

Modern Slavery Act Transparency Statement **Mowi Scotland Limited** **Mowi Consumer Products UK Ltd**

Introduction

Mowi is committed to ensuring that there is no modern slavery, human trafficking, or any form of labour exploitation in our supply chain or in any part of our business. This statement sets out steps taken by Mowi in the UK, in the financial year ended 31 December 2019, to assess and understand potential modern slavery risks related to our business and to ensure that any risk of modern slavery or human trafficking is eliminated from our organisation and from our supply chains. We are proud of our commitment to ethical employment practices and of the steps we have taken; and we will continue to work to improve our practices to combat modern slavery and human trafficking.

Our Business

Our parent undertaking and ultimate controlling party is Mowi ASA. Mowi ASA, with its head office in Norway, is one of the largest seafood companies in the world, and the world's largest producer of Atlantic salmon. We supply healthy, delicious and sustainably farmed salmon and processed seafood to more than 70 markets worldwide. Mowi ASA employs over 14,537 people, is represented in 25 countries and in 2018 had a worldwide turnover of EUR 4.1 billion. Mowi ASA is listed on the Oslo Stock Exchange (OSE) and its shares also trade on the US OTC market.

Mowi Scotland Limited farms salmon in the remote waters of the Western Highlands and Islands of Scotland. The organisation provides jobs and supports fragile rural economies in some of the most remote communities in the country. Salmon are reared in hatcheries and fresh water loch farms before they are moved to sea farms off the west coast. Once grown to market size they are transported by sea to the Harvest Station in the port of Mallaig and onward to the processing plant in Fort William for gutting, packing and distribution to customers, including Mowi VAP UK Ltd. We also produce the feed for all of our salmon farms at our Feed Factory based in Kyleakin on the Isle of Skye.

Mowi Consumer Products UK Ltd forms part of Mowi's wider Sales and Marketing operations. It is a seafood processing business, operating in the UK and based in Rosyth, Fife and is a wholly-owned subsidiary of Mowi Scotland Limited, supplying own-label and branded seafood to other food businesses, foodservice and retail customers.

Our Supply Chain

Mowi Scotland Limited

Our supply chain includes the suppliers of raw materials to produce fish feed, as well as suppliers of the materials needed to support our operations including boats, pens, nets and moorings; animal medication and protective clothing and equipment. First-tier suppliers are based around the world.

Mowi Consumer Products UK

Our supply chain supports our operational requirements and includes suppliers for protein raw materials; simple and complex ingredients and components; and printed and unprinted packaging items. All our suppliers are required to sign up to our Suppliers Code of Conduct and confirm their compliance with the Ethical Trade Initiative (ETI) Base Code, via a risk assessment where we request a SEDEX number. Any issues would be highlighted and dealt with upon the review of the completed risk assessment.

We source Atlantic salmon from Scotland, Ireland and Norway and trout in the UK, within Mowi group. We source paper-based goods from box makers and printers in the UK. Our flexible and rigid plastic packaging is sourced from suppliers based in the UK and Europe. Dry ingredients such as salt, sugar and spices are sourced from producers who have production sites in the UK, Germany and Israel. We source wet ingredients such as lemon juice and rapeseed oil from local processors in the UK or from processors in country of origin. Woodchips and dust are sourced from the UK and Germany.

Our Code of Conduct

As an organisation, we are committed to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains. The Mowi Code of Conduct applies to all employees, officers and directors in the Mowi corporate group worldwide and to all Mowi subsidiaries and controlled affiliates.

The Code of Conduct specifically proscribes any use of forced labour, reflecting our commitment to act ethically and with integrity in all our business relationships. The Code of Conduct has been communicated to all Mowi employees. All Mowi employees are expected to make a personal commitment to follow the Code of Conduct and to raise concerns about potential violations promptly. The Code of Conduct can be accessed [here](#).

