



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	946 598 038
Organisasjonsform:	Allmennaksjeselskap
Foretaksnavn:	GRIEG SEAFOOD ASA
Forretningsadresse:	C Sundtsg 17/19 5004 BERGEN

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023
-------------------------	-------------------------

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Trude Østvedt
Dato for fastsettelse av årsregnskapet:	21.03.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 27.07.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Annen driftsinntekt	2,3	258 137 000	288 015 000
Sum inntekter		258 137 000	288 015 000
Kostnader			
Lønnskostnad	4,14	84 870 000	118 348 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	7	3 357 000	6 984 000
Annen driftskostnad	2,4	84 964 000	199 548 000
Sum kostnader		173 191 000	324 880 000
Driftsresultat		84 946 000	-36 865 000
Finansinntekter og finanskostnader			
Konsernbidrag			995 290 000
Renteinntekt fra foretak i samme konsern	2,5	256 505 000	103 141 000
Annen finansinntekt	5	123 425 000	103 124 000
Verdiøkning andre finansielle instrumenter vurdert til virkelig verdi	5	31 044 000	72 231 000
Sum finansinntekter		410 974 000	1 273 786 000
Verdireduksjon andre finansielle instrumenter vurdert til virkelig verdi	5		21 178 000
Rentekostnad til foretak i samme konsern	2,5	35 373 000	2 958 000
Annen rentekostnad	5	189 196 000	134 897 000
Annen finanskostnad	5	60 649 000	62 145 000
Sum finanskostnader		285 218 000	221 178 000
Netto finans		125 756 000	1 052 608 000
Ordinært resultat før skattekostnad		210 702 000	1 015 743 000
Skattekostnad på ordinært resultat	6	51 593 000	221 666 000
Ordinært resultat etter skattekostnad		159 109 000	794 077 000
Årsresultat		159 109 000	794 077 000



Resultatregnskap

Beløp i: NOK	Note	2023	2022
Overføringer og disponeringer			
Ordinært utbytte	12	196 233 000	504 120 000
Overføringer til/fra annen egenkapital		-37 124 000	289 957 000
Sum overføringer og disponeringer		159 109 000	794 077 000



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Software	7	7 265 000	8 357 000
Utsatt skattefordel	5	296 000	14 192 000
Sum immaterielle eiendeler		7 561 000	22 549 000
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende		1 209 000	1 207 000
Sum varige driftsmidler		1 209 000	1 207 000
Finansielle anleggsmidler			
Investering i datterselskap	8	2 022 531 000	1 903 409 000
Lån til foretak i samme konsern	2	810 459 000	797 907 000
Investeringer i aksjer og andeler		169 000	169 000
Sum finansielle anleggsmidler		2 833 159 000	2 701 485 000
Sum anleggsmidler		2 841 929 000	2 725 241 000
Omløpsmidler			
Varer			
Fordringer			
Andre fordringer	2,9	10 445 000	18 281 000
Konsernfordringer	2	4 699 064 000	2 896 569 000
Sum fordringer		4 709 509 000	2 914 850 000
Investeringer			
Andre finansielle instrumenter	10	4 908 000	1 013 414 000
Sum investeringer		4 908 000	1 013 414 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	11	27 194 000	524 823 000
Sum bankinnskudd, kontanter og lignende		27 194 000	524 823 000
Sum omløpsmidler		4 741 611 000	4 453 087 000



Balanse

Beløp i: NOK	Note	2023	2022
SUM EIENDELER		7 583 540 000	7 178 328 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	12	453 788 000	453 788 000
Beholdning av egne aksjer		-5 255 000	-5 407 000
Annen innskutt egenkapital	12	228 593 000	227 477 000
Sum innskutt egenkapital		677 126 000	675 858 000
Opptjent egenkapital			
Betinget vederlag	12	701 535 000	701 535 000
Annen egenkapital		1 602 064 000	1 633 390 000
Sum opptjent egenkapital		2 303 599 000	2 334 925 000
Sum egenkapital		2 980 725 000	3 010 783 000
Gjeld			
Langsiktig gjeld			
Opsjoner	14	8 178 000	6 756 000
Sum avsetninger for forpliktelser		8 178 000	6 756 000
Annen langsiktig gjeld			
Obligasjonslån	13	1 383 463 000	1 408 523 000
Gjeld til kredittinstitusjoner	13	2 003 450 000	1 336 142 000
Sum annen langsiktig gjeld		3 386 913 000	2 744 665 000
Sum langsiktig gjeld		3 395 091 000	2 751 421 000
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	13	195 866 000	128 211 000
Leverandørgjeld		9 910 000	5 432 000
Betalbar skatt	6	0	243 029 000
Skyldige offentlige avgifter		5 530 000	9 586 000
Utbytte		196 233 000	504 120 000
Kortsiktig konserngjeld		771 358 000	420 651 000



Balanse

Beløp i: NOK	Note	2023	2022
Annen kortsiktig gjeld		27 993 000	104 414 000
kontantopsjoner	14	833 000	672 000
Sum kortsiktig gjeld		1 207 723 000	1 416 115 000
 Sum gjeld		 4 602 814 000	 4 167 536 000
 SUM EGENKAPITAL OG GJELD		 7 583 539 000	 7 178 319 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	5,6	7 019 632 000	7 163 956 000
Annen driftsinntekt		38 497 000	31 490 000
Other gains/ losses		-6 959 000	13 393 000
Share of profit from associates	16	-6 957 000	21 096 000
Sum inntekter		7 044 213 000	7 229 935 000
Kostnader			
Varekostnad	19	2 747 944 000	2 233 655 000
fair value adjustment	19	-217 922 000	-83 412 000
Lønnskostnad	7,8	725 653 000	695 577 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	14,13, 28	554 703 000	451 347 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler	13,14, 15	-136 000	140 074 000
Annen driftskostnad	9,20,2 8	2 253 241 000	2 295 107 000
Share of profit from associates			
Sum kostnader		6 063 483 000	5 732 348 000
Driftsresultat		980 730 000	1 497 587 000
Finansinntekter og finanskostnader			
Annen renteinntekt	11	3 796 000	11 893 000
Annen finansinntekt		80 860 000	39 898 000
Verdøkning andre finansielle instrumenter vurdert til virkelig verdi	11	26 703 000	61 851 000
Realized/unrealized gain on investment in money marked	11	28 836 000	12 625 000
Sum finansinntekter		140 195 000	126 267 000
Verdireduksjon andre finansielle instrumenter vurdert til virkelig verdi	1	11 926 000	0
Annen rentekostnad	11	253 706 000	156 067 000
Annen finanskostnad	11	11 136 000	20 144 000
Sum finanskostnader		276 768 000	176 211 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2023	2022
Netto finans		-136 573 000	-49 944 000
Ordinært resultat før skattekostnad		844 157 000	1 447 643 000
Skattekostnad på ordinært resultat	12	284 407 000	293 864 000
Ordinært resultat etter skattekostnad		559 750 000	1 153 779 000
Årsresultat		559 750 000	1 153 779 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		559 750 000	1 153 779 000
Sum overføringer og disponeringer		559 750 000	1 153 779 000



Konsernets balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	13,15	1 489 798 000	1 463 710 000
Other intangible assets	13	13 275 000	14 689 000
Goodwill	13,15	727 111 000	691 094 000
Sum immaterielle eiendeler		2 230 184 000	2 169 493 000
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	14	1 472 094 000	1 302 600 000
Net, cages and moorings	14	729 174 000	603 938 000
Prod. plants and barges	14	1 576 496 000	1 380 814 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	14	1 317 637 000	748 238 000
Sum varige driftsmidler		5 095 401 000	4 035 590 000
Finansielle anleggsmidler			
Investeringer i tilknyttet selskap	16	209 667 000	216 624 000
Lån til tilknyttet selskap og felles kontrollert virksomhet		42 337 000	17 935 000
Andre fordringer		40 000 000	40 000 000
Sum finansielle anleggsmidler		292 004 000	274 559 000
Sum anleggsmidler		7 617 589 000	6 479 642 000
Omløpsmidler			
Varer			
Varer	18	230 053 000	240 172 000
Biological assets	19	5 065 718 000	4 045 800 000
Sum varer		5 295 771 000	4 285 972 000
Fordringer			
Kundefordringer	4,20,3 1	327 160 000	259 137 000
Andre fordringer	21,31	171 249 000	157 060 000
Andre fordringer		0	
Sum fordringer		498 409 000	416 197 000



Konsernets balanse

Beløp i: NOK	Note	2023	2022
Investeringer			
Andre markedsbaserte finansielle instrumenter	22,31	0	1 012 848 000
Andre finansielle instrumenter	4,31	35 165 000	37 987 000
Sum investeringer		35 165 000	1 050 835 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	4,23,3 1	216 318 000	642 719 000
Sum bankinnskudd, kontanter og lignende		216 318 000	642 719 000
Sum omløpsmidler		6 045 663 000	6 395 723 000
SUM EIENDELER		13 663 252 000	12 875 365 000

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Selskapskapital	24	453 788 000	453 788 000
Beholdning av egne aksjer		-5 255 000	-5 407 000
Annen innskutt egenkapital		701 535 000	701 535 000
Sum innskutt egenkapital		1 150 068 000	1 149 916 000

Opptjent egenkapital

Annen egenkapital	25	5 519 102 000	5 335 792 000
Sum opptjent egenkapital		5 519 102 000	5 335 792 000

Sum egenkapital		6 669 170 000	6 485 708 000
------------------------	--	----------------------	----------------------

Gjeld

Langsiktig gjeld

Utsatt skatt	12	842 612 000	1 041 101 000
Andre avsetninger for forpliktelser		8 178 000	6 756 000
Sum avsetninger for forpliktelser		850 790 000	1 047 857 000

