

## To our stakeholders

I am pleased to confirm that Mowi ASA reaffirm its support of the Ten Principles of the United Nations Global Compact in the areas of human rights, labour, environment and anti-corruption.

In this annual Communication on Progress we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Yours sincerely

Ivan Vindheim, CEO



# Global Compact COP Report 2020

## Human Rights Principles

### **Principle 1: "Businesses should support and respect the protection of internationally proclaimed human rights"**

Mowi supports and observes the Universal Declaration of Human Rights in our operations. Mowi also requires a similar commitment from our suppliers and participants in our supply chain.

Mowi aims to understand and comply with all applicable laws and international conventions on human rights, to which Mowi subscribes and supports.

### **Principle 2: "Make sure that they are not complicit in human rights abuses"**

Mowi aim to know and understand where our operations, suppliers or supply chains, due to local conditions, custom, practices or otherwise, might represent a potential risk of human rights violations.

If allegations occur, we ensure that situations or allegations of human rights violations are investigated and followed up. We are particularly aware in the event of reluctant or unsatisfactory answers to questions from potential business partners, and other 'red flags' that might suggest that a party might be avoiding an open and transparent view of their operations or conduct or that of their sub-suppliers.

## Labour Principles

### **Principle 3: "Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining"**

Mowi recognizes the right of all workers and employees to freely form and join groups for the promotion and defense of their occupational interests, including the right to engage in collective bargaining.

Mowi aims to know and understand all local or applicable legal obligations, in relation to labour and collective bargaining. We encourage engagement in open and free dialogue concerning conduct of labour and labour relations in Mowi.

Mowi is particularly aware of pressure from outside interest groups, or others who have a political agenda on labour and collective bargaining contrary to Mowi policy and other conduct that might suggest that activities cannot be part of an open dialogue with Mowi employees on labour practices.



#### **Principle 4: "The elimination of all forms of forced and compulsory labour"**

Mowi is committed to the abolition of all forms of forced or compulsory labour.

Mowi aim to understand where our operations, suppliers or supply chain, due to local conditions, custom, practices or otherwise might represent a risk of having underage workers or forced labour. We aim to gather knowledge, understand and comply with all applicable laws and international conventions on labour practices to which Mowi subscribes and supports.

We ensure that seasonal employment of workers is also included under this policy.

We are particularly aware of suppliers who deliver through sub- suppliers and whose operations they are reluctant to disclose, or open to inspections and visits.

#### **Principle 5: "The effective abolition of child labour"**

Mowi is committed to the abolition of child labour.

Mowi has a minimum age for employment as not lower than the age of completion of compulsory schooling as set by national law, and in any event not lower than 15 years of age.

Mowi aim to understand where our operations, suppliers or supply chain, due to local conditions, custom, practices or otherwise might represent a risk of having underage workers or forced labour.

We aim to gather knowledge, understand and comply with all applicable laws and international conventions on labour practices to which Mowi subscribes and supports.

We ensure that seasonal employment of workers is also included under this policy. We are particularly aware of employees of suppliers who appear to be underage or working under coercion.

#### **Principle 6: "The elimination of discrimination in respect of employment and occupation"**

Mowi's activities shall be conducted without discrimination on the basis of race, ethnicity, national or other origin, disability, age, gender, sexual orientation, language, religion or any other characteristic where a person is not treated as an individual.

Mowi aims to show respect for individuals, and not treat people as members of a class. We base employment decisions on the basis of job qualifications (e.g. education, prior experience, skills) and merit.

We aim to provide a work environment free from harassment and bullying.

We are particularly aware of signs of a hostile work environment or situations in which any person could feel excluded or unwelcome, of violation of labour law, or refusals to work, or otherwise cooperate with, certain individuals because of a general characterization.