Due Diligence in our Organisation

When recruiting our people, whether on a permanent or temporary basis, our processes are designed to ensure we maximise the possibility of detecting any signs of human trafficking or modern slavery. We follow robust approaches in terms of verifying proof of identification and carrying out reference checks, and we conduct monthly checks on shared bank accounts and shared addresses. Any issues raised as a result of these checks would be flagged to HR, prompting a member of the department to work with the individual concerned towards an appropriate resolution. Designated members of the HR Department have received training in handling such issues in an appropriate and sensitive manner.

We are a member of Stronger Together; and Stronger Together training materials are used in our induction materials (both for agency workers and for our own employees), to ensure everybody joining our teams is aware of modern slavery/human trafficking and can identify the signs.

Throughout employment with Mowi, we ensure that our people are encouraged to raise any concerns they may have, including concerns relating to a breach of our Code of Conduct prohibiting compulsory labour in any form. Posters are displayed in prominent areas around our various sites (corridors, canteens, changing areas, electronic communications boards), which set out the various options employees have for raising concerns. Workers may raise concerns in a confidential manner with their line manager, or anybody more senior in their reporting line. Alternatively, they may choose to raise their concerns with their elected employee representative, or Group Management, or HR, or the protected Whistleblower Channel (managed independently by an external 3rd party). It is made clear that Mowi absolutely prohibits retaliation against anyone for raising or helping to address a concern.

In addition, we undergo various audits each year to check we are compliant with the standards of the Ethical Trading Initiative (ETI) base code; and to validate our responsible practices when it comes to our people. These audits include a Sedex Members Ethical Trade Audit (SMETA); Global GAP; British Retail Consortium (BRC); Aquaculture Stewardship Council (ASC), RSPCA Assured and regular customer audits.

Due Diligence in our Supply Chain

To ensure all those in our supply chain and contractors comply with our values and ethics, all Mowi employees working with suppliers and contractors must:

- ensure that third parties agree to comply with relevant aspects of the Code of Conduct prior to entering into a business relationship (The Mowi Supplier Code of Conduct, which includes prohibitions on forced and compulsory labour, can be accessed [here](#));
- provide these parties with information about policy requirements; and
- take appropriate action, up to and including terminating a contract, upon concluding that any supplier has failed to follow Mowi's requirements.

All Mowi employees who are authorised to establish or manage business relationships with suppliers receive training each year on the requirements of the Code of Conduct (including the prohibition of forced labour in our supply chains); and, to measure understanding, are required to pass a formal assessment on this training on an annual basis.

We have identified two areas in our supply chain which we deem at particular risk of providing unscrupulous individuals with an opportunity to force people into compulsory, forced or bonded labour – the suppliers of our ingredients and our agency labour provider.

Our ingredients:

All of our ingredients are subject to technical checks before being used. We have a supplier audit questionnaire which asks for detailed information relating to food safety, quality and legality such as product specification, process and origin. Among other things this will identify country of origin and whether or not the supplier is a SEDEX member. We use this data to evaluate risk. Part of that evaluation is to consider country of origin and whether or not it represents a higher risk of ethical malpractice. Our assessment of this risk is supported by the use of various on-line tools such as European Rapid Alert system for food and feed (RASFF) and FSA. We are currently having a customised portal set up by SGS which will give us a tailored newfeed. We also subscribe to Campden BRI and receive email alerts from them. If a supplier is not registered with SEDEX, we will ask for further information on ethical standards and policies. If a raw material is sourced from a high risk country we will also seek further information about ethical standards and policies.

Our agency labour provider:

As a direct response to our assessment of the supply of temporary agency labour to be at particular risk of modern slavery or human trafficking, in addition to standard supplier practices, the requirement for ethical employment practices (including measures to prevent forced labour) is now specifically built into our Service Level Agreement with our temporary agency labour provider. We check and monitor their licence with the Gangmasters and Labour Abuse Authority (GLAA) and undertake monthly audits to ensure that appropriate pre-employment checks are carried out; that there are ongoing checks on addresses and bank accounts associated with multiple workers; and that workers and jobseekers are not charged directly or indirectly any fees or costs for the work-finding service. In addition, we have incorporated a session on tackling hidden labour exploitation including the Stronger Together video into inductions for new staff and agency workers, during which we encourage our employees and agency workers to report cases of hidden third-party labour exploitation that occur at work and within their communities through appropriate channels.

