

CERMAQ

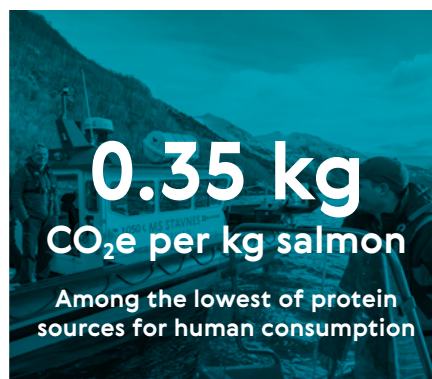


SUSTAINABILITY **REPORT 2022**

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Key facts 2022



Sustainability@Cermaq

During 2022, our world changed in many ways.

Steven Rafferty,
CEO of Cermaq



It was clear to all that we were lagging behind the ambition of the Paris agreement to limit temperature rise to well below 2 degrees Celsius. The speed of loss of global biodiversity continued to increase. In parallel the geopolitical landscape changed fundamentally after the Russian attack on Ukraine, also destabilizing global energy and food markets.

Producing healthy food, with low carbon footprint in a sustainable way is a robust response to these challenges. Still, Cermaq is impacted by the global uncertainty and the pressure this puts on our partners, customers, and other stakeholders. Our response is to raise the bar. We must reduce the footprint of our operations further and we must adapt to the changes we face through strong partnerships and long-term positioning in line with the Sustainable Development Goals.

Commitments integrated into our operations

Sustainability is an integral part of Cermaq's strategy and our daily operations, through our entire value chain, and in our dialogue with suppliers and customers.

Continuous improvement is at the core through setting business goals and

KPIs, committing to the UN Sustainable development Goals (SDGs), global standards such as the UN Global Compact and Science Based Target initiative (SBTi). However, we cannot do this alone, so we engage in strong partnerships as Sustainable Business for Ocean Stewardship (SeaBOS) and Global Salmon Initiative (GSI) to drive change and share learnings within the industry. Finally, we need standards and measuring posts and we utilize reputed certifications such as ASC and BAP and audited reporting based on the Global Reporting Initiative (GRI) standard and Carbon Disclosure Project (CDP).

We believe a company with transparent reporting also has a better overview of its risk and opportunities, a stronger basis for dialogue with stakeholders, and a better ability to actually make progress where it matters most.

Ambitious climate goals

Cermaq has set the ambition to cut GHG emission by 35% by 2030 with 2019 as reference year. The target is set in absolute terms and becomes more ambitious as Cermaq plans to grow in this period. The main avenues to reduce GHG emissions in our own operations (Scope 1 and 2) are electrification of sea sites and boats and purchasing certificates that ensure that the electricity is from renewable sources. However, in some remote regions limited access to electricity and a lack of infrastructure will impact our progress and we are therefore working hard on more innovative approaches.

In 2022 we have not achieved the progress we planned for, making climate action across our operations a more critical focus area for the coming years. As the global energy transition increases competition for

renewable energy where we operate, we need to increase our planning horizon and work even more closely with suppliers to achieve our target.

The major contributor to the carbon footprint of farmed salmon comes from feed and transport to market. Cermaq engages in dialogue with feed suppliers to identify how we can cooperate on reducing the footprint of feed production. Throughout the value chain of feed production there are GHG emission sources linked to the use of fossil fuels, land use change, farming operations, fishing and a number of processing and transport steps. Furthermore, looking at how we use the feed, increasing the feed conversion, i.e. how much feed is needed to produce one kg salmon, is a constant focus, as small improvement will have major impact on the carbon footprint. Survival of healthy fish is the best way of reducing our emissions.

Salmon is a product that is produced in a few, and mostly remote, corners of the world. It is however sold to hundreds of markets and there is strong demand for healthy food in markets that are far away from our farming locations. Therefore, we need to bring the fish to market. We have been working on optimizing this logistics operation for many years with a focus on shortest, fastest and lightest route to market. This work continues, but we are also working on modal shifts, truck to train, and reducing the use of air freight as well as how we can help our suppliers switching to green fuels. Digitalization and global solutions will continue to drive changes in logistics and we will be part of that change with a strong focus on GHG emission reduction.

Clean farming in common waters

Cermaq farms salmon in common waters. It is our responsibility to maintain the environmental qualities of the locations where we operate. This includes keeping the fish healthy, avoiding interaction with wildlife, minimize effluents and ensure that the impacts on the seabed are reversed after production.

“It is our responsibility to maintain the environmental qualities of the locations where we operate.”

The natural current in the ocean is fundamental for salmon farming as it provides the salmon fresh water with oxygen. To limit the impact on environment, the interaction with wildlife, and to improve circular economy, Cermaq is looking into multiple technologies. These include iFarm where each fish can be treated individually, closed cages where sea lice cannot enter and where sludge may be spread in a targeted way or be collected, co-production with kelp to reuse the nutrient load from salmon, and submersible pens to avoid sea lice. Some of these technologies will have a key role in the future farming as supplements or alternatives to traditional open net pens depending on the local situation.

Salmon farming is efficient food production requiring a small area, and in the regions where Cermaq operates (Norway, Chile and BC, Canada) the entire salmon production only entail around 0.1% of the area of the internal waters.

In December 2022, the UN Conference on Biodiversity agreed on effective conservation and management of at least 30 per cent of the world's land, coastal areas, and oceans. This should lead to a needed attention on building knowledge of the ocean life and resources to balance protection and use.

Shared value in local communities

Farming in common waters depends on being welcomed in the local communities. Local communities must experience positive effects with regard to environment, climate, and social ripple effects to let Cermaq use the sea area for salmon farming. This can

“Aquaculture is a part of the solution but there are also challenges we need to overcome, and this makes aquaculture attractive for dedicated people who want to make a difference.

only truly be achieved through partnership and long-term cooperation.

Attractive workplaces will always be the core as these workplaces are the basis for the ripple effects that result in a vital and robust local community, with suppliers, customers as well as public and private service. Active partnerships and engagement are replacing in-kind or financial contributions, and various forms of co-production (seaweed, kelp, mussels, etc.) are emerging, reducing the footprint of our operations through circular production.

Salmon farming also contributes to national economies, being among the largest export industries in Norway, Chile and British Columbia, Canada. Also, Cermaq supports that the local communities benefit significantly from the total taxes farming companies pay. This role, and the potential to grow further in a sustainable way being a part of the needed food transition, should encourage national governments to raise their ambitions allowing for beneficial growth of farming in local communities.

Unfortunately, it has shown to be difficult to align the national, regional, and local political and stakeholder interests in creating predictability for our local value creation. We will continue to run a transparent, fact and science-based business, because we believe that salmon farming business is a low impact business

with high growth potential. We aim for the industry's long term local value creation without negative impact on biodiversity and the local environment, and this is basis for our engagement with stakeholders and decisionmakers.

Business is about People

While we set value on the live fish in our accounts, there is no doubt that it is the people that constitutes Cermaq's largest value. The competence and dedication from each employee and the mix of people in the workforce throughout the company is critical for our success.

A “Cermaqian” is driven, trustworthy, and curious. We know that salmon farming is a right way to produce healthy food with a small footprint, we also know that our industry faces challenges and must improve. That drives us, and we are proud to take part in the steps of improving.

It is not surprising to see that youth are attracted to aquaculture. Aquaculture is a part of the solution but there are also challenges we need to overcome, and this makes aquaculture attractive for dedicated people who want to make a difference.

Demand for healthy and climate friendly food

Both planetary health and people health advice that seafood should have a larger share of diets, and demand for salmon continues to increase. With limited growth opportunities in production, prices have been strong. Despite very challenging regulatory and political situation in BC, Canada, our operational performance has in total been very strong in 2022 and we are looking forward to further developing our operations in 2023.

Our results could not be achieved without competent and committed employees, who are part of the food transition and climate action: seafood for a healthy future.

Steven Rafferty
CEO



Healthy and safe products

Background

Cermaq salmon is one of the richest sources of omega-3 fatty acids, known to help lower the risk of cardiovascular disease. Increasing one's intake of fish is recommended in public dietary advice as a healthier source of protein and other essential nutrients.

From some of the purest waters on Earth, our salmon is shipped across the globe to give our customers food they can feel good about eating, it tastes great, it is heart-healthy, it is kind to the planet – and it is safe.

Cermaq's goal

Food safety is at the core for customers and consumers and has the highest priority in Cermaq.

A high-quality salmon has a high nutrient content, is rich in Omega-3 fatty acids EPA and DHA, has a high healthy fat content, a firm texture, and a bright deep orange colour. Our commitment to growing the best product means a commitment to animal health and welfare, to transparency at every stage of the value chain, and to a respectful partnership with nature.

At Cermaq, our definition of a high-quality salmon also requires that it has been raised sustainably.

Some facts

In many markets consumers traditionally want to see the head of the fish, as eyes and gills can reflect the freshness of the fish. To meet customer and consumer preferences much of the salmon is transported as whole fish. We continue to work with customers to highlight the benefits to overall sustainability in increasing the transportation of filets rather than whole fish as this would reduce the carbon footprint created through transportation of our products.

The customers have full insight in the origin of our salmon. Each salmon comes with a CV with information on a wealth of parameters, for example when the egg was hatched, when the smolt was transferred to sea and what the sea temperature was at that time, name of site manager and the veterinarian responsible for fish health, feed types specified throughout the growth period, and much more.

The most common certifications applied to meet customer requests are ASC and BAP. Consumers pay increasingly more attention to the origin of the food, hence QR codes are getting more common, providing detailed and engaging information directly to end consumers such as which sea site the fish is from and what feed the fish has eaten.

In collaboration with customers in France, Cermaq Norway has launched a blockchain solution that makes it possible for French consumers to get information in text and photos about where the salmon they purchase in the supermarket has been farmed. By scanning a QR code on the label with their smartphones they can access an interface which will give them a wealth of information about the route that the product

“Our commitment to growing the best product means a commitment to animal health and welfare, to transparency at every stage of the value chain, and to a respectful partnership with nature.”

has taken – from where it was farmed right up to when it was placed on the store shelves. Blockchain technology guarantees consumers complete product traceability. Consumers can, for example, view GPS coordinates to find out where it was farmed and learn about the type of aquaculture in which Cermaq engages. Traceability is moving from nice-to-have to need-to-have.

In Cermaq Chile, we apply different resources to guarantee the best quality of our fish. The well-boats transporting the fish are designed for a safe, comfortable, and stress-free transfer for our fish. This, together with measures at the processing allows the fish not to experience significant changes in its metabolism that generate stress. Good for fish welfare and good for product quality.

Growing the best Atlantic salmon takes patience. It takes respect for our world and the animals we share it with. It takes our salmon three years to grow to harvest – but all good things are worth waiting for. We believe quality cannot be rushed.

What's next

Frozen and fresh salmon have the same qualities, blind tests show that consumers do not differ when the freezing and de-freezing have been done properly.

The way salmon is produced, the way salmon is transported to market and presented to consumers may change. What will not change is that food safety will have

the highest priority, and the highest quality, healthy and nutritious product will be produced.

About the report content

In this chapter, you will find performance data on the following topics:

- The fish we farm (FP-9)
- Sustainability certifications (CEQ 10)
- Non-compliance concerning health and safety of products and services (416-2)
- Health and safety impacts of product and service categories (416-1)

The fish we farm

Cermaq farms mainly Atlantic salmon.

In Chile we farm also Coho salmon. Fish production is the tons in biomass (weight of fish) produced within a year. This includes both the growth of the fish still in the sea and the fish that has been harvested.

Production is measured as gutted weight equivalents (GWE). It is a calculation where the biomass in tons of live fish at the end of the year is added with the biomass in tons harvested, subtracted by the tons of live fish at the start of the year. This biomass determination for harvested fish is corrected by a 1.2 factor in Chile and Canada and a 1.17 factor in Norway in order to determine the live weight equivalent (LWE) of the biomass.

Percentage and total of animals raised and/or processed, by Species and breed type

Fish production 2022	Tons (LWE)
Atlantic Salmon	
Cermaq Norway	94,722
Cermaq Chile	92,980
Cermaq Canada	8,430
Total ATS	196,132
Cocho Salmon	
Cermaq Chile	18,728
Total all species	214,860

Sustainability certifications

Certifications are standardized ways to document how we meet our customers' requirements. Cermaq use multiple certification systems of which BAP and ASC are the most common.

The Aquaculture Stewardship Council (ASC) aims to be the world's leading certification and labelling program for responsibly farmed seafood. The ASC's primary role is to manage the global standards for responsible aquaculture, which were developed by the WWF Aquaculture Dialogues.

Together with other GSI members, Cermaq engaged in expanding the use of the ASC certification which now is the leading certification system on the European market. All salmon supplied from Cermaq Norway qualifies for ASC certification. A significant share of our farming sites in Chile and Canada are also ASC certified, in addition to BAP certification which is more commonly used.

The status on certifications for Cermaq's farming sites can be found on [ASC's website](#). A certified farming site must comply with several requirements, including 150

sustainability criteria such as wildlife interactions, sea lice counts, fish escapes and unexplained loss among others. Some indicators such as wildlife interactions and sea lice counts must be reported and be publicly available.

Safe products

Nothing is more important than our products being safe to consumer. 100 percent of our product categories are assessed for health and safety impacts. This is part of the ISO 22000, which is fully implemented applying to our operations in Canada and Norway, and the IFS standards implemented in Cermaq Chile.

Cermaq has comprehensive certifications and management systems in place to ensure that local, national, and international laws as well as the highest standards are met and complied with. If any non-compliances occur, we take it seriously and investigate at the appropriate level to correct the issue before measures are taken to mitigate the risk of re-occurrence.

In 2022, there were zero non-compliances with the health and safety requirements of products and services in any operating region.



Preparing a salmon meal in Chile.



Fish health and welfare

Background

Raising salmon comes with the full responsibility for the health and welfare of the fish throughout their life. Cermaq's concern about fish welfare spans across the entire life cycle of each fish staying with each employee caring for the fish at every hatchery and continuing that care on to the marine fish farms and across the many initiatives we work on to support Cermaq's priorities for research and technology development.

Cermaq's goal

We wish our fish thrive, grow and be healthy during their life. A healthy fish cared for with the highest welfare standards performs better and has ultimately better quality. This is essential for the productivity and sustainability in our farming and our commitment to the fish that we raise.

Some facts

Still, prioritizing fish health and welfare may in some cases affect other goals such as climate actions negatively, e.g., keeping temperatures optimal for the fish in land-based operations during smolt production, requires cooling of the water, increasing the overall energy consumption. We must always look for solutions that advance and improve our performance across all our values and sustainability priorities.

The survival rate for farmed salmon is tremendously high compared to nature. Which is nothing less than what should be expected. In nature, the survival rate is around 5%, while in our farming operations the annual survival rate is 94%. Our goal is to increase that survival rate, but also ensure that our fish have good health and welfare.

It starts with the smolt: strong, healthy, vaccinated, and free from pathogens is the basis for good fish health and welfare throughout the production cycle. That

is why Cermaq has a comprehensive vaccination program for smolts as they are raised coupled with extensive screening of the broodstock, parent fish, to avoid any potential pathogens. We also monitor our fish for pathogens throughout the production cycle including their time in the sea to be able to act quickly if there are any signs of disease.

The environment in which the salmon lives is important. The qualities of the water; temperature, salinity, oxygen level etc. are of course essential for the salmon to thrive. We also know that fish perform best when they have plenty of room, even at their largest size, which is at time of harvest, the salmon only take up 2.5 % of the pen volume.

The fish thrive when they can live undisturbed with good water quality and sufficient, nutritious feed. The salmon's natural environment is the best place for them to grow and live.

Handling the fish, for example for sea lice treatment, causes stress. Stress is natural and an important physiological function, and generally some stress is positive. However, permanent high-level stress changes the picture, and has negative impact on health and welfare.

