

CERMAQ GROUP AS' WORK ON HUMAN RIGHTS AND DECENT WORKING CONDITIONS

1. THE COMPANY'S OBLIGATIONS UNDER THE TRANSPARENCY ACT

The statement describes the main features of the company's due diligence assessments under the Transparency Act in accordance with the requirements of Section 5 of the Act.

The Transparency Act came into effect on July 1, 2022, and requires companies covered by the law to conduct due diligence assessments where the risks of human rights violations and decent working conditions throughout the company's supply chains, including business partners, are identified and addressed based on a risk-based and proportionate approach. Additionally, the company is required to account for its due diligence assessments and respond to information requests from anyone.

Cermaq Group AS is subject to the Transparency Act and has taken measures to comply with its obligations.

The statement applies to Cermaq Group AS and its subsidiaries.

The statement is made available on the company's website and will be referenced in the company's annual report.

2. COMPANY OVERVIEW

2.1 Organization and Business

Cermaq Group AS is a holding company wholly owned by MC Ocean Holdings Limited, which in turn is wholly owned by Mitsubishi Corporation. Cermaq Group AS and its subsidiaries are an integrated global producer and one of the world's largest suppliers of farmed salmon.

Cermaq has operations in Norway, Chile, and Canada, with its headquarters in Oslo.

2.2 Company Procedures for Human Rights and Decent Working Conditions

In accordance with the obligations under the law, the company systematically works to ensure decent working conditions in its operations and the protection of other human rights. As part of this effort, guidelines for the company's work on human rights and decent working conditions have been revised and adopted by management.

These guidelines are designed to promote awareness of human rights and decent working conditions throughout the company, supply chains, and business partners, and serve as a guiding principle in all business operations. The company updates the guidelines as needed.

The company has revised the guidelines to prevent and reduce the risk of contributing to negative impacts on human rights and decent working conditions in its operations. This includes updating procedures for the company's code of conduct, supplier code of conduct, code of conduct for feed suppliers, and the company's assessment of risks in the supply chain. The procedures are designed to enable the company to identify and address negative consequences for human rights and decent working conditions.

The company's management has designated the legal and compliance department as responsible for ensuring that the company's representatives and employees are familiar with the procedures and implement them in practice. Legal and compliance reports annually to the board, and more frequently as needed.

In line with the requirements of the Transparency Act, the company conducts regular due diligence assessments within its own operations and supply chain.

3. CERMAQ'S RISK ASSESSMENT AS OF JUNE 2023

3.1 Overall Risk Assessment

In accordance with the obligations of the Transparency Act, the company has conducted an overall risk assessment of its own operations and a general assessment of the various categories within the company's supply chain. The objective of the assessment is to identify risks of human rights violations affecting individuals in and around the company's operations.

In this assessment, the company has particularly focused on four risk areas: industry risk, operational-level risk (related to suppliers and business partners), geographical risk, and risks associated with product development and production.

Industry Risk

The company operates within the aquaculture industry, which it has assessed as a low-risk industry. There are no prominent risks within the aquaculture industry according to the company's evaluation. However, the company has some suppliers who provide various products necessary for aquaculture operations. Some of these suppliers operate in countries or have subcontractors operating in countries associated with inherent risks of non-compliance with decent working conditions or human rights violations.

Operational-Level Risk

The company has a large supply chain with suppliers in South America, North America, and Europe. Based on the company's due diligence assessments, the risk of non-compliance among the suppliers is considered low. However, within the suppliers' supply chains, the risk is higher as some raw materials may originate from countries where the risk of human rights violations and non-compliance with decent working conditions is higher or high. There have been no reported human rights violations associated with the suppliers' operations, and no specific risks have been identified.

Geographical Risk

The company does not consider itself exposed to risks due to its own or its suppliers' geographical locations. As mentioned in section 1, the company has production in Chile, Canada, and Norway. Based on the company's assessments, there is no widespread risk of human rights violations in these regions. However, the company will conduct regular assessments to implement measures if the risk landscape changes.

3.2 Specific Risk Assessment as of June 2023

The company conducts regular risk assessments related to negative consequences and risks for individuals in and around its operations.

The company has not identified that its operations have caused or contributed to significant risks of human rights violations or decent working conditions. There have been no significant changes in the business or risk landscape since the previous reporting period.

4. IMPLEMENTATION OF MEASURES TO PREVENT RISKS OF HUMAN RIGHTS VIOLATIONS AND DECENT WORKING CONDITIONS

In light of the company's risk categorization described in section 3, the company has implemented proportionate measures to prevent and address the risks of indecent working conditions and human rights violations. The following measures have been implemented from July 1, 2022, to June 30, 2023:

Since the company faces risks within some supply chains related to feed and equipment, the company has prioritized measures to reduce the risks, including:

- Conducting dialogues with suppliers regarding the risks of human rights violations and decent working conditions.
- Updating contract terms and appendices to our standard contracts, setting requirements for labor rights and respect for human rights.
- Conducting regular investigations, such as workplace audits, to assess working conditions.
- Negotiating with feed suppliers to accept certification according to the ASC standard feed mill during the next contract period.

The company will monitor the effectiveness of these measures and assess whether further actions are necessary. The company has determined that the implemented measures have had the desired effect.

As of 30 June, the company does not have any additional measures planned. However, the company continuously evaluates risks and will implement further actions if required by the circumstances.

This statement is signed by the board and CEO. The statement will be updated annually and whenever significant changes occur in the information provided here.

Date: 30 June 2023



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Hirofumi Yamazaki
Chair of the board



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Akihiko Takada
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Steven Rafferty
CEO












Statement 2023









Final Audit Report

2023-07-03

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