Annen langsiktig gjeld

Obligasjonslån	27,31	1 392 500 000	1 423 500 000
----------------	-------	---------------	---------------



Konsernets balanse

Beløp i: NOK	Note	2023	2022
Gjeld til kredittinstitusjoner	27,31	3 210 529 000	2 068 959 000
Sum annen langsiktig gjeld		4 603 029 000	3 492 459 000
Sum langsiktig gjeld		5 453 819 000	4 540 316 000
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner		507 961 000	368 878 000
Leverandørgjeld		760 753 000	717 498 000
Betalbar skatt		6 156 000	353 191 000
Skyldige offentlige avgifter		27 266 000	55 963 000
Annen kortsiktig gjeld		236 417 000	288 882 000
Dervatoves	4,31	1 709 000	64 928 000
Sum kortsiktig gjeld		1 540 262 000	1 849 340 000
Sum gjeld		6 994 081 000	6 389 656 000
SUM EGENKAPITAL OG GJELD		13 663 251 000	12 875 364 000



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 719581

Enheten

Organisasjonsnummer: 946 598 038
Organisasjonsform: Allmennaksjeselskap
Foretaksnavn: GRIEG SEAFOOD ASA
Forretningsadresse: C Sundtsg 17/19
5004 BERGEN

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av
årsregnskapet til konsernet: IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Trude Østvedt
Dato for fastsettelse av årsregnskapet: 21.03.2024

Grunnlag for avgivelse

År 2023: Årsregnskap er elektronisk innlevert.
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023.

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 19.08.2024



Organisasjonsnr: 946 598 038
GRIEG SEAFOOD ASA

RESULTATREGNSKAP

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Annen driftsinntekt	2,3	258 137 000	288 015 000
Sum inntekter		258 137 000	288 015 000
Kostnader			
Lønnskostnad	4,14	84 870 000	118 348 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	7	3 357 000	6 984 000
Annen driftskostnad	2,4	84 964 000	199 548 000
Sum kostnader		173 191 000	324 880 000
Driftsresultat		84 946 000	-36 865 000
Finansinntekter og finanskostnader			
Konsernbidrag			995 290 000
Renteinntekt fra foretak i samme konsern	2,5	256 505 000	103 141 000
Annen finansinntekt	5	123 425 000	103 124 000
Verdiøkning andre finansielle instrumenter vurdert til virkelig verdi	5	31 044 000	72 231 000
Sum finansinntekter		410 974 000	1 273 786 000
Verdireduksjon andre finansielle instrumenter vurdert til virkelig verdi	5		21 178 000
Rentekostnad til foretak i samme konsern	2,5	35 373 000	2 958 000
Annen rentekostnad	5	189 196 000	134 897 000
Annen finanskostnad	5	60 649 000	62 145 000
Sum finanskostnader		285 218 000	221 178 000
Netto finans		125 756 000	1 052 608 000
Ordinært resultat før skattekostnad		210 702 000	1 015 743 000
Skattekostnad på ordinært resultat	6	51 593 000	221 666 000
Ordinært resultat etter skattekostnad		159 109 000	794 077 000
Årsresultat		159 109 000	794 077 000
Overføringer og disponeringer			
Ordinært utbytte	12	196 233 000	504 120 000



Overføringer til/fra annen egenkapital	-37 124 000	289 957 000
Sum overføringer og disponeringer	159 109 000	794 077 000



Organisasjonsnr: 946 598 038
GRIEG SEAFOOD ASA

BALANSE

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Software	7	7 265 000	8 357 000
Utsatt skattefordel	5	296 000	14 192 000
Sum immaterielle eiendeler		7 561 000	22 549 000
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende		1 209 000	1 207 000
Sum varige driftsmidler		1 209 000	1 207 000
Finansielle anleggsmidler			
Investering i datterselskap	8	2 022 531 000	1 903 409 000
Lån til foretak i samme konsern	2	810 459 000	797 907 000
Investeringer i aksjer og andeler		169 000	169 000
Sum finansielle anleggsmidler		2 833 159 000	2 701 485 000
Sum anleggsmidler		2 841 929 000	2 725 241 000
Omløpsmidler			
Varer			
Fordringer			
Andre fordringer	2,9	10 445 000	18 281 000
Konsernfordringer	2	4 699 064 000	2 896 569 000
Sum fordringer		4 709 509 000	2 914 850 000
Investeringer			
Andre finansielle instrumenter	10	4 908 000	1 013 414 000
Sum investeringer		4 908 000	1 013 414 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	11	27 194 000	524 823 000
Sum bankinnskudd, kontanter og lignende		27 194 000	524 823 000
Sum omløpsmidler		4 741 611 000	4 453 087 000
SUM EIENDELER		7 583 540 000	7 178 328 000



BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Selskapskapital	12	453 788 000	453 788 000
Beholdning av egne aksjer		-5 255 000	-5 407 000
Annen innskutt egenkapital	12	228 593 000	227 477 000
Sum innskutt egenkapital		677 126 000	675 858 000

Opptjent egenkapital

Betinget vederlag	12	701 535 000	701 535 000
Annen egenkapital	1	602 064 000	633 390 000
Sum opptjent egenkapital		2 303 599 000	2 334 925 000

Sum egenkapital		2 980 725 000	3 010 783 000
------------------------	--	----------------------	----------------------

Gjeld

Langsiktig gjeld

Opsjoner	14	8 178 000	6 756 000
Sum avsetninger for forpliktelser		8 178 000	6 756 000

Annen langsiktig gjeld

Obligasjonslån	13	1 383 463 000	1 408 523 000
Gjeld til kredittinstitusjoner	13	2 003 450 000	1 336 142 000
Sum annen langsiktig gjeld		3 386 913 000	2 744 665 000

Sum langsiktig gjeld		3 395 091 000	2 751 421 000
-----------------------------	--	----------------------	----------------------

Kortsiktig gjeld

Gjeld til kredittinstitusjoner	13	195 866 000	128 211 000
Leverandørgjeld		9 910 000	5 432 000
Betalbar skatt	6	0	243 029 000
Skyldige offentlige avgifter		5 530 000	9 586 000
Utbytte		196 233 000	504 120 000
Kortsiktig konserngjeld		771 358 000	420 651 000
Annen kortsiktig gjeld		27 993 000	104 414 000
kontantopsjoner	14	833 000	672 000
Sum kortsiktig gjeld		1 207 723 000	1 416 115 000

Sum gjeld		4 602 814 000	4 167 536 000
------------------	--	----------------------	----------------------

SUM EGENKAPITAL OG GJELD		7 583 539 000	7 178 319 000
---------------------------------	--	----------------------	----------------------



Organisasjonsnr: 946 598 038
GRIEG SEAFOOD ASA

KONSERNRESULTATREGNSKAP

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	5, 6	7 019 632 000	7 163 956 000
Annen driftsinntekt		38 497 000	31 490 000
Other gains/ losses		-6 959 000	13 393 000
Share of profit from associates	16	-6 957 000	21 096 000
Sum inntekter		7 044 213 000	7 229 935 000
Kostnader			
Varekostnad	19	2 747 944 000	2 233 655 000
fair value adjustment	19	-217 922 000	-83 412 000
Lønnskostnad	7, 8	725 653 000	695 577 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	14, 13, 28	554 703 000	451 347 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler	13, 14, 15	-136 000	140 074 000
Annen driftskostnad	9, 20, 28	2 253 241 000	2 295 107 000
Share of profit from associates			
Sum kostnader		6 063 483 000	5 732 348 000
Driftsresultat		980 730 000	1 497 587 000
Finansinntekter og finanskostnader			
Annen renteinntekt	11	3 796 000	11 893 000
Annen finansinntekt		80 860 000	39 898 000
Verdiøkning andre finansielle instrumenter vurdert til virkelig verdi	11	26 703 000	61 851 000
Realized/unrealized gain on investment in money marked	11	28 836 000	12 625 000
Sum finansinntekter		140 195 000	126 267 000
Verdireduksjon andre finansielle instrumenter vurdert til virkelig verdi	1	11 926 000	0
Annen rentekostnad	11	253 706 000	156 067 000
Annen finanskostnad	11	11 136 000	20 144 000
Sum finanskostnader		276 768 000	176 211 000
Netto finans		-136 573 000	-49 944 000
Ordinært resultat før skattekostnad		844 157 000	1 447 643 000



Skattekostnad på ordinært resultat	12	284 407 000	293 864 000
Ordinært resultat etter skattekostnad		559 750 000	1 153 779 000
Årsresultat		559 750 000	1 153 779 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		559 750 000	1 153 779 000
Sum overføringer og disponeringer		559 750 000	1 153 779 000



Organisasjonsnr: 946 598 038
GRIEG SEAFOOD ASA

KONSERNBALANSE

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	13,15	1 489 798 000	1 463 710 000
Other intangible assets	13	13 275 000	14 689 000
Goodwill	13,15	727 111 000	691 094 000
Sum immaterielle eiendeler		2 230 184 000	2 169 493 000
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	14	1 472 094 000	1 302 600 000
Net, cages and moorings	14	729 174 000	603 938 000
Prod. plants and barges	14	1 576 496 000	1 380 814 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	14	1 317 637 000	748 238 000
Sum varige driftsmidler		5 095 401 000	4 035 590 000
Finansielle anleggsmidler			
Investeringer i tilknyttet selskap	16	209 667 000	216 624 000
Lån til tilknyttet selskap og felles kontrollert virksomhet		42 337 000	17 935 000
Andre fordringer		40 000 000	40 000 000
Sum finansielle anleggsmidler		292 004 000	274 559 000
Sum anleggsmidler		7 617 589 000	6 479 642 000
Omløpsmidler			
Varer			
Varer	18	230 053 000	240 172 000
Biological assets	19	5 065 718 000	4 045 800 000
Sum varer		5 295 771 000	4 285 972 000
Fordringer			
Kundefordringer	4,20,31	327 160 000	259 137 000
Andre fordringer	21,31	171 249 000	157 060 000
Andre fordringer		0	
Sum fordringer		498 409 000	416 197 000
Investeringer			
Andre markedsbaserte finansielle instrumenter	22,31	0	1 012 848 000
Andre finansielle instrumenter	4,31	35 165 000	37 987 000



