



Agencia de
**Sustentabilidad y
Cambio Climático**



SalmonChile

Clean Production Agreement (CPA)
**Climate Change and Circular Economy Strategy
for the Salmon Industry**
Los Lagos and Aysén regions

October 7, 2021

On October 7, 2021, the **Undersecretary of Fisheries and Aquaculture**, represented by the Undersecretary Ms. **ALICIA GALLARDO LAGNO** and the **SUSTAINABILITY AND CLIMATE CHANGE AGENCY** (hereinafter SCCA), represented by its Executive Director Mr. **GIOVANNI CALDERÓN BASSI**, and the **SALMON INDUSTRY ASSOCIATION OF CHILE A.G.** (hereinafter SalmonChile), represented by its President Mr. **ARTURO CLEMENT DÍAZ**, and the **CHILEAN ENERGY EFFICIENCY AGENCY** (hereinafter the Energy Sustainability Agency) as a stakeholder, represented by its Executive Director Mr. **IGNACIO SANTELICES RUIZ** and its Director Mr. **FERNANDO ALVEAR ARTAZA**

signed the "**Climate Change and Circular Economy Strategy for the Salmon Industry in the Los Lagos and Aysén regions**". This agreement is as follows.

FIRST: WHEREAS

- Law 19,300/1994 issued by the General Ministry of the Presidency, General Environment Law amended by Law 20,417/2010 issued by the General Ministry of the Presidency that created the Ministry of the Environment, the Environmental Evaluation Service and the Environmental Superintendent.
- Law 20,416 established Special Rules for Smaller Companies, and in its Tenth Article it established the Clean Production Agreements Law, which instructed the National Clean Production Council to coordinate between State Administration bodies and private sector companies.
- Law 18,575 is Organic Constitutional Law governing General State Administration.
- Law 6,640 approved the Restatement of Law 6,334, which created the Reconstruction and Relief Corporation and the Production Development Corporation.
- Decree Law 1626/1976 created the Undersecretariat of Fisheries and Aquaculture within the Ministry of Economy, Development and Reconstruction.
- Decree Law 2442/1978 established the functions and powers of the Ministry of Economy, Development and Reconstruction with regard to fishing. It organized the Undersecretariat of Fisheries and created the National Fisheries Council and the National Fisheries Service.
- Decree with Force of Law 7912/1927 organized the State Secretariats.
- Supreme Decree 160/2011 issued by the Ministry of Economy, Development and Tourism, which approved the Regulations governing the National Clean Production Council that reports to the Production Development Corporation - CORFO.

- Supreme Decree 245/2010 issued by the Ministry of Justice, which created and approved the statutes governing the Chilean Energy Efficiency Agency.
- CORFO Council Agreement 2091/2000, which created the "Clean Production Promotion Committee", whose name was modified to "Sustainable Production Promotion Agency" or indistinctly "Sustainability and Climate Change Agency" by CORFO Council Agreement 2947/2016, executed by CORFO Resolution (A) 242 dated December 30, 2016.

SECOND: BACKGROUND INFORMATION

FAO (2018) believes that the importance of fish protein to feed a growing world population has been widely recognized¹. The demand for marine products is growing. This has traditionally been by supplied extractive fishing. However, this has become limited due to overexploitation and the delicate state of the world's fisheries. Therefore, aquaculture has now become very important and currently represents almost 47% of marine produce².

Salmon farming forms an opportunity to meet human nutritional requirements due to its high protein and low calorie content, and its high concentration of fatty acids, vitamins and essential minerals.

Chile is the world's second largest salmon producer and its largest trout producer, according to the Quarterly Salmon Exports Report issued by the Chilean Salmon Council (CSC) dated November 2020³.

The industry mainly operates from the Los Lagos region to the Magallanes region, where it has created more than 60,000 direct and indirect jobs⁴. The industry has grown over the last 10 years at an average annual rate of 15%. However, production was drastically reduced by sanitary crises in some years, such as in 2009/10 due to the ISA virus and in 2015/16 due to harmful algae blooms. These crises combined with other environmental impacts associated with the industry have generated unrest in neighboring communities and negative public opinion regarding its production practices. These factors combined with the rapid expansion of this industry have triggered the introduction of strict environmental regulations, which define the conditions for sustainable businesses.

¹ FAO, 2018. The status of world fisheries and aquaculture. Available at <http://www.fao.org/state-of-fisheries-aquaculture/en/>

² Idem

³ Document available at: <https://www.consejodelsalmon.cl/wp-content/uploads/2020/11/Informe-Exportaciones-Consejo-del-Salmon-oct-2020.pdf>

⁴ SalmonChile, 2018. Presentation by Arturo Clément to the Fisheries and Aquaculture Commission of the Chamber of Deputies. Valparaíso, September 5, 2018

There is relative consensus on the measures that can reduce the effects of the industry's most notorious environmental impacts that are questioned by specialists and local communities, such as medicinal treatments, seabed contamination and sludge management. These measures are already being implemented by the industry, and described as follows.

Medicinal treatments

The following public-private programs are currently being implemented.

a) Antibiotics

- SalmonChile has reduced antibiotics by signing a collaboration agreement "*The Chilean Salmon Antibiotic Reduction Program*" with *Monterey Bay Aquarium* ([www.https://www.montereybayaquarium.org/](http://www.montereybayaquarium.org/)) in 2017, whose goal is to reduce antibiotic use by 50% by 2025.
- A voluntary "Antibiotic Free" certification⁵ from SERNAPESCA has been available since 2016. As of 2020, there were 172 certified farming sites.

b) Antiparasitic medicines

- SalmonChile has collaborated with SERNAPESCA in creating the Aquaculture Health Management Program (AHMP, formerly the FIE project), in order to reduce antiparasitic medicine usage. This is a public-private initiative that is co-financed by SalmonChile and MINECON⁶. The results are currently being prepared for publication.

Both SERNAPESCA initiatives are grouped under the Environmental Assurance Program⁷.

There are also specific projects being developed by the industry that have already reduced the number of antiparasitic baths to less than two on average. They have been replaced by non-pharmacological methods, such as fresh water, oxygenated water, natural compounds (Liptus), Skirt protective systems, and soon closed or "mechanical" treatments, such as Salmoclinic and Thermolicer.

Seabed contamination

The industry has developed the following measures.

- Development and implementation of technologies that accelerate natural organic assimilation processes on the seabed, similar to technologies applied to livestock and agriculture on land. Companies are currently using oxygen bubbles and nano bubbles, as companies such as KRAN, Chucaotec and OXZO started national trials in 2019. Biotechnology-based systems are also being investigated.

⁵ <http://www.sernapesca.cl/noticias/sernapesca-publica-informe-de-certificacion-de-centros-libres-de-uso-de-antimicrobianos>

⁶ <http://pgsa.sernapesca.cl/>

⁷ <http://www.sernapesca.cl/programas/programa-de-aseguramiento-de-calidad?page=5>

- These measures combined with sophisticated regulations driven by the INFA⁸ not only encourage technological developments, but also lead to concession rotation⁹. Research into diet improvement and feed control.
- Efficiency is currently at 93%, so only 7% of feed is lost as organic waste¹⁰.

Sludge management

Currently, Chile has introduced technical regulations that regulate sludge treatment and application. These regulations were approved by Decree 64 of the Ministry of Economy, Development and Tourism, Undersecretary of Fisheries and Aquaculture, dated March 16, 2021, which regulates waste treatment and disposal from aquaculture businesses.

Therefore, this CPA is born out of SalmonChile's commitment to develop specific, measurable and third-party verifiable solutions for the negative impacts of the industry, specifically those related to reducing its production of greenhouse gases and solid waste, as this contaminates beaches.

