



Due Diligence for Responsible Business Conduct

Account reporting year 2022

for Pure Salmon Kaldnes AS

□

SUSTAINABLE DEVELOPMENT GOALS



To Readers Of The Report

Business and the public sector have a great impact on people, society, the environment, and animals and can both contribute positively to development, or negatively by causing harm. Businesses therefore hold a central role in achieving UN's Sustainable Development Goals (SDGs).

This report can be used as an account for the Transparency Act, but it has a broader scope with climate and the environment, circular economy, and anti-corruption indicators also being included. Our members are obligated to carry out due diligence and report annually on their work. Base level members also meet the Transparency Act's due diligence duty, and partially the Act's information duty.

Responsible business conduct is the systematic effort that businesses do to identify, prevent or mitigate adverse impacts and explain how they manage their risks of negative impact to people, society, and the environment as well as provide remediation where this is required. Norwegian authorities expect all businesses, regardless of their size, to carry out due diligence in accordance with the UN's Guiding Principles for Business and Human Rights (UNGP) and OECD's Guidelines for Multinational Enterprises. This applies to businesses, the public sector, and organisations.

Ethical Trade Norway's Declaration of Principles (our Code of Conduct) covers the areas of decent work, human rights, environment/climate, anti-corruption, and animal welfare. This report is done in full transparency and in line with UNGP and OECD's guidelines. The reports of all members are publicly accessible on Ethical Trade Norway's website.

Heidi Furustøl

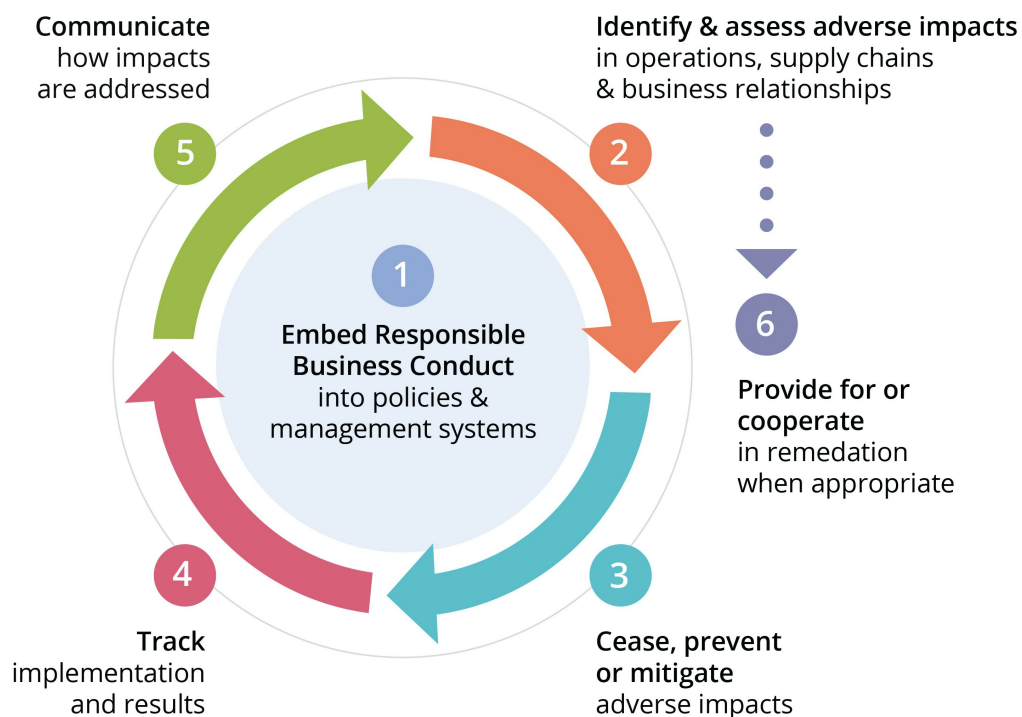
Executive Director

Ethical Trade Norway

Due diligence

This report is based on the UN Guiding Principles on Business and Human Rights and the OECD model for Due Diligence for Responsible Business Conduct.

The model has six steps that describe how companies can work for more responsible and sustainable business practice. However, being good at due diligence does not mean no negative impact on people, planet and the society. It means that the company is open and honest about challenges faced and shows how this is managed in the best possible way in collaboration with its stakeholders. This report is divided in chapters following the OECD model.



Preface From CEO

Our mission is to develop, design and deliver sustainable aquaculture solutions through innovative thinking and shaping based on experience and creative minds. Our vision is to lead the global aquaculture industry towards increased sustainability and to be the preferred lifetime partner and attract and develop the best talents. Our designs are based on known technologies and the understanding of synergies with a high focus on sustainability across all operations.