Sum investeringer		35 165 000	1 050 835 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	4,23,31	216 318 000	642 719 000
Sum bankinnskudd, kontanter og lignende		216 318 000	642 719 000
Sum omløpsmidler		6 045 663 000	6 395 723 000
SUM EIENDELER		13 663 252 000	12 875 365 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	24	453 788 000	453 788 000
Beholdning av egne aksjer		-5 255 000	-5 407 000
Annen innskutt egenkapital		701 535 000	701 535 000
Sum innskutt egenkapital		1 150 068 000	1 149 916 000
Opptjent egenkapital			
Annen egenkapital	25	5 519 102 000	5 335 792 000
Sum opptjent egenkapital		5 519 102 000	5 335 792 000
Sum egenkapital		6 669 170 000	6 485 708 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	12	842 612 000	1 041 101 000
Andre avsetninger for forpliktelse		8 178 000	6 756 000
Sum avsetninger for forpliktelse		850 790 000	1 047 857 000
Annen langsiktig gjeld			
Obligasjonslån	27,31	1 392 500 000	1 423 500 000
Gjeld til kredittinstitusjoner	27,31	3 210 529 000	2 068 959 000
Sum annen langsiktig gjeld		4 603 029 000	3 492 459 000
Sum langsiktig gjeld		5 453 819 000	4 540 316 000
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner		507 961 000	368 878 000
Leverandørgjeld		760 753 000	717 498 000
Betalbar skatt		6 156 000	353 191 000
Skyldige offentlige avgifter		27 266 000	55 963 000
Annen kortsiktig gjeld		236 417 000	288 882 000
Dervatoves	4,31	1 709 000	64 928 000
Sum kortsiktig gjeld		1 540 262 000	1 849 340 000
Sum gjeld		6 994 081 000	6 389 656 000



SUM EGENKAPITAL OG GJELD	13 663 251 000	12 875 364 000
--------------------------	----------------	----------------



Organisasjonsnr: 946 598 038
GRIEG SEAFOOD ASA

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
4

Antall årsverk i regnskapsåret
39.00

Note
4

Spesifisering av resultatregnskapet

Lønnskostnader

Lønn	Årets	Fjorårets
	53995000.00	68263000.00
Folketrygdavgift	Årets	Fjorårets
	9384000.00	13122000.00
Pensjonskostnader	Årets	Fjorårets
	2561000.00	2523000.00
Andre ytelser	Årets	Fjorårets
	18930000.00	34440000.00
Sum lønnskostnader	Årets	Fjorårets
	84870000.00	118348000.00

Note

Ekstraordinære inntekter og kostnader

Sum	Beløp
-----	-------

Note
7

Varige driftsmidler og immaterielle eiendeler

Anskaffelseskost 01.01.	Varige driftsmidler	Immaterielle eiend.
	18599000.00	56471000.00
Tilgang i året	Varige driftsmidler	Immaterielle eiend.



674000.00 1592000.00

<u>Anskaffelseskost 31.12.</u>	<u>Varige driftsmidler</u>	<u>Immaterielle eiend.</u>
18599000.00	58063000.00	

<u>Samlede av-/nedskrivn.</u>	<u>Varige driftsmidler</u>	<u>Immaterielle eiend.</u>
17390000.00	49206000.00	

<u>Balanseført verdi 31.12.</u>	<u>Varige driftsmidler</u>	<u>Immaterielle eiend.</u>
1209000.00	7265000.00	

<u>Årets av-/nedskrivn.</u>	<u>Varige driftsmidler</u>	<u>Immaterielle eiend.</u>
672000.00	2684000.00	

<u>Økonomisk levetid</u>	<u>Immaterielle eiend.</u>
	3-10

<u>Avskrivningsplan</u>	<u>Immaterielle eiendeler</u>
	Linær

Anskaffelseskost - balanseførte lånekostnader, egentilvirkede anleggsmidler

Goodwill spesifisert for hvert enkelt virksomhetsskjøp

Avskrivningsplan for goodwill som er lenger enn fem år - begrunnelse

Mer om varige driftsmidler/immaterielle eiendeler

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Konsern, tilknyttet selskap m.v. - fordringer og gjeld

Fordringer

<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
	5509523000.0	3694476000.0
	0	0

<u>Samlet beløp - tilknyttet selskap</u>	<u>Årets</u>	<u>Fjorårets</u>
--	--------------	------------------

<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
---	--------------	------------------

Kortsiktig gjeld



<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
	771358000.00	420651000.00

<u>Samlet beløp - felles kontrollert virksomhet</u>	<u>Årets</u>	<u>Fjorårets</u>
---	--------------	------------------

Samlet forpliktelse til fordel for foretak i samme konsern

<u>Pantstillelse</u>	<u>Beløp</u>
	2143908000.00
	0

<u>Garantier</u>	<u>Beløp</u>
	11400000.00

Mer om tilknyttet selskap/datterselskap

Note

Fordringer

Fordringer som forfaller senere enn ett år etter regnskapsårets slutt
810459000.00

Mer om fordringer

Lån til datterselskaper. GSF ASA (mor) har en konsernkontoordning for finansiering

Note

10

Virkelig verdi og resultatført verdiendr. i perioden, finansielle instrumenter

<u>Eiendel</u>	<u>Virk. verdi</u>	<u>Verdiendring</u>
Valutakontrakt	4341000.00	4341000.00
Renteswap		

<u>Sum</u>	<u>Virk. Verdi</u>	<u>Verdiendring</u>
	4341000.00	4341000.00

Mer om finansielle instrumenter

Valuta og renteswap

Beskrivelse av finansielle derivater

Note

12

<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>
	1313654.00	4.00	1.16%

Erverv

Endringer i beholdning av aksjer i løpet av regnskapsåret

<u>Antall aksjer ervervet</u>	<u>Egne aksjer</u>	<u>I morselskap</u>
-------------------------------	--------------------	---------------------



70020.00

<u>Vederlag</u>	<u>Egne aksjer</u>	<u>I morselskap</u>
	5550794000.00	

<u>Andel av aksjekapital</u>	<u>Egne aksjer</u>	<u>I morselskap</u>
	0.61%	

<u>Bakgrunnen for erverv</u>	<u>Egne aksjer</u>	<u>I morselskap</u>
	Aksjeprogrammet	

Avhendelse

Endringer i beholdning av aksjer i løpet av regnskapsåret

<u>Antall aksjer avhendet</u>	<u>Egne aksjer</u>	<u>I morselskap</u>
	108177.00	

<u>Vederlag</u>	<u>Egne aksjer</u>	<u>I morselskap</u>
	7131827000.00	

<u>Andel av aksjekapital</u>	<u>Egne aksjer</u>	<u>I morselskap</u>
	0.09%	

Samvirkeforetak

Vedtektsbestemmelser/årsmøtevedtak/forslag til vedtak om medlemskapskonti

Mer om aksjer

Note
13

Gjeld

Gjeld som forfaller til betaling mer enn fem år etter regnskapsårets slutt

Gjeld sikret ved pant eller lignende sikkerhet i eiendeler

Balanseført verdi av de pantsatte eiendeler

Summen av garantiforpliktelser som ikke er regnskapsført

Garantiforpliktelser som er sikret ved pant

Mer om gjeld

Note

Noteopplysninger ut over minimumskravene for små foretak



Organisasjonsnr: 946 598 038
GRIEG SEAFOOD ASA

NOTEOPPLYSNINGER - KONSERN - alle poster oppgitt i hele tall

Note
7

Antall årsverk i regnskapsåret
759.00

Note

Spesifisering av resultatregnskapet

Lønnskostnader

<u>Lønn</u>	<u>Årets</u>	<u>Fjorårets</u>
	579759000.00	533629000.00
<u>Folketrygdavgift</u>	<u>Årets</u>	<u>Fjorårets</u>
	41388000.00	38635000.00
<u>Pensjonskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	34188000.00	29069000.00
<u>Andre ytelser</u>	<u>Årets</u>	<u>Fjorårets</u>
	70317000.00	94243000.00

Note

Ekstraordinære inntekter og kostnader

<u>Sum</u>	<u>Beløp</u>
<u>Balanseført verdi 31.12.</u>	<u>Varige driftsmidler Immaterielle eiend.</u>

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet



Begrunnelse for at datterselskap er utelatt fra konsolideringen

<u>Samlet beløp - tilknyttet selskap</u>	<u>Årets</u>	<u>Fjorårets</u>
--	--------------	------------------

<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
---	--------------	------------------

<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
---	--------------	------------------

<u>Samlet beløp - felles kontrollert virksomhet</u>	<u>Årets</u>	<u>Fjorårets</u>
---	--------------	------------------

<u>Pantstillelse</u>	<u>Beløp</u>
----------------------	--------------

<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>
----------------------------------	---------------	------------------	-------------------------



Skatteetaten

Vår dato
27.11.2018

Din dato
12.11.2018

Saksbehandler
Torstein Kinden Helleland

800 80 000
Skatteetaten.no

Din referanse

Telefon
22078139

Org.nr
996250318

Vår referanse
2018/1276164

Postadresse
Postboks 9200 Grønland
0134 Oslo

GRIEG SEAFOOD ASA
Postboks 234 Sentrum
5804 BERGEN

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Grieg Seafood ASA, org.nr. 946 598 038

Det vises til deres brev av 12. november 2018 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Grieg Seafood ASA.

