling 63,812,025

shares, equivalent to 3.94% of the shareholding of Blumar S.A. At the same time, the family Binimelis Yaconi, through Compañía de Rentas e Inversiones San Ignacio Comercial SpA and Inversiones Frutasur SpA sold 52,999,961 shares, equivalent to 3.28% of the shareholding of Blumar S.A.

3.1.1.1 Structure of the Board of Directors

Board of Directors

In accordance with the Bylaws, the Annual Shareholders Meeting was held on April 28, 2021, to elect the Board of Directors of the company for a period of three years. It comprises of the following people:

- Bernardita Noguera Briceño
- Patricio Rojas Ramos (Independent)
- Sergio Rodrigo Sarquis Said
- Juan Pablo Santa Cruz Negri
- Andrés Pedro Santa Cruz López
- Juan José Cueto Plaza
- Juan Ignacio Vinagre Tagle

Subsequently, the Board appointed Enrique Zenteno Vidal, Attorney, as secretary and legal counsel.

The structure of the Board of Directors approved at the Annual Shareholders Meeting of April 28, 2021 is detailed below.



Rodrigo Sarquis Said  
Chairman

ID No.: 6.280.901-9  
Nationality: Chilean  
Profession: Business Administrator graduated from Universidad Adolfo Ibáñez  
Year of Birth: 1963  
On Board since: September 26, 2011

Experience:

In 1986, he started working as administrator of the Talcahuano Plant at Pesquera Itata S.A. (today Blumar S.A.), rising to Area Manager and in 1992, he became CEO of the company. From October 2011 to April 2015, he was chairman of Blumar S.A. and director of its subsidiaries and came back as chairman of the parent company in May 2018, a position he is holding until now. Furthermore, he has served as chairman of the Chilean National Fishing Society (Sonapesca) and of the Association of Industrial Fisheries (Asipes), where he is still serving as a director, as well as full board member of the National Fishing Council.

Participates in these Board Committees:

Committee on Corporate Affairs, Ethics and Sustainability. Artisanal Fishery Affairs Committee. Compensation and Leadership Committee. Strategy Committee.

Other Boards and participations:

In addition, he is a member of the Boards of the subsidiaries Salmones Blumar S.A., PacificBlu SpA and the affiliates St. Andrews Smoky Delicacies S.A. And El Golfo Comercial SpA VIII Region. He also serves as a director of Sinergia Inmobiliaria S.A., Sociedad de Inversiones Petrohué S.A., and Agroindustrial Siracusa S.A. Since 2011, he has also served on the board of Pesquera Exalmar in Peru.



Juan Ignacio Vinagre Tagle  
First Vice-Chairman

ID No.: 7.180.550-6  
Nationality: Chilean  
Profession: Lawyer graduated from Pontificia Universidad Católica de Chile.  
Year of Birth: 1962  
On the Board since: April 28, 2021

Experience:

In 1987, he started his career as a lawyer for insurance companies, later transferring to companies in the energy sector. He currently works as a consultant in various family offices.

Participates in these Committees:

Artisanal Fishery Affairs Committee. Compensation and Leadership Committee. Strategy Committee.

Other Boards and participations:

He sits on the Board of Salmones Blumar S.A, CEO of Inversiones Marte SpA and Inversiones Trigas Cuatro S.A. He is a director at Inversiones Marvin S.A. Additionally, he is a director at Innergy Holding S.A., Gasoducto del Pacífico S.A. and Gasoducto del Pacífico S.A. (Argentina).



Andrés Santa Cruz López  
Second Vice-Chairman

ID No. 7.033.811-4  
Nationality: Chilean  
Profession: Entrepreneur. Studied Business Administration at Pontificia Universidad Católica de Chile  
Year of Birth: 1957  
On the Board since: April 28, 2015

Experience:

He has developed a long and recognized career as a member of trade associations, among which we highlight his chairmanship at the National Agriculture Society (2000-2005) and the Production and Trade Confederation (2013-2015), in both of which he is still serving as honorary advisor.

**Participates in these Committees:**  
Directors’ Committee.  
Strategy Committee.

**Other Boards and participations:**  
Participa de los directorios de Salmones Blumar S.A, Inversiones Norte Sur S.A. y Viña los Vascos S. A.; es vicepresidente de la Asociación Chilena de Seguridad y presidente de la Escuela Agrícola de Molina, integrante de los consejos de Clapes UC y del Consejo de Políticas de Infraestructura. También ha integrado los Directorios de Fundación Chile, Inacap, Wines of Chile y la Asociación de AFP, en la que ocupó la Presidencia.



**Bernardita Noguera Briceño**  
Director

ID No.: 7.031.947-0  
Nationality: Chilean  
Year of Birth: 1964  
Profession: agricultural engineer graduated from Pontificia Universidad Católica de Chile.  
On the Board since: April 28, 2021

**Experience:**  
In 1989, she started her career as an agronomist at Hacienda Las Palmas de Marga S.A., where she was responsible for the fruit development of the Hacienda. In 1993, she joined Inversiones Nogaleda S.A. to take charge of the studies and projects. Since 2015, she has served as Operations Manager for Inversiones Nogaleda Inmobiliaria y Comercial.

**Participates in these Committees:**  
Committee on Corporate Affairs, Ethics and Sustainability.  
Artisanal Fishery Affairs Committee.

**Other Boards and participations:**  
She sits on the Board of Salmones Blumar S.A. Currently, she is also serving on the boards of Nogaleda Holding SpA, Nogaleda Inmobiliaria Comercial S.A., Agrícola El Canelillo S.A. and Corporación St. Margarets.



**Juan Pablo Santa Cruz Negri**  
Director

ID No. 6.243.012-5  
Nationality: Chilean  
Profession: Business Administrator graduated from Pontificia Universidad Católica de Chile.  
Year of Birth: 1957  
On the Board since: September 26, 2011

**Experience:**  
During his career, he has worked as executive of big companies, as a CEO of Diners Club, as a controller at Citibank Chile, director of Arboris LLC USA and director of the Bank Association of Chile.

**Committees:**  
Directors’ Committee.

**Other Boards and participations:**  
He is chairman of the subsidiaries Salmones Blumar S.A. and PacificBlu SpA, director of Entrevientos S.A. and the affiliates St. Andrews Smoky Delicacies S.A. Furthermore, he is chairman of the board of AD Retail S.A.



**Juan José Cueto Plaza**  
Director

ID No. 6.694.240-6  
Nationality: Chilean  
Profession: Bachelor of Economic Sciences from Pontificia Universidad Católica de Chile  
Year of Birth: 1960  
On the Board since: April 28, 2021

**Experience:**  
He was executive chairman of Inversiones Costa Verde for the last 25 years, as well as director of Latam Airlines S.A. between 1994 and March 2020. He was a member of the Board of Directors of Minera Michilla S.A. for more than 15 years and served as director and chairman of Forestal Copihue S.A. between 1998 and 2007.

**Committees:**  
Compensation and Leadership Committee.

**Other Boards and participations:**  
He sits on the Board of Salmones Blumar S.A., Consorcio Maderero, Inmobiliaria Sinergia, Inversiones Bajo Piura (Peru), as well as on other boards. He is director of the Colunga Foundation.



**Patricio Rojas Ramos**  
Director

ID No. 7.242.296-1  
Nationality: Chilean  
Profession: Business administrator with a mention in Economics and a Master's degree in Economics from the Pontificia Universidad Católica de Chile, and a Ph.D. in Economics

from the Massachusetts Institute of Technology (MIT).  
Year of Birth: 1960  
On the Board since: April 28, 2021

**Experience:**  
Founding partner of the consulting firm Rojas & Asociados. Until March 1997, he worked as the Macroeconomic Programming Manager of the Studies Division of the Central Bank of Chile, where he remained for 12 years, also as chief economist and senior economist of the studies division. From April 2001 to April 2003, he was a member of the Anti-Monopoly Commission and previously a member of the Price Control Commission. He has also served as a consultant to the World Bank and the IDB in various Latin American countries. Moreover, he has been a member of the Transantiago Panel of Experts and of the Technical Council on Investments of the pension funds, and a member of the Contract Commission for the concession contract of the Arturo Merino Benítez

Airport in Santiago. He is currently an economic adviser in financial institutions as an expert on free competition and regulatory issues. He has extensive academic experience, between 2000 and 2005 he was Dean of the Faculty of Business Administration of the Finis Terrae University and Associate Professor of the Institute of Economics of the Universidad Católica de Chile.

**Committees:**  
Directors’ Committee (Chairman).

**Other Boards and participations:**  
Currently, he is a member of the boards of BCI Asesorías Financieras S.A., Grupo Patio SaP and Fondo de Infraestructura S.A.

The members of the Board of Directors remain in their position for 4.7 years on average. The following table shows the experience matrix of the directors:

	YEARS ON THE BOARD	YEARS OF EXPERIENCE IN THE INDUSTRY	EXPERIENCE IN GOVERNANCE AND RISK MANAGEMENT	EXPERIENCE IN INFORMATION SECURITY
Rodrigo Sarquis Said	11	36	-	-
Pablo Santa Cruz Negri	11	11	x	x
Andrés Santa Cruz López	7	7	-	-
Patricio Rojas Ramos	1	1	x	x
Juan José Cueto	1	1	-	-
Bernardita Noguera Briceño	1	1	-	-
Juan Ignacio Vinagre	1	1	-	-

3.1.1.2 Election of the Board of Directors

According to what is set out in Article 31 of Law No. 18,046 on Public Companies (*Ley sobre Sociedades Anónimas*), public companies are managed through a Board of Directors elected by the Shareholders’ Meeting.

According to Blumar’s Bylaws, the Company shall be managed by a Board of Directors of seven members, who may be reelected. Their term shall last for three years, at the end of which it will be fully renewed. Directors shall be entitled to compensation for their functions. The Annual Shareholders Meeting shall fix the compensation per year.

Blumar S.A. is a publicly-traded company, hence its shares are registered in the Registry of Securities of the Financial Market Commission (CMF), thus fulfilling

the requirement established by Article 2 of the Law on Public Companies.

The Board of Directors is the highest administration and supervision body of Blumar and its subsidiaries. Its members have an adequate balance of knowledge of the industry and experience in relevant topics for the company, such as risk management, audit, corporate governance, among others, which provides the appropriate vision diversity for decision-making. The fact that the Board of Directors is composed of persons with diverse professions and experience is essential for its functioning with purpose, independent judgment and efficient operation.

The Board of Directors will represent the company in judicial and extrajudicial matters and for the fulfillment



of the corporate purpose, which will not be necessary to prove before third parties, since the Board is vested with all the powers of administration and disposition that the Law or the Bylaws do not establish as exclusive to the Shareholders' General Meeting, without the need for any special power of attorney, including for those acts or contracts for which the law requires this circumstance. Accordingly, it is amply empowered to perform and execute all such acts and contracts as may be deemed necessary for the administration of corporate business and the investment of the company's resources.

In the first meeting after the Annual Shareholders' Meeting, where the Board members are elected, the Chairman, first Vice-chairman and second Vice-chairman will be chosen, who will also hold these positions in the company and in the Shareholders' Meeting.

The meetings of the Board and Shareholders' General Meetings will be chaired by the Chairman. In the case of his absence, death or legal incapacity or impairment of the latter, the first Vice-chairman will act as deputy, or in his absence the second Vice-chairman will assume all powers and responsibilities.

3.1.1.3 Board Meetings

The Board of Directors of the company holds regular and special meetings. The regular meetings are held monthly, subject to Article 81 of the Regulation of Public Companies (RSA). The special meetings are held according to the company's needs, when they are called by the Chairman or upon request of an absolute majority of the directors.

The Board's special meetings shall be held when called by the Chairman, either by himself or through one or more directors, after the Chairman approves the need for the meeting, unless the meeting is requested by the absolute majority of the directors, in which case the meeting shall be held without prior approval. Notice of special meetings shall be given through a certified letter delivered to all directors and shall contain references to the content to be addressed in the meeting. This invitation may be omitted if the meeting in question is attended by the unanimous majority of the directors of the company.

At least four directors must participate in all Board meetings. Motions shall be passed by the approval of an absolute majority of the directors present at the meeting. The Chairman or his proxy holds a casting

vote if the directors are split.

In 2021, 12 regular meetings and 7 special meetings were held, with an average assistance of 95%.

3.1.1.4 Independent directors

As provided in the first paragraph of Article 50 bis of Law No. 18,046, Blumar S.A. must have at least one independent director. The director Patricio Rojas is independent, in accordance with the requirements set forth in paragraph four and five of Article 50 bis of the above-mentioned law and was elected in that capacity by the Annual Shareholders Meeting held on April 28, 2021.

Independent directors subject to Chilean regulations

Law No. 18,046 on Public Companies does not include a definition of independent director. However, Article 50 bis establishes the criteria to define a non-independent director. Thus, the above-mentioned Article sets out that "those who have been under the following circumstances in any moment during the last 18 months shall not be considered independent":

- 1) Those who maintain any economic, professional, credit or commercial relationship, interest or dependence, of a relevant nature and volume, with the company, the other companies of the group of which it forms part, its controller, or with the main executives of any of them, or have been directors, managers, administrators, main executives or advisors of these.
- 2) Those who have family relations up to the second degree of kinship or affinity with the persons indicated in the previous point.
- 3) Those who have been directors, managers, administrators or senior executives of non-profit organizations that have received contributions or relevant donations from the persons indicated in point number 1).
- 4) Those who have been partners or shareholders and owned or controlled, directly or indirectly, 10% or more of the capital; directors, managers, administrators or senior executives of entities that have rendered legal or consulting services, for relevant amounts, or external auditing services, to the persons indicated in point number 1).
- 5) Those who have been partners or shareholders and owned or controlled, directly or indirectly, 10% or

more of the capital; directors, managers, administrators or senior executives of the main competitors, suppliers or clients of the company.

Independent directors as indicated in the DJSI questionnaire

From this perspective, independent directors are defined as those who meet four of the six following criteria (including at least two of the first three) and who are not executive directors:

- 1) The Director must not have been employed by the company as an executive in the last five years.
- 2) The Director must not accept nor have a family member who accepts any payment from the company nor any parent company or subsidiary that exceeds \$60,000 USD during the current fiscal year or any of the last three fiscal years, except as permitted by the Definitions of Rule 4,200 of the United States Securities and Exchange Commission.

- 3) The Director must not have any family relation with any individual who is, or has been in the past three years, employed by the company or any parent or subsidiary of the company as an executive.
- 4) The Director must not be a company consultant or a member of the company's executive team.
- 5) The Director must not be related to a major customer or supplier of the company.
- 6) The Director must not have any personal service contracts.

We want to point out that the Chairman of the Board of Directors, Rodrigo Sarquis Said, is independent according to the criteria defined by the DJSI and is not part of the executive staff.

Moreover, the positions of Chief Executive Officer and Chairman of the Board of Directors are separate and held by different persons.

DIRECTORS WHO MEET THE INDEPENDENCE REQUIREMENTS OF ART. 50, LAW NO. 18,046	DIRECTORS WHO MEET THE INDEPENDENCE REQUIREMENTS OF THE DJSI
<ul style="list-style-type: none"><li>▪ Patricio Rojas Ramos (Independent Director)</li></ul>	<ul style="list-style-type: none"><li>▪ Bernardita Noguera Briceño</li><li>▪ Patricio Rojas Ramos</li><li>▪ Rodrigo Sarquis Said</li><li>▪ Juan Pablo Santa Cruz Negri</li><li>▪ Andrés Santa Cruz López</li><li>▪ Juan Ignacio Vinagre Tagle</li><li>▪ Juan José Cueto.</li></ul>



Even though there is no diversity policy for the Board, the Code of Ethics states that we recognize internal talent by providing opportunities for all positions of our company to be occupied by qualified and competent persons, regardless of their gender.

In each of its lines of action, the company has assumed equal rights and gender equity as part of its institutional commitment.

We consider the company to be inclusive, and therefore our recruitment processes are based on objective selection criteria concerning competencies and skills and rejecting any type of discrimination. This is part of the recruitment procedure for Blumar and its subsidiaries.

The company maintains the same policy established by Chilean law with respect to any shareholder's nomination of a candidate for the company's Board of Directors. Accordingly, any interested shareholder may attend the meeting and express his or her proposal for a particular candidate, whenever an election is held.

3.1.2 • Directors' Committees

There are several committees that support the Board in its management, each with its own policies, practices and procedures. The following details the committees:

3.1.2.1 Directors' Committee

The company complies with the requirements set forth in Article 50 bis, first paragraph, of Law No. 18,046, which states that there must be at least one independent director and a Directors' Committee must be established.

Structure

With regard to its members, the aforementioned Article states that *"the committee shall be composed of three members, with a majority of independent directors. In the event that there are more directors entitled to serve on the committee, the directors shall unanimously decide who shall serve on the committee in the first Board meeting after the Shareholders' Meeting, where they were elected. If there is only one independent director, he will appoint the other members of the committee from among the directors who are not independent."*

This independent director is elected at the same Annual Shareholders Meeting where the company's Board of

Directors is elected. Therefore, the candidates for independent director must be nominated by shareholders that represent 1% or more of the company's shares and submit an affidavit of independence. This option is available for shareholders on the website [www.blumar.com](http://www.blumar.com), along with the list of the other candidates for director.

Responsibilities

As established in the above-mentioned Article 50 bis, the functions of the Directors' Committee are as follows:

- Examine the reports of the external auditors, the balance sheet and other financial statements submitted by the administrators or liquidators of the company to the shareholders and to publish a statement about those prior to the presentation to the shareholders for approval.
- Propose names of external auditors and risk classifiers to the Board, if applicable, which will be suggested to the respective Shareholders' meeting. In the event of disagreement, the Board of Directors will make its own suggestion, and both will be submitted to the Shareholders' Meeting.
- Review background information concerning related-party transactions referred to in Title XVI and prepare a report on those operations. A copy of the report will be submitted to the Board of Directors and should be read out to the Board at the meeting scheduled for the respective transaction to be approved or rejected.
- Propose a general management policy for conflicts of interest to the Board, and to comment on the general policies for related-party transactions established in accordance with the provisions of the second paragraph of Article 147 of Law No. 18,046.
- Examine the compensation systems and plans for the company's managers, senior executives and workers.
- Prepare an annual management report including its main recommendations to shareholders.
- Inform the Board of Directors of whether or not to hire the external audit company for the provision of services that are not part of the external audit, when this is not prohibited in accordance with the provisions of Article 242 of Law No.18,045, considering whether the nature of such services could risk a loss of independence.

- Other matters referred to in the bylaws or entrusted to the Committee by the Shareholders' meeting or the Board, if applicable.

- In addition, the committee's functions include reviewing the issues of Risk Assessment, Information Security, Financial Statements, Internal Audit Activities and the Crime Prevention Model.

Requirements for the Report of the Directors' Committee

The annual management report of the Directors' Committee of Blumar and subsidiaries - which contains information on the dates of the sessions held during the period and the main matters dealt with - is made available to the shareholders at the Annual Shareholders Meeting. It is also available to shareholders and the general public in the company's annual report and on the website of the Financial Market Commission (CMF).

Meetings

In 2021, at least five held sessions were held; in January, March, May, August, and November.

Compensation

The Annual Shareholders' Meeting defines the compensation for every member of the Directors' Committee each year. In addition, it must approve the annual budget for the expenditure and operation of the committee for the fiscal year. For the current fiscal year, remuneration was set at 40 financial units (UF) for the period from May 1, 2021 to April 30, 2022.

Members

- Patricio Rojas Ramos (Chairman).
- Juan Pablo Santa Cruz Negri.
- Andrés Santa Cruz López.

3.1.2.2 Report of the Directors' Committee

The entity formed this committee as set out in Article 50 bis of Law No. 18.046.

At the Annual Shareholders Meeting held on April 28, 2021, the Board of Directors was renewed for a new period. Therefore, at Board Session No. 439, held on May 7, 2021, according to corporate governance regulations set forth in Law No. 18,046 and Circular No. 1956 of the Superintendency of Securities and Insurances from 2009, now the Financial Market Commission (CMF), Patricio Rojas Ramos chose the other members of the Committee from among the non-independent directors

and appointed Juan Pablo Santa Cruz Negri and Andrés Santa Cruz López. The Committee is chaired by Gerardo Balbontín Fox, CEO of Blumar S.A. The president was subsequently designated during the Committee session No. 83 held on May 24, 2021, and Vice President Patricio Rojas Ramos was elected.

The Committee held sessions in January, March, May, August and November 2021.

The focus of these meetings was to establish matters within its competence, and to revise the quarterly, semiannual and annual financial statements. The 2020 Annual Report was approved, PwC was proposed as external audit company for 2021 to the Board of Directors, after having hired EY for these services for the prior five consecutive years. This proposal was ratified by the Annual Shareholders' meeting, and the compensation of managers and senior executives were reviewed. Also, in August 2021, the Committee advised the Board to hire PwC for services other than external audits. It should also be mentioned that the Committee, at its meeting in March 2021, met with the EY partner in charge of the company's external audit at that date. Finally, the progress concerning the internal audit plan was reviewed with Internal Audit Management and the Crime Prevention Officer.

The Committee also reviewed the transactions made with its associated companies, such as Pesquera Bahía Caldera S.A., Salmones Blumar S.A., Salmones Blumar Magallanes SpA, Pacificblu SpA, St. Andrews Smoky Delicacies S.A., Empresa Pesquera Apiao S.A., BluGlacier LLC, Frigorífico Pacífico SpA and Entrevientos. The following transactions were reviewed: rental system of aquaculture products, administration, purchases and sales of raw material and minor assets, reimbursement of expenses and leases of facilities.

The Directors' Committee has an annual operating budget of 492 UF (Chilean Unit of Account), which was approved in the Annual Shareholders Meeting held on April 28, 2021, and not used during the period.

3.1.2.3 Committee on Corporate Affairs, Ethics and Sustainability

The Blumar Board of Directors is responsible for appointing the members of this Committee. Making use of this faculty, the Board nominated three of its members. Ethics committees are not created to manage social



matters, but as social and ethics committees that actively promote an ethical culture and corporate citizenship of the organizations they serve. Therefore, their role is directly linked to the performance and sustainability of the organization. As such, they remain attentive to any social and ethical aspect that may help or hinder the organization in achieving its strategic objectives.

**Objective**

- Among its responsibilities is to ensure the correct dissemination and application of the Code of Business Conduct and Ethics, to take notice of all violations of this Code and decisions that have been implemented, to make decisions in more complex reported cases and to approve suggested modifications to the Code.

- This Committee must ensure the adoption of the best practices of corporate governance and assess actions for adoption, tracking and continuous improvement of these practices.

- Furthermore, this Committee receives grievances filed through the anonymous Grievance Channel and redirects them to the proper authorities, as necessary.

- With respect to possible conflicts related to the Code of Business Conduct and Ethics, the Committee should facilitate the resolution of these conflicts.

- The Committee reviews and follows up on Blumar's Sustainability Strategy, along with analyzing and approving the materiality matrix and the management of these topics. The Committee proposes the budget for the sustainability area to the Board.

- The Committee reviews and follows up on the company's Communications Strategy with its various stakeholders.

**Members**

- Bernardita Noguera Briceño
- Andrés Santa Cruz López.
- Rodrigo Sarquis Said.

**3.1.2.4 Compensation and Leadership Committee**

**Structure**

The Blumar Board of Directors is responsible for appointing the members of this Committee. Making use of this faculty, the Board nominated three of its members.

**Objective**

Through an appropriate compensation policy, this committee seeks to align the quality of management and the priorities of the senior executives of Blumar and its subsidiaries with the medium- and long-term objectives of the Board in managing the company, aimed at protecting the company's interests. Likewise, this procedure seeks to minimize the actions of senior executives that are not in conformity with the interests of the company, as well as to detect such cases in a timely manner, if they occur.

**The Committee shall perform the following functions:**

- The Committee must supervise all aspects of compensation for the company's managers, senior executives and workers. This includes compensation, benefits, and incentives for key staff at Blumar.

- Set goals and the assessment of the CEO and senior executives.

- Determine the targets for the variable component of the Chief Executive Officer's and Senior Executives' salary. Variable income should encourage executives to achieve relevant goals that meet the expectations of the Board of Directors and, therefore, are aligned with shareholder expectations for the company.

- The performance of the senior executives shall, to the extent possible, be evaluated by objective measurable performance factors that relate to the Board's guidelines.

- The Committee must ensure that senior executives understand and endorse the objectives set out by the Board of Directors for the company and are willing to work loyally toward the achievement of such goals and objectives. It shall verify that these senior executives are familiar with fixed income, variable bonuses, and the criteria for monitoring the achievement of their goals.

- The Committee shall not establish incentives or payments based on the achievement of accrued but unrealized profits or benefits, the final status of which may change in the future. Efforts will be made to avoid establishing an incentive based on the measurement of partial aspects, the achievement of which could imply the deterioration of other aspects that are also necessary for the company.

- As part of the Audit Plan, the accounting items and, if applicable, the achievements and results related to the granting of bonuses and incentives to executives

will be reviewed in detail, ensuring that the quantified achievements are real and do not correspond to possible illicit acts.

- Ensure that severance pay to senior executives, once their employment contracts are terminated for whatever reason, are subject to market conditions for executives of a similar level in equivalent companies in the fishing/salmon industry.

- The Committee shall promote talent identification and career development plans.

- Furthermore, it is responsible for overseeing succession planning for key positions of the company. Key positions are those reported by the company to the Financial Market Commission (CMF).

- The Committee shall support the company in collective bargaining.

**Meetings**

The Committee meets at least once a year to set the criteria for compensation and other aspects of human resources at the management level. Notwithstanding the foregoing, the CEO shall be responsible for calling the Committee when required. The Committee shall determine the number of meetings to be held.

**Members**

- Rodrigo Sarquis Said.
- Juan Ignacio Vinagre Tagle.
- Juan José Cueto Plaza.

**3.1.2.5 Strategy Committee**

**Structure**

The Blumar Board of Directors is responsible for appointing the members of this Committee. Making use of this faculty, the Board nominated three of its members.

**Objective**

This Committee shall ensure that the company's strategic guidelines are established and reviewed, guaranteeing that sustainable management is integrated into those guidelines.

**Functions**

- Participate in projects and definitions of strategic guidelines to guide the management of the CEO and/or of particular business aspects (e.g., sales

strategy focus, optimization goals, among others.)

- Support the management in decision-making with a relevant impact for the management and profitability of the business.

- Supervise and support the purchase and sale transactions of subsidiaries and/or assets relevant to the company.

- Conduct strategic industry analysis in order to anticipate changes in industry trends, regulatory changes and latent threats.

**Members**

- Rodrigo Sarquis Said.
- Andrés Santa Cruz López.
- Juan Ignacio Vinagre Tagle.

Without prejudice to the members formally appointed to this Committee, by agreement of the Board of Directors it is open to any of the other Directors who wish to participate.

**3.1.2.6 Artisanal Fishery Affairs Committee**

**Structure**

The Blumar Board of Directors is responsible for appointing the members of this Committee. Making use of this faculty, the Board nominated three of its members.

**Objective**

This Committee shall ensure that guidelines and management with artisanal fishermen are established and reviewed.

**Function**

- To review the indebtedness of artisanal fishermen.

- To propose any provision write-offs to the Board.

- To review other matters related to artisanal fishing.

**Members**

- Bernardita Noguera Briceño.
- Rodrigo Sarquis Said.
- Juan Ignacio Vinagre Tagle.

**3.1.2.7 Summary of comments made by Shareholders and the Directors' Committee**

There were no comments nor proposals from shareholders nor the Directors' Committee during the period

assessed for the 2021 Report.

3.1.3 • Corporate Governance Practices

The CEO is responsible for properly onboarding new directors, which shall include business elements, field trips, as well as training in the director’s responsibilities according to what is established in the Law on Public Companies, the Regulations on Public Companies, the Law on the Securities Market, the Regulations of the Financial Market Commission and other applicable legislation. The onboarding process for the company’s new directors is detailed in the document “Director Onboarding Procedure.”

In the responses on Corporate Governance Practices established in the General Regulation No. 385 of the Financial Market Commission, the company indicates that in May 2021, the Board of Directors agreed to create the Committee on Corporate Affairs, Ethics and Sustainability, which replaced the former Ethics Committee and Corporate Governance Committee, merging them into one. Among other functions, this Committee ensures the adoption of the best practices of corporate governance and assesses actions to adopt, track and improve these practices. The Committee was instructed to keep the Board informed about local and international best practices in the area.

In addition, in 2020, the Board established the objective of working on an Environmental, Social and Corporate Governance (ESG) plan for the company in order to measure these aspects based on an international index. It was agreed to work with the Dow Jones Sustainability Index over a four-year period. Within its social dimension, this index includes diversity and inclusion work, which is considered one of the gaps to be bridged in the future.

3.1.3.1 Training of Directors

The CEO, in his role as Chairman, shall establish several trainings of interest for the company in the Board’s annual agenda, as well as meetings and field trips to facilities of the company and its subsidiaries. The objective is to keep the Board of Directors adequately trained and close to the business. There is a Director Training Plan, which is approved annually on all relevant business issues and regulatory framework within which Blumar group companies operate.

Blumar also has a formal onboarding procedure for new directors. This process includes general knowledge of the business and its risks, including those of sustainability. New directors are provided information

regarding the company’s vision, mission and strategic objectives regarding topics such as inclusion and diversity policies, on the definition of which the management and Board are currently working on. Hence priority was given to complying with the Labor Inclusion Law, through a work and advisory program. On the other hand, the Board was also trained on the risks, impacts and opportunities caused by climate change. The Risk Management Policy and the Sustainability Policy were approved by the Board.

The last directors joined the Board in 2021 and completed the onboarding process, which included all available information on these matters, according to the provisions in force at that time. Despite this, and since then, the company has been working on updating and refining all policies that will be incorporated in the onboarding procedure for new directors. In addition, the Board has been permanently involved and informed of these new definitions and developments.

3.1.3.2 Director Onboarding Procedure

Blumar has a formal introduction procedure for new directors, which considers the general knowledge of the business and its risks, including those of sustainability. This includes the knowledge of different stakeholders, the mechanisms used to get to understand their expectations and how to relate to them. During the procedure, information regarding vision, mission and strategic objectives is provided. They also receive a folder containing a copy of all the legal regulations in force with respect to Blumar’s business divisions and its related companies. This material is also available on the intranet and can be directly accessed by each director whenever they find it necessary.

3.1.3.3 Assessment or self-assessment of the Board of Directors

In order to reach a high standard of Corporate Governance that allows for better performance of the Board in its functions under the Law and Bylaws, the Board of Directors of the company agreed to establish a procedure for continuous improvement of its operations.

This assessment procedure shall be carried out once a year and the Board of Directors, at the request of its Chairman, must agree on the dates. The participation of the entire Board of Directors of the company shall be required unless there is justified cause.

This meeting shall focus on the assessment and detection of possible improvements in the functions that correspond to the Board, according to Law and the Bylaws.

3.1.3.4 Meetings with strategic areas

Meetings with the Sustainability Area

In 2021, all members of the Board of Directors met twice with the Sustainability Unit in February and November, where the company’s progress and commitments regarding sustainability were reviewed. The goal still is to integrate sustainability into the management of the company’s based on the four pillars: Efficiency and Creation of Value, Relationships of Trust and Collaboration, Innovation and Adaptability and Environmental Commitment. Furthermore, a new phase of work based on the international Dow Jones Sustainability Index was added as tool for improvement in environmental, social and corporate governance aspects. Therefore, 2020 was defined as the base year and an improvement plan for a period of four years was developed. In addition, the Committee on Corporate Affairs, Ethics and Sustainability held two meetings, where the work plans associated with the strategy and its impact on the company’s stakeholders were detailed and analyzed.

Meetings with the Risk Management Area

In 2021, the Internal Audit Manager met with the Board in March, August and November 2020 and with the Directors’ Committee in March, May, August and November to review, among others, the progress of the Annual Audit Plan.

3.1.4 • Policies and procedures

3.1.4.1 Summary of Blumar’s Policies regarding Corporate Governance Practices

The following policies apply to all operations carried out by Blumar S.A.:

Integrated Risk Management Policy

This policy provides the guidelines and general framework for the management of all sorts of risks the company might face, helping to preserve its value, by guiding the necessary actions to reduce vulnerability to situations that may interfere with the fulfillment of the company’s functions and the achievement of its objectives. More specifically, the policy seeks to manage risks inherent to the company in an appropriate and timely manner; improve knowledge on interactions and interrelations of risks at Blumar; anticipate risks in order to reduce

mitigation costs and efforts; promote a culture of risk and control at the company and establish the governance of risk management in order to maintain and strengthen the trust of stakeholders, regulators, risk raters and external auditors, among others.

Policy on Relations with Public Officials

This policy includes general guidelines which directors, senior executives and all employees must adopt when dealing with national and international public officials, in order to prevent unlawful actions that compromise the company’s criminal liability.

Recruitment Policy and Recruitment Procedure

The objective of this instrument is to standardize the staff recruitment procedure, hence it may be carried out in a methodical and timely manner, to ensure a simple and effective process that guarantees the recruitment of the best candidate available. For this purpose, a distinction is made between four types of positions that can be submitted to different procedures: executives, professionals, technicians and administrative employees, and qualified and unqualified operators.

Donation Policy and Donation Procedure

This policy sets out general guidelines concerning donation requests and describes the approval and delivery process of donations; it specifies the profile for recipients and the allowed minimum and maximum annual donation limits. This policy also states that the company does not support political campaigns or political parties.

Crime Prevention Policy

This policy defines the guidelines on which the adoption, implementation and operation of the Crime Prevention Model is based, according to the provisions in Law No. 20,393 on Criminal Liability of Legal Persons and the prevention of the therein included offenses. On the other hand, it also provides for a crime prevention procedure that defines the activities included in the Crime Prevention Model. Those activities are: Prevention, Detection, Response, Supervision and Monitoring of the Crime Prevention Model.

Tax Policy

Blumar S.A. and its subsidiaries have a Tax Policy that defines the objectives and commitments of the company and its subsidiaries in tax matters; its governance, control and risk management, as well as the relationship with the different stakeholders in tax matters.

This Policy describes the main administrative structures and adequate means available to Blumar S.A. and its subsidiaries



to comply with the tax obligations required by Law, making the corresponding tax assessments and payments, as well as the accessory tax obligations, within the deadlines.

In accordance with the Sustainability Strategy, the Tax Policy establishes behavior in line with honesty and integrity in the diligence of the tax activity, through the correct application of the tax regulations in force, promoting a collaborative relationship with the tax authorities and being aware of its contributions to the economic and social development of the country.

3.1.5 • Management

3.1.5.1 Chief Executive Officer

According to Article 11 of the Bylaws, the company shall have a Chief Executive Officer who shall be appointed by the Board and shall exercise all the powers assigned to him by law and all those expressly granted to him by the Board of Directors.

The CEO shall act as Chairman of the Board and all Shareholder in public companies, also with that of director.

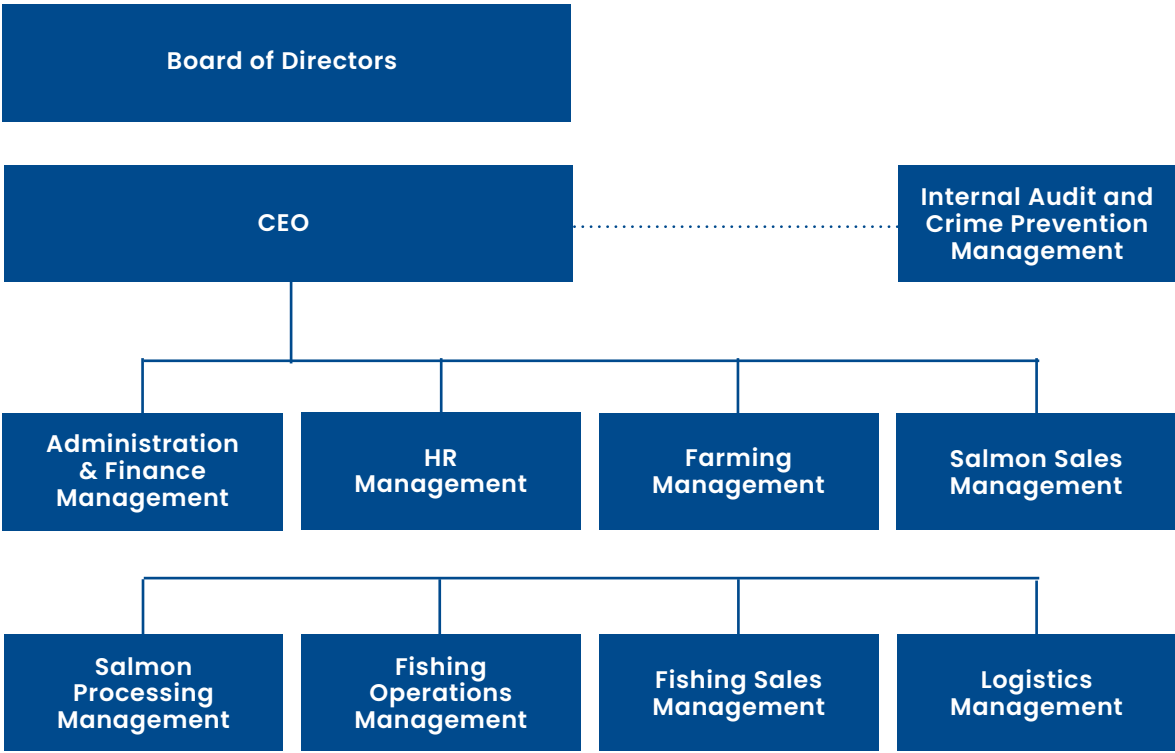
Meetings, unless the Board appoints another person to execute this function on a permanent basis or for a specific meeting. The company's Bylaws do not establish minimum ownership requirements for the Chief Executive Officer nor the Executive Team.

Independence of the functions of the Board of Directors and the Chief Executive Officer

According to Article 49 of Law No. 18,046, public companies shall have one or more executive officers appointed by the Board, which shall set their powers and duties and may replace them at their discretion. The Executive Officer, or Chief Executive Officer, shall be the company's legal representative, and shall legally be assigned the powers set forth in both paragraphs of Article 7 of the Chilean Code of Civil Procedure. The Executive Officer shall have a right to speak in Board meetings, addressing its members regarding all motions detrimental to the company and its shareholders, when his/her contrary opinion is not recorded in the minutes. The function of Executive Officer is incompatible with the position of Chairman, Auditor or Accountant of the company and

3.1.5.2 Organization Chart Management

The organizational structure of Blumar S.A. as of De-



ember 31, 2021 is as follows:

Executive Team

The company's Executive Team is detailed as follows:

Chief Executive Officer .....	Gerardo Balbontín
Audit And Crime Prevention Manager .....	Ariel Elgueta (*)
Chief Financial Officer .....	Manuel Gallardo
Hr Manager .....	Raúl Hermosilla
Farming Manager .....	Pedro Pablo Laporte
Salmon Sales And Marketing Manager .....	Daniel Montoya
Fishing Operations Manager .....	José Ocares
Fishing Sales Manager .....	Marcelo Otero
Salmon Processing Manager .....	Fernanda Taboada
Logistics Manager .....	Marcelo Álvarez

(\*) Ariel Elgueta oversees risk management and information security.

3.1.5.3 Information on senior executives reported to the Financial Market Commission (CMF)

NAME	PROFESSION	ID NUMBER	POSITION START DATE
Gerardo Balbontín Fox	Civil Mechanic Engineer	7.254.586-9	Oct. 1, 2011
Daniel Montoya Stehr	Civil Engineer	8.302.666-9	Feb. 1, 2015
Marcelo Otero Zursiedel	Biochemist	7.380.687-9	Oct. 1, 2011
Pedro Pablo Laporte Miguel	Civil Industrial Chemical Engineer	8.987.541-2	Dec. 1, 2013
José Ocares Brantes	Civil Industrial Engineer	10.526.654-5	Nov. 1, 2019
Manuel Gallardo Araneda	Business Administrator	6.751.812-8	Apr. 28, 2014
Raúl Hermosilla Calle	Business Administrator	8.209.205-6	Oct. 1, 2011
Ariel Elgueta Quitral	Civil Industrial Engineer	14.325.362-7	July 15, 2015
Fernanda Taboada	Civil Chemical Engineer	9.203.788-6	July 1, 2021
Marcelo Alvarez Sotomayor	Civil Industrial Engineer	8.357.061-K	Oct. 1, 2011

3.1.5.4 Legal Advisors

The Company has designated the law firm “Portaluppi Guzmán y Bezanilla Asesorías Limitada” as legal advisors.





## COMPLIANCE AND ETHICAL FRAMEWORK

# 3.2

Blumar's Board of Directors defines Corporate Governance as the set of precedents, policies, guidelines and processes that influence the company's decision-making and create sustainable value for all shareholders within a framework of ethics, integrity and adequate risk management. Within this framework, creation of value is clearly an essential goal for the company, which in turn lays the foundation for our corporate identity reflected in our mission and vision.

### 3.2.1 • Code of Ethics

This Code of Ethics is based on the corporate values - efficiency, responsibility, honesty, austerity, loyalty, commitment and a constructive spirit, among others. It affirms that the company:

- Commits to encouraging and promoting responsible behavior, defined strategically and assumed voluntarily, in order to achieve sustainable development in production activities and maintain continuous dialogue with the different neighboring communities of our operations and processes.
- Has an interest in developing activities aimed at improving the staff's quality of life, fostering commitment to the organization and, at the same time, guaranteeing sufficient profitability for the shareholders. All of this is achieved through efficient and responsible management and high-quality processes, ensuring increased value for the business.
- Ensures the sustainable use of the surrounding natural resources, investing in research and training to prevent and reduce the environmental impacts of company activities, products and services in a progressive, continuous and systematic way.

### 3.2.2 • Grievance channel

Employees or third parties can file grievances about violations of the Code of Business Conduct and Ethics, regulations, policies, procedures or additional internal and external standards concerning ethical behavior and the Crime Prevention Model.

The grievance channel is available on the company's website (<https://www.blumar.com>).

Received grievances: 9  
Resolved grievances: 9  
Total grievances 2021: 9

GRIEVANCE TYPE	Nº CASES	%
Labor	3	33.3%
Environment/Community	2	22.2%
Suppliers/Contractors	2	22.2%
Corruption/Bribery	0	0%
Discrimination/Harassment	0	0%
Others	2	22.2%
<b>Total</b>	<b>9</b>	<b>100%</b>

*Note: all grievances were related to violations of Blumar's Code of Ethics.*

### 3.2.3 • Crime Prevention Model

The objective of the company's Crime Prevention Policy is to establish the guidelines on which the adoption, implementation and operation of the Crime Prevention

Model for Blumar and the subsidiaries is based, in accordance with the provisions of Law No. 20,393 on Criminal Liability of Legal Persons and all its amending laws.

The provisions of the above-mentioned law, which entered into force on December 2, 2009, apply to legal entities under private law and to State enterprises. The offenses considered therein are bribery of a national or foreign public official, money laundering, financing of terrorism, handling of stolen goods, corruption among private individuals, improper management, incompatible negotiation, misappropriation, extraction activities without an aquaculture concession, use of collapsed or overexploited hydrobiological resources or derivate products without labeling their legal origin, contamination of bodies of water and use of restric-

ted hydrobiological resources, forcing an employee to go to work, knowing that he/she is in quarantine or compulsory health isolation decreed by the health authority, organizing, financing or inducing the creation and operation of private or similar militias, possessing certain weapons, chemicals or explosives without the required registration and other similar behavior, and capturing, transferring, hosting or receiving persons who are victims of sexual exploitation, forced labor, servitude or slavery or organ removal.

On the other hand, it also provides for a crime prevention procedure that defines the activities included in the Crime Prevention Model. Those activities are: Prevention, Detection, Response, Supervision and Monitoring of the Crime Prevention Model.







INTERNAL AUDIT AND CONTROL

33

The Internal Audit area is responsible for carrying out the necessary activities to ensure processes to be completed and compliance with the regulations and internal and external policies of the company. The role meets the independence requirements and is taken on by Ariel Elgueta. In 2021, the main activities were:

AUDITED TOPICS	Nº OF AUDITS
Farming Centers	4
Purchases	2
Accounting	1
Crime Prevention Model	2
Workforce	2
Fishing	1
Plants	3
Information Security	10
Treasury	2
Total Audits	27







# 04

## ENVIRONMENT AND RISK MANAGEMENT

4.1	Regulatory framework	P.77-78
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4.2	Industry	P.79-87
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4.2.1	Extractive fishing business	P.79-84
4.2.2	Aquaculture Business	P.84-87

4.3	Risk Management	P.88-95
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4.3.1	Governance	P.88-89
4.3.2	Risk Management Policy	P.90
4.3.3	2021 Management	P.90-91
4.3.4	Main risks	P.91-92
4.3.5	Emerging risks	P.92-93
4.3.6	Information Security	P.93-95



# 04



## The material topics related to this chapter are:

- Risk Management
- Information Security

## The strategic pillars related to this chapter are:



Efficiency and  
Creation of Value



Relationships  
of Trust and  
Collaboration

## REGULATORY FRAMEWORK

# 4.1

Fishing activities in Chile are regulated by the General Fishing and Aquaculture Law (Ley General de Pesca y Acuicultura) codified in Law No. 18,892 of 1989, and subsequently amended by Law No. 20,657 of January 1, 2013, which introduced significant changes.

In accordance with the provisions, the main fishing units in south-central Chile, where Blumar S.A. operates, include the species mackerel, anchovy, sardine and Patagonia grenadier, which are declared to be in full exploitation. This means that fishing is reaching the biological point of maximum sustainable yield, as defined by law.

Since 2013, the normative institutional framework established the preservation and sustainable use of hydrobiological resources as its priority objective, through the application of a precautionary approach, an ecosystem approach regarding the regulation on fisheries and safeguarding the marine ecosystems where these resources are found. Those are systems and resources that are expressly subject to the sovereignty of the State of Chile, which has the right to regulate and manage them.

Likewise, it organizes and provides access to both industrial and artisanal fishing activities, introducing new obligations and burdens for those involved, as well as regulations for research and greater powers of control and increase of sanctions.

The administration system for fisheries known as the “maximum catch per shipowner” was regulated by Law No. 19,713 of 2001 until its elimination in 2012, considering the change in regulation and rights of holders of fishing permits granted under the primitive law of 1989. The substantial modification that came into force in 2013 is that permit holders can exchange such permits for tradable class A fishing licenses, which are equivalent to the participation coefficient of each shipowner in the annual industrial quota. Licenses

have a duration of 20 years, can be renewed under certain conditions and may be divided, transferred and applied to any legal business, independent from the vessel, as a sale, lease or other contract, which marks a big difference from the previous legal regime on fishing permits.

Since Law No. 20,657 of 2013 granted the right of option, Blumar S.A., as an owner of fishing permits, opted to change all those permits into tradable class A fishing licenses in June 2013, thus being subject to the regulations governing them.

The current regulations impose an annual levy on holders of tradable class A fishing licenses, consisting of the payment of a specific tax, the value of which relates to the number of tons the holder is entitled to extract, according to the coefficient of participation that the license grants, while maintaining the license plate payment for the vessels registered to exercise the rights that those licenses grant.

For those fisheries subject to a full exploitation regime and managed with a universal catch quota - determined by the fishing authority - current legislation provides for a public tender process of up to a maximum of 15% of the industrial quota when the yield is equal or greater than 90% of its maximum sustainable yield, creating tradable class B fishing licenses, that are valid for 20 years, after which they are re-tendered. The Undersecretary of Fisheries organizes this tender annually for certain species.

Both class B and Class A tradable fishing licenses can be divided, transferred or applied to any legal business.

The universal catch quota is set for each fishing unit by the fishing authority and subject to division between the industrial and artisanal sector, as indicated in Article six of Law No. 20,657 of 2013, which will be in force until 2032.



For each following calendar year, the annual catch quotas of the different fishing units subject to tradable fishing licenses are set through a decree of the Ministry of Economy. Furthermore, the respective Resolution of the Undersecretary of Fisheries and Aquaculture establishes the tonnage of different hydrobiological species that the holders of those licenses may catch in the respective authorized fishing units

The General Fishing and Aquaculture Law, in addition to the Regional Fisheries Councils, provides eight scientific and technical fishing committees, as advi-

sing and consulting bodies of the fishing authority on topics concerning the administration and management of fisheries, such as environmental and preservation issues. Likewise, the institutional framework dedicated to research is reinforced by a procedure to determine the matters to be dealt with in the National Research Program for Fisheries and Aquaculture, allocating the basic research of this program to the Institute of Fishing Promotion (IFOP), which is a specialized technical body and permanent collaborator and advisor in decision-making, actively contributing to sustainable development in Chile.



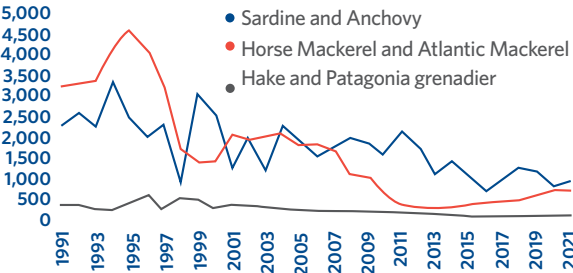
4.2.1 • Extractive fishing business

4.2.1.1 Industry Situation

The global supply of wild species has remained constant in recent years, even though it has declined for certain pelagic species. Figure 1 shows the evolution of the landings of the main industrial fishing species in Chile, where some, such as jack mackerel, have significantly reduced their volume, while others have remained relatively stable.

To protect the sustainability of the fishing resources, the major fishing countries have established catch quotas for each species. In Chile, Law No. 19,713 on maximum catch quotas per shipowner, in force until December 2012, annually allocated a percentage of the universal catch quota to each shipowner per fishing unit in which they participated. This percentage was based on historical fishing and cubic meters of capacity of their ships with valid fishing permit. The new regulation in force since 2013 maintained this assigned quota for all shipowners who decided to change their fishing permits for the new class A tradable fishing licenses the law introduced, thus making fishing operations more flexible.

FIGURE 1  
Landings of fish by species in Chile, 1991-2021  
(thousand tons)



Source: National Service for Fisheries and Aquaculture (Sernapesca) and Undersecretary of Fisheries (Subpesca). \*2021 data until November.

Table 1 shows the universal catch quotas for the industrial fleet of the different fishing units in which Blumar S.A. participates, established for 2021 and 2022 by the fishing authority, as well as the quota allocated to Blumar S.A. and its subsidiaries.



