



Transparency Act Report 2024

Aquabyte AS

Org. Num 919904410

1. Introduction and background

This report has been prepared in accordance with the requirements of the Norwegian Transparency Act, which entered into force on July 1, 2022. The Act requires larger enterprises to carry out and publish due diligence assessments related to human rights and decent working conditions within their own operations and throughout the supply chain.

As a result of these requirements, Aquabyte has for the first time prepared a public statement outlining our due diligence assessments. This marks the beginning of our work to systematically map, assess, and manage actual and potential risks across our value chain.

The statement represents an important step in our ongoing efforts toward transparency, accountability, and continuous improvement, and will be updated annually in line with the requirements of the Act and the further development of the company.

This report is available at <https://aquabyte.ai/transparency-act/>

Inquiries related to this statement can be directed to: info@aquabyte.ai

2. About Aquabyte

Aquabyte AS is a leading provider of monitoring systems for fish in both sea-based and land-based aquaculture facilities. Based on camera and AI technology, our system calculates fish weight and growth, performs automatic lice counting, and monitors fish welfare and behaviour - all without the need for manual handling of the fish.

The data and insights provided by our system enable fish farmers to make informed decisions throughout the production cycle, promoting improved fish welfare and increased sustainability.

Our customers include aquaculture companies in all major global farming markets: Norway, Chile, Iceland, the Faroe Islands, Scotland, Ireland, and Canada.

As of the end of May 2025, Aquabyte AS has just under 45 employees at our office at Damsgård in Bergen, across the following teams: product development, manufacturing & operation, customer support, sales, marketing, R&D, and administration.

Aquabyte AS is wholly owned by Aquabyte Inc.

3. Governance & Responsibility

Organizational commitment

Our work on human rights, decent working conditions, and risk mitigation is firmly rooted within the organization. The overall responsibility lies with Aquabyte's management, represented by the company's CEO and Board of Directors. Changes to internal guidelines are communicated to all employees, including through our employee handbook, which is updated regularly.

Our Code of Conduct

Aquabyte has developed a Code of Conduct that applies to all employees and anyone acting on behalf of the company. These guidelines are supplementary to applicable laws and have been developed in collaboration with employees, drawing on their experience.

Aquabyte's managers have a particular responsibility to ensure that employees are familiar with and comply with these guidelines.

Health, Safety, and Environment (HSE)

The company has established HSE routines to ensure that all employees have a safe and secure workplace. A safety representative has been elected to represent employees and contribute to a safe working environment.

Working Environment Committee (AMU)

Aquabyte's Working Environment Committee is elected in accordance with Norwegian law. The committee plays a central role in ensuring a safe and health-promoting working environment for all employees and is responsible for:

- Monitoring and improving workplace health and safety
- Addressing concerns related to the work environment
- Ensuring compliance with applicable laws and regulations

The committee consists of representatives from both employer and employees, including the safety representative, and is elected for a term of two years.

Whistleblowing Procedures

The right to report concerns is a fundamental entitlement, and Aquabyte values an open culture of free expression where whistleblowing is taken seriously. According to Section 2 A-1 of the Norwegian Working Environment Act, it is permitted to report any form of censurable conditions, such as:

- Danger to life or health
- Threats to the climate or environment
- Corruption or other financial crime
- Abuse of power

- An unsafe working environment

ESG – Environmental, Social & Governance

Aquabyte has established an ESG group that meets regularly to evaluate the company's approach to sustainability and ethical business practices. The group is currently preparing an internal report that, among other topics, addresses the use of recycled packaging for our products. All employees who are interested are welcome to participate in the ESG group.

4. Due Diligence Methodology

In accordance with Section 4 and 5 of the Transparency Act, Aquabyte conducted due diligence activities throughout 2024. This included:

- A self-assessment using the Factlines system (www.factlines.com), based on the UN Global Compact's ten principles
- Published the Code of Conduct for all suppliers and partners
- Conducted the supplier survey to key vendors accounting for over 80% of procurement value
- Engagement with AMU to facilitate the HSE training to all employees

The process has helped us identify actual and potential risks related to human rights and working conditions across both our internal operations and supply chain.

5. Internal Risk Assessment

The internal evaluation using Factlines produced an overall sustainability score of 80/100. While the result is positive, the assessment uncovered the following key risk areas:

Follow-up of Suppliers

Lack of systematic follow-up of suppliers may result in Aquabyte purchasing goods and services from entities that do not comply with the company's Code of Conduct or the principles of the UN Global Compact. This increases the risk of violations of fundamental human rights and sustainability standards within the supply chain.

Use of Internal Management System

Insufficient attention to the implementation and use of internal systems for risk identification and mitigation may lead to accidents and other undesirable incidents — particularly in connection with equipment installation at customer sites, as well as during assembly and maintenance of components at Aquabyte's own facilities.

Environmental impact

Aquabyte acknowledges that a lack of internal focus on the company's environmental impact may lead to negative consequences for both people and society. Key risk factors include:

- Increased environmental footprint due to higher emissions and inadequate handling of waste and packaging
- Violations of international sustainability standards, which may undermine the company's legitimacy and credibility in the market
- Unethical practices in the supply chain due to the absence of environmental requirements

Risk area	Risk assessment
Social responsibility, strategy, and guidelines	Low
Supplier chain follow-up	Medium
Inspection	Low
Management systems	Medium
Labor rights	Low
Conflict minerals	Low
Anti-corruption	Low
Risk and due diligence assessments	Low
Indigenous peoples and environment	Medium

Assessment of Aquabyte based on self-evaluation using the Factlines service.