Skattedirektoratet gir på bakgrunn av en helhetsvurdering Grieg Seafood ASA dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette vedtaket må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Grieg Seafood ASA er et børsnotert selskap som driver med lakseoppdrett. Grieg Seafood ASA er morselskapet og har sitt hovedkontor i Bergen. Aktiviteten er i Norge, UK og Canada. Datterselskapene er Grieg Seafood Rogaland AS, Grieg Seafood Finnmark, Grieg Seafood Shetland Ltd og Grieg Seafood BC Ltd. Hovedaksjonær som er et norsk aksjeselskap eier 52,8 % av aksjene. En vesentlig del av selskapets øvrige aksjer eies av utenlandske interessenter. Selskapet er et internasjonalt selskap med engelsk som arbeidsspråk. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. Grieg Seafood ASA har unntak fra kravene i verdipapirhandelloven § 5-13 om opplysninger på norsk, noe som innebærer at alle kvartalsrapporter og annen børsinformasjon utelukkende vil bli publisert på engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk.

Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:



"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjøvt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet. Offentlige myndigheter må også anses som en sentral regnskapsbruker, idet ulike myndigheter, som lignings- og tilsynsmyndigheter, benytter regnskapene som et verktøy i sin kontrollvirksomhet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir negativt berørt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapets virksomhet har sterk internasjonal karakter og arbeidsspråket er engelsk. Selskapet er innvilget dispensasjon fra kravet om å rapportere børsinformasjon på norsk språk. En vesentlig del av selskapets aksjer eies av utenlandske aksjonærer. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Jeanette Munkvold Skovholt
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



Grieg
Seafood®

ANNUAL REPORT

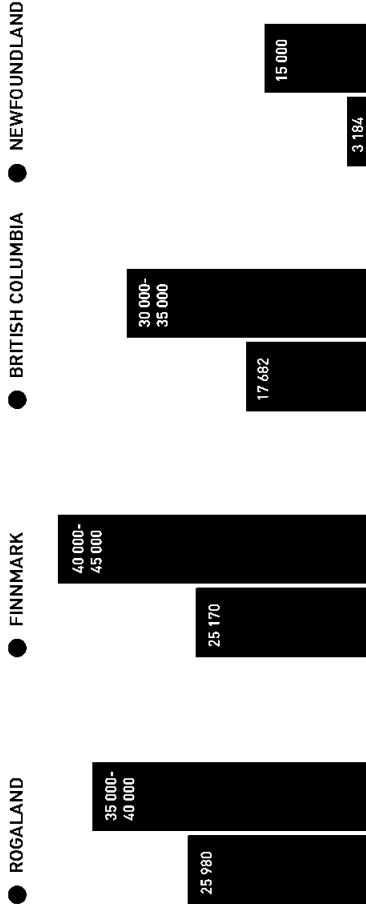
2023



OUR ORGANIZATION

- **GRIEG SEAFOOD FARMING**
We farm Atlantic salmon (*Salmo Salar*) in Rogaland and Finnmark in Norway, and in British Columbia and Newfoundland in Canada. We have hatcheries, sea farms and processing plants. Newfoundland is a greenfield project, which started production in 2022 and started harvesting towards year end 2023.
- **GRIEG SEAFOOD SALES**
We are a sales organization, with offices in Norway, Canada and the USA.

BERGEN (HQ)



OUR VISION ROOTED IN NATURE FARMING THE OCEAN FOR A BETTER FUTURE

OUR VALUES

- OPEN**
We are open with each other. We share knowledge and ideas, and learn from each other. We meet new perspectives with an open mind. We are always honest – also in difficult situations. Our managers have an open door and welcome suggestions for ways to improve.
- We are open and transparent towards society. We proactively share honest information about our operations with the public, the authorities, and the media – even before they ask. We invite the community to our facilities, participate in the public debate, and engage in dialogue with other users of the fjords.
- AMBITIOUS**
Every day, we endeavor to do our job in the best possible way. We never settle for the average. We walk the extra mile. We always strive to improve. We think big and set ambitious goals for everything we do. We are not afraid of making bold decisions, even if they are tough and push us out of our comfort zone.
- We embrace change and innovation. We prioritize our commitments and carry them out. Our ambitious goals aim to make Grieg Seafood ever more profitable. Only then, we can develop the salmon farming industry further.
- CARING**
We not only treat each other with respect, we care. We care about our people, and help them flourish and develop their talents. We foster a caring environment – even in difficult situations and when hard decisions must be made.
- We care about our fish and the natural environment that is vital to the production of healthy salmon. We work constantly to maintain good biological control and reduce our impact on the environment. We will pass healthy fjords and salmon on to future generations.
- We care about our communities. We recognize that the fjords belong to them, and we take their concerns seriously. We are a good neighbor. We create opportunities and lasting value for society.

For more information on the Group structure, refer to Note 1 in the Group Accounts.

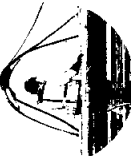


OUR VALUE CHAIN

NATURAL CAPITAL	TECHNOLOGICAL CAPITAL	FINANCIAL CAPITAL	HUMAN CAPITAL	POLITICAL/SOCIAL CAPITAL
- Public natural resources: we lend sea areas for our sites and fresh water for our RAS facilities. - Privately owned natural resources: Plant-based and marine feed ingredients, and salmon eggs.	Farming equipment and technology	- Trust and investment from investors - Access to capital	- People (experience, ideas, passion) - Culture - Corporate governance	- Our license to operate - Trusted among our key stakeholders - Favorable political conditions

SKUNA BAY

Skuna Bay is our high-end HoReCa brand for the US market. Skuna Bay fish is preferred by some of America's top chefs, and is regularly served at the James Beard Award. Read more here.

 BREEDING	 FRESHWATER FARMING	 POST-SMOLT	 SEAWATER FARMING	 HARVESTING	 SALES AND DISTRIBUTION	 VALUE ADDED PROCESSING	 RETAIL / HORECA	 OUTCOME
In Rogaland, we have a broodstock operation where we breed for specific traits, such as strong health or resistance to sea lice and diseases.	In all of our regions, we have land based RAS freshwater facilities, where the eggs are hatched and the salmon spend at least the first year.	As part of our post-smolt strategy, we keep the salmon longer on land in all regions to shorten the time in seawater, reducing risk of biological challenges. In Rogaland, the average size of the smolt transferred to the sea in 2014 was 90 grams, and we aim to increase this to 1 kg in 2027.	The salmon live and grow in the sea until they reach a harvestable size of 4-5 kg.	We have harvesting plants in Rogaland and Finnmark. We use a harvesting vessel in BC and perform primary processing at a local plant. In Newfoundland, we have established cooperation with a local plant.	We have our own global sales and market organization with local offices in the countries we farm salmon and in selected markets, to support growth and the downstream strategy.	We have a small share of VAP in Norway and BC. We will form closer partnerships in the market and establish our own VAP facility in Norway, and increase the value of our salmon through VAP.	Our salmon is found in retail stores or on the menu at restaurants or hotels. Currently, we have the HoReCa brand Skuna Bay in Canada.	1 200 000 HEALTHY MEALS PER DAY*

*Based on our harvest volume in 2023, with 48% edible yield from live weight, and servings of 125 grams.



OUR BUSINESS OPPORTUNITY

AQUACULTURE IN A SUSTAINABLE GLOBAL FOOD SYSTEM

Food systems are responsible for 70% of the water extracted from nature, cause 60% of biodiversity loss, and generate up to a third of human greenhouse gas emissions. A complete transformation of our global food system is needed during the next decades. We must provide healthy food for a growing population using fewer resources and with a lower impact. If we do it right, food from the ocean can play an important role.

THE CHALLENGES WE MUST SOLVE

- Ensuring co-existence with nature and other species
- Improving fish welfare
- Finding sustainable feed ingredients
- Cutting carbon emissions
- Recycling resources
- Promoting human rights

TOMORROW'S SUSTAINABLE GLOBAL FOOD SYSTEM

- Healthy and nutritious food for nine billion people
- Nature and biodiversity protected
- Low carbon and low climate risk
- Good animal welfare
- A circular economy with resources recycled
- Social and economic justice for producers in supply chains

Aquaculture has the potential to be an important part of the solution. 70% of the Earth is covered by ocean. Today, however, we obtain only about 2% of our food from the sea. While there are limits to the amount of wild fish that can be sustainably harvested, sustainable aquaculture can meet the increased demand for seafood in people's diets. With a low carbon footprint, low feed conversion ratio, low land and fresh water consumption, and a high edible yield, farmed salmon continues to be one of the most eco-efficient forms of animal protein. In addition, farmed salmon is a nutritious food with numerous proven health benefits. Read more here.

FIGURE 1.1
FEED CONVERSION RATIO

Feed conversion ratio (FCR) measures the productivity of different protein production methods. A lower FCR represents a more efficient use of feed resources.

FARMED SALMON NUTRIENT PROFILE

- Omega 3 fatty acids
- Protein
- Vitamin D, B, 12 and A
- Iodine
- Selenium
- Minerals

Research shows that eating seafood at least twice a week helps maintain a healthy heart and reduces the risk of cardiovascular diseases. Regular consumption of salmon can promote health and development across the lifespan. Read more [here](#).