TABLE 1  
Industrial quota 2022 and 2021 (metric tons)

Tradable Class A Licenses						
RESOURCE	INDUSTRIAL QUOTA		BLUMAR'S QUOTA		BLUMAR'S SHARE	
	2022	2021	2022	2021	2022	2021
Mackerel III-X Region	435,325	378,232	88,435	76,831	20.31%	20.31%
Sardine V-X Region	69,600	76,936	14,823	16,385	21.30%	21.30%
Anchovy V-X Region	37,329	45,279	7,460	9,581	19.99%	21.16%
Anchovy III-IV Region	25,602	35,098	10,771	14,766	42.07%	42.07%
Sardinops sagax III-IV Region	1,500	875	898	524	59.87%	59.87%
Patagonia grenadier V-X Region	8,026	10,637	2,384	3,159	29.71%	29.70%
Patagonia grenadier XI-XII Region	5,351	7,092	2	3	0.04%	0.04%
Hake IV-parallel 41°28.6' South Latitude	24,521	22,164	16,288	15,282	66.42%	68.96%

Tradable Class B Licenses						
RESOURCE	INDUSTRIAL QUOTA		BLUMAR'S QUOTA		BLUMAR'S SHARE	
	2022	2021	2022	2021	2022	2021
Mackerel III-X Region	435,325	378,232	2,203	1,914	0.51%	0.51%
Hake IV-parallel 41°28.6' South Latitude	24,521	22,164	74	66	0.30%	0.30%
Anchovy III-V Region	25,602	35,098	512	702	2.00%	2.00%

The Fishmeal and Fish Oil Industry

One of the most important industrial sectors in the fishing business is fishmeal and fish oil. Due to their attractive nutritional properties, both fishmeal and fish oils are used as a raw material in the production of fish and animal feed (Figure 2 and 3). Fishmeal has a high protein content (higher than 65%) and a higher composition of

essential fatty acids – DHA and EPA – better known as Omega-3, which makes it preferable to plant substitutes. Fish oil also has a high concentration of Omega-3 and other essential fatty acids, which is why it is also used in direct human consumption as a food supplement, for food enrichment and for fish and pet food.

FIGURE 2  
Global fish meal use by market, 2020 (%)

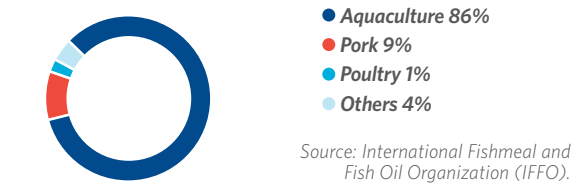
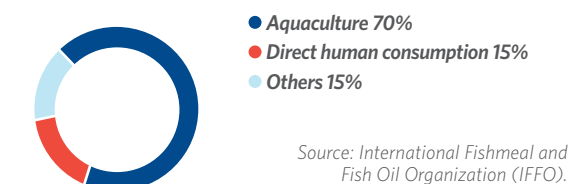


FIGURE 3  
Global fish oil use by market, 2020 (%)



Peru and Chile are the world's leading producers of fishmeal and fish oil (Figure 4 and 5).

FIGURE 4  
Global fishmeal production (thousand tons)

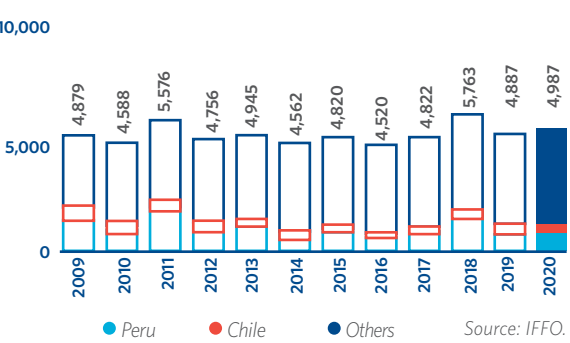
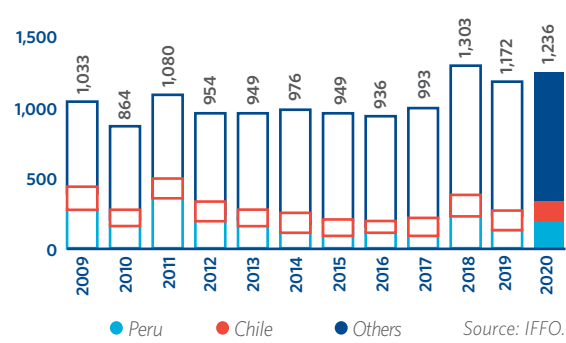


FIGURE 5  
Global fish oil production (thousand tons)



The main export destinations worldwide are China for fishmeal and Norway for fish oil (Figure 6 and 7). The

local market is also quite important, both products being in high demand, especially by salmon feed companies.

FIGURE 6  
Global fish meal imports by market, 2020 (%)

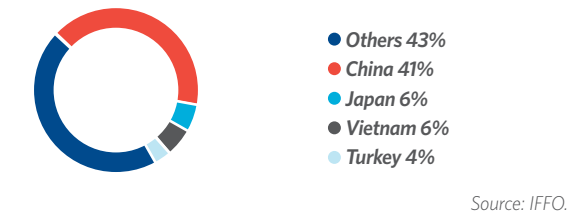
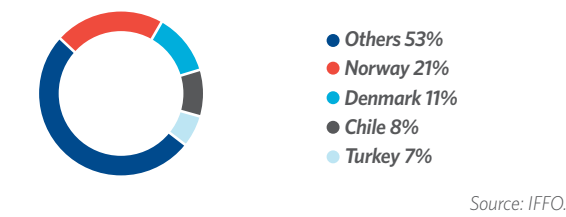
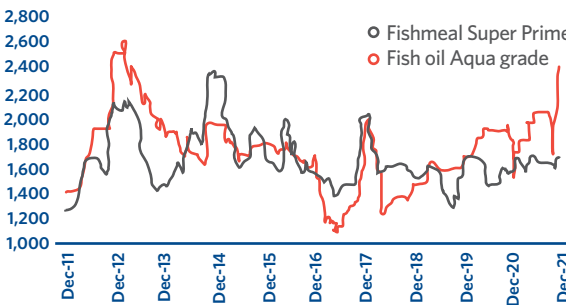


FIGURE 7  
Global fish oil imports by market, 2020 (%)



The most important reference prices for the Chilean industry are fishmeal (super prime) and fish oil (aqua grade), published by the International Fishmeal and Fish Oil Organization (IFFO). In 2021, on average, prices were higher compared to 2020, closing the year on an upward trend. The closing price of fish meal (super prime) was \$1,68 USD/ton and for fish oil (aqua grade) the price was \$2,35 USD/ton.

FIGURE 8  
Prices for Fishmeal and Fish oil (USD/ton)

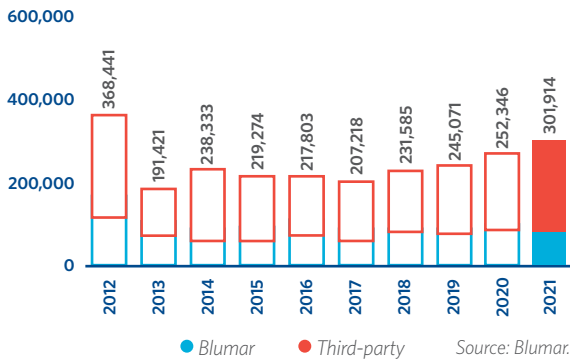


The price considered is for fishmeal (super prime) in Chile and fish oil (aqua grade). Source: IFFO.

4.2.1.2 Blumar's fishing business

Blumar S.A. a relevant player in the extractive fishing industry. In 2021, together with the subsidiary Pesquera Bahía Caldera S.A., we obtained 301,914 tons of fishing. 68% of these came from the purchase of artisanal fishermen and 32% from the company's fleet.

FIGURE 9  
Fishing catch and purchase (metric tons)



The main products of the company's fishing division are:

• Fishmeal and Fish Oil

Fish meal and fish oil are products for indirect human consumption. Blumar S.A. produces them in its four plants, one in the Atacama Region, which belongs to the subsidiary Pesquera Bahía Caldera S.A.; two in the Biobío Region and one in the Los Ríos Region.

In 2021, the most relevant market for sales of fishmeal and fish oil was the domestic market, where Blumar S.A. has supply contracts with the most relevant salmon feed producers. The main export markets for fishmeal were China and Korea, where these products are commercialized directly and through agents in different countries. Fish oil was shipped primarily to Denmark and Greece.

In 2021, Blumar S.A. produced 47,900 tons of fishmeal and 14,366 tons of fish oil. Both products accounted for sales of \$99.649 million USD and accounted for

43% of the revenue of the company's fishing business.

• Frozen Jack Mackerel

Frozen jack mackerel is a direct human consumption product. We are pioneers in the development of frozen jack mackerel in Chile and are currently the leading producer at domestic level. We have two frozen product plants located in San Vicente and Rocuant, with a production capacity of 752 tons per day.

Blumar S.A. sells this product under the registered trademark Antarctic Ice. In 2021, 78,022 tons of frozen jack mackerel (whole, HG and HGT) were produced and sales amounted to \$83.274 million USD, which accounted for 26% of the revenue of the company's fishing business. Nigeria accounted for 34% of sales, while Côte d'Ivoire was the second leading importer, accounting for 29% of sales.

• Hake and other White Fish

Hake is a product for direct human consumption. We produce fresh, frozen and breaded hake and we have two plants allocated for this production: one for frozen and one for breaded fish. Since December 2017, we extract, produce and sell white fish through our subsidiary PacificBlu SpA. The latter was created through the merger of Congelados del Pacífico and Pesca Fina SpA after a joint venture operation since 2014.

• Mussels and smoked salmon

Blumar S.A. farms, processes and exports mussels through its affiliates St. Andrews Smoky Delicacies S.A., Empresa Pesquera Apiao S.A., and Salmones Aucar S.A.

Empresa Pesquera Apiao S.A. stocks the mussels in their own sea concessions, located on the island of Chiloé. This farming involves most of the raw material that is processed, which gives the operation a large competitive advantage.

St. Andrews Smoky Delicacies, S.A. owns two modern plants in Chiloé, where raw material is processed and transformed into different products for commercialization, such as meat or IQF, whole shell or half shells.

FIGURE 10  
Blumar's fishing production, 2011-2021 (thousand tons)

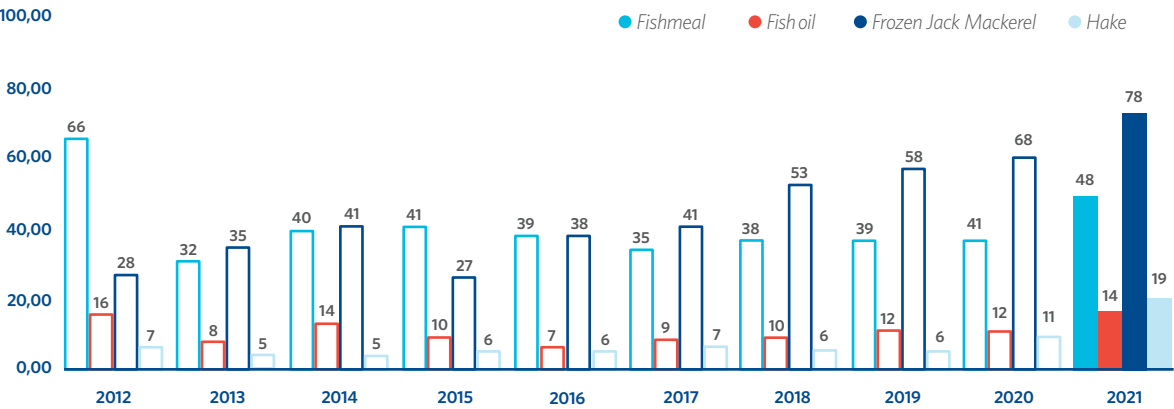


FIGURE 11  
Sales Distribution Fishing Division by product 2021 (%)

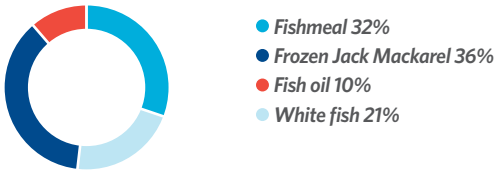
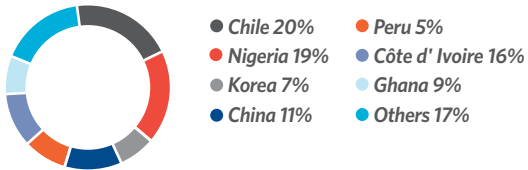


FIGURE 12  
Sales Distribution Fishing Division by destination 2021 (%)



4.2.1.3 Major clients and suppliers 2021

Table 2 shows the clients that represent at least 8% Blumar S.A. income. The only suppliers to Blumar that concentrate at least 10% of their purchases correspond to the sum of artisanal fishermen. Given this, Table 3, shows the list of suppliers who represent more than 8% of purchases.

Table 4 shows the clients who represent at least 10% of the income of Pesquera Bahia Caldera S.A. Like at Blumar S.A., the only suppliers who represent at least 10% of the purchases correspond to the sum of artisanal fishermen. Therefore, Table 5 shows the suppliers that account for more than 5% of purchases.

TABLE 2  
Major Clients: Blumar S.A.

CLIENTS	COUNTRY	PRODUCT
J. Marr (Seafoods) LTD	Nigeria	Frozen Jack Mackerel
Biomar Chile S.A.	Chile	Fishmeal
Comercializadora Nutreco Chile LTD	Chile	Fish oil



TABLE 3  
Major Suppliers: Blumar S.A.

COMPANY	TAX ID	FIELD
Artisanal fishermen		Fishing providers
Cía. de Petróleos de Chile Copec S.A.	99.520.000-7	Fuel

TABLE 4  
Major Clients: Pesquera Bahía Caldera S.A.

CLIENT	COUNTRY	PRODUCT
Agrícola Super LTDA.	Chile	Fishmeal
Xiamen Feedway Commercial Co. LTD	China	Fishmeal
Fuzhou C and D Co. LTD	China	Fishmeal

TABLE 5  
Major Suppliers: Pesquera Bahía Caldera S.A.

COMPANY	TAX ID	FIELD
Artisanal fishermen		Fishing providers
Cía. de Petróleos de Chile Copec S.A.	99.520.000-7	Fuel

4.2.2 • Aquaculture Business

4.2.2.1 Industry Situation

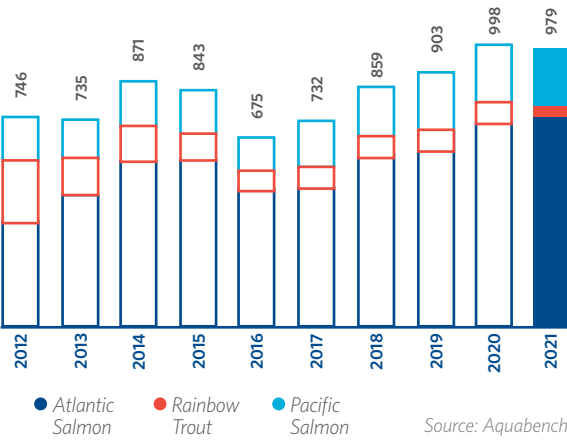
Economic development has brought changes in eating habits and awareness about healthier lifestyles. This has driven growth in consumption of salmonid species, as a good source of protein and Omega-3, which is known to prevent cardiovascular disease and arthritis, lowering cholesterol and other benefits.

The supply of salmonids comes from extractive fishing and farming. Extractive fishing has maintained stable sales volumes over time, while the volume of farmed salmon grew at a compound rate of 6%<sup>1</sup> from 2011 to 2020 and is expected to grow by a compound annual growth rate of 4%<sup>1</sup> between 2020 and 2024.

In Chile, three species of salmonids are farmed: Atlantic Salmon, Trout and Pacific Salmon.

[1] Source: Mowi Industry Handbook 2021

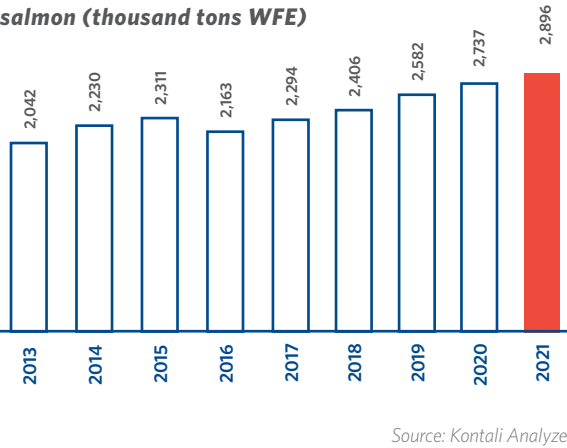
FIGURE 13  
Salmon and trout harvest in Chile  
(thousand tons WFE)



Atlantic salmon is the most important salmonid species farmed worldwide. The main markets are Europe, the United States, Russia, China, Brazil and Japan. Atlantic Salmon is mainly produced in Norway, Chile, the United Kingdom, the United States and Canada. In 2021, more than 2.9 million tons WFE were harvested worldwide.

WFE = Whole Fish Equivalent, the measurement unit corresponding to the weight of the whole bled salmon.

FIGURE 14  
Global supply of farmed Atlantic salmon (thousand tons WFE)



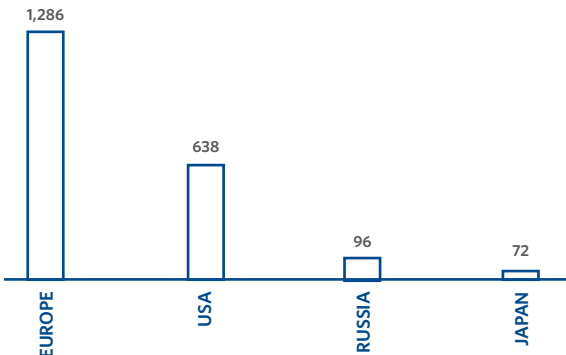
Coho or Pacific salmon is mainly produced in Chile and its most important market is Japan.

Trout, on the other hand, is mainly produced in Chile, Norway and the Faroe Islands, with Japan and Russia being the main markets.

FIGURE 15  
Atlantic salmon production by country 2021 (%)



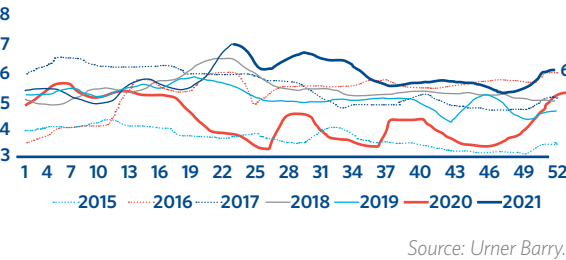
FIGURE 16  
Main markets for Atlantic salmon 2021  
(thousand tons WFE)



Prices

For the Chilean industry, the reference price for Atlantic salmon is that of the fresh fillet market in the United States. As Figure 17 shows, the price of this species reached its historic peak twice, in early 2017 and in August 2021, and its lowest point at the end of 2015. In 2021, the price was up compared to the previous year, averaging \$5.76 USD/lb. The year-end price was \$6.05/lb.

FIGURE 17  
Atlantic salmon TRIM-D price evolution  
(\$/lb FOB MIA)



Blumar's relative market share

The salmon industry in Chile has tended to concentrate, following in the footsteps of Norway. In Chile, 10 companies account for 77% of Atlantic salmon production. In Norway, 10 companies produce 68% of the country's production.

Considering all salmonid species, Salmenes Blumar is the sixth largest exporter in Chile, with a 7% market share and total exports of \$337 million USD.

TABLE 6  
2021 ranking of salmon exporters in Chile

#	COMPANY	ATLANTIC	COHO	IN THOUSAND USD		%
				TROUT	TOTAL	
1	GRUPO AQUACHILE	710,737	240,175	7,406	958,318	19%
2	GRUPO MULTIEXPORT	518,757	1,901	12,180	532,837	10%
3	GRUPO CERMAQ	394,717	100,658	0	495,375	10%
4	AUSTRALIS MAR S.A.	358,145	524	77,119	435,788	8%
5	GRUPO M. HARVEST	369,845	0	110	369,955	7%
6	GRUPO BLUMAR	336,747	7,305	0	344,052	7%
7	SALMONES CAMANCHACA S.A.	244,779	8,323	0	253,102	5%
8	GRUPO AUSTRAL	157,092	62,624	0	219,716	4%
9	GRUPO TORNAGALEONES	90,785	78,302	7,118	176,205	3%
10	INVERTEC PESQUERA MAR	141,085	31,141	0	172,225	3%
11	Others	667,761	328,089	218,613	1,215,230	23%
Total		3,990,449	859,040	322,546	5,172,803	

Fuente: Infotrade.

4.2.2.2 Blumar's aquaculture business

Blumar entered the salmon farming business in 2006, through the subsidiary Salmenes Itata S.A., today Salmenes Blumar S.A., as part of a strategy to diversify into aquaculture. Today the company holds 55 own concessions, 41 located in the Aysén Region, 1 in the Region of Los Lagos, and 13 in the Magallanes Region. In 2021, 35 fattening centers operated on an alternating basis.

The centers operated by the company through the subsidiaries Salmenes Blumar S.A. and Salmenes Blumar Magallanes SpA have a modern pontoon with the necessary capacity to accommodate facility personnel, in addition to storage silos for salmon feed. The farming centers have farming cages, each measuring 10,000 sq./ft, or 17,000 sq./ft, which are properly protected with nets and fences to prevent sea lions and birds from entering or damaging the cages.

Each of the farming centers can produce between 2,000 and 7,000 tons per production cycle, and it takes

approximately 16 months to farm Atlantic salmon in the Aysén Region and 20 months in the Magallanes Region.

Production from the Aysén Region is then processed at our plant in Talcahuano, Biobío Region, which has a production capacity of 57,000 thousand tons WFE per year. Production from the Magallanes Region is processed at the Entrevientos plant, which has a capacity of 50,000 tons WFE per year.

All products are then sold directly by the company in the export markets of these products. For this purpose, Blumar S.A. opened a commercial office in Miami, United States, and shares ownership 50/50 with another Chilean aquaculture company. In 2013, a joint sales office was opened with three other producers in China, called New World Currents.

In 2021, Salmenes Blumar S.A. harvested 39,000 tons WFE, of which 100% corresponded to Atlantic salmon. The

subsidiary Salmenes Blumar Magallanes SpA harvested 28,000 tons WFE of Atlantic salmon. Aquaculture sales

reached a total of \$387 million USD. The main markets were the Americas, Asia and Chile, as shown in Figure 19.

FIGURE 18  
Blumar's harvest of Atlantic Salmon, Trout and Coho 2011-2021 (thousand tons WFE)

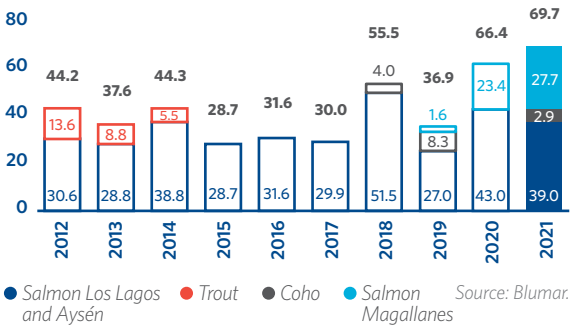
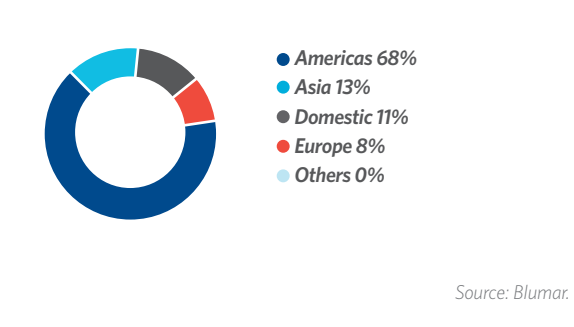


FIGURE 19  
Sales distribution of aquaculture division by country 2021 (%)



Source: Blumar.

4.2.2.3 Major clients and suppliers 2021

Tables 7 and 8 show the clients and suppliers who represent at least 5% of income and 10% of purcha-

ses of Salmenes Blumar S.A. and Salmenes Blumar Magallanes SpA.

TABLE 7  
Major Clients: Salmenes Blumar S.A. and Salmenes Blumar Magallanes SpA.

CLIENT	COUNTRY	PRODUCT
The Kroger Company	USA	Salmon
Nafco	USA	Salmon
Cotsco Wholesale	USA	Salmon

\* Considers final clients of BluGlacier, LLC.

TABLE 8  
Major Suppliers: Salmenes Blumar S.A. and Salmenes Blumar Magallanes SpA.

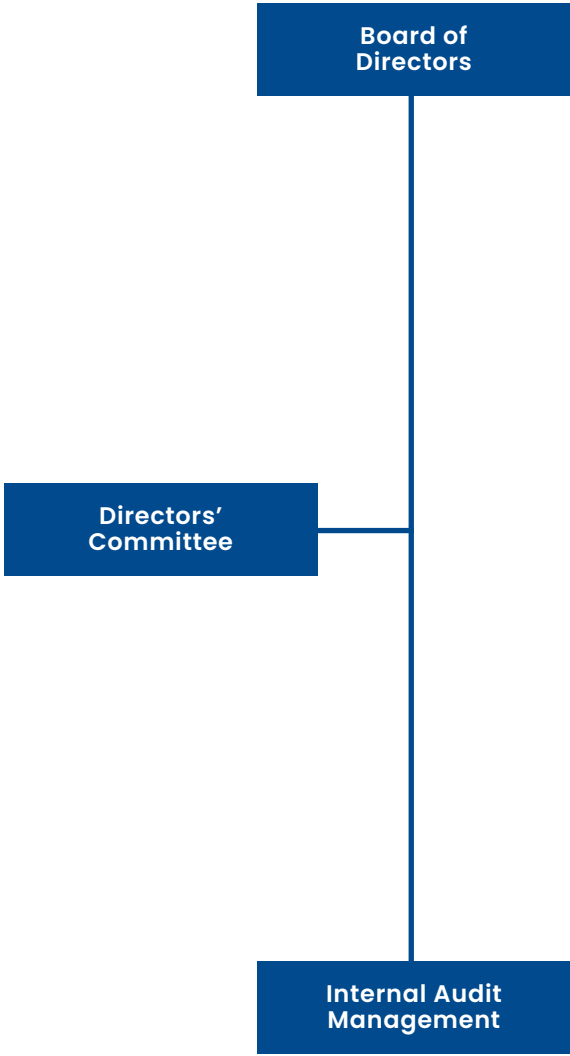
COMPANY	TAX ID	FIELD
Biomar Chile S.A.	96.512.650-3	Feed
Comercializadora Nutreco Chile Ltda.	96.701.530-K	Feed



RISK MANAGEMENT

4.3

4.3.1 • Governance



Blumar has an **Integrated Risk Management Procedure**, which focuses on the integration of a robust risk culture. The main risks are identified and managed to mitigate impacts while achieving the strategic objectives. These include emerging risks.

**Risk appetite** is supported by principles, policies, and practices that define tolerance levels for a variety of risks and provide a structured approach to risk taking within agreed limits.

The company is working on a methodology to govern and integrate risk management in order to improve and review current risk appetite processes and increase alignment with strategic planning and external threat assessments.

This review incorporates improvements to the **Integrated Risk Management System**, through the updating of corporate risks and the process map.

The Management for Internal Audit and the Crime Prevention Officer (Compliance Officer) are in charge of risk management and reporting to the Board, the Directors' Committee and the CEO.

Likewise, it is the duty of the Internal Audit Management to keep the company's risk matrix up to date. Moreover, it makes recommendations to both the administration and the Board, in order to improve risk management, making sure that these measures are implemented.

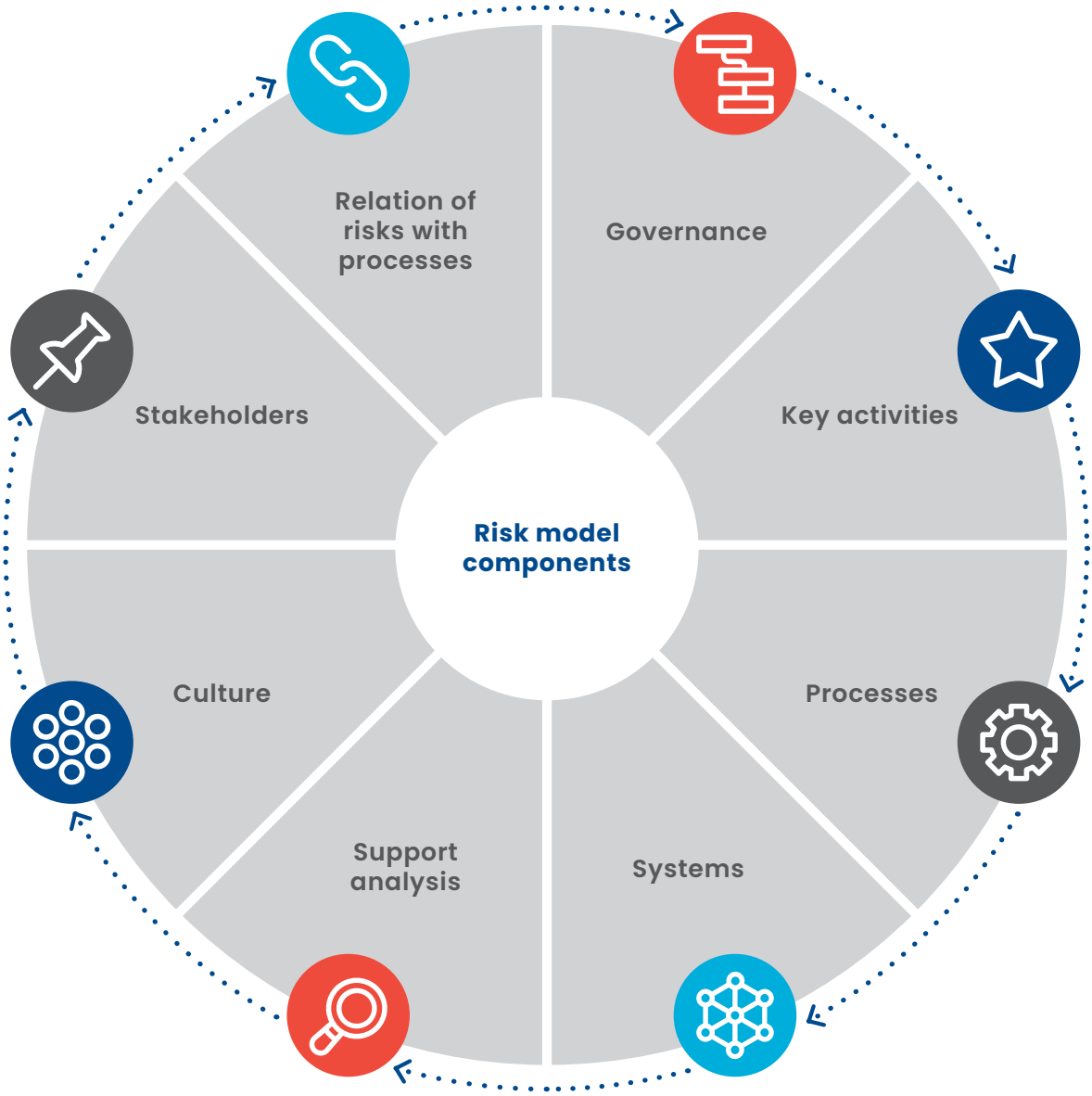
Both the Internal Audit Manual and the Integrated Risk Management Policy and Procedure are based on international standards and best practices such as those of the Institute of Internal Auditors (IIA), the Committee of Sponsoring Organizations of the Treadway Commission (COSO), the Control Objectives for Information and Related Technology (COBIT) and ISO 31000, among others.

**The Board's role**

The Board, through the Directors' Committee, reviews the Risk Map and the management of major risks at least four times a year.

**Blumar's Integrated Risk Management System**

The following details the Risk Management System, which is based on international best practices such as ISO 31000 and COSO ERM.



4.3.2 • Risk Management Policy

This policy sets out an **Integrated Risk Management Procedure** that is a substantial part of the **Integrated Risk Management System**, both of which are developed taking international standards into account. The objective of this policy is to establish risk management for the company, in order to manage the identification, evaluation, tackling, communication and monitoring of the company's risks.

**Specific objectives include:**

- Manage the company's risks in an appropriate and timely manner.
- Improve knowledge on interactions and interrelationships between risks at Blumar.
- Anticipate risks, in order to reduce mitigation costs and efforts.
- Promote the company's risk and control culture and establish the necessary guidelines.
- Establish risk management governance in order to maintain and strengthen the trust of stakeholders, regulators, risk analysts and external auditors, among others.

4.3.3 • 2021 Management

Risk management is understood as the entire process that begins at the senior management of the company and extends to all levels. Therefore, it is important to

underscore that all executives and employees are included in the risk management within their daily tasks.

**Risk Management Framework**

This framework considers three lines of defense for Blumar's risk management:

**First line of defense**

The first line of defense includes the Legal and Finance functions and the responsible areas that can take risks within the risk management framework and policies, as well as the risk appetite statements and measures established by the Board.

**Second line of defense**

The second line of defense is comprised of the risk function and is independent of the first line. It has the authority to design and maintain the risk management framework and its components.

It advises, supervises, questions, approves, escalates and reports to the Board of Directors on first line risk-taking activities, ensuring that these conform to the limits set by the risk management framework and policies.

**Third line of defense**

The third line of defense comprises the internal audit function and is independent of the first and second line. It is responsible for providing an independent and objective guarantee to the Board of Directors and the Directors' Committee.

**Risk appetite**

The risk appetite defines the level and types of risk that the company is willing to accept, within its risk capacity, to achieve strategic objectives and business

plans. Establishing the risk capacity helps to determine where the risk appetite should be established, ensuring that there is a buffer between the internal risk appetite and the loss-absorbing capacity. The Board of Directors has to determine and approve the risk appetite.

**Identification and measurement**

Identification and measurement within the risk management process includes, among other activities:

- Periodic assessment of the risk profile and review of market trends, as well as external and internal factors.
- Risk Map Tracking.
- Review potential risks in the strategy.

**Mitigation**

Mitigation is an important aspect of ensuring that the risk profile remains within the risk appetite. This is done by evaluating possible strategies, costs and benefits, residual risks (those that are sustained) and secondary risks (those due to mitigation actions). Early identification and effective management of changes in legislation and regulation are essential to successfully mitigate risk in the business model.

4.3.4 • Main risks

**Risk Analysis**

The company's fishing and aquaculture activities are exposed to various risks that may affect the company's solvency and must be considered when making an investment. The main risks are described as follows, although there may be others that may also influence Blumar's activities.

**Credit risks**

- *Risk of cash surplus investments:* we assess this risk as extremely low, given the credit quality of the financial institutions and the type of product the companies invest in.
- *Risk from sales operations:* Blumar S.A. and its subsidiaries have taken out insurance policies to partially insure product sales both in Chile and abroad.

- *Risk of loans to artisanal shipowners:* the company has provided different shipowners with loans for the construction of boats, with whom long-term fishing purchase and sale contracts were established. In accordance with credit policies, ship pledges have been created to prevent the risk of default and provisions were booked in high-risk cases.

**Liquidity risk**

This risk arises from the possibility of a mismatch between funding needs and funding sources. Reasonable liquidity risk management involves maintaining sufficient cash, marketable securities, and having adequate funding available at financial institutions.

**Market risk**

- *Exchange rate risk:* since the fishing and aquaculture business relies on export, the exchange rate risk concerns the US dollar (the functional currency) with respect to the currencies in which Blumar S.A. and its subsidiaries have rights and obligations. The company's exposure to exchange rate risk corresponds to the net position between assets and liabilities denominated in currencies other than the functional currency.

- *Product sales price risk:* the prices of the products are fixed on the international market, so Blumar has no influence on their determination. The company adjusts the speed of their sales according to how product prices fluctuate in the market.

- *Risk of variation in fishing prices:* the company is protected by indexing the purchase price of fishing products to the sales prices obtained for fishmeal.

- *Stock Price Risk:* the company is not exposed to this type of risk as it does not have shares classified as assets available for sale.

- *Interest rate risk:* interest rate changes modify future flows of assets and liabilities referenced at a floating interest rate.

**Nature-related risks**

The company is exposed to natural hazards that may put biomasses, fishing catches and productive facilities at risk, such as changes in oceanographic temperature or sea currents, tidal waves and tsunamis, earthquakes, algal blooms, and natural predators, among others. Blumar has insurance for its main assets and for biomasses in the salmon business as mitigation measures. Salmon farming centers are constantly monitored with high-end technology like oxygenation equipment.

**Phytosanitary risks**

Diseases or parasites that can affect biomass pose a threat to the company and may affect production volumes. In order to mitigate these risks in the salmon business, Blumar has first-level assets to monitor fish health, carries out vaccination programs at all its centers and implements protocols focused on the prevention and early detection of pathologies, as well as biosecurity protocols for access to farming centers.





**Risks due to regulatory changes**


The company's results may be affected by regulatory changes, considering that both the fishing and the salmon industry are regulated by the General Fishing and Aquaculture Law (LGPA) and regulations. In the fishing industry, the authority sets fishing quotas, determines how they are divided, grants fishing licenses and imposes sanctions, fines and penalties for non-compliance with the regulations. In the salmon industry, the authority may apply sanctions or restrictions in the event of inadequate management of aquaculture concessions, non-compliance

with sustainability and industry regulations and inactive concessions without justified cause or authorization. To mitigate this risk, Blumar has employees in charge of ensuring the proper use of licenses and concessions, and compliance with established regulations.

**4.3.5 • Emerging risks**

The identified emerging risks are presented below.

Emerging risk: Regulatory changes			
Category	Source	Strategic Pillar	ESG aspects
Strategic Risk	External (Government)	 Creation of Value	Governance (G)
Description	Potential impact	Mitigation Actions	Potential magnitude
The company's results may be affected by regulatory changes, considering that both the fishing and the salmon industry are regulated by the General Fishing and Aquaculture Law (LGPA). In the fishing industry, the fishing authority sets catch quotas and determines how they are divided. In the salmon industry, the fishing authority may apply sanctions or restrictions in the event of inadequate management of aquaculture concessions.	It has a potential impact on fishing quotas and on suspension and/or fines associated with inadequate management of the aquaculture business. Both have an impact on the company's financial results and reputation.	To mitigate this risk, Blumar has employees in charge of ensuring the proper use of licenses and concessions, and compliance with established standards regulations.	Loss of aquaculture concessions, end of fishing for some species. Both reduce the company's business area and its long-term sustainability.
Impact time: three to five years			

Emerging risk: Climate Change			
Category	Source	Strategic Pillar	ESG aspects
Environmental Risk	External	 Environmental Commitment	Environmental (E)
Description	Potential impact	Mitigation Actions	Potential magnitude
The oceans play a key role in climate dynamics, because they absorb 93% of the heat that accumulates in the Earth's atmosphere and a quarter of the carbon dioxide (CO2) released by fossil fuels.  The effects of climate change on oceans include: sudden changes in temperature, acidification and deoxygenation, and shifts in ocean currents.	These changes are affecting life at sea. Sudden rises in temperature and acidification can lead to the disappearance of marine species and habitats. Shifts of ocean currents and temperature rises are altering the distribution of fish stocks and ecosystem structure.	To mitigate this risk, it is vital to manage oceans in a sustainable manner. Changes in the ocean translate into changes in fish stocks. Sustainable fishing management requires adapting to everything that climate change brings.  The company has established a climate change strategy to manage its impact on its business.	A loss of fishing resources and/or their movement to other places would cause Blumar to lose part of its structural strength.
Impact time: three to five years			

**4.3.6 • Information Security**

**Information Security Principles**

Promotion of an organizational culture focused on information security.  
Dissemination of practices needed to maintain continuity of business processes.

tion processes and assets, ensuring the confidentiality, integrity and availability of information and business continuity.

**Information Security Management System**

Blumar has an information security management system that complies with international best practices, in which policies, procedures and controls have been established

**Scope**

The scope of this policy is to protect critical informa-

to mitigate the risks associated with this issue.

To carry out this management in 2021:

- The Information Security Committee was established, holding six meetings a year. It is made up of the CFO, the Internal Audit Manager, the Assistant Manager of Technology, the Head of Infrastructure and the Information Security Officer. Through the Internal Audit Manager, the Committee reports directly to the Board of Directors regarding the efforts and improvements made to the system.
- An Information Security Officer was appointed who is certified in ISO 27001.

Blumar's information security policies and practices are published and disseminated through training and have been duly approved by the Board of Directors. These are updated and approved every year.

**Trainings: information security culture**

Another point to highlight within the management is training all employees of the company in information security and security policies. Trainings were carried out in 2021 through different methods, such as via video calls with 132 people. 562 people were trained using e-learning, 1,500 brochures were delivered, weekly e-mail newsletters sent out and onboarding for 29 new workers was carried out, among other actions.

**Mitigation Actions**

To protect critical processes, technologies have been implemented to mitigate internal and external threats that could present a risk that affects the confidentiality, integrity, and availability of information. These include 24/7 monitoring technologies with incident management and early alerts, making it possible to react to threats as they appear.

A business impact analysis (BIA) was conducted to identify the critical processes and information assets supporting the company's processes. This generated business continuity strategies for the Business Continuity Plan (BCP) and the Disaster Recovery Plan (DRP).

Risks associated with information assets were identified, documented and addressed. Within the risk treatment plan, a master cybersecurity plan was developed, which aims to mitigate the identified risks through cybersecurity technologies and services.

**Vulnerability analysis**

Blumar conducts **vulnerability analyses and regulatory compliance reviews** every year, along with exercises to test users against the threat of phishing. In addition, external audits are conducted based on the international ISO 27001 standard.

**Information Security Policy**

This policy seeks to establish general protection guidelines for the company's information assets against

internal and external threats. The three fundamental pillars of information security are:

- *Confidentiality*: level or class of information according to its access by authorized persons.
- *Integrity*: level of protection of the completeness and accuracy of the information.
- *Availability*: level of authorized user access to information and associated assets.

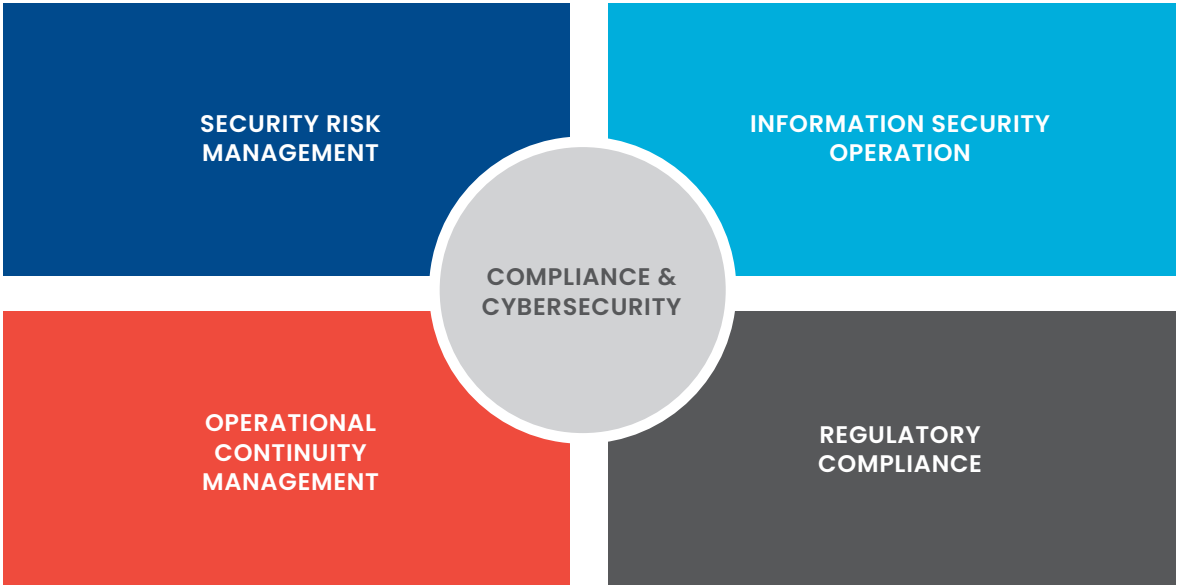
The General Information Security Policy is based on the international ISO 27001 standard.

**Strategic Plan**

Blumar has a strategic plan that allows relevant actions to be aligned toward the fulfillment of the organizational mission and to ensure the fulfillment of our strategic objectives.

To operationalize the strategy, strategic objectives are defined that are existing or additional capacities and a priority to be developed, whose ultimate aim is to achieve the organizational mission.

The Strategic Information Security Plan has four key pillars:



**Pillar Operational Continuity Management:** development of operational capacity with high standards that allow the continuity of critical productive processes, which depend on internal technological processes and on suppliers, achieving reliability on behalf of investors and customers.

**Pillar Information Security Operation:** operate internal technological elements safely in order to protect the availability, integrity and confidentiality of Blumar's strategic information assets that are used by investors, the Board, internal and external entities of Blumar and that directly

affect the critical productive processes of the organization where technology directly impacts its capacity.

**Pillar Security Risk Management:** develop an environment of internal and external controls to minimize and control the security risks to which information assets are exposed.

**Pillar Regulatory Compliance:** comply with regulatory requirements that are demanded by internal and/or external stakeholders and that have information security requirements that Blumar must meet for the continuous improvement and compliance of its processes.







05

# PRODUCTS: INNOVATION AND QUALITY

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# 05



## The material topics related to this strategic pillar are:

- Process and product certifications
- Species health and wellbeing
- Use of antibiotics (maximize ABF production)
- Client management
- Supply chain management

## The strategic pillars related to this chapter are:



Efficiency and  
Creation of Value



Relationships  
of Trust and  
Collaboration



Innovation and  
Adaptability

## OUR PRODUCTS

# 5.1

### 5.1.1 • Global food trends

Blumar produces marine food products that add value for our clients and provide high-value, high-quality proteins to end consumers.

#### **Increased demand for proteins**

According to UN estimates, the world's population will grow to approximately 9.7 billion by 2050. Although 70% of the Earth's surface is covered by oceans, fish account for only 7% of protein for human consumption. Assuming that the per capita consumption remains constant, this will represent a 28% increase in demand for proteins. Given that resources for increased protein production on land will be scarce, a key issue will be how to expand the production of protein sources from the sea. According to FAO figures, per capita consumption of fish protein is projected to increase 4% from 2020 to 2029, especially in Latin America and Asia. In addition, the growth of the middle class in developing countries and population aging position marine products as an attractive choice due to their high nutritional value. Several research outcomes show the benefits that pelagic and salmonid products have for human health, especially due to their content of essential Omega-3 fatty acids (EPA & DHA).

industry. Together with the subsidiary Pesquera Bahía Caldera, 301,914 metric tons of fish were obtained in 2021, 68% of which was purchased from artisanal fishermen and 32% came from the company's fleet. The main products of the company's fishing division are:

#### **Fishmeal and Fish Oil**

These are products for indirect human consumption, which are produced by Blumar at its four plants, one in the Atacama Region, two in the Biobío Region and one in the Los Ríos Region. In 2021, the company produced 47,900 tons of fishmeal and 14,336 tons of fish oil, which in total accounted for sales of \$99.649 million USD. Together, they accounted for 43% of the company's revenue from the fishing division.

#### **Nutritional value**

Marine ingredients are used in a range of products intended for human and animal consumption, food processing and alternative purposes, such as the cosmetics industry. The oceans contain approximately 80% of the planet's biomass, with infinite potential for nutritional, therapeutic and functional ingredients. Fishmeal and fish oil are used for feeding fish and farmed crustaceans and complement aquaculture feeding. Therefore, more than five million tons of mostly underutilized, but sustainable non-food products are effectively returned back into the human food chain.

### 5.1.2 • Divisions and products

The company provides its customers with healthy seafood products, following strict production cycles, in fishing as well as salmon production. All of this is achieved with policies and procedures that ensure the legality, quality and safety of the products.

Furthermore, adding fishmeal and especially fish oil to diets of farmed fish ensures that fish intended for human consumption is a source of essential EPA and DHA fatty acids, which are vital for human biological functions.

#### **5.1.2.1 Fishing division products**

Blumar is a relevant player in the extractive fishing

#### **Frozen Jack Mackerel**

Frozen jack mackerel is a product for direct human consumption. Blumar pioneered this product in Chile and is currently one of the largest producers at the domestic level. Blumar has two frozen product plants located in



San Vicente and Rocuant, with a production capacity of 690 tons per day. In 2021, 78,022 tons of frozen jack mackerel were produced (whole, HG and HGT) and sales amounted to \$83.274 million USD, which accounted for 36% of the revenue in the company's fishing business.

**Benefits of jack mackerel for human health and nutrition**  
Jack mackerel is an oily fish with multiple nutritional

properties, among which a high content of Omega-3, proteins of high biological value, vitamin B1, B2, B3 and B12 stand out, as well as vitamin A and D and minerals such as iron, magnesium and iodine. Its nutritional qualities reduce the risk of atherosclerosis and heart and blood vessel diseases, promote red blood cell production, and improve the functioning of the nervous and immune systems.

Proteins,  
high-quality  
nutrients

High content  
of Omega-3  
EPA and DHA

Rich in  
vitamins D  
and B12

High iodine  
and selenium  
content



**Hake and Other White Fish**

The company produces fresh, frozen and breaded hake and we have two plants allocated for this production: one for frozen and one for breaded fish. Since December 2017, we extract, produce and sell white fish through our subsidiary PacificBlu SpA.

**Benefits of hake for human health and nutrition**

This fish has excellent nutritional value, providing high-quality proteins and a wide variety of vitamins and minerals, including vitamins A and D, phosphorus, magnesium, selenium, and iodine. In the case of saltwater fish, nutritional and health benefits include the prevention of cardiovascular diseases, prostate cancer, immune disorders, osteoporosis, and the consumption during pregnancy benefits the neurological and cardiovascular development of infants and children.

**Mussels**

Blumar farms, processes and exports mussels through its partners St. Andrews Smoky Delicacies S.A., Empresa Pesquera Apiao S.A., and Salmones Aucar S.A. St. Andrews Smoky Delicacies S.A. has two modern plants in Chiloé where the raw material is processed and transformed.