Preventative sea-lice management is a top priority, and in Norway Cermaq is testing different technologies to keep the sea lice away, like submerged cages and iFarm. In addition, we are testing optical delicing of our salmon with the use of laser in the net pens.

In Canada, we have made investment in technology such as the mechanical delousing systems that remove any sea lice gently, using only seawater. Technology such as this add another tool available to be used in order to keep sea lice numbers to a

low level and thus reduce overall needs for treatments.

Our research team on fish health is located at the University of Bergen, Norway. They run research programs on pathogens and vaccines and support our operations to manage disease outbreaks and to introduce preventive measures to reduce risk of diseases and to minimize stressing the fish. Every operating area has fish health teams who are committed to advancing our approaches to fish health and welfare and who are constantly innovating in their delivery of care to our fish.

Cermaq reports on fish health and welfare performance also through Global Salmon Initiative, presenting audited comparable performance data.

What's next?

Measuring welfare on individual fish is complicated as it is based on multiple aspects that may express very differently. The basis for good welfare is related to environment (e.g., water qualities) and group indicators (e.g., appetite). In Cermaq, we are also scoring fish welfare for individual fish in situations where fish are being handled, for example if they are treated against sea lice. Our aim is that fish welfare will be part of our future sustainability reporting.

About the report content

In this chapter, you will find performance data on the following topics:

- Fish survival (CEO1)
- Vaccination program for the smolt (CEQ5)
- Medicine use (antibiotics, sea lice treatment in feed and in bath) (CEQ4)

Fish survival

The rate measures number of fish that survived over the year as a proportion of an estimated number of fish in the sea the last month. We monitor survival every month as a rolling 12-month rate to follow the long-term trends.

Increasing the survival rate is a key target in Cermaq and defined as a Key Performance Indicator. This means that it is followed up closely and reported on a monthly basis to the Global Management Team and the Board of Directors.

Cullings of fish below harvest size are programmed events that are done when needed to preserve the fish health and welfare situation of a locality. Cullings are usually triggered by the presence of a disease.

During 2022, Cermaq culled 1,175,298 fish, with the majority of these cullings in Norway in February due to de-smoltification at one site, and in August and September due to a parvicapsula outbreak at a second sea site. All cullings are performed in accordance with law and after veterinary approval in order to ensure good fish welfare.

Fish health

Vaccination

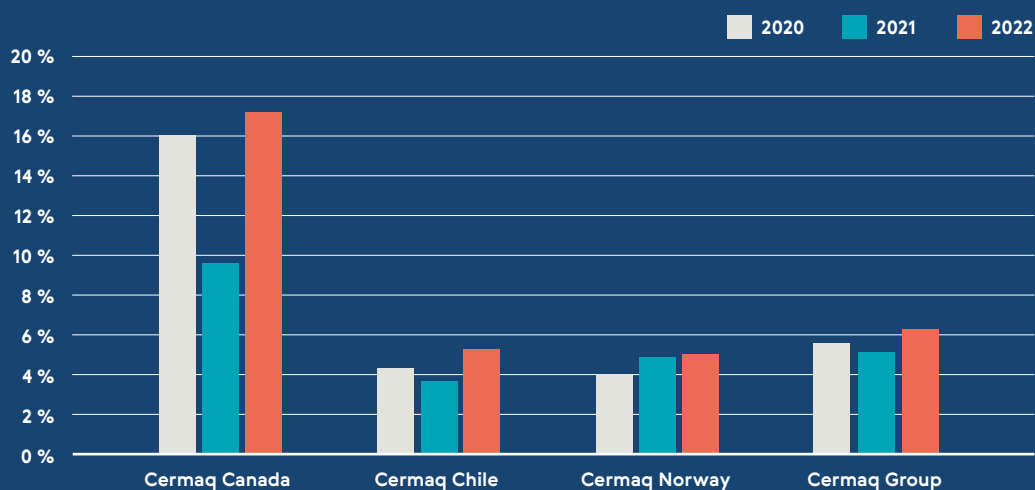
Preventive measures are our priority to safeguard fish health and welfare. Preventive measures include broodstock and fish screening for viral and bacterial diseases to reduce transmission, using genetically resistant fish by means of natural breeding techniques (QTL), functional feed, and the use of vaccines.

The vaccines available in Cermaq Norway, Cermaq Canada and Cermaq Chile are specific to the species farmed and diseases found in each region. Vaccination is delivered primarily in the hatcheries by injectable vaccines. After the vaccination the smolts will have time to obtain immunity and thereby be protected at the moment of stocking against disease faced during sea water. The fish can also be vaccinated to prevent disease in the freshwater phase.

Cermaq's global R&D team has a particular focus on developing effective solutions for SRS and mouth rot/ Tenacibaculum.

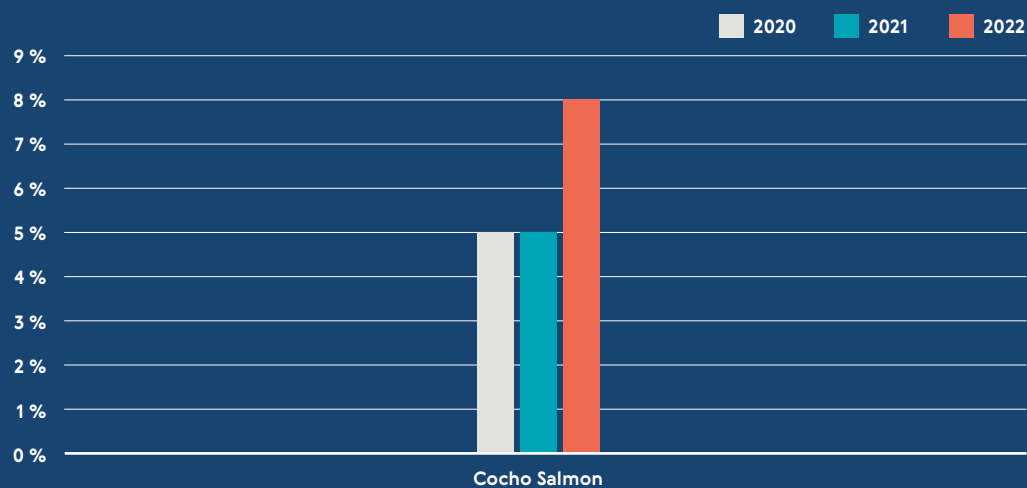
Fish Mortality for Atlantic salmon

12 months rolling mortality rate



Fish Mortality for Cocho salmon (farmed only in Chile)

12 months rolling mortality rate



Vaccination program in Cermaq 2022

Disease	Canada	Chile	Norway
SRS		X	
Furunculosis		X	X
Vibriosis	X	X	X
Coldwater Vibriosis	X		X
Winter ulcer	X		X
IPN	X	X	X
ISA		X	X
IHN	X		
BKD		X	

Medicines

Even with a preference for preventive measures, sometimes treatment with medicine is necessary. However, when medicines such as antibiotics and sea lice treatment are used, there are strict procedures in place which are always adhered to.

Antibiotics use is held to a minimum and are only used when strictly needed to restore fish health and welfare. Our policy for the use of antibiotics is to limit the use to cases where:

- Animal welfare is threatened by a bacterial disease
- A diagnosis of disease exists with a prescription of antibiotic by an authorized person
- The antibiotic has a proven therapeutic effect against the disease, and
- The antibiotic is approved for use in fish farming

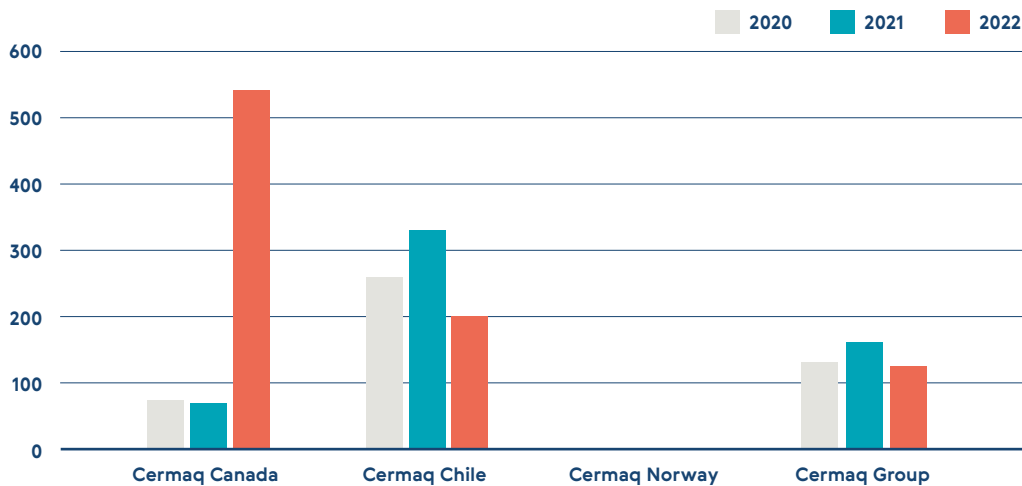
While Cermaq Norway has a biological situation where the need for treatment with antibiotics is almost non-existent, we experience a more challenging situation in



Monitoring the behaviour of the fish swimming deep down in the pen.

Antibiotic used

Grams Active Pharmaceutical Ingredients (API) per ton live weight (LWE) produced.



Canada and Chile. In Cermaq Chile, most of antibiotics used were to treat against SRS (*Piscirickettsia salmonis*) and BKD (bacterial kidney disease). For Canada the most frequent use of antibiotics was for control of *Tenacibaculum* and SRS, however by volume of antibiotics used BKD and SRS were primary causes. We always seek to use the best vaccines available.

At present there are few alternatives to treat fish for these diseases, and our global R&D team is focusing their efforts to provide more tools and knowledge to find sustainable solutions.

The calculation of antibiotics use is a ratio between the amount of active pharmaceutical ingredients used by tons of live weight of fish produced per calendar year. Hence, unpredicted mortality events such as algae bloom mortalities will affect this ratio. The antibiotic figure for Canada was distorted in 2022 due to reduced production.

Sea lice is a challenge for the industry worldwide and each country has specific

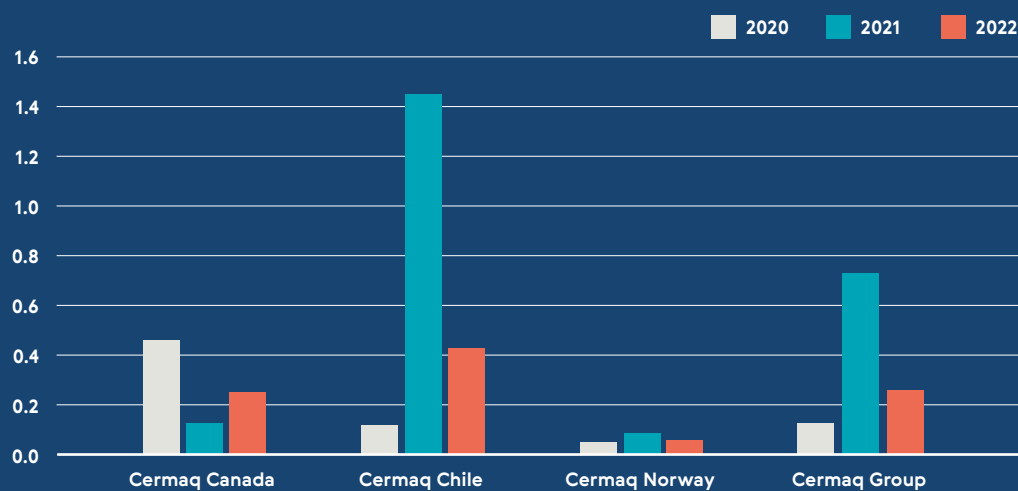
set of requirements with thresholds and regulations for proper management. There are preventive measures, non-medical treatment, and medical treatment against sea lice. Cermaq has a proactive and preventive approach, and when needed seeks treatment that is both efficient and gentle to the fish.

Preventive measures include e.g. lice skirts around the pens. Non-medical measures include e.g., use of laser, various treatment with fresh water and sea water. Cermaq has stopped using cleaner fish as ensuring the health and welfare of the cleaner fish was very challenging. Also, hydrogen peroxide is used, which requires handling of the fish, but the active ingredient is quickly broken down into water and oxygen and hence have very limited environmental impacts.

Cermaq has policies and procedures in place to ensure that all treatments are conducted in accordance with local regulations and area management plans. More details on sea lice counts can be found in the chapter on biodiversity.

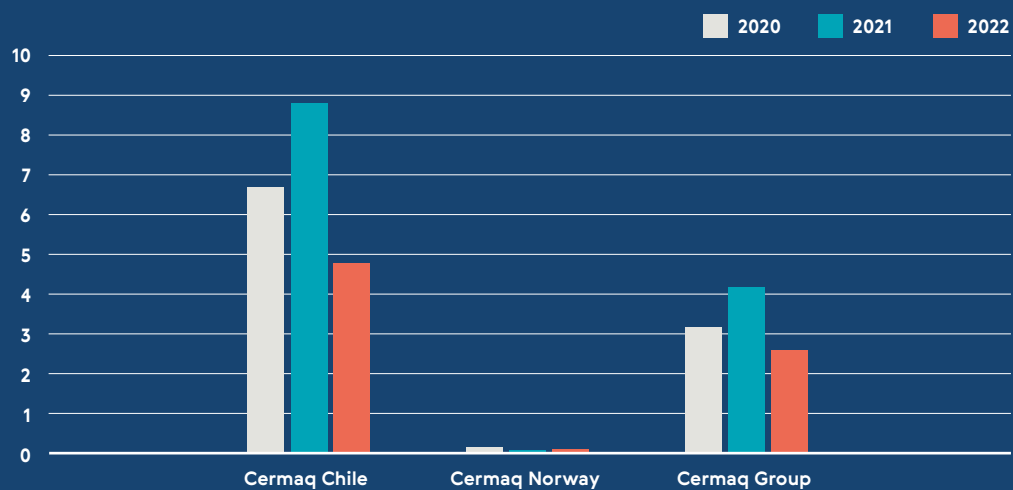
Sea lice treatment used in feed

Grams Active Pharmaceutical Ingredients (API) per ton live weight (LWE) produced.



Sea lice treatment used in bath

Grams Active Pharmaceutical Ingredients (API) per ton live weight (LWE) produced.





Ocean biodiversity

Background

Nature holds a great diversity of life from the smallest ecosystem to the global biosphere. Today we witness loss in the variety of life which can lead to a breakdown in the functioning of the ecosystem.

More than half of the world's habitable land has been converted to agricultural land, and 80% of this is used for animal production. We must restore nature on land and make sure we also restore and maintain ocean biodiversity in parallel with increasing food production in the ocean.

Cermaq's goal

Cermaq's goal is to avoid negative impact on the ocean environment, that means no permanent benthic impacts on biodiversity, zero chemical release to sea from sea lice bath treatment, and co-production of non-fed species (e.g., seaweed) for utilisation of nutrients from suitable farms and on fallowed sites whenever possible. We call this clean farming.

Some facts

Would raising salmon in closed cages on land reduce the impact on biodiversity? It would disconnect the salmon from the ocean, but it would bring other impacts from land use which are often irreversible and would impact biodiversity. In addition, there would be increased energy use. Using the natural energy in the ocean current is basis for farming in the ocean.

Our salmon farming does not happen without any footprint, and the seabed under a pen is impacted from production of salmon. That is why this is regulated, and seabed samples must demonstrate that the fauna under the pen has restored before new fish can enter. Luckily, the restoration is quick in water, in contrast to how long it takes for a corn field to become nature.

While fallowing of sites allows the nutrient to be re-cycled for the ocean life, actively capturing the nutrients is the approach in the seaweed projects Cermaq engages in in Chile, Canada, and Norway. Dependent on the species, seaweed can be used for human consumption, animal feed, or energy. The common denominator is the circular use of nutrients.