This CPA is primarily driven by the 2030 Agenda, created at the United Nations Conference on Sustainable Development in 2012 in Rio de Janeiro, which establishes 17 Sustainable Development Goals (SDGs) that aim to end poverty, protect the environment, and ensure peace and prosperity.

The salmon farming industry can directly and indirectly contribute to achieving each of the 17 SDGs and is already doing so. However, this CPA will contribute to a greater extent to the following goals.

- **Goal 9 - Industry, Innovation and Infrastructure** Information will be provided through circular economy workshops and laboratories that will help the industry to design, plan and build resilient infrastructure, promote sustainable industrialization and foster innovation.

⁸ INFA (Environmental Report): The Undersecretariat of Fisheries must issue a report on the environmental status of aquaculture based on its information, in accordance with Article 21 of Supreme Decree 320 issued by the Ministry of Economy, Development and Reconstruction and the Environmental Regulations for Aquaculture.

⁹ There are approximately 1,320 marine concessions but only one third are operated each year. The seabed directly below concessions that are operated each year covers less than 4,000 hectares, and concessions cover slightly more than 14,000 hectares in total.

¹⁰ The feed required for salmon to grow by 1 kg is 1.2 kg. In comparison over 6 kg of feed is required to produce 1 kg of beef.

- **Goal 13 - Climate action** A carbon footprint and water footprint standard has been designed and is now being measured, which can be used to introduce measures within each company and the industry in general to combat climate change and its effects.
- **Goal 14 - Life below water** Raising awareness regarding waste management, using new materials in production processes and collaborating between industry and local communities are measures that will help us to conserve and sustainably use the oceans and our marine resources.
- **Goal 17 - Partnerships for the goals** SalmonChile and the industry are developing collaborative agreements with entities around the world that support revitalizing the Global Partnership for Sustainable Development.

This CPA is expected to help the salmon farming industry to make a significant contribution to greenhouse gas reductions that support Chile's commitment to achieve a 30% reduction in its CO₂ emissions per GDP unit by 2030 compared to 2007 and its commitment to achieve carbon neutrality by 2050. This goal was set in the climate change framework bill currently under discussion in Congress, which positions Chile as the first developing country to set such a goal.

The waste reduction method proposed in this CPA is based on the circular economy model, which dissociates business activity from consuming finite resources and eliminating waste from the system, by improving processes and product designs to achieve natural system regeneration. Accordingly, waste management has a significant impact on reducing the volume of materials that contaminate marine ecosystems and reducing emissions associated with waste disposal.

Finally, this CPA will encourage all these trends to become part of business strategies within the Chilean salmon farming industry. It will drive the development of structural and permanent changes that strengthen the sustainability practices of participating companies.

THIRD: REGULATIONS THAT APPLY TO THE INDUSTRY

The main standards that form the regulatory framework that applies to the salmon industry and to the issues within the CPA, such as atmospheric emissions, industrial waste management and liquid emissions, are as follows.

These regulations are grouped by their legal nature under Laws, Treaties, Regulations, Resolutions and Chilean General Standards. Standards are listed in chronological order within each set.

- Law 18,892 is General Fisheries and Aquaculture Law (GFAL) and Law 20,434/2010, which amends it.
- Law 19,300/1994 issued by the General Ministry of the Presidency called the General Environmental Law (GEL). The latest version is dated January 23, 2020.
- Law 20,920/2016 issued by the Ministry of the Environment, which "Establishes a Framework for Waste Management, Extended Producer Responsibility and Promotes Recycling".
- Decree with Force of Law 725 issued by the Ministry of Health, which establishes the Sanitary Code.
- Decree Law 2222/1978 on Navigation Law, issued by the Ministry of National Defense.
- Supreme Decree 1150/1980, which is the Political Constitution of the Republic of Chile and was restated by Supreme Decree 100/2005.
- Supreme Decree 1/1992 issued by the Ministry of National Defense, which approves the Aquatic Contamination Control Regulations.
- Supreme Decree 290/1993 issued by the Ministry of Economy, Development and Reconstruction, which approved the Concession Regulations, as amended by Decrees 604/1994, 257/2001, 165/2002, 50/2006, 202/2010, 171/2014 and 114/2019.
- Supreme Decree 499/1994 issued by the Undersecretariat of Fisheries, which approves the National Aquaculture Registry Regulations and their amendments.
- Supreme Decree 298/1994, which establishes regulations governing the transportation of dangerous goods by roads and highways.
- Supreme Decree 609/1998 issued by the Ministry of Public Works, which establishes emission standards that regulate pollutants associated with liquid industrial waste discharged into sewage systems.
- Decree 594/1999 issued by the Ministry of Health, which establishes regulations governing basic workplace sanitary and environmental conditions.
- Supreme Decree 320/2001 issued by the Ministry of Economy, Development and Reconstruction, which approves the Environmental Aquaculture Regulations (EAR), the complementary standards and their amendments.
- Supreme Decree 319/2001 issued by the Ministry of Economy, Development and Reconstruction, which approves the regulations governing high-risk disease protection, control and eradication measures for hydro-biological species, and their amendments.
- Supreme Decree 90/2001 issued by the General Ministry of the Presidency, which establishes emission standards that regulate pollutants associated with liquid waste discharged into marine and surface water bodies.
- Supreme Decree 46/2003 issued by the General Ministry of the Presidency, which establishes emission standards for liquid waste discharged into underground water bodies.
- Supreme Decree 148/2004 issued by the Ministry of Health, which approves the sanitary regulations governing hazardous waste management.

- Supreme Decree 345/2005 issued by the Ministry of Economy, Development and Reconstruction, which regulates Hydro-biological Pests and its amendments (updated by Supreme Decree 239/2010 issued by the Undersecretariat of Fisheries).
- Supreme Decree 2/2005 issued by the Ministry of National Defense, which replaces the Maritime Concession Regulations, established by Decree (M) 660/1988.
- Supreme Decree 4/2009 issued by the General Ministry of the Presidency, which approves the regulations governing the sludge produced by sewage treatment plants.
- Supreme Decree 40/2012 issued by the Ministry of the Environment, which approves the regulations governing the environmental impact assessment system.
- Supreme Decree 1/2013 issued by the Ministry of the Environment, which approves the regulations governing the Pollutants Emission and Transfer Register (PETR).
- Supreme Decree 38/2013 issued by the Ministry of the Environment, which approves regulations governing how environmental quality and emission standards are issued.
- Resolution 144/2020 issued by the Ministry of the Environment, which approves the basic rules to amend the regulations governing the Pollutants Emission and Transfer Register.
- Resolution 359/2005 issued by the Ministry of Health, which approves the hazardous waste declaration.
- Resolution 499/2006 issued by the Ministry of Health, which approves the electronic hazardous waste declaration.

The companies signing this CPA voluntarily submit themselves to the following official Chilean standards.

- GS 2797/2009, Clean Production Agreements (CPA) - Specifications
- GS 2796/2009, Clean Production Agreements (CPA) - Vocabulary.
- GS 2807/2009, Clean Production Agreements (CPA) - Diagnosis, monitoring, control, final evaluation and certification of compliance.
- GS 2825/2009, Clean Production Agreements (CPA) - Requirements for auditors and the audit procedure to evaluate compliance.

FOURTH: DEFINITIONS

Definitions relevant to this project are as follows.

Life cycle analysis (LCA): Environmental assessment method to analyze and quantify all the environmental aspects of a product, process or service throughout its life cycle.

Climate change: A change in the climate attributed directly or indirectly to human activity that alters the composition of the global atmosphere superimposed on natural climate variability observed over comparable periods, as defined by the United Nations Framework Convention on Climate Change (UNFCCC).