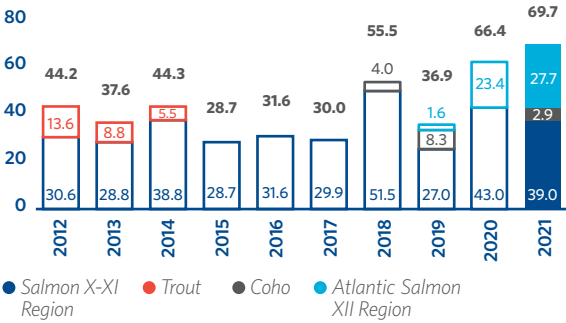
**5.1.2.2 Aquaculture division products**

Salmones Blumar and its subsidiary Salmones Blumar Magallanes produce Atlantic salmon and Coho salmon. At the closing of 2021, 69,700 tons WFE were harvested.

**Atlantic Salmon and Coho Salmon**

Considering all salmonid species, Salmones Blumar is the sixth largest exporter in Chile, with a 7% market share and total exports of \$344 million USD.

**Blumar harvest of salmon, trout and Coho 2011-2021 (thousand tons WFE)**



Source: Blumar.

Production from the Aysén Region is processed at our plant in Talcahuano, Biobío Region, which has a production capacity of 57,000 tons WFE per year. Production from the Magallanes Region is processed at our Entrevientos plant in Punta Arenas. This operation is a joint effort with MultiX and involved a total investment of \$60 million USD. Entrevientos is the most modern salmon processing unit in Chile and has a processing capacity of 50,000 tons of raw material per year and creates jobs for more than 400 people in the Magallanes Region.

At both plants, we produce fresh and frozen salmon, whole, in fillets with and without skin, and in portions.

**Project Laguna Blanca**

With the aim of joining the business and sustainability strategy, Blumar launched "Laguna Blanca," a new brand of premium salmon, free of antibiotic treatments and farmed under unique conditions provided by the purity and temperature of the waters of Magallanes.

The whole farming cycle for "Laguna Blanca" is com-

pletely free of antibiotics and the product is certified by the Aquaculture Stewardship Council (ASC), an independent non-profit organization that establishes protocols for sustainable, socially and environmentally responsible seafood farming.

**Benefits of salmon for human health and nutrition**  
Salmon is a low-calorie food. It has high levels of proteins, Omega-3 fatty acids (EPA and DHA), which reduce the risk of cardiovascular diseases and a large number of other health problems; furthermore, it improves brain health.

The FAO has pointed out that “fish is a food of excellent

nutritional value, providing high-quality proteins and a wide variety of vitamins and minerals, including vitamins A and D, phosphorus, magnesium, selenium and iodine.” This international body also noted that there are many studies on nutrients in fish and salmon and that including them in our diet can improve our overall nutrition and may even have significant health benefits.

Considering global obesity rates, governments and food and health advisory agencies around the world are encouraging people of all ages to eat more fish. The U.S. Department of Health and Department of Agriculture recommend eating at least 237 grams of fish per week.

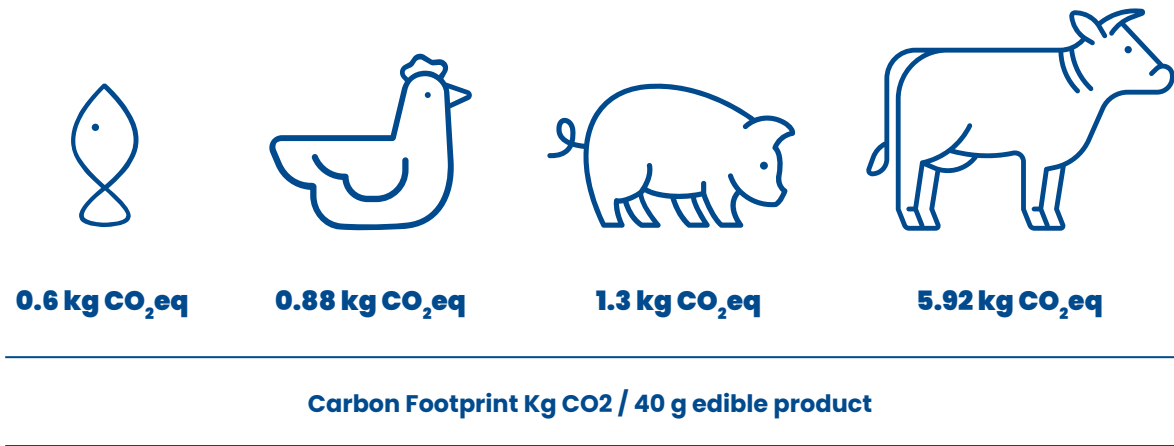


**5.1.2.3 Fishing and farmed salmon: healthy food and sustainable proteins**

Fish and salmon production, in addition to being resource efficient, is also a source of environmentally friendly protein and is expected to become an important protein source to feed the world, while limiting negative environmental impacts.

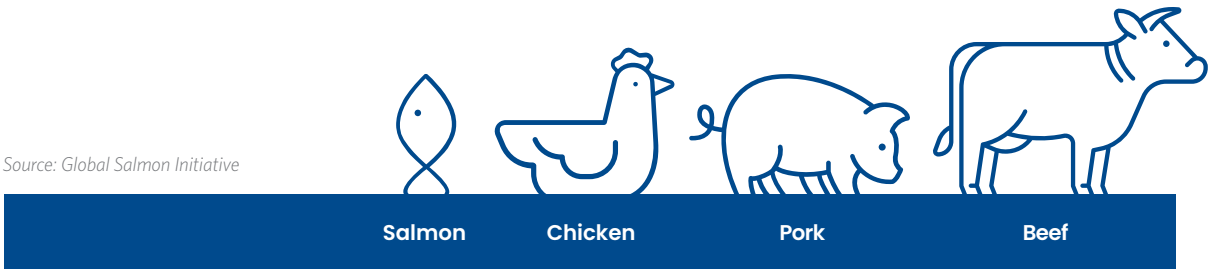
**Carbon Footprint**  
Carbon footprint is measured by the total greenhouse gas emissions directly and indirectly caused by the preparation of a product (kg CO2 equivalent / 40 g edible protein).

**Fishing and aquaculture adapting to climate change**  
Recent research has shown that the production of aquaculture salmon has a smaller impact on climate change compared with the production of other animal proteins. Salmon is an animal protein with a low carbon footprint compared to other animals. When comparing salmon with beef – in a normal portion of 40 grams of edible protein of the product – it is estimated that salmon has a carbon footprint of 0.60 kg CO2 equivalent, while beef reaches a 5.92 kg CO2 equivalent. That is, almost ten times more emissions of harmful gases. Likewise, for every kilo of product, the livestock industry uses 13 times more water than salmon production. This is especially relevant in the context of prolonged drought in Chile.



Source: Global Salmon Initiative





Protein Retention

This describes protein gain as a percentage of food protein consumption. It is calculated as a percentage: protein in edible portions / gross energy (GE) of food consumed.

	Salmon	Chicken	Pork	Beef
Protein Retention	28%	37%	21%	13%

Calorie Retention

This is measured by dividing the calories of the edible portion by the calories in the food. The main reason salmon converts proteins and energy into muscle and body weight so efficiently is because they are cold-blooded, and therefore do not need energy to heat their bodies. Moreover, salmon does not waste energy standing up as terrestrial animals do.

	Salmon	Chicken	Pork	Beef
Calorie Retention	25%	27%	16%	7%

Yield

Edible yield is calculated by dividing the edible meat by total body weight.

	Salmon	Chicken	Pork	Beef
Yield	73%	74%	73%	57%

Feed Conversion Ratio

The Feed Conversion Ratio (FCR) measures the productivity of different protein production methods. It shows the kilograms of feed needed to increase an animal's body weight by 1 kg. A low FCR represents a more efficient use of resources.

	Salmon	Chicken	Pork	Beef
Feed Conversion Ratio	1.3	1.9	3.9	8.0

Yield per 100 kg of food

Edible meat per 100 kg of food is the combination of the FCR ratio and edible yield. Salmon has a favorably high amount of edible meat per kg of food.

	Salmon	Chicken	Pork	Beef
Yield per 100 kg of food	56 kg	39 kg	19 kg	7 kg

Freshwater

Consumption of freshwater to produce 1 kg of edible protein.

	Salmon	Chicken	Pork	Beef
Freshwater	2,000	4,300	6,000	15,400

5.1.3 • Product quality and safety and certifications

From the end of the world, Blumar produces high-quality products with the strictest safety protocols. We have procedures and policies in place to ensure the legality, quality and safety of our products.

Commitment to quality and safety

Product safety and quality are at the heart of the company's strategy, and our commitment is to ensure safety, compliance and quality. To achieve this, we work on training our employees, suppliers and contractors to protect our clients and end consumers. We manage our production to safeguard our stakeholders' trust, meeting the safety and quality expectations of our clients and end consumers. We have internal and external audits to validate the effectiveness of our management systems and food safety. The company annually reviews its progress in the implementation of these commitments, and we manage them through a continuous improvement process.

At Blumar, we commit to using traditional production methods at all stages of the salmon life cycle; we do not use genetic modification techniques which result in the intentional release of genetically modified organisms (GMO), nor hormones in the production process. We exclusively use substances approved by the corresponding fishing authority.

On the other hand, our fish feed contains products that could be genetically modified in some of its versions. These products are canola oil, vegetable acid oils, soy

flour, soy protein concentrate, and corn gluten flour, which vary between 0% - 30% depending on the composition of the food.

How do we manage this?

Blumar ensures the legality, quality and safety of its products from the fishing and aquaculture division and has policies and procedures to guarantee this. We carry out various actions, among which we highlight a Management System that is periodically subject to certification audits.






Certifications





Fishing division	Aquaculture division
HACCP of Sernapesca	HACCP Sernapesca
MarinTrust	ASC
Halal	BRC
MSC (*)	BAP
	IFS
	Kosher
	Halal

(\*) This certification is for the fishing of Chilean jack mackerel.

Whether for direct or indirect human consumption, our markets require various certifications. Therefore, we undergo certification processes, so external auditors can certify that Blumar's production practices meet the most demanding standards regarding clean and responsible production.



Certification	Scope
 <b>HACCP</b> Hazard Analysis and Critical Control Points. This certification is granted by the National Fisheries and Aquaculture Service of Chile, which aims to guarantee the safety of fishery products processed in plants that are subjected to a control of critical points and a hazard analysis, under the strict supervision of the health authority. This certification is required by the European Union, China and, indirectly, by the domestic market in Chile.	<b>Fishing:</b> The fishmeal and fish oil plants in Bahía Caldera, San Vicente and Corral are certified for their production lines for animal consumption. In addition, the plants in San Vicente and Corral also have this certificate for their production lines for human consumption. <b>Salmon:</b> The Talcahuano salmon processing plant obtained this certification, which means that we can participate in all markets that recognize or have an agreement with Sernapesca (Brazil, Europe, Russia, etc.)
 <b>HALAL</b> This certification for fish oil for human consumption is granted by the Islamic Center of Chile and is aimed at the Islamic Community in Asia, where we supply oils rich in Omega-3 fatty acids.	<b>Fishing:</b> Our San Vicente and Corral plants obtained this certification for all their products. <b>Salmon:</b> The Talcahuano salmon processing plant has this certification.
 <b>MarinTrust</b> Certification program that includes the associated membership ISEAL (International Social and Environmental Accreditation and Labelling Alliance) and regulates the responsible sourcing of raw materials to produce fishmeal and fish oil. This certification is recognized and supported throughout the whole marine ingredient value chain and in aquaculture certification programs such as BAP, ASC and Global GAP, which primarily value the use of sustainable species.	The plants in San Vicente and Corral hold this certification to produce derivate products from sardine, anchovy, jack mackerel and byproducts of jack mackerel.
 <b>MSC</b> The Marine Stewardship Council (MSC) Standard is used to determine whether a fishery is well managed and sustainable, as it reflects the most current and internationally accepted knowledge in the field of fisheries science and management. Since June 26, 2019, the jack mackerel fishing for human consumption holds the MSC certification for all capture operations carried out by the Chilean industrial fleet. This fosters the development of new products for different markets across the world like the Horeca channel, retail, and others.	100% of the jack mackerel fished for human consumption has obtained this certification.
 <b>ASC</b> The Aquaculture Stewardship Council is an independent organization with global influence, which seeks to reward companies that operate a responsible aquaculture through the ASC certification program for aquaculture and labels for marine products.	17 salmon farming centers in the Aysén and Magallanes Regions are ASC certified, as well as our salmon processing plant in Talcahuano as a chain of custody.

Certification	Scope
 <b>BAP</b> The Best Aquaculture Practices (BAP) certification addresses animal welfare, social and environmental responsibility, as well as the traceability and safety of products, and it defines standards of good aquaculture practices for each type of installation.	At Blumar we have the maximum BAP four-star certification, which means that feed suppliers, hatcheries, farming centers and the processing plant are certified.
 <b>BRC</b> British standard of quality and food safety.	The Talcahuano salmon processing plant is certified.
 <b>IFS</b> This is a standard that guarantees the food safety and quality of nutritional products and processes.	The Talcahuano salmon processing plant is certified.
 <b>KOSHER</b> This certification comes from the Hebrew word that means “pure” or “fit.” It is a system of food quality control according to Jewish standards.	The Talcahuano salmon processing plant is certified.

The following shows the company’s certifications and those our suppliers must comply with throughout the production chain of the aquaculture division:

EGG SUPPLIERS <sup>(1)</sup>	FEED SUPPLIERS <sup>(1)</sup>	FISH FARMS <sup>(1)</sup>	FARMING CENTERS <sup>(2)</sup>	PRIMARY PRO-CESSING PLANTS <sup>(1)</sup>	PROCESSING PLANTS <sup>(2)</sup>
Global GAP ASC	Global GAP ASC BAP	Global GAP ASC BAP	- ASC <sup>(3)</sup> BAP <sup>(4)</sup>	- ASC -	- ASC BAP IFS HACCP BRC KOSHER HALAL

[1] These certifications are required of Blumar suppliers.  
[2] Certifications obtained by Blumar.  
[3] 17 farming centers are certified: In Aysén, the centers Dring 3, Forsyth, Tangbac, Dring 1, Orestes, Isquiliac, Elena Norte, Chivato 1 and Midhurst; and in Magallanes, the centers Punta Vergara, Marta, Mina Elena, Córdova 1, Córdova 2, Canal Beltrán, Pérez de Arce and Gómez Carreño.  
[4] All of our Atlantic salmon farming centers have obtained this certification.





SUSTAINABLE VALUE CHAIN

5.2

At Blumar, we are committed to sustainably managing all our activities. Caring for the environment and ensuring the welfare of the species are fundamental pillars for us. Our main resource is marine life and we are indebted to it. We are concerned with its care and survival over the long term, operating with responsible resource management and minimizing environmental impacts. Therefore, we have proper processes and cutting-edge technology that facilitate constant monitoring at the company's farming centers, along with a veterinary team trained to identify and use the proper tools to ensure animal welfare and health. These veterinarians follow the prescription guidelines from certified health professionals for the specific species they are treating.

Commitment to sustainable nutrition

At Blumar, we commit to responsible sourcing, working hard to strengthen sanitary and feed measures in all our farming centers, carefully selecting feed and providing solutions consistent with fish welfare, sustainability, efficiency and environmental care, which allows us to guarantee a high-quality product for our customers. As part of the framework of ASC certification, the company declares that it supports all efforts of its fish feed suppliers to use raw materials that comply with a responsible sourcing policy.

The ingredients used in our salmon have a traceability system. The country of origin and, for marine ingredients, the fishery, including the origin of the cuts and volumes per species and fishing zone, are considered when sourcing raw ingredients for feed. Marine raw materials must not come from illegal, unregulated or undeclared catches or

species listed as endangered on the International Union for the Conservation of Nature (IUCN) red list.

In the case of fishmeal and fish oil, Salmenes Blumar supports the effort of its fish feed suppliers to change their source of fishmeal and fish oil to ISEAL certified fisheries, which comply with guidelines that specifically promote responsible environmental management of small pelagic species, or an equivalent framework. Marine raw material processed from whole fish shall be obtained from suppliers who apply responsible fishing management practices. Regarding soy, the company supports the effort of its fish feed suppliers to make their purchases from companies certified by the Roundtable on Responsible Soy Association (RTRS) or any equivalent certification.

How do we manage sanitary quality?

Our strategy is based on the following: stocking smolt of high sanitary and genetic quality, selecting the best species for stocking that adapt to living in the sea, strict biosafety measures in all areas, the use of effective vaccines, the adaption of practices that ensure best conditions in the farming center, balanced diets of the highest nutritional quality and optimal nutrition strategies, timely control of caligus, periodic monitoring to evaluate the health of the fish, and training for personnel in matters related to animal health and welfare. All of our smolts are produced in facilities under strict professional supervision, for which the company has implemented demanding quality and safety control.

These issues are overseen by Salmon Management, through Production and Operations Management and Health and Fresh Water Sub-Management.

Goal Monitoring 2021	Goal 2022
<div><div><div></div></div><div>During 2022, the company did not receive fines related to supply and use of products and services.</div></div>	<div><div><div></div></div><div>Integrate ESG assessment into the value chain, extending it to salmon feed suppliers.</div></div>



5.2.1 • Value chain fishing division

Our fishing process is characterized by highly qualified personnel and cutting-edge technology.

**Vessels:** Blumar has a fleet of six high seas fishing ships (abbreviated PAM in Spanish) with the latest technology in systems for monitoring, detection, capture and communication. These ships are operated by highly qualified personnel. The fleet is equipped for purse-seine fishing and the ships are able to detect, capture and preserve our raw fish material efficiently for its subsequent unloading. Our team works with modern detection equipment. It first locates the shoal,

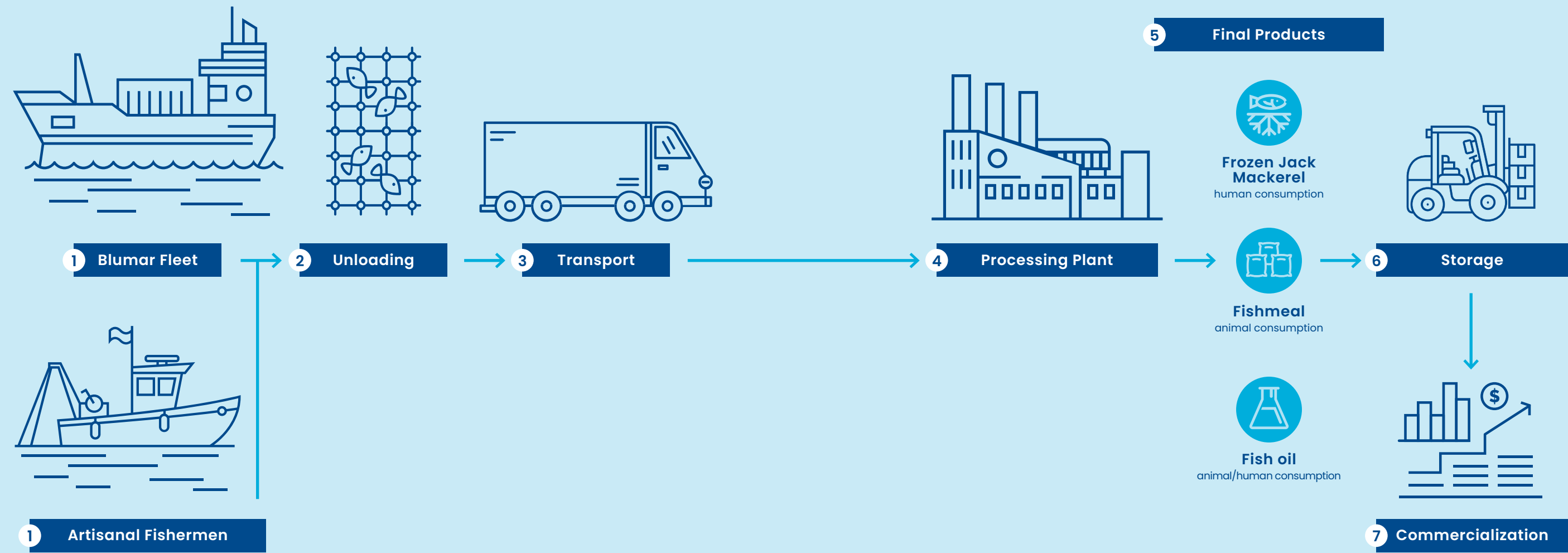
then deploys the net for capture, and finally sucks the fish towards the holds, where they are received by sea water cooled to -1 °C (30 °F). This allows the raw material to be preserved and its quality maintained through constant cooling. This cooling system ensures that the organs of the fish are kept in optimal conditions.

**Unloading:** The process begins when the ship arrives at the pontoon, where the quality of the catch is evaluated, and it is determined which of our various plants it will be sent to. Then the fish is pumped by a pressure/vacuum system through underwater pipes. This ensures the quality of the raw material and minimizes the use of discharged water.

**Final Product Plants:** during the unloading process, the fish is received and classified by size. The selection process categorizes the raw material that is marked for human consumption, which is later sent to automatic lines that weigh and package the whole product in 20-kilogram boxes. The boxes are then sent to the freezing tunnels, where the product reaches -18°C (0°F) in 21 hours. In addition to whole fish products, we have production lines for the following categories of products: HG (headed and gutted), HGT (headed, gutted, tail-off) and IQF (individual quick freezing). Finally, the product is stored in refrigerators until it is ready for sale.

**Fishmeal and Fish Oil Plants:** the production begins after the raw fish material is received from our fleet and artisanal fishermen boats. The raw material goes through a series of stages of water removal in order to obtain fish meal with a high protein content and fish oil rich in Omega-3 fatty acids.

**Commercialization:** Generally, the products' target is a specific market and large distributors, not end consumers. In markets such as Africa and Peru, products are marketed directly to fish markets.





5.2.2 • Value chain aquaculture division

The company commits to managing all of its activities sustainably. Therefore, caring for the welfare of the species we cultivate is a material aspect of our business.

We have highly qualified staff and processes, state-of-the-art technology, and certifications that guarantee our clients the quality of the products. The salmon cycle lasts about 31 months, and begins with the production of eggs, which takes about two months until they are ready to be taken to the hatchery. The eggs remain in the hatchery for 12 months until they are transported to the farming centers, where they live for 17 months until they reach the required size for processing. When the salmon reach

peak growth, they are transported on board well boats to the collection facility. This trip takes about 12 hours, depending on the distance between the farming center and the processing plant. After transport, the salmon stay in resting cages for 12 to 24 hours before the primary process. The salmon are then processed according to the needs of the production schedule, with a maximum stay of 5 days in the collection center. The time between the primary process and the beginning of the secondary process in Talcahuano varies between 30 and 45 hours. The secondary process takes 33 hours on average, where the fish are processed and the final product for distribution at the markets is obtained.

**Genetics and egg production:** the foundation of Blumar's business is to provide quality products to our clients. Therefore, the important egg supply agreement we signed with leading genetics companies in the field of salmon farming has been essential. These selection procedures guarantee the reproduction of disease-resistant fish with greater

growth potential. Egg suppliers can adapt their product through the use of brood producers with favorable genetics for the different traits required by clients; several suppliers are able to produce eggs throughout the whole year. The market is international, although it may be subject to the import/export restrictions imposed by individual countries.

**Smolt Production:** the company has an exclusive agreement with a water recirculation facility close to the sea that produces a high percentage of our smolt. Smolt are young salmon that undergo a process of physiological adaptation to live in the sea and fulfill high safety and biosafety standards to achieve the following objectives: prevent diseases that can be transmitted between the fish; increase growth control and management; directly load smolt from the salmon farm to the boats for their transfer to farming centers, minimize the stress of the salmon; stock in the appropriate period for each productive sector; and make productive sub-areas independent in order to avoid cross-contamination in salmon farming.

**Farming Centers:** Blumar has 55 concessions, distributed in the Regions of Los Lagos (1), Aysén (41) and Magallanes (13). The centers operated by the company have a modern pontoon with the necessary capacity to accommodate the facility personnel, in addition to storage silos for salmon feed. The farming centers have farming cages, each measuring 10,000 sq./ft, or 17,000 sq./ft, which are properly protected with nets and fences to prevent sea lions and birds from entering or damaging the cages.

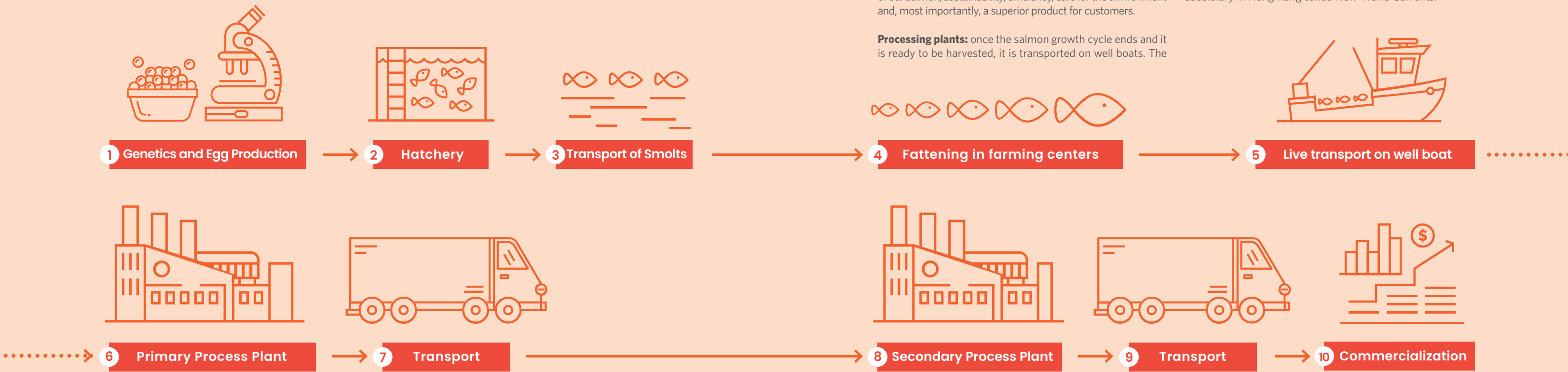
Each of the farming centers can produce between 3,000 and 6,000 tons per production cycle, and it takes approximately 15 to 18 months to farm Atlantic salmon. The technology at each center is operated by teams of highly qualified professionals with extensive experience in the area. The company selects food equipment and feed very carefully and provides solutions that seek the welfare of our salmon, sustainability, efficiency, care for the environment and, most importantly, a superior product for customers.

**Processing plants:** once the salmon growth cycle ends and it is ready to be harvested, it is transported on well boats. The

salmon is transported from the farming center to its first destination: the primary processing plant in Quellón. Afterwards, production continues at the processing plant in Talcahuano, which has a production capacity of 40,000 tons per year. There, raw material is transformed into different products. Because our products are made for immediate human consumption, we follow a strict sanitary protocol. The secondary processing plant is equipped with the latest technology available to process a wide range of fresh and frozen products.

Meanwhile, in the Magallanes Region, the farming centers are located in the areas around the Skyring Sound and Puerto Natales. From there, production is moved and processed at the Entrevientos plant in Punta Arenas. The plant has state-of-the-art machinery, which, in addition to good manufacturing practices, allows for a production focused on the quality, efficiency and sustainability of our operations. The salmon is frozen in continuous tunnels, optimizing time and energy use. All our products are specially developed to meet our customers' needs. In addition, our products and processes are HACCP, BRC, IFS, BAP and ASC certified, enabling Blumar to export to different markets worldwide.

**Commercialization:** our products are then sold directly by the company in the export markets. For this purpose, we opened a commercial office in Miami in 2012, under the name BluGlacier. We share ownership 50/50 with another Chilean aquaculture company. To supply the Asian market, the company has a sales subsidiary in Hong Kong called New World Currents.





COMMERCIAL MANAGEMENT

5.3

5.3.1 • Markets and Clients

Our clients and commitment to quality and excellence are a central part of the company's strategy. The relationship with them is mainly through B2B sales and mainly in our fishing and aquaculture divisions. Additionally, in 2020 we developed an online B2C salmon sales platform at our subsidiary BluGlacier in the United States.

Client Policy





This policy sets out general conduct guidelines that must be adopted by the senior executives and all Blumar em-

ployees when dealing with clients and in the respective approval processes and mechanisms.

Markets

Blumar's total income for the period was \$626 million USD and the structure was as follows: Atlantic salmon 61%, Coho salmon 2%, fishmeal and fish oil 16%, frozen jack mackerel 13%, white fish 8%, and other fishing 1%.

Our products are commercialized as follows:

	Production	Sales Amounts	Markets
 <b>Fishmeal and Fish Oil</b>	47,900 tons of fishmeal 14,336 tons of fish oil	Both products accounted for sales of \$99.649 million USD and accounted for 43% of the revenue of the company's fishing business.	In 2021, the most relevant market for sales of fishmeal and fish oil was the domestic market, where Blumar S.A. has supply contracts with the most important salmon feed producers. The main export markets for fishmeal were China, Japan, Korea, and Taiwan, where the products are commercialized directly and through agents in different countries. Fish oil was mainly shipped to Denmark and Greece.
 <b>Frozen Jack Mackerel</b>	Blumar S.A. sells this product under the registered trademark Antarctic Ice. In 2021, 78,022 tons of frozen jack mackerel (whole, HG and HGT) were produced.	Sales reached \$83.274 million USD, representing 36% of the revenue of the company's fishing business.	Nigeria accounted for 34% of sales, while Côte d'Ivoire was the second leading importer, accounting for 29% of sales.
 <b>Hake and Other White Fish</b>	19,000 tons	Sales reached \$47.574 million USD.	The export market represents 35% and the domestic market 65% of sales.
 <b>Salmon</b>	69,500 tons WFE of Atlantic salmon including: 27,700 tons from the Magallanes Region and 41,800 tons from the Los Lagos and Aysén Regions.	Aquaculture sales reached a total of \$392.955 million USD.	The main markets were the United States, Chile and Asia.

Commercialization

**Fishing division:** we mostly reach those markets through a broker, although sales are made directly to the client, who opens the letter of credit. In general, these are long-term relationships, we travel to visit clients once a year to assess their particular requirements, however, due to the pandemic this has been postponed. In addition, the company has a sales office in Pontevedra, Spain. We are currently working on the creation of products with higher added value, in which MSC certification

represents a differentiating attribute, as is the case in the European market.

**Aquaculture division:** the commercial relationship is mainly B2B. The company has a Quality Management Model that periodically measures client satisfaction and grievance resolution. Furthermore, we have a client policy and apply customer segmentation. Our products are marketed directly through the company in the export markets, through the BluGlacier sales office in Miami and the New World Currents office in China.





SPECIES HEALTH AND WELFARE

# 5.4

**A challenge that provides opportunities**

Every day the company produces high-quality farmed salmon and products with added value. High quality is guaranteed by procedures, training and best practices throughout the Blumar group. Furthermore, we constantly improve our control programs and quality assurance systems and implement technology that helps us deliver high-quality products across the globe.

**5.4.1 • Commitment to animal welfare**

At Blumar, we are committed to protecting the welfare of farmed fish and animal welfare in general. To do so, we adhere to initiatives and certifications that ensure our activities practice proper animal welfare. We believe that production can only be healthy when a responsible attitude toward animals is upheld. Therefore, one of our main objectives is the health, protection and care of the species we farm, ensuring compliance with the recommendations for fish welfare proposed by the World Organization for Animal Health (OIE).

Following these recommendations, we understand that ensuring the welfare of farmed fish requires using handling methods that are appropriate to the animals' biological characteristics, as well as providing an environment adapted to their needs.

To ensure this we have policies, processes, audits and certifications that allow us to monitor and advance our management. Blumar's strategy is based on the following: stocking and/or purchase of smolt of high sanitary and genetic quality, compliance with standards and strict biosafety measures in every area of our facilities, the adoption of practices that ensure best farming conditions, balanced diets and feeding strategies, timely monitoring and control of caligus, periodic monitoring to evaluate fish health, and ongoing training for personnel in matters related to animal health and welfare.

The company wants to make sure all the tasks required in the production chain are carried out in the best possible way to guarantee appropriate treatment of the involved species. Therefore, we have joined various initiatives which ensure that different criteria are met.

In order to prevent infectious disease outbreaks, a list of activities was defined to prevent the entry or reduce the spread of pathogenic agents in the farming facilities. Disease prevention includes the following activities: brood fish screening, implementation of biosafety measures, vaccination strategies, use of functional diets, and nutritional additives. Moreover, conditions were defined for the application of treatments to control disease outbreaks.

**5.4.2 • Monitoring animal welfare**

The concept of "animal welfare" refers to the state of an animal in relation to the conditions it lives in. According to scientific evidence, welfare is considered good if the animal is healthy, comfortable, well-fed, safe, if it can express normal patterns of behavior and does not experience pain, fear or physical discomfort. To maintain good animal welfare, it is necessary to prevent diseases and to administer treatment in a timely manner to restore health. Furthermore, animals need to be properly protected, fed and handled, in addition to being slaughtered humanely.

**5.4.3 • Use of antibiotics**

The progressive reduction of antibiotic use is a priority topic for our industry. They are used to ensure the health and welfare of our fish, which obliges us to use antibiotics when they are sick. Just like when humans fight a disease, antibiotics play a key role to restore health. Fish can get sick and require treatment as in any animal production and the company has a moral obligation to keep them healthy.

**5.4.3.1 Principles of the use of antibiotics**

At Blumar, we are committed to the following principles for the use of antibiotics in all our salmon farming operations:

- Antibiotics should only be used to treat diagnosed diseases in animals and under limited circumstances to control disease outbreaks. They should not be administered to boost animal growth or for routine disease prevention.
- The use of antibiotics should be supervised by an expert veterinarian who is familiar with the facilities and the animals.
- Responsible use of antibiotics is essential. Therefore, samples and clinical diagnosis must be prepared and authorized - in writing or digital form - by a veterinarian before treatment is administered for salmon.

**5.4.4 • Blumar's commitment**

- The company will work to reduce the use of all antibiotics to its minimum as much as possible, in order to promote growth, food efficiency and routine prevention.
- The company will administer antibiotics to treat fish that have bacterial infections with clinical symptoms and only when prescribed by a veterinarian.
- The company will prioritize the reduction of all antibiotics classified as critically important antimicrobials for human medicine by the World Health Organization (WHO).
- The company will set an antibiotics reduction plan within a certain time frame with best practices of animal welfare and management (e.g. biosafety, vaccination, hygiene and animal welfare practices including

avoiding overcrowding and large groups, reducing stress, allowing natural behavior, maintaining good air quality and avoiding mixing).

- The company will document and report publicly on Blumar's overall use of antibiotics every year, including total weight in kilograms, types of administered antibiotics, and the reason for administration.
- The company will set universal targets and deadlines to meet these commitments for all relevant species in its supply chains.
- The company will implement a transparent mechanism to periodically disclose progress on adoption and implementation.

**5.4.5 • How do we manage this?**

As relevant actors within the aquaculture industry, Blumar commits to administering antibiotics responsibly, following the guidelines of a veterinary prescription. They are therefore only used under the strict supervision of a certified health professional with expertise on the species. Animal welfare practices include the avoidance of animal suffering, so treating diseases, such as Salmonid Rickettsial Septicemia (SRS), is part of this obligation.

It is important to note that antibiotics are administered over a certain period of time, which ensures they are not present in the final product. This is not only reviewed internally through extensive pre-harvest sampling, but also through sampling by the fishing authorities at the plants where the final products are processed.

Salmon Management, Production and Operations Management and Health and Fresh Water Sub-Management are in charge of this material topic.



5.4.6 • What is SRS?

SRS is a bacterial infection caused by *Piscirickettsia salmonis*, which affects salmonids in the farming stage at sea and is endemic to marine fauna in Chile. It is practically absent in other salmon-producing countries.

SRS is characterized by a predominance of skin lesions, among which there are vesicles, petechial hemorrhages<sup>1</sup>, ecchymotic hemorrhages<sup>2</sup>, erosions, and single or multiple ulcers.

In Chile, SRS is prevented through vaccination and it is mainly controlled with two antibiotics: Florfenicol and Oxytetracycline, which are not considered critically important antimicrobials for human medicine by the WHO.

2021 Management

The use of antibiotics is calculated as grams of Active Pharmaceutical Ingredients (API) used per ton of fish produced, and also as grams of antibiotics used in the closed cycle of 2021.

As proof of our active management in this issue, four salmon farming centers obtained the PROA certification in 2021 for their optimized use of antibiotics: Canal Bertrand, Pérez de Arce, Concheo 2 and Midhurst.

FIGURE 20  
Use of antibiotics 2017-2021 (g API/ton)

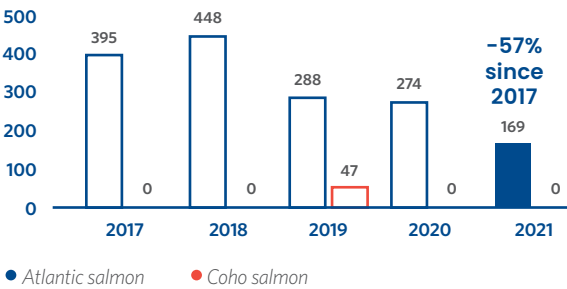
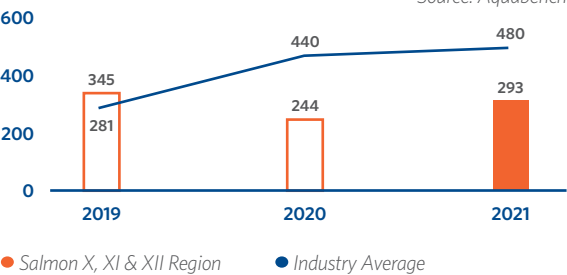


FIGURE 21  
Use of antibiotics - closed harvest cycles 2021 (g AB/ton)



[1] Bleeding under the skin can occur from damaged blood vessels that form tiny red spots (called petechiae).  
[2] Ecchymosis: change of skin color caused by the infiltration of blood into subcutaneous tissues or by the rupture of subcutaneous capillaries.

Progress 2017 to 2020

Goal 2027



Since 2017, the company has been progressively reducing the use of antibiotics in its farming centers and achieved a 57% reduction by the end of 2021. Our goal still is to reach a 58% reduction by 2027.

Blumar signed the Antibiotic Reduction Program with the international NGO Monterey Bay Aquarium, with the goal of halving use by 2025, using 2017 as a base year. In 2020, we also wanted to go even further, establishing a reduction of an additional 8% by 2027.



In comparison with 2020, we highlight a 39% reduction in grams of antibiotics used per ton of produced Atlantic salmon. Regarding the grams of antibiotics used in all closed harvest cycles, in 2021, the company was below the industry average, at 39%.

5.4.7 • Mortality

2021 Management

Fish health during the growth period is measured by species mortality. In accordance with industry standards, we calculate the 12-month rolling mortality rate. This calculates mortality over the previous 12 months (January to December) as a

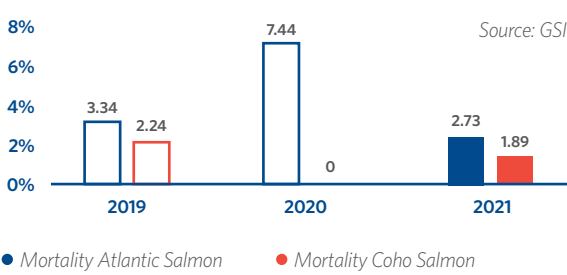
ratio of the number of fish in the sea during the last month of the year to the total existing fish (minus the harvest).

The calculation is as follows:

$$\frac{\text{Total number of mortalities at sea during the last 12 months}^* \times 100}{\left( \begin{array}{l} \text{Closing number of fish at sea in the last month of the period} \\ + \text{total number of mortalities in last 12 months} \\ + \text{total number fish harvested in last 12 months} \\ + \text{total number of fish culled at sea} \end{array} \right)}$$

\* Does not include culled fish

FIGURE 22  
Mortality 2019-2021 (%)



5.4.8 • Treatment of Caligus (sea lice)

What is it?

Caligus (a type of sea lice) is a natural parasite that is found in all the world's oceans, just as in many fish species. In Chile, it is found in sardines and blennies. This parasite has a detrimental effect on the health and welfare of infected fish and can reduce the productivity of farming centers. The control of sea lice is a priority for all members of the GSI (Global Salmon Initiative), except for the members in Australia, where there are

\* In 2020, mortality was higher due to the collapse of the Caicura salmon farming center.  
\* The reported values changed from previous years, since the Global Salmon Initiative modified the calculation and this indicator no longer considers culled fish. Historical values were updated under this new criterion.



no sea lice, and New Zealand, where a different species is farmed that is not affected by these lice<sup>3</sup>.

How do we manage this?

Controlling caligus levels in fish is a priority for Blumar, because high levels of caligus affect the immune system of the farmed fish and lower their appetite. The amount of treatment used is calculated as the amount of Active Pharmaceutical Ingredients (API) used (in grams) per ton of fish produced LWE (live weight equivalent).

Salmon Management, Production and Operations Management and Health and Freshwater Sub-Management oversee the management of this topic.

2021 Management

YEAR	IN BATH	IN FEED
2018	6.53	3.91
2019	6.48	3.22
2020	7.05	0.02
2021	8.57	0.08

Source: GSI

Goal Monitoring 2021	Goals 2022
<div><div><div></div></div></div> <div>We assessed alternatives for safer treatment.</div>	<div><div>▪ Decrease the use of chemical treatments as a reduction method of caligus.</div><div>▪ Include non-pharmacological tools for the prevention and control of caligus.</div></div>

[3] Source: Global Salmon Initiative.



5.4.9 • Our initiatives for species health and welfare

Initiative	2021 Progress
<div><div><div><div></div></div></div></div>	<p>In biosafety matters, the GSI established a technical working group that offers regular workshops to exchange updates on disease management practices and sharing experiences. These workshops address, among others, the following topics:</p> <ul style="list-style-type: none"><li>▪ Improving the effectiveness of non-medicinal treatments</li><li>▪ Research and Development</li><li>▪ Development of comprehensive non-medicinal methodologies for the control of sea lice</li></ul> <p>Furthermore, it promotes among its members a commitment to transparently report various animal welfare indicators as part of the GSI Sustainability Report, allowing for accurate guidelines and monitoring of usage over time.</p>
<div><div><div><div></div></div></div></div>	<p>Design of an animal welfare monitoring system: provides the welfare status of fish in sea water, fresh water and transport centers, assessed through the monitoring of selected operational welfare indicators over time. The system provides a “welfare index” for the entire production cycle of pilot centers. In 2020, our Punta Rouse farming center participated as a pilot center applying Pincoy parameters. This is part of best practices for achieving the project’s objectives, mainly aimed at reducing the use of antibiotics and improving salmon health.</p>
<div><div><div><div></div></div></div></div>	<p>This is a company with more than 10 years of experience that supports the Chilean salmon farming industry through statistical analysis, research, and audits. Among its objectives is the assessment and continuous advancement of the industry, sharing practices and producer experiences, validating pharmacological and non-pharmacological tools, forming committees and signing agreements between associated companies.</p>

Pincoy Best Practices Manual

Blumar actively participates in the Pincoy project, which launched a Best Practices Manual in 2020, providing recommendations for animal welfare indicators, as well as recording and assessment methods for them. The manual was developed on the basis of the experiences shared by the

professionals who formed the various working committees.

The document seeks to establish best practices to reduce the use of antibiotics for disease treatment, in particular, Piscirickettsiosis.





INNOVATION

5.5

The company's investment in innovation is mainly made through collaborative projects or initiatives. In 2021, investments of \$501,000 USD were made.



**Ictio Project**

Ictio is a Chilean biotechnology consortium which emerged from the scientific work of the Aquaculture Biotechnology Center (CBA) at the University of Santiago and through partnerships with producers and suppliers in the industry. Its objective is to deliver state-of-the-art sustainable solutions for the prevention and control of diseases in aquaculture.



**Aquabench Caligus Project**

The project started in 2013 after a significant increase in caligidosis in the Aysén Region, which motivated companies to better coordinate disease control. Aquabench took the lead and coordinated the initiative, through which antiparasitic treatments have been developed in collaboration with the member companies. Today it is made up of 12 producers representing approximately 87% of the industry.



**Pincoy Project**

The project emerged in 2016 led by Skretting, AquaGen / Blue Genomics, Pharmaq, Centrovét, Cermaq, Camanchaca and Blumar, companies that together make an effort to offer alternatives for sustainable growth. The Pincoy Project is a collaborative initiative that seeks to contribute to the objective of reducing the use of antibiotics in salmonid production in Chile.







# 06

## ENVIRONMENTAL COMMITMENT

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6.1.2	Risks and opportunities of climate change	P.128-131
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# 06

The environment is indispensable for the development of Blumar's business, as it provides the natural resource we commercialize. Therefore, we promote efficiency, innovation, repurposing, recycling and proper waste disposal.



## The material topics related to this chapter are:

- Climate change
- Carbon Footprint
- Energy management
- Water management
- Waste management
- Odor management
- Biodiversity conservation
- Safer and cleaner oceans
- Sustainable management of natural resources

## The strategic pillars related to this chapter are:



Environmental  
Commitment

## CLIMATE CHANGE STRATEGY

# 6.1

Climate change is one of the greatest challenges facing humanity. Therefore, the company understands that caring for the environment is important not only in the present, but also for future generations, since it will affect long-term changes in temperatures and climatic patterns.

### **Blumar's commitment**

In light of this challenge, the company developed a climate change strategy in 2021, which includes the identification of associated risks, as well as the establishment of medium and long-term indicators and targets. This allows us to strongly commit to working with a double materiality of climate change, which means both on mitigation actions to reduce our impact and on adaptation concerning actions that allow the different divisions of the company to do sustainable business. We are committed to producing more environmentally responsible proteins that will feed more people worldwide. Through ocean fishing and salmon production Blumar is contributing to tackling the main challenges currently facing humanity, namely food security and climate change.

This responsible and efficient management extends to the use of the resources required for our operation. For this reason, we integrate actions and goals that allow us to mitigate the impact our business has on the environment.

As part of its commitment to climate change, the company set a goal to reduce scope 1 and 2 absolute greenhouse gas (GHG) emissions by 30% by 2030,

based on 2020 levels, and in parallel, prepare the road map to achieve carbon neutrality by 2050. This aligns with the commitment expressed by Chile in its National Determined Contributions within the framework of the Paris Agreement.

### **6.1.1 • Policies <sup>1</sup>**

Blumar has the following related policies summarized below:

#### **6.1.1.1 Climate Change Policy**

The company commits to limiting the impacts of climate change, assessing and mitigating the risks that may appear for the business, seeking sustainable solutions to current climate challenges. Therefore, it supports the Paris Agreement, national policies<sup>2</sup> and industry plans<sup>3</sup> to reduce emissions and develop resilience to climate change by annually calculating, reporting and verifying greenhouse gas emissions using the GHG Protocol.

#### **6.1.1.2 Sustainability Policy**

The conservation, care and proper use of natural resources are priorities in the company's development, since they allow us to continuously generate value, without repercussions for the environment.

We emphasize harmonious and respectful coexistence with the environment where we operate, in order to preserve the environment for future generations.

[1] All of these policies are publicly available on the Blumar website.

[2] Plan de Acción Nacional de Cambio Climático 2017-2022 (National Climate Change Action Plan 2017-2022) ([https://mma.gob.cl/wp-content/uploads/2017/07/plan\\_nacional\\_climatico\\_2017\\_2.pdf](https://mma.gob.cl/wp-content/uploads/2017/07/plan_nacional_climatico_2017_2.pdf)). Plan Nacional de Adaptación al cambio climático (National Climate Change Adaptation Plan) (<https://mma.gob.cl/wp-content/uploads/2016/02/Plan-Nacional-Adaptacion-Cambio-Climatico-version-final.pdf>). Estrategia Climática de Largo Plazo Chile 2050 (<https://cambioclimatico.mma.gob.cl/wp-content/uploads/2021/11/ECLP-LIVIANO.pdf>)

[3] Plan de adaptación al cambio climático para pesca y acuicultura (<https://mma.gob.cl/wp-content/uploads/2016/12/Plan-Pesca-y-Acuicultura-CMS.pdf>)



6.1.1.3 Environmental Policy

Through our Environmental Policy, we commit to environmental protection, which is one of our most important responsibilities. Therefore, we strive to conduct our activities through actions and goals with specific commitment and behavior guidelines in all functions and divisions of the company. We are guided by the following principles:

- Ensure that our operations and processes comply with current environmental regulations, voluntarily complying - when circumstances allow - with extremely demanding international standards.
- Sustainably use marine resources, in accordance with Chilean law, through direct participation in fishery research initiatives and in all opportunities for cooperation.
- Prevent environmental impacts, through the continuous improvement of the production processes, participation in innovation projects, and the efficient use of raw materials, water, soil, air and energy.
- Incorporate the concepts of reducing emissions and waste into all our production processes and into the employees' consciousness, thus implementing a management system based on reuse and recycling.
- Motivate and train our employees and contractors to work in an environmentally responsible manner.
- Conduct periodic reviews and audits of the company's Environmental Management System to verify and assess compliance with environmental goals and objectives.
- Proceed with the utmost diligence and expediency to mitigate the effects in the event of accidents or environmental events, being completely transparent with the authorities and the community.

6.1.1.4 Environmental Policy and Care of Bodies of Water

This policy has to do with the use and care of bodies of water that are used directly or indirectly by the company and the disposal of industrial liquid waste.

6.1.2 • Risks and opportunities of climate change

One of the main risks of climate change is stress on ecosystems and, in particular, on oceans. Oceans are increasingly warm, stormy and acidic, which in turn affects the health of sensitive marine ecosystems, such as coral reefs. Also, as glaciers and ice caps are melting, low-lying areas will be flooded. An ice cap melting scenario can disrupt the Gulf stream, which could cause further disruption in ecosystems. The potential thawing of permafrost<sup>4</sup> is an additional risk, which would increase emissions of greenhouse gases into the atmosphere.

The ocean is part of the solution to climate change. According to the study “*The Ocean as a Solution to Climate Change: Five Opportunities for Action*”<sup>5</sup>, the ocean economy can provide important opportunities to mitigate greenhouse gas emissions and contribute to land-based efforts to combat climate change.

At Blumar, we are in the process of integrating climate change into the company's risk management. Therefore, we integrated the TCFD framework into the management of climate-related risks and opportunities.

The main risks of climate change can be classified into physical and transition risks:

- **Physical risks:** these arise from changes in frequency and intensity of extreme weather events and can be acute risks (increased severity of extreme weather events) and chronic risks (changes in rainfall patterns, increasing temperatures and rising sea level).