In Chile, Cermaq has cooperated with the University Austral on using effluents from salmon farming to improve mussel growing in the nearby area. The project started in 2021 and maps all impact in the waters around the farming site and the adjacent areas, so far indicating a positive impact from salmon farming.

In Norway, Cermaq is collaborating with kelp startup company Folla Alger on a project where we are testing combined production of kelp and salmon in a sea site. This combined set-up allows us to use the nutrients released by the salmon in a sensible way by producing kelp, which can in turn be used as a raw material in new feed. In February 2023 the first kelp was stocked at the sea site in Steigen, Norway.

To avoid interaction with wildlife we have nets keeping the salmon inside and, when needed, extra predator nets and nets over the pen to keep birds away. These nets are made to keep our salmon safe while at the same time they do not capture or harm sea mammals or birds.

It sometimes happens that we find dead birds, and in 2022 we found a total of 30 dead birds in and around the farming sites. In order to know for sure that a dead bird is not an endangered species, the people at the sites must have expertise in birds in order to determine the species of birds.

Cermaq does not operate any sites in any protected areas as defined by IUCN, but many species that are on IUCN's red list live in the areas where we operate. Naturally, we have a special concern for the wild salmon, being the origin for our industry. Cermaq engages in conservation activities and quite a few employees are passionate salmon anglers, a forceful combination.

What's next

The future is circular. The projects in Norway and Chile where the emissions from salmon farming is utilized as nutrients for kelp and mussels in only the beginning. This way of producing might also be a good balance between use and protection.

About the report content

In this chapter, you will find performance data on the following topics:

- Fallow time (CEQ3)
- Area management (CEQ6)
- Escapes (CEQ7)
- Sea lice levels (CEQ2)
- Interaction with birds, sea mammals (CEQ 9)
- IUCN Red List Species in the regions we farm (304-4)

Seabed impacts

Fallowing the sites between production cycles is efficient to restore the flora and fauna of the seabed after peak production. In 2022, all operations fully respected the fallowing requirements in Chile and Norway. There is no regulatory limit in Canada.

Benthos assessment is necessary to make sure that fish feces and feed pellets won't build up below or around farm pens, to monitor sea floor status, and avoid any longer term or irreversible impacts. Cermaq complies with local and national environmental regulations related to effluents and waste, and benthic impact assessment.

Fallow time is measured per week, from when the last fish has been harvested to when the first fish is stocked in the next cycle.

Area-based management is important for the ocean environment and efficient production as the fallowing and other activities can be coordinated across a larger area.

Area Management Agreements can be a voluntary measure, such as a best management practice, or it can be a national wide requirement, formalized under a written area management agreement between stakeholders in a defined area. The agreements are tailored to the local situation and, typically, may include topics such as fallowing and sea lice management strategies, vaccination programs, containment and contingency plans, recapture management plans and disease control strategies in farmed and wild fisheries.

In 2022, all Cermaq sites operated under area-based management agreements or were located in areas fully controlled by Cermaq.

Average Fallow Time Between Production Cycles (weeks)

Weeks	Cermaq Canada	Cermaq Chile	Cermaq Norway
Statutory requirements	-	12	8
2017	23	12	29
2018	23	12	22
2019	14	12	21
2020	14	12	25
2021	14	12	13
2022	14	12	28

Number of escaped fish by region

Weeks	Cermaq Canada	Cermaq Norway	Cermaq Chile	Cermaq Group
2017	0	0	212,562	212,562
2018	10	5,813	27,868	33,691
2019	37	21	15,859	15,917
2020	0	4	50,638	50,642
2021	0	5,609	0	5,609
2022	2	7,306	0	7,308

Escapes

As farmer we are responsible for our fish. Cermaq has comprehensive procedures for preventing and managing fish escapes. Fish escapes are regarded as serious incidents which receive special attention from Cermaq management and the Board of Directors. In Norway, where Atlantic salmon is a native fish species, escapees may interbreed with wild salmon in some situations.

Fish escapes may typically occur if nets are damaged, because of weather conditions, after handling of the nets for bath treatments, or as a consequence of predator attacks. An early detection of a fish escape allows Cermaq to recapture the salmon and reduce the impact of the escape event.

Measures include fish escape prevention plans in all regions, contingency plans, and monitoring activities. Examples of measures are remotely operated vehicles (ROVs) for monitoring the nets, regular inspections of infrastructure, reporting to learn from previous escapes, implementation of and training in procedures securing the facility in case of escapes, and recapture of escaped fish.

Inspections are performed by the authorities in all regions with regards to escape prevention.

In 2022, there were 5 escape events recorded in where a total of 7,308 fish escaped, corresponding to 0.007% of our fish in the sea. This was due to one incident in Norway with a hole in a net pen at one sea site and

four incidents where 1-2 fish slipped outside of the nets during handling at other sea sites in Norway and Canada. In all cases working procedures were updated to reflect the learning from the escape events in order to prevent further escapes.

Sea lice levels

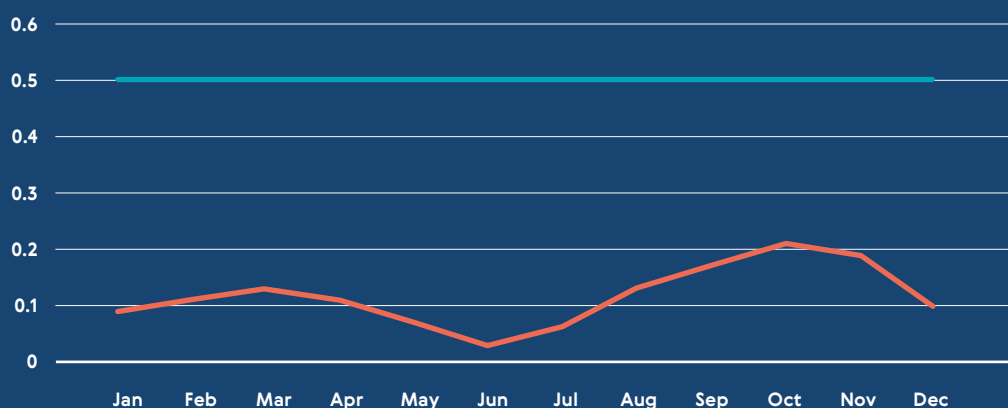
Controlling sea lice levels is a high priority in all regions where Cermaq operates. Lice occur naturally in the marine environment. There are two species of lice that affect farmed salmon in the regions we operate: *Caligus sp.* and *Lepeophtheirus salmonis*. Sea lice limits are set to ensure they do not negatively impact wild salmon stocks or the farmed salmon.

High levels of sea lice negatively impact the immune systems of the fish and directly affect fish health and welfare. Additionally, the skin of salmon, which is one of the most important barriers against disease, can be damaged by sea lice.

All regions have strict regulations on sea lice, including sea lice monitoring and counts, local action levels (meaning number of lice per fish), and approval of treatments. In 2022, monthly average sea lice counts were controlled below the local action levels in Cermaq Norway and Cermaq Chile, while some sites were above the level certain weeks. Due to challenging situations, the monthly average was above the action level in Canada in March.

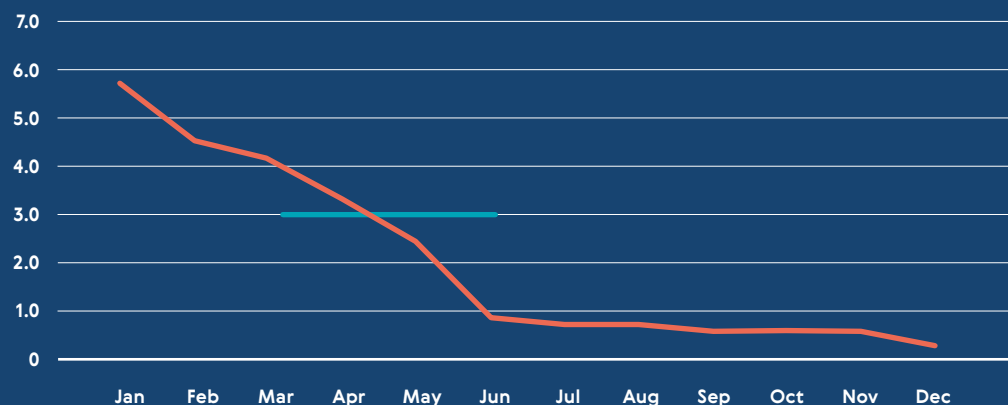
Average sea lice levels in Cermaq's salmon farms in Norway

ATS - L. Salmonis - Avg number of adult female lice Norway



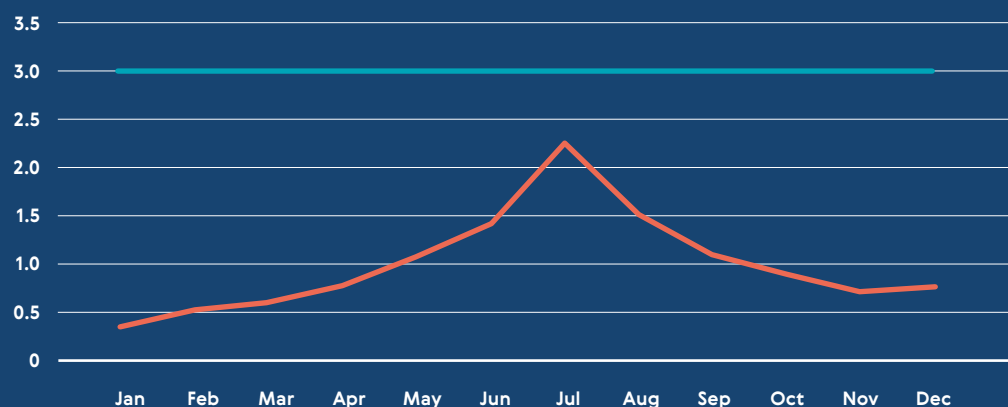
Average sea lice levels in Cermaq's salmon farms in Canada

ATS - L. Salmonis - Sum of avg. adult female and mobile lice Canada



Average sea lice levels in Cermaq's salmon farms in Chile

ATS - Caligus Rogerresseyi - Avg number of adult female lice Chile



The average sea lice count for Coho salmon, produced in Chile only, was zero in 2022.

Birds, sea mammals, and red list species

Cermaq recognizes the potential for fish farming operations to impact biodiversity, either directly or indirectly. Cermaq installs preventive measures and monitoring to reduce the number of interactions with wildlife. However, interaction may happen and birds and mammals mortalities are reported by accidental and intentional events.

Where large sea mammals occur, Cermaq uses predator nets at farms to avoid marine mammals entering into the farm site and to prevent attacks that are stressful for the fish. Nets for birds are installed at the farm sites to protect the fish. The nets are constantly assessed to check their structural function. Any incident leading to mortality of red list species is reported in line with national regulations and certification requirements.

Cermaq does not operate in protected areas as defined by the International Union for Conservation of Nature (IUCN). Still, there are many IUCN red list species in or in the vicinity of Cermaq's operations in Chile, Canada, and Norway.

The Chilean Ministry of Environment provides a list of 3500 species, with the conservancy state by species. Of the Chilean native mammals 90 are categorized critical endangered (CR), 520 endangered (EN) and



Kelp redy to be planted between the salmon pens.

553 vulnerable (VU). Of these 21 mammals either CR, EN or VU are located in the regions where Cermaq Chile operates. There corresponding figure for species of birds is 21 and for fish species 15.

In Norway, several species are included on the IUCN red list. From all species a total of 13 birds, 1 mammal, 9 fish, 4 algae, 2 mollusks, 1 vascular plant and 3 coral species appear on the national conservation list with habitats in our area of operations. Of them the 13 species of birds and 1 Mammal species are considered to interact closely to our farming sites. The 14 species are categorized as critical endangered (CR) with 1 species, 5 endangered (EN), 3 vulnerable (VU) and 5 near threatened (NT).

In Canada, there are 150 marine species of interest identified as a 'Species of interest' by regulatory agencies that can be found in the general geographical location of Canadian operations. Of these there are, 33 mammals, 3 reptiles, 26 fish, 7 birds and 1 mollusc. Many of the species have a broad distribution in the environment and may not interact directly with the facilities.

Interaction with birds and mammals in 2022, following the definition set by GSI.

	ACCIDENTAL		INTENTIONAL	
	Birds	Mammals	Birds	Mammals
Chile	0	0.36	0	0
Norway	0.76	0	0.11	0
Canada	0.06	0.31	0	0.06

Total number of interactions divided by the total number of sites from January to December.



Feed and materials used

Background

Feed represents the lion's share of both production cost and the carbon footprint of salmon farming, making innovations in feed ingredients very important. Traditionally salmon farming depended on forage fisheries, and this is still important to keep a good content of marine omega 3. Efficient use of marine ingredients, byproducts, and replacement with plant ingredients has allowed salmon production to increase while keeping its good quality and the advantages relative to other proteins. But we need to do more. The challenge is still a major one, and one that has the attention from feed and farming companies, academia, and policy makers.

Also when it comes to waste management we must improve. The past practice of sending waste to landfill is waste of resources that cannot continue. Cermaq engages and cooperates in development of waste management and recirculation to change this situation.

Cermaq's goal

Our salmon must have feed that provides all nutrients needed and give good animal health and high product quality. The sources for the nutrient may and will change. Novel feed ingredients should not compete with human consumption, should have a small carbon footprint, and being produced sustainably. Cermaq is heading for 100% recirculation of plastic and waste with the goal of "zero waste to landfill" of non-biological material.

Some facts

Food safety has the highest priority and there are strict requirements to packing material to keep the quality all the way to consumers in distant markets. The boxes used for transport

of salmon can be recycled but can not be reused for transport of fresh salmon.

Salmon is a net producer of marine ingredients, but of course salmon is no perpetual motion machine. It takes 1.2 kg feed to produce 1 kg of salmon, the lowest of animal protein. As marine protein and fats are valuable nutrients, the incredible effectiveness of salmon makes farmed salmon a product that is good for climate as well as it is good for human health.

Most wild fish stocks in the ocean are utilized to the full extent, and many are even overfished. Fighting IUU (Illegal, Unreported and Unregulated) fisheries through monitoring of boats and risk assessment of regions and ports is one of the topics addressed by SeaBOS, one of Cermaq's partnerships. SeaBOS includes ten of the world's largest seafood companies representing over 10% of the world's seafood production and comprise over 600 subsidiary companies and can truly make a difference through joint efforts.

There are many potential novel feed ingredients. They vary a lot when it comes to status of current production, regulatory situation, sustainability strengths and weaknesses, and barriers and driving forces. In the short run, better use of

“ Our salmon must have feed that provides all nutrients needed and give good animal health and high product quality.

byproducts from fisheries, aquaculture and agriculture are what can have significant impact. In the longer term, towards 2040, insects, phototrophic algae and tunicates (e.g., sea squirts) have large growth potential according to a Norwegian study (Råvareløftet) presented in December 2022.

Cermaq Norway has entered into an agreement with the supplier Vartdal Plast which will facilitate the use of packaging made from circular raw materials. This will have a major impact on the total climate emissions in the value chain and can potentially reduce climate emissions from production of boxes by around 50 per cent.

Cermaq Chile has as one of its activities launched an internal awareness campaign, focusing on recycling waste in all parts of our operations including administration.

What's next

Food prices and feed prices are more volatile due to climate changes and increased instability in the world. In the

“ Food prices and feed prices are more volatile due to climate changes and increased instability in the world.

food transition where the change must be from meat towards a more plant-based diet, we must use the animal feed where we get the highest output. Based on this, farmed salmon and other farmed seafood will have a larger share of the consumers' plate.

