Human Rights Due

Diligence Report 2024

sustainaLaB
SUSTAINABILITY CONSULTING

MULTI X

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During the months of January and February 2024, and as a complement to the exercise carried out in 2022, SustainaLab, an independent consultant and specialist in this matter, conducted a Due Diligence assessment in Human Rights at Multi X with the aim of **deepening the identification and evaluation of potential risks in this area across more stakeholders.**

It is important to highlight that this study **was conducted considering the double materiality analysis** to simultaneously and integrally incorporate both evaluations.

The **specific objectives** for this process were:

- Complement the Multi X impact matrix with the results of human rights due diligence.

- Strengthen the governance model for comprehensive human rights management, enabling the establishment of responsibilities, goals, and medium and long-term commitments, along with a monitoring and tracking system.

- Obtain an analysis of the management level, detect gaps, and implement improvement plans for managing each of the potential human rights risks.

- Update the human rights policy to align with international standards expectations.

- Facilitate effective communication of the organization's human rights progress through periodic reports.

To implement and provide a framework for reporting on this topic at the corporate level, **the United Nations Guiding Principles Reporting Framework (UNGP Reporting Framework) was used as a guide.**

Continuous monitoring and communication
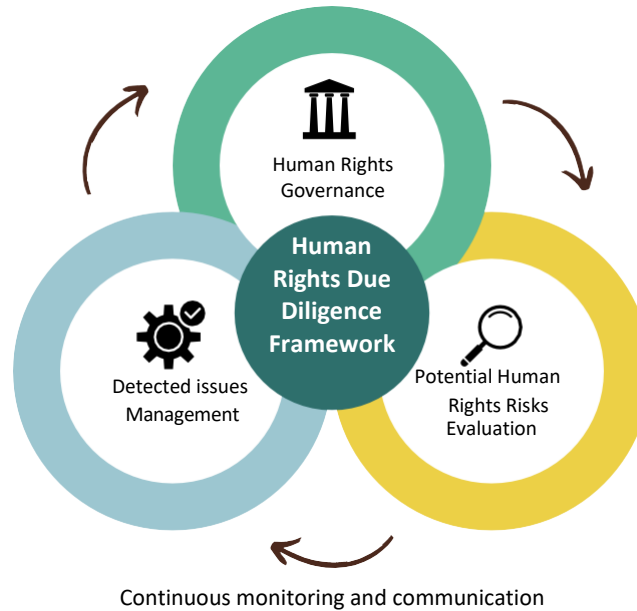
The due diligence process began with **identifying current adverse effects and potential human rights impacts** in which the company might be involved, **based on the human rights due diligence analysis conducted in 2022.** The goal was to understand the negative impacts on specific stakeholders in an operational context.

It is important to clarify that the review and mapping of potential risks considered the universe of **32 human rights listed in the UNGP framework** and the universal right declared by the UN in April 2022, **"Right to a clean, healthy, and sustainable environment."**

Various information sources were analyzed, including primary and secondary company and industry sources, corporate documentation, and interviews with nine first and second-line executives, with the objectives of:

- Identifying and categorizing human rights at potential risk.

- Describing potential human rights impacts and specific risks associated with each.

- Evaluating potential human rights impacts and specific risks based on severity and probability factors, determining the degree of each.

- Impact and potential risks management analyze and the company gaps of each one.

- Establish improvement plans and close gaps.

Multi X evaluation **scopes** considered its **own operation**, **value chain** and **other activities related to the business, and commercial relationships**, considering the following specific interest groups[1]:

| Contractors | Direct and indirect suppliers | Clients and consumers | Joint Ventures[1] |

Additionally, in light of the aforementioned analysis, the list of potential human rights risks for the stakeholders considered in the **2022 Human Rights Due Diligence** exercise was **reviewed and updated**. These are:

| Workers | Communities |
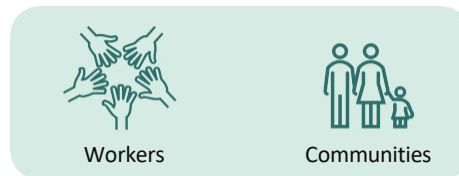
[1] Considers 100% of contractors, direct and indirect suppliers, clients, consumers, and joint ventures.
[2] Considers 100% of workers and communities.