Type of Physical Risk	Risk	Affected area at Blumar	Risk Impact	Relevance for Blumar
Chronic	Rising sea levels	Fishing and salmon	This would have a greater impact on the coastal cities and the south of Chile, which could suffer from floods in the future.	Suffer the partial or total loss of company infrastructure, such as offices, docks, assets, storage warehouses that are located in the exposed areas in affected coastal areas and interior areas.
Acute	Increased frequency and severity of extreme weather events	Fishing and salmon	The increase in extreme weather events, such as heavy rainfall, droughts or the emergence of new marine phenomena, could have an impact on operations.	Minor or total damage to company infrastructure, both land and sea installations, which may cause disruption of the supply chain within the exposed areas in affected coastal and inland areas.
Chronic	Sea water temperature rise	Salmon	Due to the increase in sea water temperature associated with other factors, such as the increased solar radiation and the decreased precipitation, harmful algal blooms (HAB) can occur.	Given the high salmon mortality that can be caused by HABs and the limited actions available so far to control these phenomena, these blooms could become increasingly common in the future. They could cause heavy economic losses in biomass in the fattening process.
		Fishing	Rising sea water temperatures have an impact on the distribution and abundance of fish stocks.	Changes in the distribution and abundance of fish stocks will make fishing more difficult, which will probably involve traveling longer distances and spending more time at sea to obtain the same fishing volumes.
	Ocean Acidification	Salmon	Rising sea temperatures will increase parasitosis and disease in salmon.	It will be increasingly necessary to improve measures to control parasitic diseases and pathologies that can generate heavy economic losses. This is not only due to the increase in costs to implement necessary sanitary measures, but also because of the high mortalities or loss of quality that these parasites and pathogens can cause.

[4] A soil layer beneath the Earth's surface that has remained frozen continuously for at least two consecutive years and, in most cases, for hundreds or thousands of years.  
[5] [https://oceanpanel.org/sites/default/files/2019-10/HLP\\_Report\\_Ocean\\_Solution\\_Climate\\_Change\\_final.pdf](https://oceanpanel.org/sites/default/files/2019-10/HLP_Report_Ocean_Solution_Climate_Change_final.pdf)

Type of Physical Risk	Risk	Affected area at Blumar	Risk Impact	Relevance for Blumar
Chronic	Ocean Acidification	Salmon	Rising sea temperatures will displace optimal areas for aquaculture production.	Although Blumar’s farming centers are located in the Aysén and Magallanes Regions, it will be necessary to re-evaluate the location of some centers based on their oceanographic characteristics such as oxygen and temperature, among other factors.
	Ocean Acidification	Salmon and Fishing	Increased ocean acidification will have a negative impact on the viability of fish eggs.	If the quality of the eggs is not optimal, the abundance of fish stocks available for the fishery in Blumar’s catch areas, could be seriously affected, which would increase fishing effort.



• **Transition risks:** the risks linked to the transformation to a low-carbon economy. For example, regulatory, legal, political, and technological risks.

Risk	Affected area at Blumar	Risk Impact	Relevance for Blumar
Environmental regulations on CO2 emissions	Salmon and Fishing	Changes in environmental regulations can generate risks for the industry, such as the regulation of CO2 emissions.	Regulations on GHG emissions could arise that affect the operations of Blumar’s facilities.
Increased carbon tax	Salmon and Fishing	Increased tax on fossil fuels due to GHG emissions.	Could significantly increase operational costs for Blumar.
Access to international markets	Salmon and Fishing	Due to the commitments the company has made and will make in the future, reporting to different environmental organizations will become increasingly important in order to access markets that require as such.	To implement a team and systems that allow for efficient reporting to the different national and international organizations that request it.
Taxes at customs for imported goods	Salmon and Fishing	The imposition of taxes on imported products from other markets with high carbon footprints or countries without climate change regulation is being studied.	This could significantly increase product costs, resulting in a loss of competitiveness, decrease in profits, etc.
Transition to a low-carbon economy	Salmon and Fishing	The transition to a low-carbon economy requires the optimization of existing processes and/or the implementation of new technology.	Moving toward a low-carbon economy requires investment in equipment and machinery, as well as training personnel to achieve the GHG reduction goals proposed by the company.
Effect on the company's image	Salmon and Fishing	In a globalized world with increasingly demanding markets, it is important to meet the requirements of international organizations to demonstrate the company's commitment to climate change.	In accordance with market requirements, Blumar has to meet the objectives to reduce its effects on climate change and thus demonstrate its commitment.



6.1.3 • Management and commitments

Environmental initiatives and good practices

Agreement with WWF

In 2016, the company, specifically Salmenes Blumar, signed an agreement with the World Wildlife Fund (WWF), one of the most important global organizations for the conservation of species and habitats. This organization works to reduce industrial and human impacts, particularly of production activities that directly affect the integrity of ecosystems, species and local communities. WWF Chile systematically included issues such as energy, CO2 emissions, water, as well as the social dimension of conservation, into their programs.

Participation in the GSI

Six years ago, Blumar joined the Global Salmon Initiative (GSI), an initiative established by the world's leading salmon producers that is aimed at the sustainable development of the industry. All GSI members share the goal of providing a highly sustainable source of healthy protein with the objective of feeding a growing global population and, at the same time, minimizing the environmental footprint, along with improving social contribution.

In addition to being an active member of this initiative, Blumar provides key information for the annual GSI Sustainability Report, with 16 indicators: escapes, mortality, use of antibiotics, caligus count, caligus treatment, use of hydrogen peroxide, non-medicinal methods, interaction with fauna, marine ingredients in nutrition, environmental certifications and permits, social compliance, occupational health and safety, commitment to the community, employment and investment in research and development.

Best Practices Manual for Fishing Jack Mackerel

The “Best Practices Manual for the Industrial Purse-seine Fisheries in South-Central Chile” is the result of joint effort led by the Fishing Research Institute (Inpesca) in conjunction with companies based in the Biobío Region, including Blumar.

Adopting the manual's guidelines is voluntary for all industrial fisheries. It is intended to be a means for the dissemination of best practices in the current regulatory framework, to be used in jack mackerel fishing in south-central Chile, and to promote the sustainability in this fishery.

The document was prepared within the framework of the FAO recommendations, described in the 1995 Code

of Conduct for Responsible Fisheries, which entails that all participants in this fishery should aim for a long-term sustainable use of fishery resources.

MSC certification for Jack Mackerel

Certification by the Marine Stewardship Council (MSC) marked a new milestone for sustainability in domestic industrial fishing. The certification establishes that jack mackerel is an environmentally responsible fishery, which allows for the use of the blue seal on industrial products for human consumption. The companies Blumar, Alimar, Camanchaca, FoodCorp, Landes and Orizon received this certification, transforming jack mackerel into the largest certified fishery in Latin America.

Environmental goals associated with Rabobank loan

Among Blumar's voluntary commitments with Rabobank, certain goals related to the environment and sustainability were agreed upon. These include reducing carbon footprint emissions in different production processes, increasing the use of renewable energy sources, managing production waste efficiently, reducing the use of antibiotics in salmon farming and the increasing efforts to obtain the ASC certification for farming centers.

Clean Production Agreement “Climate Change Strategy and Circular Economy for the Salmon Sector”

Salmon industry companies in the Los Lagos and Aysén Regions, including Blumar, made a commitment to advance concrete and verifiable solutions to reduce the environmental gaps in the sector, specifically related to carbon footprint and waste generation, through the Clean Production Agreement signed by the Agency for Sustainability and Climate Change and SalmonChile.

The main objective of the Clean Production Agreement is to optimize the practices of the salmon farming sector and its chain, specifically in relation to the circular economy and climate change, in order to improve the sustainability of the sector and to contribute to the commitments Chile has made in these matters.

Global Compact recognizes Blumar for circular economy and sustainable development projects

In a ceremony held on December 14, 2021, Blumar was awarded in the category “SDG Interconnection” for its project “Integrated Multi-trophic Aquaculture” and in the “Planet” category for the “Blumar Circular Economy” initiative.

The Global Compact Network's “Conecta 2021” program highlighted Blumar for its “Integrated Multi-trophic Aquaculture” initiative. The prize is awarded to those companies with success stories that have made an

impact in the action fields of the Global Compact and, additionally, contribute to the progress of the UN Sustainable Development Goals (SDGs) and to advance the fulfillment of Agenda 2030.

The initiative presented by the company - the second best case of the 71 presented - involves developing a pilot project with artisanal fishermen for cultivation of algae in Blumar's farming centers. They have a great potential to store GHG and nutrients from aquaculture, while generating income for fishermen. In other words, this is an initiative with environmental, social and productive impact.

The project “Blumar Circular” obtained the third place in the “Planet” category. It involves recycling plastic and solid waste to create products with a new use and added value at the facilities, while following the foundations of circular economy. So far, 3.5 tons of plastic have been reused and returned into the company's production cycle.

How do we manage this?

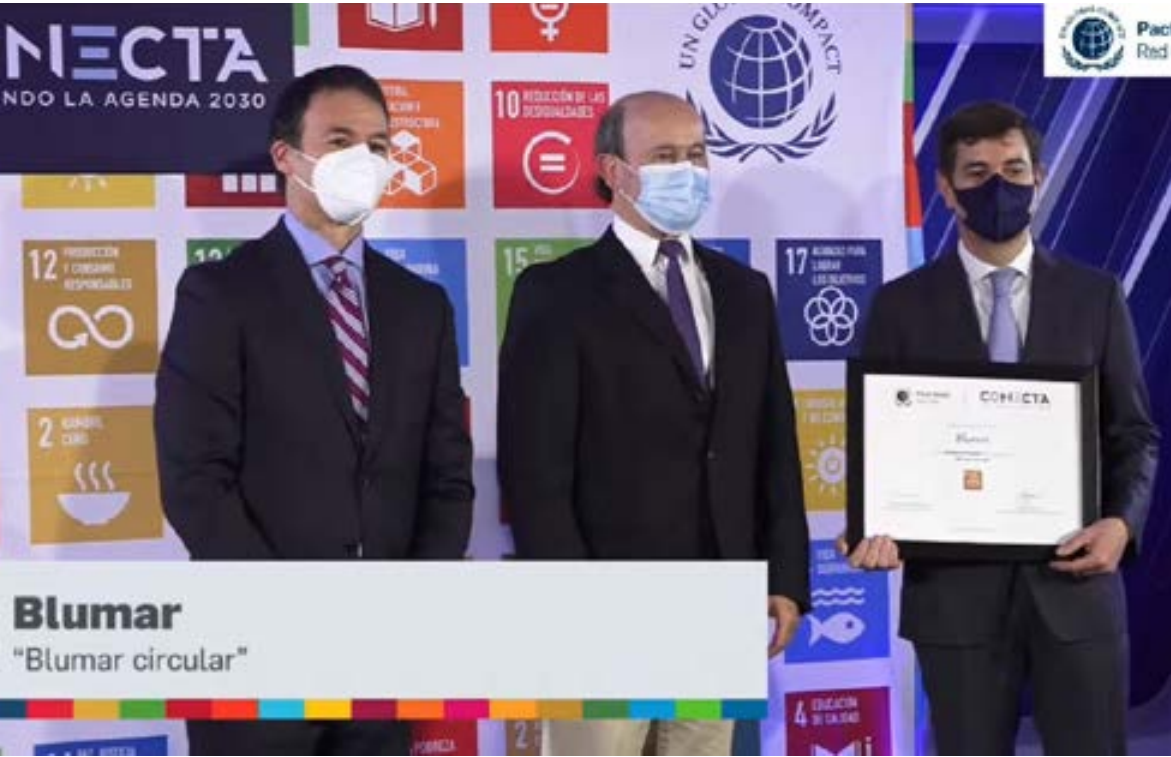
Within the framework of the company's ESG (environ-

mental, social and corporate governance) work plan, a climate change strategy was developed in 2021. It includes a climate change policy and defines a reduction goal for absolute GHG emissions of scope 1 and 2 by 30% by 2030, based on 2020 levels, and additionally, prepare the road map to achieve carbon neutrality by 2050.

This entails the definition of different actions, such as reducing dependence on fossil fuels, understanding our processes in the framework of a circular economy, energy efficiency, increasing renewable energy use, evaluating scenarios, assessing risks and opportunities and developing internal training plans for our employees. Furthermore, the Board was trained in climate change strategy and management.

We understand that resilience is key when facing this great challenge. Therefore, we believe that adapting our processes and operations to the potential impacts caused by climate change is essential.

The environmental issues of our operations (emissions, energy, waste, water and biodiversity, among others) are managed jointly by the Operations Management and Environment units of the fishing and aquaculture division.



ENVIRONMENTAL MANAGEMENT

6.2

6.2.1 • Emissions

Emissions management focuses on reducing emissions through the efficiency and effectiveness of our processes and resource use, among other actions. The company reports greenhouse gas emissions in tons of CO<sub>2</sub>-equivalent emissions, per ton of processed raw material for the fishing division and per ton WFE for the aquaculture division.

Another essential element is the reduction of odors in the production plants. In line with the discussion about the Preliminary Draft of the First Chilean Odor Standard, Blumar seeks to mitigate its impact on this aspect on a daily basis.

6.2.1.1 Measurement and Emission Reduction Seals Huella Chile Program

For the first time, the company measured the carbon footprint of its farming centers in the Aysén and Magallanes Regions, receiving the Huella Chile quantification seal for 100% of the facilities, both in the fishing and salmon divisions. This program, promoted by the Ministry of the Environment, seeks to promote the calculation, reporting and management of GHG in public and private sector organizations.

The quantification seal, which recognizes those companies that measure greenhouse gases, was awarded to Blumar, Pesquera Bahía Caldera, Salmones Blumar and Salmones Blumar Magallanes.

Blumar also obtained the reduction seal at the fishmeal plant in San Vicente. This seal is awarded to companies that have managed and reduced their GHG emissions. In 2021, only 21 companies received this recognition.

This way, we hope to continue our contribution to environmental care, reinforcing the commitment to

climate change through the reduction of greenhouse gas emissions.



6.2.1.2 Odor Mitigation Plan

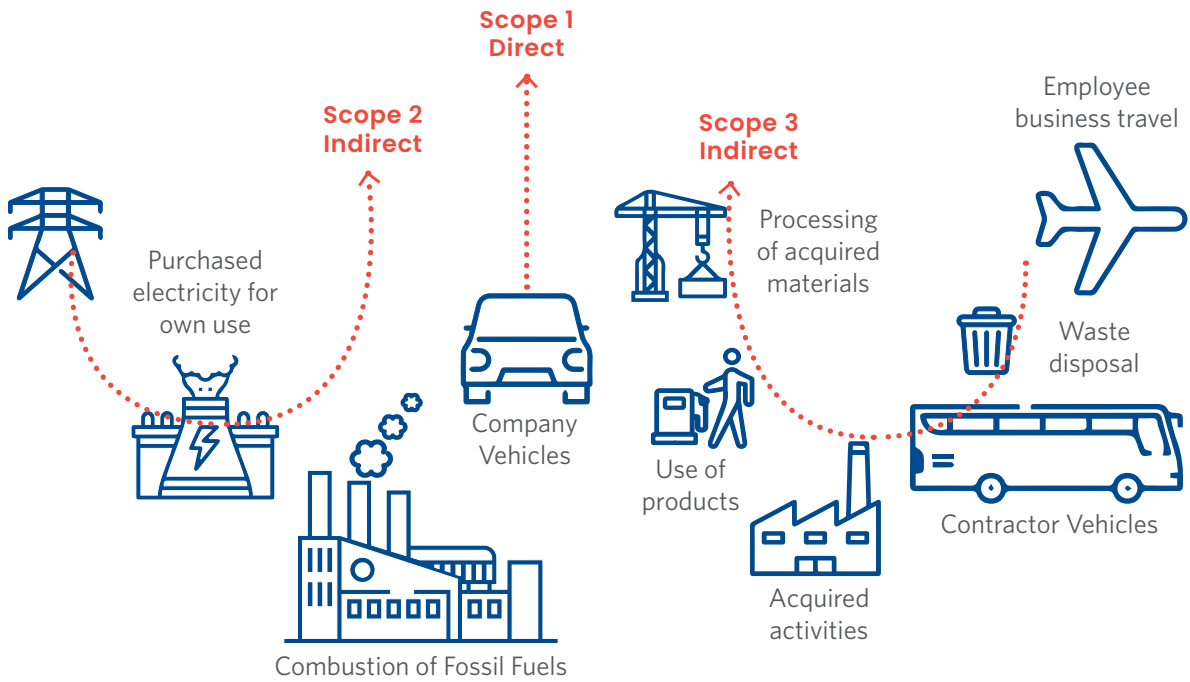
The company continues its work to reduce the odor impact of its operations. At the San Vicente fishmeal and fish oil plant, located in the Biobío Region, we implemented the second stage of the absorption and oxidation process of odorant compounds, using ozone injection. At the Coronel plant, the odorant gas treatment project was initiated, consisting of the same two stages: physical-chemical absorption in two steps and ozone oxidation. It is expected to be operational in February 2022. At the Corral plant, the building and assembly of the second phase of ozone oxidation was initiated and will be operational by the end of March 2022. All of these initiatives allow us to continue to reduce the impact we have in the communities surrounding our operations.

6.2.1.3 Carbon Footprint

The company's management of direct and indirect emissions helps to identify, manage and control/mitigate climate change risks throughout the value chain.

"Direct GHG emissions" are all emissions from sources that are owned or controlled by the company. "Indirect GHG emissions" are a consequence of the company's activities but are owned or controlled by another company.

CO<sub>2</sub> SF<sub>6</sub> CH<sub>4</sub> N<sub>2</sub>O HFCS PFCS



**Scope 1:** GHG emissions from sources owned or controlled by the company. For example, emissions associated with fuel combustion in boilers, furnaces, vehicles etc., that are owned or controlled by the company.

In the case of Blumar, those are refrigerant gases and fuels from fixed and mobile sources such as natural gas, liquefied gas, gasoline, petroleum, diesel, fuel oil used in boilers and generators at plants, maritime transport, boats and generators.

**Scope 2:** GHG emissions from the company's purchase and consumption of electricity, heating, cooling or steam.

In the case of Blumar, renewable and non-renewable electrical energy used in processing plants, offices and warehouses was considered.

**Scope 3:** emissions that are the result of company activities but occur in assets that are not owned or controlled by the company. According to the published Corporate

Value Chain (Scope 3) Standard, this is composed of 15 categories, which companies must report although they are considered indirect emissions.

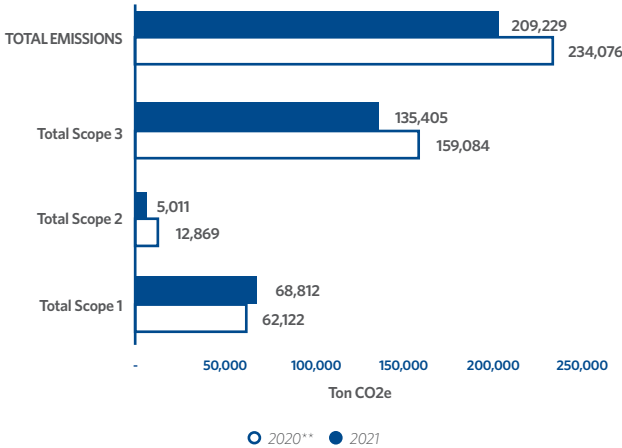
The categories considered in 2021 are: purchased goods and services (salmon feed, nets, buoys, tubes, ropes, drugs, packaging and fuels), artisanal fishing vessels, salmon transport and raw material, waste generation and disposal, personnel transfer, business trips, hatcheries as a third-party service, delivery of finished products to customers by air, sea or land.

In 2021, the carbon footprint of the farming division was measured for the first time, obtaining the corporate carbon footprint considering 100% of the facilities, both fishing and salmon for the 2020 period. This measurement was made according to the GHG Protocol guidelines using the boundaries of the "operational control approach," which means that the company accounts for 100% of its GHG emissions from operations under its control.

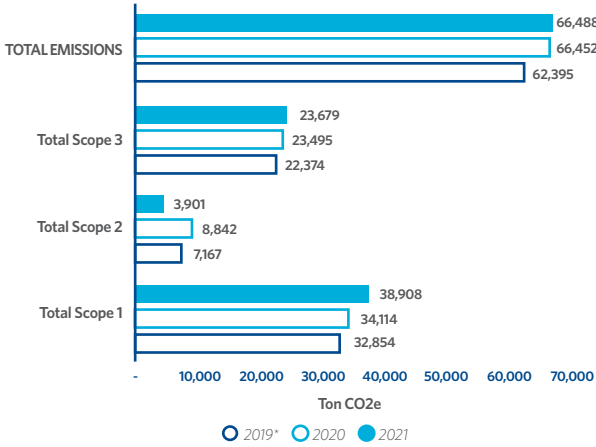




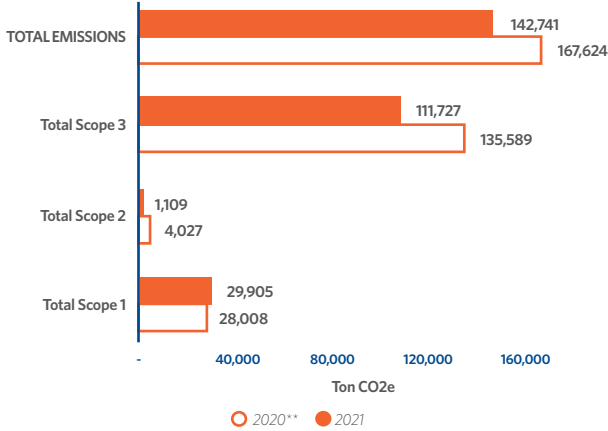
Carbon Footprint Blumar Seafoods



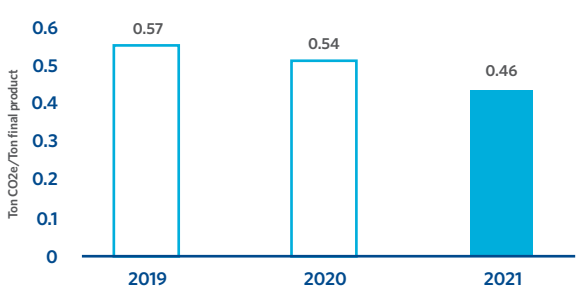
Carbon Footprint Fishing



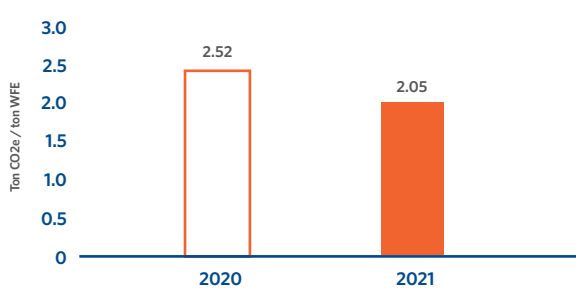
Carbon Footprint Salmon



Carbon Footprint Indicator Fishing



Carbon Footprint Indicator Salmon



\* In 2019, the carbon footprint of Pesquera Bahía Caldera was added to Blumar's footprint for the fishing segment.  
\*\* In 2020, the carbon footprint measurement of the farming division of Salmones Blumar and Salmones Blumar Magallanes was incorporated, obtaining the company's 100% corporate carbon footprint measurement. Since 2020, however, the carbon footprint of the salmon division has been reported, since the farming division accounts for most of the emissions.

The carbon footprint of the company's various facilities is verified annually by an external company. Validation for the financial year 2021 is not yet available, as it was scheduled for a date after the closure of this Integrated Report.

In 2021, Scope 3 was elaborated at the corporate level,

as more categories of this scope were included, resulting in higher emissions. The categories added to the carbon footprint of the salmon division are: capital goods (purchase of drugs, buoys, tubes, ropes), upstream leased assets (hatcheries), upstream and downstream transportation and distribution (transport of raw materials, salmon and finished products).

Goal Monitoring 2021

2030 Goals

- ✓ The company's carbon footprint for 2020 was measured, including 100% of Blumar Seafoods' facilities for the first time.
- ✓ 100% of the company's facilities obtained the carbon footprint quantification seal of the Huella Chile Program.
- ✓ A climate change strategy was developed.
- ✓ The emissions baseline was established in 2020 and a carbon footprint reduction target was defined by 2030.
- ✓ The second stage of the absorption and oxidation process of odorant compounds was completed with the phase of ozone injection at the San Vicente fishmeal plant to reduce the impact of odors. At the Coronel fishmeal plant, the odorant gas treatment project, consisting of the same two stages, was initiated. At the Corral plant, the building and assembly of the second phase of ozone oxidation began.

- Reduce absolute greenhouse gas emissions of scope 1 and 2 by 30% by 2030, based on 2020 levels, and additionally, prepare the road map to achieve carbon neutrality by 2050.
- Invest permanently in new technologies that reduce odor emissions at the process plants.



6.2.2 • Energy management

Another central concern for Blumar is the proper and efficient use of energy. Reduction of consumption, preference of renewable sources and energy efficiency are central pillars of our energy management. Internal energy consumption comes mainly from the use of non-renewable fuel sources, such as petroleum, gasoline, diesel, fuel oil and gas.

Electric power is obtained largely through direct contracts with generators. At farming centers, diesel-based industrial generators are used.

6.2.2.1 Clean energy

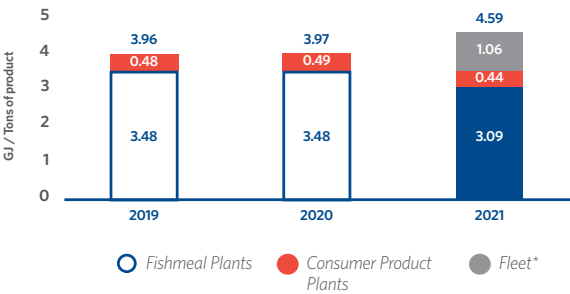
In March 2021, Blumar Seafoods and its subsidiaries PacificBlu, St. Andrews and Frío Pacífico signed an energy supply contract with Enel Generación that changed the company's energy matrix to only be supplied by clean renewable sources such as wind, solar, geothermal or hydropower. The process was advised by Match Energía and the milestone involves obtaining an I-REC (International Renewable Energy Certificates) certification and green seal, which among other benefits will bring energy traceability; guarantee of origin and ownership; minimization of environmental and social impact; management of environmental responsibility; social responsibility and sustainability, with an online model with objectives of ISO 14001 and 9001, and a clear differentiation in the market. The contract, which came into force in April 2021, has a four-year duration for a total annual consumption of approximately 72 GWh for all of Blumar's operating facilities.

6.2.2.2 Energy efficiency and optimization of fuel use

At the Coronel fishmeal plant, a fuel consumption optimization system was installed to reduce particulate matter. Due to the lack of natural gas supply, consumption of liquid fuels had to be increased in comparison

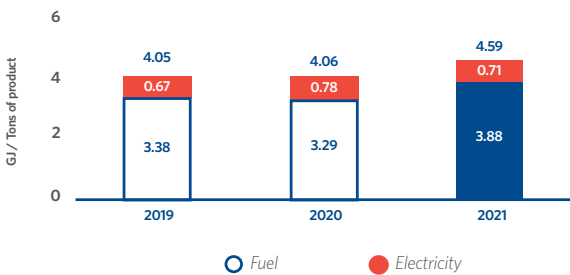
with the 2020 management. In spite of this, the global greenhouse gas emissions produced by processed raw material decreased in 2021.

Energy Intensity Fishing (by product)



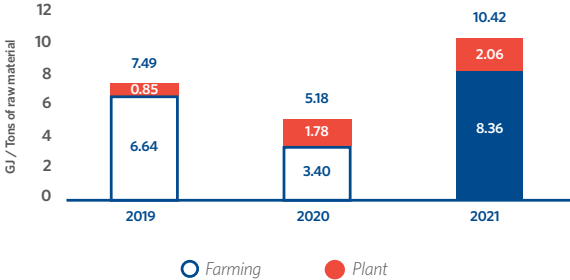
\* In 2021, diesel from our boats was included.

Energy Intensity Fishing (by product)

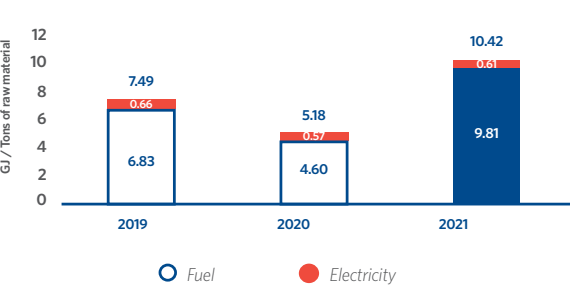


The year 2021 shows an increase due to the inclusion of diesel consumption from boats.

Energy Intensity Salmon (by raw material)




Energy Intensity Salmon (by raw material)



As part of our effort to continuously improve, energy consumption from gasoline and diesel from seawater operations were included in 2021, which had not been considered in previous reports. Therefore, energy consumption shows an increase compared to 2020.



Goal Monitoring 2021	2027 Goal
<div></div> <div>An electricity supply contract was signed for all process plants providing 100% energy from renewable technologies, effective from April 2021. Renewable energy supply in 2021 was 20,070 kWh, representing 67% of the total energy consumption.</div>	<div><ul style="list-style-type: none"><li>▪ Incorporate 100% of electric power from renewable sources into all Blumar plants.</li></ul></div>

6.2.3 • Waste management

The company's processes generate various types of waste, so their management, proper disposal and recycling are key factors. For this reason, in 2021, we developed a company waste management plan in our fishing and salmon facilities, which allows for efficient management of the waste generated during the production process at the plants.

Waste is separated and disposed of as set out in the associated standard, separating it into waste and recoverable waste (recycling), hazardous and non-hazardous waste, which are sent to authorized companies for final disposal or recycling, as applicable.

6.2.3.1 Company waste management plan

In 2021, a waste management plan was developed with all the operating areas of the company. Its goal is to promote the circulation of materials and to reduce the impacts we generate with a circular economy waste management, creating minimization and recovery actions through a corporate system of continuous improvement.

The company has partnerships with suppliers specialized in the recycling of industrial waste, which allowed for the implementation of circular economy initiatives.

6.2.3.2 Major initiatives 2021

Certification of the Clean Production Agreement “Zero Waste at Sea”

After four years of joint work, six industrial fishing companies in the Regions of Arica and Parinacota, Tarapacá, Antofagasta and Biobío obtained the certification “Sustainable management of household-like waste in industrial fishing vessels” for the Clean Pro-

duction Agreement awarded by the National Fishing Society (Sonapesca), after demonstrating significant progress in the reduction of generated solid waste, especially plastics.

The Sustainability and Climate Change Agency of Corfo (Chilean government agency for economic development) awarded 66 facilities of Compañía Pesquera Camanchaca, Camanchaca Pesca Sur, Blumar, Orizon, Corpesca y PacificBlu, which achieved 100% of compliance with each of the actions and goals of the agreement. These companies represent 65% of the industrial activity in Chile in terms of registered vessels, with 6,000 direct workers and approximately 70 high sea vessels.

This entails the reduction of household waste, training in environmental matters, healthy cooking and clean production. Waste is separated and collected inside the boats, including materials such as plastic bottles, used oils, organic waste and paper, which are then recycled. According to the Impact Assessment Report of the Clean Production Agreement, the sector's total waste generation was reduced by 33%, far exceeding the initial target of 10%. In addition, between 2018 and 2020 there was a 75% decrease in paper and cardboard waste, followed by a 52% decrease in Tetra Pak waste.

Blumar Circular Economy

With the objective of extending the life cycle of plastic waste, Blumar Circular considers recycling of plastic and solid waste. The objective is to create products with a new use and added value at the facilities, while following the foundations of circular economy. The project was developed following the guidelines of the company's sustainability strategy, based on the commitment to environmental care, innovation and the company's intention to embark on a path toward a circular economy. The main circular economy projects are the following:

- **Birdcage mounts:** 22 birdcage mounts were made for the salmon farming centers Chivato 1 and Punta Cola located in Aysén, with 100% recycled pipes from Puelche Plastics. Ocean Plastics, a local startup in Puerto Montt, was in charge of the building process and 10,308 kilograms of recycled plastic were used.

- **Racks for water bottles:** project completed by Greenspot in 2021. This project involved the production of 64 racks from 100% recycled plastic for the transport of water bottles to the farming centers. 1,600 kilograms of recycled plastic from Salmones Blumar were used.

- **Racks for gas drums:** an initiative in progress that will allow the use of 3,200 kilograms of recycled plastic from unused buoys and floats of the company.

- **Change of support pipes in the farming centers (air, cables, empty tubes):** as a supply strategy to mitigate the impact generated by the purchase of new materials (HDPE), it was decided to purchase pipes that don't have high technical requirements for recycling. This project was a joint effort with the local company Procesadora Plásticos Puelche, which receives used pipes from Blumar and delivers new ones made out of recycled material, creating a circular economy for this material. In 2021, Salmones Blumar purchased 28,837 meters of recycled pipes, equivalent to 42,965 kilograms of recycled plastic, while Salmones Blumar Magallanes purchased 7,600 meters, equivalent to 12,086 kilograms of recycled plastic.

- **Recycling of fishing nets by Bureo:** Blumar participates in the Net Positiva project with the company Bureo. Blumar provides discarded fishing nets, which are then recycled and transformed into NetPlus plastic pellets. It is increasingly important for products and materials to be maintained for as long as possible, in order to minimize waste generation. Industrial fishing has not ignored this reality. NetPlus pellets are 100% recycled and environmentally friendly, and used to produce sunglasses, skateboards, ergonomic chairs and sports products, among others. Since the start of the project in 2016, Blumar has delivered 104,6+50 kilograms of unused fishing nets, of which 21,930 kilograms corresponded to 2021.

Agreements with expert managers in waste recovery for the farming division

In line with the sustainability strategy, which involves the company's commitment to environmental care, innovation and circular economy, Blumar signed an

agreement with EcoLógica in 2021. Like this, we want to ensure proper disposal of the waste generated in the farming centers of Salmones Blumar, based on three objectives: recoverability, traceability and the search for circular economy alternatives for waste disposal.

The agreement - which came into force on International Recycling Day - includes the development of a work plan that considers software, equipment, personnel, transport, legal traceability and training, where the contracted company shall ensure the preparation and classification of each element to be removed and delivered directly to final recipients or transfer stations for reuse, recycling or composting.

To date, an average of 571,640 kilograms of waste per month have been managed, with 73% recovery. This has saved 824 m3 of water - equivalent to 6,868 10-minute showers, 280 tons of CO2 (equivalent to removing 67 cars from traffic), 3,468 MWh - similar to the annual consumption of 429 houses - and 3,803 m3 of landfill waste, equivalent to 200 garbage trucks.

Since the beginning of its operations, Blumar Magallanes has worked to improve the management of waste generated at its facilities.

The Environment Area signed an agreement with Rembre Magallanes, a company from the region that is involved in removing the waste generated at the farming centers, as well as at the administrative office and warehouse. This waste is separated according to its categorization and later collected at the warehouses of Rembre Magallanes. After a certain period of time, it is delivered to north Chile to a recycling company. In addition, the agreement enables training for Blumar Magallanes employees to motivate and sensitize them about the importance of recycling.

In the framework of the Blumar Circular project, the company seeks to reduce shipments to landfills in order to optimize waste and recycling, in addition to continuing our commitment to sustainability and the circular economy.

Beach cleanup

As a way to reaffirm our commitment to caring for the environment that surrounds us, the company has participated in different beach cleanup initiatives.

- Together with the trade association Salmon Chile, we participate in the project “Committed to the

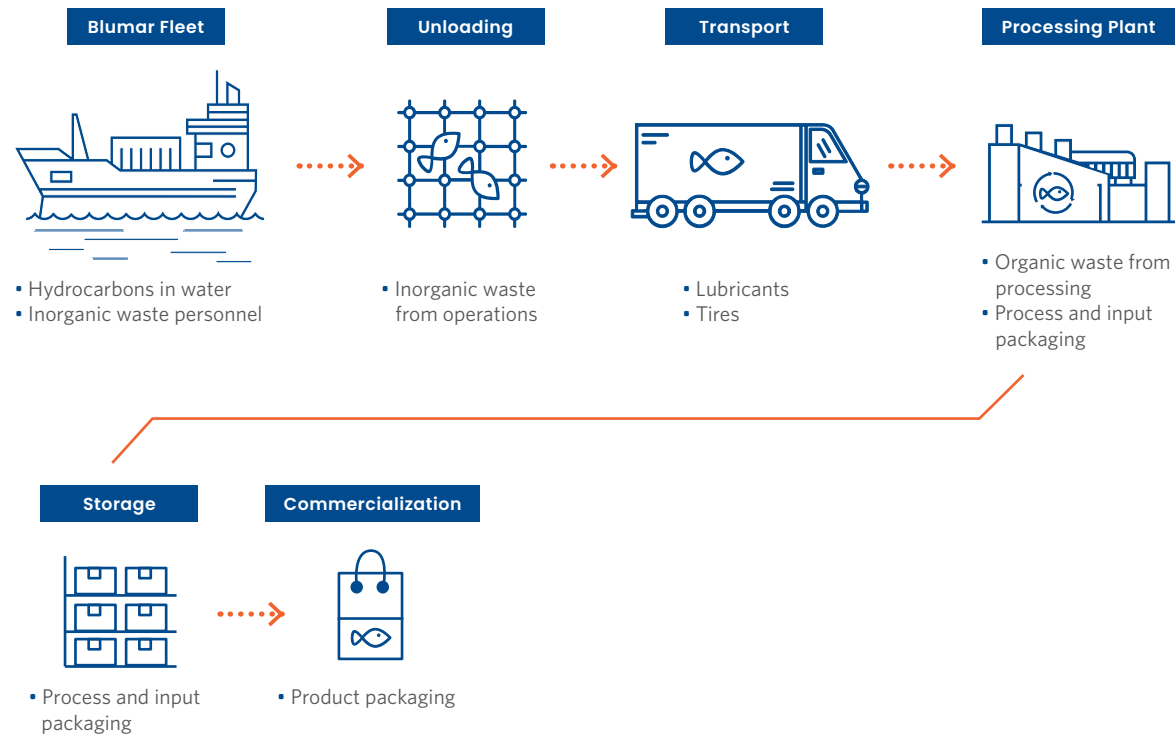
sea,” which coordinates beach cleanups in the Aysén area. In 2021, 678 km of beaches were cleaned, collecting 6,881 m3 of waste - 78% of which was recycled - mainly polystyrene (22%), buoys (20%), HPDE pipes (20%), floating objects (18%) and ropes (15%).

- We participated in the initiative led by the Magallanes Salmon Farming Association to clean up the coast of the Skyring area. This is necessary to work in harmony with the environment. To do this work equitably, it was decided to divide the coast into four zones, and each participating company was assigned one zone for a trimester. Through a rotating system, every company is in charge of each of the zones once during the year. In 2021, Salmenes Blumar Magallanes

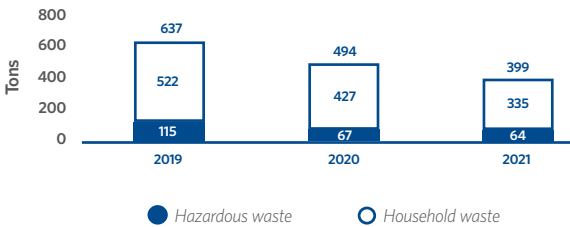
collected a total of 87.5 m3 of waste along 180 kilometers in the Skyring area. In addition, in April 2021, Salmenes Blumar Magallanes joined beach cleanups organized by the Magallanes Salmon Farming Association in the Puerto Natales area, together with other salmon producers that operate in this sector, especially in the Almirante Montt Golf. The goal was to take care of waste generated by the industry and others present in the mentioned area. To do this, each company takes over the cleaning every three months.

- Furthermore, the Salmenes Blumar operations team carries out beach cleanups in areas near the farming centers every two weeks, to reduce the impact caused by waste from the company's operations.

**FISHING PROCESS**  
*Main waste types by stage*



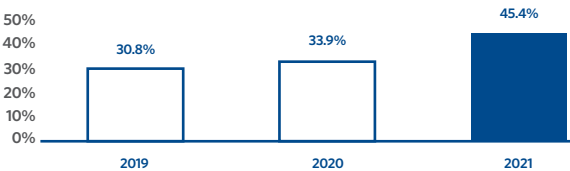
**Waste Fishing**



Thanks to the work and management of the Fishing Operations and Environment area during 2021, recycling was increased by 11.5% and 45.4% of the waste generated in all operations was recycled. This equaled 278 tons. On the other hand, as a result of waste management, in the last three years there has been a downward trend in the generation of landfill waste. In fact, the 399 tons of waste generated in 2021 represented a decrease of 19% compared to 2020.

During the period, 64% of the waste from the fleet and 32% of the waste generated in the processing plants were recycled.

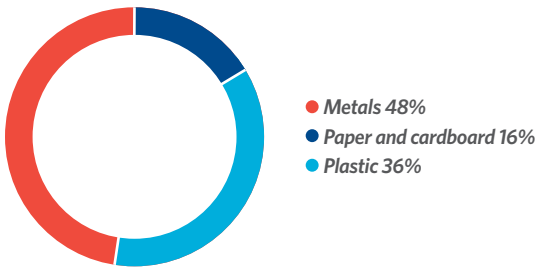
**Waste Recovery Fishing**



In 2021, in addition to the ongoing waste management, maxi polypropylene bags used during the packing of fishmeal at the Golondrinas plant in Talcahuano were recycled, as well as cardboard and plastic were recovered in the Corral, San Vicente and Coronel fishmeal plants.

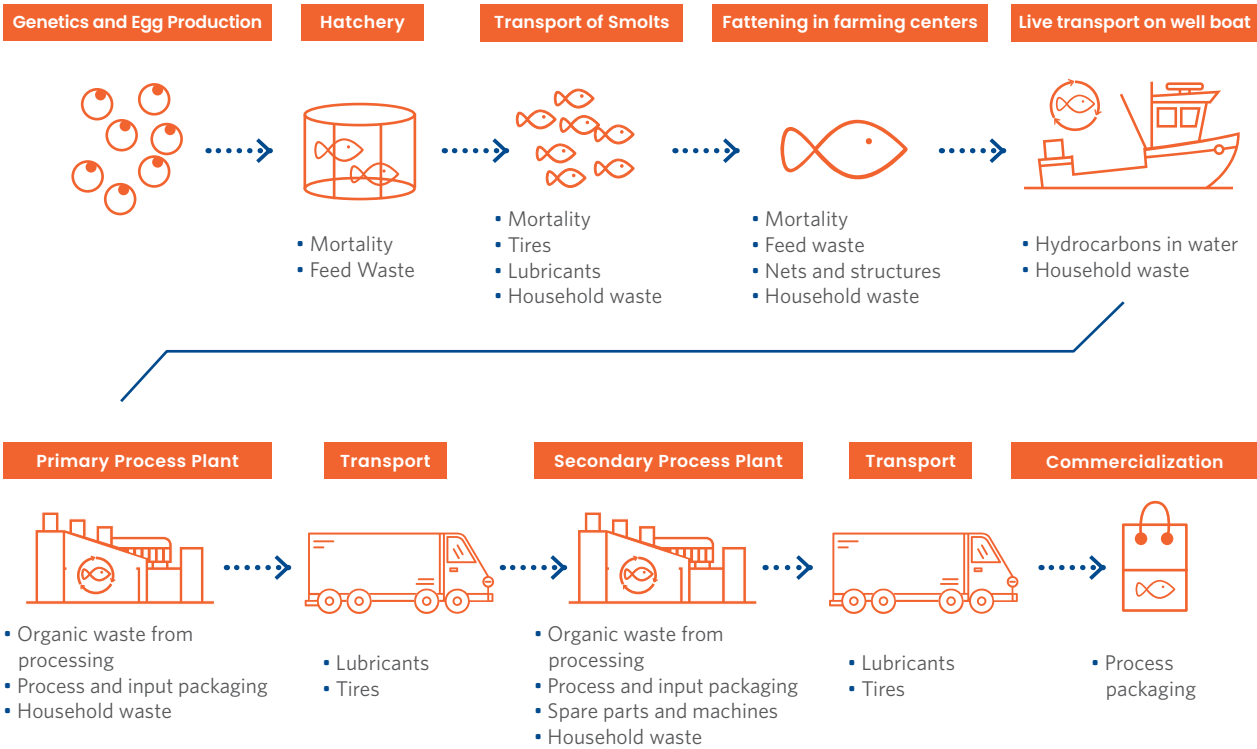
A milestone in the management of fleet waste, already mentioned above, was obtaining the certificate “Sustainable management of household-like waste in industrial fishing vessels” for the Clean Production Agreement, awarded by Sonapesca.

**Waste recovery fishing by waste type 2021**

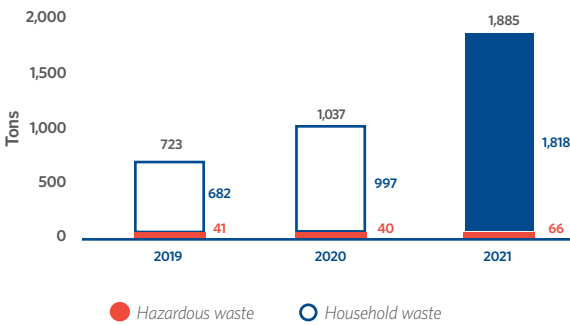




FARMING PROCESS  
Main waste types by stage



Waste Salmon

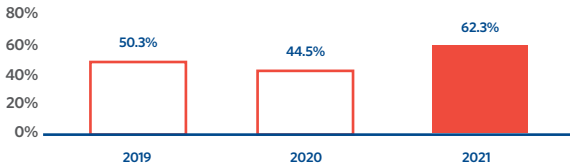


In 2020, much of the production from Magallanes was processed at the Talcahuano salmon plant, which caused an increase in the amount of generated waste and, therefore, led to less recycling in 2021 of both paper, cardboard and plastic. In addition, in 2020, a significant amount of metals was recycled, which increased the total of recycled materials for this period, which was not visualized in 2021.

In 2021, 65% of the waste from the farming centers and 38% of the waste generated in the salmon processing plants in Talcahuano were recovered.

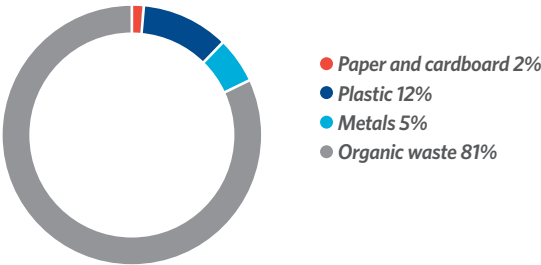
In addition to the ongoing waste management, in 2021, expert managers in waste recovery were hired for the farming area and new projects within the framework of the Blumar Circular project were added. A previously mentioned milestone in this regard was the signing of the Clean Production Agreement “Climate Change Strategy and Circular Economy for the Salmon Sector” promoted by Salmon Chile.

Waste Recovery Salmon



\* In 2021, within the waste recovery from the salmon farming area silage was included, which is sent to reduction plants that produce salmon fishmeal and oil.

Waste recovery salmon by waste type 2021



Goal Monitoring 2021	2027 Goal
<div><div><div>✓</div></div><div>A company waste management strategy was developed that considered the definition of a target for waste recovery, with the objective of reducing landfill waste.</div></div>	<div><div>80% of the waste generated in all of the company's operations was recovered.</div></div>
<div><div><div>✓</div></div><div>We collaborated in beach cleanups carried out in the areas surrounding our facilities.</div></div>	
<div><div><div>✓</div></div><div>In addition, Blumar continued to support the program “Committed to the sea” led by Salmón Chile and the beach cleanups organized by the Magallanes Association, where the company participated in waste removal on the coasts of Aysén and the Skyring Sound, respectively.</div></div>	

6.2.4 • Responsible use of water

At Blumar, we use and reuse water resources. We recirculate water in our industrial processes to maintain sustainable management of this resource.

As for water sources, the company uses sea water for the majority of its industrial processes and drinking water supplied by the municipal network (48% of the 2021 consumption was from the sea and 52% from fresh water). On the other hand, saltwater from fishing processes is reused in fishmeal production plants for odor mitigation

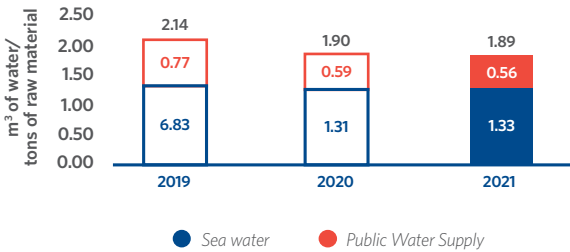
processes and for treatment of industrial liquid waste in salmon plants.

Another important element concerning water management is to understand how much of the company's consumption occurs in areas of water stress. In this framework, the World Resources Institute ranks regions by water stress in five levels each year. The following operations are located in regions categorized as areas of high and extremely high water stress:

Region	Production	Water stress category*	Freshwater consumption (m3)	% of Blumar's total consumption**
Atacama	Bahía Caldera Fishmeal Plant	Extremely high	26,222	5.2%

\* According to the World Resources Institute: <https://www.wri.org/resources/data-sets/aqueduct-30-country-rankings>  
\*\* Only 5.2% of Blumar's total water consumption occurs in areas of water stress. Total freshwater consumption 2021: 508,519 m3 (considered fishing and salmon operation)

Water Intensity Fishing (by raw material)



6.2.5 • Biodiversity

At Blumar, we work to ensure that our operations and processes comply with current environmental regulations, and we voluntarily incorporate stricter international standards when circumstances allow. Given this, information about our commitments is available to the community at all times through various channels.

The company permanently monitors the vessels belonging to its fleet as does the National Fishing Service and the Navy. The navigation routes near protected areas are identified by the fishing authority, including seamount areas.

Regarding bycatch, personnel on board are trained on the protocols for incidental capturing of vulnerable species, such as turtles, marine mammals, and sharks, among others. Furthermore, they have access to a specific Best Practices Manual to respond to these incidents.

In the case of salmon, all productive activities can directly or indirectly affect biodiversity in the areas where they are carried out. As a company, we hold ourselves accountable for this.

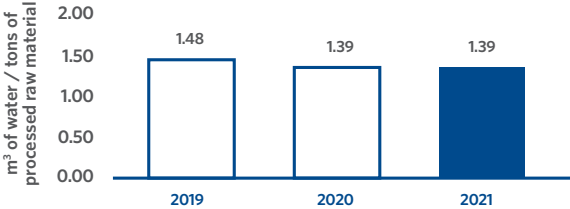
Fish escapes also present a risk, which is significantly mitigated by the installation of structures that ensure confinement within the farming cages. Therefore, in the case of an escape, the impact concerns the invasion of the environment by a non-endemic species.