Carbon neutrality: Net zero greenhouse gas emissions from a product, process, organization, etc., after considering all mitigation measures.

Product life cycle: Consecutive and interrelated stages in the life of a product, from raw material acquisition and processing or manufacture from natural resources, followed by its production, use and consumption, through to its disposal as waste.

GHG emissions compensation: Measures that neutralize or balance the GHG emitted by an organization, process, product, etc. through buying carbon credits that are used to finance carbon sequestration projects, such as reforestation, methane capture or combustion, etc.

Ecodesign: Integration of environmental aspects into the design of a product or a service, in order to reduce its impact on the environment throughout its life cycle.

Circular economy: A systemic approach to economic development that ensures that the value of products, materials and resources is retained in the economy for as long as possible, and that waste is minimized. It contrasts with the linear "take-produce-throw away" model by proposing a regenerative economy designed to gradually decouple growth from the consumption of finite resources, according to the *Ellen MacArthur Foundation*.

Energy efficiency: Relationship between the energy absorbed by a conversion process or system and its consumption.

GHG emissions: Release of greenhouse gases or their precursors and aerosols into the atmosphere in a specific area and period.

Greenhouse gases (GHG): Atmospheric gases of natural and anthropogenic origin that absorb and emit radiation at certain wavelengths of the infrared radiation spectrum emitted by the Earth's surface, the atmosphere and clouds, causing the so-called greenhouse effect. The Kyoto Protocol defines GHG as carbon dioxide (CO₂), nitrous oxide (N₂O), methane (CH₄), sulfur hexafluoride (SF₆), hydrofluorocarbons (HFCs), and perfluorocarbons (PFCs).

Waste manager: Any individual or a public or private entity who collects, transports, separates, stores, treats, and disposes of waste, and who is authorized and registered in accordance with regulations.

Carbon footprint: Indicator of the impact of a process on the climate. It represents the greenhouse gases emitted directly or indirectly by organizations, products, events or geographic regions, expressed in CO₂ equivalents. Its corporate definition is an organization's emissions over a period, usually a calendar year.

Its product definition is the emissions generated by a product or service throughout its value chain, including its use or consumption until the end of its useful life, in some cases.

Water footprint: Indicator that measures the impact of processes and products on water consumption, including actual water consumption, water uses and the extent of local water scarcity.

Waste management hierarchy: The preferred sequence for handling waste, which begins with waste prevention, followed by reuse, then recycling one or more of its components with total or partial energy recovery, and finishing with disposal, in accordance with relevant legal, regulatory and economic regulations. (Rep. Law, Article 2 d)

Handling waste: All the processes that apply to solid waste after it is generated, including storage, transportation and disposal.

Mitigation measures: Measures aimed at avoiding or reducing GHG emissions into the atmosphere, either through direct reductions or emissions compensation.

Circular business model: How an organization minimizes its waste while creating value through continually circulating materials and even waste from its manufacturing and sales processes, as well as conserving and restoring the resources used. This requires that fundamental measures, such as repair, reuse, redistribution, recycling and regeneration are performed in every aspect of the circular business model.

Pretreatment: Physical processes prior to waste recovery or disposal, such as separation, unpacking, cutting, shredding, compacting, mixing, washing and packaging, aimed at reducing its volume, streamlining its handling or improving its recovery.

Waste prevention: Measures that change the habitual use of raw materials and consumables in design or production processes or any subsequent amendments, and change consumption patterns, with the aim of avoiding or reducing waste or the associated risks (Law 20,920).

Greenhouse Gas Protocol (GHG Protocol): An international tool that calculates and communicates a GHG emissions inventory. It was developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) together with businesses, governments and environmental groups from around the world, in order to develop effective and credible programs to address climate change. Emissions are classified into three scopes as follows.

- **Direct emissions (Scope 1):** These are greenhouse gas emissions from sources owned or controlled by the company, such as fossil fuel consumption by fixed or mobile equipment, unintentional leaks from air conditioning equipment, etc.

- **Indirect emissions from energy consumption and distribution (Scope 2):** These are greenhouse gas emissions associated with the consumption of electricity or steam generated by third parties.
- **Other indirect emissions (Scope 3):** These are greenhouse gas emissions that are not owned nor controlled by the company, such as transporting employees, air or land travel for business purposes, transporting consumables, transporting waste, and other emissions.

Recycling: Using waste as an input or raw material in a production process, including co-processing and composting, but excluding other forms of energy recovery.

Inorganic waste: Waste that is not organic, so it is not derived from animals or vegetables and cannot biologically degrade. Waste classified as inorganic in the fishing industry excludes dead fish, fish parts discarded during processing, sludge from hatcheries, and sludge from treating industrial liquid waste.

Hazardous waste: Waste and waste mixtures that represent a risk to public health or may adversely affect the environment, either directly or during handling, with some of the characteristics described in Article 11 of the sanitary regulations governing hazardous waste management (Supreme Decree 148/2003 issued by the Ministry of Health).

Household solid waste: Solid waste, garbage or refuse generated in homes, residential buildings, commercial premises, food stores, hotels, educational establishments and prisons.

Industrial solid waste: Solid waste from industrial processes that cannot be classified as household waste, due to its physical, chemical or microbiological characteristics.

Waste: Any substance that its generator will or must discard.

Waste reuse: The reuse of products, or components of discarded products, without involving a production process.

Treatment: Waste recovery and disposal.

Waste recovery: Measures that recover waste, or one or more of its constituent materials, or its calorific value. Recovery includes preparation for reuse, recycling or energy recovery.

FIFTH: SCOPE

This CPA is aimed at salmon farming companies and their suppliers of services and consumables who operate in the Los Lagos region or the Aysén del General Carlos Ibáñez del Campo region.

SIXTH: OBJECTIVES

6.1 General objective

Improve circular economy and climate change practices within the salmon farming industry and its chain, in order to improve sustainability within the industry and contribute to Chile's related commitments.

6.2 Specific objectives

1. Improve national communication regarding progress with the climate change and circular economy action plan and the related commitments already completed and planned.
2. Provide standardized and good quality information on greenhouse gas emissions, waste generation in the industry and corporate water footprints.
3. Prevent and mitigate the industry's greenhouse gas emissions by carefully managing and reducing energy consumption, recovering waste and optimizing logistics throughout the production chain.
4. Design an Environmental Project Climate Exchange that can compensate for the environmental impact of companies, measured by their CO₂e Footprint and Water Footprint.
5. Promote circular economy initiatives within the industry to increase the recovery rate and improve the industry's management of inorganic solid waste and sludge.
6. Implement sustainability projects for local communities.

SEVENTH: GOALS, MEASURES AND DEADLINES

Participating companies must comply with the measures and goals described as follows, either corporately or for specific registered facilities, which must be formalized during the initial implementation stage.

These measures must be fulfilled within the deadlines, which are understood to become effective as soon as the period for adopting this CPA has ended.

The objectives and goals are described as follows.

Objectives	Associated goals
1. Improve national communication regarding progress with the climate change and circular economy action plan and the related commitments already completed and planned.	1
2. Provide standardized and good quality information on greenhouse gas emissions, waste generation in the industry and corporate water footprints.	2, 3, 4, 5 and 6
3. Prevent and mitigate the industry's greenhouse gas emissions by carefully managing and reducing energy consumption, recovering waste and optimizing logistics throughout the production chain.	2
4. Design an Environmental Project Climate Exchange that can compensate for the environmental impact of companies, measured by their CO ₂ e Footprint and Water Footprint.	2, 6 and 7
5. Promote circular economy initiatives within the industry to increase the recovery rate and improve the industry's management of inorganic solid waste and sludge.	3, 4 and 5
6. Implement sustainability projects for local communities.	7

GOAL 1: COMPANIES IMPLEMENT CORPORATE GOVERNANCE THAT FOCUSES ON SUSTAINABILITY

Measure 1.1: Participating companies will appoint an employee responsible for implementing, monitoring and evaluating this CPA.

