

FEBRUARY ISSUE

THE SCOOP

MOWI®



Photo of the month

Shiny Feed Mill at Kyleakin, Isle of Skye

Meritxell Diez-Padrisa

Farming Focus

Following the changes announced to our global structure in the last issue of The Scoop, our operation in Scotland has been restructured to reflect our overall goal to strengthen our farming and be better equipped to meet increasing biological challenges.

Globally, we have divided our farming division into three areas:

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

One of the first decisions taken by Ben Hadfield in his new role as Chief Operating Officer (COO) for Farming Scotland and Ireland, has been to make strategic changes to the leadership here in Scotland.

Our farms will now be organised into three regions – South, North and Western Isles – rather than the previous five regions. Leading each region will be three experienced managers, all of whom have been with Mowi for a while.

Stephen Jamieson is regional manager for the North, David MacGillivray is regional manager for the South and Kris Laird is regional manager for the Western Isles.

All regional managers will be supported by a dedicated team of operational and fish health experts.

The most significant change in our structure, however, is the appointment of Meritxell Diez-Padrisa as production director. Meritxell, who trained as a vet and has been head of fish health in Scotland since 2017, will now bring her vast experience in fish welfare to her new role, ensuring that we are well equipped to identify and meet increasing challenges in aquaculture.

Speaking about her new position, which she was awarded following a thorough recruitment process which saw strong candidates both internal and external, Meritxell said: "I am looking forward to bringing my expertise and focus to this role to better

improve our farming results. We have been very candid about the challenges we face growing salmon in their natural and wild environment, and I am pleased to know, very well, the highly-skilled team of experts that will be working with me."

One of those experts is Sean Anderson, previously Area Manager South, who is promoted to Deputy Production Director and who also took time to speak to The Scoop this month about the challenges experienced at our farm in Colonsay.

Although 2020 has started with one of our biggest challenges – Mother Nature in the form of Storm Brendan – the strengthening of our management team and the restructuring of our farming operations means that we can move forward with confidence.

Ben Hadfield concludes: "With Meritxell's vast fish health and welfare experience and a strong and refreshed farming team in Scotland supporting her, our production capabilities will be greatly enhanced."

World Wildlife Fund (WWF) recognises leadership of the Global Salmon Initiative (GSI)

A World Wildlife Fund (WWF) report has recognised the industry leadership shown by the Global Salmon Initiative (GSI) to transform an entire sector and move towards a more sustainable future. Mowi is proud to be one of the founding partners of GSI and it is great to see the efforts of the industry recognised by the WWF.

The Global Salmon Initiative (GSI), launched in 2013 by 17 salmon aquaculture companies representing nearly 70% of global production, each company committed both financial resources and time to advance the GSI's goals. Today there are 14 members representing 50% of global salmon farming production. Mowi played a significant role in establishing GSI and has had an active role ever since.

GSI drove rapid uptake of Aquaculture Stewardship Council (ASC) certified salmon throughout the industry, resulting in around 40% of the industry being certified today, including 60% of GSI member production. WWF recognises ASC as the leading certification programme for seafood that is farmed in socially and environmentally responsible ways.

Furthermore, the GSI has enabled information-sharing relating to better environmental practices, increased trust and produced clear results among members, and shared them publicly, demonstrating that pre-competitive collaboration is not only possible but can prove beneficial to companies' bottom lines.

According to the WWF: "Other industries can learn from this example how to make progress on sustainability goals collectively, while also improving reputation and saving money."

Other achievements highlighted in the report include:

- The launch of the GSI Sustainability Report which significantly improved industry transparency by publicly reporting key sustainability data across all members and locations
- Our commitment to working towards 100% ASC certification (as reported in the January issue of The Scoop) across all GSI production – going from 0% in 2013 to 65% today – making it one of the fastest certification uptakes
- The value of sharing experiences and insights between members in accelerating progress towards scalable solutions to improve fish health and welfare
- The demonstrable impact GSI has made on feed efficiency through continual innovation



Rosyth becomes first consumer products site to go live with Infor EAM



The Scoop is delighted to report on another first for Scotland, this time the fact that Mowi's Consumer Products UK division in Rosyth has become the first consumer products site to install and start using the Infor Enterprise Asset Management (EAM) computer-based maintenance management system.

This highly advanced electronic system automates the bulk of engineering compliance record keeping, but also enables much more detailed analysis of engineering performance. This will help the engineering department at Rosyth to improve the service it offers to production efforts at the site.