About the report content

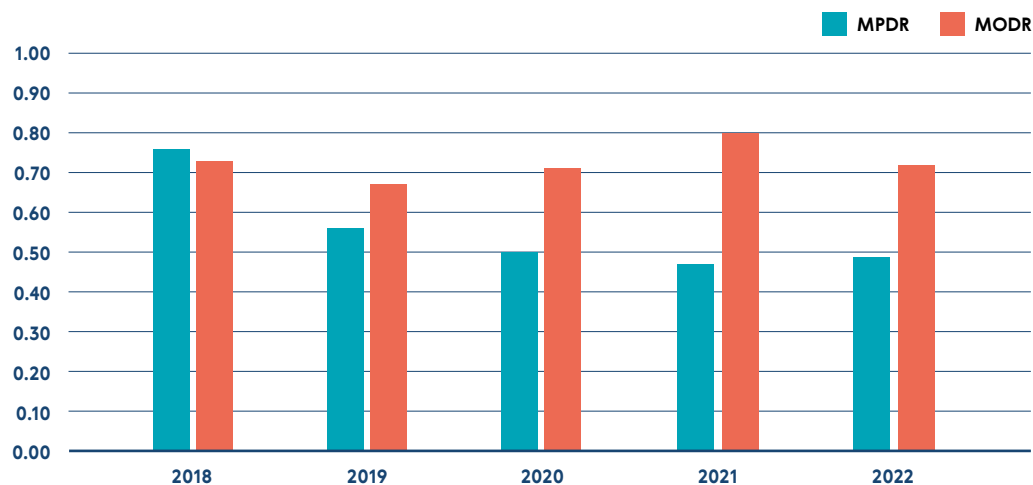
In this chapter, you will find performance data on the following topics:

- Raw material ingredients in the feed (CEQ8)
- Screening of new feed suppliers (308-1)
- Negative environmental impacts in the supply chain and actions taken (308-2)
- Material used by weight or volume (301-1)
- Recycled materials (301-2)



A soy field.

Efficiency in use of marine raw materials, calculated for protein (MPDR) and oils (MODR) showing how much is needed to produce protein and fat in salmon



Materials used by weight or volume

Packaging source	Material type	Packaging type	Total used (tons)	Description
Output Packaging	Plastic	6-PS	3,621	Product boxes
Output Packaging	Wood	Pallets	1,763	Product pallets
Output Packaging	Paper/ cardboard	Cardboard	1,506	Product packaging
Output Packaging	Paper/ cardboard	Paper	5	Paper
Output Packaging	Plastic	2-HDPE	85	Equipment-buoys, floats, feeding hoses
Output Packaging	Plastic	5-PP	8	labels
Output Packaging	Plastic	4-LDPE	343	Feed bags, bin bags
Output Packaging	Plastic	Other Plastics	1,385	Packaging tapes, doypack bag, coextruded bag, vacuum bag, cover film, bottom film, upper film, lower film, bot film, top film
Input Packaging	Plastic	1-PET	70	Feed bags
Input Packaging	Plastic	4-LDPE	50	Flexible bags
Input Packaging	Plastic	5-PP	381	Supersacs
Input Packaging	Plastic	6-PS	15	EPS
Input Packaging	Wood	Pallets	250	Feed pallets
Input Packaging	Paper	Cardboard	3	Cartons
Input Packaging	Plastic	7-Other Plastics	44	Sealed plastic and straps

Recycling of different input packaging materials used across Cermaq

Recycled input materials used	Cermaq Norway	Cermaq Chile	Cermaq Canada
Plastic 7 - Other plastics	100%	0%	0%
Plastic 5 - PP	0%	0%	95%
Plastic 4 - LDPE	0%	0%	0%
Wood (Pallets)	0%	80%	90%
Paper (Cardboard)	0%	0%	0%
Plastic 1 - PET	0%	0%	0%
Plastic 2 - HDPE	0%	0%	0%
Other - bags, capes, boots, work clothes	0%	0%	0%
Other - bags, capes, boots, work clothes	0%	0%	0%

Note: Norway, Chile and Canada report total of materials used by type of packaging for those materials which are in recycling programs.

Feed

The composition of our feed shall provide the fish with healthy nutrition, be sustainably produced, have small carbon footprint, and have competitive pricing. Not only regulations but also market acceptance results in different composition of the feed used in Chile, Canada and Norway. One example is byproducts from land animals being used in feed in Canada and Chile but not in Norway due to market considerations. Soy constitutes often a big part of the feed, and Cermaq's feed suppliers only use certified soy from suppliers not engaging in soy from deforested areas in Brazil.

The use of soy in fish feed has special attention as land change for soy production is related to climate impacts and to human right challenges. This has been addressed by Cermaq in our code of conduct for feed suppliers, requiring that the soy is not from deforested areas. Cermaq has also engaged in the Cerrado Manifest to prevent deforestation in the Cerrado biome in Brazil and in the initiative leading to the key Brazilian suppliers of concentrated soy protein to fish feed implementing 100

percent deforestation free value chains in all their operations. While soy protein is a very good feed ingredient, we must both economize the use of feed for animal production and ensure that each ingredient is sustainably produced and sourced.

Cermaq assesses new feed suppliers using environmental, human rights, labour, and societal impact criteria. Requirements assessed can be found in the Cermaq Supplier Code of Conduct and the Cermaq Feed Supplier Code of Conduct. However, there were no new feed suppliers in 2022.

Growing novel ingredients as part of the global food transition is the long-term goal, and Cermaq works with its feed suppliers to

“ The disposal of products and packaging materials is a steadily growing environmental challenge.

gain greater knowledge of alternative raw materials. We also gradually increase the use of novel ingredients for example algae oil in our feed.

Growing salmon is efficient use of marine ingredients as fish meal (protein) and fish oil, and salmon is a net producer of both marine protein and marine oils. We measure this as the Marine Nutrient Dependency Ratio (MNDR) which is a figure calculated for nutrients protein (P) and oils (O) separately, showing how much of each of marine protein and oil in feed is needed to produce protein and oil in the salmon. The marine sources that are included in the feed are capture fish, shellfish, and zooplankton.

The data is consolidated data from the feed suppliers at global level where Biomar has been Cermaq's main feed supplier. A detailed overview of the fishmeal and fish oil sources (species and regions) can be found in Appendix 4.

Waste management

The disposal of products and packaging materials is a steadily growing environmental challenge. Establishing effective recycling and reuse systems to close product cycles can contribute significantly to increasing material life cycles and resource efficiency while decreasing costs. All Cermaq operations shall comply with local and national environmental regulations related to effluents and waste handling. The waste handling procedures vary according to the local infrastructure in place. Increasing recycling is a priority and Cermaq aims to have no waste to landfill.

Cermaq reported input materials used that were recycled, including plastics and wood pallets (used in the transportation of fish feed), cardboard for final product packaging and wood pallets for storage in processing plants.



Waste management across Cermaq.



Emissions and climate action

Background

Climate change is the single largest threat to our future. Increases in global temperatures have the potential to change our world dramatically. It is a crisis that goes beyond national borders. In Paris, the world leaders at the UN Climate Change Conference (COP21) agreed to reduce global greenhouse gas emissions to limit the global temperature increase in this century to 2 degrees Celsius while pursuing efforts to limit the increase even further to 1.5 degrees.

Cermaq's goal

In 2021, Cermaq set its climate goal in line with the Paris agreement. We will reduce our GHG emissions with 35% by 2030 with 2019 as base year, applying science-based climate targeting. The target in absolute figures, meaning that despite any potential growth we must maintain our overall reduction, is extra ambitious as Cermaq intends to grow its low carbon, high protein production further.

Some facts

Focusing only on energy use may sometimes be in conflict with other sustainability goals. We know that reducing the marine ingredients in feed increases the carbon footprint of the feed but may still be the right use of marine and other feed resources. Also, the cooling of water in hatcheries to optimize fish health increases energy use. All of these considerations must be accounted for in our overall climate action goal through the science-based targets initiative.

Farmed salmon is a climate-friendly food source with a small carbon footprint compared to land animals. The feed production and transport to markets account for the majority of the company's





total climate footprint. From the total value chain, the emission from Cermaq's own production (called scope 1 and 2) constitutes approximately 10 percent, while feed is almost 50 percent and transport to market constitutes 33 percent of the emissions. The remaining contributions come from packaging, well boats, and other.

Hence, cooperating with suppliers and partners is necessary to improve the climate footprint of feed and transport options. Working with our feed supplier to increase the use of novel ingredients is a key in our dialogue with the feed suppliers, who have made similar global commitments for their organizations and have dedicated resources to achieving these reductions. Changes in transport systems is important both for the distant markets where flight transport is used today but also for the main markets closer to operations. This requires cooperation with our transport suppliers who are interested in achieving these reductions as well and also requires innovation from our side in products and processing.

As a responsible company we must both mitigate climate changes and at the same time adapt to manage new situations.

“Climate change is the single largest threat to our future. Increases in global temperatures have the potential to change our world dramatically.”

Farmed salmon is one of the most eco-efficient and sustainable forms of protein.

				
Feed Conversion Ratio	1.2-1.5	1.7-2	2.7-5	6-10
Water Consumption (liter / kg edible meat)	2,000	4,300	6,000	15,400
Carbon Footprint (grams CO ₂ -equivalent / typical serving of 40 g edible protein)	0.6	0.9	1.3	5.9

Source: Global Salmon Initiative

Important measure to cut GHG emissions are to reduce the diesel use at facilities and move towards electrical and hybrid solutions. This has been implemented in Norway where so far 50 per cent of the sites have land-electricity, and further electrification plans will be executed going forward.

In Canada, our operations have been evaluating the use of various hybrid solutions and are beginning adoption of vessels that have hybrid energy capabilities. In addition, our teams in Canada are tracking and reducing diesel generator use and looking for additional ways to reduce any emissions created by our day to day operations.

Still, in 2022 our energy use per ton production increased. As much of the energy use is not directly linked to production volumes (housing facilities at sea sites and energy used in administrative buildings and processing plants) reduction in production volumes increase the energy use per ton.

What's next?

In the future we expect to see a reduction in carbon footprint continuing to be a competitive advantage. That sets the target high, and Europe will lead this change.

Cermaq will drive initiatives in all regions with a special focus on operations in Chile where the use of fossil energy is the highest and where the largest share of production is transported by air to market.

The report content

In this chapter, you will find performance data on the following topics:

- Financial implications and other risk and opportunities due to climate Change (201-2)
- Energy consumption within Cermaq (302-1)
- Energy consumption outside Cermaq (302-2)
- Energy intensity (302-3)
- Direct greenhouse gas emissions (305-1)
- Energy indirect greenhouse gas emissions (305-2)
- Other indirect Greenhouse gas emissions (305-3)
- Greenhouse gas emissions intensity (305-4)

Risks related to climate change

Climate change has the potential to significantly impact the salmon farming industry, and risks related to e.g., extreme weather conditions and natural events are

Risks and opportunities from climate change

Risk	Opportunity
CHANGE IN WEATHER PATTERNS (EXTREME WEATHER, SUCH AS STORMS, DROUGHTS, MUDSLIDES AND/OR FLOODING)	
Could result in damage to hatcheries and fish farm sites with sea water cages. This could increase the risk of fish escapes and influence insurance costs. May also have consequences related to the safety of employees at sites.	None
IMPACT COSTS AND AVAILABILITY OF FEED INGREDIENTS	
Climate related challenges could impact the availability and price of raw materials (both marine and terrestrial)	Cermaq is actively researching alternative feed ingredients to mitigate limitations in availability of both marine and terrestrial feed ingredients.
CHANGE IN MEAN (AVERAGE) TEMPERATURE	
Warmer seawater temperatures could affect where salmon farming can be located and could also change and increase disease-causing pathogens. Warmer temperatures can also raise salinity, raise the chance of hypoxia to fish and raise production costs.	Higher water temperatures could enhance the growing conditions for salmon farming, allowing faster growth rates and reduced production costs. Changes in sea water temperatures could allow for new salmonid farming sites located farther north than before. New species could be cultivated (e.g., Sea Bass and Bream).
OCEAN ACIDIFICATION	
Ocean acidification due to increased levels of CO ₂ poses a risk to marine life and may affect the environmental conditions for salmon production and the availability of marine ingredients in the salmon feed. Algae blooms may be more frequent and can pose a risk to fish health and welfare.	None

assessed as a high-risk area for Cermaq Group. Climate change impacts may also affect the industry's feed supply due to a decrease or disruption in agricultural production, changes in forage fisheries, replacement of species or changes in amount of inclusion.

Climate change adaptation is hence an increasingly important aspect of Cermaq's risk management. Cermaq is developing an in-sea closed containment system, testing in Norway and Canada, which can prevent sea lice infestations and the effects of harmful algae on fish. We do site-specific risk assessments for elements such as weather patterns and temperatures. Moreover, Cermaq builds its facilities in line with strict regulatory quality requirements for weatherproofed facilities in all areas where

we operate. Changes to sea water surface temperatures are in some ways mitigated by the geographic diversity of Cermaq's operations. Evaluating further expansion potential is a part of the management's yearly strategic process reviews.

The industry also sees opportunities related to climate change. The results from scientific studies show that farmed fish has a relatively low carbon footprint compared to other protein sources, such as beef and pork. By providing a low-impact protein source farmed salmon is part of the solution to the challenge of climate change.

Above is an overview of key risks and opportunities related to climate change for Cermaq Group, including their implications and management.

National regulations are being developed to address climate change and biodiversity challenges. These changes in regulations will in general increase cost as externalities are included. As farmed salmon has a low carbon footprint from the outset, the competitive situation leaves opportunities for the industry both when it comes to costs (carbon pricing and environmental measures) and marketing requirements (reporting and labelling).

The EU is driving the process of reporting and labelling (e.g., EU PEF and CSRD), and Cermaq expects these standards to spread globally.

“Feed and transport to market are the main areas of energy consumption in the value chain.”

Energy use

The total energy use in Cermaq's own operations (including Cermaq Group AS) decreased 2 percent in 2022 compared with the previous year, mainly due to an overall decrease in production volumes in Cermaq Canada.

Feed and transport to market are the main areas of energy consumption in the value chain.

On the top of page 35 is a consolidated overview of energy used to produce feed for Cermaq in 2022. Energy usage increased by 3% mainly due to a decrease in wood biofuel and electricity used by our main feed suppliers Biomar and Skretting.

As important as the total energy consumption is the energy intensity, how much energy is used to produce the food, in terms of tons of fish produced (GJ/ton fish Production LWL).