Verification method: Minutes recording the appointment of the employee responsible for implementing, monitoring and evaluating this CPA, according to Appendix 1

Deadline: Month 1

Measure 1.2: Participating companies will commit to promote sustainability in their corporate policies and will establish climate change mitigation objectives that involve managing energy consumption and waste using circular economy principles.

Verification method: Their commitment to promote sustainability is included in their sustainability policy or another corporate policy and includes their climate change mitigation objectives.

In any case, these objectives must include emissions management to achieve climate change mitigation, by reducing energy consumption and waste using circular economy principles.

Deadline: Month 1

Measure 1.3: Participating companies will develop a communication plan for their stakeholders nationwide, who must be duly identified in a stakeholder map, which communicates their commitment to promote sustainability, together with their progress implementing this CPA and other completed measures, including those that mitigate their most significant impacts.

Communication will take place at least when CPA implementation begins, then every year, and they must report progress on the following points.

- Progress with the CPA.
- Progress on medication reduction programs, if applicable.
 - *The Chilean Salmon Antibiotic Reduction Program of Monterey Bay Aquarium.*
 - Results of the Aquaculture Health Management Program (formerly the FIE project)
 - Voluntary "Antibiotic Free" certification and PROA from SERNAPESCA.
- Measures to reduce their impact on the seabed.

Verification method 1: Stakeholder map.

Deadline: Month 1

Verification method 2: Record of external communications.

Deadline: Months 2, 12 and 24.

Measure 1.4: SalmonChile will design and implement a nationwide campaign for the industry to communicate the progress, measures and results of implementing this CPA.

Verification method 1: Document containing the design for the communication campaign for the industry, validated by the SCCA Coordination Committee.

Deadline: Month 1

Verification method 2: Record of campaign measures completed within the deadlines, every year.

Deadline: Months 12 and 24

Measure 1.5: Participating companies will design and implement a training plan for their employees on climate change and circular economy principles, which will include a section that describes their corporate commitment to promote sustainability and to implement this CPA.

Training courses should involve at least 50% of their management and leadership positions and should not exceed one year.

Verification method 1: Document containing the training plan, technically validated by the CPA Coordination Committee.

Deadline: Month 6

Verification method 2: Records of annual plan implementation, including a list of training course attendees, a consolidated list of attendees by gender, photographic records and training materials.

Deadline: Month 24

GOAL 2: PARTICIPATING COMPANIES SET A MITIGATION GOAL FOR THEIR GHG EMISSIONS WHEN THIS CPA HAS EXPIRED.

Measure 2.1: Each company will appoint an employee responsible for implementing the standards for measuring the corporate carbon footprint.

Verification method: Written document that appoints the employee responsible for implementing the standards for measuring the corporate carbon footprint.

Deadline: Month 3

Measure 2.2: SalmonChile will develop and publish differentiated corporate carbon footprint measurement standards for:

- a) Salmon farming companies.
- b) Salmon feed producers.
- c) Service suppliers to the industry.

Each standard will be based on the *Greenhouse Gas Protocol* and will clearly describe the

measures to be considered under each protocol scope, particularly scope 3 covering other indirect emissions.

The method used to develop each standard must be verified by an independent third party that is registered with Huella Chile.

Various technical recommendations should be included for each standard, which focus on energy management and compensation options, so that companies can develop a mitigation strategy that matches their respective production processes.

They must at least include:

- a) Calculation criteria for salmon farming companies.
- b) Calculation criteria for salmon feed producers.
- c) Calculation criteria for service suppliers.
- d) Mitigation options focused on managing and reducing energy consumption, recovering waste and optimizing logistics throughout the logistics chain.
- e) Compensation options.
- f) Logistics identification.

Verification method: Documents containing the corporate carbon footprint measurement standards, records of third-party verification and their publication on the SalmonChile website.

Deadline: Month 4

Measure 2.3: SalmonChile will develop and publish on its website a product carbon footprint measurement standard based on ISO 14040:2006: Environmental Management, Life Cycle Assessment, Principles and Framework.

This must clearly describe the measures that apply to each stage of the salmon life cycle. The method used to develop each standard must be verified by a suitably qualified independent third party that is registered with Huella Chile.

Verification method: Document containing the salmon carbon footprint measurement standards, verified by a third party and published on the SalmonChile website.

Deadline: Month 4

Measure 2.4: SalmonChile will design and implement two training programs, one per region. These will describe the standards for measuring the corporate carbon footprint (Measure 2.1) and product carbon footprint (Measure 2.2), which must be validated by the CPA Coordination Committee.

Verification method: Document describing the training program, validated by the CPA Coordination Committee, and training course attendance records by gender.

Deadline: Month 3

Measure 2.5: Participating companies must at least train their employee responsible for implementing their corporate carbon footprint measurement standards, using the training programs in Measure 2.3.

Verification method: Certificate of attendance for the representatives appointed by each company.

Deadline: Month 6

Measure 2.6: Salmon farming participating companies will measure their corporate carbon footprint every year, according to the standard developed for the industry by SalmonChile in Measure 2.1 and will communicate their results to their internal and external *stakeholders*.

Verification method: The results of measuring the corporate carbon footprint are published in the company's communication media using instructive and simple language.

Deadline: Months 12 and 24

Measure 2.7: Salmon farming participating companies will design and implement a climate change mitigation and adaptation plan, which will include at least the following.

- a) Select the baseline year for the plan after coordinating with SalmonChile.
- b) Measure the carbon footprint for the baseline year.
- c) Select a mitigation goal for the CPA expiry date that focuses on managing and reducing energy consumption.
- d) Develop an action plan to achieve this goal, with those responsible, deadlines and an investment plan, if applicable.
- e) Develop a system for monitoring, recording and verifying results.
- f) Identify suitable environmental compensation projects for companies, such as regional reforestation, wetland conservation, and ecosystem restoration initiatives.

Verification method 1: Document containing the greenhouse gas mitigation plan.

Deadline: Month 11

Verification method 2: Measurable, reportable and verifiable evidence of the action plan to achieve the mitigation goal, as described in the climate change mitigation and adaptation plan.

Deadline: Month 23

Measure 2.8: Participating companies that do not farm salmon will measure their corporate carbon footprint according to the standard developed for the industry by SalmonChile in Measure 2.1. and will select mitigation measures for implementation during the CPA term, which must be measurable, recordable and verifiable. They will communicate their results to their internal and external *stakeholders*.

Verification method 1: Corporate carbon footprint published in the company's communication media, using instructive and simple language, and validated by the CPA Coordination Committee. A document describing how the footprint was calculated with the resulting value.

Deadline: Month 12

Verification method 2: Measurable, reportable and verifiable evidence implementing the mitigation measures in the plan, which refer to reducing energy consumption, recovering waste and optimizing logistics throughout the logistics chain.

Deadline: Month 24

Measure 2.9: Salmon industry feed producing and supplying participating companies will measure the carbon footprint of their products using product life cycle analysis, according to the standard developed for the industry by SalmonChile in Measure 2.2. They will select mitigation measures for implementation during the CPA term, which must be measurable, recordable and verifiable. They will communicate their results to their internal and external *stakeholders*.

Verification method 1: Corporate carbon footprint published in the company's communication media, using instructive and simple language, and validated by the CPA Coordination Committee.