System users from all departments can now photograph problems or defects and send them to the engineering department in seconds through the Rapid Request mobile application.

This has immediately helped to speed up engineering work requests, with more than 100 new problems being reported in the first couple of weeks after launch.

Back in the office, the engineering

management team generate work orders, schedule maintenance and defect repairs, check records, and close out completed tasks on the Infor EAM base system.

The Infor EAM system at Rosyth has already been used to record completion of over 1,000 maintenance and repair tasks. This is due to the very high engagement, co-operation and willingness to support change that has been demonstrated by everyone in both the engineering department and the wider factory team.

A host of extremely valuable engineering trends and compliance data are now being generated and the focus at Rosyth is already shifting to how to get the best possible benefits out of this incredibly powerful and effective maintenance tool.



Damage to farm from Storm Brendan



Last month, Storm Brendan raged across the UK and unfortunately our farm at Colonsay was one of its many victims, leading to a loss of 73,600 salmon from one of our net pens.

We have 14 pens in total at this farm and it is important to note that all other pens withstood the weather conditions and upon inspection after the storm were deemed secure.

As soon as we communicated this incident (<https://mowiscotland.co.uk/2020/01/20/reported-fish-loss-after-storm-brendan/>), there was, understandably, a lot of media interest and our COO gave an interview on BBC Radio 4's Farming Today programme which can be listened to here <https://www.bbc.co.uk/sounds/play/m000dfr7>

In addition to concerns about the fate of the escaped salmon and the interaction of farmed salmon with wild stocks, the incident has put high energy, high-energy farms in the spotlight.

High-energy farms

High-energy (open water) farming has been highlighted by the Scottish Government as an opportunity and mentioned in the report into salmon farming by the Rural Economy and Connectivity (REC) Committee in 2018. The report stated that the scope for siting salmon farms in suitable offshore and other locations where there are higher energy water flows should also be treated as a high priority by the industry due to the benefits this could bring in terms of addressing fish health issues, reducing the environmental impact of waste and providing scope for the industry to develop higher capacity sites.

Here at Mowi, we are pioneering the exploration of new exposed sea water farm locations and now have well established farms in Rum, Muck, Colonsay and Hellisay with plans well underway for our new farm at Scalpay due to open this year. We know that tidal farms offer better protection for the salmon in our care because the fish never see the same water twice, reducing the threat from many biological challenges including sea lice.

However, the locations of these new style of farms are often extremely remote and very exposed. This brings a set of different challenges, often weather related, that we need to meet.

We spoke to David MacGillivray, regional farm manager for the South, about lessons learned from Colonsay:

"Our post storm inspection at Colonsay revealed a structural failure of the pen, causing a tear in the netting. It is important to understand that the farm's net pens exceed both the Scottish and Norwegian technical standards for net pen design. Given the trend for open sea water farming we expect and require our infrastructure to withstand the type of weather conditions you would expect in these remote locations. We are of course speaking to the equipment manufacturer about this particular incident, but our focus is very much on long term planning.

"Technology is improving all the time in aquaculture and we have a responsibility both to our staff, as well as to the fish in our care, to ensure that we invest in the best equipment."

Health and safety of our staff

Connor Mays, Health and Safety Manager, gave us an insight into the policies and procedures that are in place to keep staff safe: "Thanks to modern technology, we can get accurate information relating to the weather forecast. Our teams and vessel crews also know their sites and how specific weather conditions might impact their ability to carry out daily work tasks or safe passage to and from our tidal farms. In the case of the recent Storm Brendan, therefore, we were well prepared. No plans were made to attempt to get to the Colonsay farm and no staff were injured. As soon as it was safe to do so, farm staff did return to the farm to care for the fish.

Safety of our staff, crew member and visitors is always our first priority and we operate strict controls and safety measures to ensure the ongoing safety of all involved. The very nature of our business, the fact that we are working over water, has inherent challenges. We constantly monitor the weather and how conditions might affect our operations even on an hour by hour basis. This continual monitoring informs our decision making."

"There are policies in place here at Mowi Scotland to guide and inform staff when working over water including events such as extreme weather conditions. We have a specific Working Over Water Policy, Boat Safety Policy and Adverse Weather Policy. Staff are regularly trained on these policies. However, it is important to stress that our approach to safety is the same for all our sites: safety first. Whilst our more remote or exposed sites may be equipped with bigger workboats and barges of the very highest specification, the training and our approach to safety applies to all our regions and locations."