In our view, all actions, including modest one's matter and aggregate into positive behaviours that initiate and implement the needed changes. While we aim to contribute to the UN SDGs that are relevant to our business activities through our direct impact, we are cognizant that the largest and positively significant impact is achieved by delivering sustainable solutions to our customers. We work actively to set equally stringent requirements for our partners and suppliers as we do for ourselves.

We believe it is more important than ever to continue to uphold our core values of trust, collaboration, generosity, transparency, and accountability throughout our supply chain, with our customers, and among our employees, and lead by example for all our stakeholders. Only through a holistic and scientific approach can we successfully ensure a healthy planet for humanity and all living beings.


Through its membership in Ethical Trade Norway and our associated work, Pure Salmon Kaldnes emphasises that transparency and sustainability are implemented in all of its current and future business strategies and practices.

" By respecting, safeguarding, and promoting ethical values, human rights, and the protection of the environment I am confident that enduring changes can be accomplished, for the direct as well as indirect benefit of all our stakeholders "



Kent Kongsdal Rasmussen
CEO

Board Signature



Sandefjord
26.04.2023

Company information and business context

Key company information

Company name

Pure Salmon Kaldnes AS

Head office address

Nordre Fokserød 9, 3241 Sandefjord, Norway

Main brands, products and services offered by the company

Advanced Recirculating Aquaculture Systems (RAS) technology for land-based fish-farms

Description of company structure

8F AQUACULTURE MASTER FUND PTE. LTD. (SINGAPORE) and 8F Aquaculture Designated Activity Company (Ireland) owns Pure Salmon Technology LLC, located in Abu Dhabi, which is the parent company of Pure Salmon Kaldnes Holdings AS. Pure Salmon Kaldnes Holdings AS owns Pure Salmon Kaldnes in Norway and Pure Salmon Kaldnes RAS in Denmark

PSK Norway and PSK Denmark works like one company, and collaborate as two equal departments. In Norway PSK have two offices (Sandefjord and Drammen), in Denmark PSK have one office in Fredericia. PSK is a matrix organization, at the same time as employees report in line. Employees work in a department, where the department manager has personnel responsibility, but they contribute to various projects where the project manager has overall responsibility. PSK have three management team, strategic management team, aquaculture competence center and Life Circle-cycle team.

The Global Head of Quality & HSE has the overall responsibility for the Sustainability. The Global Head of Quality and HSE and Procurement is responsible for the Transparency Act. CEO, Business Support, Procurement, HSEQ, Aquaculture Competence Center, Research and Development and Sales, Marketing & Tender is all responsible for sustainability and Transparency Strategy.

Turnover in reporting year (NOK)

372 640 553

Number of employees

89

Is the company covered by the Transparency Act?

Yes

Major changes to the company since last reporting period

This is PSK's first report.

Contact person for the report (name and title)

Synnøve Helland, Global Head of Quality & HSE

Email for contact person for the report

synnove.helland@puresalmonkaldnes.com

Supply chain information

General description of the company's sourcing model and supply chain

Specialising in Recirculating Aquaculture Systems (RAS), Pure Salmon Kaldnes delivers engineering services and solutions to the fish farming industry globally. The company has an in-house procurement department which identifies required products and services, negotiates, executes, and procures equipment for projects to be delivered to clients. The process equipment is mainly procured from Tier 1 suppliers in Northern Europe. Suppliers range from small businesses to large global companies. More than 60% of Pure Salmon Kaldnes' third-party costs can be attributed to the top 10-spend suppliers.

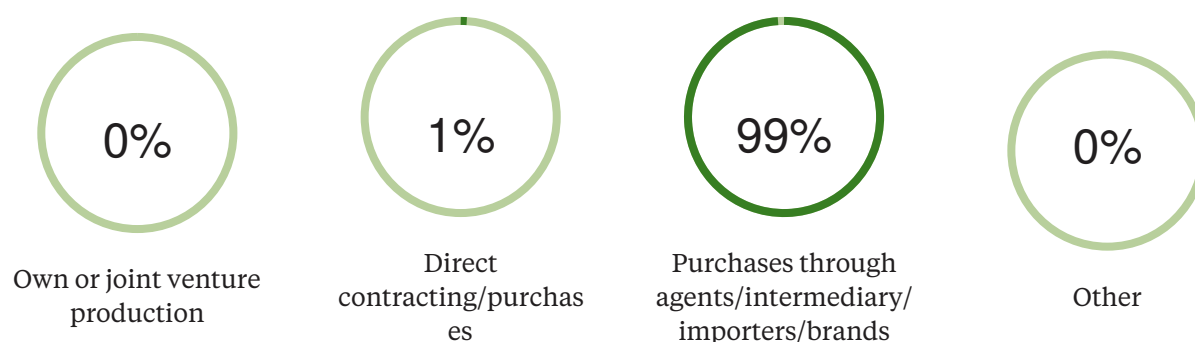
Number of suppliers with which the company had commercial relations in the reporting year