Deadline: Month 12

Verification method 2: Measurable, reportable and verifiable evidence implementing the mitigation measures in the plan, which refer to reducing energy consumption, recovering waste and optimizing logistics throughout the logistics chain.

Deadline: Month 24

Measure 2.10: The Energy Sustainability Agency will exclusively arrange for participating companies to participate in the training program for professional energy managers (*Industrial Energy Manager*).

This program will last 128 classroom hours and will provide attendees with the skills required to cover energy efficiency gaps, identify opportunities for improvement, contract services, efficiently manage energy consumption and implement Energy Management Systems in the organization.

The program will be offered free of charge to participating companies, provided that a minimum of 15 companies meet the program's entry profile, available at:

<https://www.agenciase.org/industrial-energy-manager/> .

Finally, each participating company may not register more than two employees.

Verification method: Training records with a list of attendees by gender and photographic records.

Deadline: Month 12

Measure 2.11: Participating companies register with the Huella Chile program at the Ministry of the Environment.

Verification method: Certificate of registration issued by the Huella Chile program.

Deadline: Month 12

Measure 2.12: SalmonChile will publish the product carbon footprint calculated for Chilean salmon, in accordance with the standard developed in Measure 2.2, in its *online* sustainability report (available at <https://www.salmonchile.cl/sustentabilidad/>) .

Verification method: Product carbon footprint published on the SalmonChile website.

Deadline: Month 24

GOAL 3: THE INDUSTRY HAS A WASTE INFORMATION SYSTEM AND GUIDELINES ON ADOPTING CIRCULAR ECONOMY PRINCIPLES

Measure 3.1: Each participating company must appoint an employee responsible for solid waste management.

Means of verification: Written document that appoints the employee responsible for solid waste management.

Deadline: Month 3

Measure 3.2: SalmonChile will design and implement a technical-theoretical training plan on adopting circular economy principles within the industry, which will describe the general vision, various circular economy concepts and improvement opportunities for the industry.

The training plan design must be validated by the CPA Coordination Committee.

Verification method: Training plan and record of its validation by the CPA Coordination Committee.

Deadline: Month 5

Measure 3.3: Participating companies must at least train their employee responsible for solid waste management using the training program developed in Measure 3.1.

Verification method: Attendance record issued by SalmonChile.

Deadline: Month 8

Measure 3.4: SalmonChile will develop and implement a waste reporting platform, which will comply with the requirements of the National Waste Declaration System (SINADER) at the Ministry of the Environment, with the objective of streamlining and expanding waste declarations.

The platform should include user manuals that standardize waste classification.

Verification method: Platform implemented.

Deadline: Month 8

Measure 3.5: SalmonChile will arrange at least two training courses, one per region. These will describe how relevant employees operate the platform for all salmon farming participating companies.

Verification method: Training records, list of attendees, consolidated list of attendees by gender and photographic records.

Deadline: Month 10

Measure 3.6: SalmonChile will request from the Regional Health Authorities of both regions a database containing the authorized waste management companies and will provide it to participating companies.

Verification method: Records of sending or publishing the database and communicating it to participating companies.

Deadline: Month 4

Measure 3.7: Salmon farming participating companies will gradually introduce asset traceability measures that will track the ownership of assets released into the sea, which will include the following.

- a) Asset traceability where technically feasible.
- b) Asset post-recovery initiatives.
- c) Classify the waste recovered from beach cleanups and separate waste generated at sea from waste generated on land.

Verification method: Record of completed measures such as photographs, reports, purchase invoices, etc.

Deadline: Month 12

GOAL 4: SALMON FARMING COMPANIES SET A RECOVERY GOAL FOR THEIR INORGANIC SOLID WASTE WHEN THIS CPA EXPIRES.

Measure 4.1: SalmonChile will develop a roadmap with circular economy guidelines for inorganic solid waste management within the industry, which is aligned with the associated national initiatives.

This will lay the foundations for a circular economy within the industry. It will standardize the associated concepts and methods, and at least include the following.

- a) A definition of the circular economy concepts that apply to the industry's inorganic solid waste.
- b) A definition of the basic concepts associated with waste and waste management hierarchies.
- c) A definition of measurable circular economy goals, responsible parties, milestones and deadlines to verify compliance.
- d) A description of the methods to identify, classify and quantify waste.
- e) A description of the opportunities or options when applying circular economy principles within the industry.
- f) A definition of the method and criteria to evaluate whether the projects developed during the workshops described in Measure 3.1. can be classified as circular economy projects.
- g) A proposal to implement product life cycle analysis within the industry.

Verification method: A circular economy roadmap for the industry focused on waste that includes the points mentioned above.

Deadline: Month 14

Measure 4.2: Salmon farming participating companies will report all their inorganic solid waste every six months using the platform developed in Measure 3.2.

This information will be available to all participating public service institutions and the quality of this data will improve as the platform develops.

Verification method: Six monthly report prepared by Salmonchile, which will describe access to data sources.

Deadline: Every six months from the platform launch date.

Measure 4.3: SalmonChile will define and publish in its annual sustainability report a quantifiable indicator on waste prevention and waste management hierarchy measures for the industry, using the information submitted by participating companies on the platform described in Measure 3.2.

This indicator will be based on the impact indicators in this CPA.

Verification method: Indicator published in SalmonChile's online sustainability report.

Deadline: Months 14 and 24

Measure 4.4: SalmonChile will develop and publish a marine waste prevention and best practices manual for salmon farmers and suppliers that considers their impact.

Verification method: Marine waste prevention and best practices manual published.

Deadline: Month 16

Measure 4.5: Salmon farming participating companies will train 50% of fish farming site managers and suppliers of nets, diving services and site assembly and disassembly services. This training course will cover the marine waste prevention measures and good practices that were developed in Measure 4.4.

Verification method: Training records, consolidated list of attendees by gender, list of attendees and photographic records.

Deadline: Month 18

Measure 4.6: Salmon farming participating companies will design and implement a circular economy plan to manage their inorganic solid waste, based on the roadmap designed by SalmónChile in Measure 4.1 and the good practices described in Measure 4.4.

Verification method: Circular economy plan and implementation records.

Deadline: Month 22

GOAL 5: SALMON FARMING COMPANIES AND THEIR SUPPLIERS DESIGN NEW CIRCULAR BUSINESS MODELS

Measure 5.1: SalmonChile will design, validate with the Coordination Committee, and implement a practical circular economy workshop for salmon farmers and suppliers, with the objective of developing specific circular economy projects for the industry's solid waste, based on the guidelines in the industry roadmap described in Measure 4.1.

Verification method 1: Minutes of the Coordination Committee that validates the proposed workshop.

Deadline: Month 10

Verification method 2: Attendance records by gender.

Deadline: Month 17

Measure 5.2: Participating companies supplying the industry will propose at least two alternative projects for waste prevention and recovery within the industry.

These projects may be new business models, products or services, improvements to existing products, process modifications, or any other initiative that reduces waste volume or recovery.

Verification method: Project development records, which can be product design sheets, application forms for funding, prototypes, and implementation schedules or action plans.

Deadline: Month 20

Measure 5.3: SalmonChile will sign a collaborative agreement with farmers' associations to encourage the use of hatchery sludge in agriculture.

Verification method: Document containing a collaborative agreement between SalmonChile and one or more local agricultural farmers' associations, signed by their legal representatives.

Deadline: Month 12

Measure 5.4: SalmonChile will prepare and sign a collaboration agreement with at least one university, technical college, professional center or similar institution, to design a program that develops eco-design capabilities before this CPA expires.

The objective of the program will be to prepare people who can reformulate products, services and processes, in order to optimize consumables and reduce the waste currently generated by the industry, considering their respective life cycles.