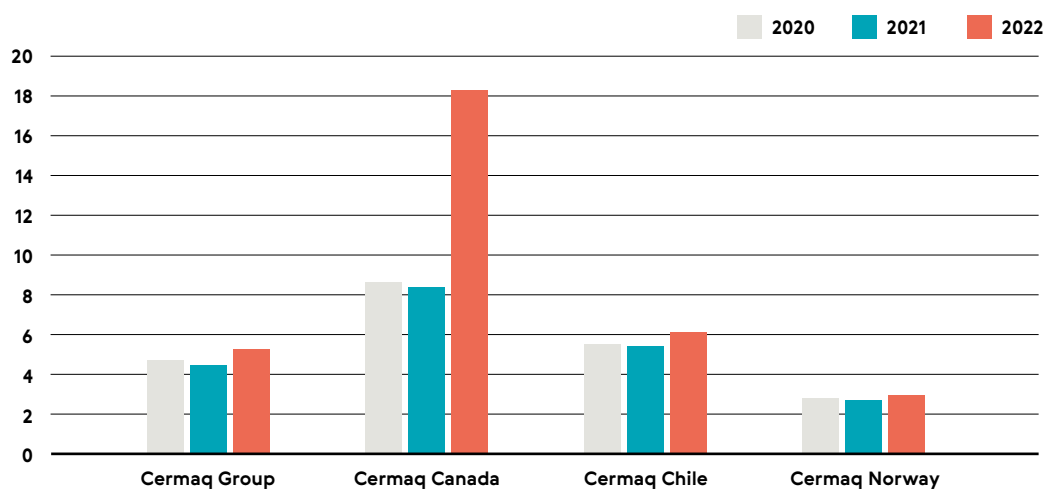
Energy Consumption by Type (GJ)

	Energy source	2022	2021	2020	2019	2018
Non-renewable fuel consumed	Diesel	728,415	725,980	646,501	953,865	904,767
	Fuel Oil	0	0	0	0	0
	Crude Oil	1,105	144	236	583	428
	Gasoline/petrol	20,212	28,504	26,435	29,766	31,119
	LPG	29,566	31,486	29,375	35,225	40,162
	Natural Gas	46	37	91	42	81
	Propane	4,845	1,447	7,012	15,201	16,166
Total non-renewable consumption		784,190	787,598	709,650	1,034,683	992,705
Renewable fuel consumed	Biofuel	4951	6904	6710	6353	8383
Total renewable consumption		4951	6904	6710	6353	8383
Electricity purchased for consumption		325,286	338,863	312,497	322,295	282,739
Total Electricity consumed		325,286	338,863	312,497	322,295	282,739
Total energy use (GJ)		1,111,427	1,133,365	1,028,847	1,363,331	1,283,847
ΔYoY		-1.7%	10.2%	-24.5%	6.2%	33.0%

Energy consumption from feed purchased by Cermaq (GJ)

GRI Energy Type	Energy Source	2022	2021	2020	2019	2018
Indirect	Electricity	413,663	408,475	558,352	476,798	450,586
Direct	Biomass (Rice Husk)	0	0	-	-	-
Direct	Diesel	42,065	56,848	50,698	652	788
Direct	Fuel Oil	0	0	0	4,856	119,284
Direct	Gasoline/Petrol	0	0	0	0	0
Direct	LPG	68,561	85,066	29,849	156	134
Direct	Natural gas	176,842	175,845	510,437	464,083	336,500
Direct	Propane	6,525	4,517	6,213	1	0
Direct	Biofuel (wood)	180,782	137,588	0	0	54,476
Direct	Coal	104,787	100,766	98,323	n/a	n/a
Total direct + indirect		993,225	969,106	1,253,873	946,546	961,768
ΔYoY		3%	-23%	32%	-2%	-2%

Energy Intensity for Cermaq's own energy consumption (GJ per Ton LWE)



This provides a measure of the energy efficiency within the organization. However, some of the energy use is fixed and does not vary with production (e.g., housing facilities at sea sites and energy used in administrative buildings and processing plants). This means that in years with fewer fish in the sea the energy consumption per ton of production will be influenced in a negative way by the fixed consumption. All energy sources listed in the total energy use are included in the following graph, where the number of Gigajoules (GJ) used by ton fish production (LWE) is shown.



Here we produce biogas from the sludge from a fresh water facility.

Energy reduction actions

Cermaq has a number of initiatives to reduce energy consumption, with some examples below.

Canada:

- Reduction of approximately 10% of diesel energy use of active seawater sites through a digital energy use tracker for generators at seawater sites
- Replacement of traditional air compressors with high-efficiency compressors at seawater sites, leading to an estimated savings of 32,000 liters of diesel per compressor

Chile:

- An energy efficiency project working with an energy consulting company to identify energy reduction opportunities in plants and seawater sites

Norway:

- Local hydropower production: Landbased smolt facility Dyping produces power from the water they use before it enters the facility by a small hydropower station.
- Electrified seawater sites – two new sea sites in 2022
- Hybrid seawater sites
- Hybrid boats

“In addition to feed, transport to market is a large part of the Scope 3 emissions. Especially transport by air is CO₂ intensive.

Emission of Green House Gas (GHG)

Our reporting is based on the GHG Protocol, the internationally recognized standard for the accounting and reporting of GHG emissions. We have used the financial control approach to define our organizational boundary and the operational scope for our reporting of scope 1 and 2. Emissions factors for our global operations are based on sources including IEA, IPCC, SSB, EIA, RE-DISS, Green-e and BC Ministry of Environment. Cermaq reports emissions from electricity both based on location-based factors and market-based factors, in line with our CDP reporting.

Our commitment to reduce emissions of GHG includes Scope 3. Feed and transport to market makes up the majority of these value chain emissions. We have chosen to focus first on feed related emissions as we continue to work on data quality and understanding of the GHG footprint with our value chain partners. Further data will be including in our sustainability reporting in the coming years.

The feed emission data is based on consolidated estimates by our feed suppliers from reported use of feed ingredients and feed pellet production in 2022. Please see the Biomar and Skretting sustainability reports for further details.

GHG emissions reported above includes CO₂-emissions only and all types of energy sources used. Details on Cermaq's energy consumption can be found under Energy Use, page 31.

Cermaq is reporting an intensity measurement based upon “Tons of CO₂e per ton of fish produced (LWE)”. This is a relevant ratio for our industry. As for energy use, the emission intensity will reflect fixed energy use and does not directly vary with production.

Cermaq's CO₂ emissions

Tons of CO ₂ e	2022	2021*	2020	2019	2018
Crude oil	81	11	17	43	32
Diesel	53,782	53,031	47,503	70,434	66,638
Biofuel	23	427	415	393	518
Fuel Oil	0	0	0	0	0
Gasoline/Petrol	1,369	1,974	1,830	2,063	2,158
LPG	1,870	1,992	1,858	2,228	2,541
Natural Gas	3	2	5	2	4
Propane	293	298	425	921	980
Scope 1 (Direct emissions)	57,399	63,386	52,054	76,084	72,871

* 2021 figures are restated from last year. 2021 figures for market based purchased electricity has been updated to reflect final data on I-REC purchases.

Purchased electricity (location-based factor)	19,218	16,291	18,924	22,986	21,474
Purchased electricity (market-based factor)	16,071	23,494			

Total gross emissions (Scope 1 and 2- Location Based)	76,617	79,677	70,978	99,070	94,345
Total gross emissions (Scope 1 and 2- Market Based)	73,470	81,227			

Scope 3 (feed suppliers direct and indirect)	612,310	754,069	71,776	66,383	42,920
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The figures from 2022 onwards include CO₂ emissions from feed ingredients and feed pellet based on consolidated estimates from feed suppliers, whereas the earlier figures have a lesser scope.

Energy intensity Scope 1+2, location based

	2022	2021	2020	2019	2018
Intensity: kg of CO ₂ e per ton of fish produced (LWE)	357	317	322	478	431



Community partner and value creator

Background

Salmon farming takes place mostly in rural communities, and has brought development, growth and activity to many local communities which traditionally would have experienced a decline in population. The global demand for farmed salmon is increasing steadily and despite volatility in the industry, salmon farming has been a profitable industry. This has been the basis for investment in building the industry; hatcheries, processing plant, and sea sites, but also been the basis for the development of a broad and diverse community of large and small local suppliers of goods and services. Salmon farming plays a significant economic role, contributing to local and national economy and to the trade balance.

However, salmon farming cannot operate successfully in local communities unless it is welcomed by the community as the farming in the sea takes place in common waters. The local communities have many stakeholders and their views on salmon farming may differ.

Cermaq's goal

Cermaq is committed to being an active and responsible local partner in the communities where we are present. Sharing information on our activities, performance as well as concerns is part of the basis for trust in our community relationships.

Some facts

What works well locally is well aligned with sustainable farming, healthy fish, responsible environmental performance, minimal noise and lights, and a number of attractive workplaces. However, defining location of new hatcheries, processing plants or sea sites is based on a set of criteria for

example proximity to transport, fresh water sources, and where employees live. Hence, an optimal location for the local community might result in longer and more difficult transport and more energy needed for transport.

Cermaq employees are an integral part of the local communities, and in the same way Cermaq as a company becomes a natural participant and contributor locally.

In some communities Cermaq employees do not only meet at work, they also make up a significant share of the municipal board, while representing many different parties. Employees are become involved in many aspects of community life and contribute their talents well beyond their professional roles in salmon farming.

In Chile, Cermaq works jointly with communities, keeping an open doors policy and focused on developing trusting relationships with our neighbors in all our facilities. There are five main lines of work that guide this area: environmental workshops in schools, sports and health lifestyle, skills training programs, preserving

“ Salmon farming plays a significant economic role, contributing to local and national economy and to the trade balance.

traditions (indigenous peoples) and Cermaq Open Doors. This last program consists of inviting our neighbors including indigenous people, to visit our facilities so they can get to know how we work and know our farming practices. This program involves all our Chilean operations.

In Canada, relationships with the First Nations are basis for our operations. We acknowledge the rights and title of Indigenous peoples and work to ensure that when operating in traditional territories, we respect the environment, local culture, and traditional practices of Nations in whose territories we farm. Unfortunately, in beginning of 2023, the federal government rejected the renewal of three licenses supported under agreement by the First Nations holding the right and titles over the territories. We will continue our relationship with these three First Nations to find the best way forward.

In Norway, Cermaq has successfully recruited young people from our local communities through the “Steigen model”, an education program that combines practical work in Cermaq with school theory, enabling youth to continue education at their home place, and preventing local communities from being evicted. This model has been very successful, both to Cermaq and to local communities that can keep their

young inhabitants and offer them education, work and income.

Every summer, Cermaq Norway also offers work to local youth and students in different parts of the value chain. This is for many the first taste of what life in aquaculture can be like, and a very important recruitment channel. Some of our summer temps are dedicated to cleaning beaches in the areas where we operate. Because we have dedicated personnel and equipment for this during summer, we are able to remove plastics and other waste from large areas to the pleasure and benefit of everyone who lives in the area.

What's next

Young people are attracted to aquaculture. This is valuable to the industry and not at least valuable to local communities. As climate change and biodiversity loss is increasingly becoming the centre of attention, this will impact the basis local social license to operate, and the role of the local communities will grow.

About the report content

In this chapter, you will find performance data on the following topics:

- Direct economic Value (201-1)
- Country tax (CEQ13)
- Financial assistance received from government (201-4)
- Stakeholder engagement (2-29)
- Local community complaints (CEQ11)
- Operations with local community engagement (413-1)
- Operations with significant actual and potential negative impacts on local communities (413-2)
- Non-compliance with environmental regulations (307-1)
- Incidents of violating involving right of indigenous peoples (411-1)
- Non-compliances with social and economic regulations (419-1)
- Communication and training on Anti-corruption (205-2)
- Confirmed incidents of Corruption and actions taken (205-3)
- Whistle blowing incidents (CEQ12)

“Young people are attracted to aquaculture. This is valuable to the industry and not at least valuable to local communities.”

Value creation

Cermaq's operations generate direct economic value and also a wealth of positive ripple effects in the communities where we operate. Socio-economic benefits are most obviously manifested through payments to suppliers, employees, local authorities, and payment of dividends to shareholders. The

ripple effects include workplaces in supplier companies, and all the consumption from Cermaq and non-Cermaq employees using shops, schools, transport, services, etc., activities being the core of a vital local community. Cermaq also supports local communities with both financial and in-kind contributions.

Overall economic value generated and distributed through Cermaq's activities

NOK 1,000		2022	2021	2020	2019	2018
Direct Economic Value Generated						
Revenues		15,545,102	12,586,738	9,061,723	10,648,865	9,957,819
Economic Value Distributed						
Operating Costs	Cost of Materials	-5,085,879	-4,296,450	-3,667,313	-4,453,353	-3,392,293
	Other Operating Expenses	-4,355,224	-3,573,960	-2,859,325	-2,633,846	-2,820,032
Employee Wages & benefits		-1,279,558	-1,117,447	-1,113,081	-1,133,476	-1,113,408
Payments to providers of capital	Interest Expense	-234,925	-144,729	-121,909	-231,532	-139,489
	Dividend payment	948,841	-58,466	0	-655,510	-823,000
Payments to government	Income tax expense	854,843	-669,182	-211,704	-84,629	-547,047
Community investments		-3,067	-5,209	-41,990	-3,310	-2,872
Sub total		-12,762,337	-9,865,443	-8,014,693	-9,195,656	-8,838,141
Economic Value Retained		2,782,765	2,721,295	1,047,031	1,453,209	1,119,678

Cermaq's 2022 financial and organizational data for each country in the Group

Country	Revenues before tax	Income tax paid	Investments	Community investments	Financial assistance received from government	Number of employees
Cermaq Group HQ	-102	-5	-1	0	0.4	44
Cermaq Norway	2,749	590	627	2.2	0	702
Cermaq Chile	1,096	292	443	0.53	3.8	1,808
Cermaq Canada	-238	-27	89	0.34	13.5	224
Cermaq USA	19	5	0	0	0	12
Total	3,525	854.8	1156	3.1	17.7	2,790

Our stakeholders

Stakeholders represent the world around and inside the company, from employees and owners to local communities, NGOs authorities, suppliers, and customers. They have different interests in our operations, they set expectations, they provide insight, they are all important for our success.

The **local communities** are important for our social license, and Cermaq are engaged broadly with the various stakeholders in the communities where we operate, politician, administration, civil society, indigenous groups, local business and employees. Being an active and reliable partner in the local communities is key to Cermaq. Regular dialogues and community meetings are conducted in all regions.

We recognize that our operations may impact our neighbors and local communities in various ways, and we take care to register all complaints to our operations to address the root cause and make improvements. There were no community complaints in 2022, down from 1 community complaint reported in 2021.

Many of our **customers** have long relations to Cermaq, and we aim to build long terms partnerships with our customers, contributing to their success. Customers include seafood wholesalers, processors, and retailers in the main salmon markets. The sales organization in each local Cermaq company works directly with their customer in export markets, and many of our customers visit our operations. Dialogue with customers is based in Cermaq's ambition to be a preferred supplier for its customer.

Our **suppliers** play a key role in developing the industry. We partner with suppliers in projects, and we are open to companies that can provide innovations and better solutions. Our suppliers span from a wealth of local to a small selection of global suppliers. We have continual contact with our feed suppliers. Feed constitutes approximately 50 % of cost in salmon farming.

Authorities and politicians define the framework for our operations, and our role is not only to comply with the regulations but also contributing to robust



Cermaq employees engage in beach cleaning.

and efficient regulations. Cermaq believes transparent dialogue is a prerequisite for arriving at good and balanced decisions and policies. We have both an interest in and a responsibility to present our achievement and our challenges. Cermaq reaches out to authorities, give input to regulatory development and is always meeting requests for dialogue or information.

NGOs and civil society are diverse, and Cermaq is concentrating on those NGOs that seek constructive improvements in the industry. This includes wide groups of environmental Organizations, labour Organization and NGOs dedicated to other relevant topics. Through global partnerships as UN Global Compact, GSI and SeaBOS, we address global challenges together with NGOs and many other stakeholders.

The **employees** are the basis for our successful operations, and the value chain within Cermaq is complex with many areas of expertise needed. While employee relations are comprehensively regulated by laws and agreements, Cermaq focuses on communication and relations that enhance drive, curiousness, and trust. Being an employee in Cermaq is something to be proud of.

Although Cermaq is 100 percent owned by Mitsubishi Corporation, Cermaq still defines providers of capital a stakeholder group. Financial institutions also approach Cermaq on topics related to specific sustainability concerns, and Cermaq strives to meet the needs for information and clarification.

Local community engagement

Cermaq is a responsible partner in the local communities where it operates, with a long-term perspective. Establishing and maintaining good relationships based on dialogue, transparency and mutual understanding is a priority.

All Cermaq operations have local community engagement and development programs in place. Engagement activities include sponsorship of sports teams, clubs, foundations, and schools in regions where Cermaq operates. Cermaq regularly conducts community meetings and engages in dialogue with a wide group of organizations on relevant topics, and openly shares information about its operations to stakeholders.

Concerns have been raised by stakeholders on status of the sea floor in fjords where salmon farming has been present for decades. Hence, Cermaq Norway together with neighbouring companies engaged a third party (Akvaplan Niva) to monitor the seabed. This monitoring has been done for six years and shows a good environmental standard on all parameter in all the six fjords being monitored.

In BC, Canada, our key stakeholders are the First Nations. We acknowledge that we operate in the traditional territories of several First Nations. Cermaq is committed to base its operations in traditionary territories on understanding and agreements with the Nations. The creation of relationships built on mutual respect and trust with First Nations communities is important for us and is in-line with our values and goals as an organization. We support the Truth and Reconciliation process and have adopted the principles outlined by the United Nations through the United Nations Declaration of Rights of Indigenous Peoples (UNDRIP).