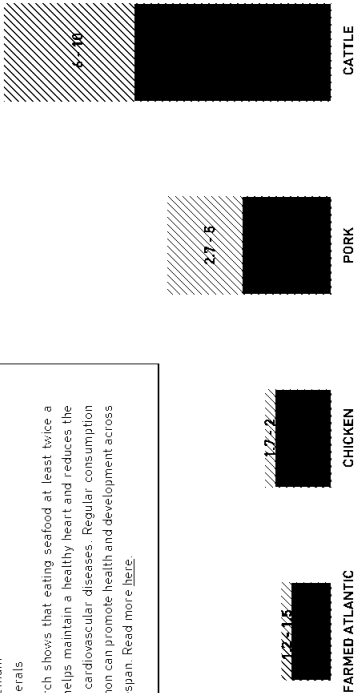


FIGURE 1.2
EDIBLE YIELD, WATER CONSUMPTION AND CARBON FOOTPRINT

	FARMED ATLANTIC SALMON	CHICKEN	PORK	LAMB	BEEF
EDIBLE YIELD	68% Edible yield measures how much of the animal is actually used for human consumption. Farmed Atlantic salmon has a high edible yield compared to other animal proteins.	46%	52%	38%	N/A
WATER CONSUMPTION	2 000 Farmed salmon has a low water consumption compared to other animal proteins.	4 300	6 000	N/A	15 400
CARBON FOOTPRINT	0.60 Farmed salmon has a low carbon footprint compared to other animal proteins. Carbon footprint measures the total greenhouse gas emissions generated directly by production of an item. Carbon footprint is measured as tonnes of carbon dioxide equivalent per tonne of edible protein.	0.88	1.30	N/A	5.92

Source: GSI

CONTENT

HIGHLIGHTS	7	PROFITABLE OPERATIONS	20	BOARD OF DIRECTORS' REPORT	60	GLOBAL REPORTING INITIATIVE (GRI) INDEX	146
KEY FINANCIAL FIGURES	8	EU TAXONOMY	23	CORPORATE GOVERNANCE	75	STAKEHOLDER DIALOGUE	154
OUR SUSTAINABILITY SCOREBOARD	9	GRIEG SEAFOOD ROGALAND	27	GRIEG SEAFOOD GROUP ACCOUNTS	84	THE SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX	155
CEO LETTER	10	GRIEG SEAFOOD FINNMARK	31	GRIEG SEAFOOD ASA ACCOUNTS	123	AUDITOR'S SUSTAINABILITY REPORT	156
OUR BUSINESS STRATEGY	11	GRIEG SEAFOOD BRITISH COLUMBIA	35	AUDITOR'S REPORT	139	HISTORY AND FUTURE	157
OPERATIONAL FOCUS AREAS	13	GRIEG SEAFOOD NEWFOUNDLAND	40	ALTERNATIVE PERFORMANCE MEASURES	142		
SUSTAINABLE FOUNDATION	16	OUR CERTIFICATIONS	43				
		SALES & MARKET	44				
		CLIMATE ACTION	47				
		SUSTAINABLE FEED INGREDIENTS	50				
		PEOPLE	52				

OUR FOUNDATION

Farming the ocean comes with a responsibility. We are dedicated to providing healthy seafood to people all over the world while reducing our footprint and improving fish welfare. People, partnerships, technologies and innovations will help us get there. This is our tiny way of making the world a better place.

HIGHLIGHTS	7
KEY FINANCIAL FIGURES	8
OUR SUSTAINABILITY SCOREBOARD	9
CEO LETTER	10
OUR BUSINESS STRATEGY	11
OPERATIONAL FOCUS AREAS	13
SUSTAINABLE FOUNDATION	16



HIGHLIGHTS 2023

GROUP

- Harvested volume of 72 015 tonnes
- Operational EBIT of NOK 780 million, with Operational EBIT/kg of NOK 10.8
- Net profit after tax of NOK 560 million and earnings per share equal to NOK 5.0
- Salmon market remained strong
- Results impacted by historical biological events
- Milestone achieved with first harvest ever in Newfoundland
- Improved processing capacity via partnerships and expanded availability of Value-Added Products (VAP)
- Approved a NOK 100 million investment in a secondary processing facility with a capacity of at least 10 000 tonnes at Oslo airport
- Identified initiatives to reduce costs by NOK 150 million over the next two years as part of the ongoing improvement program

- In the process of identifying long-term partners for the development of the Canadian farming operations
- Continued focus on sustainable farming certification with 34 out of 40 eligible sites ASC certified, representing 81% of the harvested volume in 2023
- Dividend proposal of NOK 1.75 per share, subject to approval by the Annual General Meeting in June 2024
- Ranked third by the Collier FAIR Protein Producer Index, acknowledging Grieg Seafood as one of the world's top sustainable protein producers
- Received a Leadership (A-) score from CDP for transparency and actions on climate change risks, reinforcing the Group's environmental commitment

ROGALAND

- Harvested volume of 25 980 tonnes
- Best ever Operational EBIT/kg of NOK 28.3 due to a strong market and good price achievement
- Seawater survival rate of 94% despite challenges posed by ISA in the beginning of the year, attributed to post-smolt and preventative sea lice measures
- Average smolt weight upon sea transfer at 460 grams
- No antibiotic used owing to our efforts to ensure robust fish health, including vaccine administration
- 65% of the harvested fish groups in Rogaland required no sea lice treatments, attributed to post-smolt strategies and other preventative measures
- Six out of eleven sites ASC certified, representing 74% of the harvested volume
- No escapes
- 53% of farms powered by renewable energy

FINNMARK

- Harvested volume of 25 170 tonnes
- Operational EBIT/kg of NOK 13.0, negatively impacted by a low superior share
- Biological challenges had a significant impact on seawater production
- Executing on post-smolt strategy with the construction of 3 000 tonnes capacity post-smolt facility in Adamselv, Finnmark
- 17 out of 18 active sites ASC certified, representing 86% of the harvested volume
- 57% of farms powered by renewable energy

BRITISH COLUMBIA

- Harvested volume of 17 482 tonnes
- Operational EBIT/kg of NOK -5.3 due to a combination of spot prices in the North American market under pressure and one-off farming cost
- Good seawater production with a survival rate of 91%
- All eleven sites ASC certified, representing 100% of the harvested volume
- Reduced use of sea lice treatments due to a successful integration of preventive measures and mechanical treatments
- Respect the UN Declaration on the Rights of Indigenous Peoples (UNDRIP)
- Continued constructive dialogue with Canadian government on "transition" into better farming practices

NEWFOUNDLAND

- Successfully conducted the first harvest with a total volume of 3 184 tonnes
- Superior share of 97% and average harvest weight at 4.7 kg
- Continued good seawater production with 12-months survival rate of 95%, driven by favorable biological conditions and high-quality smolt
- 2.5 million smolt transferred to sea in 2023. Smolt performing well and in good health
- Ground works for expansion of the post-smolt facility developing according to plan



KEY FINANCIAL FIGURES

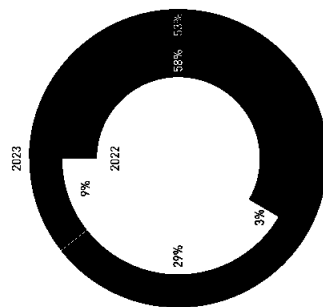


FIGURE 1.3
SALES REVENUE BY MARKET

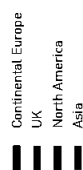


FIGURE 1.4
HARVEST VOLUME 2023

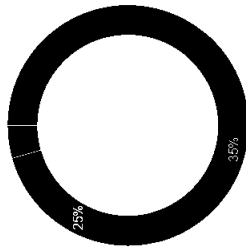


FIGURE 1.5
SALES REVENUE 2023

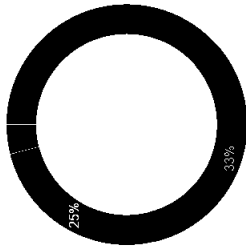
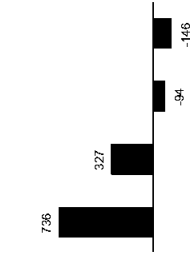


FIGURE 1.6
OPERATIONAL EBIT 2023



KEY FIGURES NOK MILLION	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Operational										
Harvested volume (tonnes GWT)	72 015	68 697	75 601	71 142	71 700	74 623	62 598	64 727	65 398	64 736
Revenue/kg (NOK/kg) ¹	82.7	75.8	55.7	52.8	56.9	58.3	58.3	59.1	42.2	39.4
Farming cost (NOK/kg) ¹	70.2	52.7	47.2	47.0	40.5	43.1	43.4	39.7	37.7	35.2
Other costs incl. ownership and headquarters costs/kg (NOK) ¹	1.7	2.5	2.7	2.5	1.3	0.5	0.4	1.4	3.8	-1.1
Operational EBIT/kg ¹	10.8	20.5	5.9	3.3	15.0	14.7	14.5	18.0	0.7	5.3
Financial										
Sales revenues	7 020	7 164	4 599	4 384	4 756	7 500	7 017	6 545	4 609	4 100
Operational EBITDA ¹	1 334	2 191	818	602	1 384	1 334	1 106	1 342	261	484
Operational EBIT ¹	780	1 739	442	233	1 077	1 099	904	1 168	48	343
EBIT (earnings before interests and taxes)	981	1 498	941	-57	822	1 355	813	1 683	81	219
Profit/loss for the year	500	1 154	604	-316	599	997	601	1 222	4	144
Cash flow from operations	-302	1 584	601	412	1 193	820	709	953	367	157
Capital structure										
NIBD according to covenants requirement ¹	3 873	1 739	1 869	3 679	1 939	1 690	1 284	906	1 549	1 566
NIBD/Harvest (NOK) ^{1,2}	53.8	20.5	24.7	42.4	23.4	22.6	20.5	14.0	24.0	24.2
Equity %	49%	50%	52%	41%	46%	48%	47%	47%	36%	42%
Gross investments ^{1,3}	880	679	570	979	667	733	553	255	322	312
Profitability										
Return on Capital Employed (ROCE) ¹	7%	23%	6%	3%	19%	22%	24%	33%	1%	10%
Dividend per share (NOK)	4.5	3.0	0.0	0.0	4.0	4.0	4.0	1.5	0.5	0.0
Earnings per share (NOK)	5.0	10.3	10.7	-4.8	5.6	8.8	5.0	10.7	-0.1	1.3
Total market value (Oslo Stock Exchange)	7 748	8 917	9 427	9 643	15 666	11 423	8 048	9 123	3 442	3 182

Ex. Shetland. The Shetland assets were sold 15 December 2021. Figures up to and including 2018 include Shetland, while 2019 and after do not include Shetland.