50

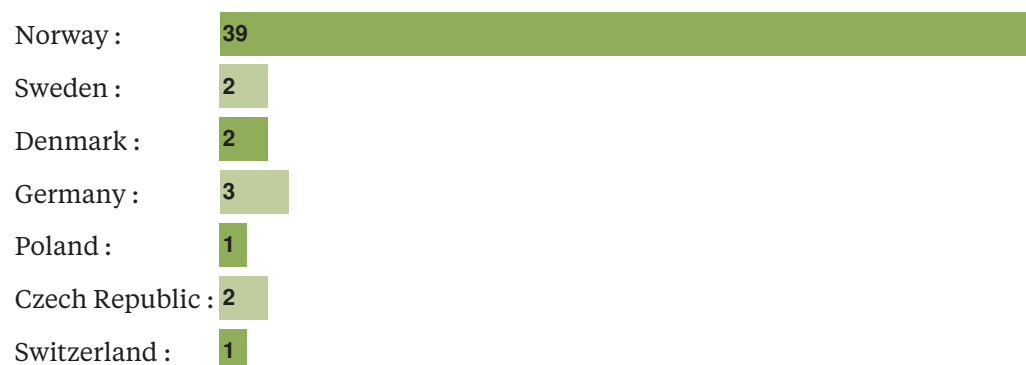
Comments

In 2022, the company's supply chain consisted of 325 suppliers in total. Fifty of the suppliers provide equipment and services that are used directly in the projects delivered to clients. The remaining 275 suppliers provide support and peripheral services and products, such as insurance, office supplies, etc.

Type of purchasing/ suppliers relationships



List of first tier suppliers* (producers) by country



State the number of workers at first tier producers that the company has an overview of, and the number of suppliers this overview is based on:

Number of workers

5 000

Number of suppliers this overview is based on

15

Numbers of workers per supplier (calculated average)

334

Comments to number of workers

The number of workers mentioned above is based on our top 15-spend suppliers in 2022. We have only included the number of workers employed by the suppliers' entity in the country from which we acquire the products and/or services.

Key inputs/raw materials for products or services and associated geographies

PE Pipes	Germany
Pumps	China Hungary
Steel Structures	Denmark Finland
Drumfilters	Sweden
Glasfibertanks	Norway
Heat Exchanger	Sweden
Electrical Equipment	Global

Is the company a supplier to the public sector?

No

Goals and progress

Process goals and progress for the reporting year

1

Goal : As this is the first year, no goals were set previously for 2022. Goals are currently being set for 2023 onwards.

Status :

Goal for coming years

1

All employees must undergo training in Code of Conduct before July 2023.

2

All managers must complete a one-hour course in the Transparency Act/Diligence Assessments at Ethical Trade Norway by October 2023.

3

During 2023 PSK will define sustainability targets regarding on site and in office activities, as well as transport of employees and goods.

4

PSK will report on sustainability in line with globally accepted standards and framework, especially with the Global Reporting Initiative (GRI).

A close-up photograph of a person's hand, wearing a blue sleeve, pouring a large quantity of bright orange, spherical fish roe from a white plastic tray into a metal tray on a conveyor belt. The roe is falling in a steady stream, creating a dynamic scene. The background is slightly blurred, showing industrial equipment and a metal frame.

1

Governance and commitment to responsible business conduct

Embedding responsible business conduct means that the company should have strategies and plan, as well as relevant policies* and guidelines for due diligence for responsible business conduct (hereafter due diligence) which are adopted by management. These should comprise the enterprise's own operations, its supply chain and other business relationships. Effective management systems for implementation are key to success, and due diligence should be an integrated element in company operations. Clear expectations from senior management are crucial, as well as clearly assigned responsibilities within the company, for the implementation of the steps in the due diligence process. Those involved need to know how to proceed. Transparency about commitments the company has for itself, challenges they are facing, and how these are managed is fundamental

1.A Policy* for own business

1.A.1 Link to publicly accessible policy for own business

<https://puresalmontech.com/>

1.A.2 What does the company say publicly about its commitments to respect people, society, the environment and climate?

PSK strives towards responsible business conduct that respects people, society, and the environment . This is established in the Pure Salmon Kaldnes Policy for Responsible Business Conduct . This policy applies to all PSK employees and states that PSK shall conduct due diligence for responsible business conduct, and that responsible purchasing practices are one of our most important tools for responsible business conduct. The policy is based on the UN's fundamental human rights and the ILO's labour standards and accordingly, covers the following key points:

People and society:

- There shall be no forced, bonded, or involuntary prison labour.
 - Workers, without distinction, shall have the right to join or form trade unions of their own choosing and to bargain collectively.
 - The minimum age for workers shall not be less than 15 and shall comply with the national minimum age for employment.
- There shall be no discrimination or harassment at the workplace in hiring, compensation, access to training, promotion, termination, or retirement based on ethnic background, caste, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.
- Physical abuse or punishment, or threats of physical abuse, sexual or other harassment and verbal abuse, as well as other forms of intimidation, is prohibited.
 - The working environment shall be safe and hygienic, bearing in mind the prevailing knowledge of the industry and of any specific hazard.
 - Wages and benefits paid for a standard working week shall, as a minimum, meet national legal standards or industry benchmark standards, whichever is higher. Wages should always be enough to meet basic needs, including some discretionary income.
 - All workers shall be provided with a written and comprehensible contract outlining their wage conditions and method of payments before entering employment.
 - Working hours shall comply with national laws and benchmark industry standards, and not more than the prevailing international standard.
 - Obligations to employees under international conventions, national laws and regulations concerning regular employment shall not be avoided through the use of short-term contracting (such as contract labour, casual labour or day labour), sub-contractors or other labour relationships.
 - Production and the use of natural resources shall not contribute to the destruction and/or degradation of the resources and/or of the income base for marginalized populations, such as in claiming large land areas, use of water or other natural resources on which these populations are dependent.

The environment and climate change mitigation:

- Negative impact on the environment shall be reduced throughout the value chain. In line with this precautionary principle, measures shall be taken to continuously minimise the emission of greenhouse gas (GHG) and local pollution, the use of harmful chemicals and pesticides, and to ensure sustainable resource extraction and management of water, oceans, forest and land, and the conservation of biodiversity.
 - National and international environmental legislation and regulations shall be respected, and relevant discharge permits always obtained.
 - Animal and fish welfare shall be respected. Measures should be taken to minimize any negative impact on the welfare of livestock and working animals.
-

1.A.3 How has the policy/commitment been developed and how is it embedded in the company?

Based on the Ethical trade Norway template, the content and first draft were prepared by the PSK Global Head of Quality and HSE. The draft was then sent to the Strategic Management Board for anchoring and comments. The document was then presented to the PSK Sustainability and Transparency (S&T) Strategy Group for further review, comments, and inputs before finalisation. The document was then formally adopted by the PSK Board of Directors as the Pure Salmon Kaldnes Policy for Responsible Business Conduct.

1.B Organisation and internal communication

1.B.1 How is the due diligence work organised within the company, and why?

The responsibility to follow up and comply with the Transparency Act has been allocated to a working group consisting of the Procurement and the Quality & HSE (QHSE) departments. The Procurement department knows the company's supply chains best and is therefore best suited to monitor their activities and standards. In addition, a Sustainability and Transparency Strategy (S&T) Strategy Group has been established. The S&T Strategy Group consists of the CEO, the CFO, the COO, the Sales Director, the Procurement Manager, the Global Head of R&D, and a Managing Director of 8F Asset Management (please see Description of company structure section above). The S&T Strategy Group is led by the Global Head of Quality and HSE, who is also responsible for sustainability at PSK. The Global Head of Quality and HSE reports directly to the CEO. The Managing Director in charge of Sustainability and Impact Investments at 8F Asset Management leads the Pure Salmon Global ESG and Sustainability Committee, of which the PSK Global Head of Quality and HSE is a permanent member. This “crossmembership” setup ensures that sustainability topics and initiatives are deeply analysed and harmoniously coordinated across PSK and its affiliated entities, and that as the shareholders’ representatives 8F AM provides guidance and support in line with its stewardship and engagement principles and positive impact objectives.

The Sustainability and Transparency Strategy group:

- Identifies the key and relevant UN SDGs to which PSK can contribute, based on risk and opportunity analyses and evaluations of where and how the company can achieve most positive impact while minimizing negative impact, both directly and indirectly.
- Ensures that PSK has an active and dedicated commitment towards sustainability, transparency, and positive impact.
- Reports on sustainability in line with globally accepted standards and frameworks, especially with the Global Reporting Initiative (GRI)
- Establish work groups targeting the most relevant sustainability related risks and opportunities with the objective of maximising PSK’s positive impact
- The S&T Strategy Group is expected to meet on a monthly basis, at least and reports to the PSK Board at least twice a year.

The overall strategy for environmental responsibility at PSK sits within the PSK Global Head of Quality and HSE. The Human Resources (HR) Manager is responsible for human capital on a corporate level and is responsible for all aspects of social performance within PSK.

The Procurement Manager is responsible for ensuring that all logistics activities are as sustainable and socially responsible as possible.

The Sales Director is responsible for internal and external communication, including on matters related to social and environmental responsibility matters.

The CEO has overall responsibility and ultimate accountability to ensure that all aspects of our Sustainability Strategy are implemented effectively.

1.B.2 How is the significance of the company's due diligence work defined and clarified for the employees through their job description, work tasks and incentive structures?

This starts at the recruitment stage; PSK's dedication towards sustainability is clearly highlighted on our website and emphasised in all job advertisements and throughout the recruitment process. Our core values, including our focus on operating sustainably operations, are also addressed in all interviews.

