

Cermaq Code of Conduct – Feed Suppliers

Introduction

Cermaq is committed to upholding high standards related to the social and environmental aspects of our business. This Supplier Code of Conduct - Feed Suppliers has been established to ensure these high standards are maintained throughout the feed supply chain. This document describes the minimum standards that all Cermaq's feed suppliers are expected to uphold. Cermaq in turn requires our feed suppliers to obtain equivalent standards from their goods and service suppliers.

In addition to the Code of Conduct specific to feed suppliers, our general Code of Conduct for Suppliers is applicable and can be found on our website www.cermaq.com.

Cermaq expects its feed suppliers to comply with the requirements described below

We also require our suppliers to issue Supplier Quality Assurance (SQA) statements confirming compliance with this feed suppliers' code of conduct generally and for selected topics upon specific requests. The statements should be renewed annually at the minimum.

1.0 Responsible Sourcing and Sustainability

Feed suppliers to Cermaq are obliged to have a Responsible Sourcing Policy that complies with the following requirements:

- All raw material is to be purchased from sustainable sources and preferably accompanied by certifications
- The supplier shall comply with all recognized crop moratoriums and local laws
- Fishmeal and fish oil should be sourced only from fisheries that are regulated and monitored as being sustainable
- The supplier shall promote responsible environmental management of small pelagic fisheries*
- No fishmeal or fish oil used in the feed will originate from IUU catch (Illegal, Unreported, and Unregulated) or species categorised as vulnerable, endangered or critically endangered according to the IUCN red list of threatened species*
- Fishmeal and fish oil shall be sourced from certified fisheries under a scheme that is ISEAL member* (e.g. Marine Stewardship Council) or IFFO Responsible Supply of Fishmeal and Fish Oil programs
- Fish meal and fish oil shall meet with the FishSource score acceptable levels for each species used as feed ingredient as required by the ASC standard*
- Soy purchased by the feed manufacturer shall be certified by the Roundtable for Sustainable Soy, Pro Terra, or equivalent*
- Feed suppliers sourcing soy from Brazil should support the objectives defined in the Cerrado Manifesto and commit to working with local and international stakeholders to halt deforestation and native vegetation loss in Brazil's Cerrado region and preferably sign the Cerrado Manifesto or similar.

2.0 Raw material composition

- The feed supplier is expected to disclose type of raw material, country of origin and name of supplier on a regular basis*. An exception related to name of supplier is accepted if IP (Intellectual Property) rights are violated.
- Information about raw materials approved by the feed supplier shall be presented to Cermaq on an annual basis
- Introduction of new raw materials (not on the mentioned approved list) will require notification and approval by Cermaq prior to delivery

*Aquaculture Stewardship Council (ASC) requirement

3.0 Traceability

- The traceability systems shall as a minimum be in compliance with local and national laws and regulations
- The feed suppliers shall have an ingredient traceability system in place that has been audited and certified by a third party, and must be able to trace the shipment of feed from the manufacturer to the point of relinquishing custody to Cermaq
- The feed supplier must be able to ensure traceability of all feed ingredients, such as, but not limited to:
 - Marine ingredients traceable back to the source fishery
 - Soy traced back to the region grown
 - Pigments traced back to the producer
 - Vitamins and minerals traced back to the producer
- A list of ingredients, and the origin, should be delivered and presented to Cermaq on an annual basis
- Traceability systems shall be electronic and relevant data available to Cermaq on a regular basis or upon specific requests

4.0 Food safety

- An elevated heat step must be incorporated into the manufacture of the feed to reduce the risk of biological contamination
- All suppliers shall have a control program in place for food safety that meets or exceeds the requirements in local and national laws
- The supplier must guarantee no use of prohibited and unauthorized substances in the process and in raw materials
- The methods used for analysis shall be certified and only accredited laboratories should be used
- The data should be available to Cermaq on a regular basis and upon specific requests
- Cermaq shall be entitled to perform audits and check the analysis conducted by the feed supplier
- The supplier warrants that the feed has such content that it is in compliance with local legal laws and regulations in the country where the feed is produced and is able to produce evidence of the contents of the feed upon request from Cermaq. Such evidence should be readily available upon demand.
- The feed supplier warrants that the contents of the feed is in compliance with the regulations in the countries where Cermaq products are to be sold, e.g. European Food Safety Authority (EFSA) and FDA (US Food and Drug Administration) regulations.
- Cermaq expects feed suppliers to have a zero-target for presence of all contaminants negative for human health, such as Dioxins, dl-PCB s and similar. Levels should be at lowest levels possible taking into account the use of available technology and available raw materials