Verification method: Agreement that contains these points, signed by the legal representatives of SalmonChile and the corresponding institution.

Deadline: Month 24

Measure 5.5: SalmonChile will identify and submit projects for public funding, in order to implement the initiatives developed during the circular economy workshop described in Measure 5.1.

Verification method: Documents that evidence project submissions.

Deadline: Month 18

GOAL 6: SALMON FARMING PARTICIPATING COMPANIES MEASURE THEIR CORPORATE WATER FOOTPRINT

Measure 6.1: SalmonChile will develop and publish a standard for measuring the corporate water footprint of salmon farming companies. The standard will be verified by an independent third party approved by the CPA Coordinating Committee.

Verification method: Document containing water footprint measurement standards, together with records that these have been verified by a qualified, independent third party and published on the SalmonChile website.

Deadline: Month 8

Measure 6.2: Salmon farming participating companies will measure their water footprint according to the standard developed in Measure 6.1. and will communicate these results to their stakeholders.

Verification method: Document describing how the footprint was calculated with the resulting value and records of its publication on the website using language that is clear and understandable for all, previously validated by the CPA Coordination Committee.

Deadline: Month 14

Measure 6.3: Salmon farming participating companies will identify and develop projects to compensate for the environmental impact of their water footprint, such as regional reforestation, wetland conservation and ecosystem restoration initiatives.

Verification method: Records of projects implemented to compensate for the environmental impact of their water footprint.

Deadline: Month 16

GOAL 7: SALMON FARMING COMPANIES IMPLEMENT SHARED VALUE COMMUNITY PROJECTS

Measure 7.1: Salmon farming participating companies will report to SalmonChile their social investment projects in the Los Lagos and Aysén regions related to climate change and the circular economy.

Verification method: Project portfolio sent to SalmonChile.

Deadline: Month 2

Measure 7.2: SalmonChile will send these product portfolios to the CPA Coordination Committee, so that public institutions can cross-check the information with their own initiatives, in order to strengthen measures and avoid duplication, which will ensure that public and private resources are efficiently used.

Verification method: Minutes of the Coordination Committee meeting that describes the receipt of project portfolios.

Deadline: Month 3

Measure 7.3: Salmon farming participating companies will design and implement an awareness program regarding the sustainability and environmental responsibility of the coastal communities selected by those companies, in conjunction with the CPA Coordination Committee.

Verification method: Record of the measures completed, including photographic records and number of inhabitants reached by gender.

Deadline: Month 12

Measure 7.4: Salmon farming participating companies will implement a community training program on strategies for minimizing household waste, which will include a system for evaluating satisfaction and monitoring results.

The communities that benefit will be previously approved by the CPA Coordination Committee.

Verification method: Record of training courses, list of attendees, photographic records and surveys to evaluate trainee satisfaction.

Deadline: Month 18

Measure 7.5: Salmon farming participating companies will design and implement at least one new project to increase the collection and recycling of waste generated by local communities and/or with their stakeholders, especially those affected by the lack of landfills authorized to receive solid household waste.

This project must include a system for monitoring projects and communicating the benefits to the community.

The project beneficiaries must be previously approved by the CPA Coordination Committee.

Verification method 1: Minutes of the Coordination Committee confirming stakeholder validation.

Deadline: Month 5

Verification method 2: Projects are designed.

Deadline: Month 12

Verification method 3: Record of completed measures such as photographs, reports, purchase invoices, deliveries, etc.

Deadline: Month 24

Verification method 4: Indicator of household waste recovery:

Total household solid waste recovered in area N * 100

Total household solid waste generated in area N

Deadline: Month 12 (baseline) and month 24

EIGHTH: SYSTEM FOR MONITORING, CONTROLLING AND EVALUATING COMPLIANCE WITH THE CPA'S GOALS AND MEASURES

The monitoring and control system includes the following stages:

1. Diagnosis

Participating companies must diagnose the initial status of the goals and measures in the CPA after the period for adopting this CPA has ended. Each company must prepare an implementation plan to meet the goals and measures within the deadlines in the CPA.

This initial diagnosis of CPA implementation must comply with the technical procedures and format in the monitoring and control form in Appendix 1 of this document.

Companies must send the results of the initial diagnosis to SalmonChile no more than two months after the period for adopting this CPA has ended, who will keep a standard record of this information. SalmonChile will send the SCCA a digital consolidated version of these diagnoses during month three. These records will be kept in digital files to streamline their handling and distribution.

2. Monitoring and control over implementing the CPA

Each company will be monitored and controlled through audits performed by its own employees or contracted auditors, who will report on progress with the relevant goals and measures in the CPA.

Companies must submit a monitoring and control audit report during months 12 and 22 after the period for adopting this CPA has ended.

These audit reports must at least contain the requirements in GS 2807/2009, sub-clause 5. They must be sent to SalmonChile who will prepare the corresponding consolidated report.

The consolidated reports will be sent by SalmonChile to the SCCA in month 13 and 23 after the period for adopting this CPA has ended, together with the reports from each company, to verify that they comply with all the formal requirements in GS 2807/2009, then distribute them to the corresponding public services.

This phase will be monitored by the CPA Coordinating Committee, in accordance with GS 2797/2009.

3. Final Compliance Evaluation

After the term in the CPA for achieving the goals and measures has expired, the results will be evaluated by a final audit. This will comply with the criteria and requirements described in GS 2807/2009, and will be performed by a registered auditor that complies with the requirements in GS 2825/2009.

Companies must send the results of their final audits to SalmonChile two months after the CPA has expired, which is month 26 after the period for adopting this CPA has ended.

SalmonChile will prepare a "Final Consolidated Report" with all the final audits, which must contain:

- Average compliance by measure and goal for each company.
- Specific and objective comments arising from these audits.
- Information regarding the costs and benefits of implementing the CPA, as provided by the companies.

SalmonChile will send this report to the SCCA, who will verify whether it complies with the minimum requirements in GS 2807/2009, and then send it to the corresponding participating public services (according to GS 2807/2009, point 6.2.2), for validation. SalmonChile will send this report to the SCCA during month 28 after the period for adopting this CPA has ended.

4. CPA Certificate of Compliance

After the final audit has been completed, a report will be issued indicating the final compliance percentage achieved by each facility. Where compliance is 100%, the facility may be granted a CPA Certificate of Compliance.

Facilities that have not achieved 100% in the final audit, but have achieved more than 75%, will be entitled to this certificate, provided they correct their non-compliances within the period proposed by the corresponding auditor, and this has been validated by the SCCA. Prior to issuing the respective Certificate, the SCCA will request a report from participating public services testifying to satisfactory achievement of those goals and measures that fall within their expertise. The auditor may use visits or inspections to validate the report and will have 90 days to complete the audit.

The certificate will be issued by the SCCA. The certificate will individually state that the facility has achieved 100% compliance with the goals and measures in this CPA.

Companies that have received the CPA Certificate of Compliance issued by the SCCA may use the "CPA Hallmark", which is a mixed trademark registered by the SCCA under Registration 865723 dated 11/09/2009, or another hallmark agreed by the SCCA and the industry. Companies must sign a trademark licensing contract prepared by the SCCA before they can use the hallmark, which will contain the rights and obligations that apply to hallmark users, the conditions governing its use, and its duration.

5. CPA Impact Assessment

SalmonChile will prepare a report containing economic, environmental and social impact indicators that relate to the objectives and goals in the CPA, which will quantify the improvements achieved by the CPA within the industry after it has ended, based on information provided by the auditors, the companies and participating public services.

Participating companies and public services will collaborate by providing the information required to produce this report. SalmonChile will submit the Impact Assessment to the SCCA during month 30 after the period for adopting this CPA has ended.