Due diligence and work on the Transparency Act form an integral part of the Procurement department, the QHSE Coordinator's and the Global Head of QHSE's job descriptions. The significance of due diligence is clarified to these employees through emphasis in job descriptions. Due diligence is an everyday priority throughout the year.

The focused working groups that are put together by the Sustainability and Transparency Strategy Group consist of employees that are selected from across different departments within PSK as well as from PSK's affiliated companies. These "cross-functional" and "cross-companies" team setups secure participation of those with the best and most relevant knowledge on each identified topic.

External expertise and tools are also called upon when required.

1.B.3 How does the company make sure employees have adequate competence to work on due diligence for responsible business conduct?

PSK is a member of Ethical Trade Norway (www.etiskhandel.no) which has long and extensive experience and through which we can access a significant international network.

We have access to Eco Online (www.ecoonline.no) as an important sparring partner on chemicals and receive competence enhancement and continuous follow-up on our work with chemicals from advisors there.

We acquire external expertise and attend training courses when needed.

1.C. Plans and resources

1.C.1 How are the company's commitments to respect people, society and the environment embedded in strategies and action plans?

PSK's Policy for Responsible Business Conduct commits the company to respect people, society, and the environment.

The S&T Strategy Group is currently defining and establishing the PSK Sustainability Strategy. The S&T Strategy Group will then develop and implement the targeted action plans to execute the PSK Sustainability Strategy. This work will be carried out over Q3 and Q4 2023.

In addition, PSK has also established a working group focusing on the Transparency Act and due diligence assessments. This group consists of the Global Head of HSEQ, the HSEQ coordinator, the Procurement Manager and a Purchaser. This working group develops and implements action plans that are based on a template from Ethical Trade Norway on how to perform due diligence assessments and the Transparency Act.

1.C.2 How is the company's strategies and action plans to work towards being responsible and sustainable followed up by senior management and the board?

As mentioned above, PSK has not yet formalised its Sustainability Strategy, but is currently in the process of doing so. The Strategic Management Team will actively devise the strategy, set measurable goals, and define action plans to ensure effective implementation and achievement of our PSK's sustainability plan and objectives.

Different working groups reporting to the S&T Strategy Group, are assigned responsibility for specific and prioritised sustainability topics and related action plans by the S&T Strategy Group.

The first such working group is already working on the comprehensive review, selection, definition and methodologies of relevant operational and business KPIs that are relevant and meaningful to PSK and its key stakeholders' activities, with a focus on sustainability and transparency.

The S&T Strategy Group reports to the PSK Board when required, and at least twice a year.

1.D Partnerships and collaboration with business relationships, suppliers in particular

1.D.1 How does the company emphasise the importance of responsible and sustainable business conduct in its business relationships, particularly in the supply chain?

All purchase orders shall include and emphasise our Policy Guidelines for Suppliers. The Supplier Code of Conduct (CoC) will be sent to our top 15 spend suppliers (including already agreed contracts with future deliveries) and they will be requested to confirm their compliance.

The supplier approval process for new suppliers will include a requirement of agreement to the supplier CoC. In addition, purchase orders (PO) from us will include a reference (web address) to the CoC and by signing the PO the supplier confirm their compliance. As part of the supplier approval process for new suppliers' considerations regarding our minimum requirements for suppliers shall be considered. Information provided by suppliers with regard to our minimum criteria shall be saved in relevant supplier files in the PSK Quality Management System.

1.E Experiences and changes

1.E.1 What experiences have the company encountered during the reporting period concerning responsible business conduct, and what has changed as a result of this?

Since this is the first time we report on PSK sustainable business practices, we have little experience and have not made any material change to report on.



2

Defining the focus for reporting

Identify and assess the company's impact on people, society and environment

“Identify and assess” is about identifying the company's risk for, and actual negative impact on, people, society and the environment, including in the supply chain and through business relationships. As a first step the company should get an overall risk picture, before subsequently prioritising further mapping and measures where the risk of negative impact is the greatest, i.e. salient issues. The company's involvement in the negative impact is central to determine which measures the company should implement in the next step of the due diligence model. Involvement of stakeholders, especially those affected, is central when assessing risks. It is also important to consult with stakeholders when implementing measures to manage the negative impact.

2.A Mapping and prioritising

STATEMENT ON SALIENT ISSUES

Prioritising one or more risk areas on the basis of severity does not mean that some risks are more important than others, or that the company should not take action on other risks, but that risks with the greatest negative impact are prioritised first. Mapping and prioritisation are a continuous process.

2.A.1 List the company's prioritised risk of negative impact on people, society and environment. Take note that the prioritized risk that you list in the table below will be exported to step 3 of this report, where you will be asked to answer how you work with stopping, preventing, or reducing the negative impact.