Aspects that can cause undesirable effects on biodiversity are:

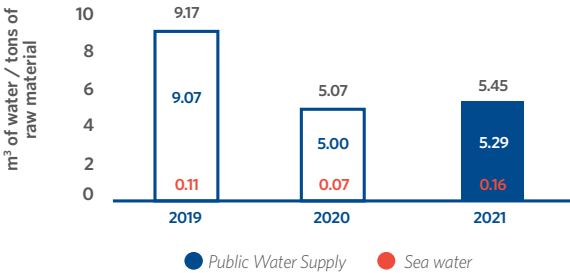
- Possible impacts on critical habitats or those with high conservation value
- Protection and genetic integrity of wild populations
- Irrational use of resources (raw material to produce fish feed)
- Transfer of diseases or parasites from captivity to wild populations
- Escapes from farming centers and possible risk of becoming an invasive species

At Blumar, we are committed to avoiding that neither Blumar S.A. nor the subsidiaries' operations or supply chain operate close to areas with globally or nationally significant biodiversity.

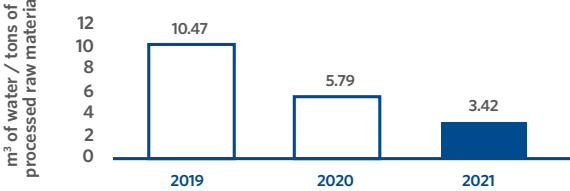
Intensity of Effluents Fishing



Water Intensity Salmon (by raw material)



Intensity of Effluents Salmon





6.2.5.1 Operation in protected areas

At Blumar, we are committed to protecting biodiversity. In this context, we have a management plan to contribute to the conservation and management of hydrobiological resources and marine ecosystems. The company's fishing facilities are not adjacent to or located in protected areas or unprotected areas of high biodiversity value.

In the Aysén Region, there are 16 salmon farming centers that operated during 2021 and are located close to a protected area: Williams 1, Chivato 1, Victoria, Midhurst, Forsyth, Tellez, Johnson, Ninualac 1, Punta Rouse, Dring 3, Dring 1, Isquiliac, Level 1, Level 2, Concheo 1 y Concheo 2.

In Magallanes, these are the salmon farming centers that operated during 2021 and are located within the Kawésqar National Reserve: P Guzmán, Gómez Carreño, Pérez de Arce, Córdova 1 y Córdova 2.

Since 2019, the National Forest Corporation of the Regions of Magallanes and the Chilean Antarctica has been developing different actions to prepare the Management Plan for the Kawésqar National Park and the Kawésqar National Reserve. The salmon industry is one of the important actors collaborating on the development of said Management Plan. Therefore, Salmones Blumar Magallanes has participated at the events it was invited to.

All operations hold an approved Environmental Rating Resolution since there are no facilities on land in the area where the project is located. Also, although it is located in the inland waters of the Alacalufes National Reserve, the operation does not impact them; therefore, it does not have a significant impact due to the minimal surface area affected by the farming centers

6.2.5.2 Interaction with wildlife

During 2021, no incidents were reported related to mortality of marine mammals, birds or protected species at the company's centers. As in the previous year, there were no wildlife-related fatalities.

6.2.5.3 Agreement with NGO BirdLife

In alliance with the NGO BirdLife International and ATF-Chile, Blumar developed a collaboration plan with purse-seine fishers in the Los Ríos and Araucanía Regions.

The aim of this plan is to jointly develop techniques to reduce negative interaction between fisheries and marine birds. During 2021, materials used in fishing gear on sardine and anchovy fishing boats were changed. This led to a transfer agreement to mitigate bycatch in purse-seine fisheries, where birds are trapped in the fishing nets.

6.2.6 Fish escapes

There were no fish escapes during 2021.

6.2.7 Resource Sustainability

At Blumar, we seek to comply with current regulations in all our processes. Furthermore, we adapt and adhere to international best practices for fishing and aquaculture.

6.2.7.1 Sustainability of fishing resources

Industrial fishing has set itself the mission of being an activity with a future, that is, more sustainable and with the recovery of marine biomass at heart. Fishing with a future implies the recovery of fishing resources, complying with Chilean regulations and being guided by the highest international production standards.

After adopting the measures implemented after the Fisheries Act in 2013, estimates from the industrial fishing sector indicate that fishing resources have recovered. Thus, in seven years, industrial fishing went from a quota recovery volume of 35% to almost 95%, associated with maximum sustainable yield management objectives. Proof of this is that jack mackerel, anchovy, common sardine and southern hake emerged from a state of exhaustion to one of recovery. This context reinforces the fact that the fishing industry is committed to protecting fish and their habitat. This is demonstrated by the sustained increase in the overall catch quota for jack mackerel over the past 10 years, which increased by 15% for 2021 alone.

This information is obtained from the annual reports of the scientific committees, which publish updates on the levels of stock biomass under water, in order for fishing to be sustainable over time. These studies sustain that the total and spawning biomass by 2020 of the industrial fisheries is in recovery and not depletion, showing a 95% recovery.

Thanks to satellite management systems, implemented

in 1995, the individual catch quotas calculated by the fishing authority annually have been improved. As well as the improvement of fisheries institutions and multi-sectoral working tables, monitoring has been facilitated to reach this optimal situation of targeted ton volume. In this way, it has been possible to achieve the current protection of fishing resources for future generations.

On the other hand, industrial fishing has received international certifications such as MSC for jack mackerel and hake, IFFO-RS in small pelagic stocks, and MarinTrust in anchovy and common sardine (Atacama Region and Los Lagos Region).

Finally, the commitment to sustainability of the fish and their environment has been extended to sustainability programs and actions under the Clean Production Agreements. A major initiative was launched for the cleaning of plastics in the ocean, despite the fact that the industrial sector contributes less to this type of pollution. For this purpose, cleaning establishments

were installed in the industrial fleet to remove plastic from the fishing zone.

6.2.7.2 Sustainability in salmon feeding

The Feed Conversion Ratio (FCR) is an indicator that ensures the sustainability of fish. It measures the productivity of different protein production methods. It determines the kilograms of feed necessary to increase an animal's body weight by 1 kg. At Blumar, it was 1.13 in 2021, lower than the industry rate and lower than the rate for other animal proteins.

Another sustainability indicator for salmon feed is the FIFO Ratio (Fish in Fish out), which accounts for the wild fish weight needed to produce one kg of farmed salmon. The calculation uses the percentage of fishmeal and fish oil consumed by salmon in the calendar year.

The formula for this indicator is as follows:

FIFO=

% Fishmeal+% Fish Oil

Yield of Fishmeal+Yield of Fish oil

×FCRe



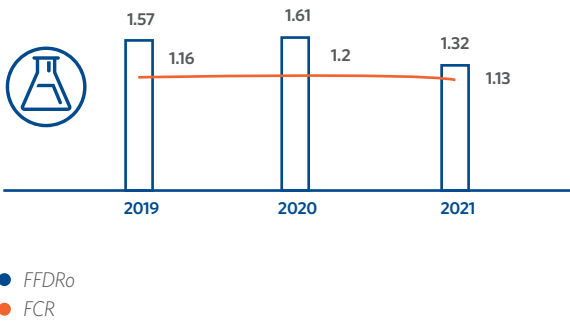




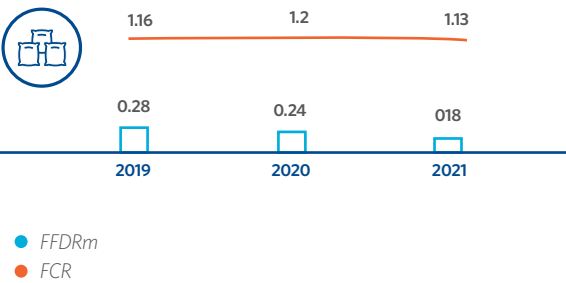
A FIFO below 1 means that less than one kg of fish per kg of salmon is required. In the case of Blumar, this indicator has shown a downward trend in recent years. The 0.39 ratio from 2021 is located near the lower limit that can be reached, since there are specific and essential nutrients that are only contributed by fishmeal and fish oil.

FIFO BLUMAR			
Year	2019	2020	2021
FIFO	0.53	0.51	0.39

Forage Fish Dependency Ratio Fish Oil and Feed Conversion Ratio



Forage Fish Dependency Ratio Fishmeal and Feed Conversion Ratio



Use of marine ingredients in salmon nutrition:

There are rates that calculate the dependency on fish fed to salmon in farming centers. This is achieved by measuring the amount of living fish from small pelagic fisheries required to produce the amount of fishmeal or fish oil needed to produce a unit of farmed salmon.

This calculation is based on the ASC parameters for Forage Fish Dependency Ratio for Fishmeal (FFDRm) and the Forage Fish Dependency Ratio for Fish Oil (FFDRo). These indicators represent the dependency ratio of farmed salmon to other fish required to produce their feed (fishmeal and fish oil). We receive this information from the company's feed suppliers, and it is calculated as follows: how many kilograms of feed are needed to produce one kilogram of salmon per percentage of fishmeal or fish oil in the feed.

6.2.8 • Environmental compliance

At Blumar, we comply with current regulations across all our processes. Therefore, in 2021 the company

underwent 455 audit processes by the environmental authority, resulting in four fines which totaled \$2,118 USD.

6.2.9 • Food loss and waste

In 2020, the International Day of Awareness of Food Loss and Waste was held for the first time, led by the Food and Agriculture Organization of the United Nations (FAO), The United Nations Environment Program (UNEP) and its partners. The call was to work harder to reduce food loss and waste, as both phenomena can further reduce food security and natural resources.

Hunger has been on the rise over the past five years, and the COVID-19 pandemic is endangering the food supply and nutritional security of millions more. Additionally, ecosystems are deteriorating and the consequences of climate change are becoming visible. In short, reducing food loss or waste means more food for everyone, reducing GHG emissions, reducing pressure on the environment, and increasing productivity and economic growth.



Civil society has shown concern about this issue, which is strongly reflected in the 2030 Agenda for Sustainable Development, especially in the Sustainable Development Goal (SDG) 12.3. This SDG calls for halving global per capita food waste at the retail and consumption levels and reducing losses in the production and supply chains.

Blumar's commitment

The company will work on establishing a policy that contains guidelines related to the reduction, loss and waste of food in all its productive activities and in the business divisions of fishing and aquaculture.

We also manage our waste in the best possible way and seek to increase its use in order to reduce operating costs and mitigate the environmental impact, by extending the life cycle of materials and equipment.

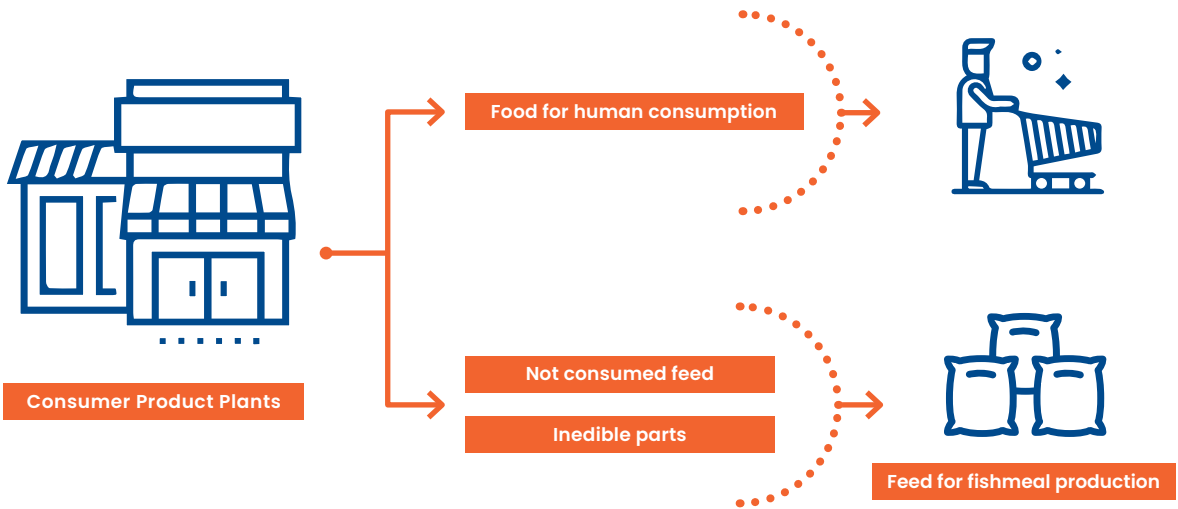
At Blumar, we seek to reduce food loss and waste in

our supply, processing and commercialization activities, while maintaining the highest quality standards and ensuring food safety in line with SDG 2 and SDG 12.

Therefore, the ESG plan will incorporate the management of this subject, through a policy in which the company will declare its commitment to measuring, setting goals and reporting progress on reducing food loss and waste in the value chain of Blumar and its subsidiaries.

Within this framework, the company's commitment is to minimize food waste, both in its production chain and in consumption, as well as to increase the use of inedible parts of the species we cultivate. While always ensuring the safety and quality of our products for human consumption.

The following is the quantification of food and/or inedible parts removed from the food supply chain, following the guidelines defined by the Food Loss and Waste Accounting and Reporting Standard<sup>6</sup>:



Blumar's two business divisions (salmon and fishing) complement each other since what is not used in the salmon or mackerel production process can be used for the production of fishmeal.

[6] Standard available at Home - Food Loss and Waste Protocol (flwprotocol.org)

Food loss and waste	2020	2021
a) Total weight of food loss and waste volumes from the salmon process	22,833 ton	24,573 ton
b) Total weight of salmon products used in the process of fishmeal production	22,833 ton	24,573 ton
c) Total Loss (a-b)	0 tons	0 tons
d) Coverage	100%	100%
Third-party verification: no third-party verification available.		







# WELLBEING AND HUMAN DEVELOPMENT

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# 07



## The material topics related to this chapter are:

- Workforce Health and Safety
- Talent attraction and development
- Employee wellbeing
- Human rights
- Labor Relationships of Trust
- Diversity and Inclusion
- Relationship with the community and indigenous peoples
- Supply chain management

## The strategic pillar related to this chapter is:



Relationships  
of Trust and  
Collaboration



## EMPLOYEES

# 7.1

Our employees are critical to Blumar's success; therefore, the best combination of skills and values is a key factor for growth and sustainable development. Developing and maintaining a respectful, transparent and mutually beneficial relationship with our employees is essential. Within this framework, we recognize the importance of valuing and benefiting our team with policies, practices and challenging projects that allow us to attract the best professionals on the market. We have a close relationship with our more than 2,000 employees, as well as with indirect collaborators, such as the many contractors who provide services for us and are key stakeholders in their management. The company has more than 499 permanent contractor companies with more than 1,546 employees, with whom we work together in various areas of the company.

The values that guide and inspire the company's activities are efficiency, responsibility, honesty, austerity, loyalty, commitment, and a constructive spirit. We develop a relationship with our employees following these values and we care about their wellbeing, which includes protecting their health and safety, as well as training and development.

We understand that trust and respect is essential for everything we do. These values form the basis of our relationships with our stakeholders and, in particular, with communities near our operations. We maintain a close, honest and open dialogue in order to tackle the issues that affect and interest them, as well as contribute to their progress.

Of the company's 2,109 employees, 28% are women and 72% are men. On the other hand, 0.7% of employees are foreigners, seven women and nine men.

### 7.1.1 • Employee wellbeing

Strengthening a culture of wellbeing, caring for workers,

and promoting healthy living is part of Blumar's DNA. The company empowers human talent and worker development, while providing training to its employees that allows them to update knowledge, strengthen skills and abilities for the optimal execution of the tasks associated with each job.

This is based on an internal culture of strong prevention work, internal wellbeing and labor relations of trust.

#### **How do we manage this?**

Blumar has an HR Management and a specialized Organizational Development and Training area. In addition, we have four bipartite training committees that plan and assess training programs and advise on training matters.

#### **7.1.1.1 Benefits**

The company works constantly to increase our employees' level of satisfaction in order to maintain a good working climate.

With this objective, the company grants benefits to employees that are paid with the company's resources. These include meals, trainings, scholarships and funding for school tuition fees, bonuses for maternity and childbirth, loan facilities, Christmas baskets, and Christmas parties and gifts for children of employees.

As part of the collective agreements signed with labor unions and negotiating groups, 39 school scholarships were awarded to children of company workers in the fishing and salmon divisions throughout the country. Students in from elementary up to higher education may apply for this scholarship. In 2021, an online scholarship award ceremony was held with the participation of retired tennis player Horacio de la Peña, who gave a motivational speech.

Moreover, the presentation of a children's Christmas



play was an interactive and participative opportunity for our employees and communities throughout Chile. Due to the COVID-19 restrictions for in person events, the company's usual Christmas activities could not take place.

7.1.1.2 Talent development and attraction

To empower high-performing teams and to strengthen the organizational culture, Blumar provided training programs to develop leadership, identity and effective communication. Furthermore, activities were held to increase the technical knowledge about the company's processes and other initiatives to enhance the internal culture and further strengthen a good working climate.

Nivelat Training Program

In 2021, the company started to use Nivelat, which aims to train employees in various relevant topics to develop skills and knowledge through a single digital platform. Courses were given in onboarding to the company, Excel, household finance, basic English and the use of fire extinguishers, which can be useful both within the company and in the employees' daily tasks.

Leadership Skills Program for Area Supervisors of Salmon Plants

The aim of the program is to improve the performance

of area supervisors concerning interpersonal skills that are perceived to be less developed by employees at the Blumar salmon plant. The intention is to establish relationships of trust and psychological safety for workers, to resolve interpersonal conflicts assertively, and to build collaborative relationships with peers and teams to achieve optimal production results at these facilities.

2021 Management

The training program caters to the company's operational needs and the technical and personal development requirements of its employees.

Regarding external training, 69 courses were held in 2021, in which 1,645 people participated, totaling 57,540 hours of training. This represented an increase of 39,495 hours compared to 2020, since pending training sessions that were cancelled due to the pandemic could be resumed in 2021.

Sexual and workplace harassment training

In 2021, 231 employees completed the course on workplace harassment, equivalent to 693 hours of training. Moreover, 382 people participated in the course on sexual harassment, corresponding to 1,146 hours of training.

In terms of internal training, a total of 698 people were trained in Information Security in 2021 through e-learning and video calls. In addition, a total of 595 workers were trained according to the requirements of the salmon plant's Quality Management System, which is led by the Quality Area.

Internships

Interns are fundamental to the company's daily management and therefore Blumar is committed to the training and education of all those who work at our facilities. In 2021, 28 people participated in internships, 19 men and 9 women, working in areas such as administration, quality, maintenance, operations, occupational health and safety, sustainability, management control, HR, communications, accounting and logistics.



7.1.1.3 Internal culture

Work Climate Survey

Our employees are the foundation of our company; therefore, Blumar strives to maintain a harmonious work environment. An organization with adequate working conditions and good working relationships can promote efficiency and increase productivity. Thus, since 2012 we have conducted a work climate survey every two years, which generates improvement opportunities for all.

Through the work climate survey, we can detect possible weaknesses, take responsibility and address them.

The last survey – already in its sixth version – was sent out to all Blumar employees during October and November 2021. During this period, the survey had a response rate of 81% and assessed nine dimensions: comfort, clarity, commitment, friendliness, leadership, equity, compensation, competitiveness, recognition and development. A 71% level of satisfaction was observed in the results, thereby decreasing 5 percentage points compared to the last survey conducted in 2019.

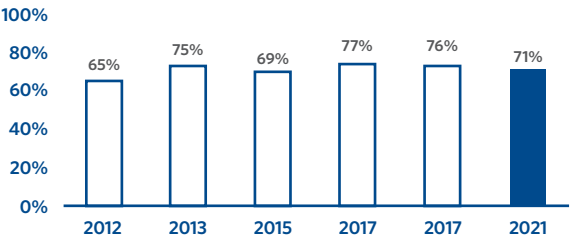
Once results were obtained, we started working with

each area or department individually. This involves creating focus groups with the groups with the lowest rates and initiating discussions with different areas of the company to receive more details and collect information that would allow us to prepare and strengthen plans for improvement.

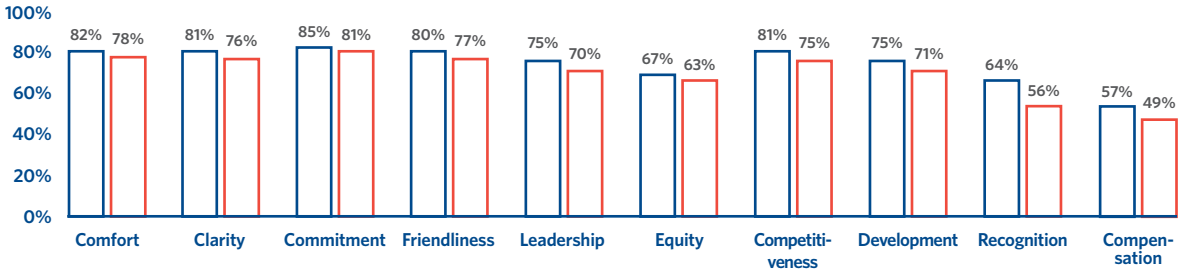
Since we started conducting the work climate survey, we have made significant changes in methodology, moving from a written to an online format.

The following shows the historical evolution of the work climate survey results and the difference from the previous assessment by dimension and by position.

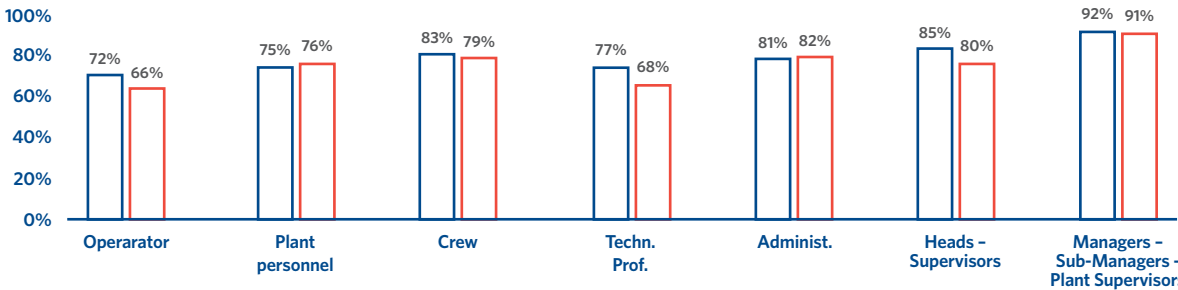
% Work Climate Satisfaction 2012-2021



General work climate satisfaction by dimension %



General work climate satisfaction by position %





Tenth Anniversary of Blumar

In a hybrid ceremony broadcast from the salmon plant in Talcahuano, Blumar Seafoods commemorated its tenth anniversary. As a preventive measure, only a small number of people attended the activity in person, including employees, trade union leaders, community

representatives and authorities, such as the regional governor of the Biobío Region, Rodrigo Díaz, and the mayor of Talcahuano, Henry Campos. It was an emotional event full of memories, which was followed online by the company's employees throughout all of Chile.



7.1.1.4 Performance assessment

Talent management is a central element at Blumar, not only because of the obvious operational benefits for the company, but because we understand that the challenge of attracting and retaining the most qualified personnel is key to continue the company's performance.

Therefore, the performance assessment translates into a method established by Blumar to measure each employee's level of compliance with his or her tasks and responsibilities. This process is carried out at least once a year and helps to estimate the value, excellence and competences of a person. On the other hand, it measures the contribution that the employee makes to the organization's business.

The company uses a traditional performance assessment methodology for executives and another one for operators. The applied methodology allows area supervisors to evaluate the line workers' performance through overall goal fulfillment.

Performance assessment is used to establish personal and group commitment plans that ensure process continuity.

In 2021, the performance of 17% of employees was evaluated based on objectives and 18% were measured by multidimensional performance.

7.1.1.5 Employee turnover and new employee hires

Our employees are the company's main resource. Innovation, productive strength, and continuous improvement of all processes depend on them. Therefore, we manage human resources correctly, providing a good physical and psychological working climate.

Nonetheless, there is turnover, which is understood as a company's voluntary or involuntary ability to replace their employees with the internal or external labor force. Turnover is therefore an option for boosting the workforce and avoiding inertia. The latter being one of the most recurring problems and which, in extreme cases, can affect the company's productivity and innovation.

The total employee turnover rate in 2021 was 16.4% and the voluntary employee turnover rate reached 10.6%.

On the other hand, 699 new employees were hired in 2021, of which 102 were women and 597 were men.

Goal Monitoring 2021	2023 Goal
<div><div><div></div></div><div>The company did not achieve the proposed goal of 77% approval in the work climate survey, given that a 71% approval was obtained in the 2021 period. As a result, efforts will be increased to continue contributing to a good working climate and this to be reflected in the next survey.</div></div>	<div><div><div></div></div><div>Obtain at least 76% approval and a response rate of at least 90% in the next edition of the Work Climate Survey conducted in 2023</div></div>
<div><div><div></div></div><div>In 2021, Blumar began the process of developing a new HR Management Strategy, which will be validated and come into effect in 2022.</div></div>	

7.1.2 Occupational Health and Safety

At Blumar, health and safety are a priority. That is why high standards and a prevention-based culture define us as a company.

Caring for the health and safety of those who work in the company and maintaining high standards of prevention is fundamental to the daily management of the company, and part of our commitment to our employees.

In this context, it is important that our workers have access to optimal working conditions in order to do their jobs well.

How do we manage this?

- The company has an Occupational Health and Safety Policy.
- In our productive processes, we encourage active participation by both workers and management, fostering a preventive culture based on self-care, participation and leadership.
- We work actively with our employees to involve them in the safety measures adopted in their areas of work through training, activities and constant monitoring by our insurance company focusing on risk prevention, work-related accidents and occupational diseases.
- 100% of our employees are represented on formal Health and Safety Committees – both on Joint Health and Safety Committees at each of our facilities and on Executive Committees – whose intention is to ensure our employees' safety.
- We have an Occupational Health and Safety (OHS) Management System that allows us to constantly review regulations, protocols and indicators in this area. This management system is a significant support to care for our employees.
- The Joint Health and Safety Committees and the OHS Management System are certified by the Chilean Safety Association (ACHS), which are the company's insurance companies specialized in occupational health.

Occupational health and safety topics are monitored by the Board and reported monthly. In addition, as an incentive to maintain high safety standards, there are cross-sectional occupational health and safety objectives within the company's performance assessment system for the senior executives and area supervisors of the operational areas.

In the fishing and aquaculture divisions, they are managed through an internal structure headed by HR Management and the Sustainability and OHS Sub-Management.

**7.1.2.1 Occupational Health and Safety Policy Summary**

With this policy, Blumar commits to developing a preventive occupational health and safety management, aimed at generating solid foundations for a culture of prevention. In order to comply with the policy's guidelines, we encourage managers and area supervisors to participate actively, to foster prevention based on self-care among our employees, to promote a management system that allows for continuous improvement in best practices of our operations, and to develop, together with contractors and service providers, a preventive management aligned with our guidelines in this topic.

**7.1.2.2 Occupational Health and Safety Management System**

The company's occupational health and safety management systems covers the daily tasks of the technical preventive team, the managers, of the joint committees and of the workers themselves in order to respond positively to the many safety challenges they face every day. The insurance company ACHS certified these systems, according to ILO guidelines, and considering the following aspects:

- Constant review of OHS legislation, protocols and indicators.
- Hazard identification and risk assessment matrices for each process, which are reviewed annually.
- Action plans with control measures, audited by the insurance company.
- Emergency plans for each department; in 2021, Crisis Management Committees were established, in which supervisors of all areas of the company participate.
- Implementation of occupational health and safety protocols of the Ministry of Health, such as the Protocol for the Surveillance of Psychosocial Risks, the Protocol for the Surveillance of Workers Exposed to Risk Factors TMERT (OHSAS 18,000), the Protocol for the Surveillance of Exposure to Hyperbaric Conditions, the Protocol for Occupational Exposure to Noise (Prexor), UV radiation protocol and the manual cargo handling protocol regulated by the Ministry of Labor and Social

Welfare. These are evaluated periodically, according to the results obtained. Ongoing operational controls of conditions, people, inspections, on-site review of procedures and proper use of PPE (personal protective equipment), creating check lists and reports of observations raised.

- Procedures in the event of accidents, incidents and occupational diseases.
- Continuous training on the importance of self-care through health and safety protocols, hazard identification and risk assessment matrices, safety procedures, emergencies, among others.
- Blumar audits contractor safety systems based on the company's security standards

**7.1.2.3 Occupational Health and Safety Committees**

There are seven Joint Health and Safety Committees in the fishing division and four in the salmon division (Talcahuano and Southern Zone) that are composed of area supervisors and active participants of the corresponding management. Of these 11 committees, three correspond to working committees composed of contractors. The objectives of the Joint Committees are to advise and instruct employees on the correct use of protection instruments and to monitor compliance by both the company and workers with prevention, hygiene and safety measures. Furthermore, there are executive committees in the fishing and salmon business units, where supervisors and managers of the respective area and the HR manager participate.

These committees were audited in 2021 by the insurance company ACHS, the fulfillment of different requirements was verified, and the company obtained the initial level of certification.

**7.1.2.4 Strategy in the context of the COVID-19 pandemic**

The health crisis caused by COVID-19 in March 2020, led the company to implement various health measures and protocols to ensure a safe working environment for the company's employees. This continued largely throughout 2021.

The objective has been to protect the health of our employees from the moment they leave their homes until their return, providing support for the recommended health and safety measures to be applied in their homes. The aim has been to prevent cases inside the facility and

to control the spread of the virus, ensuring operational continuity to maintain the wellbeing, safety and job stability of all our employees, suppliers and contractors during the pandemic.

Therefore, we maintained daily health checks, mandatory use of face masks, remote work and shifts in administrative areas, acrylic separators in workstations, supervision of measures by health professionals, daily fumigation and PCR testing. All these measures have been managed by the health team at our different locations.

Furthermore, we organized vaccination campaigns against COVID-19 for employees in conjunction with the health authority.

**Health protocols**

The company's strict safety protocols have been critical to continue our operations.

Since 2020, prevention management protocols were created for the fishing area, for the Talcahuano salmon plant and for the farming centers. These protocols were then assessed together with insurance companies specialized on occupational health and safety.

HR Management, with the Occupational Health and Safety unit, works permanently with the different areas and personnel in charge, in addition to coordinating concrete actions with specialists to avoid infections in our facilities. As a result, we have made collaborative agreements with immunological experts who have advised the company on the implementation of new measures.

**Obtaining the COVID seal at all facilities**

The insurance company ACHS awarded the COVID seal to all Blumar facilities, recognizing the high standards of occupational health and safety, as well as its good practices, which have succeeded in creating a true preventive culture, based on a high-performance management model the company has created. Like for all companies, the pandemic presented great challenges for Blumar, to which the company responded efficiently and effectively, implementing strict protocols from the beginning of the health crisis, which regulated the entrance and tasks within its facilities.

Thus, Blumar reaffirms its commitment to the care and safety of its employees, who are a fundamental part of the Sustainability Strategy.









2021 Management

Our preventive culture is featured in all of our processes. Therefore, we strive every day to avoid accidents at all costs.

Absenteeism			
Employees	2019	2020	2021
Blumar	0.84%	6.91%	9.43%
Pesquera Bahía Caldera	4.05%	2.00%	3.82%
Salmones Blumar	0.62%	12.40%	18.93%
Salmones Blumar Magallanes	2.05%	2.90%	3.99%

Accident Rate			
Employees	2019	2020	2021
Blumar	3.6	4.4	3.3
Pesquera Bahía Caldera	0.0	1.0	4.2
Salmones Blumar	1.1	1.7	1.5
Salmones Blumar Magallanes	8.6	3.7	2.0

Lost Workday Rate			
Employees	2019	2020	2021
Blumar	70.3	85.5	90.7
Pesquera Bahía Caldera	0.0	3.1	77.9
Salmones Blumar	45.4	110.2	60.3
Salmones Blumar Magallanes	113.0	62.4	29.3

Goal Monitoring 2021		Goals 2022
	The lost workday rate in fishing and salmon was below industry levels, as of year-end.	▪ Reduce accident rates compared to the previous year, always remaining below industry levels.
	The accident rates in fishing and salmon were below industry levels during the period.	▪ Reduce lost workday rates compared to the previous year, always remaining below industry levels.
	There were no employee fatalities, but there was a fatal accident involving a contractor at a Blumar facility.	▪ 0 fatal accidents of employees or contractors at our facilities.
	We recorded fewer serious accidents compared to 2020.	▪ Reduce the number of severe accidents in comparison to previous years.



HUMAN RIGHTS

7.2

At Blumar, we are committed to promoting best practices for sustainable development through integral process management. Our goal is to strengthen the growth of the country through our activities, as part of good corporate governance, transparency and equity, complying with regulations, maintaining collaborative work with stakeholders and acting according to the principles of the Global Compact and commitments to sustainability, such as the Sustainable Development Goals included in the 2030 Agenda in Chile.

Within this framework, we protect human rights, labor rights and support freedom of association and collective bargaining in Chile, in accordance with the principles of international law treaties.

Furthermore, we constantly seek to create an atmosphere of trust and transparency, so that our employees can do their jobs properly. Therefore, all negotiations are managed through area supervisors, with the aim of maintaining direct and active communication between both parties. Furthermore, we have an Open-Door Policy that enables dialogue and problem solving.

We have direct and ongoing communication with union leaders, with company labor unions, inter-company labor unions, and group delegates. These relationships allow us to establish bonds of trust and work collaboratively.

The company's commitment to human rights includes the following:

We reject forced labor and child labor

We reject any kind of forced labor and do not take any actions to retain employees against their will. Thus, the company commits to respecting the rights of children, rejects child labor, and does not recruit minors under the age of 18.

We respect diversity and reject discrimination

The company rejects all forms of discrimination and

commits to ensuring that all its employees are treated with respect regarding their diversity, promoting equal opportunities in any relationship with the company. This commitment is found in our Code of Ethics.

Freedom of association and collective bargaining

The company fosters good communication with its labor unions or negotiating groups, recognizes the right of employees to assemble and defend their interests and does not interfere in their decisions in this regard. It also promotes the right of employees to representation by labor unions and other forms of representation chosen in accordance with Chilean legislation and current practices. Moreover, it recognizes the importance of collective bargaining as an instrument for the determination of contractual conditions, as well as for the regulation of relations between managers and labor unions.

Occupational Health and Safety

The company is committed to ensuring the best occupational health and safety conditions in all workplaces, promoting a culture of safety, educating on risk awareness, promoting responsible behavior by all its employees and collaborators, and generating different educational and informative activities on the subject. Moreover, Blumar supports the Joint Committees represented by employees and the company as a collaborative mechanism for continuous improvement. We also work constantly to improve the protection of our employees' health and safety through the application of various preventive measures.

Fair working conditions

We reject all forms of harassment, threats or intimidation in the workplace, whether verbal, physical, sexual or psychological, ensuring a positive and respectful work environment. We recognize the value of training for the development of people and their skills, encouraging the participation of workers.

Respect for the rights of communities



The company is committed to respecting the rights of local communities in the territories where it operates, by providing free and informed consultation activities. We promote and actively participate in round tables with public-private actors and with authorities, encouraging participation with the community and local authorities.

Privacy and communications

Blumar commits to respecting the confidentiality and privacy rights of all its employees and to using all their information and data in a proper and respectful manner. We also commit to ensuring that all institutional and commercial communications are non-discriminatory and respect different cultures, paying particular attention not to adversely affect the most vulnerable public, such as children.

Based on the Voluntary Principles on Security and Human Rights, the company is committed to ensuring that private security services that protect the personnel and property of Blumar, act in accordance with existing legislation and with the norms of international law contained in treaties signed and ratified by the Republic of Chile.

Commitment to inclusion

We understand that work is a way to establish social networks and encourages social participation. Therefore, labor inclusion is a major first step toward social inclusion. We also argue that labor inclusion improves the working climate by promoting collaborative work and increasing the commitment of our employees. An inclusive environment based on mutual respect, cooperation, where all people are treated equally, are central elements of Blumar's strategy and we understand that inclusion is a joint effort of all stakeholders. Therefore, developing an inclusive environment requires teamwork.

Blumar is committed to respecting the dignity of individuals with disabilities, and therefore supports their

education and training to enable them to develop their functions and to feel valued and respected. We therefore prohibit any act of discrimination against individuals with disabilities or discrimination because of their race, ethnicity, religion or sexual orientation. The company shall guarantee equal conditions in the internal and external selection processes, establishing equal criteria for applications to positions with qualified functions.

7.2.1 • Diversity and Inclusion

Diversity in the workplace not only brings image benefits, but it also boosts innovation and improves the organizational climate. Therefore, when choosing our future employees, we do not discriminate based on their origin, gender, age, race, religion, sexual orientation or socioeconomic status. We are interested in applying an open and varied organizational perspective, favoring different approaches to solve problems or face challenges.

Regarding labor inclusion, we are convinced that providing valuable employment to people with disabilities, ensuring that they enjoy the same working conditions as the rest of the employees, makes them feel valued. In other words, we seek to guarantee non-discriminatory treatment concerning tasks, schedules, treatment and remuneration.

As of 2018, companies with over 200 employees must comply with Law No. 21,015, which encourages the inclusion of persons with disabilities in the labor market. Blumar conducted an internal study to identify employees eligible for the National Disability Registry, and then analyzed the work environment to consolidate their current job or relocation. This regulation was implemented with the support of specialists who contributed to the development of an inclusive culture.

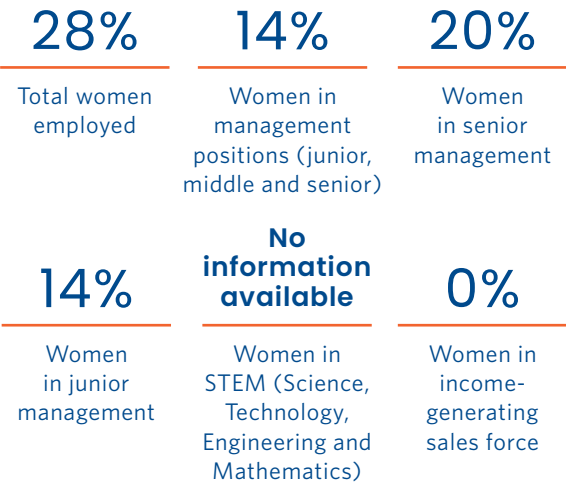
In addition, we offer support for employees during their

adaptation process, through various tools such as internal questionnaires and dialogue tables to improve the work areas of those with some degree of disability (access to the restrooms, special lunches, among others). Furthermore, we offer information to guide and support the process, both for individuals with disabilities and for the team. In 2021, there are six workers in the fishing area with some degree of disability and 15 in the salmon area, which together represent 1% of total employees.

Leadership positions

Historically, our industry has been dominated by men. However, as has happened in various sectors in Chile and around the world, women have been taking on a number of roles and responsibilities that in the past were reserved only for men. Currently, there is a greater female presence at farming centers, in management positions, and on vessels, among other areas.

At Blumar, there are 39 leadership positions that are occupied by women working in management, sub-management and area supervision. Eight women work in senior management positions. These figures represent 14% and 20%, respectively, of the total number of people in the corresponding category.



The company regularly conducts a job position assessment to maintain competitiveness with respect to compensation, according to the reality of the market. In addition, salaries are defined according to the job position assessment, independent of the person's gender or other characteristics. This is reflected in the reduction of the gender pay gap in the various position categories:

Gender Pay Gap	2019	2020	2021
Proportion of average gross base salary female managers vs. male managers	Not applicable	Not applicable	61%
Proportion of average gross base salary for female executives vs. male executives	96%	102%	86%
Proportion of average gross base salary for female area supervisors vs. male area supervisors	96%	98%	116%
Proportion of average gross base salary for female professionals in mid-level ranks vs. male professionals in mid-level ranks	84%	86%	86%
Proportion of average gross base salary for female administrative and technical staff vs. male administrative and technical staff	90%	99%	106%
Proportion of average gross base salary for female on-board personnel vs. male on-board personnel	Not applicable	Not applicable	Not applicable
Proportion of average gross base salary for qualified female operators vs. qualified male operators	80%	90%	98%
Proportion of average gross base salary for female operators vs. male operators	99%	99%	97%



7.2.2 • Relations with labor unions

At Blumar, we maintain a close relationship of trust with the labor unions, which is essential for us. Therefore, we support the training of labor union leaders to enhance their work and professionalize their management. From 2017 to 2019, at the end of the year, meetings were held with union leaders, who represent nearly 1,000 workers from the company's fishing and salmon division. The Chairman of the Board and the HR Manager participated in those meetings. Although this activity could not take place in 2020 due to the pandemic, it was resumed in person in 2021.

How do we manage this?

The company constantly seeks to create an atmosphere of trust and transparency, so that our employees can do their jobs properly. All negotiations are managed through area supervisors and HR Management, ensuring that they develop within the framework of labor relations established by the company and maintaining direct and active communication. Furthermore, we promote an open-door policy that facilitates dialogue and conflict resolution, which allows for mutual trust and good relationships.

Blumar has a long history of relations with labor unions, which we consider part of our organizational culture. Over the years, we have established a relationship of trust, which has enabled us to negotiate well, thus avoiding strikes in the last eight years.

The company has 14 labor unions and six negotiating groups. This topic is managed by HR Management, HR Sub-Management and area and plant supervisors.

Salmon

- Salmon Plant Company Union
- Los Lagos and Aysén Regions Salmon Farming Centers Company Union
- Aysén Region IceVal Union
- Magallanes Region Nueva Esperanza Union
- Employees Salmon Talcahuano Negotiating Group
- Employees Salmon Puerto Montt Negotiating Group
- Salmon Center Assistants Negotiating Group

Fishing

- Crew and Unloaders Company Union
- Corral Fishmeal Plant Company Union
- San Vicente Fishmeal Plant Company Union
- Rocuant Plants Company Union
- Caldera Fishmeal Plant Company Union
- Inter-Company Purse-seine Fleet Crew Union
- Inter-Company Motorists Union
- Inter-Company Pilots Union
- Frozen Jack Mackerel Plant 1 Temporary Workers Negotiating Group
- Frozen Jack Mackerel Plant 2 Temporary Workers Negotiating Group
- Coronel Fishmeal Plant Negotiating Group
- Frozen Jack Mackerel Plant Negotiating Group
- Talcahuano Blumar Employees Negotiating Group

Frequency

Collective bargaining is a stable mechanism, with determined expiration deadlines for collective agreements.



2021 Management

In 2021, seven collective bargaining negotiations were held between labor unions and negotiating groups. In these meetings, adjustments of compensations and benefits were agreed on in a respectful and polite working climate, with a long-term perspective that seeks to strengthen internal relationships.

In 2021, four negotiations were held with labor unions and three with negotiating groups. An agreement was reached in all meetings. Of these, four corresponded to Blumar S.A., two to Salmenes Blumar S.A. and one to the subsidiary in Magallanes, involving a total of about 200 employees. The agreed time frame for negotiations varies from two to three years.

During 2021, the first negotiation of the company with two unions with temporary fixed-term workers stands out.

As of December 31, 2021, 74% of employees are in collective agreements and 61% belong to a union, far exceeding the national average.

Area	Type of Negotiation	Members	% of workers in collective instruments	% of workers in labor unions
Fishing	Company Union Negotiating Group	475 114	72%	58%
Salmon	Labor Union Negotiating Group	819 159	76%	64%
			74%	61%
Goal Monitoring 2021			2022 Goal	
	We held seven collective bargaining negotiations in the established term, which were concluded via mutual agreement, ensuring operational continuity.		<ul style="list-style-type: none"><li>▪ To conduct collective bargaining negotiations in the established term, in order to reach a mutual agreement while the company's operations continue properly.</li></ul>	
	In 2021, a Human Rights Policy was developed and published, incorporating the best practices that Blumar has always applied.			





## SUSTAINABLE RELATIONSHIP WITH SUPPLIERS

# 7.3

We are committed to sustainable development and have therefore determined to make constant and proactive progress in the social and environmental management of our supply chain.

Suppliers and contractors are part of the company's stakeholders. They are an essential link in the company's value chain and are vital to the operation of the company as they supply and support different processes at our facilities. Therefore, our suppliers and contractors must comply with the regulations of Blumar's Code of Business Conduct and Ethics. Moreover, the company has Internal Health and Safety Regulations for contractors that include the required ethical conduct. Our goal is to advance a shared approach to achieve a value chain of goods and services that includes ESG management.

Blumar's Crime Prevention Model defines the guidelines for the adoption, implementation and operation of this Model, according to the provisions in Law No. 20,393 on Criminal Liability of Legal Persons and the prevention of the therein included offenses, and a Crime Prevention Procedure which include the activities required for its implementation. This model includes a Grievance Channel where employees or third parties, such as suppliers and contractors, can report violations of the Code of Business Conduct and Ethics. The grievance channel is available on the company's website.

### 7.3.1 • Relationship with suppliers and contractors

They are directly affected by the company's actions, which is why we have different initiatives to facilitate and protect the integrity of suppliers and contractors.

As part of our service partner development, Blumar includes contractor companies in occupational health and safety management and in the training we provide. Therefore, we have a Contractors Portal, which allows

us to establish a more efficient and effective dialogue, and to upload documents required by the company with the aim of ensuring occupational safety for our contractors' employees. In addition, in this Contractors Portal, contractors companies must upload information about compensation and insurance of their workers, so Blumar can ensure the contractual conditions with the contractors' workers are fulfilled.

Another initiative includes contractors in our risk prevention and occupational safety approach through the creation of Joint Labor Committees with contractor participation.

#### 7.3.1.1 Purchasing procedure

The Company has a purchasing procedure to establish the different processes involved in the supply of input and services. This is an essential element in fulfilling the mission of the supply area, which is to maintain the supply chain, providing goods and services required by the different units of the company on time, allowing its operational continuity.

#### 7.3.1.2 Supplier Management Policy

The Supplier Management Policy is part of the Purchasing Procedure and its guidelines are included in the Code of Business Conduct and Ethics. Details of this policy are as follows:

- The relationship between employees of Blumar and its subsidiaries with suppliers must always protect the company's interests and ensure equality between participants, based on a relationship of mutual cooperation, loyalty and transparency.
- No commitment or bias toward any particular supplier is to be adopted. Technical and commercial variables are to be considered above all others in decision making and always including the benefits

and costs of each choice.

- Comply with the requirements of the Quality Management Standards regarding the selection, evaluation and ongoing relationship of suppliers.
- Provide suppliers with clear and appropriate information on requirements, so that the supplier knows exactly what to provide.
- Encourage integration into joint and collaborative growth with strategic and/or excellent service providers.
- Ensure that the selection and hiring of suppliers complies with the current existing internal regulations and, in particular, with the values of the corporate culture, management style and the Ethics Code and Employees' Conduct Code.
- Inform the supplier of the Crime Prevention Model, which includes commitments related to business ethics (e.g., corruption and anticompetitive practices).
- Promote long-term relationships with suppliers.

#### 7.3.1.3 Progress in ESG commitments regarding the supply chain

Blumar is committed to sustainable development and management of the social and environmental risks of its value chain, where food production is a significant component of the social and environmental footprint of salmon farming, given the diversity of raw materials and supply chains involved in the process.

With respect to ASC certification, farming centers in the aquaculture division support their feed supplier's effort to change their source of fishmeal and oil to ISEAL certified fisheries. This is in order to follow guidelines that promote responsible environmental management of small pelagic species or an equivalent scheme.

#### Asipes launches Best Practices Manual for its contractors

The mission of the Association of Industrial Fisheries (Asipes) is to strengthen the sector as a dynamic space that creates decent work and gives job stability to the people who are employed in this industry. Within this framework, the association, which groups industrial fishing companies in the Biobio Region - among them Blumar and its subsidiary PacificBlu - launched the "Best Practices Manual for Management of Industrial Fisheries Contractors" in 2021. Its objective is to invite industrial fishing companies to actively participate in improving the practices of contractors as strategic allies of their business. Assessing and disseminating good business practices to contractors is one way of promoting a virtuous circle throughout the fisheries sector, consistent with the Sustainable Development Goals. Some of the practices contained in the manual concern contractual relationships, working climate, environmental management, and workers' health and safety.

### 7.3.2 • Classification of critical suppliers

Critical suppliers are those who supply materials, input and/or services that are considered essential and are absolutely necessary to maintain Blumar operations. Since these products or services can have a significant effect on the company's results, controlling them is critical.

Materials, input and/or services shall be considered critical when any or all of the following conditions apply: they are fundamental to operational continuity, have an annual purchase value equal to or greater than \$1.5 million USD and/or are transactions for which only a single supplier is available. Among others, the following items are taken into account: fish feed, fuel, transport of harvest on land and sea, sea transport of smolt, fish medicines, primary plant service, refrigerated warehouse service, roe, hatcheries and insurance services.





Classification by supplier type	Absolute number of suppliers	Percentage of total supplier spending
Critical suppliers	171	52%
Non-critical suppliers	2,034	48%
Total suppliers	2,205	100%

7.3.2.1 Supplier Risk Identification Process

These risks are related to topics regarding violations of the Code of Conduct and include, among others, fraud, anti-fraud, anti-corruption, financial informa-

tion, compliance of labor regulations, and regulatory compliance. Blumar has a risk management area with a systematic, centralized approach to hazard and risk management. This involves risk identification, potential risk analysis, and mitigation strategies under the control hierarchy beginning with elimination, substitution and administrative controls. These risks include those related to critical suppliers of input which is essential to operational continuity. The elements necessary to support this process include notification of all risks, inclusion of all stakeholders in risk analysis, periodic audits and inspections, effective root cause analysis of any incidents, periodic and recurrent safety training, and application of security communication methods.

7.3.2.2 Risks associated with critical suppliers and mitigation measures

With regard to critical suppliers, Blumar has mitigation measures to reduce the risk associated with this critical input level 1.

Risk description	Mitigation measures
Termination of one or more of the contracts with animal feed suppliers at short notice could result in additional costs.	<ul style="list-style-type: none"><li>▪ Have more than one approved critical provider for feed.</li><li>▪ Have more than one contract with feed suppliers.</li></ul>
Production problems in our own feeding operations could cause significant additional costs for the company.	<ul style="list-style-type: none"><li>▪ To mitigate these problems, we maintain a feed stock to supply feed for periods the company has assessed as reasonable.</li></ul>
We rely on a small group of contractors for key industry supplies.	<ul style="list-style-type: none"><li>▪ We have several contractors for maintenance work in our operations.</li><li>▪ We have a working ship ready to leave in case problems arise.</li></ul>
Fuel	<ul style="list-style-type: none"><li>▪ Tenders for contracts with top-line suppliers in energy contracts.</li></ul>
Packaging for jack mackerel and salmon	<ul style="list-style-type: none"><li>▪ Storage plans, purchases are made based on production projection.</li></ul>

7.3.3 • Supplier evaluation

Supplier evaluation  
Scope: Salmones Blumar plant

Proceso de evaluación

All suppliers of materials and services that have a material impact on the objectives of the Management System are assessed under this process. These suppliers are evaluated on the basis of the input or

service they provide, taking into account the objectives of the Management System (safety, quality, legality, environment and social, labor and human rights aspects).