¹ See more information in the Alternative Performance Measures of this report.

² Net interest-bearing liabilities according to covenant divided by last 12 months harvested volume. For 2020, last 12 months harvested volume (as Shetland was not sold as at 31 December 2020, and NIBD as 31 December 2020 was impacted by our Shetland operations).

³ Incl. financial lease investments, (according to IFRS in force prior to 1 January 2019)



OUR SUSTAINABILITY SCOREBOARD

The sustainability scoreboard is a set of some of the key performance indicators, where we track our performance.

THE COLORS INDICATE

- Within target
- On track to meet our target
- Unsatisfactory result

KPI		STATUS		2022		2020	
Return on capital employed				12% p.a.			
Farming cost per kg		Cost leader in our operating regions		7%		23%	
				60.4		48.2	
				44.6		42.1	
				43.7		44.1	
				11.2		9.1	
				8.8		8.0	
				n/a		n/a	
				75 601		71 142	
				71 700			
Harvest volume (tonnes (GWT)		82 000 tonnes in 2023		72 015		86 697	
ASC certification ¹⁾		All sites by 2023		6 (74%)		5 (53%)	
				17 (86%)		15 (88%)	
				11 (100%)		11 (99%)	
				12 (47%)		15 (99%)	
Survival rate at sea ²⁾		95% by 2023		94%		92%	
				92%		92%	
				91%		95%	
				91%		92%	
				95%		n/a	
				n/a		n/a	
Use of antibiotics (g per tonne LWE) ³⁾		No use of antibiotics		0.0		0.0	
				0.0		0.0	
				0.0		0.0	
				2.6		6.0	
				32.6		41.7	
				0.0		n/a	
				0.0		n/a	
Sea lice treatments (g per tonne LWE) ⁴⁾		Minimize use of pharmaceutical treatments		0.1		1.7	
				0.9		0.8	
				0.5		1.0	
				0.3		0.2	
				0.0		n/a	
				0.0		n/a	
Use of hydrogen peroxide (kg per tonne LWE) ⁵⁾		Minimize use of pharmaceutical treatments		0.0		1.6	
				7.7		2.4	
				6.5		3.6	
				17.4		12.8	
				35.7		46.6	
				0.0		n/a	
				n/a		n/a	
Escape incidents		Zero escape incidents in 2023		0		0	
				0		0	
				114 (352)		0	
				2 (301)		0	
				0		0	
				n/a		n/a	
Carbon emission (kgCO ₂ e per tonne GWT)		35% reduction from 2018 in total emissions by 2030		434		399	
				429		456	
				5 306		4 843	
				6 359		5 720	
High quality product		93% superior share		79%		84%	
				81%		85%	
				58%		62%	
				86%		69%	
				90%		87%	
				86%		86%	
				n/a		n/a	
Absence rate		Below 4.5%		3.9%		5.6%	
				3.0%		3.0%	
				8.7%		5.5%	
				6.7%		6.8%	
				1.6%		1.3%	
Lost time incident rate		s		32		25	
				42		9	
				22		28	
				9		36	
				8		35	
				9		0	
				85% (global)		84% (global)	
				74% (global)		79% (global)	
Workplace culture		Above average score in Great Place to Work survey		•		•	
				Collaborate and contribute to local community		Collaborate and contribute to local community	
Support our local communities		•		yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes		yes	
				yes			

CEO LETTER

DEAR
SHAREHOLDER

In recent years, Grieg Seafood has achieved several strategic milestones, positioning the company for future value creation. We have repositioned Grieg Seafood to Norway and Canada where we see significant potential for sustainable growth and aim to become a reliable supplier to key markets. In 2022, we initiated sea farming operations in Newfoundland, with the first harvests commencing towards the end of 2023. This development allows us to cater to the burgeoning North American market with locally farmed salmon from both Canadian coasts, reducing reliance on expensive and carbon-intensive air freight.

The demand for salmon remains robust, driven by increasing consumer interest in healthy and sustainably sourced proteins. The establishment of our in-house sales organization has proved beneficial, facilitating a more integrated approach between production and sales and enhancing the value derived from our fish. We continue to expand our presence in value-added product (VAP) markets, with 5% of our harvested volume sold as VAP in 2023. Additionally, we have committed to a NOK 130 million investment in a new secondary processing facility at Oslo airport, with a capacity of 10 000-12 000 tonnes, slated to be operational by 2025.

However, I am not satisfied with our 2023 results. Our results were significantly affected by poor biological performance in Finnmark. Biological challenges have impacted survival rates and operational efficiency, resulting in reduced volumes, increased handling costs, and lower price realization. The Spiro parasite alone is estimated to have caused a total loss of NOK 900 million since its detection in 2022 at our freshwater facility in Finnmark, with most of the impact already realized. We have taken measures to address the challenges both in the short and medium term. We have implemented measures to prevent Spiro from entering our facility again with good results. All fish that was transferred to the ocean farms in 2023 were Spiro free, and we expect impact from Spiro to cease after we have harvested out the last fish groups from the 2022 generation during the first half of 2024. We are also turning every stone to mitigate winter ulcers, including new vaccines and probiotic treatments to enhance fish health. However, due to the long production cycle, it will take some time to realize the positive impacts of these measures.

Expanding our post-smolt strategy is paramount to enhancing biology, fish health, and welfare and to minimize interactions with wild salmon across all our regions. We have observed significant biological improvements from post-smolt operations in Rogaland, where we have been pioneering this production method since 2019. Notably, we have observed reduced mortality rates during the ocean phase for larger post-smolt groups, along with a marked improvement in sea lice control achieved with preventative measures and no need for treatments. In Rogaland we will open the second post-smolt facility Ardal Aqua at the end of 2024, allowing us to increase the transfer size on more fish groups in the region. We have also commenced the construction of a post-smolt unit at our freshwater facility in Finnmark. This facility is expected to add 3 000 tonnes of post-smolt to the region starting from 2026/2027. We anticipate witnessing similar biological improvements in Finnmark as those observed in Rogaland.

Despite challenges such as outbreaks of ISA leading to early harvests in the initial months of 2023, Rogaland has demonstrated robust biological production with high survival rates, and achieved their best ever Operational EBIT per kilo. Following a successful vaccination program for all smolt, we are pleased to see that there is currently no PD or ISA in Rogaland, which have previously been some of our largest challenges.

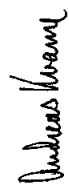
In British Columbia, seawater production has remained stable. Despite seasonal challenges associated with sea lice and occurrences of low dissolved oxygen, we have successfully stabilized survival rates through mitigating measures. Moreover, mortality attributed to algal blooms has progressively declined over the past years, thanks to our initiatives focusing on algae mitigation, digital monitoring, and aeration systems, reaching a low of 1.1% in 2023.

In Newfoundland, we successfully conducted the first harvest with a volume of 3 184 tonnes, a superior share of 97% and favorable reception from the North American market. The seawater production in Newfoundland continues to be strong with a 12-month survival rate of 95%.

While the underlying biology shows signs of improvement, we initiated an improvement program in 2023 to comprehensively review all aspects of our operations. The aim is to identify areas where we can enhance profitability and streamline costs. Our target is to achieve cost reductions of approximately NOK 150 million over the next two years.

In addition to pursuing short-term return opportunities in Finnmark, we recognize the potential for robust and sustainable growth in British Columbia and Newfoundland, particularly in Eastern Canada. This region presents significant untapped growth potential and is strategically located near one of the largest and fastest-growing markets. We are committed to realizing the sustainable growth potential in Canada. However, the development of Canadian operations requires substantial investments, especially given the resource tax and overall inflation, necessitating greater capital discipline. To advance our growth journey in Canada, we are actively seeking long-term partners to participate in the development of our Canadian operations. The process of identifying potential partners is ongoing.

It has been a tough year, and my colleagues have worked hard in all regions to implement improvement measures and move forward. I want to thank them all for their efforts. I am confident that we are on the right path and that we will see results during 2024. I also believe that farmed salmon will play an increasingly important role in producing food from the ocean in the future, especially if the seafood industry keeps innovating and improving. And we have no intention of doing anything but that.


ANDREAS KVAME
CEO



OUR BUSINESS STRATEGY

Our business strategy targets three key strategic objectives for continued business development. The development and application of increasingly sustainable farming practices underpins all areas of the strategy.

GLOBAL GROWTH

Ambition of a harvest volume of 120 000-135 000 tonnes

VALUE CHAIN REPOSITIONING

Evolve from raw material supplier to strategic partner

We aim to achieve production growth, cost improvements and to reposition the company in the value chain. Sustainability is the foundation of all areas of the strategy.

