

JANUARY ISSUE

THE SCOOP

MOWI®

The Blue Revolution Plan



Photo of the month

Beinn na Caillich Kyle pier

Taken by Josh Hewitson

This year will see a big focus on sustainability throughout Mowi globally. At the end of 2019, we launched our sustainability strategy, The Blue Revolution Plan.

This plan will allow us to achieve our goal of producing more food from the ocean thus meeting the demands of a growing population while respecting the planet and helping local communities to flourish.

Catarina Martins, chief sustainability officer, said: *"The Blue Revolution Plan is built around a tasty and nutritious product; financial responsibility and transparency; and taking care of our planet and its people. In committing to leading the Blue Revolution, we have set the bar high. Our sustainability targets will not be achieved overnight but they will be achieved through key innovations, partnerships and a shared vision."*

As we enter 2020, the world is facing global challenges such as climate change and plastic pollution. The Blue Revolution Plan will help us to focus on being part of the solution to those challenges where we operate an eco-efficient value chain and raise our salmon in harmony with nature.

People will be at the heart of our actions to achieve our vision. From committing to ethical business conduct, to providing safe and meaningful jobs, and helping local communities to thrive. We will all have a part to play in leading the Blue Revolution.

Here are the commitments we are making to the planet:

Being part of the solution to global challenges

Climate change

- Science-based targets: Reduce Scope 1,2 and 3 GHG emissions by 35% until 2030 and 72% until 2050.

Plastics

- By 2025, 100% of our plastic packaging will be reusable, recyclable or compostable
- By 2025 at least 25% of plastic packaging will come from recycled plastic content
- By 2023, 100% of farming plastic equipment will be reused or recycled

Eco-efficient value chain

Waste & circular economy

- By 2025, zero waste to landfill at our processing plants

Freshwater use

- Improvement of freshwater use efficiency at processing plants

In harmony with nature

ASC certification

- Towards 100% ASC certification by 2025

Escapes

- Positive trend towards zero-escapes
- 100% trained on Mowi's farming excellence programme

Sea lice

- Reduce the dependency of treatment interventions involving fish handling
- Limit the number of medicinal treatments per farm, per cycle, as per requirements in the ASC standard, by 2025.

Fish health & welfare

- By 2022, 99.5% survival in sea (average month)
- Reduction in antibiotic use from 2015
- By 2020, global welfare data capture and reporting system
- By 2023 minimum 50% of our stock with real time welfare monitoring

Sustainable feed

- 100% of feed raw materials are traceable
- 100% of marine raw materials are certified (IFFO RS or equivalent)
- 100% of soy is certified (Proterra or equivalent)
- Ffdrm < 1.20 and ffdro < 2.52 (ASC recommendations)
- Towards lower FCR (Feed Conversion Ratio)
- Towards lower carbon footprint of feed raw materials

Here are our commitments to people:

Mowi way

- Live our vision, values and leadership principles every day

Excellence-driven organisation

- ONE Mowi, operational excellence programme

Ethical business conduct

- Compliance with our code of conduct across the group

Safe and meaningful work

- Year-on-year reduction in LTI per million hours worked
- Absence rate < 4%
- 30% female in leadership roles by 2025
- 50/50 employee gender ratio by 2025

Community engagement

- Develop and support the local communities in which we operate

This issue of The Scoop looks at how Mowi Scotland will meet the target of achieving 100% certification with the Aquaculture Stewardship Council (ASC) by 2025. The sustainability strategy can be read on our website www.mowi.com/sustainability

Antibiotic use in aquaculture

RUMA (Responsible Use of Medicines in Agriculture) has published its second report, Two Years On, with results for 2018.

The overall target set by RUMA for antibiotic usage in salmon is a maximum of 5mg/kg. In 2018, use of antibiotics for the UK's salmon producing sector was 6.5mg/kg. Although the sector was not quite able to meet this ambitious target, it is still considerably lower than antibiotic usage in other livestock sectors during 2018, as illustrated in the visual.