## Where to find out more?

Our website:

<http://www.mowi.com/>

Mowi Code of Conduct:

<https://mowi.com/investors/corporate-governance/code-of-conduct/>

Mowi Code of Conduct for Suppliers:

<https://mowi.com/people-old/code-of-conduct-suppliers/>

Mowi Human Rights Policy:

<https://corpsite.azureedge.net/corpsite/wp-content/uploads/2020/02/Mowi-Human-Rights-Policy.pdf>

Mowi Annual Report 2020:

<https://corpsite.azureedge.net/corpsite/wp-content/uploads/2021/03/Mowi Integrated Annual Report 2020.pdf>

## Environmental Management Policies & Procedures

### Principle 7: “Business should support a precautionary approach to environmental challenges”

Mowi aims to supply a growing population with outstanding food resources without hampering our planet. Through our continued efforts to understand the impact of our operations, we work to not only reduce our environmental impact but to create new opportunities and solutions that will make us a front runner in environmental responsibility. We believe that a healthy planet and healthy business performance are mutually reinforcing and, as such, our long-term business success depends on protecting the environment for future generations. “Planet” is one of Mowi’s four guiding principles. It encapsulates Mowi’s vision of producing salmon in a sustainable and environmentally responsible manner by setting up long terms goals, measuring progress towards these goals and describing what are our mitigation efforts. Mowi’s ambition is a positive trend toward 100 % ASC certifications for all seawater and freshwater sites. The Aquaculture Stewardship Council (ASC), is a standard developed in collaboration with WWF. At the end of 2020, Mowi had 45 % of our sites ASC certified, reaffirming that we are the leading producer of ASC certified farmed salmon.

Our long-term success is dependent on our ability to manage the relevant risks associated with our goals. In Mowi, risk management includes biological risk where several environmental related aspects are covered such as sea lice pressure, sustainable feed ingredients, escapees and medicine use.

We have conducted a materiality analysis as part of our annual reports and in conjunction with our ongoing, global sustainability strategic planning efforts. Our materiality analysis highlights areas of both opportunity and risk to help us refine our overall strategic reporting approach, improve performance and guide our R&D activities. The assessment of material issues has been conducted with the involvement and final approval of our Group Management Team. It has also been conducted in accordance with the Global Reporting Initiative G4 guidelines. The choice of which environmental aspects are material for Mowi is a result of a dialogue with stakeholders that include regulators, customers, investors, suppliers,



employees, local communities and NGOs. From the sixteen issues considered as highly important both for Mowi and our stakeholders, seven are directly related to environmental challenges including escape prevention, medicine use, lice management, efficient and sustainable feed, fish health and welfare, to overcome the plastic waste challenge and climate friendly food production. For each of these material elements Mowi has defined key performance indicators that help us measuring our progress towards minimizing our environmental impact. Our progress in minimizing environmental impacts is strongly linked with R&D innovations that have encouraged the development and implementation of environmental friendly solutions such as the use of cleaner fish in sea lice management and the replacement of marine feed ingredients by more sustainable vegetable ingredients.

Working in collaboration is key to Mowi's vision of Leading the Blue Revolution. We believe that we can accelerate progress by working together with peers in the seafood sector and other players that share our common interest of working with the ocean to add value to humankind.

#### Partnership for the Goals

Partnership is crucial for achieving the United Nations Sustainable Development Goals (SDGs). We are convinced that collaboration is indispensable to build a better world. SDG 17 – Partnership for the Goals – is one of the most material SDGs for Mowi, i.e. one of the SDGs where we can have the greatest impact. A sustainable future will require concerted action and partnerships at various levels.

#### High Level Panel for a Sustainable Ocean Economy

Mowi is part of the advisory network of the High Level Panel for a Sustainable Ocean Economy which comprises more than 135 private sector, non-governmental organisations and intergovernmental organisation across 35 countries. As a member of the advisory network we aim to share knowledge on existing initiatives and actions withing ocean farming that can contribute to the High Level Panel's aim of advancing a new relationship between humanity and the sea that protects the ocean and optimizes its value to humankind.

In addition, this network allows a discussion with public policy officials on topics such as climate change and ocean pollution.

#### Seafood Business for Ocean Stewardship (SeaBOS)

Our collaboration with other seafood players is key to Mowi as part of the Seafood Business for Ocean Stewardship (SeaBOS). Our contribution to this initiative involves increasing transparency and traceability at our own operations, working with governments to improve regulations and working towards eliminating IUU fishing and further reducing the use of antibiotics while ensuring good animal welfare. We also work with SeaBOS to scale up our impact on protecting the oceans from plastic litter which includes our support to the Global Ghost Gear Initiative.

Engagement with public policy officials also takes place to discuss the topic of climate resilience in the seafood sector.

#### Global Sustainable Seafood Initiative (GSSI)

As a funding partner, we continue to support the Global Sustainable Seafood Initiative (GSSI). GSSI is a public-private partnership on seafood sustainability, which plays an important role in providing clarity on seafood certification. GSSI aligns global efforts and resources to address seafood sustainability challenges.