STATUS AND ACTIONS TAKEN IN 2023

1 GLOBAL GROWTH

Our ambition is to increase harvest to 120 000-135 000 tonnes. Growth will mainly be driven by improved utilization of current operations, in addition to continue to develop Newfoundland as our new farming region. We will focus on post-smolt investments, target new licenses and seize opportunities within new technology. In some regions, there is also potential for continued improvement of site utilization. We also participate in new growth initiatives, M&As, joint ventures and greenfield projects, and seek cooperation with farmers in existing areas.

STATUS

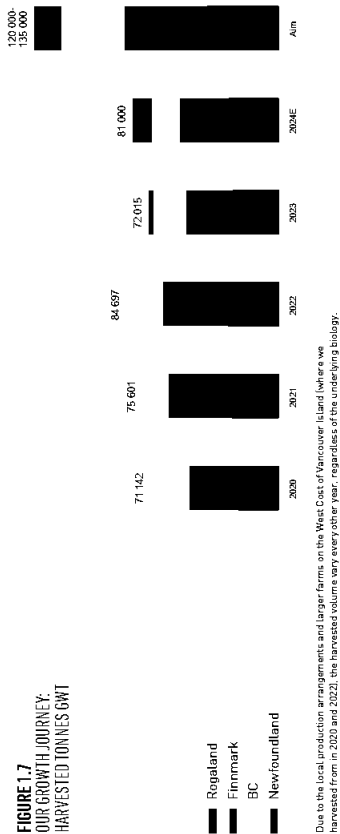
- In 2023, we harvested 72 015 tonnes compared to 84 697 tonnes in 2022. Our original harvest guiding for 2023 was 87 000 tonnes. Biological events impacted our harvested volume, in particular in Finnmark where harvest ended 8 000 tonnes lower than expected.
- We successfully started harvesting from our Newfoundland region in 2023, transferred our first smolt to sea farms in 2022, and expect to harvest 5 000 tonnes towards the end of 2023.
- We reached a milestone in the last quarter of 2023, when we started the first harvesting in our Newfoundland region. We have good biological results with high survival and high share of superior quality.
- We invested NOK 325 million in growth initiatives in 2023. Close to 70% of the investments were related to the preparation, digitalization and expansion of seawater locations in Newfoundland. We also initiated construction of the new post-smolt unit at Adamseiv in Finnmark. The unit will add 3 000 tonnes of post-smolt capacity, with the first post-smolt expected to be transferred to sea summer of 2026. We also continued installation of barrier systems in BC. These allow us to protect the fish at sea during periods of challenging conditions, which we expect will increase survival rates going forward.
- We have a 44% shareholding in Ardal Aqua, a land-based facility which is expected to produce at least 4 500 tonnes of post-smolt annually from 2025, with the potential to raise fish to harvestable size on land. Construction commenced in August 2022 and is progressing according to plan.

GOING FORWARD

- We expect further growth to come from increased utilization of our seawater licenses by moving more growth to land through our post-smolt program. We have come far with good results from our post-smolt strategy in Rogaland, and aim to increase post-smolt capacity in Finnmark and BC as well.
- Better utilization of our seawater licenses, by improving biosecurity, fish health, welfare and survival rates, is also expected to secure on-growth and harvest volumes. Flexibility is a requirement to achieve better utilization of our capacity, and we are continuously looking for opportunities to secure access to new locations.

Following the announcement of a resource tax on the salmon industry in Norway in 2022, we put all investments on hold until most of the technical details of the tax were clear to understand how the additional 25% resource tax would impact funds available for investments. Based on our experience with post-smolt in Rogaland, we have chosen to prioritize post-smolt expansion in Finnmark as the major investment as it is expected to drive biological control, earnings and sustainability. In parallel with the short-term return opportunities in Finnmark, we are well positioned for robust and sustainable growth in British Columbia and Newfoundland, Canada, and in particular Eastern Canada, is one of the few salmon farming regions globally with a significant untapped growth potential and proximity to one of the largest and fast-growing markets. We aim to realize the potential of sustainable growth in Canada. However, developing the Canadian operations require substantial investments at a time when the resource tax and overall inflation requires greater capital discipline. We are committed to take the next step of the growth journey in Canada and will focus on maximizing this value while also mitigating risks. All plans for expansion in Canada need to be considered in this context, and for that reason we are seeking long-term partners to take part in the development of our Canadian operations. The process to identify potential partners is ongoing.

FIGURE 1.7
OUR GROWTH JOURNEY:
HARVESTED TONNES GWT



2

To be cost competitive in the regions where we farm, we continuously focus on operational performance. Biological control through preventative measures and fish health and welfare is essential in securing increased survival and reduced production costs. We will also drive performance improvements through continuous research and development, as well as through the utilization of new technologies.

STATUS

- Over the last two years, our farming cost (cost directly related to production and harvest of salmon) has increased due to a combination of general inflation and biological challenges. In 2022, industry cost rose across the board, with feed prices, in particular, increasing by approximately 40% in Norway and close to 20% in BC. This has impacted our farming cost as we have harvested the fish, in particular during 2023 which has reflected most of the cost increase. The table below shows the underlying farming cost adjusted for general inflation and abnormal mortality only (not taking into account the higher cost of feed). Increased feed prices accounts for a large part of the cost rise in all regions. The cost in Finnmark in 2023 is also significantly impacted by challenges in seawater production due to *Sprongulus Salmonicida* (Spiro).

FIGURE 1.8
COST DEVELOPMENT

Farming cost/kg	2021	2022	2023 adj for inflation* and abnormal mortality	2023	2023 adj for inflation* and abnormal mortality
Rogaland (NOK)	44.6	48.2	44.6	60.4	54.7
Finnmark (NOK)	43.7	47.3	42.2	64.4	58.4
BC (CAD)	8.8	9.1	8.1	11.2	10.4

*Adjusted to 2021, based on the consumer price index for all goods and services, according to the Statistics Norway. Newfoundland not included, as 2023 was the first year of harvest and farming cost.

3 VALUE CHAIN REPOSITIONING

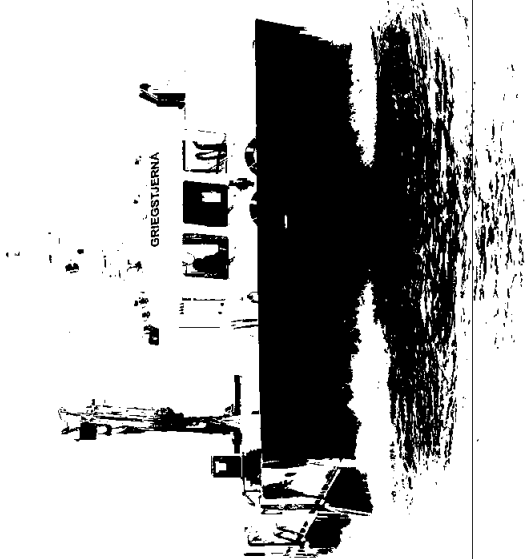
Our sales currently consist mainly of fresh, head-on gutted salmon. We aim to increase the value of our products through a stronger presence in the market, based on partnerships, category development and brand cultivation. Repositioning Greg Seafood from a salmon raw material supplier to a strategic partner for selected customers is an important part of our value creation plan. Increasing our VAP share is also an important part of reducing our greenhouse gas emissions.

STATUS

- Key milestones in 2023 were to continue to establish processing partnerships in Norway and Europe, launch our VAP products in selected markets and boost our VAP share to 5-10% of harvested volume. We are in line with our targeted milestones, and are currently processing salmon into fresh and frozen value added products with partners in Norway, Europe and Western Canada. Furthermore, we have an increasing supply of our own VAP products in the European, Asian and US markets. 5% of our global harvested volume in 2023 was sold as VAP.

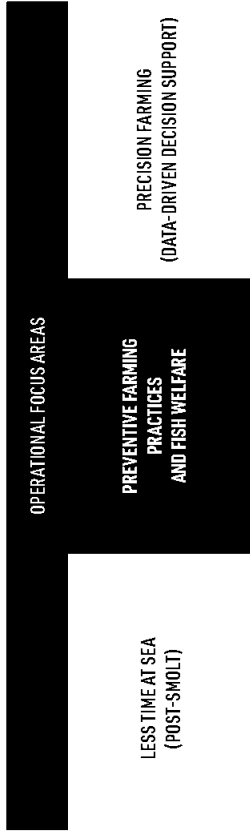
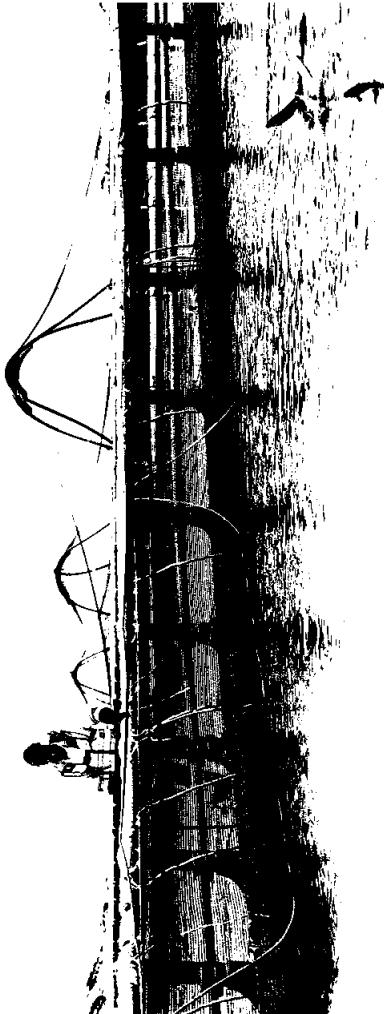
GOING FORWARD

- We will invest in a new 10 000 - 12 000 tonnes capacity secondary processing facility at Oslo airport Gardermoen. This will improve the utilization of our production and reduce risk related to lower superior share, while also provide increased flexibility and efficiency in our farming operations. The facility is expected to be up and running in 2025.
- We will also continue to evaluate external opportunities to strengthen our processing capacity, such as long-term partnerships with third parties in Norway, North America and Europe, as well as the development of our existing internal processing infrastructure.
- We are targeting 20-30% share of our volume for VAP by 2026. In 2024, we expect a VAP share of 7-8% of harvested volume.
- We aim to develop B2B brands going forward. Currently, we have the successful Skuna Bay brand in the USA.