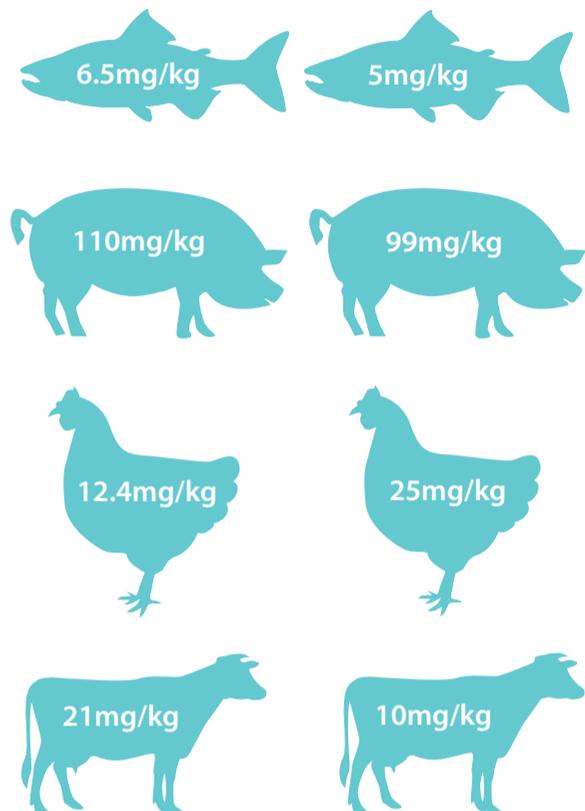
Within the overall target for antibiotic usage in salmon there is also a specific target relating to the use of HP-CIAs (highest-priority critically important antibiotics). These are the antibiotics that are deemed most necessary to treat humans. RUMA states that no HP-CIAs should be used routinely in any farmed fish species, but only following sensitivity testing which shows no other treatment option. The Scottish salmon farming sector met this target in 2018 and sensitivity testing remains standard practice.

All farm-raised Atlantic salmon (100%) continue to be vaccinated prior to seawater transfer, in line with RUMA's target and aquaculture continues to have a focus on preventative health management.

The Veterinary Medicines Directorate (VMD) publishes regular updates of veterinary residues in animals and animal products, and its latest report confirms that farm-raised salmon and trout continue to be free of such substances. Residues were detected in dairy cattle, beef cattle, sheep, pigs and poultry.

ANTIBIOTIC USE

REALITY VS TARGET



Ambitious target to achieve ASC certification for all Mowi Scotland sites



As part of our global commitment to lead the Blue Revolution and the publication of our sustainability strategy, Mowi Scotland is targeting to achieve Aquaculture Stewardship Council (ASC) certification at all of its freshwater loch and seawater production sites. The Scoop spoke to Rory Campbell, technical manager, to find out more.

Rory explains: *"The ASC Salmon and Freshwater Trout standards are the most robust and far-reaching environmental and social standards for global aquaculture. As a business, Mowi has globally committed to achieving 100% ASC certification for all our farms. This is a long-term objective and I'm proud to say that in Scotland we have a plan in place for 2020 to expedite certification at a number of our sites and play our part in achieving this vision."*

Part of this plan will be to achieve certification for all Mowi Scotland's freshwater loch sites in Scotland during 2020, along with an additional number of our seawater production sites. The ASC standards for responsible aquaculture address the key environmental impacts of farming, set requirements for workers' rights and protect communities surrounding certified farms. The current 11 ASC standards cover 17 species groups which include salmon.

However, up until the revised ASC standards introduction in December 2019, the ASC did not allow the production of salmon smolts in freshwater lochs. The juvenile life stage of the salmon is a very important part of the salmon's lifecycle. Although there are alternative environments for the smolt production at this stage such as recirculation units, freshwater lochs are still a big part of our farming business and production strategy in Scotland. Now, the standard that governed freshwater trout production will allow the production of salmon smolts in freshwater lochs, Mowi Scotland can put a plan in place to achieve ASC certification for all of its sites.

As part of the ASC roll out plan for all of Mowi Scotland's sites, we have appointed a dedicated certification manager, Samuel Clegg. Samuel has been tasked with the implementation of ASC certification and will both help with the audit process and get our sites up to speed with these standards.

Samuel explains: *"I started a couple of months ago and my feet have barely touched the ground! We have an ambitious target and therefore a lot of work ahead of us. I joined from a third-party accreditation body, similar to the type that the ASC uses to carry out the auditing process. I also have experience in aquaculture, so I am drawing on all this experience in the lead-up to our first audits which will happen at the end of January."*



Samuel Clegg

Following the first round of audits early next year in freshwater, several other farms will be added to the audit schedule throughout 2020. The number of farms put forward for ASC certification will increase through 2021 and over time, the plan is for 100% of Mowi Scotland's sites to be certified by the ASC.

Rory adds: *"I firmly believe that the ASC standards drive you to be a better farmer, a better neighbour and have less impact on the local environment. These standards go way beyond local regulation as the auditors look at everything from water quality, environment quality, interactions with wildlife, communication with local communities, disease and lice levels (which must be reported at farm level on a weekly basis). Ultimately, the ASC standard provides reassurance for retailers and consumers that the salmon they are purchasing has been farmed responsibly and sustainably."*

The Scoop will follow the progress of this story throughout the year.

Strengthening of Group Management Team

As of 1st January, there will be changes to our organisational structure and Group Management Team in order to increase focus on the farming entities going forward.

Speaking about the changes, CEO Ivan Vindheim said: "Over the past few years, we have seen increasing biological issues and costs in our farming division. It is undoubtedly more challenging to be a farmer today than just a few years back. In order to meet these challenges, we have decided to strengthen the leadership resources in our Group Management Team."