Item	Detail
Input	The considered input, among others, are chemicals, packaging and services. There are 154 suppliers in total by the end of 2021.
Frequency	Yearly
Registration	In the Supplier List, the person responsible for the evaluation of each input and service on behalf of the aquaculture division is indicated.
Evaluation types	There are two types of evaluation: one for service providers and one for input suppliers. If an input supplier or service provider is hired by more than one user, they will be evaluated by each of them separately and a weighted average will be calculated, which will then be sent to the supplier after the evaluation and analysis process is completed.

The evaluation shall be quantitative, expressing the result according to the following table:

Evaluation	Parameter
Excellent	Evaluation result ≥ 95%
Good	Evaluation result ≥ 85%
Fair	Evaluation result ≥ 75%
Insufficient	Evaluation result < 75%

Blumar only works with suppliers of the “good” or “excellent” categories. Those who obtain a lower evaluation must improve their performance within three months; otherwise, they will be removed from the Supplier List.

These are the aspects considered in the evaluation:		
Evaluation of the associated service	De 0 a 40%	<ul style="list-style-type: none"><li>Complies with service specification</li><li>Delivers quality service in a timely manner</li></ul>
Evaluation of the associated service	De 0 a 20%	<ul style="list-style-type: none"><li>Complies with promised delivery dates</li><li>Complies with and respects internal company procedures</li><li>Is willing to change schedules and dates</li><li>Capable of emergency response</li></ul>
Technical support	De 0 a 20%	<ul style="list-style-type: none"><li>Required information is sent in a timely manner</li><li>Reacts to grievances in an appropriate and timely manner</li><li>Communicates in an appropriate and timely manner</li><li>Is staffed by qualified personnel</li></ul>
Supplier characteristics	0 a 10% - 20%	<ul style="list-style-type: none"><li>Is certified in its area of business</li><li>Organizes audits or third-party visits (clients)</li></ul>
Occupational Health and Safety	De 0 a 10%	<ul style="list-style-type: none"><li>Work-related accidents</li><li>Information is updated on the Prevention Portal</li><li>Participates in Occupational Health and Safety activities organized by Salmones Blumar.</li></ul>

A negative score will be considered if non-compliance affects the activity. Other complementary evaluation tools in the field include the service specifications performed by the Service Quality Unit.

Type of supplier	Number of suppliers evaluated in the last three years
Critical suppliers	Evaluated Suppliers 2021: 154 2020: 140 2019: 117

Scope: Salmones Blumar plant



7.3.3.1 Environmental assessment

In 2021, the company evaluated 24 critical suppliers. Under the category “Supplier characteristics” we assess if they have a Sustainability Policy.

7.3.3.2 Social assessment

For critical suppliers, there is a category called “Occupational Health and Safety,” which assesses the suppliers’ workplace accidents, if information is uploaded to the Contractors Portal or the Providers Portal for service providers in a timely manner, and if the supplier participates in Occupational Health and Safety activities organized by Blumar and its subsidiaries.

7.3.4 Relationship with artisanal fishermen

Blumar S.A. is supplied with pelagic fishing by purchasing from duly authorized artisanal suppliers. In 2021, 68% of fishing was purchased from artisanal fishermen and 32% from the company's fleet. This reflects the importance of artisanal fishermen within the company's value chain.

In 2021, the company purchased fishing from 127 artisanal fishermen, of which 78 belong to the Biobío Region, two to the Araucanía Region, 25 to the Los Ríos Region and 22 to the Atacama Region.

The supply for the period was 205,083 tons of pelagic fishing, 32% more than in the previous year, which were processed in the fishmeal and fish oil plants in the company's different facilities. This is thanks to the

fact that the company has four fishing reception points, located in the districts of Talcahuano (1), Coronel (1), Corral (1) and Caldera (1). A computer terminal has been set up at these locations for artisanal suppliers to easily comply with the legal declaration of origin for the fishing, as established by the National Fisheries and Aquaculture Service.

We know that the company-supplier relationship is beneficial for both parties, so we constantly seek to facilitate the operations of our suppliers, ensuring the reception and purchase of all their catch, weekly payment, and supporting them financially for the maintenance of their boats.

7.3.5 Development of local suppliers

The company is concerned with the development of its suppliers in the different areas where it operates.

70% of our suppliers are local suppliers, in the Atacama, Biobío, Los Ríos, Los Lagos, Aysén and Magallanes Regions, where our facilities are located: processing plants, farming centers, and important logistic centers.

Purchase from suppliers of goods: \$197.49 million USD  
Purchase from service providers: \$246.86 million USD  
Purchase from artisanal fishermen: \$43.61 million USD

Blumar continues its local supplier development policy for the operations in Caldera, Corral and Punta Arenas.

Moreover, the company participates in the Local Supplier Development Project in the Aysén Region, endorsed by the Chilean government and SalmonChile.

Goal Monitoring 2021		2022 Goal
✓	In 2021, 90% of the suppliers defined by the company as critical were assessed.	• Evaluate 100% of critical suppliers.
✓	In this critical supplier assessment, the question about the existence of a Sustainability Policy was included.	





COMMUNITIES

Blumar's commitment

Communities play a key role at Blumar as we seek to contribute to local growth and improve people's quality of life. Supporting the development of the communities near our operations and creating shared value is one of our main objectives.

How do we manage this?

We are committed to the long-term sustainability of the industry. Therefore, the business strategy has key elements that promote and maintain links with our stakeholders, and local and regional authorities, among others.

Our goal is to integrate and build strong collaborative relationships and promote long-term relationships. Thus, our operations are actively involved with the local stakeholders and the community, to ensure that we are part of it and support its development.

Within this community outreach, Blumar contributes and supports to the communities of Bahía Caldera, Talcahuano, Coronel, Corral, Puerto Montt, Aysén and Punta Arenas, which involves work in seven regions, 12 districts and more than 25 localities. The focus lies on five lines of action: relationships, open doors, local

development, education and training, and contributions.

We listen to our communities and create spaces for dialogue and information-sharing based on respect and trust. In addition, we establish relations of trust with the local, regional and national authorities, where transparency is fundamental for us; we therefore have an open-door policy that has enabled us to welcome various delegations, foreign visitors, as well as authorities and schools interested in the work we do.

We are constantly creating initiatives that help us to manage shared, systematic, transversal, close and transparent value. We actively participate in the local roundtables, as well as in activities organized by municipalities and civil society organizations.

We have a formal mechanism for reporting incidents, through direct communication to employees of our company, who take an active role in channeling community perceptions and expectations.

All community topics are managed by HR Management, Sustainability and OHS Sub-Management, management and the different areas in charge of operations.

Our 2021 management



Relationships



Open Doors



Local Development



Education and Training



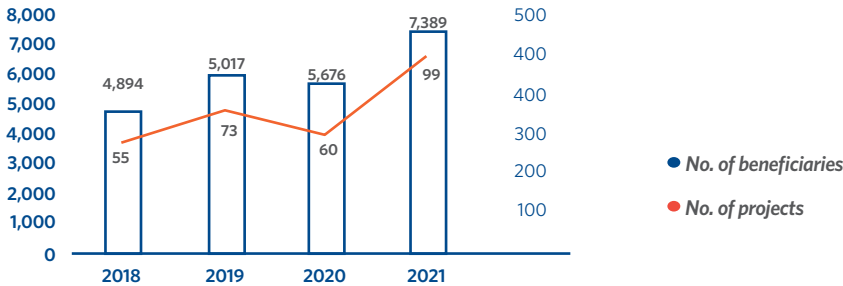
Contributions

7.4.1 • Outstanding Initiatives 2021

7.4.1.1 Management Summary 2021

Working Guidelines	Description	Featured projects	No. of projects	No. of Beneficiaries
 Relationships	Roundtables, meetings, visits and others with neighbors and/or authorities.	<ul style="list-style-type: none"><li>• Participation in Roundtables</li><li>• Libertad - Gaete Roundtable</li><li>• 12 visits by authorities in 2021</li></ul>	16	621
 Open Doors	Visits to Blumar facilities from delegations of neighbors, students, academics and companies.	<ul style="list-style-type: none"><li>• 160 visits to our facilities in 2021</li></ul>	28	160
 Local Development	We promote projects and activities to improve quality of life. These include initiatives to support neighborhood infrastructure, endorse a healthy lifestyle (diet and exercise) and promote culture.	<ul style="list-style-type: none"><li>• Agreement with "Alimentos Biobío Solidario" Food Bank</li><li>• Tourism projects indigenous communities</li><li>• Support in applying for public funds</li><li>• Artisanal fishermen of Anahuac</li></ul>	26	4217
 Education and Training	We strengthen educational and cultural competences at vulnerable schools near our facilities or located in isolated areas.	<ul style="list-style-type: none"><li>• "Blumar at your school" Program</li><li>• "Enseña Chile" (Chilean chapter of Teach For All).</li><li>• NGO "Canales"</li><li>• 2 courses for the community with a total of 36 beneficiaries</li></ul>	16	1063
 Donations and contributions to the community	We make corporate contributions to charities, educational institutions and NGOs. We support community organizations, depending on the relevance of their request.	<ul style="list-style-type: none"><li>• "Committed to the South"</li><li>• "Alimentos del Mar" Food Bank</li><li>• "Las Rosas" Foundation</li><li>• Community requests</li></ul>	13	1328
TOTAL 2021			99	7,389

Projects with communities





7.4.1.2 Relationships

Blumar cares about cultivating close relationships with the communities where we operate. The COVID-19 pandemic made it difficult to carry out in-person activities usually held in the communities. Therefore, our efforts were focused on generating strategies to maintain the link and respond to the communities' needs. We adapted our activities to the modality of working online or over the telephone, although on some specific occasions, visits were organized to deliver contributions in person. We always complied with the safety protocols implemented by the company and the health authorities.

The company constantly participates in the roundtables of Corral, San Vicente, Coronel and Libertad - Gaete, involving actors from the corresponding municipalities, companies from the sector and direct neighbors of our plants. The first two are held every two months and the last table is held monthly. However, due to the health crisis, during 2021 the meetings of some tables were held online, while others had to be suspended.



The Coronel roundtable was established in July and involves industrial fishing companies that are members of the Association of Industrial Fisheries (Asipes), including Blumar, and neighboring communities in the district. The roundtable provides space for collaboration, in which environmental and operational issues are discussed with the objective of mitigating their impacts. During the period, relevant topics were raised such as the odor regulation and the answers to the Asipes FAQ questionnaire were summarized. In addition, fishing companies announced their measures and commitments at the beginning of the new fishing season of sardine

and anchovy, including protocols for managing odors and transport of bulk fishing.

This roundtable became a means of direct communication with our neighbors, coordinated by the municipality, in order to give them quick responses and make the corresponding improvements. In November, the fishing companies participating in the roundtable set up a WhatsApp group, thus generating a communication channel with the community for environmental management of fishing processes, with a focus on odor management.

Within the framework of the commitment made with neighborhood councils in Coronel, Blumar was recognized by the Villa Alegre neighborhood council in Coronel at the inauguration event of their community center. This recognition reflects the company's work and outreach in the area where it operates.



Program "More quality of life in Hualaihué"

Thanks to a joint effort between the Hualaihué Community Union, the Municipality of Hualaihué, the University San Sebastián and private sector companies, the project "More quality of life in Hualaihué" was developed. The goal is to improve the quality of life of elderly people in the towns of Mañihueico, Contao, Aulen, Quildaco, Tentelhue and Rolecha of the district of Hualaihué, Los Lagos Region. The initiative is part of the Community Program Milestone More Healthcare Closer Healthcare, developed by the Patagonia Campus of the San Sebastián University through the community outreach area. To date, nearly 60 elderly people have benefited from the program and received treatment from the fields of nursing, nutrition, physical therapy and dentistry.



Entrepreneurship Development Program

The initiative implemented by Irade and developed by the Libertad - Gaete Roundtable ended in 2021 with 15 entrepreneurs from Talcahuano completing the program successfully. Six of them were awarded public funds to support and scale their projects.

Presentation of the book Lives of Land and Sea

In recognition of the committed work of those involved in the industrial fishing world, Asipes presented the book Lives of Land and Sea (Vidas de Tierra y Mar in Spanish). The book includes 27 personal stories of men and women who work in different positions within the industry, including five Blumar workers. The protagonists of the book received applause from all those attending the ceremony.

Contribution to St. Vincent Parish

The company sponsors the San Vicente Parish shelter. We made a contribution to repair the restrooms of the establishment, as well as the parish's fire extinguishers. The shelter houses approximately 30 people and feeds up to 80 people.



Relationship with indigenous communities

Southern Chile has an important number of indigenous communities, the vast majority of which are present close to the company's farming centers. Therefore, within the framework of the community outreach strategy, we have approached organizations from the Regions of Aysén and Magallanes to create different projects. During 2021, work was focused on income diversification through rural tourism for both regions, aiming at improving quality of life of the communities. Virtual and in person workshops were held, to the extent that the health crisis allowed it, in order to enhance their products and ventures. In the town of Puerto Aguirre, Aysén Region, training spaces for rural tourism were created in indigenous communities. In addition, Blumar was part of the Understanding Agreement signed between the artisanal fisheries sector and the salmon producers of Magallanes. Through this agreement, we seek to strengthen entrepreneurship, improve the training of the productive sector for services for salmon production and make improvements in environmental care.





7.4.1.3 Open Doors

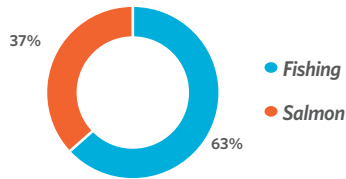
Blumar has an open-door policy, which means that neighboring communities or institutions can visit our facilities in an accessible and transparent manner. Due to the COVID-19 pandemic, and in compliance with the sanitary protocols established by the health authority, 28 visits were organized to the various facilities of the company throughout Chile.

The Regional Ministerial Secretary of Energy for the Biobío Region, Mauricio Henríquez, visited Blumar facilities in April to learn about the production processes under the Renewable Energy Supply Contract. In May, the Minister for Women and Gender Equality, Mónica Zalaquett, together with the Regional Ministerial Secretary of the same Ministry for the Biobío Region, Marisa Barros, visited the Blumar facilities in Colón. Another important visitor was the National Labor Director, who, together with six members of her team, visited the Concheo 1 center in the Aysén Region in October. In December, the National Director of ProChile, Lorena Sepúlveda, and the Regional Director of the organization, Osvaldo Marinao, visited Blumar to learn about the production process of salmon and fishing, in which they recognized the company as an example of internationalization.

There were also visits by neighborhood councils, such as those of Coronel, who visited the San Vicente facility in June, to learn about the technology used for odor treatment. In July and within the framework of the Coronel Roundtable, the neighborhood councils of Cerro Obligado, Cerro Villa Alegre and Cerro Merquín, together with representatives of the Coronel Municipality, Asipes and Blumar staff visited the company's fishmeal plant in Coronel, to learn about internal operations in odor mitigation technology.

Moreover, in the framework of the agreement with María Behety High School, 18 students from the aquaculture specialization of the school visited the company's facilities in October. The goal of the tour to the farming center Mina Elena located in Isla Riesco was to show the facilities and share details about Blumar's operation in the region.

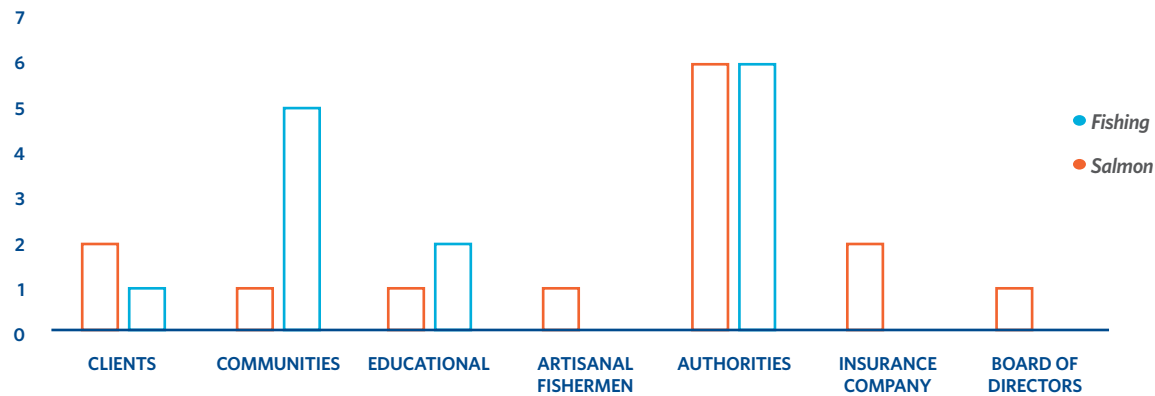
Percentage visits by area



COMPANY AREA	NUMBER OF VISITS	NUMBER OF DELEGATIONS
Blumar	101	14
Salmones Blumar	37	12
Salmones Blumar Magallanes	22	2
<b>Number of visits</b>	<b>160</b>	<b>28</b>



Delegations by type of institution



7.4.1.4 Local Development

As part of its commitment to local development, Blumar has developed projects and activities meant to improve quality of life. These include initiatives to support neighborhood infrastructure, healthy living, culture and tourism.

In the town of Melinka, in the Aysén Region, we maintained our commitment to the municipality and supported the management of local waste removal.

**Supporting ventures in Caleta Anahuac**  
Looking to diversify their business, the Fishermen's

Labor Union of Caleta Anahuac, with Blumar's support, achieved two important milestones in 2021. First, the company supported the installation of corridors to be used as a dock to support the productive and tourism activities in the town; and second, Blumar participated in the "Design and objective image of tourist infrastructure" project for the Fishermen's Union. The initiative was implemented by the Patagonia Campus of the University San Sebastián and the goal is to contribute to the sustainable development of Caleta Anahuac, based on the productive diversification of tourism based on its cultural traditions. This project will continue in 2022 and is expected to involve the entire community.



**Enhancing sustainable development at the farming centers**

Thanks to the Innovation to Competition Funds (FIC), promoted by the Regional Government of Aysén, the University of Aysén, Blumar and Salmon Chile the project “Integrated Multi-trophic Aquaculture” is maintained. This project seeks to strengthen aquaculture with the aim of incorporating it into the development and economy of the sector’s communities. Moreover, the project seeks to diversify the supply of products developed by the regional aquaculture sector, by applying research and innovation and adding value through the sustainable use of natural resources and ecosystems. Furthermore, the project is aimed at the integral development of the coastal communities of the region, including artisanal fishermen and their businesses, linking Blumar with important organizations of the region. This project in the “Orestes” farming center was supported by the Buenaventura Fishermen’s Union in Puerto Aguirre.

**Blumar trains its communities**

In 2021, a Chilean Cooking course was held for 20 women from Puerto Aysén, which was supported by the National Service of Training and Employment. All participants received the necessary ingredients before the course was given online.

Furthermore, about 40 women from the Talcahuano district participated in a Christmas bakery course. The course had a duration of 100 hours and was given by Infocap and sponsored by Blumar, through an agreement with Industrial Fishermen of the Biobío Region, to conduct training programs for residents of Talcahuano and Coronel.

**Transforming Entrepreneurship Fair**

The first version of the Transforming Entrepreneurship Fair was held in a structure manufactured on the basis of 300 unused pallets, and more than 90 entrepreneurs from the area participated. The event, which promotes a circular economy in the Biobío Region, was organized by Community CO4 together with the support of public and private companies. Blumar was invited to participate in this important event, contributing to the growth of these entrepreneurs.



**Coronel Coastal Edge Development Project**

Through the Coronel Municipal Development Corporation (Corcoronel), a contribution was made to the Development Project of the Coastal Edge of Coronel, which seeks to improve and beautify the area.

**Contribution to the Community Health Center of Río Seco**

The company intensified its work with the Municipality of Punta Arenas, supporting the Community Health Center (Cecof) of Río Seco, with the construction of a 45 square meter clinic. This aims to provide services to patients with respiratory problems, minimizing the risk of those attending the primary care center.

**7.4.1.5 Education and Training**

Through the “Blumar at your School” program, developed in the Regions of Biobío, Los Ríos, Los Lagos, Aysén and Magallanes, we held virtual and face-to-face activities in 2021. Despite the health crisis, the link was maintained with the directors and teachers of the eight establishments the company is currently working with. As part of the company’s contribution, we provided personal protective equipment throughout the year to ensure that educational activities would be affected minimally by the pandemic.

In order to provide continuity for the students’ education, the company continued with the delivery of contributions to the San Vicente Elementary School in Talcahuano and the La Aguada School in the district of Corral, the Barranco Amarillo School in Magallanes and to the five rural schools of the Regions of Los Lagos and Aysén.

At the San Vicente Elementary School in Talcahuano – a facility for vulnerable students – the cancellation of face-to-face classes made the students’ learning process difficult, as only 10% of the enrolled students had a computer with internet access. Facing this complex situation, Blumar donated 75 data sim cards with internet access for students with connection problems, ensuring connection throughout the year.

Furthermore, also in Talcahuano, through the company roundtable of Libertad Gaete, 30 tablets were donated for the continuity of studies of the most vulnerable students from preschool to sixth grade.

While at the La Aguada School, in the district of Corral, 15 tablets were donated, which was replicated in Magallanes with the delivery of 13 tablets for children at the Barranco Amarillo School who did not have a mobile device to access online classes.





Given that the goal is a safe return to the classrooms, Blumar delivered 100,000 masks to the educational community of Talcahuano, via the municipality. Education is essential for the company, which is why it maintains ongoing contact with its neighbors through different contributions. Due to the fact that children and teenagers had been away from their classrooms for more than a year, the company took care so that no student had to miss school because of a lack of PPE to cope with the COVID-19 pandemic.

For the Los Lagos and Aysén Regions, a composting program was implemented in five rural schools. The goal was to provide skills, knowledge and tools to students and teachers in relation to composting and natural resource care. A 260-liter composter plus support tools and audiovisual material were sent to each of the schools for their use.

**Agreements with schools**

Blumar has agreements with vocational technical schools to develop various courses that are useful for the education of young people. In the Los Lagos Region, we organized a course for Capitán de Fragata Francisco Vidal Gormaz Polytechnic High School in Maullín on the operation of underwater robots called Remote Operated Vehicles (ROV). This 50-hour course is taught by professionals from the company Patagonia ROV, and students will be certified to operate and maintain remote vehicles, which are used in the industry to inspect nets and structures at farming centers.

In alliance with the María Behety High School in Magallanes, a food safety training was given to 32 students in the 12th grade of the school's gastronomy and aquaculture specialization, providing an additional tool for their professional development once they graduate from vocational technical education.



**7.4.1.6 Donations and contributions to the community**

The company is constantly supporting the needs of organizations close to the facilities, through donations for recreational activities, ceremonies, celebrations and trips, among others. In this framework, and through trade associations, Blumar participates in programs such as “Committed to the South,” and the food banks “Banco de Alimentos del Mar” and “Alimentos Biobío Solidario.”

**Food Bank “Alimentos Biobío Solidario”**

Since 2014, the company has made an annual contribution to the Alimentos Biobío Solidario Corporation for its operation. In addition, in 2021, about 355 kilos of frozen jack mackerel were delivered and distributed to homes and shelters in the Biobío Region.

**Delivery of 600 lunches with marine protein**

Blumar was part of an initiative to benefit the elderly in Corral, after joining the Propescado Corporation, the initiative “Cooks for Chile” and the municipality through the delivery of 600 free lunches with marine proteins. Participating in activities that directly support the company's neighbors is very important, as it shows that as a company, we are aware of and care for the needs of the community, especially in complicated times such as the pandemic.

**Christmas donations**

Again, Christmas was different in 2021. However, this did not stop us from contributing to the communities during the holidays. Sweets were donated for the Christmas celebrations of neighborhood councils, community organizations, parishes, fishermen's unions, groups and sports clubs in San Vicente, Coronel and Libertad-Gaete, belonging to the Biobío Region. Furthermore, sweets, food and toys were donated to development committees, fishermen's unions and community groups in Corral, Valdivia. In addition, administrative employees from the Talcahuano salmon plant donated toys to the children of the Jardín Arenal Libertad Gaete kindergarten. In Magallanes, toys were donated to little ones in the Río Verde district. In Punta Arenas, in conjunction with the Chilean Construction Chamber, supplies were donated for the Christmas celebration, organized by the Hernando de Magallanes Community Association.





7.4.1.7 COVID-19 initiatives

With respect to the COVID-19 pandemic, we have carried out a number of activities and initiatives to support our neighboring communities and to mitigate the impact of this crisis on their lives. These were some of our initiatives:

Contribution of food boxes and collaboration for meals at shelters

In response to the request of the residents of Punta Arenas, 75 food boxes were delivered to residents of Agua Fresca and 45 food boxes to the Community Association of the neighborhood councils of Hernando de Magallanes. In addition, as in 2020, donation boxes were delivered to the community of the María Behety High School. Likewise, 495 kilos of salmon were donated to the “Kilos de Amor” campaign organized by the Cruz del Sur Lions Club for meals in shelters in Punta Arenas.

In the Talcahuano district, we supported the communities providing food to cope with the health crisis. Among them were neighborhood councils, the Nuestra Señora del Carmen Parish shelter in San Vicente, and the caregiver group “Te Cuido.”

“Committed to the South”

In 2021, Blumar maintained its relationship with the “Committed to the South” Solidary Fund, organized by the trade association SalmonChile, continuing to donate protective equipment to the communities in the areas where the company operates, from the Araucanía to the Magallanes Regions.

“Alimentos del Mar” Food Bank

Through the Association of Industrial Fisheries (Asipes), Blumar participates in the initiative “Banco de Alimentos del Mar,” a social food bank project promoted by industrial fishermen from the Biobío Region to support the vulnerable elderly in the regions of Maule, Ñuble, Biobío and Araucanía, who live in state-owned residences or in non-profit institutions. The aim of this initiative throughout the year was to deliver weekly servings of jack mackerel and hake in order to add them to the weekly diet of the residents of 72 residences. In 2021, Blumar contributed 6,300 kg of hake and 876 boxes of jack mackerel, equivalent to approximately 8,760 kg.



7.4.2 • Donation Policy

This policy defines the general guidelines concerning donation requests and describes the approval and delivery process of donations; it specifies the profile for recipients and the allowed minimum and maximum annual donation limits. This policy also states that the company does not support political campaigns or political parties.







# 08

## FINANCIAL MANAGEMENT

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# 8.1

8.1.1 • Economic Performance

At Blumar, we care about adding value for all our stakeholders.

Our business is the result of integrating sustainability into the value chain; this is reflected in the certifications of our farming centers, processes and products. Our investments have been focused on maintaining our assets in optimal working conditions. Furthermore, the resources generated in the financial year have privileged the maintenance of our assets, even when they have been financed with the support of banking institutions when cash flow has been more limited.



# 8.2

8.2.1 • Financial Results

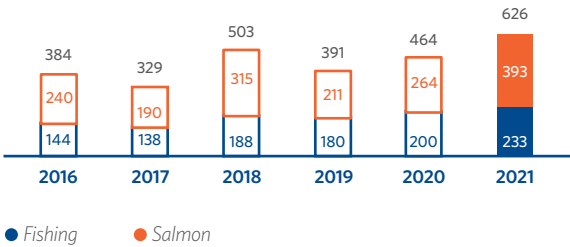
The following is an analysis of the Consolidated Financial Statements of Blumar S.A. according to the International Financial Reporting Standards (IFRS) for the period ending on December 31, 2021. All figures are expressed in million USD (MUSD).

P&L STATEMENT		2020	2021
Operating Income	MUSD	463.716	626.449
EBITDA before fair value adjustment	MUSD	2.630	100.264
EBITDA margin before fair value adjustment	%	0,6%	16,0%
EBIT pre ajuste fair value	MUSD	-27.737	69.331
EBIT margin before fair value adjustment	%	-6,0%	11,1%
Net Profit / Loss	MUSD	-51.519	48.639
CASH FLOW STATEMENT		2020	2021
Investment in property, plant and equipment	MUSD	49.096	41.295
BALANCE SHEET		2020	2021
Total Assets	MUSD	923.975	920.443
Financial Debt	MUSD	320.457	304.504
Net Financial Debt	MUSD	272.431	261.801
Equity	MUSD	397.164	432.476
KEY FINANCIAL INDICATORS		2020	2021
Net Financial Debt / LTM EBITDA	multiple	103,19	2,61
Net Financial Debt / Equity	multiple	0,68	0,61
Equity / Total Assets	multiple	0,43	0,47
Equity	MUSD	397.164	432.476

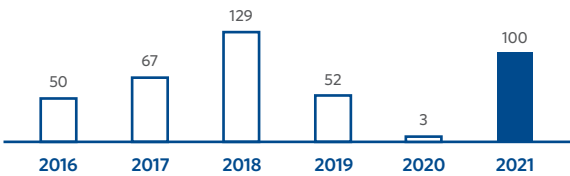


8.2.2 • Key indicators of economic performance

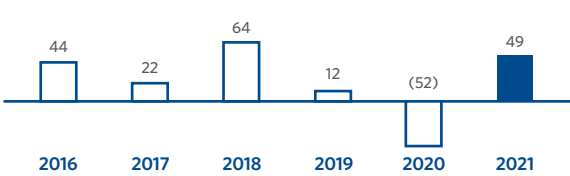
Income (million USD)



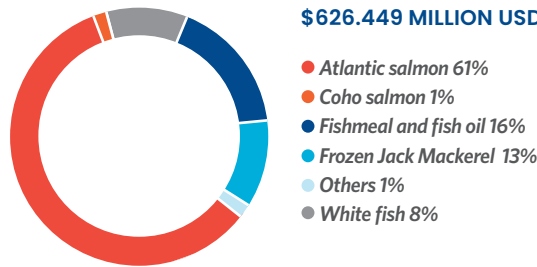
EBITDA (million USD)



Net Profit (million USD)



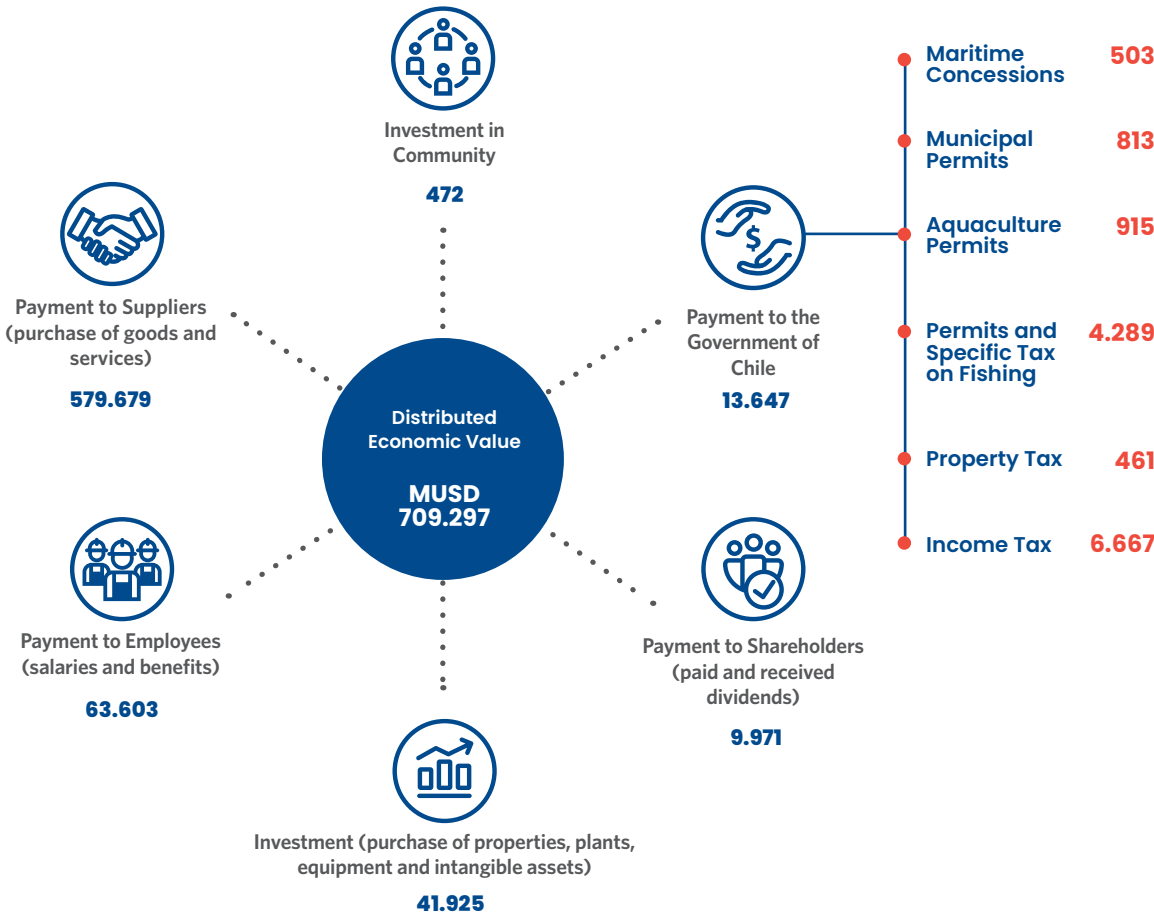
Sales 2021



8.2.3 • Generated and Distributed Economic Value

The total economic value generated by our company, considering the consolidated value, was \$689.809 million USD, of which \$709.297 million USD were distributed to different stakeholder groups as indicated in the diagram. This indicator was generated based on Cash Flow.

This year, the distributed value was higher than the generated value, but improved in comparison with 2020, due to the recovery of the aquaculture division since the second quarter of 2021 because of the economic reactivation of our main markets.



Economic value generated in 2021	Aquaculture revenues:	Fishing revenues:
63% corresponds to the aquaculture division and 37% to the fishing division.	Export sales: 86% Domestic sales: 14%	Export sales: 66% Domestic sales: 34%



INDEXES AND RATIOS

8.3

Analysis

		2020	2021	Δ YOY	Δ YOY %
<b>LIQUIDITY</b>					
Current Liquidity	multiple	2.48	2.30	-0.19	-7%
<i>Current Assets/Current Liabilities</i>					
Acid-test ratio	multiple	1.10	0.98	-0.12	-11%
<i>Available Funds/Current Liabilities</i>					
<b>INDEBTEDNESS</b>					
Debt ratio	multiple	1.33	1.13	-0.20	-15%
<i>(Current Liability + Non-Current Liability)/Total Equity</i>					
Short-term debt	%	27.99	33.18	5.18	19%
<i>Current Liabilities/(Current Liabilities + Non-Current Liabilities)</i>					
Long-term debt	%	72.01	66.82	-5.18	-7%
<i>Non-current Liabilities/(Current Liabilities + Non-Current Liabilities)</i>					
Interest Coverage Ratio	multiple	0.19	6.84	6.65	3558%
<i>EBITDA before fair value adjustment/Financial expenses</i>					
Net financial debt ratio	multiple	0.69	0.61	-0.08	-12%
<i>Net Financial Debt/Total Equity</i>					
<b>ACTIVITY</b>					
Total Assets	MUSD	923.975	920.443	-3.532	0%
Investment	MUSD	83.113	41.295	-41.818	-50%
Divesture	MUSD	58	4	-54	-93%
Inventory Turnover	multiple	7.53	7.43	-0.10	-1%
<i>Annualized Cost of Goods Sold/Inventory</i>					
Days Inventory Outstanding	Days	47.80	48.44	0.64	1%
<i>Inventory/Annualized Cost of Goods Sold * 360</i>					
<b>PROFITABILITY</b>					
Return on Equity	%	-13.55	11.70		25.25
<i>Annualized Net Profit/Net Equity</i>					
ROCE	%	-3.57	9.14		12.71
<i>LTM EBIT/Capital Employed (Equity + Non-Current Liabilities)</i>					
Return on Assets	%	-5.56	5.32		10.88
<i>Annualized Profit (Loss)/total assets</i>					
Return on Assets (without Fair Value)	%	-3.00	7.53		10.53
<i>LTM EBIT/Total Assets</i>					
Earnings per share	USD/share	-0.03184	0.03006		0.06190
<i>Net profit/No. shares</i>					
Dividend Yield	%	1.06	2.54		1.48
<i>Dividends Paid/Market Price</i>					







# COMPANY INFORMATION

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COMPANY HISTORY

9.1

9.1.1 • Legal Background and Incorporation

By deed of April 22, 1961, before Santiago notary Herman Chadwick Valdés, Jorge Sarquis Nasim and his sons Sergio and Jorge Sarquis Menassa incorporated the company Jorge Sarquis y Cía. Ltda., registered under Page 2,391 and the number 2,057 in the Trade Register of the year 1961, of the Real Estate Registrar of Santiago.

On December 4, 1981, before Santiago notary Ana María Sepúlveda Fuentes, the company was transformed into a closed corporation under the name Pesquera Itata S.A (Sociedad Anónima Cerrada in Chile, equity is divided into shares but the corporation is not publicly traded on stock exchanges).

On May 14, 1984, by public deed before Santiago notary Félix Jara Cadot, it became a limited liability company, Pesquera Itata Ltda., and operated as such until early 1992.

On May 19, 1992, before Santiago notary Félix Jara Cadot, the company was modified again, becoming Pesquera Itata S.A., a publicly traded company, registered under Page 16,691 with the number 8,465 in the Trade Register of the Real Estate Registrar of Santiago, on May 22, 1992, and published in the Official Gazette of the Republic of Chile on May 25, 1992. It was also registered with the Superintendency of Securities and Insurance on July 13, 1992, according to registration certificate No. 0415 issued by that body. The company was also listed in the Santiago Stock Exchange.

On December 31, 2001, before Santiago notary Félix Jara Cadot, through public deed No. 19,672, a Merger Agreement was signed between Pesquera Itata S.A. (absorbing company) and Pesquera Atacama S.A., Oceánica 1 S.A., Río Itata S.A., Inversiones Pesqueras Inverpesca S.A., Pesquera Confish S.A., Pesquera Al-Mar S.A. and Pesquera Quellón S.A. (absorbed companies). This led to the dissolution and liquidation of the absorbed companies. The foregoing was agreed

at the Special Shareholder Meeting of Pesquera Itata S.A. held on November 26, 2001, the minutes of which were reduced to public deed before notary Félix Jara Cadot on December 12, 2001, and were published in the Official Gazette of the Republic of Chile No. 37,141 on December 21, 2001. The company was registered in the Trade Register under Page 32,918 No. 26,888 on December 19, 2001, and was recorded as a sidenote in the registration of 1961.

On March 5, 2002, the Superintendency of Securities and Insurance issued certificate No. 659 authorizing the registration of the issuance of payment shares in the Registry of Securities of \$14,000,000,000 CLP, divided into 155,707,882 no-par value shares in one series, destined to the share swap of Inversiones Pesquales Inverpesca S.A., Pesquera Confish S.A. and Pesquera Atacama S.A., held by shareholders other than the issuer. With this issuance, the company’s total number of shares amounted to 610,645,234.

On May 9, 2002, before Santiago notary Félix Jara Cadot, the company’s objects clause was expanded, incorporating the sale and purchase of oil, lubricants, inputs and spare parts for fishing activities. The number of directors was raised from five to seven and need for substitute directors was eliminated, raising the quorum for meetings from three to four directors and establishing a quorum of 60% of the issued shares to approve capital increases.

On November 5, 2007, a Special Shareholder Meeting was held to increase the capital stock from \$45,807,589,455 CLP divided into 610,645,234 no par value shares to a new capital stock of \$63,807,589,455 CLP divided into 670,645,234 no par value shares. This increase was to be paid by the deadline of June 30, 2008, by issuing 60,000,000 new shares, issued by the Board of Directors, to be paid exclusively by the registered shareholders of the company or their assignees, in

cash at a price of \$300 CLP per share. The Board of Directors was given the power to value them at a up to 5% lower or up to 5% higher price than the aforementioned price.

Subsequently, on February 8, 2008, the company informed the Superintendency of Securities and Insurance that the Board of Directors, in its meeting held on February 7, 2008, agreed, in light of volatility in the market, to suspend the placement of the payment shares, which had been registered in the Registry of Securities of that Superintendency under No. 826 on January 30, 2008.

In order to adapt to the new IFRS accounting standards, a Special Shareholder Meeting was held on March 31, 2008, for the redenomination of the shares to the new functional currency to be used in the company’s accounting as of the year 2008: the US dollar.

Accordingly, Pesquera Itata S.A. requested the required authorization from the Internal Revenue Service to keep its accounts in US dollars, with effect from January 1, 2008. The authorization was granted by Exempted Resolution No. 157 of December 10, 2007.

Again, with the objective of increasing the capital stock, on September 12, 2008, a Special Shareholder Meeting was held where a capital increase of \$25,015,823.86 USD was approved, to be paid via the issuance of 69,200,066 no par value shares. At the meeting, it was agreed to increase the stock capital from \$99,010,547.76 USD divided into 610,645,234 no par value shares to \$124,026,371.62 USD divided into 679,845,300 no par value shares.

The shareholders approved the allocation of 10% of the issued shares of this stock capital increase, a total of 6,920,006 shares, for a compensation plan for the company’s employees, in accordance with the provisions of Article 24 of Law 18,046 on Public Companies.

The subscription period for these new shares began on December 10, 2008 and ended on January 8, 2009. 99.92% of the issued shares destined for the company’s shareholders were placed, a total of 62,229,498 shares were subscribed and a total of \$15,841,961 USD was obtained.

On 22 September 2010, 2,187,500 shares corresponding to the aforementioned compensation plan were issued, subscribed and paid. With this issuance, the capital stock was distributed in 675,062,232 shares of the same series and issuance.

On July 6, 2011, as part of the aforementioned compensation plan, another 2,187,500 shares were issued, which were subscribed and paid on that date. With this issuance, the capital stock was distributed in 677,249,732 shares of the same series and issuance.

On July 28, 2011, the Special Shareholder Meeting of Pesquera Itata S.A., decided Pesquera Itata S.A. was to absorb Pesquera El Golfo S.A. in a merger. Among the most important aspects that were discussed and approved at that meeting was the share swap percentage. The shareholders agreed that the absorbed company’s shareholders would receive 45.31% and the absorbing company’s shareholders 54.69% of the shareholding in the merged corporation. The capital increase approved by virtue of the merger was \$125,595,848.58 USD, for which it was agreed to issue 561,093,168 shares, resulting in capital stock of \$241,903,755.36 USD divided into 1,238,342,900 shares. In addition, the objects clause of the company was extended to aquaculture activities. The minutes of the aforementioned meeting were reduced to public deed before Santiago notary Félix Jara Cadot, dated July 28, 2011, No. 15,109. This deed was registered in the Trade Register of the Real Estate Registrar of Santiago, on Page 45,594, No. 33,641 of the year 2011, as a sidenote of the registration from 1961 and published in the Official Gazette of the Republic of Chile on August 12, 2011.

On September 26, 2011, as part of the merger process, another Special Shareholder Meeting of Pesquera Itata S.A. was held, in which it was agreed to change the name of the company to Blumar S.A. The minutes of that meeting were reduced to public deed on September 30, 2011, before Santiago notary Félix Jara Cadot. This deed was registered in the Trade Register of the Real Estate Registrar of Santiago, on Page 58,628, No. 43,047 of the year 2011, and published in the Official Gazette on October 8, 2011.

On September 30, 2011, before Santiago notary Félix Jara Cadot, the Merger Agreement between Blumar S.A. (absorbing company) and Pesquera El Golfo S.A. (absorbed company) was published by public deed No. 20,996. Pesquera El Golfo S.A. was dissolved and liquidated on that date.

On October 19, 2011, the shares of Pesquera El Golfo S.A. were swapped for the shares of Blumar S.A. which were issued on the occasion of the merger with Pesquera El Golfo S.A. and were distributed to the shareholders of the absorbed company. On the same date, the Shareholders Agreement was signed



between the Las Urbinas Group and Sarquis Group in which they agreed to act jointly with respect to the company.

On December 9, 2013, a Special Shareholder Meeting was held, at which it was agreed to increase the capital stock of Blumar S.A. by:

- Capitalization of \$16,709,143 USD of part of the equity position “accrued revenues”, to be capitalized without the issuance of new shares;
- Increasing capital stock by \$30,000,000 USD through the issuance of 170,000,000 new no par value shares.

The same meeting agreed that the Board should decide on the final price for the shares to be placed, issued against the aforementioned capital stock increase.

Subsequently, on December 23, 2013, the Board of Directors agreed to issue 170,000,000 new no par value shares, against the agreed capital stock increase of \$30,000,000, USD, to be sold exclusively to the company’s registered shareholders or their assignees. During its session on March 3, 2014, the Board of Directors fixed the placing price at \$105 per share, payable in Chilean pesos at the time of the subscription. This value was then accounted for in US dollars using the exchange rate “observed dollar” of the day of the actual payment.

The subscription period for these new shares began on March 26, 2014, and ended on May 12 of the same year. 99.85% of the issued shares destined for the company’s shareholders or their assignees were placed, a total of 169,753,097 shares were subscribed and a total of \$31,762,034.10 USD was obtained. As agreed by the Special Shareholder Meeting on December 9, 2013, the issuance of the remaining 246,903 shares not subscribed by the registered shareholders or their assignees within the subscription period or the product of fractions of shares produced in the pro rata, was cancelled. Therefore, the capital stock was distributed in 1,408,095,997 shares of the same series.

On April 18, 2019, Las Urbinas Group gave notice to Sarquis Group of its intent not to renew the Shareholders Agreement of Blumar S.A. undersigned between the parties on October 19, 2011. As a result of the Notice of End of Agreement, the Shareholders Agreement of Blumar S.A. expired on October 19, 2019.

On August 20, 2020, a Special Shareholder Meeting was held, at which it was agreed to increase the capital

stock of Blumar S.A. by the amount of \$40,000,000 USD, by issuing 210,000,000 no par value shares. The same meeting agreed that the Board should decide on the final price for the shares to be placed, issued against the aforementioned capital stock increase.

Subsequently, on August 28, 2020, the Board of Directors agreed to issue 210,000,000 new no par value shares, against the agreed stock capital increase of \$40,000,000, USD, to be placed preferably among the company’s registered shareholders or their assignees. During its session on November 2, 2020, the Board of Directors fixed the placing price at \$145 per share, payable in Chilean pesos at the time of the subscription. This value was then accounted for in US dollars using the exchange rate “observed dollar” of the day of the actual payment.

The subscription period for these new shares began on November 10, 2020, and ended on December 9 of the same year. 99.95% of the issued shares destined preferably for the company’s shareholders or their assignees were placed, a total of 209,887,615 shares were subscribed and a total of \$40,243,092.60 USD was obtained. According to the procedure agreed by the Special Shareholder Meeting on August 20, 2020, the issuance of the remaining 112,385 shares not subscribed by the registered shareholders or their assignees or the product of fractions of shares produced in the pro rata, was cancelled. Therefore, the capital stock was distributed in 1,617,983,612 shares of the same series.

9.1.2 • Objects clause

The purpose of the company is a) the exploitation of the fishing industry and its derivatives; the extraction, fishing, hunting and farming of all kinds of beings or organisms living in bodies of water, and the freezing, cooling, conservation, processing, transformation and industrialization of those beings and organisms; the processing and industrialization of fish, shellfish, fishmeal and fish oil and their derivatives; manufacturing of preserves and other products for human or animal consumption or industrial use, the raw material of which is farmed or extracted from the ocean, lakes, rivers or their coasts; aquaculture activities in general, especially the breeding, production and farming of salmonids, scallops and mussels, and all other species, beings or organisms living in bodies of water, and the industrialization, slaughter, transport and marketing of the products, sub-products and derivatives of aquaculture activities, owned by the

company, directly or indirectly, and also providing services to third parties in aquaculture activities; the commercialization, sale and export of products, sub-products and derivatives of fishing and aquaculture activities in general. b) the construction and repair of vessels suitable for industrial and commercial fishing and the installation of docks, hatcheries, industrial plants and other infrastructure related to the fishing industry; use of the company’s fleet and fishing and aquaculture facilities in activities for other companies.

c) make investments, whether in tangible or intangible moveable property, shares in open, closed corporations, special or other limited liability companies, rights in other companies, bonds, short-term debt securities and other equity securities, as well as in urban or rural real estate; d) the provision of services to third parties for management, commercialization and operation of fishing plants and vessels; and e) the purchase and sale of oil, lubricants, inputs and spare parts for fishing activities.



Trip of the members of Blumar’s Board to Magallanes, March 2022



SHAREHOLDERS

9.2

9.2.1 • Majority Shareholders

As of December 31, 2021, the company’s major shareholders are:

SHAREHOLDERS AS OF DECEMBER 31, 2021	No. OF SHARES	%
SOCIEDAD DE INVERSIONES PETROHUE S.A.	550,035,333	34.00%
PIONERO FONDO DE INVERSION	196,659,000	12.15%
EL CONDOR COMBUSTIBLE S.A.	146,657,570	9.06%
INVERSIONES MARTE SpA	142,831,967	8.83%
BCI CORREDOR DE BOLSA S.A.	141,387,465	8.74%
EMPRESAS SCN S.A.	88,350,000	5.46%
INVERSIONES BARACALDO LIMITADA	58,614,752	3.62%
NOGALEDA INMOBILIARIA Y COMERCIAL S.A.	55,238,229	3.41%
INVERSIONES ORONTES S.A.	45,782,846	2.83%
COMPASS SMALL CAP CHILE FONDO DE INVERSION	31,648,932	1.96%
<b>TOTAL MAJOR SHAREHOLDERS</b>	<b>1,457,206,094</b>	<b>90.06%</b>
Others	160,777,518	9.94%
<b>TOTAL SHARES</b>	<b>1,617,983,612</b>	<b>100.00%</b>

More information regarding ownership and control of the company is detailed in Chapter 3 “Corporate Governance.”

9.2.2 • Ownership of directors in the company

NAME	No. OF SHARES	% OWNERSHIP	TYPE OF PARTICIPATION
Sergio Rodrigo Sarquis Said	43,737,880	2.703%	INDIRECT
Bernardita Noguera Briceño	8,469,259	0.523%	INDIRECT
Juan José Cueto Plaza	30,579	0.002%	INDIRECT
Juan Ignacio Vinagre Tagle	26,258,451	1.623%	INDIRECT
Pablo Santa Cruz Negri	44,754	0.003%	INDIRECT



INFORMATION ABOUT THE SHARES

9.3

9.3.1 • Characteristics, series and preferences

The company issued debt securities, all of the same series and preference.