5.0 Feed quality: Declaration and control of nutrient content and physical quality

- The supplier is to have an electronic system in place that allows for transferring data about declared values as well as provide a basis for conducting audits
- Relevant data is to be made available to Cermaq on a regular basis and upon specific Crequests. Relevant data may include, but not be limited to:
 - Average inclusion rate of fishmeal and fish oil
 - Average percentage of fishmeal and fish oil sourced from wild capture/reduction fisheries

- Average protein content
- Average phosphorus content
- The feed supplier is to guarantee a nutrient composition on specific parameters such as, but not limited to, omega 3 (EPA/DHA), pigment, fat, digestible protein and digestible energy
- Feed supplier must guarantee technical qualities supporting the production process at the farm such as, but not limited to, percentage of fines in the feed at point of entry below 1% by weight of the feed*, no mould and free of fat leakage
- Discrepancies should always be compensated in line with the feed agreement and maximum response time should be one month

7.0 Management systems and procedures

- Cermaq requires suppliers to have a management system in place that addresses areas such as, but not limited to, Environmental footprint, Occupational Health and Safety, Food safety and Quality. The supplier should preferably be certified according to recognized standards such as ISO 9001, ISO 14001, ISO 22000, OHSAS 18001 or equivalent. In the event that an equivalent standard is used in lieu of a recognized standard, such equivalence will be certified by an independent third-party auditor.
- In addition, the supplier shall meet the requirements, or have certifications in place if a feed standard is available, related to Cermaq certifications (relevant for feed suppliers) at all times including, but not limited to:
 - Norway: Aquaculture Stewardship Council (ASC) and Global G.A.P.
 - Canada: Aquaculture Stewardship Council (ASC) and Best Aquaculture Practices (BAP)
 - Chile: Aquaculture Stewardship Council (ASC), Global G.A.P. and Best Aquaculture Practices (BAP)
- Feed suppliers are to have a claim handling function in place for efficient and prompt handling of claims and compensations
- In case of serious incidents such as, but not limited to, pollution, contamination, human rights breaches and fatal accidents, the supplier is expected to notify Cermaq as soon as possible. Cermaq also expects the supplier to have whistle blowing and crisis management procedures in place.

8.0 Cermaq sustainability reporting

- As part of Cermaq sustainability reporting, Cermaq discloses information about the feed used in Cermaq production
- In addition to raw material composition and origin mentioned in section 2.0, Cermaq expects the suppliers to disclose and provide information on energy and GHG emissions for the feed company as a whole in addition to the energy and GHG emissions related to the feed supplied to the different farms*. The information should be provided electronically in line with agreed deadlines between the feed supplier and Cermaq

9.0 Supplier follow-up programme

- Cermaq expects that the feed supplier identifies and performs audits of its critical suppliers on a regular basis and shares information with Cermaq upon request. Such audits, and the frequency of the audits, should be based on a risk assessment framework, which will be divulged in writing to Cermaq. Cermaq expects the audit to focus on social and environmental aspects of any production as well as transparency, quality and food safety.
- In addition, Cermaq shall be allowed to perform own audits of the same suppliers upon request

10.0 Cermaq customer follow-up

- Cermaq's customers have from time to time requests related to feed and Cermaq's feed suppliers, and Cermaq expects that these requests are prioritised and responded to by our feed suppliers within reasonable time limit
- In addition, the feed supplier must allow access to data, documentation and dedicated personnel to respond to questions that might arise

*Aquaculture Stewardship Council (ASC) requirement

11.0 Implementation

- Feed suppliers that are in breach with the Cermaq Code of Conduct for feed suppliers can be rejected as a supplier to Cermaq, and can be disqualified for tenders
- However, if feed suppliers are non-compliant with the above requirements, Cermaq may choose to work with the supplier to obtain improvements and end the supplier relation if the supplier cannot demonstrate progress and improvements. In case of severe and systematic breach of this feed Code of Conduct, Cermaq is entitled to terminate the feed delivery agreement.
- In the event of an announced or unannounced audit of the supplier for the purpose of verifying compliance with the requirements in this document, Cermaq personnel, or consultants engaged by Cermaq, shall have access upon request to any part of the premises where work under a contract is being performed.
- The feed supplier is expected to maintain appropriate records to demonstrate conformance with the requirements where relevant.
- Cermaq's feed suppliers are also expected to communicate the requirements to its employees and other sub-suppliers where relevant.