Water Management Policy

Approved by:	Chief Executive Officer
SalMar tenet:	Sustainability in Everything We Do
Applicable to:	All SalMar employees
Executive party:	All SalMar employees
Implementation:	Careful consideration in strategic decisions and situational awareness in everyday operations

Policy:

Aquaculture generally has a low freshwater requirement compared to other types of food production. The fish live a large part of their lives in the sea where they do not depend on supplies of fresh water. SalMar's freshwater consumption derives largely from its onshore hatcheries and its harvesting and processing plants.

In large parts of the world, access to fresh water is a challenge. SalMar uses fresh water only from areas where the risk of water shortages, or the risk of poor water quality, is low. The water risk map produced by the World Resource Institute provides a good overview of the water risk around the world. All the areas in which SalMar operates are defined as low risk, both in Norway and Iceland. Risks caused by water scarcity are rooted in the top management, with the CEO as the overall responsible party. These risks are recognized by SalMar and integrated into regular risk assessments and our overall business strategy.

Most of SalMar's water consumption originates from our onshore hatcheries. An important prerequisite for the construction and placement of these hatcheries are whether we can provide sustainable water sources to the facilities. Fresh, clean water is the most important factor contributing to good fish welfare in fish farming. Water quality is of the highest importance for SalMar, and we employ several experts tasked with continuous control and monitoring of water quality.

SalMar's water management strategy is to provide the salmon with the highest possible water quality for optimal growth conditions while minimizing the water consumption. As part of SalMar's commitment to reduce water consumption, SalMar produces its smolt almost exclusively in recirculating aquaculture systems (RAS). These systems recirculate 96-99% of the water. This involves mechanical filtering of particles, biological converting of ammonia into unharmful nitrogen compounds, and aeration to remove CO_2 before water is used again. About 1-4% of the water volume used is added as fresh water, the rest is reused.

All wastewater from smolt production is purified before it is discharged to the recipient. Our goal is to not affect the recipient negatively, but rather try to improve the water quality in the recipient by choosing the right treatment and discharge point. SalMar's strategy for collected sludge from the hatcheries/smolt facilities is the best possible reuse, either as a raw material for fertilizers or for the production of biogas.