### National seafood and salmon aquaculture industry partnerships

Mowi is an active member of several national industry partnerships to help create the conditions for the long-term, sustainable growth of the sector in the various countries where Mowi has farming operations. Examples are the Norwegian Seafood Federation (Sjømat Norge), the Chilean Salmon Council, the Scottish Salmon Producers Organisation (SSPO), the British Columbia Salmon Farmers Association (BCSFA), the Canadian Aquaculture Industry Alliance (CAIA), Irish Farmers Association (IFA) and the Faroe Fish Farmers Association (FFFA).

With work still underway to reach the agreed United Nations development goals, we strongly believe that our business can play an important role in contributing to a sustainable future. Out of the 17 development goals set by the UN, we can contribute significantly to at least ten: good health and well-being, gender equality, decent work and economic growth, industry, innovation and infrastructures, reduced inequalities, sustainable cities and communities, responsible consumption and production, climate action, life below water and partnership for the goals. We are committed to contributing to the UN sustainable development goals, including goal 14 "Conserve and sustainably use the oceans, seas and marine resources for sustainable development".

### **Where to find out more?**

Our website:

<http://www.mowi.com/>

Mowi Annual Report 2020:

[https://corpsite.azureedge.net/corpsite/wp-content/uploads/2021/03/Mowi\\_Integrated\\_Annual\\_Report\\_2020.pdf](https://corpsite.azureedge.net/corpsite/wp-content/uploads/2021/03/Mowi_Integrated_Annual_Report_2020.pdf)

Mowi Salmon Industry handbook 2021:

<https://corpsite.azureedge.net/corpsite/wp-content/uploads/2021/05/Salmon-Industry-Handbook-2021.pdf>

Aquaculture stewardship Council:

<http://www.asc-aqua.org/>

High Level Panel for a Sustainable Ocean Economy: <https://www.oceanpanel.org/>

SeaBOS: <https://seabos.org/>

Global Ghost Gear Initiative: <https://www.ghostgear.org/>

Global Seafood Sustainability Initiative: <http://www.ourgssi.org>

Sjømat Norge: <https://sjomatnorge.no/the-norwegian-seafood-federation/>

Chilean Salmon Council: <https://www.consejodelsalmon.cl/>

Scottish Salmon Producers Organisation: <https://www.scottishsalmon.co.uk/>

British Columbia Salmon Farmers Association: <https://bcsalmonfarmers.ca/>

Canadian Aquaculture Industry Alliance: <https://www.aquaculture.ca/>



Irish Salmon Growers' Association: <https://www.ifa.ie/>

Faroe Fish Farmers Association: <http://salmon-from-the-faroe-islands.com/>

### **Principle 8 : “Undertake initiatives to promote greater environmental responsibility”**

Environmental responsibility is a key concern in all Mowi's activities. This is reflected in a number of initiatives listed below:

- Mowi's vision of leading the Blue Revolution embraces environmental responsibility (Planet) as a guiding principle;
- Long term goals that promote environmental responsibility have been set and include: 1. Move towards 100% ASC certified, 2. To achieve zero-escapes, 3. To achieve a survival rate >95% from smolt to harvest, 4. To control sea lice using integrated tools, 5. To reduce medicine use through development of non-medicinal solutions, 6. To reduce Scope 1, 2 and 3 GHG emission by 35% until 2030 and 72% until 2050 and 7. To have 100% of our plastic packaging reusable, recyclable or compostable by 2025.
- Several Key Performance Indicators (KPIs) related to environmental stewardship have been set and are monitoring and reported on a regular and transparent basis in our annual reports. These include metrics related to energy use and GHG emissions, escape events, biodiversity related projects, medicine use, sea lice management and sustainable feed.
- 100% of our annual harvested salmon volume, i.e. all Mowi farming units – freshwater and seawater farms – must be certified according to sustainability standards recognised by the Global Seafood Sustainability Initiative (GSSI): ASC, GAA BAP and/or GLOBALG.A.P.
- All our – primary and secondary – processing plants:
  - o Must be certified according to a food safety standard recognised by the Global Food Safety Initiative (GFSI), such as IFS, BRC, SQF, FSSC, ISO 22000, GAA BAP processing standard)
  - o Chain of Custody certifications as required by GLOBALG.A.P., GAA BAP, ASC and where applicable, MSC
- As a minimum, our salmon feed suppliers must be GLOBALG.A.P. certified and 100% of our feed must comply with our policy on sourcing sustainable feed raw materials
- 100% of the soy in our feed is deforestation-free and must be ProTerra certified
- The Aquaculture Stewardship Council (ASC), is a standard developed in collaboration with WWF. At the end of 2020, Mowi had 45 % of our sites ASC-certified, reaffirming that we are the leading producer of ASC certified farmed salmon.
- In Mowi we run global environmental networks with colleagues working in the area of environment and sustainability to share best practices and implement new solutions.

