

Bluefront Equity AS - Disclosure pursuant to the Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) Article 4

Bluefront Equity considers principal adverse impacts of our investment decisions on sustainability factors.

Bluefront is seeking portfolio companies that share our vision in making the seafood value chain more sustainable. As such, Bluefront conducts a thorough assessment of the impacts a potential portfolio company has on sustainability factors prior to investment, and continuously during the investment holding period. The assessment covers a variety of sustainability indicators, including environmental, social and employee matters, respect for human rights, and anti-corruption and anti-bribery matters.

As a private equity manager focussed on only one industry, namely seafood, we have tailored our ESG framework to the specific risks and opportunities within the seafood industry. The ESG framework is based on the UN Principles for Responsible Investment. Our approach to assessing adverse impacts is focussed on the sustainability risks that are most prominent in the aquaculture segment, as identified by Collier Fairr. The pre-investment phase will however identify any adverse impacts also beyond the top 10 risks in the aquaculture segment.

The top 10 ESG and sustainability risks identified for the aquaculture segment are:

Environmental	Social	Governance
<ul style="list-style-type: none"> • Greenhouse gas emissions • Effluents • Habitat destruction and biodiversity loss • Fish feed supply • Disease management 	<ul style="list-style-type: none"> • Labour conditions • Fish welfare • Community resistance • Antibiotic use 	<ul style="list-style-type: none"> • Transparency and food fraud

These ESG risks form the basis for a materiality assessment performed by the deal team for each individual investment, which in turn lays the foundation for the ESG assessments that are made prior to investment, and the subsequent engagement and follow-up with each portfolio company. The pre-investment phase will however identify any adverse impacts also beyond the top 10 risks in the aquaculture segment.

When the principal adverse impacts are identified, Bluefront will, in close dialogue with the portfolio company, identify the most prominent risks for each company, and implement mitigating measures. Through this process, Bluefront both identifies, and prioritises, the principal adverse impacts our investment decisions have on sustainability factors.

For further details on the integration of sustainability risks in our investment decision-making process, please see the disclosure pursuant to Article 3.

Bluefront Equity only invests in the seafood value chain. Due to this specialised focus, the principal adverse sustainability impacts of our investment decisions are expected to largely reflect the adverse impacts that are most prominent in the aquaculture segment, as set out above.

After an investment is made and throughout the investment holding period, Bluefront will engage with the portfolio companies to improve their environmental, social and governance performance, and reduce the adverse impacts of the portfolio company's business activities on sustainability factors. This is done by, inter alia, setting clear and measurable ESG and sustainability targets for each portfolio company tailored to the company's business activities. Bluefront will work with the portfolio companies to ensure they have sufficient and competent resources to deliver on the ESG and sustainability targets.

During the investment holding period, Bluefront will assist the portfolio companies in implementing policies and procedures to measure and report on the progress of the ESG and sustainability targets that are set for each individual company.

This statement on the principal adverse impacts of Bluefront's investment decisions will be aligned with the Regulatory Technical Standards (RTS) to the Sustainable Finance Disclosure Regulation as and when the RTS enter into force. In preparation for the implementation of the RTS, Bluefront has started a process to prepare for the more detailed reporting based on the draft RTS as published by the European Supervisory Authorities published 4 February 2021 (JC 2021 03).

Bluefront Equity is committed to become a signatory to the UN Principles for Responsible Investment by end of 2021.