“All Cermaq operations have local community engagement and development programs in place.

Stakeholders have different views, and we recognize that we cannot meet all concerns by all stakeholders. Food production, including salmon farming has a footprint within the limits and frame defined in regulations. Some still find the footprint too large.

Our basic attitude is to meet all with respect and to be transparent about our operations and performance. We believe knowledge and respectful conversation is the best way forward regardless of differences in views.

Compliance with regulations

Cermaq works actively to ensure that our operations respect and are compliant with local, national and international laws. If any non-compliances occur, we take it seriously and investigate at the appropriate level to correct the issue before measures are taken to mitigate the risk of re-occurrence.

In 2022, there were six cases of environmental non-compliances closed with a fine in Cermaq Chile with total fines paid of USD6,567. There were no environmental non-compliances closed with a fine in Cermaq Norway or Canada.



Two supervisors and five youth recruited through the Steigen model education program.

Compliance with social regulations includes occupational health and safety, including adherence to national legislation related to e.g., working hours and working conditions. In Canada and Norway, there were no incidents of non-compliance with social regulations in 2022. In Chile, there were a total of fourteen social non-compliances closed with a fine, totaling 30,830 USD.

Again, during 2022, there were no reported incidents of violation involving the rights of indigenous peoples in the Cermaq Group.

Incidents of non-compliance with social regulations in 2022

Reporting unit	Total monetary value of significant fines (USD)	Total number of non-monetary sanctions	Cases brought through dispute resolution mechanisms
Cermaq Norway	0	0	0
Cermaq Chile	30,830	0	0
Cermaq Canada	0	0	0
2022 total	30,830	0	0
2021	24,840	0	0
2020	125,331	0	0
2019	115,649	0	0
2018	44,761	0	0

Number of whistle blowing reports

	2020	2021	2022
Cermaq Norway	5	1	5
Cermaq Chile	3	41	54
Cermaq Canada	0	1	1
Cermaq Group HQ	0	0	0
Cermaq Group	8	43	60

Preventing corruption and misconduct

Cermaq's ethical and corporate guidelines prohibit any form of corruption. The Guidelines are available to all employees and governance body members and are communicated to all new employees. Anti-corruption training is delivered regularly to employees. Cermaq's operations are located in OECD countries all assessed with low risk for corruption by Transparency International. More detailed assessment is done upon specific risk or information. There were no confirmed incidents of corruption in Cermaq Group in 2022.

Anti-corruption expectations are also incorporated in Cermaq's supplier of Conduct which can be found on Cermaq's website.

Whistle blowing is regarded as positive in Cermaq because we get the opportunity to correct any incidence of wrongdoing. Whistle blowing can be done from our public internet web site. All whistle blowing reports in 2022 were assessed and closed in accordance with procedures. The number of whistle blowing incidents in Chile increased following an internal awareness campaign, and the incidents are mainly related to human resource matters.

Cermaq is constantly working to develop supply management practices and acknowledge the complexity of our supply chain. In 2022, no significant actual negative impacts were identified in Cermaq's supply chain concerning human rights impacts, labour practices or impact on society. Cermaq has implemented the Norwegian Transparency Act which entered into force July 2022.

“Whistle blowing is regarded as positive in Cermaq because we get the opportunity to correct any incidence of wrongdoing.”



Future employees?



Attractive workplace

Background

Choosing seafood for a healthy future as a career is a lifestyle. It is based on values. We farm fish, live animals whom we care for. We supply healthy, climate-friendly seafood contributing to healthy lives and a healthy planet. We have high ambitions, and we are continually improving further towards the best we can be in every aspect of our work. Most employees in Cermaq live in rural areas. Many have their workdays outdoors in wild and beautiful nature.

Whether you are new to the work force, a skilled worker, a college or university graduate or someone simply looking for a career change, salmon aquaculture offers steady year-round employment in a variety of positions.

Cermaq has employees in Canada, Chile, France, Norway, and USA. The farming operations are in Canada, Chile and Norway. Our employees come from various countries, backgrounds, and beliefs, but we all share one thing – a passion for our salmon and a desire to provide healthy, sustainable food for generations.

Cermaq's goal

It is the people that makes Cermaq successful, and we depend on the competence, commitment, and engagement from all our employees. We are focused on attracting and retaining the best talents and to train and develop employees as a strong team. A good workplace is a safe workplace, and we will never compromise on health and safety at work. We want all employees to feel proud to work in Cermaq.

Some facts

Technological innovations are introduced in the aquaculture industry at high speed. Optical monitoring can check product quality in processing plants, digital monitoring can reduce need for treatment of

the fish in the ocean, and ROVs reduce the need for diving operations. Because of this development, manual labour is reduced in these operations. They instead require some specialized additions to our work force. As the industry grows, the net result is more workplaces and these advancements in innovations also pose less risks related to occupational safe and health.

In addition to fostering these high-tech advancements in our business, at the UN World Day for Safety and Health at Work, Cermaq focused in 2022 on two key elements that can improve our performance on occupational health and safety: one was working at a deliberate pace, taking time to stop and think, and the other was ergonomics. We must avoid rushing to ensure that safe working procedures are followed during work in seawater sites, freshwater sites, and processing plants. Good ergonomic design can prevent repetitive strain injury and other musculoskeletal problems.

In Canada, we have looked for ways to support healthy lifestyles both in the workplace and at home through involvement in activity tracking programs with contests that log your physical activity and promotion of the use of standing desks for employees at our office locations.

Cermaq has trainee programs in both Norway and Chile to attract young talents

“We are focused on attracting and retaining the best talents and to train and develop employees as a strong team.”

to the company. In Chile, Cermaq trainee program runs back to 2019 and seeks to attract and incorporate into the company young professionals who have recently graduated, with academic excellence, high potential and an advanced level of English.

Cermaq Norway has currently a 2-year trainee program including work in the whole value chain and we offer a specific program at the processing plant. So far, 7 trainees have been recruited, and 3 of them have already started in relevant jobs in the company. In addition, we offer a 6-month practice period for students within aquaculture, and we have a program for recruiting apprentices in many areas of the company like IT, service boat operations, processing and within the sea and freshwater areas.

We want our workers to grow together with us, because we believe in their abilities, and we are committed to them. Cermaq Chile has various initiatives to promote talent and offer constant professional development. This spans from a digital platform with training courses and personal development to career development program with university diploma.

Cermaq scholarships are also part of our initiatives in Chile, co-financing a master's degree, diploma, technical career or English courses abroad for 3 months, for those who want to continue growing professionally.

Securing net
at a sea site.



The health and safety of our people always comes first, and Cermaq Norway has over many years had a strong focus on preventive health and safety work. Safety exercises, local safety committees, risk assessments ahead of operations, safety walks and reporting of near misses are some of the health and safety measures that have been implemented, and that have also shown promising results, both in our safety culture and in our OHS numbers.

What's next

Check our vacancies on our web sites. Cermaq hires on the basis of merit. We are an equal opportunities employer who provides a workplace that is free of discrimination. We provide career opportunities and supportive culture that fosters a strong sense of team.

About the report content

In this chapter, you will find performance data on the following topics:

- Employees and other workers (2-7 and 2-8)
- Occupational health and management systems (403-1)
- Hazard identification, risk assessment and incident investigation (403-2)
- Occupational health service (403-3)
- Work participation, consultation and communication on occupational health and safety (403-4)
- Worker training on occupational health and safety (403-5)
- Promotion of worker health (403-6)
- Prevention and mitigation of occupational health and safety impacts directly linked by business relationship (403-7)
- Workers covered by an occupational health and safety management system (403-8)
- Work related injuries (403-9)
- Collective bargain agreements (2-30)

Our employees

Our 2,790 employees represent a diverse group both in terms of culture and type of work. Still, a common set of core values unite our international and diversified activities.

Cermaq employees*

	Group AS		Norway		Chile		Canada		Total	
Total Employees	44	100%	702	100%	1,808	100%	224	100%	2,778	100%
Total Supervised workers	0	0%	0	0%	2	0%	0	0%	2	0%
Total – Workforce	44	100%	702	100%	1,810	100%	224	100%	2,780	100%
Total Indefinite or Permanent employees	42	100%	590	83%	1,613	76%	224	100%	2,469	80%
Female	14	33%	148	25%	455	28%	41	18%	658	27%
Male	28	67%	442	75%	1,158	72%	183	82%	1811	73%
Total temporary or fixed term employees	2	n/a	112	100%	195	100%	3	100%	312	100%
Female	0	0%	28	25%	54	28%	1	33%	83	26%
Male	2	100%	84	75%	141	72%	2	67%	229	74%
Total Full time employees	40	100%	590	100%	1,807	100%	220	100%	2,657	100%
Female	12	30%	148	25%	508	28%	39	18%	707	27%
Male	28	70%	442	75%	1,299	72%	181	82%	1950	73%
Total Part time employees	2	100%	112	100%	1	100%	2	100%	117	100%
Female	2	100%	28	25%	1	100%	2	100%	33	28%
Male	0	0%	84	75%	0	0%	0	0%	84	72%
Management and administration employees	42	100%	96	100%	210	100%	56	100%	404	100%
Other employees	0	0%	0	0%	0	0%	0	0%	0	0%
Female employees	14	33%	48	50%	36	17%	21	38%	119	29%
Male employees	28	67%	48	40%	174	83%	35	62%	285	71%

* Cermaq USA not included

Cermaq promotes equal work opportunities and just treatment of all its employees. Strict standards for health, safety and environment are set to ensure high level of safety. All employees are expected to contribute to a work environment free of discrimination.

At year-end 2022, the Global Management Team comprised of eight members. One member of Group management is a Canadian citizen, one member is a British citizen, one member is a Chilean citizen, and five members are Norwegian. There was one woman in the Group Management Team.

While the share of women in management and administration is 29 percent, the share of women in the management teams across Cermaq is 22 percent, increasing gradually. It is an aim to increase the percentage of female managers in Cermaq. One means of achieving this is through in-house talent development.

Some of Cermaq's operations are located in areas inhabited by indigenous peoples. In Canada the protocol agreement with Ahousaht First Nation sets ambitions for employment from Ahousaht, and also provides service opportunities. In Chile and Norway indigenous people are employed in line with employees in general, while Cermaq is aware of a history of discrimination against indigenous people. In Chile most of the indigenous people are Mapuche while Sami are the indigenous people in Norway.

Good and constructive relations with employees and labour unions are essential to Cermaq and are managed through well-established local management structures and practices. All employees are free to join any labour union. Collective agreements do not necessarily reflect the actual participation in unions.

Share of employees having Collective Bargaining Agreements

	2018	2019	2020	2021	2022
Cermaq Group AS	0%	0%	0%	0%	0%
Cermaq Norway	85%	75%	60%	38%	30%
Cermaq Chile	73%	70%	62%	54%	51%
Cermaq Canada	0%	0%	0%	0%	0%
Cermaq Group excl. AS	71%	65%	55%	44%	41%

Health and safety at work

Health and safety of all employees is crucial to Cermaq. All employees should be safe at work in Cermaq, and a number of measures are ongoing to strengthen the attention on safety and risk reduction in our operations.

Dedicated and competent employees are fundamental, along with robust management systems and procedures to manage risk and assessment of all relevant aspects of our operations. Cermaq has had a constant focus on safety in our operations, with visible results the past few years.

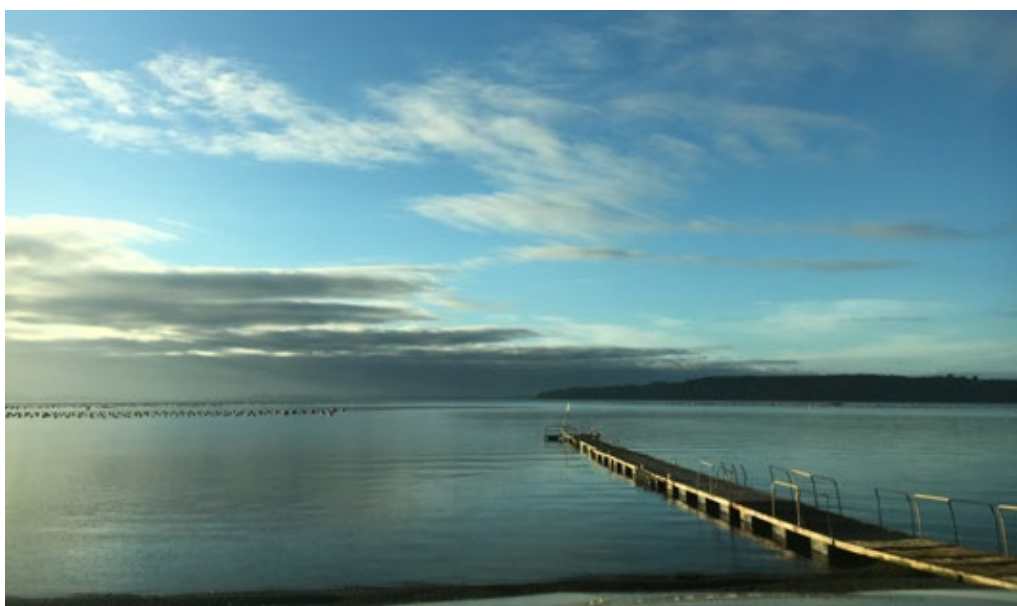
Visible leadership on OHS is important

in Cermaq, and health and safety is also reflected in our Leadership Principles. The first principle explicitly states that “Health and safety of people are always first”.

Cermaq has created an extensive set of standard operating procedures which guide the correct and safe way to perform job tasks and provided that training to its employees. Workers at sea sites are trained in areas such as boat safety, safe movement, and safe use of equipment and machinery.

Workers in freshwater sites and processing plants are trained on safe movement and safe use of machinery and equipment. All staff are trained to identify risks in their work and to only carry out work when working conditions are safe. Mapping and addressing near misses are key to avoid incidents.

One of many beautiful workplaces in Chile.



Rates of injury by region in 2022

	Number of fatalities	Absentee rate	Lost time injury rate (LTI rate)	Total recordable injuries rate (TRI rate)	Lost work-dayrate (LWR rate)	Occupational disease cases	Occupational disease rate (ODR)
Cermaq Group HQ	0	3.3%	0	0	0	0	0
Cermaq Norway	0	4.4%	2	5	174	0	0
Cermaq Chile	0	5.8%	6	7	88	0	0
Cermaq Canada	0	3.5%	2	15	75	1	2
Cermaq Group incl. Cermaq Group HQ	0	5.3%	5	7	106	1	0.2

Rates of injury by gender in 2022

All employees by gender	Number of fatalities	Absentee rate	Lost time injury rate (LTI rate)	Total recordable injuries rate (TRI rate)	Lost work-dayrate (LWR rate)	Occupational disease cases	Occupational disease rate (ODR)
Female	0	9.2%	3	4	58	0	0
Male	0	4.0%	5	8	122	1	0.24

Note on calculation methods: Lost time injury rate (LTI rate) = Lost time injuries per million working hours. Total recordable injury rate (TRI rate) = Injuries per million working hours. Lost workday rate (LWR rate) = Number of lost days per million working hours. Occupational disease rate (ODR) = Number of lost days by occupational disease per million working hours

Employees are required to submit reports of any near-miss incidents in their working time for analysis and have regular safety meetings to discuss occupational health and safety procedures and risks. All injuries are investigated internally, and root causes and other details of injuries are reported to Cermaq's Group Management Team. Cermaq complies with all national laws and regulations for Occupational Health and Safety of its workers in the area where we operate.

In Cermaq, Occupational Health and Safety training is implemented both in line with local laws and regulations and certifications. Cermaq has created an extensive set of standard operating procedures which guide the correct and safe way to perform job tasks and provided that training to its employees. Workers at sea sites are trained in areas such as boat safety, safe movement, and safe use of equipment and machinery. Workers in freshwater sites and processing plants are trained on safe movement and safe

use of machinery and equipment. All staff are trained by Cermaq to identify risks in their work and to only carry out work when working conditions are safe.