Further to this, Mowi is dividing its current global farming division into three:

- Farming Norway
- Farming Scotland and Ireland
- Farming Americas and the Faroes (Chile, Canada and the Faroes)

Per-Roar Gjerde will be the COO of Farming Americas and the Faroes. He will also lead Farming Norway until we have found the right permanent candidate for this

position. Per-Roar has been with Mowi for almost 20 years and is a very experienced farmer. He has been MD of Region West, MD of Chile, COO Farming Norway and Chile, and COO Global Farming. He has also previously lived in Chile when he was MD of Chile.

Ben Hadfield takes on the position of COO Farming Scotland and Ireland. He is our most experienced farmer in the UK and has held various positions in Mowi Farming Scotland since 2000, including being MD of Mowi Farming Scotland since 2016.

Atle Kvist steps up as the new COO Feed, succeeding Ben Hadfield. Atle is currently MD of Mowi Feed and is a very experienced feed executive with a strong proven track record, having previously been MD of EWOS Norway before joining Mowi in 2019.



Ocean Matters harvests 2,000,000 lumpfish

The team at Ocean Matters finished 2019 on a high when staff harvested their 2,000,000th fish.

Not only does this milestone make 2019 Ocean Matters' most successful year to date but it is also a record. No other UK producer has ever grown this many lumpfish.

Commenting on this achievement, Daniel Phillips, cleanerfish production manager, said: *"This is an incredible milestone and I'm really proud of the team that made it happen, all their hard work and dedication made this possible. The sustainable production of lumpfish plays a significant role in the welfare of our salmon farmed across Scotland. We look forward to another great year in 2020."*

Regular readers of The Scoop may recall an interview with Dougie Hunter, head of cleaner fish and technical services, at Mowi which ran in our May issue in 2019, shortly after Mowi's acquisition of Ocean Matters in Anglesey.

In that interview Dougie explained how Ocean Matters is the largest producer of lumpfish in the UK and Mowi was its biggest customer and collaborator, making the acquisition a very natural step. We caught up with him again about this milestone:

"What an amazing achievement in our first year. To have a guaranteed supply of cleanerfish is really important for our business because it is an important part of our strategy to control sea lice. In 2020 our aim is to produce even more high quality lumpfish and continue to expand our customer base."

Well done to all the team at Ocean Matters!



Dan Rose and Aled Edwards

Health and safety team to introduce e-learning in 2020



The health and safety department plans to implement some interesting and innovative changes to how it approaches and delivers its health, safety, welfare and well-being learning in 2020 and onwards.

Digitisation plays a major part in our industry, affecting all aspects of plant and process. Health and safety must keep pace with new technologies and how we deliver our message and maintain the safety culture throughout our business units.

This will be achieved via a new e-learning programme. Connor Mays, health and safety manager explains: *"You could call it Mowi's health and safety curriculum. Essentially, health and safety modules will be embedded within the company's overall LMS (Learning Management System). This will mean that staff*

can access valuable training resources from a variety of digital sources from an app on their smartphone to logging on from their desktop."

All staff will have a personal login and will be able to follow online courses that are tailored to their needs and role within the business. Content can be viewed multiple times so is perfect to refresh knowledge or check specific facts.

It is hoped that the new e-learning will be used for inductions of new staff members early in 2020.

Community news

Mowi Salmon Wagon taking applications in 2020

Please spread the word in your communities that they will be able to apply to have the Mowi Salmon Wagon at an event as part of their fundraising efforts this year. The dedicated website for the Salmon Wagon - <https://mowisalmonwagon.co.uk/> now has a sign-up tab. Those that sign-up to the mailing list will be the first to hear when the application process is open, expected this month.



Christmas Jumper Day

Our annual Christmas Jumper Day in aid of Save the Children did not disappoint. Staff really entered into the spirit with some truly fantastic festive fashion items as can be seen in the photos. Thanks to everybody who took part to raise money for Save the Children.



Meet Andrew Morton

What do you do at Mowi?

I am a farm technician based at Craobh Haven.

What did you do before joining Mowi?

Before joining Mowi, I previously studied at the Institute of Aquaculture in Stirling and the University of Hawaii, gaining a BSc (Hons) and MSc in aquaculture. I have worked in aquaculture with a variety of species in Hawaii as well as rainbow trout in Scotland with Dawnfresh.

What do you like most about your job?

I enjoy learning new skills and overcoming the challenges this role presents to me, while also engaging with the past five years of theory in a practical environment. The exceptionally varied tasks accompanying any farming role combined with Scotland's challenging oceanic climate mean operation plans can change hourly. I can find myself anywhere between engine maintenance to working in the lab during a single day.

What do you do in your spare time?

I like to spend my spare time scuba diving or fishing for pike and ferox trout around Scotland.

What is your favourite film?

My favourite film is Die Hard.

What is your favourite salmon dish?

My favourite salmon dish is smoked salmon on a bagel.