Within the 30 human rights[3] detected as potentially at risk, a list of 24 specific potential risks related to the 6 stakeholders[4] was identified.

Considering this list, a prioritization was carried out based on Severity and Probability Factors, along with the analysis of the management level in each of these, to achieve a list of salient issues with the aim of determining the most critical potential human rights risks resulting from the company's activities and commercial relationships.

Below is the prioritization list of the salient issues regarding the detected potential human rights risks:

Work discrimination and harassment	Unsafe working conditions	Inadequate working conditions
Impact on the cultural expression and determination of communities	Impact on the health and safety of communities due to environmental accidents	Food safety and security for consumers

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[3] Considering the list of 32 human rights from the UNGP framework and the universal right declared by the UN in April 2022, "Right to a clean, healthy, and sustainable environment."

[4] It considers 100% of the 6 analyzed stakeholder groups in which potential risks have been identified.

SPECIFIC GROUPS IMPACTED BY IDENTIFIED POTENTIAL HUMAN RIGHTS RISKS

The following groups were considered specific and directly or indirectly impacted within the six stakeholders included in the analysis:

- Own employees
- Women
- Children
- Minorities
- Migrant workers
- Employees of supplier and contractors
- Employees of indirect suppliers
- General community / Citizens
- Local communities
- Indigenous people

In general, the governance and human rights management actions defined for the short and medium term, which complement the specific actions for mitigating potential human rights risks, are:

- When updating the 2024 Corporate Human Rights Policy, this document must be communicated and socialized internally

- Implement the recommendations from the due diligence analysis, defining and advancing a formal human rights governance framework.

- Progress in the work plan for the potential human rights risk management system defined for closing gaps, with responsibilities, goals, and medium and long-term commitments.

- Continue and deepen internal communication and awareness on human rights issues.

SPECIFIC MITIGATION AND REMEDIATION ACTIONS AND MEASURES FOR EACH HIGHLIGHTED ISSUE

Multi X has the following procedures/policies for each highlighted issue, which are intended as mitigation and remediation actions for each of these[5]. Consequently, these are mitigation and remediation plans, which apply to 100% of our operations.

For further information and progress, it is recommended to complement this information with the Integrated Reports and Sustainability Reports of the company.

a) Discrimination and harassment at work:

At the level of formal policies and procedures that address this issue generally, Multi X has a Human Rights Policy, Code of Ethics, and Supplier Code of Conduct. Specifically, it delves into its People Management Manual, Diversity and Inclusion Policy, Internal Order, Hygiene and Safety Regulations, Conflict Resolution Policy, Disciplinary Policy, and Policy for the Prevention of Abuse and Workplace or Sexual Harassment. Furthermore, the day-to-day management measures and implementation of these relevant policies consist of: i) sharing these documents during the induction process and showing awareness videos about sexual harassment during the induction; ii) fostering a mutual respect organizational culture through various initiatives; iii) constantly disseminating corporate policies through a People Management Assistant in operations (farming and processing plants); iv) attracting, retaining, and developing people with disabilities through the Disability Inclusion Program; v) training workers on disability-related topics; vi) providing sign language training if required; vii) focusing on recruiting, retaining, and developing women; viii) implementing a women's committee led by a company director; ix) participating as a company in initiatives related to the Women's Salmon Table of SalmonChile; x) having reporting channels accessible to various stakeholders.

b) Unsafe working condition:

The formal policies and procedures of Multi X addressing this issue at a general level are the Human Rights Policy and Code of Ethics, where it is also considered in detail in the Internal Order, Hygiene and Safety Regulations, Work at Height Procedures, Protocol for Psychosocial Risk Surveillance at Work (Minsal), Protocol for Musculoskeletal Injury Factors of Upper Extremities (Minsal), and Supplier Code of Conduct.

