



## Group Water Quality Assurance Policy and Code of Conduct

<b>Title</b>	<b>Group Water Quality Assurance Policy and Code of Conduct</b>		
<b>Scope</b>	Regal Springs Group in all production countries during all farming activities		
<b>Date of Issue</b>	August 2023	<b>Review Due</b>	August 2026
<b>Version</b>	2.0		
<b>Sponsor</b>	Head of Group Farming, Group Sustainability Manager		

### 1. Purpose

Regal springs Group specialized on raising Tilapia in net pens in large freshwater lakes in Indonesia, Honduras, and Mexico. We also operate our own hatcheries that rely on water inputs from the surrounding areas. The environment we operate in and grow our fish plays a vital role in our operations from egg to harvest. The water we utilize for our activities is a shared resource and potentially impacted by many factors such as seasonal variation, weather, farming activities, deforestation, tourism, and others.

Ensuring that the water quality is optimal for our fish allows us to maximize fish health and welfare and performance but also minimizes our impact on the ecosystem that everyone can benefit from the resources provided by nature.

### 2. Scope

Fish depend on the water they live in for all their needs. Water quality is one of the most critical factors affecting fish health, welfare, growth, and quality. Responsible Aquaculture systems depend on water conditions that provide the optimal environment for the fish to thrive and develop. External factors such as unfavorable weather condition, cold weather fronts or poor community and industry waste disposal systems can lead to oxygen depletion in the water and cause the death of farmed fish.

At Regal Springs Group, we operate our fish farms in areas which are regulated by national and local governments. Non-compliance with water regulations can lead to fines and sanctions by the authorities. Furthermore, unsustainable farming practices can affect the health, welfare and quality of our Tilapia which has a negative commercial impact on the business.

Regular, accurate measuring, recording, monitoring, and analyzing of specific water quality parameters allows us to ensure that the fish have everything they need. It also allows us to track trends, predict seasonal hot spots and enables us to react to influence the water quality if certain parameters are suboptimal.





### 3. Preventive measures to minimize impact on water quality

**Farm Location and setup** - We identify the optimal locations for our grow out farms in the lakes after consulting with local communities, external as well as internal water quality experts and conducting extensive limnological studies.

**Feed** - We only use extruded, floating feed during the grow out which is fed by trained staff by hand. This ensures that the fish have time to eat all feed offered and prevents feed loss into the environment.

**Daily mortality removal** - We check all cages daily and remove any mortalities that potentially settle at the bottom of the net pen.

**Collecting of fish feces** - We are always looking for ways to improve and trial new methods to collect fish feces. If proven successful, the methodology will be implemented in all operations.

### 4. Water Quality Monitoring

At Regal Springs Group, we have the utmost respect for the lakes that we farm in and the water we utilize in our hatcheries. Clean water is the most important natural resource to our business and is a source of livelihood to the local communities that Regal Springs Group supports in all our farming operations.

It is our responsibility to comply with the regional and local environmental laws of each country in which we have aquaculture operations.

Beyond legal compliance, we uphold industry-leading standards by aligning our aquaculture practices with third-party certification programs including the Best Aquaculture Practice (BAP) and Aquaculture Stewardship Council (ASC).<sup>1</sup>

To achieve these standards, we invest heavily in our Water Assurance Programs. However, we not only comply with water quality monitoring legislation and third-party requirements, but we also exceed them.

---

<sup>1</sup> In fact, our first water quality monitoring program for Lake Toba in Indonesia, was the foundation of the ASC standard's water quality monitoring requirements.



**Our multi-level Water Quality Assurance Program is managed by our team of water experts and limnologists and is based on the following:**

- We operate in compliance with regulations from national and local governments.
- We operate in compliance with regulations from third-party certifications.
- We implement an internal Water Quality Assurance Testing Program exceeding regulatory and third-party certification requirements in our own laboratories on regular intervals for 26 water parameters
- External Tests: Water Tests are independently verified by ISO 17025 certified laboratories
- National: Inspected by Central Ministry of Environment Regulations
- External Verification: BAP and ASC certification

In addition, Regal Springs Group collaborates with like-minded partners to run lake and freshwater awareness and clean-up programs to engage local communities and users of the lake in preserving the lakes and freshwater resources and its environment from being degraded.

### **5. Implementation**

This policy is implemented at all Regal Springs Group Country Aquaculture sites. Country General Managers, Water Quality Managers and Farming Managers at each site will ensure the following:

- a. Establish onsite laboratories and stations to monitor water quality, biological and chemical indicators in the water on regular basis, to ensure they are always within the legal limits, compliant with third party and Regal Spring's farming standards set to assure best health, welfare and performance of our fish and the environment we operate in.
- b. Maintain a permanent limnological surveillance which provides water data to assess status and for trend analysis. This enables us to collaborate with the local authorities to better understand and manage the natural variations that occur due to seasonal and climatic effects.
- c. Take appropriate water vigilance and control measures to obtain the best results by developing the relevant water quality monitoring to comply with national and international standards, including the ASC and BAP certifications.
- d. Lakes are independently audited by local environmental authorities.
- e. Water testing is verified by third-party independent laboratories that are certified to ISO 17025 standards. This ensures we receive objective oversight of all our water testing.



f. Share learnings, methodologies, and observations with the aim to review and implement best practices in responsible water quality management and aquaculture practices at all Regal Springs Group Aquaculture sites. The panel of experts comprise Regal Springs Group Farming Manager, Country Water Quality Managers, and independent experts.

g. Implement a standardized Code of Practice for Lake Water Assurance Program. This will include a dashboard of metrics that each Lake must meet.

#### **6. Methodologies for Sampling, Preservation, Transport and Analysis of Water Samples**

i. Methodologies must be based on national or international standards from recognized organizations such as:

- American Public Health Association (APHA)
- International Organization for Standardization (ISO)
- United States Environmental Protection Agency (EPA)
- Deutsches Institut für Normung (DIN)

ii. Establish Operating Procedures for the following aspects as recommended by the *Standard Methods for Examination of Water and Wastewater*<sup>1</sup>:

- Collection and preservation of samples
- Special requirements for handling
- Sequence analysis
- Security measures
- Precautions for operation
- Interference
- Materials and equipment
- Reagent preparation
- Data Analysis





#### **7. Frequent Ring Testing with 3rd-party ISO 17025-certified Laboratories**

- i. Calibrate and validate water sample test results and data from Regal Springs Country Lake Water Assurance Program.
- ii. Validate and ensure the technical competence of in-house laboratories in Regal Springs Country Operations.

#### **8. Methodologies for Location Selection and Implementation of Monitoring Stations**

- i. Criteria for the selection of monitoring stations should be based on the morphology and dynamics of the lake ecosystem where we operate.
- ii. Considerations include for instance the location of the farming sites, the entry and exit of water into hatcheries and/or lake systems to measure changes in water quality at the entrance of tributaries, in and after the farming sites.