Salient issue	Related topic	Geography
Freedom of association	Freedom of association and collective bargaining	China Hungary
Corruption	Corruption	China Hungary
Forced Labour	Forced labour	China

DETERMINATION OF SALIENT ISSUES

2.A.2 Describe: a) the company's routines for mapping and identifying risk and show how the negative impact was identified and prioritised in this period: b) eventual aspects of the company that have not been covered in this report (product groups, own products, departments etc.) and why you not chose to prioritize these in the continued work: c) how information was gathered, what sources were used, and which stakeholders have been involved/consulted: d) whether you have identified areas where information is lacking in order to get an overview, and how you are planning to proceed to collect more information/handle this.

To identify risks and take further action where needed, we are performing a supply chain risk analysis with the Salient Risk Tool provided by Ethical Trade Norway. The analysis has so far been performed on our current supplier base.

The following reference sources have been used for Country risk: Global Slavery Index (Forced Labour) (www.walkfree.org), World Bank Children in employment, UNICEF Percentage of children in employment, Human Development Index (UNDP), Gender Inequality Index (UNDP), Global Gender Gap Index (World Economic Forum), wageindicator.org, Environment Performance Index (<https://epi.yale.edu>), Corruption Perception Index(Transparency).

The following reference sources have been used for product risk: DFØ Product Risk, MVO Risk Checker, U.S State Department, "Goods produced by child/forced labour".

We are in the early stages of mapping and evaluating risks by applying relevant risk tools. We have provided and requested a self- assessment questionnaire from our top 15-by spend suppliers. The purpose of the questionnaire is to collect information regarding working conditions for the suppliers' employees as well as information about the second- third- and fourth tier suppliers. The response rate for the questionnaire has not been satisfactory so far . We will continue to push the suppliers to provide the requested information to ensure their compliance with our code of conduct requirements.

ADDITIONAL SEVERE IMPACTS

2.A.3 Describe any other negative impacts on people, society and the environment that were identified in the mapping of the business, supply chain or other business relationships during the reporting period and how these have been handled.

We have identified a risk where personnel at our construction sites could receive too little pay/low compensation for the work they perform. This relates to both the hourly wage level and travel costs. Measures have been implemented to ensure a correct salary and compensation are implemented. These measures include contractual terms with companies regarding their worker compensation and that their workers shall present their pay slips or their employment contracts for review onsite.



3

Management of salient issues

Cease, prevent or mitigate negative impacts

“Cease, prevent and mitigate” is about managing findings from the risk assessment in a good way. The most salient negative impact on people, society and the environment should be prioritised first. This does not mean that other risks are insignificant or that they are not handled. The way the company is involved in the negative impact is key to taking the appropriate action. Negative impact that the company causes or contributes to must cease, be prevented and be reduced. To address negative impact directly linked to the company, e.g. in the supply chain, the business must use its leverage to influence the entity causing the negative impact to cease, prevent or mitigate it. This involves developing and implementing plans and routines to manage risk and may require changes to the company's own policy documents and management systems. Effective management of the negative impact on people, society and the environment is a major contribution to the achievement of the Sustainable Development Goals (SDGs).

3. A Cease, prevent or mitigate

3.A.1 For each salient risk, add a goal, progress status and describe the measures you have implemented to handle the company's prioritized negative impact on people, society and the environment

Salient issue	Freedom of association
Goal :	Contribute to workers right of association.
Status :	Ongoing
Goals in reporting year :	(New salient issue)

Completed measures and reasoning :

The Policy Guidelines for Suppliers is established and released to show our company's values and culture. All our suppliers must consent to our code of conduct. A supplier questionnaire has been sent to request information for further analysis.

Goals and activities for the coming reporting year :

Investigate whether our suppliers facilitate or provide freedom of association in areas where this is considered a risk. Work closer, collaborate, and support the supplier towards positive solutions if we identify any gap.

Salient issue	Corruption
Goal :	Zero corruption
Status :	Ongoing
Goals in reporting year :	(New salient issue)

Completed measures and reasoning :

The PSK Policy for Responsible Business Conduct is established and released to show our company's values and culture. All our suppliers must consent to PSK Policy Guidelines for Suppliers. A supplier questionnaire has been sent to request information for further analysis.

Goals and activities for the coming reporting year :

Investigate if major suppliers have instructions, procedures, and training in place with regards to risks related to corruption.

Salient issue	Forced Labour
Goal :	Ensure no forced labor in our supply chain.
Status :	Ongoing
Goals in reporting year :	(New salient issue)

Completed measures and reasoning :

A survey has been launched to identify locations in which this issue could be most salient.

Goals and activities for the coming reporting year :

Identify the locations of our suppliers' production sites to enable a comprehensive risk of forced labour analysis.

OTHER ACTIONS RELATED TO MANAGEMENT OF NEGATIVE IMPACTS

Describe the company's general measures to cease, prevent or mitigate negative impacts, including in the supply chain.