Cermaq Canada is certified according to ISO45001, while Cermaq Chile is certified according to the IFS and the BAP Standards both covering occupational health and safety.

Cermaq's Supplier Code of Conduct states that Suppliers are expected to provide a safe and healthy environment for their workers and contractors. Workers' exposure to potential safety hazards shall be minimized through proper design, controls, maintenance, implemented safety work procedures, and by ongoing safety training. Contractors, who work on Cermaq owned sites, are required to report any work-related injury that has occurred working on Cermaq premises to Cermaq. Cermaq Code of Conduct for Feed Suppliers requires that the its feed suppliers are certified to the OHSAS 18001 standard or equivalent.



Appendix 1

GRI 2 General Disclosures

1. The organization and its reporting practices

2-1 Organizational details

Legal name: Cermaq Group AS

Ownership and legal form: Cermaq Group AS is a fully owned subsidiary of Mitsubishi Corporation.

Location of headquarters: Dronning Eufemias gate 16, 0102 Oslo, Norway

Countries of operations: Cermaq has significant operations in three countries, in Norway, Canada and Chile. For more information read about our organization: <https://www.cermaq.com/about-us/organisation>

2-2 Entities included in the organization's sustainability reporting

Cermaq operates in three countries, subsidiaries and associated companies of significant size are:

Parent company Cermaq Group AS
Cermaq Holding AS
Cermaq Norway AS
Cermaq Norway Salmon AS
Cermaq Norway Holding AS
Cermaq Canada Ltd.
Southern Cross Seafoods S.A.
Mainstream Chile S.A.
Cermaq Chile S.A.
Salmones Humboldt SpA
Agraindustrial Santa Cruz Ltda.

There are no minority interests. The GRI report covers Cermaq's aquaculture operations. The materiality analyses are done separately for each country of operations and is basis for the sustainability reporting.

2-3 Reporting period, frequency and contact point

Cermaq's GRI reporting period follows the calendar year 2022, from 1 January to 31 December. Since 2016, Cermaq follows the Mitsubishi accounting year from April to March and has released its financial accounts separately. Some parts of the GRI general disclosures hence refer to information that will be released with the financial accounts in Q3 2022.

The previous GRI report was published in May 2022 and is available on Cermaq's website here: <https://www.cermaq.com/sustainability/sustainability-reports>

Contact point for questions regarding the report:

Lise Bergan, Head of Communications
E-mail: post.group@cermaq.com

2-4 Restatements of information

The scope 2 emissions for 2021 have been restated. Details are found in the presentation of emission performance in this report.

2.5 External assurance

Cermaq is of the opinion that an external assurance process increases the quality and credibility of our GRI report. The GRI report for 2022 is Cermaq's 13th externally assured report and reflects both updates of the GRI standards for 2022 and a review of Cermaq's own indicators.

The report is assured by Deloitte, our financial auditor in all the operating regions. The auditor's report is appended to the end of this report. We engaged Deloitte AS to conduct a review, in accordance with assurance standard ISAE 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical

Financial Information" established by the International Auditing and Assurance Standards Board, to provide a limited level of assurance on the Cermaq AS Sustainability Report 2022. Applicable criteria for the assurance is the GRI Standards (2021), covering both reporting principles, general disclosures and material topics disclosures. The auditor plan and perform the audit to obtain an understanding of Cermaq's systems and reporting processes, as well as performing limited substantive testing on a selective basis to test that data has been appropriately measured, recorded, collated and reported. The Independent Auditor's Limited Assurance Report can be found on pages 67-69.

2. Activities and workers

2-6 Activities, value chain and other business relationships

Cermaq is farming and selling Atlantic salmon and Coho salmon, under the brands Cermaq and True Arctic by Cermaq. Cermaq sells its salmon products globally, where the main markets are USA, EU, Norway, Canada, Brazil, Chile, Japan, and China.

See presentation of Cermaq's value chain: <https://www.cermaq.com/your-salmon-supplier/value-chain>

2-7 Employees

(included elsewhere in the report)

2-8 Workers who are not employees

(included elsewhere in the report)



3. Governance

2-9 – 2-21 Governance

(2-10, 2-19 and 2-21 are omitted)

Cermaq is a fully owned subsidiary of Mitsubishi Corporation. The general meeting is the highest governance body in Cermaq Group AS (“Cermaq”).

The General meeting of Cermaq elects the board of directors, the auditor and approves the annual accounts and the board remuneration. The Board sets the strategic direction for the company and resolves budgets, annual goals, and guidelines for the operations of the company. Further, the Board monitors the company’s management and operations, resolves matters outside the ordinary course of business and appoints the CEO.

The rules of procedure for the Board of Directors defines the Board’s functions, duties and responsibilities, the rules relating to notice of meeting and transaction of business and the General Manager’s responsibilities and duties towards the Board.

The Board established a remuneration committee in 2016 to develop recommendations to the Board in matters concerning remuneration. The Board did not have any other subcommittees in 2022.

The nomination to the board and the remuneration of the board members is done by the general assembly, and Cermaq’s administration is not positioned to report on the considerations done by the general assembly. The members of the Board of Directors are presented on Cermaq’s web site: <https://www.cermaq.com/about-us/organisation>. Cermaq’s code of conduct applies to all board members. The code of conduct addresses multiple areas including conflict of interest.

The chair of the board of Cermaq Group is separate from the Chief Executive Officer of Cermaq. The CEO is responsible for the daily management and operations of the company and reports to the Board.

The Board has approved a framework for risk management to ensure that Cermaq has good internal controls and appropriate systems for risk management. The Board performs a periodic risk review on development in the risk factors assumed to have the largest financial impact, and of key measures that have been implemented to manage these risks. This includes an assessment of the development of key sustainability indicators against set targets.

Sustainability has a central part in salmon farming and hence has the focus of the board. Sustainability concerns and critical concerns are addressed frequently in multiple ways, e.g., through the risk analyses, OHS updates, whistle blowing incidents, compliance report or raised directly by the CEO. Number of concerns being defined as critical is not being counted.

The sustainability managers across Cermaq prepare the GRI report. The process and content are approved by the Global Management Team, chaired by the CEO. The performance on key sustainability indicators, covering the majority of topics in the GRI report, is presented to the Board.

The board advances its knowledge on key sustainability topics from regular visits to Cermaq’s operations and from specific presentation from internal and external experts. In 2022 the activities were impacted by Covid restriction.

At irregular intervals, the Board makes a self-assessment of its performance and effectiveness. A self-assessment was not carried out in 2022.

Senior management have a fixed salary and bonuses, where the bonus is based on performance on multiple goals including sustainability goals. Retirement benefits are based on local regulations, spanning from obligatory to optional programs.

4. Strategy, policies and practices

2-22 Sustainability strategy
(included elsewhere in the report)

2-23 Policy commitments
(included elsewhere in the report)

2-24 Embedding policy commitment
(included elsewhere in the report)

2-25 Process to remediate negative impacts

Cermaq addresses and follows up eventual negative impacts from its operations. Through regular community meetings and special events and contacts related to projects, Cermaq reaches out to proactively identify and address potential impacts.

Cermaq register community/neighbour complaint and each complaint is followed up carefully. Both these mechanisms are efficient in building understanding and implement needed remediation.

Our practices are not static, but based on our values and leadership principles, the activities are adapted to the situation.

2-26 Seeking advice and raising concerns

Employee surveys are carried out regularly to monitor the employee engagement, the Occupational Health and Safety status, the practices of our code of conduct and more. Based on these surveys, improvement areas are identified and followed up, from the lowest to the highest level.

All employees are encouraged to address their concerns including doubts, to their

manager or directly to our compliance team. To simplify and help employees raise concerns, we have some places mailboxes where employees can leave their concerns also anonymous. In other parts of the organization, we organize dilemma talks to increase awareness on ethical topics and enable concerns to be raised.

Cermaq's whistle blowing system is available for employees and external and can be used anonymously. The use the whistle blowing system is promoted internally.

2-27 Compliance with laws and regulations

(included elsewhere in the report)

2-28 Membership associations

Cermaq Norway

- Norwegian Seafood Federation (Sjømat Norge)

Cermaq Canada

- British Columbia Salmon Farmers Association (BCSFA)
- Canadian Aquaculture Industry Alliance (CAIA)

Cermaq Chile

- Salmon Chile,
- Salmon Council
- Magallanes Region Salmon Breeders Association

Cermaq Global/Group

- Global Salmon Initiative (GSI)
- SeaBOS
- UN Global Compact

5. Stakeholder engagement

2-29 Approach to stakeholder engagement
(included elsewhere in the report)

2-30 Collective bargaining agreements
(included elsewhere in the report)

Appendix 2

Material topics

Disclosure 3-1

Cermaq has been reporting based on the GRI standards for many years and we have been continually seeking input from our stakeholders on material topics. This has also been the case for the 2022 report. During the year Cermaq has conducted stakeholder surveys, interviews and workshops with the operating companies in each country and many touch points with local stakeholders. The materiality assessment is finally subject to approval by a Global Management Committee.

In defining material interests, Cermaq identifies its economic, social and

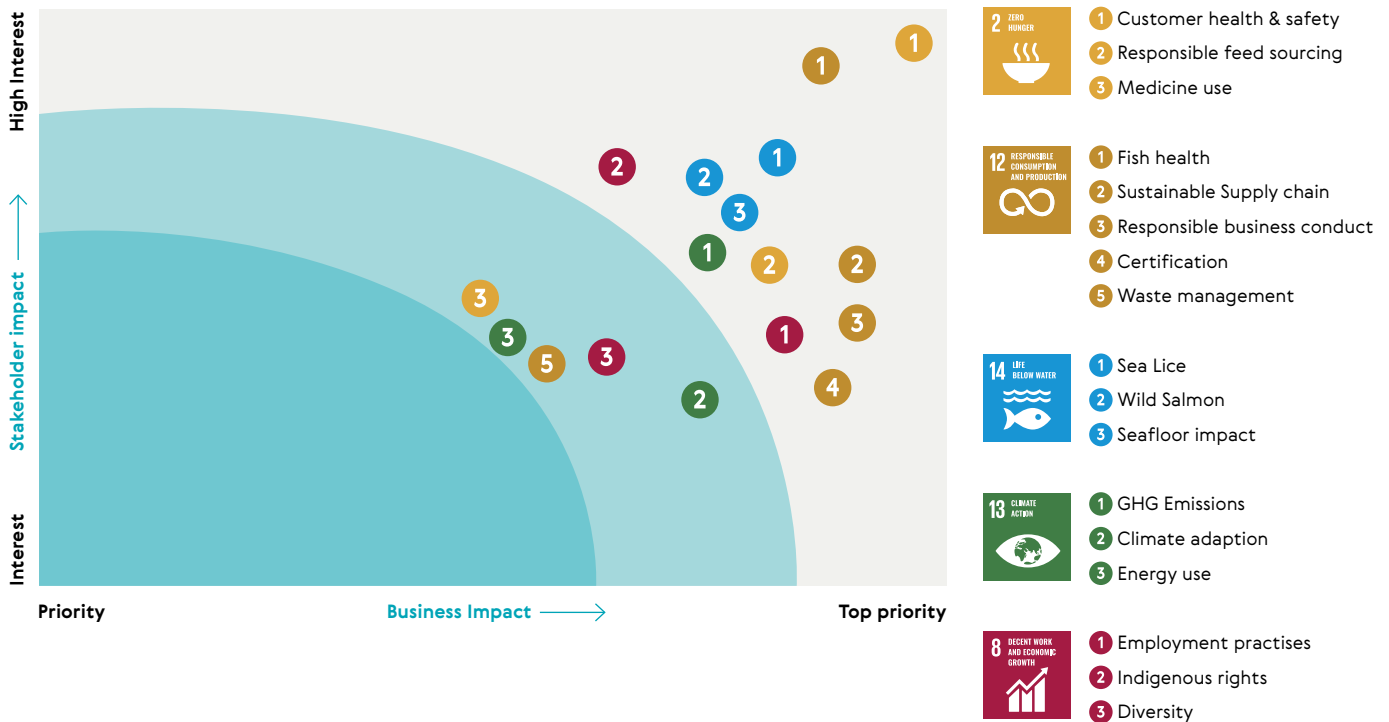
environmental impacts and identifies the topics that have the greatest influence on stakeholder assessment and decisions. The topics identified as material both to Cermaq and to Cermaq's stakeholders provide the basis for the selection of indicators that we measure our performance against. A part of the process is furthermore to identify material indicators that should have targets – for measuring and improving performance over time the prioritized targets are reflected in our material topics highlighted below. This process has resulted in the updated materiality assessment in disclosure 3-2 below.

Disclosure 3-2

The five key themes for material topics have since 2016 been; healthy and nutritious food, thriving oceans, people leadership, responsible production and climate action, these goals are aligned with SDGs 2, 8, 12, 14, 13. In this year's report we have presented the material topics under the SDG topics to make the topics easily recognizable. The material topics are presented in the double materiality plot below for the Materiality Assessment applicable for 2022.

The GRI Index presented at the end of the report shows which GRI Standards that, based on this materiality assessment, are seen as material to Cermaq. Lifted topics found to be even more important are: seafloor impact, indigenous rights, and diversity. However, multiple topics have a slight name change and have been lifted from an indicator to a material topic in its own right. We have done this to be more specific about the topics we focus on.

Materiality Assessment 2022



Disclosure 3-3

The operational responsibility for ensuring sustainable business practice ultimately lies with the Managing Director for each of the operations owned by Cermaq. The Board of Directors holds the overall responsibility to ensure that necessary systems and procedures are in place. Monitoring and follow-up of sustainability performance is conducted at both local and corporate levels. A set of sustainability KPIs are

reported and evaluated monthly by the global management team. Each quarter, the local and global management as well as the Board of Directors receive a comprehensive sustainability report and assess the organization's sustainability performance. For the material topics the performance is evaluated on a regular basis by management. Corrective actions are taken for topics which deviate from the set targets.