Planned Measures:

- Ensure all new vendors and business partners read and agree with the Supplier's Conduct of Conduct published
- Strengthen internal governance and communication of risk routines
- Develop and implement concrete environmental KPIs in 2025
- Plan to publish the sustainability report in 2026
- Ensure all employees receive annual training in HSE and ethical compliance

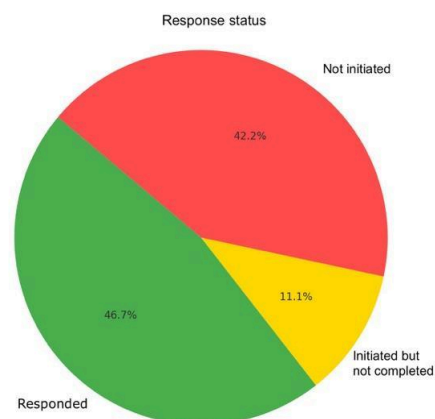
6. Supplier Risk Assessment

In the spring of 2025, we conducted a supplier assessment using the Factlines system, distributing a questionnaire to 45 of our suppliers. These suppliers collectively represent over 80% of the total value of our purchases of products and services.

Individual reminders were sent to suppliers who had not responded by the initial deadline of May 20. The final response deadline was set to June 2. As of that date, the status was as follows:

- 21 suppliers had completed the questionnaire
- 5 suppliers had started filling out the questionnaire but did not complete it by the deadline
- 19 suppliers had not started filling out the questionnaire by the deadline

This results in a completion response rate of 46.7%.



Among the suppliers who responded to the questionnaire within the deadline, the national affiliation was distributed as follows:

- 14 suppliers in Norway
- 4 suppliers in the USA
- 1 supplier in China
- 1 supplier in Great Britain
- 1 supplier in the Philippines



Remarks on survey and response rate

Despite individual follow-ups, less than half of our key suppliers responded by the deadline. This highlights a clear potential for improvement, and the following actions will be taken to increase the response rate going forward:

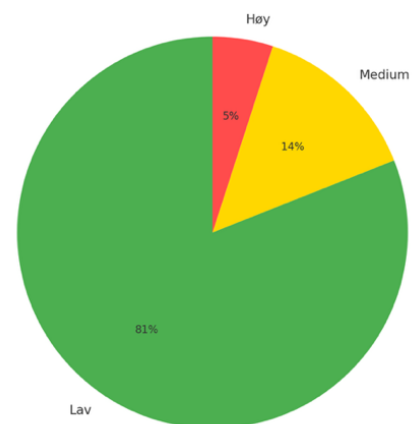
1. Ensure recipient information (contact person and email address) is verified before distribution
2. Distribute the survey earlier and allow more time for responses

Identified risk areas

Although the response rate was lower than desired, the survey provided valuable insight into the practices and maturity levels of our suppliers. Particularly encouraging was that several responses came from suppliers in geographic areas with higher risk, contributing to a more representative data set.

Risk assessments for suppliers who responded to the survey:

- 17 classified with overall risk level "Low"
- 3 classified with overall risk level "Medium"
- 1 classified with overall risk level "High"



Suppliers classified as "Medium" or "High" risk were more likely to answer "Don't know" or "No" to questions related to the following risk factors:

- Internal ethical guidelines and their enforcement
- Follow-up of their own supply chains
- Use of internal HSE systems
- Marginalized population groups

7. Follow-Up Measures and Continuous Improvement

Aquabyte is committed to strengthening its due diligence process over time. Based on findings from 2024-2025, the following actions will be prioritized:

- o Develop and implement routines for improved supplier follow-up
- o Ensure that suppliers use health, safety, and environment (HSE) systems
- o Ensure that our suppliers comply with Aquabyte's Code of Conduct
- o Encourage our suppliers to conduct their own assessments of the businesses from which they purchase goods and services

8. Whistleblowing and Stakeholder Engagement

Aquabyte upholds the right to report wrongdoing as a fundamental part of our workplace culture. Employees and external stakeholders can report censurable conditions, such as threats to life or health, environmental damage, corruption, discrimination, and other violations.

Our whistleblowing system complies with Section 2 A-1 of the Norwegian Working Environment Act and ensures anonymity, protection against retaliation, and timely handling of concerns. Cases are reviewed by the management team and AMU.

We also maintain regular contact with suppliers, customers, and other stakeholders to ensure openness and accountability in our value chain.

9. Summary and Statement of Compliance

The assessment of both our own operations and our suppliers has been a valuable and awareness-raising process. It has provided us with greater insight into several key areas, such as the use of management systems, environmental impact, human rights, and decent working conditions.

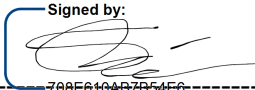
The process has clarified the need to establish internal targets, strengthen the use of management systems, and develop closer dialogue with our suppliers. This provides a solid foundation for targeted actions and continuous improvement, in line with the requirements of the Transparency Act.

As part of our efforts to assess and reduce risk both internally and within the supply chain, we adopted the Factlines system in the spring of 2025. This tool will support more systematic collection and evaluation of information related to suppliers' practices in areas such as human rights, working conditions, the environment, and anti-corruption.

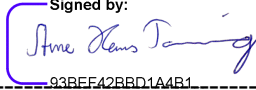
Our Code of Conduct for suppliers is also available on our website:

<https://aquabyte.ai/transparency-act/>

On behalf of Aquabyte AS:

Signed by:


 700E610AB7B54E6
 Steve Tucker, Chair of the Board

Signed by:


 93BFF42BBD1A4B1
 Arne Hans Tonning, Board Member