### **Where to find out more?**

Our website:

<http://www.mowi.com/>

Mowi Annual Report 2020:

[https://corpsite.azureedge.net/corpsite/wp-content/uploads/2021/03/Mowi\\_Integrated\\_Annual\\_Report\\_2020.pdf](https://corpsite.azureedge.net/corpsite/wp-content/uploads/2021/03/Mowi_Integrated_Annual_Report_2020.pdf)



Mowi Salmon Industry handbook 2021:

<https://corpsite.azureedge.net/corpsite/wp-content/uploads/2021/05/Salmon-Industry-Handbook-2021.pdf>

Aquaculture Stewardship Council:

<http://www.asc-aqua.org/>

Keystone Dialogues:

<http://keystonedialogues.earth/>

### **Principle 9: “Encourage the development and diffusion of environmentally friendly technologies.**

Mowi is committed to encourage the development and diffusion of environmental friendly technologies. Across the globe we have several examples of developments on environmental friendly technologies:

- Testing new farming technologies such as close containment at sea that minimizes the risk of escapes and lice challenges.
- Implementing AI and big data for automatic sea lice counting and welfare check.
- Further development and optimization of non-medicinal tools for lice management
- Use of cutting-edge Recirculating Aquaculture Systems (RAS) for future land-based farming of both salmon and marine cleaner-fish species.
- Test and implement new net materials that are more resilient toward net cleaning and challenging weather conditions.
- Test new net coating solutions and cleaning technologies as an alternative to copper coatings and high-pressure cleaning at sea
- Switched from diesel to onshore power generation in Norway allowing a reduction in GHG emissions from seawater farming operations
- Replacement of old equipment with more energy-efficient alternatives at our processing plants in Canada.
- Building the new feed plant in Scotland powered by more environmental energy sources such as liquefied natural gas (LNG).
- Development of new molecular technology that allow us to monitor benthic biodiversity without the need to preserve fauna in hazard chemicals such as formalin.
- Implementing the 4Rs packing principles (Reduce, Reuse, Recycle and Replace)

### **Where to find out more?**

Our website:

<http://www.mowi.com/>

Mowi Annual Report 2020:

[https://corpsite.azureedge.net/corpsite/wp-content/uploads/2021/03/Mowi\\_Integrated\\_Annual\\_Report\\_2020.pdf](https://corpsite.azureedge.net/corpsite/wp-content/uploads/2021/03/Mowi_Integrated_Annual_Report_2020.pdf)

Mowi Salmon Industry handbook 2021:

<https://corpsite.azureedge.net/corpsite/wp-content/uploads/2021/05/Salmon-Industry-Handbook-2021.pdf>





**Principle 10: “Businesses should work against corruption in all its forms, including extortion and bribery”**

Mowi expects all employees worldwide to comply with applicable laws and regulations governing our business activities.

The company is committed to high ethical standards in the conduct of our business worldwide, and will not engage in fraudulent or corruptive business activities.

We keep a particular focus on business data, financial reporting, payments, suppliers relationships, competition laws, money laundering prevention, compliance with sanctions laws, conflict of interests, insider trading and stock tipping.

Mowi works at all times with customers and suppliers in a manner consistent with our reputation as a reliable, honest and trustworthy business partner.

We guide ethical behaviour through our Code of Conduct describing the company and the employees obligations, through corporate values, leadership principles, guiding principles, responsibilities, whistleblowing procedures for raising concerns, processes and sanctions in the event of violation, as well as the specific items spanning from compliance with laws, fraud and corruption and conflict of interests.

All employees and leaders are trained in ethical dilemmas and the code of conduct through annual e-learning and workshops.

**Where to find out more?**

Mowi Code of Conduct:

<https://mowi.com/investors/corporate-governance/code-of-conduct/>

Mowi Code of Conduct for Suppliers:

<https://mowi.com/people-old/code-of-conduct-suppliers/>