Appendix 3

GRI Content index

Statement of use Cermaq Group AS has reported in accordance with the GRI Standards for the period 1 January 2022 to 31 December 2022

GRI used GRI 1: Foundation 2021

Applicable GRI Sector Standards None

GRI 2: General disclosures

Number	Description	Page	Omission
2-1	Organizational details	53	
2-2	Entities included in the organization's sustainability reporting	53	
2-3	Reporting period, frequency and contact point	53	
2-4	Restatements of information	53	
2-5	External assurance	54	
2-6	Activities, value chain, and other business relationships	54	
2-7	Employees	49	
2-8	Workers who are not employees	49	
2-9	Governance structure and composition	55	
2-10	Nomination and selection of the highest governance body		Not applicable
2-11	Chair of the highest governance body	55	
2-12	Role of the highest governance body in overseeing the management of impacts	55	
2-13	Delegation of responsibility for managing impacts	55	
2-14	Role of the highest governance body in sustainability reporting	55	
2-15	Conflicts of interest	55	
2-16	Communication of critical concerns	55	
2-17	Collective knowledge of the highest governance body	55	
2-18	Evaluation of the performance of the highest governance body	55	
2-19	Remuneration policies		Not applicable
2-20	Process to determine remuneration	55	
2-21	Annual total compensation ratio		Information incomplete
2-22	Statement on sustainable development strategy	4-6	
2-23	Policy commitments	4-6	
2-24	Embedding policy commitments	4-6	
2-25	Processes to remediate negative impacts	56	
2-26	Mechanisms for seeking advice and raising concerns	56	
2-27	Compliance with laws and regulations	44-45	
2-28	Membership associations	56	
2-29	Approach to stakeholder engagement	42-43	
2-30	Collective bargaining agreements	50	

GRI 3: Material topics

Number	Description	Page	Omission
3-1	Process to determine material topics	57	
3-2	List of material topics	57-58	
3-3	Management of material topics	58	

GRI Topic standards

GRI 201	Economic Performance		
	201-1 Direct economic value generated and distributed	41	
	201-2 Financial implications and other risks and opportunities due to climate change	41	
	201-3 Defined benefit plan obligations and other retirement plans		Information incomplete
	201-4 Financial assistance received from government	41	
GRI 205	Anti Corruption		
	205-1 Operations assessed for risks related to corruption	45	
	205-2 Communication and training about anti-corruption policies and procedures	45	
	205-3 Confirmed incidents of corruption and actions taken	45	
GRI 301	Materials		
	301-1 Materials Used by Weight or Volume	27	
	301-2 Recycled input materials used		Information incomplete
	301-3 Reclaimed products and their packaging materials		Information incomplete
GRI 302	Energy		
	302-1 Energy consumption within the organization	34	
	302-2 Energy consumption outside of the organization	35	
	302-3 Energy intensity	35	
	302-4 Reduction of energy consumption		Information incomplete
	302-5 Reductions in energy requirements of products and services		Not applicable
GRI 304	Biodiversity		
	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	23	Information incomplete
	304-2 Significant impacts of activities, products and services on biodiversity		Information incomplete
	304-3 Habitats protected or restored		Information incomplete
	304-4 IUCN red list Species and national conservation list, species with habitats in areas affected by operations	23	
GRI 305	Emissions		
	305-1 Direct (Scope 1) GHG emissions	37	
	305-2 Energy indirect (Scope 2) GHG emissions	37	
	305-3 Other indirect (Scope 3) GHG emissions	37	
	305-4 GHG emissions intensity	37	
	305-5 Reduction of GHG emissions	37	
	305-6 Emissions of ozone-depleting substances (ODS)		Information incomplete
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		Information incomplete
GRI 307	Environmental compliance		
	307-1 Non-compliance with environmental laws and regulations	44	
GRI 308	Supplier Environmental Assessment		
	308-1 New suppliers that were screened using environmental criteria	28	
	308-2 Negative environmental impacts in the supply chain and actions taken	28	

GRI Topic standards

Number	Description	Page	Omission
GRI 403	Occupational Health and Safety		
	403-1 Occupational health and safety management system	51	
	403-2 Hazard identification, risk assessment, and incident investigation	50-51	
	403-3 Occupational health services	50-51	
	403-4 Worker participation, consultation and communication on occupational health and safety	50-51	
	403-5 Worker training on occupational health and safety	50-51	
	403-6 Promotion of worker health	50-51	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	50-51	
	403-8 Workers covered by an occupational health and safety management system	50-51	
	403-9 Work related injuries	51	
	403-10 Work-related ill health		Information incomplete
GRI 411	Rights of indigenous peoples		
	411-1 Incidents of violations involving rights of indigenous peoples	44	
GRI 413	Local communities		
	413-1 Operations with local community engagement, impact assessments, and development programs	43-44	
	413-2 Operations with significant actual and potential negative impacts on local communities	43-44	
GRI 416	Customer health and safety		
	416-1 Assessment of the health and safety impacts of product and service categories	10	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	10	
GRI 419	Socioeconomic compliance		
	419-1 Non-compliance with laws and regulations in the social and economic area	44	
GRI G3.1 FPSS 2016	FP9 Percentage and total of animals raised and/or processed, by species and breed type	9	

CERMAQ indicators – material topics not covered by the GRI standards

CEQ 1	Fish survival	14
CEQ 2	Sea lice levels	21-22
CEQ 3	Fallow time	20
CEQ 4	Medicine use	15-16
CEQ 5	Vaccination	15
CEQ 6	Area management	20
CEQ 7	Escapes	21
CEQ 8	Raw material ingredients in feed	28-29
CEQ 9	Interactions with birds and sea mammals	23
CEQ 10	ASC certifications	10
CEQ 11	Local community complaint	42
CEQ 12	Whistle blowing incidents	45
CEQ 13	Country by county financial and organizational data	41

Omissions: 2-10 This concerns the owner and is beyond the competence of Cermaq. 2-19 This concerns the owner and is beyond the competence of Cermaq. 2-21 Cermaq does currently not have suitable system for this calculation. 201-3 Cermaq's financial year is from 1 April – 31 March 301-2 The indicator is partly covered but the data are incomplete. 301-3 The data for reclaimed products are incomplete. 302-4 The data are incomplete. 302-5 Not applicable as it is related to energy used by consumers. 304-1 As G304 will be replaced this year, reporting has not been established for 2022. 304-2 As G304 will be replaced this year, reporting has not been established for 2022. 304-3 As G304 will be replaced this year, reporting has not been established for 2022. 305-6 Not material, and Cermaq's data gathering does not cover ODS. 305-7 Not material, and Cermaq's data gathering does not cover NOx and SOx. 403-10 Cermaq does not have a suitable data gathering at aggregated level.

Appendix 4

Marine sources in feed

The following list shows countries of origin for many of the fish species used in fishmeal and fish oil purchased by Cermaq's feed suppliers and used in Cermaq's production.

Country of origin

Fish species	Country
Peruvian Anchoveta	Chile, Peru, Japan, Ecuador
Sardine (various species)	Several
Sand eel	Norway, Denmark
Sprat	Norway, Denmark
Anchovy (various species)	Chile, China, Japan, Mexico, Peru, South Africa
Blue Whiting	Denmark, Norway, Iceland
Atlantic Herring	Norway, Iceland, Mexico, Denmark
Norway Pout	Norway, Denmark
Jack Mackerel	Mexico, Chile, Ecuador
Mackerel	Norway, Mexico, Denmark, Chile, Morocco
Pacific Anchoveta	Panama
Menhaden	USA
Baltic Sprat	Denmark
Boarfish	Norway, Iceland, Denmark
Gulf Menhaden	USA
Pollock	USA
Menhaden	USA
Tilapia	Several
Pacific Menhaden	Chile
Mote Sculpin	Chile
Pacific Thread Herring	Mexico
Shrimp	Denmark
Herring	Chile
Krill	Antarctica
Sardinella	Morocco, Mauritania
Pilchard	Japan, Mexico, Panama, Ecuador, Morocco, Mauritania
European Sprat	Norway, Denmark
Capelin	Norway, Iceland, Denmark

Cermaq has strict requirements of its feed suppliers, and encourages certified sources of ingredients. The following are selected details from the sustainability policies of Cermaq's main feed suppliers:

BioMar requires full traceability throughout the supply chain from fisheries all the way to farm sites. Marine raw materials must derive from fisheries that are well managed and controlled through national and international regulations. BioMar bases its standards for responsible sourcing of marine ingredients on the IFFO Global Standard for Responsible Supply (IFFO RS), the Marine Stewardship Council (MSC) standard and

the Sustainable Fisheries Partnership and its FishSource database.

For sourcing of terrestrial ingredients BioMar has a program seeking to eliminate use of raw materials causing deforestation of tropical rainforests. Pending commercial availability of RTRS and ProTerra compliant soya, BioMar seeks to ensure soya purchases in accordance with the Basel Criteria. BioMar is not buying soya from areas of the Amazon Biome taken into soya production after 1994, unless compensatory measures are proven. In all cases BioMar is sourcing all raw materials from designated approved suppliers. The suppliers are approved and

Overview of fish species used to make fishmeal and fishoil for BioMar feed 2022

Category	Species	Category %	Total %
Norway			
Fish trimmings & byproducts	Herring (Atlantic)	6.0	1.5
	Anchoveta	21.4	5.3
	Norway Pout	0.5	0.1
	South American Pilchard	1.5	0.4
	European Pilchard	1.7	0.4
	Blue whiting	6.1	1.5
	Anchovy	6.6	1.1
	Sand eel	5.2	1.3
	European sprat	4.7	1.2
	Chub and jack mackerel	0.3	0.1
	Sardinella	0.3	0.1
	Horse/Chub Mackerel	0.2	0.0%
	Antarctic krill	1.9	0.5
Fish trimmings & byproducts total		56	13.8
Forage Fish	Atlantic Herring	32.2	7.9
	Atlantic Cod	6.0	1.5
	European Pilchard	0.1	0.0
	Atlantic Mackerel	0.3	0.1
	Haddock and Saithe	5.0	1.2
	Other	0.3	0.1
Forage Fish total		100	
Other Marine Ingredients		0	0
Other Marine Total		0	0
			100%

Category	Species	Category %	Total %
Chile			
Fish trimmings & byproducts	Anchoveta	44.7	42.7
	Araucaunian Herring	23.5	22.5
	Mackerel	17.9	17.2
	Japanese Anchovy	3.9	3.7
	Antarctic Krill	5.9	5.6
	Pilchard	1.9	1.8
	Other	2.3	2.2
Fish trimmings & byproducts total		100	95.6
Forage Fish	Alaska Pollock	73.8	3.2
	Yellowfin Tuna	10.6	0.5
	Skipjack Tuna	8.4	0.4
	Hake	5.2	0.2
	Other	2.0	0.1
Forage Fish total		100	4.4
Other Marine Ingredients		0	0
Other Marine Total		0	0
			100%

audited according to BioMar risk assessment procedures including traceability, sustainability, food safety, quality systems, and ethical and environmental policy.

Skretting's feed supplier code of conduct notes that all original material used in the products sold to Skretting to be traced back to fishery/fisheries of origin, or the farmed species and country of origin.

Skretting promotes the fishery management principles of the United Nations Food and Aquaculture Organization (FAO) Code of

Conduct for Responsible Fisheries. Nutreco expects its suppliers to work towards complying with the principles specified in that code. Skretting also supports the MarinTrust Program and regards the criteria related to marine ingredients to be met when the processor and the fishery is part of the MarinTrust program. Marine Stewardship Council certified fisheries meet the requirements of the MarinTrust program. Skretting also accepts suppliers and fisheries that are part of the MarinTrust improves program.

Overview of fish species used to make fishmeal and fishoil for Skretting feed 2022

Category	Species	Category %	Total %
Fish trimmings & byproducts	Anchovy	9.8	1.4
	Bullet Tuna	0.3	0.1
	Chub mackerel	1.5	0.2
	Frigate tuna	2.1	0.3
	Jack mackerel	47.2	6.9
	Largehead Hairtail	0.1	0.0
	Mackerel	3.6	0.5
	Mote Sculpin	0.1	0.0
	Pacific Anchoveta	0.1	0.0
	Pacific thread herring	0.8	0.1
	Red eye Herring	0.3	0.0
	Sardine	7.1	1.0
	Shortfin scad	0.4	0.1
	Shortjaw leatherjack	0.3	0.0
	Yellowfin tuna	0.7	0.1
	Starry butterfish	0.1	0.0
	Pollock	8.4	1.2
	Pacific whiting	1.3	0.2
	Blue whiting	0.2	0.0
	Hake	8.2	1.2
	Herring trimmings	2.1	0.3
	Other	5.2	0.8
Fish trimmings & byproducts total		100	14.7



Feed pellets.

Category	Species	Category %	Total %
Forage Fish	Anchovy	29.3	25.0
	Chub mackerel	0.0	0.0
	Frigate tuna	0.2	0.2
	Jack mackerel	14.3	12.2
	Mackerel	1.8	1.5
	Mote sculpin	0.8	0.7
	Pacific Anchoveta	0.4	0.3
	Pacific Menhaden	0.1	0.1
	Pacific thread herring	0.0	0.0
	Peruvian Anchoveta	2.1	1.8
	Pollock (Saithe)	1.1	0.9
	Sardine	42.8	36.5
	Shortfin scad	0.0	0.0
	Starry butterfish	0.2	0.2
	Herring	0.1	0.1
	Blue whiting	0.1	0.1
	Sprat	0.2	0.1
	Sand eel	0.7	0.6
	Pacific whiting	0.2	0.1
	Hake	1.1	0.9
	Pollock	1.4	1.2
	Menhaden	0.6	0.5
	Other	2.4	2.1
Forage Fish total		100	85.3
Other Marine Ingredients		0	0
Other Marine Total		0	0
			100%



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To the Management of Cermaq Group AS

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON CERMAQ'S SUSTAINABILITY REPORT 2022

This Independent Auditor's Limited Assurance Report to the Management of Cermaq Group AS (Cermaq) relates to information in Cermaq Sustainability Report 2022 (the "Report") for the reporting period ended 31 December 2022.

Our assurance conclusion

Based on our procedures described in this report, and evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information, as listed below has not been prepared, in all material respects, in accordance with the Applicable Criteria.

Scope of our work

Cermaq engaged Deloitte AS to provide an Independent Limited Assurance Report in accordance with International Standard on Assurance Engagements 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000 (Revised)"), issued by the International Auditing and Assurance Standards Board ("IAASB") and our agreed terms of engagement.

The Selected Information in scope of our engagement, as presented in the Report, for the period ended 31 December 2022 is as follows:

Selected Information	Applicable Criteria
The Report.	Reporting in accordance with the GRI Standards 2021, pursuant to Cermaq's disclosures under Appendix 3 – GRI Content index.

The Report needs to be read and understood together with the Applicable Criteria.

Inherent limitations of the Selected Information

We obtained limited assurance over the preparation of the Selected Information in accordance with the Applicable Criteria. Inherent limitations exist in all assurance engagements.

Any internal control structure, no matter how effective, cannot eliminate the possibility that fraud, errors or irregularities may occur and remain undetected and because we use selective testing in our engagement, we cannot guarantee that errors or irregularities, if present, will be detected.

The Management's responsibilities

The Management is responsible for:

- Selecting and establishing the Applicable Criteria.
- Preparing, measuring, presenting, and reporting the Selected Information in accordance with the Applicable Criteria.
- Publishing the Applicable Criteria publicly, where it is not publicly available, in advance of, or at the same time as, the publication of the Selected Information.
- Designing, implementing, and maintaining internal processes and controls over information relevant to the preparation of the Selected Information to ensure that they are free from material misstatement, including whether due to fraud or error.

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- Providing sufficient access and making available all necessary records, correspondence, information and explanations to allow the successful completion of the Services.
- Confirming to us through written representations that you have provided us with all information relevant to our Services of which you are aware, and that the measurement or evaluation of the underlying subject matter against the Applicable Criteria, including that all relevant matters, are reflected in the Selected Information.

Our responsibilities

We are responsible for:

- Planning and performing procedures to obtain sufficient appropriate evidence in order to express an independent limited assurance conclusion on the Selected Information.
- Communicating matters that may be relevant to the Selected Information to the appropriate party including identified or suspected non-compliance with laws and regulations, fraud or suspected fraud, and bias in the preparation of the Selected Information.
- Reporting our conclusion in the form of an independent limited Assurance Report to the Management.

Our independence and quality management

We are independent of the company as required by laws and regulations and the International Ethics Standards Board for Accountants' Code of International Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We apply the International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, and accordingly, maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Key procedures

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the description of activities undertaken in respect of the Selected Information is likely to arise. The procedures we performed were based on our professional judgment. In carrying out the limited assurance engagement on the description of activities undertaken in respect of the Selected Information, we performed the following procedures:

- Obtained an understanding of Cermaq's systems and processes for the identification, processing and controls associated with the Selected information.
- Made inquiries with relevant personnel to obtain an understanding of the process for collecting and reporting the Selected Information, and relevant internal controls; but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness.
- Performed limited substantive testing on a selective basis of the Applicable Criteria to test whether data has been appropriately measured, recorded, collated and reported, particularly focused on the key indicators (CEQ Indicators), energy and greenhouse gas emissions indicators and indicators submitted to the Global Salmon Initiative (GSI) for 2022; but did not test supporting documentation for data provided from third parties, like marine sources, energy consumption and GHG emissions related to feed.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.



Oslo, 12 April 2023
Deloitte AS

Lars Atle Lauvsnes
State Authorised Public Accountant (Norway)

Frank Dahl
Sustainability expert

This document is signed electronically

CERMAQ

Seafood for a healthy future

cermaq.com