3.B.1 Reduction of nature- and environmental impact

We are in the process of requesting information from our main suppliers regarding the use of chemicals in the production of our products. Finished products need to comply with our fish welfare requirements.

Our process design includes UV and Ozon treatment to minimize use of chemicals in maintaining good water quality. We are working with solutions to reduce food waste with a new canteen concept in Sandefjord that will be enforced in Q3 2023. In the Drammen office we have a collective canteen serving many offices, this also reduces food waste.

At Sandefjord we will be moving into a new office during Q3 2023. This new office will have a solar cell system installed on the roof, and this will contribute to greener energy consumption. Seventy percent of solar cells comes from China, and we know that forced labour can be an issue in the production of solar cells in China. We have engaged a dialog with the owner of the building on this potential issue and we will endeavour to leverage our position to influence the owner to use solar cell systems sourced from another country than China.

We also have waste diversion, both on the sites of our projects as well as in our offices thus contributing to the circular economy.

3.B.2 Reduction of greenhouse gas emissions

While PSK has not yet formalised its strategy on reduction of greenhouse gas emissions, we have already started working on different solutions. Our Policy Guidelines for Suppliers and our own Policy for Responsible Business Conduct include a guide to inspire both ourselves and our suppliers to make environmentally friendly choices. In the questionnaire we have sent to the top 15 suppliers we also ask questions about environmentally friendly choices that they make or have made. Further work needs to be done in this area.

We will implement changes in our choices for transport of goods and people to reduce greenhouse gas emissions as well. In our new Sandefjord office electric car chargers will be installed to make it easier for employees to drive electric cars. Our offices in Sandefjord and Drammen are also strategically placed to facilitate employees' commuting by public transport.

3.B.3 Adapting own purchasing practices (sourcing)

Our procurement procedures describes the process steps, required actions and responsibilities for procurement. This ensures a uniform way of working with the suppliers. One essential part of the procedure is our Project Procurement Plan (used to plan for procurement to projects). The plan gives important information regarding construction site need dates, estimated supplier lead times, and the required date for engineering input to the procurement department. This ensures better planning with regards to delivery lead times and gives suppliers more predictability in their planning of resources. It also gives us the opportunity to plan for more detailed and well-prepared technical specifications, minimising errors and work duplication for our suppliers as this can lead to negative impact on our supply chain.

3.B.4 Choice of products and certifications

For the major equipment in our supply chain, we monitor if the suppliers have DIN EN ISO 14001 and/or DIN EN ISO 50001 certification. We also look for other initiatives such as "Zero Pellet Loss". Whether a supplier holds one or more of these global certification standards is part of the overall assessment when selecting a new supplier.

3.B.5 Actively support free trade union organisation and collective bargaining, or where the law does not allow it, actively support other forms of democratically elected worker representation

We are currently implementing the PSK Policy Guidelines for Suppliers and are in the process of requesting information from our major suppliers.

3.B.6 Contribution to development, capacity building and training internally and of suppliers and workers in the supply chain

PSK has established an Aquaculture Academy PSK AA). The purpose of PSK AA is to carry out internal skills development, provide training for contracted employees, and provide training to our customers i.e. that is the companies that will operate the RAS facilities in the long term.

PSK AA provides training with use of e-learning courses, classroom training and hands on training in the RAS facilities. The curriculum incorporates a wide range of different and relevant topics in courses such as Fish welfare, RAS technology and HSE.

Internally we will also have a e-learning training course on PSK Code of Conduct.

3.B.7 Combatting corruption and bribery in own company and supply chain.

PSK has established the PSK Code of Conduct. All employees must take a specific and mandatory e-learning course regarding the PSK Code of Conduct through the PSK Aquaculture Academy.

Suppliers shall consent to the PSK Policy Guidelines for Suppliers that includes an anti-corruption clause which is referenced to in Purchase Orders.

3.B.8 Other relevant information concerning the company's work to reduce, prevent, and manage negative impact on people, society and environment

PSK employees who work on sites are now given a new job rotation cycle. The work sites are often far away from our office locations, and our employees generally need to stay there during their assignment period. With the previous rotation cycle employees only spent 25% of the weekends at home. With the new rotation cycle, they are home 75% of the weekends; they get a lot more time at home with family and friends, and this contributes to a much-improved work-life balance.

In addition, employees who work on sites, and who therefore must live away from home for extended periods, will now live in houses that we rent, instead of living in barracks. Living together in a house can contribute to mitigating loneliness and to a better psychosocial working environment. Employees can make and have dinner together, look out for each other, and enjoy a much better social life. These changes have been very well received by our colleagues.