6. CPA Compliance Maintenance

A company or facility that has received certified compliance with this CPA will retain it for three years, subject to the annual inspections and re-evaluations required by GS 2807/2009.

NINTH: ROLES AND RESPONSIBILITIES OF THOSE INVOLVED IN MONITORING, CONTROLLING, EVALUATING AND MAINTAINING COMPLIANCE WITH THIS CPA

1. Participating companies

- Sign the CPA application forms and send them to SalmonChile, which will send a copy to the SCCA.
- Implement the measures described in this CPA, in order to achieve the goals within the deadlines.
- Perform an initial diagnosis of the CPA implementation and the monitoring and control audits using its own employees or auditors contracted by SalmonChile for this purpose.
- Arrange for a final audit by a registered auditor, who will verify compliance with the CPA and will:
- Provide information on the results of monitoring and control audits and the final audit to SalmonChile within the deadlines.
- Provide information during the final audit on the costs and benefits of implementing the measures in the CPA, in order to evaluate the consolidated environmental, social and economic impacts of all participating companies.

2. SalmonChile

- Publicize the CPA among companies in the industry and encourage them to adopt it.
- Promote compliance with the CPA and support companies with their audits.
- Prepare consolidated diagnoses and monitoring and control reports using information sent by participating companies.
- Prepare the final consolidated report containing the final audits of participating companies.
- Prepare the CPA impact assessment report using the results and impact indicators.
- Participate in the CPA Coordination Committee.
- Appoint a person responsible for evaluating, inspecting, consolidating and distributing information regarding the implementation of the CPA among participating companies.
- Report to the SCCA any improper use of the CPA Certificate of Compliance logo, according to the "Conditions for Using the Clean Production Agreement Certificate of Compliance Logo", approved by the Board of Directors of the National Clean Production Council (now SCCA) on May 18, 2009.

3. Public services participating in this CPA

- Implement the measures described in this CPA, in order to achieve the goals within its deadlines.
- Participate in the CPA Coordination Committee.
- Receive, analyze, validate and store aggregated information that falls within their exclusive expertise and relates to implementing the measures contained in this CPA. Guide companies to achieve their goals.
- Issue a report within 90 days at the request of the SCCA on participating companies' compliance with the goals and measures that fall within their expertise.
- Support any monitoring, evaluating and verifying of compliance with the goals and measures in this CPA by appointing a person responsible within their service.
- Publicize the CPA within their service.

4. Sustainability and Climate Change Agency (SCCA)

- Coordinate the CPA Coordination Committee.
- Evaluate and approve the technical conditions for collecting primary data and the formats for preparing the industry's sustainability indicators.
- Promote compliance with this CPA.
- Fulfill the commitments declared in the CPA.
- Coordinate the flow of information between SalmonChile and the CPA participating public services as required.
- Issue CPA Certificates of Compliance.

5. Stakeholders

The parties have agreed to incorporate the ENERGY SUSTAINABILITY AGENCY as a stakeholder to this CPA, based on Law 20,416, Article 10 (Clean Production Agreements Law), Article 4, in accordance with the measures described above and in order to support and contribute to achieving its objectives.

TENTH: CPA COORDINATION COMMITTEE

The CPA Coordination Committee is responsible for monitoring the implementation of this CPA and resolving any associated problems that arise. It also has the authority to establish the measures that apply to non-compliance with unregulated goals and measures.

It is comprised of representatives from all the CPA's participating institutions, who are appointed by an official letter signed by the legal representative of that institution.

In the event that disputes arise regarding the interpretation, implementation or extent of compliance with this CPA, which have not been resolved by other means, the parties will appeal to the CPA Coordinating Committee. This Committee's decisions will be by consensus and will be formed by a representative of the association, representatives of the public services with expertise in that dispute and a SCCA representative.

ELEVENTH: PUBLICITY AND PROMOTION

1. Publicity and promotion

Participating companies or facilities that have achieved certified compliance with the goals and measures may use the CPA to commercially promote their products and services.

The institutions promoting this CPA may propose, agree and implement other initiatives.

TWELFTH: ADOPTING THIS CPA

This CPA has an adoption term of 6 months from the date it is signed by the authorities and the trade association.

Adoption will require submitting an application using the SCCA platform: <https://accion.ascc.cl/>, where the requested data must be submitted. Alternatively, the SCCA may stipulate another participation mechanism if needed.

The deadlines for implementing the goals and measures in this CPA will all begin after the period for adopting this CPA has ended, regardless of the date each company adopts this CPA.

THIRTEENTH: TERM

This CPA has an implementation term of 24 months, which begins after the period for adopting this CPA has ended. However, each measure described in this CPA must be completed within its specific deadline.

Consequently, the term for implementing the goals and measures will begin after the term for adopting this CPA has ended, so the total term for this CPA is 30 months.

FOURTEENTH: EFFECTIVE FOR PUBLIC SERVICES

This CPA will become effective after the last administrative process to approve it has been completed and will last until all the commitments described in it are fulfilled, particularly the duty of validation by public services in accordance with the Ninth clause, number 3, where applicable.

However, implementation of the measures in this CPA may begin as soon as it is adopted, for good service reasons.

FIFTEENTH: LEGAL REPRESENTATION

The representatives are accredited with the following documents:

ALICIA GALLARDO LAGNO, Undersecretary of Fisheries, recorded in Supreme Decree 03 dated January 07, 2021 issued by the Ministry of Economy, Development and Tourism. **IGNACIO SANTELICES RUIZ and FERNANDO ALVEAR ARTAZA**, Executive Director and Director, respectively, of the Chilean Energy Efficiency Agency, recorded in public deed dated September 27, 2018 repertory 12,364/2018 granted at the Fourth Notary Office of Santiago of Cosme Fernando Gomila Gatica. **GIOVANNI CALDERÓN BASSI**, Executive Director of the Sustainability and Climate Change Agency, recorded in Personnel Resolution 290 issued by the CORFO dated December 1, 2020. **ARTURO CLEMENT DÍAZ**, President of the Asociación de la Industria del Salmón de Chile A.G., as stated in Certificate 601086 dated February 4, 2021 issued by the Associativity and Cooperatives Division of the Undersecretariat of Economy and Small Businesses.

SIXTEENTH: COUNTERPARTS

This AGREEMENT is issued in 2 copies.

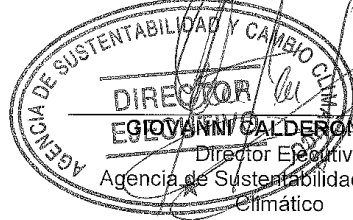
Acuerdo de Producción Limpia: Estrategia de Cambio Climático y Economía Circular para el Sector Salmonero
Regiones de Los Lagos y Aysén

DÉCIMO SÉPTIMO: FIRMANTES



Alicia Gallardo

ALICIA GALLARDO LAGNO
Subsecretaria de Pesca y Acuicultura



Ejioyanni Calderon Bassi
EJIOYANNI CALDERON BASSI
Director Ejecutivo
Agencia de Sustentabilidad y Cambio
Climático

Arturo Clement Díaz

ARTURO CLEMENT DÍAZ
Presidente
Asociación de la Industria del Salmón de
Chile A.G

DÉCIMO OCTAVO: TERCEROS INTERESADOS

Fernando Alvear Artaza

FERNANDO ALVEAR ARTAZA
Director
Agencia Chilena de Eficiencia Energética

Ignacio Santelices Ruiz

IGNACIO SANTELICES RUIZ
Director Ejecutivo
Agencia Chilena de Eficiencia Energética

APPENDIX 1

Appointment of the person responsible for the Clean production Agreement (CPA) (Measure 1.1)

On ...of of, *name of the company's senior management representative*, with Chilean ID number, legal representative of *company name* for the purposes of implementing the CPA at *facility name*, I appoint *name of the person responsible for the CPA* with Chilean ID number, as the person responsible for transitioning the CPA to the circular economy, and as alternate *name of the alternate person* with Chilean ID number

The person responsible, or when replaced by their alternate, will perform the following functions:

- Prepare a CPA implementation plan.
- Keep systematic and tidy records that verify implementation of the CPA.
- Monitor and control the CPA implementation plan.
- Coordinate or perform interim audits and prepare the respective individual reports.
- Report the CPA implementation plan and the individual audit reports to “Accion Empresas”.