Responsibilities and Training

Our Head of HR is assigned day-to-day responsibility for anti-slavery and human trafficking compliance; and to have responsibility for developing and operating company procedures relevant to this issue.

Each of the internal Ethical Trade Team members have attended external training, delivered by Campden BRI and the GLAA, on Agency Labour and the Prevention of Worker Exploitation; with our Head of HR and Purchasing Manager having additionally undertaken training on Ethical Trade in the Supply Chain.

All Mowi employees working in roles where there is a responsibility for line management, or who are based within the HR, Finance, IT, Commercial or Supply Chain teams, receive training each year on the requirements of the Code of Conduct (including the prohibition of forced labour in our business or in our supply chains); and to measure understanding, are required to pass a formal assessment on this training on an annual basis.

As well as training identified for key staff, through our induction programme the organisation has ensured that all employees and workers joining the business are made aware of modern slavery issues and understand what channels are available to them for raising concerns.

Working to Improve: Our Ethical Trade Team

A reflection of the importance and focus that Mowi places on the importance of ethical trade, employment and specifically the prevention of Human Trafficking and Modern Slavery, can be seen in our 2018 establishment of an internal Ethical Trade Team. This group, with representatives from the HR, Training, Technical and Purchasing departments, now meets on a quarterly basis, with the aim of both ensuring that our current ethical practices are sustained; and that we, as an organisation, deliver measurable improvements in terms of fair treatment of people, both internally and externally.

Key Performance Indicators (“KPIs”)

Key Performance Indicator	2019 Performance
Any and all incidents or complaints of modern slavery or human trafficking reported internally or through the confidential whistleblowing channel are investigated within 24 hours	0 received
Numbers of staff trained on our Code of Conduct and assessed on this training	All new joiners ✓ 221 repeat assessments
Remedial action taken following non-compliances found during audits	12 found (3 related to risk of modern slavery, clerical errors only) <ul style="list-style-type: none"> • all non-compliances closed out within 24 hours; • investigations undertaken & root causes identified; • prevention measures in place to prevent recurrence.

Our focus is on continuously improving what we do; therefore in addition to our KPIs, we have set ourselves the following Improvement Targets for 2020:

- **Internally:** Regular Worker Interviews have been developed to complement existing agency audits, which will commence in 2020 in order to:
 - better understand worker experience and
 - establish interviews as normal occurrence, rather than drawing attention in the event of activity indicative of people trafficking;
- **Internally:** In addition to the Code of Conduct training, we have developed specific Modern Slavery Awareness training for all with line management responsibility, including how to identify it and what action to take if it is identified. This will be rolled out in 2020.
- **Externally:** Renewed focus on working with suppliers to encourage increased activity by our Suppliers. In 2020, we will identify our key suppliers based on invoice frequency and spend and provide training on our standards in addition to our code of conduct training.
- **Externally:** Engagement with other food organisations and external organisations to build knowledge, awareness and share best practice. Mowi will also be a member of a new government advisory group when it is launched in 2020.

Future Steps

We will continue to monitor the effectiveness of our compliance programme and take necessary steps to address any instances of modern slavery and human trafficking on an ongoing basis. We will publish an updated Modern Slavery Act Transparency Statement in respect of each financial year.

Any queries in relation to this Modern Slavery Act Transparency Statement should be addressed to:

Head of HR, Mowi Scotland Limited & Consumer Products UK Ltd
Admiralty Park, KY11 2YW.

This statement is made on 29th March 2020, pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ended 31 December 2019.

Signed:

Ben Hadfield

COO Farming – Scotland & Ireland

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Managing Director, Mowi Consumer Products UK Ltd