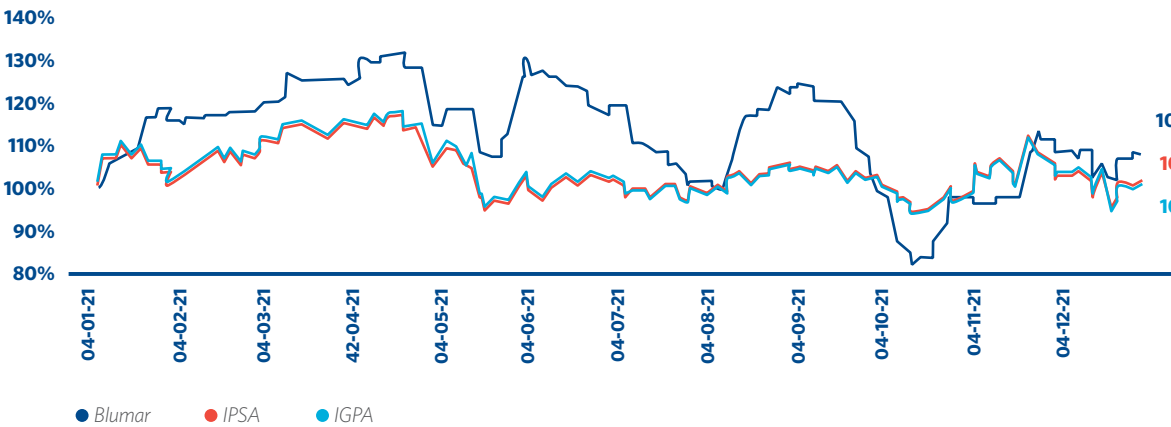
9.3.2 • Stock price and stock exchange transactions

Blumar is listed on the Santiago Stock Exchange and the Chilean Electronic Exchange.

The following are the quarterly transactions for 2021:

PERIOD	UNITS	AMOUNT CLP	PRICE CLP
1st Quarter 2021	17,026,805	3,810,326,187	223.8
2nd Quarter 2021	7,412,650	1,767,550,055	238.5
3rd Quarter 2021	17,410,260	3,731,577,647	214.3
4th Quarter 2021	10,844,420	2,051,836,084	189.2
<b>TOTAL</b>	<b>52,694,135</b>	<b>11,361,289,973</b>	<b>215.6</b>

Comparison of stock index and Blumar S.A.  
Stock price behavior





9.3.3 • Dividend Policy

The Board of Directors, in its session No. 331 on December 22, 2014, changed the company's dividend policy, which had been established at Board Session No. 208 on January 29, 2007. The company's new dividend policy is applicable as of since January 1, 2015, and the terms are as follows:

a) The company shall pay out a final annual dividend, after the Special Shareholder Meeting approves the balance sheet for each fiscal year, of an amount that will be equal, considering the interim or extra dividend(s) that may have been distributed, to 40% of the net distributable profits that the respective balance sheet shows, on the date that the designated Meeting determines.

b) The company shall distribute one or more interim dividends during the last quarter of each year of an amount to be determined by the Board considering the results reported by the company in the quarterly report to the Ministry of Finance as of September 30 of the corresponding year.

9.3.4 • Statistical information regarding dividends

In accordance with the current regulations of General Standard No. 30, the following are the historical dividends paid per share in recent years:

On May 16, 2017, the final mandatory minimum dividend No. 41 of \$0.00425 USD per share was paid out of 2016 profits, corresponding to a total amount of \$5,984,407.99 USD. On the same date, the payment of the extra dividend No. 42 of \$ 0.01706 USD per share was made, partly charged to the profits of 2016 and partly to the “Retained Earnings” account, which corresponds to a total amount of \$24,022,117.71 USD.

On December 18, 2017, the interim dividend No. 43 of \$0.00454 USD per share was paid from 2017 profits for a total amount of \$6,392,756 USD.

On May 9, 2018, the final mandatory minimum dividend No. 44 of \$0.00378 USD per share was paid out of 2017 profits, corresponding to a total amount of \$5,322,602.87 USD.

On December 18, 2018, the interim dividend No. 45 of \$0.01385 USD per share was paid out of 2018 profits, corresponding to a total amount of \$19,502,130 USD.

At the Annual Shareholder Meeting on April 23, 2019, the payment of the final mandatory minimum dividend No. 46 of \$0.00477 USD per share was agreed, paid

out of 2018 profits, corresponding to a total amount of \$6,716,617.90 USD. This dividend was paid starting May 15, 2019. The final minimum dividend No. 46 and the interim dividend No. 45 were paid, complying with the company's dividend policy in force as of December 31, 2018, and exceeding the mandatory minimum established in said policy, which is 40% of the net distributable profits.

At the Annual Shareholder Meeting on April 21, 2020, it was agreed to pay the final mandatory minimum dividend No. 47 of \$0.0032 USD per share, paid out of 2019 profits, corresponding to a total amount of \$4,505,907.19 USD. This dividend was proposed by the Board of Directors and approved by the aforementioned Annual Shareholder Meeting on an exceptional basis, given the difficult circumstances that the company was experiencing, caused by the COVID-19 pandemic, which affected the industry and the country. It was expressly stated that this dividend did not in any case modify the company's current dividend policy, which was agreed upon at the Board meeting held on December 22, 2014.

For 2020, the company had a net loss of \$38,563,215.37 USD, which is a negative distributable result, therefore, there was no distributable profit for that year.

Finally, on December 21, 2021, the interim dividend No. 48 of \$0.006181 USD per share was paid out of 2021 profits, corresponding to a total amount of \$10,000,757 USD.

9.3.5 • Summary of Essential or Relevant Facts

Modification of the Manual for Handling Information of Interest to the Financial Market

On July 30, 2021, considering the following: (i) the replacement of the Superintendency of Securities and Insurance by the Financial Market Commission; (ii) the change of registered office; (iii) changes in the structure of the company's Board of directors; and (iv) the latest amendments to the Law on Public Companies and the Law on the Securities Market contained in Law No. 21,214, it was agreed to modify the “Manual for Handling Information of Interest to the Financial Market” (hereinafter the “Manual”), proceeding to approve a new consolidated text containing all the reforms mentioned, which shall be used by Blumar S.A.

Sale of Share of Frigorifico Pacifico

On November 23, 2021, Blumar S.A. and Inversiones

Galletue S.A., as sole shareholders of Frigorífico Pacífico SpA, a company dedicated to the provision of storage services for frozen products in the Biobío Region, signed a contract for the sale of shares. It was agreed to sell all the shares of Frigorífico Pacífico SpA to Emergent Cold SpA, an investment vehicle owned by Emergent Cold Latam Holdings LLC.

Blumar S.A.'s shareholding in Frigorífico Pacífico SpA was 45%. In accordance with the terms and conditions of the contract, which are customary for such transactions, the price for the company's participation in Frigorífico Pacífico SpA was paid in cash on November 23, 2021, without further adjustment, and the shares have been duly transferred to the buyer, generating a profit for the company, after taxes, of \$15,414,592.31 USD.

Payment of dividends

On December 1, 2021, the company informed the Financial Market Commission that at a meeting of the

Board of Directors held on November 30, 2021, it was agreed to distribute an interim dividend of \$0.006181 USD per share from profits for the year 2021.

Remuneration of the Board of Directors and the Directors’ Committee

According to Article 33 of Law 18,046 on Public Companies, the Annual Shareholder Meeting, held on Wednesday, April 28, 2021, established a monthly salary of 125 gross UF (Chilean Unit of Account) for the company's directors, for the period from May 1, 2021, to April 30, 2022. For the members of the Directors’ Committee, the compensation includes the monthly salary for Directors, with an additional monthly bonus of 40 gross UF. Attendance at extraordinary meetings does not equal the right to additional compensation.

The gross compensation received by the directors during the financial years 2021 and 2020 was the following, in historical values:

DIRECTORS	MONTHLY PAY 2020 THOUSAND CLP	MONTHLY PAY 2021 THOUSAND CLP	DIRECTORS' COMMITTEE 2020 THOUSAND CLP	DIRECTORS' COMMITTEE 2021 THOUSAND CLP
Julio Fernández Taladriz	43,062	14,663	13,780	4,692
Alberto Romero Silva	43,062	14,663		
Rodrigo Sarquis Said	43,062	44,814		
Gonzalo Sarquis Said	43,062	14,663		
Juan Pablo Santa Cruz Negri	43,062	44,814		9,648
Andrés Santa Cruz López	43,062	44,814	13,780	14,340
Alfredo Enrione Cáceres	43,062	14,663	13,780	4,692
Bernardita Noguera Briceño		30,151		
Patricio Rojas Ramos		30,151		9,648
Juan José Cueto Plaza		30,151		
Juan Ignacio Vinagre Tagle		30,151		
TOTAL	301,431	313,698	41,340	43,021



HONORARY FEES FOR FUNCTION OTHER THAN DIRECTOR	2020 THOUSAND CLP	2021 THOUSAND CLP
Alberto Romero Silva	43,058	14,663
Rodrigo Sarquis Said	43,062	44,814
Andrés Santa Cruz López		30,151
<b>TOTAL</b>	<b>86,120</b>	<b>89,628</b>

At the Board Meeting held on May 7, 2021, the Board unanimously agreed to entrust Rodrigo Sarquis Said and Andrés Santa Cruz López with special functions other than the position of director of the company and to pay a separate compensation for those functions and tasks, as follows:

a) Rodrigo Sarquis Said will be responsible for representing Blumar S.A. in the Association of Industrial Fisheries (Asipes), either directly or through another trade association; and

b) Andrés Santa Cruz López will be responsible for representing Blumar S.A. and/or the subsidiary Salmones Blumar S.A. in the Chilean Salmon Industry

Association (SalmonChile).

Likewise, the Board unanimously agreed that Rodrigo Sarquis Said and Andrés Santa Cruz López will receive the equivalent of one (1) additional monthly pay as compensation for these tasks and functions, the amount of 125 Chilean Units of Account each, without prejudice to the compensation they are entitled to as directors of the company.

It is hereby stated that Alberto Romero Silva laid down his functions as a director of Blumar S.A. on April 28, 2021, consequently ceasing on that same date all his functions at the company, those of director and other positions that had been assigned by the Board of Directors.



#### 9.4.1 • Compensation

The total compensation received by the company’s senior administration during the 2021 period reached \$3.526 million USD.

	REMUNERACIÓN 2020 MUSD	REMUNERACIÓN 2021 MUSD
Senior Administration	3.372	3.526

#### 9.4.2 • Incentive compensation plans

The senior executives of the company, managers and area supervisors use a performance management system that annually assesses the management of a group of employees through a series of individual objectives related to the operational, commercial, financial and sustainability parameters and a common group objective related to company’s results. This system rewards good performance of the evaluated employee, with a voluntary bonus added to the already received compensation, when applicable.

On the other hand, it is worth mentioning that the corporation does not currently have any plans for stock options for executives.

Stock options were available in the past and were stopped in July 2011, which was fully reported in the Annual Reports 2010 and 2011.







OWNERSHIP AND FACILITIES

9.5

The assets of the fishing and aquaculture business are described below:

A. FISHING BUSINESS

OWNER	ADDRESS	DISTRICT	REGION	PURPOSE	AREA M²	STATUS (IN USE, ON HOLD, OTHER)
Pesquera Bahía Caldera S.A.	Las Industrias Avenue No. 1190	Caldera	Atacama	Fishmeal and fish oil plant	31,300	In use
Pesquera Bahía Caldera S.A.	Barrio Industrial - Playa Negra S/N	Caldera	Atacama	Maritime concession for unloading	30,613	In use
Pesquera Bahía Caldera S.A.	Muelle Fiscal - lado sur	Caldera	Atacama	Maritime concession for bay offices	1,742	In use
Pesquera Bahía Caldera S.A.	Muelle Fiscal - lado norte	Caldera	Atacama	Maritime concession for pier	308	In use
Blumar S.A.	Pedro Montt/Av.La Marina	Talcahuano	Biobío	Fishmeal and frozen product plants and input warehouse	17,000	In use
Blumar S.A.	Muelle San Vicente	Talcahuano	Biobío	Maritime concession for unloading, dock and fleet		In use
Blumar S.A.	A. Las Golondrinas N°1488/1536	Talcahuano	Biobío	Fishmeal warehouse	18,555	In use
Blumar S.A.	Av. Carlos Prats N° 60	Coronel	Biobío	Fishmeal and fish oil plant (company owned and concession)	7,933	In use
Blumar S.A.	Isla Rocuant S/N	Talcahuano	Biobío	Frozen product plant and refrigerated warehouse (company owned)	14,000	In use
Blumar S.A.	Av. Bernardo O´Higgins N°300	Corral	Los Ríos	Fishmeal and fish oil plant (company owned and concession)	24,812	In use
Blumar S.A.	Gabriela Mistral N° 453	Chonchi	Los Lagos	Salmon plant	12,220	On hold
Blumar S.A.	Isla Rocuant S/N	Talcahuano	Biobío	Fishmeal and fish oil plant (company owned and concession)	37,604	On hold

B. AQUACULTURE BUSINESS

OWNER	REGION	ADDRESS	DISTRICT	PURPOSE	AREA M²	STATUS (IN USE, ON HOLD, OTHER)
Salmones Blumar S.A.	Biobío	Colón Avenue No. 2400	Talcahuano	Salmon plant and offices	18,335	In use
Salmones Blumar S.A.	Biobío	Colón Avenue No. 2440 and No. 2480	Talcahuano	Offices and warehouses	3,500	In use
Salmones Blumar S.A.	Biobío	Hualpén No. 45	Talcahuano	Storage facilities and warehouses	7,902	In use
Salmones Blumar S.A.	Biobío	Colón Avenue No. 2274	Talcahuano	Storage facility	920	In use

CONCESSIONS

Integrated Report 2021

CONCESSION NAME	REGION	MACROZONE	N° CONCESSION GROUP ("BARRIO")	DISTRICT	TIPE OF CONCESSION (SEAWATER, FRESH WATER)	AREA Ha	STATUS (OPERATING, RESTING PERIOD, OTHER)
Victoria	Aysén	7	22B	Puerto Aguirre	Seawater	6.00	Operating
Dring 1	Aysén	7	22A	Puerto Aguirre	Seawater	6.00	Not operating
Dring 2	Aysén	7	22A	Puerto Aguirre	Seawater	6.05	Operating
Dring 3	Aysén	7	22A	Puerto Aguirre	Seawater	5.95	Operating
Vicuña 1	Aysén	7	23A	Puerto Chacabuco	Seawater	1.50	Not operating
Vicuña 2	Aysén	7	23A	Puerto Chacabuco	Seawater	1.50	Not operating
Vicuña 3	Aysén	7	23A	Puerto Chacabuco	Seawater	1.34	Not operating
Vicuña 4	Aysén	7	23A	Puerto Chacabuco	Seawater	1.50	Not operating
Chivato 1	Aysén	7	22B	Puerto Aguirre	Seawater	6.73	Not operating
Ninualac II	Aysén	7	21C	Puerto Aguirre	Seawater	10.13	Not operating
Ninualac I	Aysén	7	21C	Puerto Aguirre	Seawater	11.48	Operating
Entrada Estero Largo	Aysén	7	22B	Puerto Aguirre	Seawater	6.74	Not operating
Estero Largo Caleta del Medio	Aysén	7	22B	Puerto Aguirre	Seawater	15.17	Not operating
Estero Largo Caleta Norte	Aysén	7	22B	Puerto Aguirre	Seawater	10.12	Not operating
Chivato 2	Aysén	7	22B	Puerto Aguirre	Seawater	11.43	Not operating
Williams 1	Aysén	6	21D	Puerto Aguirre	Seawater	7.93	Not operating
Williams 2	Aysén	6	21D	Puerto Aguirre	Seawater	9.50	Not operating
Benjamin 111	Aysén	6	21B	Puerto Aguirre	Seawater	4.92	Operating
Punta Cola	Aysén	No Macrozone	28B	Puerto Chacabuco	Seawater	9.26	Not operating
Elena Norte	Aysén	No Macrozone	28A	Puerto Chacabuco	Seawater	12.12	Not operating
Elena Weste	Aysén	No Macrozone	28A	Puerto Chacabuco	Seawater	11.05	Not operating
Isquiliac	Aysén	7	22D	Puerto Chacabuco	Seawater	8.00	Operating
Tangbac	Aysén	7	21C	Puerto Aguirre	Seawater	8.08	Operating
Caicura	Los Lagos	2	2	Puerto Montt	Seawater	4.95	Not operating
Midhurst	Aysén	6	19A	Melinka	Seawater	6.00	Operating
Tellez	Aysén	6	19A	Melinka	Seawater	6.04	Operating
Forsyth	Aysén	6	19A	Melinka	Seawater	6.04	Operating
Sur Este Forsyth	Aysén	6	19A	Melinka	Seawater	6.03	Not operating
Johnson	Aysén	6	19A	Melinka	Seawater	6.03	Not operating
Level 1	Aysén	6	19B	Melinka	Seawater	6.00	Operating
Level 2	Aysén	6	19B	Melinka	Seawater	6.02	Operating
Isla Benjamin 1	Aysén	6	20	Puerto Aguirre	Seawater	6.00	Not operating
Isla Benjamin 2	Aysén	6	20	Puerto Aguirre	Seawater	6.00	Not operating
Ester	Aysén	8	30A	Puerto Aguirre	Seawater	6.00	Operating
Orestes	Aysén	8	30A	Puerto Aguirre	Seawater	10.00	Operating
Punta Rouse	Aysén	8	30B	Puerto Aguirre	Seawater	10.00	Operating
Punta Quintana	Aysén	8	30B	Puerto Aguirre	Seawater	10.00	Not operating
Canalad 1	Aysén	8	31B	Puerto Cisnes	Seawater	3.00	Operating
Canalad 2	Aysén	8	31B	Puerto Cisnes	Seawater	4.50	Operating
Canal Señoret	Magallanes	No Macrozone	45	Puerto Natales	Seawater	0.23	Not operating
E Punta Vergara	Magallanes	No Macrozone	45	Puerto Natales	Seawater	14.00	Not operating
W Punta Vergara	Magallanes	No Macrozone	45	Puerto Natales	Seawater	23.07	Operating
Mina Elena	Magallanes	No Macrozone	49B	Río Verde	Seawater	44.50	Operating
Bahía León	Magallanes	No Macrozone	49B	Río Verde	Seawater	15.00	Operating
Est. María Olvido	Magallanes	No Macrozone	49B	Río Verde	Seawater	77.99	Operating
Canal Bertrand	Magallanes	No Macrozone	50B	Río Verde	Seawater	32.95	Not operating
Estero Riquelme	Magallanes	No Macrozone	50B	Río Verde	Seawater	69.00	Not operating
Puerto Guzmán	Magallanes	No Macrozone	53	Punta Arenas	Seawater	8.75	Not operating
Estero Pérez Arce	Magallanes	No Macrozone	53	Río Verde	Seawater	44.94	Not operating
Estuario Gómez Carreño	Magallanes	No Macrozone	53	Río Verde	Seawater	143.99	Operating
Estero Sangra	Aysén	No Macrozone	28C	Aysén	Seawater	5.00	Not operating
Concheo 1	Aysén	No Macrozone	26B	Aysén	Seawater	12.00	Operating
Concheo 2	Aysén	No Macrozone	26B	Aysén	Seawater	9.07	Operating
Córdova 1	Magallanes	No Macrozone	52	Punta Arenas	Seawater	10.00	Operating
Córdova 2	Magallanes	No Macrozone	52	Punta Arenas	Seawater	8.04	Operating



As of December 31, 2021, the Group leases the following aquaculture concessions:

CONCESSION NAME	REGION	MACROZONE	N° CONCESSION GROUP ("BARRIO")	DISTRICT	TIPE OF CONCESSION (SEAWATER, FRESH WATER)	AREA Ha	STATUS (OPERATING, RESTING PERIOD, OTHER)
Riquelme	Magallanes	No Macrozone	50B	Río Verde	Seawater	68.99	Not operating

As of December 31, 2021, the Group leases the following aquaculture concessions to other companies:

CONCESSION NAME	REGION	MACROZONE	N° CONCESSION GROUP ("BARRIO")	DISTRICT	TIPE OF CONCESSION (SEAWATER, FRESH WATER)	AREA Ha	STATUS (OPERATING, RESTING PERIOD, OTHER)
Marta	Magallanes	No Macrozone	49A	Río Verde	Seawater	10	Operating

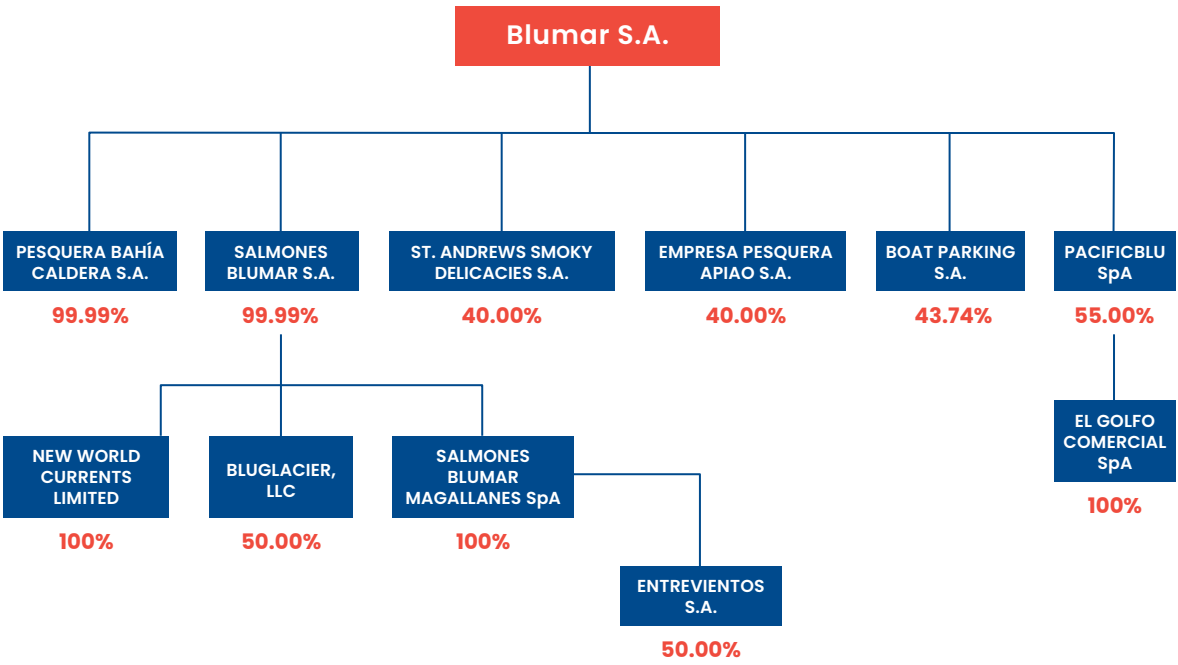
As of December 31, 2021, the company does not lease water rights.

COMPANY WATER RIGHTS

NAME	REGION	DISTRICT
Río Riesco	Aysén	Puerto Aysén
Estero Pumallín	Aysén	Puerto Aysén
Pozo Panitao	Los Lagos	Puerto Montt
Vertientes Ilque	Los Lagos	Puerto Montt
Vertientes Panitao	Los Lagos	Puerto Montt
Río Sin Nombre 1	Magallanes	Puerto Natales
Río Sin Nombre 2	Magallanes	Puerto Natales

“Not operating”: the center is not operating, nor in a coordinated or voluntary resting period.  
“Operating”: as of December 31, 2021, the center is at some stage in the production process.  
“Resting period”: the center is in a coordinated (compulsory) or voluntary resting period, approved by resolution of the fishing authority (SERNAPESCA)

The table below shows the ownership links between Blumar S.A. and its subsidiaries and associates as of December 31, 2021.



The total of Blumar's individual assets is <b>\$553.781 million USD</b> . The percentage of investment of the total assets of Blumar S.A. in each subsidiary and associate is:		▪ St Andrews Smoky Delicacies S.A.:	1.59%
		▪ Empresa Pesquera Apiao S.A.:	1.07%
		▪ Boat Parking S.A.:	0.22%
		▪ Pesquera Bahía Caldera S.A.:	2.43%
		▪ Pacificblu SpA:	3.69%
		▪ Salmones Blumar S.A.:	34.59%

Blumar does not have investments that represent more than 20% of the total assets and that do not have the character of a subsidiary or associate.





SUBSIDIARY FACT SHEETS

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9.7.1 • Fact Sheet Salmones Blumar S.A.

**Corporate name**  
Salmones Blumar S.A.

**TAX ID**  
76.653.690-5

**Company Type**  
Closed Corporation (*Sociedad Anónima Cerrada* in Chile, equity is divided into shares but the corporation is not publicly traded on stock exchange)

**Incorporation papers**  
This company was incorporated on August 29, 2006, before Santiago notary Félix Jara Cadot. On October 3, 2006, Pesquera Itata S.A., now Blumar S.A., bought 990 shares, representing 99% of the shares issued by the company. In the same act Pesquera Bahía Caldera S.A. bought 10 shares, which are equivalent to 1% of the shares issued at that date.

On December 28, 2006, a capital stock increase was made through the issuance of 5,327,000 shares, at a price of \$1,000 CLP per share, in order to increase the capital stock by \$5,327,000,000 CLP, generating a sum of \$5,328,000,000 CLP divided into 5,328,000 shares. Pesquera Itata S.A. agreed to the increase, subscribing and paying 1,065,380 shares, equivalent to \$1,065,380,000 CLP, so that the new paid-in capital stock reached \$1,066,380,000 CLP as of December 28, 2006.

On October 30, 2007, the shareholder Pesquera Itata S.A. subscribed 4,261,620 shares of Salmones Itata S.A. by agreement of the Board of Directors on September 28, 2007. The newly listed shares are paid at \$1,000 CLP each, entering the sum of \$4,261,620,000 CLP to the company's cash flow.

In the Special Shareholder Meeting on March 19, 2008, the currency for the company's capital stock and accounting is changed to United States dollars. Therefore,

the company's capital was \$10,722,687.11 USD, divided into 5,328,000 no par value shares, all of the same and only series, without privileged shares.

Subsequently, at the Annual Shareholder Meeting held on April 30, 2008, the capital value adjustment was made by incorporating the capital variation in Chilean pesos for the last time, resulting in a capital of \$10,975,841 USD.

On November 11, 2008, an increase in the capital stock was made from \$10,975,841 USD to \$45,975,841 USD, through the issuance of 17,500,000 no par value shares. These were placed at a minimum price set at this Meeting of \$2.00 USD per share. 10,000,000 shares were issued and paid for immediately and 7,500,000 shares were to be issued within three years, on the date(s) determined by the Board of Directors, which has the power to place them at a higher price than the one indicated above. With this increase, the capital stock reached \$30,975,841 USD.

On November 30, 2011, as part of the merger of Pesquera Itata S.A. and Pesquera El Golfo S.A., the latter's aquaculture assets, which were already incorporated into the Blumar S.A. parent company, were contributed to this subsidiary. This contribution was made as a capital increase of \$31 million USD plus the establishment of an additional \$29 million equity reserve, which adds a total of \$62 million USD to this operation. Together with this change in the capital stock, the aforementioned increase in capital was cancelled in the unsubscribed part. This resulted in a capital stock of \$62,164,835 USD.

On December 1, 2011, a Special Shareholder Meeting was held where the company's name was changed to Salmones Blumar S.A.

On August 30, 2013, the capital stock was increased by \$130,000,000 USD, through the issuance of 43,833,030 paid-in shares at a price of \$2.9658 USD per share, resulting in a capital stock of \$192,164,835 USD.

Then, on November 29, 2013, a new capital increase of \$8,479,164 USD, was made, resulting in a new capital of \$200,643,999 USD. This increase was made by issuing 2,858,981 paid-in shares at a price of \$2.965799447 USD and was paid as follows:

**a)** \$7,200,578 USD contributed and transferred to the establishment called "Colon 2400 Industrial Plant."

**b)** \$1,278,586 USD contributed and transferred to the establishment called "Colon 2440 Commercial Establishment."

Therefore, the company's new capital reached \$200,643,999 USD, divided into 71,673,953 registered no par value shares, all of the same series, without privileged shares.

A Special Shareholder Meeting was held on April 28, 2015, where it was agreed to increase the number of directors from 5 to 7 directors and to establish that the directors will not be entitled to compensation for their functions.

**Subscribed and paid-in capital**  
\$200,643,999 USD

**Shares**  
As of December 31, 2021, the company has 71,673,953 issued and paid-in shares, of which 71,673,925 belong to Blumar S.A. The authorized capital of the company is divided into the number of shares already indicated, which are all registered no par value shares, all of the same series, without privileged shares.

The company's balance sheet and income statement as of December 31, 2021, are presented at the end of this 2021 Report.

**Purpose**  
General aquaculture business, including the farming and fattening of the different salmonid species in the Los Lagos and Aysén Regions of Chile.

Current share of parent company in subsidiary equity: 99.9999%

The commercial relations with the subsidiary during the financial year 2021 include the granting of loans, the lease of refrigerated warehouses, administrative offices and the lease of contract manufacturing services.

**Board of Directors**

**Chairman**  
Rodrigo Sarquis Said (1)

**Directors**  
Bernardita Noguera Briceño (4)  
Juan Pablo Santa Cruz Negri (4)  
Gonzalo Sarquis Said  
Andrés Santa Cruz López (3)  
Juan José Cueto Plaza (4)  
Juan Ignacio Vinagre Tagle (2)

**Chief Executive Officer**  
Gerardo Balbontín Fox (5)

- (1) *Chairman of Blumar S.A.*
- (2) *First Vice-Chairman of Blumar S.A.*
- (3) *Second Vice-Chairman of Blumar S.A.*
- (4) *Director of Blumar S.A.*
- (5) *Chief Executive Officer of Blumar S.A.*

9.7.2 • Fact Sheet Pesquera Bahía Caldera S.A.

**Corporate name**  
Pesquera Bahía Caldera S.A.

**TAX ID**  
99.575.430-4

**Company Type**  
Closed Corporation (*Sociedad Anónima Cerrada* in Chile, equity is divided into shares but the corporation is not publicly traded on stock exchanges).

**Incorporation papers**  
This company was created from the division of Sociedad de Inversiones Langeveld S.A. on October 18, 2004. Then, on November 30 of the same year, Pesquera Itata S.A., now Blumar S.A., became the majority shareholder with 60% of its ownership.

In the Special Shareholder Meeting on March 19, 2008, the currency for the capital stock and company's accounting was changed to United States dollars. Therefore, the company's capital was \$6,069,008 USD, divided into 1,000,000 registered no par value shares, all of the same and only series, without privileged shares.

Subsequently, at the Annual Shareholder Meeting held on April 29, 2008, the capital value adjustment was made by incorporating the capital variation in Chilean pesos for the last time, resulting in a capital of \$6,518,115 USD.

A Special Shareholder Meeting was held on October 04, 2018, where it was agreed to decrease the number of directors from 5 to 3 directors and to eliminate the position of substitute director.

**Subscribed and paid-in capital**  
\$6,518,115 USD

**Shares**  
As of December 31, 2021, the company has issued 1,000,000 shares, of which 999,999 belong to Blumar S.A.

The company’s balance sheet and income statement as of December 31, 2021, are presented at the end of this 2021 Report.

**Purpose**  
Production and commercialization of fishmeal and fish oil.

Current share of parent company in subsidiary equity: 99.9999%

The commercial relations with the subsidiary during the financial year 2021 included administrative services, the sale of fisheries and materials.

**Board of Directors**

**Chairman**  
Gerardo Balbontín Fox (1)

**Directors**  
Manuel Gallardo Araneda (2)  
José Ocares Brantes (3)

**Chief Executive Officer**  
Gerardo Balbontín Fox (1)

(1) Chief Executive Officer of Blumar S.A.  
(2) Chief Financial Officer of Blumar S.A.  
(3) Fishing Operations Manager of Blumar S.A.

**9.7.3 • Fact Sheet El Golfo Comercial SpA**

**Corporate name**  
El Golfo Comercial SpA

**TAX ID**  
96.832.900-6

**Company Type**  
Joint stock company (*Sociedad por Acciones* in Chile)  
**Incorporation papers**  
The company was incorporated as a publicly traded company by public deed on September 30, 1997.

By agreement of the Special Shareholder Meeting of

El Golfo Comercial S.A. on November 4, 2016, whose minutes were reduced to public deed on that same date before Santiago notary Félix Jara Cadot, the company was transformed into a joint stock company, with the name El Golfo Comercial SpA.

**Subscribed and paid-in capital**  
\$1,001,064,000 CLP

**Shares**  
As of December 31, 2021, the company has issued 1,000 shares, which are owned 100% by Pacificblu SpA, a 55% owned subsidiary of Blumar S.A.

On October 5, 2010, Pesquera El Golfo S.A., now Blumar S.A., participated in a capital increase of the company, paying the sum of \$588,000,000 CLP, increasing the face value of the shares, which remains the same to this date.

After the transformation into a joint stock company, on November 16, 2016, Salmones Blumar S.A. sold 20 shares of El Golfo Comercial SpA to Blumar S.A., with which the parent company Blumar S.A. became the owner of 100% of the shares of the partnership. Then, on December 27, 2016, Blumar S.A. contributed by way of capital increase the total shares of the partnership to the subsidiary Pesca Fina SpA, also 100% owned by Blumar S.A. Subsequently, on November 24, 2017, Pesca Fina SpA, as the sole shareholder of El Golfo Comercial SpA, amended its statutes to increase the number of members of the Board of Directors from 3 to 5.

Finally, Pesca Fina SpA was absorbed by Congelados Pacífico SpA on December 1, 2017, and the merged company was called Pacificblu SpA, which currently holds 100% of the shares of El Golfo Comercial SpA.

The company’s balance sheet and income statement as of December 31, 2021, are presented at the end of this 2021 Report.

**Purpose**  
Commercialization and distribution of frozen food products.

Indirect participation rate of the parent company in El Golfo Comercial SpA, as of December 31, 2021: 55%  
**Board of Directors**

**Directors**  
Juan Pablo Santa Cruz Negri (1)  
Rodrigo Sarquis Said (2)  
Juan Ignacio Vinagre Tagle (1)

Pedro Felipe Schlack Muñoz (3)  
Mark Robert Stengel Uslar (3)

**Chief Executive Officer**  
Marcel Moenne Muñoz (4)

(1) Director of Blumar S.A.  
(2) Chairman of the Board of Blumar S.A.  
(3) Executive not related to Blumar S.A.  
(4) Chief Executive Officer of Pacificblu SpA

**9.7.4 • Fact Sheet BluGlacier LLC**

**Corporate name**  
BluGlacier, LLC

**Company Type**  
Limited Liability Company

**Incorporation papers**  
This company, formerly Blumar USA, LLC, was incorporated on October 20, 2011, under the Delaware Limited Liability Company Act. It was authorized to conduct transactional business by the Florida Department of State on January 9, 2012, making the first sales in April of that year.

On November 25, 2016, Salmones Blumar S.A. sold 50% of the rights in the company to Productos del Mar Ventisqueros S.A., a Chilean closed corporation (*Sociedad Anónima Cerrada* in Chile, equity is divided into shares but the corporation is not publicly traded on stock exchanges). Subsequently, on January 3, 2017, the company changed its name to BluGlacier, LLC.

**Subscribed and paid-in capital**  
\$100,000 USD

**Purpose**  
The exclusive sale and distribution in the US and Canadian markets of fresh and frozen aquaculture products produced by its shareholders Salmones Blumar S.A. and Productos del Mar Ventisqueros S.A.

The commercial relations with this affiliate correspond to the sale of products for later commercialization.

Indirect share percentage of the parent company of BluGlacier, LLC as of December 31, 2021: 50%

**Board of Directors**

**Directores**  
Gerardo Balbontín Fox (1)

Manuel Gallardo Araneda (2)  
Daniel Montoya Stehr (2)  
José Luis Vial van Wersch (3)  
Domingo Calvo Muenra (3)

(1) Chief Executive Officer of Blumar S.A.  
(2) Senior Executive of Blumar S.A.  
(3) Executive not related to Blumar S.A.

**CEO**  
Sebastián Goycoolea Nagel.

**BLUGLACIER LLC**

AS OF 2021	MUSD
<b>BALANCE SHEET</b>	
Current Assets	48.335
Non-Current Assets	2.413
<b>TOTAL ASSETS</b>	<b>50.748</b>
Current Liabilities	47.687
Non-Current Liabilities	426
<b>TOTAL LIABILITIES</b>	<b>48.113</b>
Paid-in capital	100
Retained earnings	2.535
<b>TOTAL EQUITY</b>	<b>2.635</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>50.748</b>
<b>RESULTS</b>	
Sales	304.744
Costs	-297.862
Operating margin	6.882
Net FV	
Administration and sales expenses	-5.738
Operating result	1.144
Taxes and Other	-881
<b>RESULT OF THE FISCAL YEAR</b>	<b>263</b>
<b>CASH FLOW</b>	
Net cash flow from operations	5.782
Net cash flow from financing	-3.244
Net cash flow from investing	-303
<b>NET CASH FLOW FOR THE YEAR</b>	<b>2.235</b>



9.7.5 • Fact Sheet St. Andrews Smoky Delicacies S.A.

Corporate name

St. Andrews Smoky Delicacies S.A.

TAX ID

96.783.150-6

Company Type

Closed Corporation (Sociedad Anónima Cerrada in Chile, equity is divided into shares but the corporation is not publicly traded on stock exchanges).

Incorporation papers

The company was incorporated by public deed on February 12, 1996 as a publicly traded company.

By public deed dated January 28, 2008, corresponding to the reduction of the Special Shareholder Meeting of the same date, Pesquera Itata S.A., now Blumar S.A., agreed to an increase in the company’s capital, subscribing a total of 337,020 shares and paying the equivalent amount of \$2,900,000 USD. On the same date, 194,658 shares were purchased for \$1,675,000 USD, transferring 50% ownership of the company. By public deed dated March 13, 2009, a capital increase was made through the issuance and subscription of a total of 342,200 no par value paid-in shares for \$1,800,000,000 CLP, which were paid by the current shareholders in the same proportion they owned. Therefore, Blumar S.A. subscribed a total of 171,100 shares, thus completing a total of 702,778 shares.

By public deed dated February 13, 2014, which corresponds to the reduction of the Special Shareholder Meeting of December 10, 2013, the capital stock was increased by \$1,030,320,000 CLP through the issuance of 480,540 shares.

Therefore, the company’s new capital reached \$8,926,659,000 CLP, divided into 1,886,096 registered no par value shares, all of the same series, without privileged shares.

By public deed dated January 30, 2019, which corresponds to the reduction of the Special Shareholder Meeting of January 29, 2019, the capital stock was increased by \$6,294,845,400 CLP, through the issuance of 471,524 shares.

Therefore, the company’s new capital stock reached \$15,221,504,748 CLP, divided into 2,357,620 registered no par value shares, all of the same series, without privileged shares.

Subsequently, by public deed of October 6, 2021, before notary Hernán Cuadra Gazmuri, the minutes of the Special Shareholder Meeting of the same date were reduced, in which it was agreed to modify the currency of the company’s capital stock, from Chilean pesos to US dollars. Furthermore, a decrease in capital stock was agreed, which amounts to \$23,439,160.02 USD divided into 2,357,620 registered no par value shares, of equal value, in a single series.

Subscribed and paid-in capital

\$23,439,160.02 USD

Shares

As of December 31, 2021, the company has issued 2,357,620 shares, of which 943,048 belong to Blumar S.A.

Purpose

a) The manufacture, processing and preparation of all types of food.

B) Representing food products of any origin.

Current share of parent company in affiliate equity: 40%

The commercial relations of the financial year 2021 with the affiliate include financial interests for outstanding receivables loans and IT services.

Board of Directors

Chairman

José Cox Donoso (1)

Directors

Alfonso Perú Costabal (1)  
Rigoberto Rojo Rojas (4)  
Rodrigo Sarquis Said (2)  
Juan Pablo Santa Cruz Negri (3)

(1) Entrepreneur and director of companies, not related to Blumar S.A.  
(2) Chairman of Blumar S.A.  
(3) First Vice-Chairman of Blumar S.A.  
(4) Chief Executive Officer of Orizon S.A.

ST ANDREWS SMOKY DELICACIES S.A.

AS OF 2021	MUSD
<b>BALANCE SHEET</b>	
Current Assets	28.413
Non-Current Assets	23.790
<b>TOTAL ASSETS</b>	<b>52.202</b>
Current Liabilities	19.746
Non-Current Liabilities	10.481
<b>TOTAL LIABILITIES</b>	<b>30.227</b>
Paid-in capital	23.439
Retained earnings	-1.464
<b>TOTAL EQUITY</b>	<b>21.975</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>52.202</b>
<b>RESULTS</b>	
Sales	60.558
Costs	-48.575
Operating margin	11.983
Net FV	
Administration and sales expenses	-9.242
Operating result	2.741
Taxes and Other	-2.558
<b>RESULT OF THE FISCAL YEAR</b>	<b>183</b>
<b>CASH FLOW</b>	
Net cash flow from operations	7.663
Net cash flow from financing	-3.258
Net cash flow from investing	-2.790
<b>NET CASH FLOW FOR THE YEAR</b>	<b>1.615</b>



9.7.6 • Fact Sheet Empresa Pesquera Apiao S.A.

Corporate name

Empresa Pesquera Apiao S.A.

TAX ID

84.764.200-9

Company Type

Closed Corporation (*Sociedad Anónima Cerrada* in Chile, equity is divided into shares but the corporation is not publicly traded on stock exchanges).

Incorporation papers

The company was incorporated by a public deed dated October 22, 1976, before notary Patricio Zaldivar Mackenna as a limited liability company. By public deed on January 22, 2004, it was transformed into a closed corporation (*Sociedad Anónima Cerrada* in Chile, equity is divided into shares but the corporation is not publicly traded on stock exchanges).

On January 28, 2008, Pesquera Itata S.A., now Blumar S.A., contributed to a stock capital increase of the company, subscribing a total of 8,974 shares and paying \$3,800,589 USD, thus obtaining 50% ownership of the company.

By public deed dated February 13, 2014, which corresponds to the reduction of the Special Shareholder Meeting of December 10, 2013, the capital stock was increased by 1,030,320,000 CLP, through the issuance of 5,766 shares.

Subsequently, by public deed dated January 30, 2019, before Santiago notary Hernán Cuadra Gazmuri, the company's capital was increased through the issuance of 5,930 shares, reaching the sum of \$12,136,499,679 CLP, divided into 29,650 registered no par value shares, of equal value and a single series. The shares issued pursuant to this capital increase were fully subscribed by Orizon S.A., making Orizon S.A. a new shareholder of the company. Therefore, the company's new capital stock reached \$12,136,499,679 CLP, divided into 29,650 registered no par value shares, all of the same series, without privileged shares.

Subscribed and paid-in capital

\$12,136,499,679 CLP

Shares

As of December 31, 2021, the company has issued 29,650 shares, of which 11,860 belong to Blumar S.A.

Purpose

a) The extraction, fishing or hunting of beings or

organisms living in bodies of water.

b)

Freezing, preservation, preparation and processing of these organisms.

Current share of parent company in affiliate equity: 40%

The commercial relations of the financial year 2021 with the affiliate include financial interests for outstanding receivables loans.

Board of Directors

The same as of St. Andrews Smoky Delicacies S.A.

EMPRESA PESQUERA APIAO S.A.

AS OF 2021	THOUSAND CLP
<b>BALANCE SHEET</b>	
Current Assets	13,313,684
Non-Current Assets	13,049,657
<b>TOTAL ASSETS</b>	<b>26,363,341</b>
Current Liabilities	11,754,845
Non-Current Liabilities	2,130,957
<b>TOTAL LIABILITIES</b>	<b>13,885,802</b>
Paid-in capital	11,675,181
Retained earnings	802,358
<b>TOTAL EQUITY</b>	<b>12,477,539</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>26,363,341</b>
<b>RESULTS</b>	
Sales	11,020,773
Costs	-8,658,339
Operating margin	2,362,434
Net FV	
Administration and sales expenses	-352,159
Operating result	2,010,275
Taxes and Other	257,189
<b>RESULT OF THE FISCAL YEAR</b>	<b>2,267,464</b>
<b>CASH FLOW</b>	
Net cash flow from operations	-1,037,484
Net cash flow from financing	2,710,158
Net cash flow from investing	-1,652,384
<b>NET CASH FLOW FOR THE YEAR</b>	<b>20,290</b>

9.7.7 • Fact Sheet Salmones Boat Parking S.A.

Corporate name

Boat Parking S.A.

TAX ID

96.953.090-2

Company Type

Closed Corporation (*Sociedad Anónima Cerrada* in Chile, equity is divided into shares but the corporation is not publicly traded on stock exchanges).

Incorporation papers

The company was incorporated by public deed dated April 3, 2001, before Santiago notary Félix Jara Cadot. It was registered under Page 109 No. 78 in the Trade Register of Valdivia on April 19, 2001.

Subscribed and paid-in capital

\$1,477,690,000 CLP

Shares

As of December 31, 2021, the company has issued 581,320 shares, of which 254,245 belong to Blumar S.A.

Purpose

a) Lease to third parties of sites or spaces equipped for the parking of vessels of all kinds and the provision of services related to the transfer and parking on land of the aforementioned vessels.

b)

Provision of services for the docking, undocking, general cleaning, degassing of tanks and maintenance of vessels of all kinds.

Current share of parent company in affiliate equity: 43.74%

The commercial relations with the affiliate during the financial year 2021 correspond to the leasing of sites for bases parked on the ground.

Board of Directors

Chairman

Fernando Ayala B. (2)

Directors

José Ocares B. (1)

Alejandro Florás G. (3)

Chief Executive Officer

Eric Peters Olhagaray

(1) Operations Manager of Blumar S.A.

(2) Operations Manager of Orizon S.A., a company not related to Blumar S.A.

(3) Manager of Camanchaca Pesca Sur S.A., a company not related to Blumar S.A.

BOAT PARKING S.A.

AS OF 2021	THOUSAND CLP
<b>BALANCE SHEET</b>	
Current Assets	323,943
Non-Current Assets	2,266,366
<b>TOTAL ASSETS</b>	<b>2,590,309</b>
Current Liabilities	12,364
Non-Current Liabilities	191,082
<b>TOTAL LIABILITIES</b>	<b>203,446</b>
Paid-in capital	1,377,690
Retained earnings	1,009,173
<b>TOTAL EQUITY</b>	<b>2,386,863</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>2,590,309</b>
<b>RESULTS</b>	
Sales	428,832
Costs	-237,052
Operating margin	191,780
Net FV	
Administration and sales expenses	-119,835
Operating result	71,945
Taxes and Other	17,388
<b>RESULT OF THE FISCAL YEAR</b>	<b>89,333</b>
<b>CASH FLOW</b>	
Net cash flow from operations	
Net cash flow from financing	
Net cash flow from investing	
<b>NET CASH FLOW FOR THE YEAR</b>	



9.7.8 • Fact Sheet Salmones Blumar Magallanes SpA

Corporate name

Salmones Blumar Magallanes SpA (formerly Blu-River SpA)

TAX ID

76.794.340-7

Company Type

Joint stock company (*Sociedad por Acciones* in Chile)

Incorporation papers

The company was incorporated by public deed dated April 11, 2006, as a closed corporation called “Riverfish S.A.,” which was later transformed into a joint stock company and named “Aquaculture Riverfish SpA.” By deed dated October 23, 2017, Salmones Blumar S.A., as the sole shareholder of Acuicola Riverfish SpA, changed its name to “BluRiver SpA.”

Furthermore, by deed dated December 24, 2019, Salmones Blumar S.A., in its capacity as sole shareholder, holding 100% of the shares issued by BluRiver SpA, increased the capital stock from \$1,888,324,895 CLP, divided into 1,888,324,895 no par value shares, to \$118,800,174,895 CLP, divided into 13,579,509,895 no par value shares, all of a single series, without privileged shares.

Finally, by deed dated April 20, 2021, Salmones Blumar S.A., as the sole shareholder of BluRiver SpA, changed its name to “Salmones Blumar Magallanes SpA.”

Subscribed and paid-in capital

\$157.805 million USD

Purpose

a) The purchase, sale, exchange, leasing and disposal of all kinds of real estate and moveable property, aquaculture concessions, fishing and aquaculture authorizations, rights and other similar property;

b) Carrying out all types of activities, manufacturing, exports, imports, trade and distribution in general;

c) Carrying out all types of fishing and/or aquaculture, tourism, agriculture and mining activities, whether for the company or on behalf of third parties;

d) The provision of services of all kinds, on behalf of the company or others or third parties, and consulting services in general, including, among others, those related to fishing and aquaculture;

e) The purchase, sale, breeding, farming, fattening, import export, production, development, preparation, processing, freezing, commercialization and distribution, on behalf of the company or third parties, or associated with third parties, of all types of beings or bodies which life in bodies of water, whether in the sea, lakes, reservoirs or rivers, to provide commercialization services for production of third parties;

f) The production of inputs for the production of the aforementioned species and directly or indirectly related businesses.

Current share of parent company in subsidiary equity: 99.9999%, indirectly through Salmones Blumar S.A. The balance sheet of Salmones Blumar Magallanes SpA as of December 31, 2021, provides the following audited information:

Management

Gerardo Balbontín Fox (1)  
Pedro Pablo Laporte Miguel (2)

Chief Executive Officer

Gerardo Balbontín Fox (1)

(1) Chief Executive Officer of Blumar S.A.  
(2) Farming Manager of Salmones Blumar S.A.



SALMONES BLUMAR MAGALLANES SPA

AS OF 2021	MUSD
<strong>BALANCE SHEET</strong>	
Current Assets	103.533
Non-Current Assets	118.075
<strong>TOTAL ASSETS</strong>	<strong>221.608</strong>
<strong>TOTAL LIABILITIES</strong>	
Current Liabilities	71.351
Non-Current Liabilities	10.777
<strong>TOTAL LIABILITIES</strong>	<strong>82.128</strong>
<strong>TOTAL EQUITY</strong>	
<strong>TOTAL LIABILITIES AND EQUITY</strong>	<strong>221.608</strong>
<strong>RESULTS</strong>	
Sales	154.950
Costs	-139.868
Operating margin	15.082
Net FV	6.607
Administration and sales expenses	-8.962
Operating result	12.727
Taxes and Other	-4.516
<strong>RESULT OF THE FISCAL YEAR</strong>	<strong>8.211</strong>
<strong>CASH FLOW</strong>	
Net cash flow from operations	10.068
Net cash flow from financing	13.150
Net cash flow from investing	-18.190
<strong>NET CASH FLOW FOR THE YEAR</strong>	<strong>5.028</strong>

9.7.9 • Fact Sheet Entrevientos S.A.