Signature

Name

Responsible for the CPA

Signature

Name

Legal Representative or Company
Owner

FORM 1																																	
Diagnose, Monitor, Control and Finally Evaluate compliance with the CPA "Climate Change and Circular Economy Strategy for the Salmon Industry in the Los Lagos and Aysén regions"																																	
Company Information Company Name: _____ Business: _____ Chilean ID number: _____ Facility Information Commercial Name of the Facility: _____ Chilean ID number: _____ Address: _____ Municipality: _____ Region: _____ Province: _____										Audit Information Date: _____ Diagnosis: _____ Audit: <input checked="" type="radio"/> Final Audit <input type="radio"/> Name of Auditor or Person Responsible for the Auditor: _____ Registration Number: _____																							
Nº	GOALS AND MEASURES	2																								3		4		Total evaluation			
		Applies																								Importance factor	If measure (4.2)						
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Yes / No	No. assigned	Complies = 100%	Does not comply = 0%	Evaluate by deadline			
GOAL 1: THE INDUSTRY COMMITS TO PROMOTE SUSTAINABILITY AND IMPLEMENT A COMMUNICATION PLAN THAT REACHES ITS STAKEHOLDERS NATIONWIDE																																	
1.1	Participating companies will appoint an employee responsible for implementing, monitoring and evaluating this CPA.	X																										Yes	2.5	X		Total evaluation	250
1.2	Participating companies will commit to promote sustainability by managing emissions to mitigate climate change and by managing energy consumption and waste using circular economy principles.	X																										Yes	2.5	X		Total evaluation	250
1.3	Participating companies will communicate to their stakeholders nationwide their commitment to promote sustainability, together with their progress with this CPA and other completed measures, including those that mitigate their most significant impacts.		X										X														X	Yes	2.5	X		Total evaluation	250
1.5	Participating companies will design and implement a training plan for their employees on climate change and circular economy principles, which will include a section that describes their corporate commitment to climate change and circular economy principles and progress with this CPA.					X																					X	Yes	2.5	X		Total evaluation	250
PARTICIPATING COMPANIES SET A MITIGATION GOAL FOR THEIR GHG EMISSIONS WHEN THIS CPA HAS EXPIRED.																																	
2.4	Participating companies must at least train their employee responsible for implementing their corporate carbon footprint measurement standards, using the training programs in Measure 2.3.					X																						No	Not evaluated	X		Not evaluated	Not evaluated
2.5	Salmon farming participating companies will measure their corporate carbon footprint every year, according to the standard developed for the industry by SalmonChile in Measure 2.1 and will communicate their results to their internal and external stakeholders.												X														X	No	Not evaluated	X		Not evaluated	Not evaluated
2.6	Salmon farming participating companies will design and implement a climate change mitigation and adaptation plan, which will contain at least the following.												X														X	Yes	16.6	X		Total evaluation	1660
2.7	Participating companies that do not farm salmon will measure their corporate carbon footprint according to the standard developed for the industry by SalmonChile in Measure 2.1, and will select mitigation measures for implementation during the the CPA term, which must be measurable, recordable and verifiable. They will communicate their results to their internal and external stakeholders.												X														X	Yes	16.6	X		Total evaluation	1660
2.8	Salmon industry feed producing and supplying participating companies will measure the carbon footprint of their products using product life cycle analysis, according to the standard developed for the industry by SalmonChile in Measure 2.2. They will select mitigation measures for implementation during the the CPA term, which must be measurable, recordable and verifiable. They will communicate their results to their internal and external stakeholders.												X														X	Yes	16.6	X		Total evaluation	1660
2.10	Participating companies register with the Huella Chile program at the Ministry of the Environment.												X															Yes	16.6	X		Total evaluation	1660
GOAL 3: THE INDUSTRY HAS A WASTE INFORMATION SYSTEM AND GUIDELINES ON ADOPTING CIRCULAR ECONOMY PRINCIPLES																																	
3.2	Participating companies must at least train their employee responsible for solid waste management using the training program developed in Measure 3.1.								X																			Yes	10	X		Total evaluation	1000
3.6	Salmon farming participating companies will gradually introduce asset traceability measures that will track the ownership of assets released into the sea, which will include the following.												X															Yes	10	X		Total evaluation	1000

4 SALMON FARMING COMPANIES SET A RECOVERY GOAL FOR THEIR INORGANIC SOLID WASTE WHEN THIS CPA HAS EXPIRED																										
4.2	Salmon farming participating companies will report all their inorganic solid waste every six months using the platform developed in Measure 3.2.							x								x		Yes	6.66	X		Total evaluation	666			
4.5	Salmon farming participating companies will train 50% of fish farming site managers and suppliers of nets, diving services and site assembly and disassembly services. This training course will cover the marine waste prevention measures and good practices that were developed in Measure 4.4.																	Yes	6.66	X		Total evaluation	666			
4.6	Salmon farming participating companies will design and implement a circular economy plan to manage their inorganic solid waste, based on the roadmap designed by SalmonChile in Measure 4.1 and the good practices described in Measure 4.4.																x	Yes	6.66	X		Total evaluation	666			
5 SALMON FARMING COMPANIES AND THEIR SUPPLIERS DESIGN NEW CIRCULAR BUSINESS MODELS																										
5.2	Participating companies supplying the industry will propose at least two alternative projects for waste prevention and recovery within the industry.																	x	Yes	10	X		Total evaluation	1000		
6 SALMON FARMING PARTICIPATING COMPANIES MEASURE THEIR CORPORATE WATER FOOTPRINT																										
6.2	Salmon farming participating companies will measure their water footprint according to the standard developed in Measure 6.1. and will communicate their results to their stakeholders.																	x	Yes	5	X		Total evaluation	500		
6.3	Salmon farming participating companies will identify and develop projects to compensate for the environmental impact of their water footprint, such as regional reforestation, wetland conservation and ecosystem restoration initiatives.																	x	Yes	5	X		Total evaluation	500		
7 SALMON FARMING COMPANIES IMPLEMENT LOCAL COMMUNITY SUSTAINABILITY PROJECTS																										
7.1	Salmon farming participating companies will report to SalmonChile a portfolio of local community initiatives in relation to climate change and the circular economy.	x																Yes	2.5	X		Total evaluation	250			
7.3	Salmon farming participating companies will design and implement an awareness program regarding the sustainability and environmental responsibility of the coastal communities selected by those companies, in conjunction with the CPA Coordination Committee.																	x	Yes	2.5	X		Total evaluation	250		
7.4	Salmon farming participating companies will implement a community training program on the strategy for managing household waste, which will include a system for evaluating satisfaction and monitoring results.																		x	Yes	2.5	X		Total evaluation	250	
7.5	Salmon farming participating companies will design and implement at least one new project to increase the collection and recycling of waste generated by local communities and/or with their stakeholders.																	x	Yes	2.5	X		Total evaluation	250		
																			0	3	7.50	3	0	0	750	100.00
																	FACILITY RESULT									