4

Track implementation and results

Tracking implementation of actions and results relates to measuring the effects of the systematic approach and own work in each step of the due diligence process, showing whether the company conducts sound due diligence work. The company needs to have procedures and routines in place in order to uncover and critically assess own conclusions, prioritizations and measures that have been made as part of the due diligence process. For example, is mapping and prioritisation of salient issues done in a scientifically sound and credible way? Does it reflect the actual conditions in the supply chain? Do measures aimed at ceasing, preventing and reducing the company's negative impact work as intended? Is negative impact remediated where relevant? This may apply to measures taken by the company alone or carried out in collaboration with others. The company's experiences from working on due diligence should be used to improve procedures and routines in the future.



4.A. Track and assess

4.A.1 Describe the assignment of responsibility for tracking the effect of measures implemented to cease/prevent/mitigate salient risks of negative impact on people, society and the environment, as well as how the tracking is done in practice

The responsibility for tracking the effect of measures implemented to cease, prevent, and mitigate salient risks of negative impact on people, society, and the environment, is divided through different departments and roles. The Procurement department and the Procurement Manager specifically is responsible for follow-up with suppliers. The Global Head of Quality and HSE is responsible for follow-up on environment and sustainability issues. The Project Managers are responsible for following up on site activities. The CFO is responsible for the Sandefjord and Drammen offices.

We have not yet performed any tracking, but implementation of tracking will be adjusted and aligned during the rest of 2023.

4.A.2 Describe how the company ensures that measures taken to identify, prevent and reduce negative impact actually work

PSK has just started the initial phase of working with sustainability, transparency, and due diligence assessments. We are currently devising processes to find out how the implemented measures are working, and how to continue the work towards achieving the best results.



5

Communicate how negative impacts are addressed

A prerequisite for good external communication on due diligence for responsible business conduct is that it builds on concrete activities and results. Companies should make relevant documents concerning due diligence publicly accessible, i.e. policies, codes of conduct, guidelines, processes and activities related to identifying and handling the company's actual and potential negative impacts on people, society and environment. Communication should include information about how the risks have been identified and handled, as well as the effect of the measures/activities. The Transparency Act (Åbenhetsloven) §5 requires companies to publicly account for their human rights due diligence on an annual basis.

5.A External communication

5.A.1 Describe how the company communicates with affected stakeholders about managing negative impact

PSK has an open dialog with its suppliers, especially if there is a need for handling negative impact. PSK also fosters such open dialog internally together with the working environment committee, unions and the workers safety service.

5.A.2 Describe how the company publicly communicates its own work on identifying and managing negative impact/harm

We will openly communicate on our transparency and sustainability efforts as thoroughly as we can through comprehensive information on our website. While this is currently not on our website yet, this will be implemented in Q2 2023.

We respond to authority, media, stakeholders, and to our customer's inquiries.

Our reporting to Ethical Trade Norway is available to the public, both on our website and at www.etiskhandel.no

5.A.3 Describe the company's routines for maintaining and answering external inquiries related to the information requirement imposed by the Transparency Act

External enquiries on information requirements imposed by the Transparency Act can be made through our website, in the Sustainability and Transparency section and/or by contacting us by e-mail at the following address: postnorway@puresalmonkaldnes.com.

This e-mail is always to be checked by the Administration & Information Coordinator, and enquiries are sent directly to the Global Head of QHSE, the CFO, and the Sales Director who is also responsible for all external communication.



6

Provide for or cooperate to ensure remediation when appropriate

Once a company has identified that it has caused or contributed to negative impact on people, society or the environment, the company must provide for, or cooperate in, remediation. Remediation may involve financial compensation, a public apology or other ways to remediate the negative impact. Another aspect of remediation is that companies should provide for, or cooperate with legitimate complaint mechanisms, to ensure that workers and/or local communities can raise complaints and be heard.



6.A Remediation

6.A.1 Describe the company's policy for remediation of negative impacts on people, society and the environment

If our activities are found to cause or contribute to negative impact on people, society, or the environment, we will stop the activities and seek to provide remedy. If any of our suppliers is found responsible for negative impact, the supplier is responsible for providing remedy solutions.

6.A.2 If relevant, describe cases of remediation in the reporting year

PSK has paid extra remuneration to employees of a Polish staffing agency to make sure that employees of this company get paid for work travels. In Norway travel costs to and from work site are normally paid for by the company.

6.B. Ensure access to grievance mechanisms

6.B.1 Describe what the company does to ensure that workers and local communities have access to effective grievance mechanisms when this is needed

Internally, we have a non-conformance and improvement module in our Quality Management System (QMS). All employees have been given training in this system. We also have a whistleblowing procedure in our QMS.

Management maintains a productive cooperation with the unions (Tekna and NITO), workers safety service, and the working environment committee.

Externally, the grievance mechanism currently consists of the website and "contact us" e-mail address mentioned above, but we are working on improving this setup to give local communities and other stakeholders access to even more effective and user friendly grievance mechanisms.

Contact details:

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