Fish health

Of course, our farm staff, supported by the fish health team, are making regular checks on our salmon at Colonsay. Here, the benefits of the new organisational restructure can really be seen in action as Sean Anderson, newly appointed Deputy Production Director, explains:

"Each region now has a dedicated fish health structure consisting of a Regional Health Manager and a Regional Health Assistant Manager, who are both responsible for the health and welfare of our salmon and cleanerfish. This now doubles the previous number of fish health and welfare experts in seawater, which will allow more focus and time in each individual region going forward. This is a positive step and reinforces our commitment to the health and welfare of our fish."



Colonsay

Creating a global processing excellence team

The success of our primary and secondary processing plants in Scotland at Blar Mhor and Rosyth is mirrored all over the world at Mowi. We now have 38 primary and secondary processing facilities in 19 countries, making Mowi the largest processor of salmon in the world.



At the end of January, our CEO, Ivan Vindheim, announced the intention to create a global processing excellence team. This team will be responsible for working with all our processing facilities, both primary and secondary, to seek potential improvements and implement them together with local management.

The idea involves learning from processing plants around the world and adopting new or existing technology. In doing so, we will be able to benchmark results and exchange expertise in a way that no other company in the salmon industry can.

Speaking about the new team, Ivan Vindheim said: "We must always strive to be best-in-class by

developing and implementing new processes and technologies. As a fully integrated salmon company we must benefit fully from the many advantages of controlling the process from egg to plate."

The team will mainly be responsible for benchmarking, implementing lean processing standards, processes, securing the optimal flow of products between plants, automation and digitalisation, and implementing a Group processing strategy. The work will be done in close cooperation with the local business units.

It is hoped that a director will be appointed internally to lead the team. The Scoop will follow this story throughout the year and report on any insights and best practice shared from Blar Mhor and Rosyth.

Community news

Supporting communities and good causes

We have started 2020 with a call for applications for the Salmon Wagon which, along with our continued support of the Camanachd Association (shinty), will continue to feature strongly in our support for communities across the Highlands.

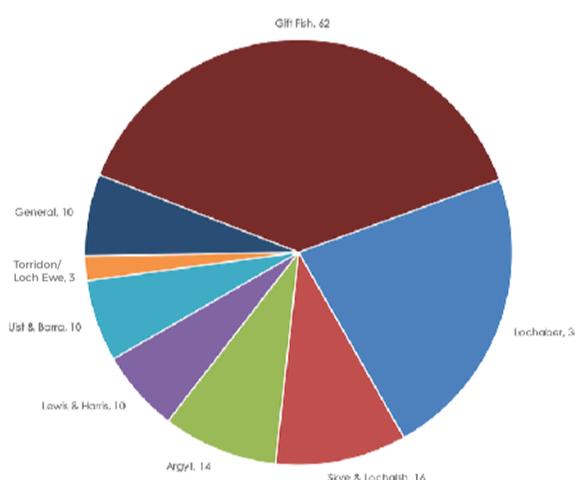
However, we will always do our best to support other local initiatives in the communities where we have a presence, whether it's a new strip for the local football team or toys for a playgroup. Here is a reminder of the process to apply to Mowi for support.

There is a dedicated area on our website <https://mowiscotland.co.uk/about/community-donations/>

We are happy to provide cash or in-kind donations that may include fresh Atlantic salmon, used equipment, volunteering and/or participation in events by employees and their families. We welcome requests that direct our community investment to conservation initiatives, activities for children and youth, sports and wellness, and poverty relief in the communities where Mowi Scotland operates.

Above right is a summary of all the donations made in 2019 (excluding the Camanachd Association).

Number of Donations 2019



Meet Nicolle West

What do you do at Mowi?

I'm part of the sales and commercial team heading up Aldi & Lidl accounts to identify sales opportunities, create new products, list them and promote them.

What did you do before joining Mowi?

After graduating from Robert Gordon University in 2013, I worked in recruitment. I was then lucky to work in a ski resort in Canada. A two-year visa meant I couldn't live the "high life" forever! Happy to move back to Scotland, I started to work for Mowi as an administrator and after a year got promoted to Account Executive.

What do you like most about your job?

I like the people interaction, I'm lucky because I get to work with great people all across the business. No day is the same and I love the challenges it brings.

What do you do in your spare time?

I get out with friends and family, often meeting up in the pub. I also like to keep active by going to the gym and getting out walking/hiking.

What is your favourite film?

The Shawshank Redemption, but I would never turn off a good Disney film either!

What is your favourite salmon dish?

Grilled salmon fillet with honey, soy sauce, ginger and chilli.