Corporate name

ENTREVIENTOS S.A.

TAX ID

96.569.600-8

Company Type

Closed Corporation (*Sociedad Anónima Cerrada* in Chile, equity is divided into shares but the corporation is not publicly traded on stock exchanges).

Incorporation papers

The company was incorporated under the name Came-ron S.A. by public deed dated December 5, 1989, as a closed corporation.

On July 19, 2018, at the Special Shareholder Meeting, it was agreed to increase the company's capital, by issuing 236 new shares. This increase was fully subscribed by Salmones Blumar S.A., contributing 2 aquaculture concessions.

Subsequently, on October 9, 2019, at the Special Shareholder Meeting, the name of the company was changed to Entrevientos S.A. and the bylaws were modified in various matters, creating a new consolidated text.

Subscribed and paid-in capital

\$33.837 million USD

Purpose

a) The processing, transforming, packaging and/or preparation in all its forms and techniques of all types of hydrobiological species naturally living in bodies of water, especially processes for fresh, frozen, preserved, salted and smoked products, on behalf of the company or of third parties, including laboratory services; and

b) The purchase, sale, commercialization, distribution, import and export, either in their natural state or in any other state of processing; all of the above in Chile or abroad, in wholesale or in detail, on behalf of the company or for third parties, of all types of hydrobiological species that live in bodies of water. In general, the company may carry out all acts and contracts necessary or conducive to fulfilling the activities specified above.

On October 8, 2019, Multiexport Patagonia S.A. acquired ownership of the company, acquiring 50% of the shares of Entrevientos S.A. from Blumar S.A. and BluRiver SpA.

Current share of parent company in affiliate equity: 50% indirect through BluRiver SpA.

At the Special Shareholder Meeting of Entrevientos S.A., held on December 7, 2020, the company's bylaws were amended. It was agreed to increase the capital to \$33.837 million USD.

Directors

- José Ramón Gutiérrez Arrivillaga (3)
- Andrés Lyon Labbé (3)
- Cristián Swett Pla (3)
- Rodrigo Sarquis Said (1)
- Gerardo Balbontín Fox (2)
- Fernanda Taboada (4)

- (1) Chairman of Blumar S.A.
- (2) Chief Executive Officer of Blumar S.A.
- (3) Executive not related to Blumar S.A.
- (4) Processing Manager of Blumar S.A.

The balance sheet of Entrevientos S.A. as of December 31, 2021, provides the following audited information:



ENTREVIENTOS

AS OF 2021	MUSD
BALANCE SHEETS	
Current Assets	9.155
Non-Current Assets	64.449
TOTAL ASSETS	73.604
Current Liabilities	6.039
Non-Current Liabilities	42.651
TOTAL LIABILITIES	48.690
Paid-in capital	33.836
Retained earnings	-8.922
TOTAL EQUITY	24.914
TOTAL LIABILITIES AND EQUITY	73.604
RESULTS	
Sales	23.697
Costs	-24.349
Operating margin	-652
Net FV	
Administration and sales expenses	-2.862
Operating result	-3.514
Taxes and Other	64
RESULT OF THE FISCAL YEAR	-3.450
CASH FLOW	
Net cash flow from operations	-2.612
Net cash flow from financing	8.491
Net cash flow from investing	-5.123
NET CASH FLOW FOR THE YEAR	755

9.7.10 • Fact Sheet Pacificblu SpA

Corporate name

Pacificblu SpA

TAX ID

76.299.375-9

Company Type

Joint Stock Company (Sociedad por Acciones in Chile)

Incorporation papers

The company was incorporated by public deed on May 15, 2013, as a closed corporation called “Congelados Pacífico S.A.” The current company was born from the merger between Pesca Fina SpA, a subsidiary of Blumar S.A., and Pacificblu SpA, formerly called Congelados Pacífico S.A., with effect from December 1, 2017. Congelados Pacífico S.A. absorbed Pesca Fina SpA and was the surviving company for all purposes.

At the Special Shareholder Meeting held on April 24, 2018, whose minutes were reduced to public deed before Talcahuano notary Juan Roberto Arias Garrido on May 4, 2018, it was agreed, among other matters, to decrease the authorized capital, subscribed and paid for by the company, from \$27,497,946.6 USD to \$19,590,215.71 USD, without modifying the number nor characteristics of the shares in which the capital stock was divided, through the absorption of the accumulated losses of the company.

Subscribed and paid-in capital as of December 31, 2021 \$19,590,215.71 USD

Purpose

a) The extraction, fishing or hunting of pelagic and demersal resources; the conservation, freezing, processing and transformation of these beings or organisms; the transport, cabotage, distribution and trade of them; the construction or repair of vessels for these activities; the construction or repair of vessels suitable for industrial or commercial fishing or hunting, as well as equipment, accessories or elements intended for their use in their activities and for any other operation which relates to the pelagic or demersal fishing industry

and its accompanying or complementary activities.

b) Making investments of any kind, the administration, leasing, usufruct or disposition of these investments, these investments being tangible and intangible, movable or immovable property; and participate in any type of investment projects, companies, communities or associations, as well as the execution of industrial fishing activities in general, the industrial processing of these products, the retail or individual sale of products from the sea, in natural, processed and frozen form, as well as the commercialization and retail sale of other types of food.

Current share of parent company in subsidiary equity: 55%

Shares

As of December 31, 2021, the company has issued 106,791,304,308 shares, of which 58,733,690,252 belong to Blumar S.A. (55%).

The subsidiary's 2021 business relationships with the parent company include sales of products, technological services and production inputs.

The company's balance sheet and income statement as of December 31, 2021, are presented at the end of this 2021 Report.

Board of Directors

Chairman

Rodrigo Sarquis Said (1)

Directors

- Juan Pablo Santa Cruz Negri (2)
- Juan Ignacio Vinagre Tagle (2)
- Pedro Felipe Schlack Muñoz (3)
- Mark Robert Stengel Uslar (3)

- (1) Chairman of the Board of Blumar S.A.
- (2) Director of Blumar S.A.
- (3) Executive not related to Blumar S.A.

Chief Executive Officer

Marcel Moenne Muñoz



9.7.11 • Fact Sheet Sociedad Inmobiliaria Cabilantago Limitada

Corporate name

Sociedad Inmobiliaria Cabilantago Limitada

TAX ID

79.845.260-6

Company Type

Limited Liability Company

Incorporation papers

The company was incorporated by public deed before Concepción notary Jorge Cristoph Stange on September 5, 1988, and was registered under Page 148 (reverse side of the page) No. 130 in the Talcahuano Trade Register of 1988.

Subscribed and paid-in capital as of December 31, 2021  
\$5,000,000 CLP

Purpose

The obtaining of income and profit in real estate businesses of all kinds and, in general, everything directly or indirectly related to real estate.

Current share of parent company in affiliate equity:  
20% of company rights..

Board of Directors

Chairman

Gonzalo Fernández García (1)

Directors

Jan Stengel Meierdirks (1)  
Patricio Viguera Aguiler (1)  
José Orlando Ocares Brantes (2)  
Renato Maya Gac (1)

Chief Executive Officer

Carlos Manoli Nazal (1)

(1) Managers of companies not related to Blumar S.A.

(2) Fishing Operations Manager of Blumar S.A.

The commercial relations with the subsidiary during the financial year 2021 correspond to the leasing of land.

The balance sheet of Sociedad Inmobiliaria Cabilantago Limitada as of December 31, 2021, provides the following audited information:

CABILANTAGO

AS OF 2021	MUSD
BALANCE SHEET	
Current Assets	91.800
Non-Current Assets	3.910.674
TOTAL ASSETS	4.002.474
Current Liabilities	46.751
Non-Current Liabilities	3.750.471
TOTAL LIABILITIES	3.797.222
Paid-in capital	5.000
Retained earnings	200.252
TOTAL EQUITY	205.252
TOTAL LIABILITIES AND EQUITY	4.002.474
RESULTS	
Sales	315.870
Costs	-173.710
Operating margin	142.160
Net FV	
Administration and sales expenses	-62.795
Operating result	79.365
Taxes and Other	-22.149
RESULT OF THE FISCAL YEAR	57.216
CASH FLOW	
Net cash flow from operations	-
Net cash flow from financing	-
Net cash flow from investing	-
NET CASH FLOW FOR THE YEAR	-

9.7.12 • Fact Sheet New World Currents Limited (NWC)

Corporate name

New World Currents Limited

Company Type

Limited Liability Private Company

Incorporation papers

This company was incorporated on April 10, 2014, under the laws of Hong Kong and is registered in that jurisdiction under No. 2086913.

Subscribed and paid-in capital

10,000 Hong Kong Dollars

Purpose

The purpose of NWC is to participate in the distribution

and commercialization of Atlantic salmon in the Chinese and Hong Kong markets and, in general, to serve as a broker of this product in both jurisdictions.

Current share of parent company in New World Currents Limited as of December 31, 2021: 100%

Board of Directors

Chairman

Daniel Montoya

CEO

Nicolas Terrazas







## KEY METRICS

**10.1** Product 

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**10.2** Environment 

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**10.3** Social 

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RAW MATERIAL 2021

RAW MATERIAL (METRIC TONS)	JACK MACKEREL	SARDINE	SUBPRODUCT	SALMÓN
Blumar Seafoods	122,687	214,220	7,992	33,935

PRODUCTION 2021

PRODUCTION (METRIC TONS)	FISHMEAL	FISH OIL	FROZEN JACK MACKEREL	FROZEN SALMON
Blumar Seafoods	47,916	14,207	82,614	20,367

HARVEST AND FARMING CENTERS IN USE 2021

SALMON DIVISION	TON WFE ATLANTIC SALMON	TON WFE COHO SALMON	TON WFE ATLANTIC AND COHO SALMON	FARMING CENTER IN USE 2021*
Farming	66,796	2,950	69,746	31

\*Stocked centers without yield are excluded

CERTIFICATIONS BLUMAR SEAFOODS 2021

CERTIFICATIONS SALMON 2021		CERTIFICATIONS FISHING 2021		
CERTIFICATIONS	% OF CERTIFIED PRODUCTION	CERTIFICATIONS	% OF CERTIFIED FISHMEAL	% OF CERTIFIED FISH OIL
HACCP	100%	HACCP	93%	91%
BAP	95%	MarinTrust	61%	78%
BRC	95%	Halal	63%	78%
IFS	91%			
KOSHER	91%			
HALAL	47%			
ASC	75%			

EMISSIONS

CARBON FOOTPRINT

FISHING DIVISION	TON CO <sub>2</sub> -EQ 2019	TON CO <sub>2</sub> eq 2020	TON CO <sub>2</sub> eq 2021
Scope 1	32,854	34,114	38,908
Scope 2	7,167	8,842	3,901
Scope 3	22,374	23,495	23,679

TOTAL FISHING DIVISION	62,395	66,452	66,488
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SALMON DIVISION	TON CO <sub>2</sub> eq 2019	TON CO <sub>2</sub> eq 2020	TON CO <sub>2</sub> eq 2021
Scope 1	415	28,008	29,905
Scope 2	1,925	4,027	1,109
Scope 3	4,647	135,589	111,727

TOTAL SALMON DIVISION	6,987	167,624	142,741
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BLUMAR SEAFOODS	TON CO <sub>2</sub> eq 2019	TON CO <sub>2</sub> eq 2020	TON CO <sub>2</sub> eq 2021
Scope 1	33,269	62,122	68,812
Scope 2	9,092	12,869	5,011
Scope 3	27,021	159,084	135,405

TOTAL BLUMAR SEAFOODS	69,382	234,076	209,229
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ENERGY CONSUMPTION

ENERGY CONSUMPTION BY SOURCE TYPE							
YEAR	2019		2020		2021		
FISHING DIVISION	FLEET	PROCESSING PLANTS	FLEET	PROCESSING PLANTS	FLEET	PROCESSING PLANTS	TOTAL 2021
Petroleum (Ton)	0	6,148	0	4,936	0	8,147	8,147
Diesel (Ton)	0	628	0	363	3,161	262	3,423
MDO (Ton)	0	0	0	0	0	707	707
Natural Gas (Ton)	0	1,278	0	2,420	0	280	280
Liquefied gas (m3)	0	38	0	47	0	0	-
Electricity (kWh)	2,783,864	17,850,811	2,946,090	23,063,104	2,468,928	26,088,701	28,557,629
YEAR	2019		2020		2021		
SALMON DIVISION	PROCESSING PLANT	FARMING	PROCESSING PLANT	FARMING	PROCESSING PLANT	FARMING	TOTAL 2021
Petroleum (Ton)	0	620	0	1,100	0	0	-
Gasoline (Ton)	0	15.5	0	107	0	181	181
Diesel (Ton)	108	3,181	48	3,469	38	10,346	10,384
Natural Gas (Ton)	0	0.0048	0	13	0	0	-
Liquefied gas (m3)	0	15.7	154	21	173	35	208
Electricity (kWh)	4,746,442	280	10,438,722	304	9,827,879	193,866	10,021,745

TOTAL ENERGY CONSUMPTION							
YEAR	2019		2020		2021		
FISHING DIVISION	FLEET	PROCESSING PLANT	FLEET	PROCESSING PLANT	FLEET	PROCESSING PLANT	TOTAL 2021
Fuels (MWh)	0	103,489	0	110,233	40,004	116,071	156,075
Electricity (MWh)	2,784	17,851	2,946	23,063	2,469	26,089	28,558
Energy consumption (GJ)	10,022	436,822	10,606	479,864	152,902	511,775	664,677
Energy Intensity (GJ / ton of product)	0	3.96	0.00	3.97	1.06	3.53	4.59
YEAR	2019		2020		2021		
SALMON DIVISION	PROCESSING PLANT	FARMING	PROCESSING PLANT	FARMING	PROCESSING PLANT	FARMING	TOTAL 2021
Fuels (MWh)	1,372	47,816	21,831	61,710	24,313	138,075	162,388
Electricity (MWh)	4,746	0	10,439	0	9,828	194	10,022
Energy consumption (GJ)	22,026	172,138	116,172	222,157	122,906	497,766	620,672
Energy Intensity (GJ / ton of raw material)	0.85	6.64	1.78	3.40	2.06	8.36	10.42

WASTE MANAGEMENT

WASTE MANAGEMENT							
YEAR	2019		2020		2021		
FISHING DIVISION	FLEET	PROCESSING PLANT	FLEET	PROCESSING PLANT	FLEET	PROCESSING PLANT	TOTAL 2021
Industrial and Household Waste (ton)	56.2	465.4	53.10	373.00	39.07	295.72	334.79
Hazardous Waste (ton)	63.3	51.4	40.80	26.50	39.00	24.85	63.85
YEAR	2019		2020		2021		
SALMON DIVISION	PROCESSING PLANT	FARMING	PROCESSING PLANT	FARMING	PROCESSING PLANT	FARMING	TOTAL 2021
Industrial and Household Waste (ton)	339.3	342.4	433.26	564.10	300.39	1,518.07	1,818.46
Hazardous Waste (ton)	4.9	36.2	1.10	38.76	1.36	64.98	66.34





RECYCLING							
YEAR	2019		2020		2021		
FISHING DIVISION	FLEET	PROCESSING PLANT	FLEET	PROCESSING PLANT	FLEET	PROCESSING PLANT	TOTAL 2021
Recycled Paper and Cardboard (ton)	0	22.5	0.00	54.94	0.00	46.08	46.08
Recycled Plastic (ton)	0	28.8	19.40	46.10	22.60	76.73	99.33
Recycled Metals (ton)	0	180.4	58.01	40.25	45.49	87.01	132.50
Total Recycled Waste (ton)	0	231.7	77.40	141.30	68.09	209.82	277.91
Recycling Percentage	0%	33.0%	59.0%	27.0%	64.0%	42.0%	45.4%
YEAR	2019		2020		2021		
SALMON DIVISION	PROCESSING PLANT	FARMING	PROCESSING PLANT	FARMING	PROCESSING PLANT	FARMING	TOTAL 2021
Recycled Paper and Cardboard (ton)	172	0	46.15	0.10	38.93	11.57	50.50
Recycled Plastic (ton)	180.7	0	136.37	155.78	12715	228.92	356.07
Recycled Metals (ton)	0.7	337	147.99	314.88	1714	143.08	160.22
Silage (ton)	-	-	-	-	-	2,440.87	2,440.87
Total Recycled Waste (ton)	353.4	337.00	330.51	470.76	183.22	2,824.44	3,007.66
Recycling Percentage	51.0%	50.0%	43.3%	45.0%	37.9%	65.0%	62.3%

WATER MANAGEMENT

WATER CONSUMPTION AND MANAGEMENT							
YEAR	2019		2020		2021		
FISHING DIVISION	FLEET	PROCESSING PLANT	FLEET	PROCESSING PLANT	FLEET	PROCESSING PLANT	TOTAL 2021
Sea water consumption (m³)	0	342,263	0	372,592	0	457,638	457,638
Fresh water consumption (m³)	11,167	182,747	9,261	158,953	7,543	185,919	193,462
Total water consumption (m³)	11,167	525,010	9,261	531,545	7,543	643,557	651,100
Water Intensity (m³/ton of product)	0.10	4.10	0.08	3.84	0.05	4.45	4.50
Effluents (m³)	0	372,051	0	395,087	0	480,725	480,725
YEAR	2019		2020		2021		
SALMON DIVISION	PROCESSING PLANT	FARMING	PROCESSING PLANT	FARMING	PROCESSING PLANT	FARMING	TOTAL 2021
Sea water consumption (m³)	0	2,747	0	4,539	0	9,631	9,631
Fresh water consumption (m³)	234,725	229	326,782	242	314,903	154	315,057
Total water consumption (m³)	234,725	2,976	326,782	4,781	314,903	9,785	324,688
Water Intensity (m³/ton of product)	14.54	0.18	6.80	0.10	8.14	0.25	8.39
Effluents (m³)	270,561	785	376,865	1,362	192,212	11,693	203,905

INSPECTIONS

INSPECTIONS AND FINES			
FISHING DIVISION	2019	2020	2021
No. of inspections	162	438	325
Nº of fines	0	0	0
SALMON DIVISION	2019	2020	2021
No. of inspections	116	128	130
Nº of fines	0	0	0

PAYMENT OF FINES

PAYMENT OF ENVIRONMENTAL FINES BLUMAR SEAFOODS			
YEAR	2019	2020	2021
Paid environmental fines Amount USD	0	3 4,888	4 2,118





DIVERSITY ON THE BOARD

NUMBER OF MEMBERS BY GENDER 2021		NUMBER OF MEMBERS BY SENIORITY 2021	
Women	1	<b>LESS THAN 3 YEARS</b>	<b>4</b>
Men	6	Women	1
		Men	3
<b>TOTAL</b>	<b>7</b>	<b>BETWEEN 3 AND 6 YEARS</b>	-
		Women	-
		Men	-
		<b>BETWEEN 6 AND 9 YEARS</b>	<b>1</b>
		Women	-
		Men	1
		<b>BETWEEN 9 AND 12 YEARS</b>	<b>2</b>
		Women	-
		Men	2
		<b>MORE THAN 12 YEARS</b>	-
		Women	-
		Men	-
<b>TOTAL</b>	<b>7</b>	<b>TOTAL</b>	<b>7</b>
		NUMBER OF MEMBERS BY NATIONALITY 2021	
		<b>CHILEAN NATIONALS</b>	<b>7</b>
		Women	1
		Men	6
		<b>FOREIGN NATIONALS</b>	-
		Women	-
		Men	-
		<b>TOTAL</b>	<b>7</b>

DIVERSITY IN MANAGEMENT

		NUMBER OF MANAGERS BY SENIORITY 2021	
		<b>BETWEEN 3 AND 6 YEARS</b>	<b>1</b>
		Women	-
		Men	1
		<b>BETWEEN 6 AND 9 YEARS</b>	<b>1</b>
		Women	1
		Men	-
		<b>BETWEEN 9 AND 12 YEARS</b>	<b>1</b>
		Women	-
		Men	1
		<b>MORE THAN 12 YEARS</b>	<b>6</b>
		Women	-
		Men	6
		<b>TOTAL</b>	<b>9</b>
		NUMBER OF MANAGERS BY AGE RANGE 2021	
		<b>BETWEEN 41 AND 50</b>	<b>1</b>
		Women	-
		Men	1
		<b>BETWEEN 51 AND 60</b>	<b>7</b>
		Women	1
		Men	6
		<b>BETWEEN 61 AND 70</b>	<b>1</b>
		Women	-
		Men	1
		<b>OLDER THAN 70 YEARS</b>	-
		Women	-
		Men	-
		<b>TOTAL</b>	<b>9</b>
		NUMBER OF MANAGERS BY NATIONALITY 2021	
		<b>CHILEAN NATIONALS</b>	<b>9</b>
		Women	1
		Men	8
		<b>FOREIGN NATIONALS</b>	-
		Women	-
		Men	-
		<b>TOTAL</b>	<b>9</b>





DIVERSITY IN THE ORGANIZATION

NUMBER OF EMPLOYEES BY GENDER 2021				
FISHING DIVISION	MANAGERS	EXECUTIVES AND PROFESSIONALS	WORKERS AND OTHERS	TOTAL
BLUMAR	6	87	627	720
Women	-	19	131	150
Men	6	68	496	570
PESQUERA BAHÍA CALDERA	-	9	93	102
Women	-	1	9	10
Men	-	8	84	92
SALMON DIVISION	MANAGERS	EXECUTIVES AND PROFESSIONALS	WORKERS AND OTHERS	TOTAL
SALMONES BLUMAR	3	85	1,052	1,140
Women	1	14	400	415
Men	2	71	652	725
SALMONES BLUMAR MAGALLANES	-	24	123	147
Women	-	3	14	17
Men	-	21	109	130
TOTAL BLUMAR SEAFOODS	9	205	1,895	2,109
WOMEN	1	37	554	592
MEN	8	168	1,341	1,517

NUMBER OF EMPLOYEES BY NATIONALITY 2021				
NATIONALITY	WOMEN	MEN	TOTAL	PERCENTAGE
Chilean nationals	1,507	586	2,093	99.24%
Argentinian nationals	-	1	1	0.05%
Brazilian nationals	1	-	1	0.05%
Colombian nationals	1	1	2	0.09%
Peruvian nationals	1	3	4	0.19%
Venezuelan nationals	3	4	7	0.33%
Australian nationals	1	-	1	0.05%
TOTAL BLUMAR SEAFOODS	1,514	595	2,109	100.00%



NUMBER OF EMPLOYEES BY AGE RANGE 2021					
AGE RANGE BY GENDER	BLUMAR	PESQUERA BAHÍA CALDERA	SALMONES BLUMAR MAGALLANES	SALMONES BLUMAR	TOTAL BLUMAR SEAFOODS
YOUNGER THAN 30 YEARS	96	30	40	153	319
Women	33	4	5	47	89
Men	63	26	35	106	230
BETWEEN 30 AND 40	169	12	46	372	599
Women	53	1	6	126	186
Men	116	11	40	246	413
BETWEEN 41 AND 50	158	17	48	340	563
Women	33	3	6	128	170
Men	125	14	42	212	393
BETWEEN 51 AND 60	219	22	11	219	471
Women	22	2	-	96	120
Men	197	20	11	123	351
BETWEEN 61 AND 70	75	20	2	55	152
Women	8	-	-	18	26
Men	67	20	2	37	126
MORE THAN 70 YEARS	3	1	-	1	5
Women	1	-	-	-	1
Men	2	1	-	1	4
TOTAL BLUMAR SEAFOODS	720	102	147	1,140	2,109
WOMEN	150	10	17	415	592
MEN	570	92	130	725	1,517

NUMBER OF EMPLOYEES BY SENIORITY 2021					
SENIORITY RANGE BY GENDER	BLUMAR	PESQUERA BAHÍA CALDERA	SALMONES BLUMAR MAGALLANES	SALMONES BLUMAR	TOTAL BLUMAR SEAFOODS
LESS THAN 3 YEARS	293	33	86	445	857
Women	107	4	13	200	324
Men	186	29	73	245	533
BETWEEN 3 AND 6 YEARS	89	29	61	271	450
Women	19	2	4	78	103
Men	70	27	57	193	347
BETWEEN 6 AND 9 YEARS	37	1	-	165	203
Women	4	-	-	85	89
Men	33	1	-	80	114
BETWEEN 9 AND 12 YEARS	58	13	-	178	249
Women	7	1	-	44	52
Men	51	12	-	134	197
MORE THAN 12 YEARS	243	26	-	81	350
Women	13	3	-	8	24
Men	230	23	-	73	326
TOTAL BLUMAR SEAFOODS	720	102	147	1,140	2,109

DIVERSITY INDICATOR 2021					
INDICATOR	NUMBER OF WOMEN	NUMBER OF MEN	TOTAL	% OF WOMEN	% OF MEN
Proportion of total currently employed women	592	1,517	2,109	28%	72%
Women in all management positions, including junior, middle and senior management (% of the total employed managers)	39	230	269	14%	86%
Women in junior management positions, i.e. first level management (% of total junior management positions)	33	209	242	14%	86%
Women in senior management positions, , i.e. at maximum two levels below the CEO or comparable positions (% of total senior management positions)	8	33	41	20%	80%
Women in managerial positions in income-generating functions (e.g. sales) as a percentage of all management positions (i.e. excluding support functions such as HR, IT, Legal, etc.)	0	0	0	0%	0%

NUMBER OF EMPLOYEES WITH DIFFERENT ABILITIES 2021*				
COMPANY	WOMEN	MEN	TOTAL	PERCENTAGE
Blumar	2	4	6	0.8%
Salmones Blumar	5	10	15	1.3%
TOTAL BLUMAR SEAFOODS	7	14	21	1.0%

\*Not applicable for Pesquera Bahía Caldera and Salmones Blumar Magallanes

WORK FORMALITY

TYPE OF CONTRACT 2021			
FISHING DIVISION	INDEFINITE	FIXED-TERM	TOTAL
BLUMAR	503	217	720
Women	60	90	150
Men	443	127	570
PESQUERA BAHÍA CALDERA	94	8	102
Women	7	3	10
Men	87	5	92
SECTOR SALMONES	INDEFINITE	FIXED-TERM	TOTAL
SALMONES BLUMAR	1,056	84	1,140
Women	390	25	415
Men	666	59	725
SALMONES BLUMAR MAGALLANES	140	7	147
Women	16	1	17
Men	124	6	130
TOTAL BLUMAR SEAFOODS	1,793	316	2,109
WOMEN	473	119	592
MEN	1,320	197	1,517

TRAINING

HARASSMENT PREVENTION COURSES 2021		
COURSE	NO. PARTICIPANTS	TOTAL HOURS
Sexual Harassment Prevention Course	382	1,146
Harassment at Work Prevention Course	231	693
TOTAL BLUMAR SEAFOODS	613	1,839



Trainings 2021							
Fishing Division	Training Hours	Total Number of Trained Employees	% Women	% Men	Average Hours/Employees	Investment (CLP)	Amount per Employee (USD)
Blumar	14,193	458	35%	65%	20	70,935,030	116
Pesquera Bahía Caldera	300	6	33%	67%	3	600,000	7
Salmon Division	Training Hours	Total Number of Trained Employees	% Women	% Men	Average Hours/Employees	Investment (CLP)	Amount per Employee (USD)
Salmones Blumar Magallanes	9,962	271	7%	93%	68	36,944,500	295
Salmones Blumar	33,085	910	10%	90%	29	120,494,434	124
Total Blumar Seafoods	57,540	1,645	21%	79%	27	228,973,964	128

Internal Training			
Fishing Division	Training Hours	No. Participants	No. of Courses
Blumar	10,006	6,637	92
Planta Bahía Caldera	539	110	4
Salmon Division	Training Hours	No. Participants	No. of Courses
Salmones Blumar	13,861	8,149	158
Salmones Blumar Magallanes	1,317	1,020	13
Total Blumar Seafoods	25,723	15,916	266



Age Distribution Trained Employees 2021		
Age Range	Men	Women
Less than 30 Years	256	61
Between 30 and 40 Years	482	88
Between 41 and 50 Years	397	70
Between 51 and 60 Years	196	42
Between 61 and 70 Years	39	12
Over 70 Years	1	1
Total Blumar Seafoods	1,371	274

Turnover Rate

Rate	2019	2020	2021
Total employee turnover	s/i	11.3%	16.4%
Voluntary employee turnover	s/i	4.2%	10.6%
New employee hires	379	26	699

Commitment of Our Employees

Commitment of Our Employees	2019	2020	2021	2023 Goal
% of employees actively committed	76.0%	76.0%	71.0%	76.0%
% of total employees	90.0%	90.0%	81.0%	90.0%

Performance Assessment

Type of Performance Assessment	% of All Employees	Men	Women
Managment through objectives : sistematic use of measurable goals agreed on by the line manager	17.0%	342	17
Multidimensional preformance assessment (e.g. , 360 degree feedback)	17.9%	354	24
Formal comparative classification of employees within a category	15.7%	69	18

CONTRACTORS

CONTRACTORS			
FISHING DIVISION	2019	2020	2021
No. of contractors	88	80	347
No. of workers	917	785	569
SALMON DIVISION	2019	2020	2021
No. of contractors	95	97	152
No. of workers	780	1,759	977

PAYMENT OF FINES

PAYMENT OF THE FINES FOR LABOR LAW VIOLATIONS BLUMAR SEAFOODS			
YEAR	2019	2020	2021
Paid fines for labor law violations	3	4	7
AmountUSD	7,099	3,971	24,760

OCCUPATIONAL HEALTH AND SAFETY RATE

FATALITY RATE			
FISHING DIVISION	2019	2020	2021
Employees	0	0	0
Contractors	0	0	0
SALMON DIVISION	2019	2020	2021
Employees	0	0	0
Contractors	0	0	1

LOST TIME INJURY FREQUENCY RATE (LTIFR)			
FISHING DIVISION	2019	2020	2021
Employees	10.46	12.73	10.26
Contractors	4.63	3.20	3.57
SALMON DIVISION	2019	2020	2021
Employees	6.64	9.68	7.37
Contractors	9.55	7.19	9.38

Comment: (Number of accidentes with medical leave) / (Total worked hours in the accounted period) \* 1,000,000

OCCUPATIONAL ILLNESS FREQUENCY RATE (OIFR)

FISHING DIVISION	2019	2020	2021
Employees	0.00	5.46	0.00
Contractors	0.00	0.00	0.00
SALMON DIVISION	2019	2020	2021
Employees	0.00	0.37	2.05
Contractors	0.50	0.00	0.00

Comment: Total recordable injury frequency rate per million working hours.

SUPPORT AND DONATIONS TO COMMUNITIES

TYPE OF PHILANTROPIC ACTIVITIES 2021	
CATEGORY	PERCENTAGE OF TOTAL COST
Charitable donations	49%
Community investments	51%
Commercial initiatives	0%
TOTAL	100%

PHILANTHROPIC CONTRIBUTIONS 2021	
TYPE OF CONTRIBUTION	TOTAL (USD)
Cash contributions	461,172
Time: Employees volunteering during paid working hours	0
Donations in kind: donations of products or services, projects/partnerships or the like	42,313
General management costs	184,567







## APPENDIX

**11.1** GRI table 

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**11.2** SASB table 

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 P.252-253



GRI TABLE				
S	CONTENT	PAGE OR RESPONSE	GLOBAL COMPACT PRINCIPE	SGD
GENERAL DISCLOSURES				
GRI 102: ORGANIZATIONAL PROFILE 2016				
102-1	Name of the organization	4		
102-2	Activities, brands, products, and services	17, 79, 80, 81, 82, 83		
102-3	Location of headquarters	4		
102-4	Location of operations	4, 5		
102-5	Ownership and legal form	4, 5		
102-6	Markets served	17, 114, 115		
102-7	Scale of the organization	15, 17, 192		
102-8	Information on employees and other workers	236, 237, 238, 239, 240		
102-9	Supply chain	108, 109, 110, 111		
102-10	Significant changes to the organization and its supply chain	There were no significant changes in the organization to the supply chain.		
102-11	Precautionary Principle or approach	77, 78, 88, 89, 90, 91, 92, 93, 94, 95		
102-12	External initiatives	33, 34, 35, 36		17
102-13	Membership of associations	33, 34, 35, 36		17
GRI 102: STRATEGY 2016				
102-14	Statement form senior decision-maker	8, 9, 10, 11		
102-15	Key impacts, risks, and opportunities	91, 92, 93, 94, 95, 128, 129, 130, 131		
GRI 102: ETHICS AND INTEGRITY 2016				
102-16	Values, principles, standards, and norms of behaviour	27, 70, 71	Principle 1,2,3,4,5,6,7,8,9 and 10	8
102-17	Mechanisms for advice and concerns about ethics	70, 71	Principle 2	8
GRI 102: GOVERNANCE 2016				
102-18	Governance structure	54, 55		
102-19	Delegating authority	68, 69	Principle 10	
102-20	Executive-level responsibility for economic, environmental, and social topics	68, 69		
102-21	Consulting stakeholders on economic, environmental, and social topics	38, 39, 40, 41, 42, 43		
102-22	Composition of the highest governance body and its committees	57, 58, 59, 60, 61, 62, 63, 64, 65		
102-23	Chair of the highest governance body	57		
102-24	Nominating and selecting the highest governance body	57	Principle 10	
102-25	Conflict of interest	Blumar has a code of Business Conduct and Ethics which defines the rules concerning conflicts of interest and it applies to directors, exectuvies and workers. Notwithstanding, the Board od Directors has considered complementing this code with other complementary and specific rules, Link: <a href="https://www.blumar.com/upload/paginas/archivos/codigo-de-etica.pdf">https://www.blumar.com/upload/paginas/archivos/codigo-de-etica.pdf</a>	Principle 10	
102-26	Role of highest governance body in setting purpose, values and strategy	24, 25, 54, 62	Principle 10	
102-27	Collective knowledge of highest governance body	57, 58, 59		
102-28	Evaluating the highest governance body	54	Principle 10	
102-29	Identifying and managing economic, environmental, and social impacts	42, 43		

102-30	Effectiveness of risk management processes	88, 89, 90, 91, 92, 93, 94, 95	Principle 10	
102-31	Review of economic, enviromental, and social topics	60, 67		
102-32	Highest governance body's role in sustainability reporting	The Integrated Annual Report is approved by the Board of Directos and the Annual Shareholder's Meeting.		
102-33	Communicating critical concerns	60, 62, 63		
102-35	Remuneration policies	62, 63	Principle 10	
102-36	Process for determining remuneration	62, 63	Principle 10	
GRI 102: STAKEHOLDER ENGAGEMENT 2016				Principle 3
102-40	List of stakeholder groups	38, 39		
102-41	Collective bargaining agreements	168, 169		8
102-42	Identifying and selecting stakeholders	38, 39		
102-43	Approach to stakeholder engagement	38, 39		
102-44	Key topics and concerns raised	38, 39, 40, 41, 42, 43		
GRI 102: REPORTING PRACTICE 2016				
102-45	Entities included in the consolidated financial statements	The entities included in the consolidated statements are Blumar S.A., Pesquera Bahía Caldera S.A., Salmones Blumar S.A., Salmones Blumar Magallanes SpA, Acuicola Punta Vergara SpA, Pacificblu SpA y Entrevientos S.A.		
102-46	Defining report content and topic Boundaries	6, 7		
102-47	List of material topics	40, 41, 42, 43		
102-48	Restatements of information	6, 7		
102-49	Changes in reporting	6, 7		
102-50	Reporting Period	6, 7		
102-51	Date of most recent report	6, 7		
102-52	Reporting cycle	6, 7		
102-53	Contact point for questions regarding the report	4, 5		
102-54	Claims of reporting in accordance with the GRI Standars	6		
102-55	GRI Content Index	246		
102-56	External assurance	6		
GRI 103: MANAGEMENT APPROACH 2016				
103-1	Explanation of the material topic and its Boundary	44, 45, 46, 47		
103-2	The management approach and its components	44, 45, 46, 47		
103-3	Evaluation of the management approach	44, 45, 46, 47		
ECONOMIC CONTENT				
GRI 201: ECONOMIC PERFORMANCE 2016				
201-1	Direct economic value generated and distributed	193		8
201-2	Financial implications and other risks and opportunities due to climate change	24, 25, 26, 127, 128, 129, 130, 131	Principle 10	13
201-4	Financial assistance received from government	In Chile, the company avails itself of the tax credits of the <i>Ley Austral Law</i> , associated with the hiring of workers residing in the isolated areas of Chile - specifically in the Southern regions of Aysén and Magallanes, and the provinces of Chiloé and Palena - to promote the development of these regions, and create incentive for the residents of these areas. The company also avails itself of tax credits associated with research and development (R + D), and promotion of training of the National Training and Employment Service (SENCE).		16



<b>GRI 202: MARKET PRESENCE 2016</b>				
202-2	Proportion of senior management hired from the local community	The company has seven senior managers for Blumar and three for Salmenes Blumar, in total ten executives in senior management, and all of them are Chilean nationals.		11
<b>GRI 203: INDIRECCT ECONOMIC IMPACTS 2016</b>				
203-1	Infraestructure investments and services supported	191, 193		11
203-2	Significant indirect economic impacts	175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187		11
<b>GRI 204: PROCUREMENT PRACTICES 2016</b>				
204-1	Proportion of spending on local suppliers	15, 175		12
<b>GRI 205: ANTI-CORRUPTION 2016</b>				
205-1	Operations assessed for risks related to corruption	70, 71	Principle 10	8
205-2	Communication and training about anti-corruption policies and procedures	70, 71	Principle 10	8
205-3	Confirmed incidents of corruption and actions taken	The company did not record confirmed cases of corruption in 2021. Details about received grievences on page 70.	Principle 10	8
<b>GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016</b>				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	The company has no legal actions in this area.	Principle 10	12
<b>GRI 207: TAX 2019</b>				
207-1	Approach to tax	67, 68	Principle 10	16
207-2	Tax governance, control, and risk management	67, 68, 88, 89, 90, 91, 92, 93, 94, 95	Principle 10	16
207-4	Country-by-country reporting	The company's entire operation is subject to Chilean jurisdiction.	Principle 10	16
<b>ENVIRONMENTAL CONTENT</b>				
<b>GRI 301: MATERIALS 2016</b>				
301-1	Materials used by weight or volume	228	Principle 7 and 8	12 and 13
301-2	Recycled input materials used	151, 152, 153, 232	Principle 7 and 8	12 and 13
<b>GRI 302: ENERGY 2016</b>				
302-1	Energy consumption within the organization	230, 231	Principle 7 and 8	7,12and13
302-3	Energy intensity	139, 230, 231	Principle 7 and 8	7,12and13
302-4	Reduction of energy consumption	230, 231	Principle 7 and 8	7,12and13
<b>GRI 303: WATER AND EFFLUENTS 2018</b>				
303-1	Interactions with water as a shared resource	146, 147, 233	Principle 7, 8 and 9	6,12and13
303-2	Management of water discharge-related impacts	146, 147, 233	Principle 7, 8 and 9	6,12and13
303-3	Water withdrawal	146, 147, 233	Principle 7 and 8	6,12and13
303-4	Water discharge	146, 147, 233	Principle 7 and 8	6,12and13
303-5	Water consumption	146, 147, 233	Principle 7 and 8	6,12and13

<b>GRI 304: BIODIVERSITY 2016</b>				
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value otside protected areas.	148	Principle 7 and 8	13,14 & 15
304-2	Significant impacts of activities, products, and services on biodiversity.	147, 148, 149, 150, 151	Principle 7 and 8	13,14 & 15
304-3	Habitats protected or restored	148	Principle 7 and 8	13,14 & 15
<b>GRI 305: EMISSIONS 2016</b>				
305-1	Direct (Scope 1) GHG emissions	136, 137, 229	Principle 7 and 8	12 & 13
305-2	Energy indirect (scope 2) GHG emissions	136, 137, 229	Principle 7 and 8	12 & 13
305-3	Other indirect (scope 3) GHG emissions	136, 137, 229	Principle 7 and 8	12 & 13
305-4	GHG emissions intensity	136, 137, 229	Principle 7 and 8	12 & 13
305-5	Reduction of GHG emissions	136, 137, 229	Principle 7 and 8	12 & 13
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	136, 137, 229	Principle 7 and 8	12 & 13
<b>GRI 306: WASTE 2020</b>				
306-1	Waste generation and significant waste-related impacts	140, 141, 142, 143, 144, 145, 146	Principle 7 and 8	12 & 13
306-2	Management of significant waste-related impacts	140, 141, 142, 143, 144, 145, 146	Principle 7 and 8	12 & 13
306-3	Waste generated	140, 141, 142, 143, 144, 145, 230, 231	Principle 7 and 8	12 & 13
306-4	Waste diverted from disposal	140, 141, 142, 143, 144, 145, 230, 231	Principle 7 and 8	12 & 13
306-5	Waste directed to disposal	140, 141, 142, 143, 144, 145, 230, 231	Principle 7 and 8	12 & 13
<b>GRI 307: ENVIRONMENTAL COMPLIANCE 2016</b>				
307-1	Non-compliance with environmental laws and regulations	151, 233	Principle 7 and 8	12
<b>GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016</b>				
308-1	New suppliers that were screened using environmental criteria	174, 175	Principle 9	12
308-2	Negative environmental impacts in the supply chain and actions taken	175	Principle 9	12
<b>SOCIAL CONTENT</b>				
<b>GRI 401: EMPLOYMENT 2016</b>				
401-1	New employee hires and employee turnover	241		8
401-2	Negative environmental impacts in the supply chain and actions taken	157, 158	Principle 6	8
<b>GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018</b>				
403-1	Occupational health and safety management system	161, 162, 163, 164	Principle 1 and 2	3 & 8
403-2	Hazard identifications, risk assessment, and incident investigation	161, 162, 163, 164	Principle 1 and 2	3 & 8
403-3	Occupational health services	161, 162, 163, 164	Principle 1 and 2	3 & 8
403-4	Worker participation, consultation, and communication on occupational health and safety	161, 162, 163, 164	Principle 1 and 2	3 & 8
403-5	Worker training on occupational health and safety	Number of hours of workers training on occupational health and safety: 24,801 (internal and external): 14,493	Principle 1 and 2	3 & 8

403-6	Promotion of worker health	161, 162, 163, 164	Principle 1 and 2	3 & 8
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	161, 162, 163, 164	Principle 1 and 2	3 & 8
403-8	Workers covered by an occupational health and safety management system	161, 162, 163, 164, 242		3 & 8
403-9	Work-related injuries	161, 162, 163, 164, 242		3 & 8
403-10	Work- related ill health	161, 162, 163, 164, 242		3 & 8

GRI 404: TRAINING AND EDUCATION 2016

404-1	Average hours of training per year employee	240, 241		4 & 8
404-2	Programs for upgrading employee skills and transition assistance programs	158		4 & 8
404-3	Percentage of employees receiving regular performance and career development reviews	240, 241		4 & 8

GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016

405-1	Diversity of governance bodies and employees	59, 236, 238		5
405-2	Ratio of basic salary and remuneration of women to men	166, 167		5

GRI 406: NON- DISCRIMINATION 2016

406-1	Incidents of discrimination and corrective actions taken	70	Principle 1 and 2	8
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GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BERGAINING 2016

407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	105, 168, 169	Principle 1, 2, 3, 4, 5 and 6	8
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GRI 408: CHILD LABOR 2016

408-1	Operations and suppliers at significant risk for incidents of child labor	165	Principle 1, 2 and 5	8
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GRI 409: FORCED OR COMPULSORY LABOR 2016

409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	165	Principle 1, 2 and 4	8
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GRI 411: RIGHTS OF INDIGENOUS PEOPLES 2016

411-1	Incidents of violations involving rights of indigenous peoples	47, 177	Principle 1 and 2	11
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GRI 412: HUMAN RIGHTS ASSESSMENT 2016

412-1	Operations that have been subject to human rights reviews or impact assessments	165, 166	Principle 1 and 2	8
412-2	Employee training on human rights policies or procedures	165, 166	Principle 1 and 2	8
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	165, 166	Principle 1 and 2	8

GRI 413: LOCAL COMMUNITIES 2016

413-1	Operations with local community engagement, impact assessments, and development programs	176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187		11 and 12
413-2	Operations with significant actual and potential negative impacts on local communities	176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187		11 and 12

GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016

414-1	New suppliers that were screened using social criteria	174, 175		8 and 12
414-2	Negative social impacts in the supply chain and actions taken	175		8 and 12

GRI 415: PUBLIC POLICY 2016

415-1	Political contributions	According to the Donations Policy, Blumar makes no contributions to political parties and/or politicians.	Principle 10	16
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GRI 416: CUSTOMER HEALTH AND SAFETY 2016

416-1	Assessment of the health and safety impacts of product and service categories	99, 100, 101, 102		12
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Blumar has no cases of non-compliance in this area.		12

GRI 418: CUSTOMER PRIVACY 2016

418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Blumar has not received any complaints in this area. Details about received grievances on page 70.		12
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SASB TABLE					
TOPIC	CODE	INDICATOR	UNIT OF MEASURE	RESULTS/ COMMENTS	PAGES
ACTIVITY METRICS	FB-MP-000.A	Number of processing and manufacturing facilities	Number	-	15
	FB-MP-000.A	Animal protein production, by category percentage subcontracted	Number	-	228
GREENHOUSE GAS EMISSIONS	FB-MP-110a.1	Gross global Scope 1 emissions	Metric tons (t) of CO <sub>2</sub> -e	68,812	136
	FB-MP-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis fo performance against those targets.	-	-	134, 135, 136, 137
ENERGY MANAGEMENT	FB-MP-130a.1.1	(1) Total energy consumed	GJ	1,285,349	231
	FB-MP-130a.1.2	(2) Percentage grid electricity	Percentage (%)	N/D	-
	FB-MP-130a.1.3	(3) Percentage renewable energy	Percentage (%)	67%	140
WATER MANAGEMENT	FB-MP-140a.1.1	(1) Total water withdrawn	Thousand of cubic meters (m³)	975,787	233
	FB-MP-140a.1.2	(2) Total water consumed	Thousand of cubic meters (m³)	291,158	233
	FB-MP-140a.1.3	(3) Percentage of each in regions with High or Extremely High Baseline Water Stress	Percentage (%)	5.2%	146
	FB-MP-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks	-	-	146
	FB-MP-140a.3	Number of incidents of non-compliance with water quality permits, standards, and regulations	Number	0	233
LAND USE & ECOLOGICAL IMPACTS	FB-MP-160a.1	Amount of animal litte and manure generated, percentage managed according to a nutrient management plan	Metric tons (t), (%)	-	142, 143, 144, 145, 151, 152, 153
	FB-MP-160a.2	Percentage of pasture and grazing land managed to Natural Resources Conservation Service (NRCS) conservation plan criteria	Percentage (%) of hectares	Blumar does not own or participate in the production of terrestial animal protein.	-
	FB-MP-160a.3	Animal protein production from concentrated animal feeding operations (CAFOs)	Metric tons	Blumar does not own or participate in the production of terrestrial animal protein.	-
FOOD SAFETY	FB-MP-250a.1	Global Food Safety Initiative (GFSI) audit: (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	Rate	The salmon processing plant has been audited under BRCGS and BAP-SPS standards. BRC compliance 98.5% (4 minor non compliances) IFS: 98.68% compliance (4 minor NC) All corrective actions were	105

taken by the technical area.					
	FB-MP-250a.2	Percentage of supplier facilities certified to a Global Food Safety Initiative (GFSI) food safety certification program	Percentage (%)	Critical suppliers (primary and secondary inputs) with GFSI certification: 82%	-
	FB-MP-250a.3.1	(1) Number of recalls issued	Number	0	-
	FB-MP-250a.3.2	(2) Total weight of products recalled	Metric tons (t)	0	-
	FB-MP-250a.4	Discussion of markets that ban imports of the entity's products	-	Blumar does not participate in markets that ban import of its products due to sanitary or phytosanitary measures.	-
ANTIBIOTIC USE IN ANIMAL PRODUCTION	FB-MP-260a.1.1	Percentage of animal production that received (1) medically important antibiotics	Percentage (%) by weight	0	118
	FB-MP-260a.1.2	(2) not medically important antibiotics, by animal type	Percentage (%) by weight	26%	
WORKFORCE HEALTH & SAFETY	FB-MP-320a.1.1	(1) Total recordable incident rate (TRIR)	Rate	-	164
	FB-MP-320a.1.2	(2) fatality rate	Rate	-	242
	FB-MP-320a.2	Description of efforts to assess, monitor, and mitigate acute and chronic respiratory health conditions	-	-	161, 162, 163, 164
ANIMAL CARE & WELFARE	FB-MP-410a.1	Percentage of pork produced without the use of gestation crates	Percentage (%) by weight	Blumar does not own or participate in the production of pork.	-
	FB-MP-410a.2	Percentage of cage-free shell egg sales	Percentage (%) by weight	Blumar does not own or participate in the production of eggs or poultry.	-
	FB-MP-410a.3	Percentage of production certified to a third-party animal welfare standard	Percentage (%) by weight	75% ASC certification	228
ENVIRONMENTAL & SOCIAL IMPACTS OF ANIMAL SUPPLY CHAIN	FB-MP-430a.1	Percentage of livestock from suppliers implementing the Natural Resources Conservation Service (NRCS) conservation plan criteria or the equivalent	Percentage (%) by weight	Blumar is not supplied with products related to livestock or beef production.	-
	FB-MP-430a.2	Percentage of supplier and contract production facilities verified to meet animal welfare standards	Percentage (%)	Blumar is not supplied with nor includes animal products in its value chain.	-
ANIMAL & FEED SOURCING	FB-MP-440a.1	Percentage of animal feed sourced from regions with High or Extremely High Baseline Water Stress	Percentage (%) by weight	No information	-
	FB-MP-440a.2	Percentage of contracts with producers located in regions with High or Extremely High Baseline Water Stress	Percentage (%) of value of contracts	No information	-
	FB-MP-440a.3	Discussion of strategy to manage opportunities yand risks to feed sourcing and livestock supply presented by climate change	-	Blumar does not own or participate in the production of beef.	128, 129, 130, 131



# Statement of Responsibility

The directors and Chief Executive Officer of Blumar S.A., in this sworn statement that the information contained in who have signed this Annual Integrated Report, declare the Report is a true and fair view of the facts.

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6.280.901-9

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# Acknowledgements

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