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[5] Las acciones de mitigación y remediación consideran el 100% de los potenciales riesgos identificados.

Regarding daily management measures and the implementation of these relevant policies, they mainly consider: i) a leading committee on Health and Safety and joint committees; ii) a Health and Safety management system certified under the ISO 45001 standard; iii) Leadership Strengthening proposals, Preventive Management Programs, and a Behavioral Safety Program for Leaders (Cross Check); iv) being part of technical working groups on health and safety; v) carrying out campaigns such as "Zero Tolerance for Accidents, More Health"; vi) investigating all incidents with the primary objective of determining their causes to prevent recurrence, where Occupational Health and Safety (OHS) managers apply corrective action plans in response to any accidents that occur and conduct risk prevention audits; vii) evaluating the OHS performance of partner companies within the framework of the Occupational Health and Safety Management System and conducting compliance audits for contractor companies; viii) reviewing the protocols of subcontractor diving companies to develop a Diving Action Plan that includes training divers, verifying compliance with corporate standards, verifying the conditions and use of equipment on-site, inspecting basic conditions, equipment, crew, and the maritime accreditation required by Multi X; ix) taking measures to push suppliers towards safer operations by investing in higher technology equipment and being stringent, and if a supplier does not comply with specific risk prevention regulations, the operation is halted, their work permit is blocked, and they are required to regularize the situation; x) having reporting channels accessible to various stakeholders.

c) Inadequate working conditions:

Regarding the formal policies and procedures that address this issue generally at Multi X, they include the Human Rights Policy, Internal Order, Hygiene and Safety Regulations, and Supplier Code of Conduct. Additionally, the day-to-day management and implementation of the policies/procedures consist of: i) conducting audits to determine the level of compliance of contractor companies regarding safe and healthy working conditions; ii) monitoring and ensuring that workers' wages are within the salary band; iii) performing audits by Sernapesca, the Ministry of Labor, and the Ministry of Health in sanitary installations/basic sanitation; and iv) having reporting channels accessible to various stakeholders.

d) Impact on the cultural expression and determination of communities:

The formal policies and procedures that address this issue include the Human Rights Policy, Code of Conduct, Community Engagement Policy, and Sustainability Policy. On the other hand, the measures and actions to implement these corporate documents are: i) implementing a community engagement strategy; ii) training workers in community engagement, mainly on how to dialogue, act, and respond; iii) constantly updating surveys of potential social actors for community engagement, such as schools, universities, neighborhood associations, unions, municipalities, firefighters, police stations, health centers, indigenous communities, among others; and iv) having

reporting channels accessible to various stakeholders.

e) Consumers Food Safety and Security:

Regarding the implemented procedures related to this matter, it primarily involves complying with high standards and certifications, such as the *Best Aquaculture Practices* Certification from the *Global Seafood Alliance*, the ASC Standard for salmon, and the FAIRR Index. Additionally, other management measures include: i) meeting the commitment to reduce antibiotic use by 50% by 2025 through various initiatives such as vaccines, dietary changes, smolt quality, among others, which is publicly available through *the Chilean Salmon Antibiotic Reduction Program* (CSARP); ii) increasing the validated production volume in the certification and labeling program for responsible aquaculture ASC; iii) increasing the freshwater rearing time; and iv) conducting microbiological analysis of the facilities and products.
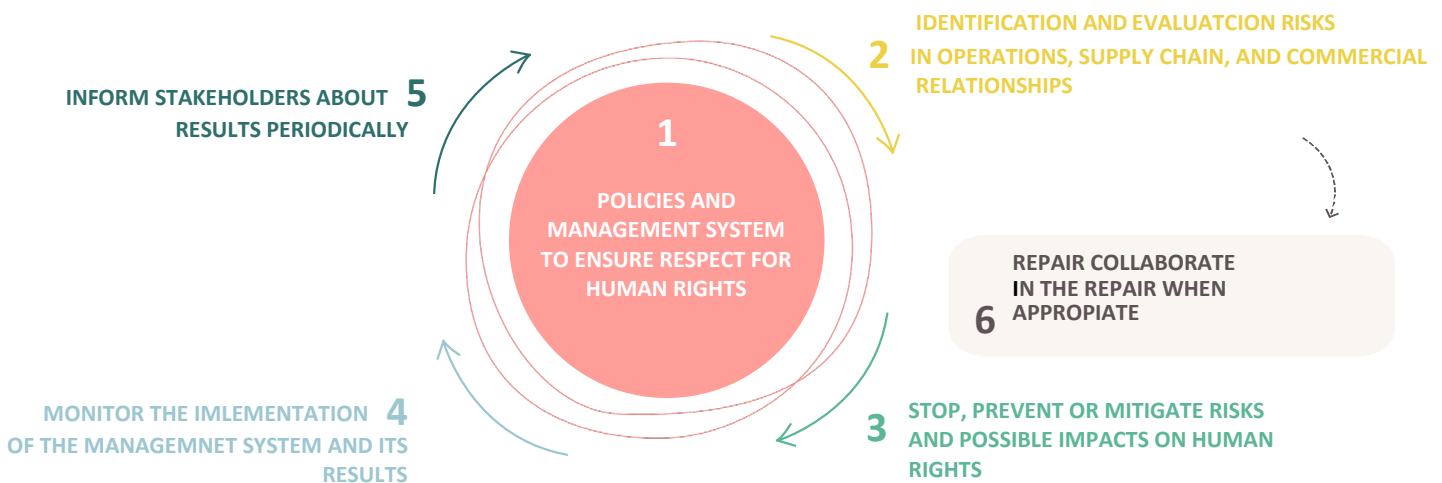
f) Impact on Communities Health and Safety due to Environmental Accidents:

The policies and procedures that generally address this issue are the Human Rights Policy, Code of Ethics, Community Engagement Policy, Water Use Policy, and Sustainability Policy. Additionally, there is compliance with high standards and certifications, such as the *Best Aquaculture Practices* Certification from the *Global Seafood Alliance*, the ASC Standard for salmon, and the FAIRR Index. Regarding day-to-day measures and actions, they include: i) incorporating these topics into the sustainability strategy, continuously monitoring their impact on biodiversity, and having internal procedures and protocols to achieve a Net Positive Impact (NPI) on the surrounding biodiversity; ii) developing actions with communities to address the abandonment of industrial waste in the fjords, such as cages, plastics, buoys, ropes, among others; iii) supporting projects that promote awareness of their societal impact on the environment; iv) increasing the validated production volume in the certification and labeling program for responsible aquaculture ASC; and v) having reporting channels accessible to various stakeholders.

As highlighted by the UN and OECD, the due diligence process is constant and evolving, so Multi X has taken it as an element of continuous improvement, committing to being reviewed frequently and updated in the medium term. This will allow simultaneously identifying gaps, implementing management to close these gaps, and appropriately acting on possible internal and external changes.

It is important that this continuous process is always approached from a preventive perspective and proportional to the context the company has concerning the identified potential human rights risks, the prioritized salient issues, and how these progress and may evolve over time.

INFORM STAKEHOLDERS ABOUT **5** RESULTS PERIODICALLY

IDENTIFICATION AND EVALUATCION RISKS **2** IN OPERATIONS, SUPPLY CHAIN, AND COMMERCIAL RELATIONSHIPS

1 POLICIES AND MANAGEMENT SYSTEM TO ENSURE RESPECT FOR HUMAN RIGHTS

REPAIR COLLABORATE IN THE REPAIR WHEN **6** APPROPIATE

MONITOR THE IMLEMENTATION **4** OF THE MANAGEMNET SYSTEM AND ITS RESULTS

STOP, PREVENT OR MITIGATE RISKS **3** AND POSSIBLE IMPACTS ON HUMAN RIGHTS

Source: OECD Due Diligence Guidance for Responsible Business Conduct.