OPERATIONAL FOCUS AREAS

To achieve sustainable growth and improve competitiveness, we focus on reducing the time fish spend at sea (post-smolt), improving fish welfare and providing data-driven decision support (“Precision Farming”) to our operations. Together, these focus areas strengthen our ocean farming.



1 LESS TIME AT SEA (POST-SMOLT)

During the first stages of their life, salmon are raised in onshore freshwater hatcheries. In traditional salmon farming, fish are transferred to the sea when they have undergone the smoltification process, making them physiologically ready for life in saltwater. With our post-smolt strategy, we keep the fish longer on land or in closed facilities in the sea, shortening the time that they spend growing in open sea-pens by several months. Less time at sea will improve biological control, fish welfare, survival and quality because each salmon is less exposed to biological risks like sea lice, seaborne diseases or other unfavorable ocean conditions such as harmful algae or sub-optimal oxygen levels. Less exposure to these risks will also allow us to improve sea lice control better, utilize preventative methods and avoid expensive treatments. This will reduce our environmental impact as well as our production cost. Post-smolt also increases flexibility with regard to the transfer of smolt, allowing us to follow sites for longer periods if necessary. The fish will be larger and more robust when entering the sea-growing phase, which we believe will increase health and welfare in and of itself.

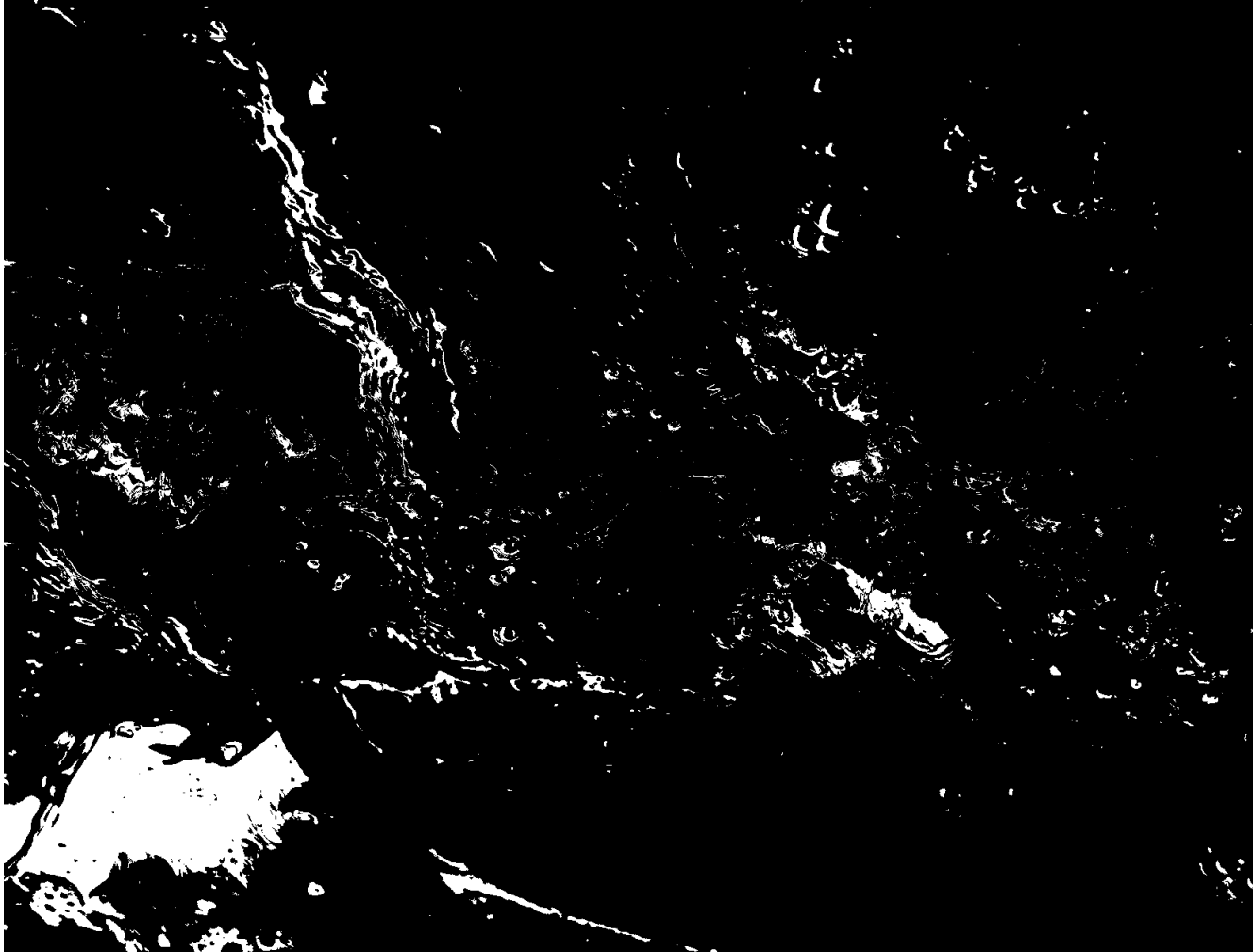
Post-smolt transfer also allows for a more efficient production cycle. It takes less time to reach harvestable size in the sea, which frees up capacity at farms to grow more salmon within existing licenses. The result is a lower environmental footprint per fish, better fish health and welfare, lower costs, and increased annual harvests. Altogether, we expect post-smolt transfer to reduce operational expenditure in the sea-growing phase, improve profitability and competitiveness, and provide opportunities for sustainable production growth.

ACHIEVEMENTS 2023

- In Rogaland, where we are pioneering our post-smolt strategy:
 - The average smolt transferred to the sea in 2023 weighed 460 grams compared to an average of 90 grams in 2014.
 - Close to 60% of fish harvested were raised from post-smolt (fish weighing more than 250 grams when transferred to sea).
 - Post-smolt in combination with preventive sea lice measures indicates a reduction in production time at sea from 460 days in 2021 to 220 days in 2023 while also providing a significant reduction in mortality.
 - There are strong indications of improved biological control compared to standard smolt weight, with a significant reduction in sea lice treatments as the post-smolt weight increases. 65% of the pens from which fish were harvested did not receive any sea lice treatment, up from 43% in 2021 and 56% in 2022.
 - Our results so far demonstrate stable production of post-smolt up to 1 kg.

GOING FORWARD

- We plan to boost post-smolt capacity in Rogaland by at least 4,500 tonnes. In Finnmark, we target an increase of 3,000 tonnes of post-smolt with a new unit at our current freshwater facility in Adanelsv.
- Grieg Seafood Rogaland aims to increase the average smolt transfer weight to approximately 1 kg in 2027.



2 PREVENTION AND FISH WELFARE

We pursue a systematic, long-term approach to fish health and welfare. The key is investment in and further development of preventive measures against seaborne hazards, such as sea lice, harmful plankton, jellyfish, low oxygen levels, infectious diseases and low seawater temperatures.

Prevention will reduce handling and stress for the fish. It will also reduce our environmental footprint by, for instance, reducing the number of treatments needed. Moreover, prevention instead of handling reduces production costs. The result is improved welfare, stronger growth, increased survival, high harvesting quality and lower costs.

ACHIEVEMENTS 2023

- In 2022, the parasite *Syngnathus salmonicida* (Spirol) was detected in fish from our freshwater facility in Finnmark. The source of the parasite is believed to be the water intake to the facility. In 2023, we invested NOK 70 million in top-notch UV treatment and purification systems to reduce future risks of Spiro entering the facility. We also collaborate with research institutions to close knowledge gaps related to Spiro. We have not had any new detections of Spiro at the freshwater facility.
- Winter ulcers have been a recurring issue for the Norwegian salmon farming industry the last years, and have impacted our harvest in Finnmark. We have implemented new vaccines and are testing "probiotic" treatments before transfer to sea to increase robustness. Preliminary results will be available during Summer of 2024.
- In BC, we have installed a combination of aeration/oxygen generation systems and retractable barriers to keep harmful algae outside and push clean and oxygenated water up to the fish during periods of harmful algae blooms or sub-optimal oxygen levels. The effect is increased survival and continued feeding and on-growth during challenging conditions, as well as better sea lice control. Mortality related to algal blooms has been stable the last year due to our efforts relating to algal mitigation, digital monitoring and aeration systems, and came down from 3.4% in 2019 to 1.1% in 2023.
- In Rogaland, due to post-smolt and the use of cleaner fish as a preventive method to control sea lice, 65% of the pens of fish harvested did not receive any sea lice treatments in 2023.

GOING FORWARD

- We continue to work with academia to investigate and learn more about the parasite Spiro. We also participate in multiple industrial R&D projects to share and identify best practices for winter ulcers and jellyfish, amongst other seaborne hazards.
- Some of our numerous ongoing initiatives to improve fish health and welfare throughout the production cycle include the selection of roe with specific qualities related to sea lice and diseases, feed customized for the various stages of the salmon's life cycle, and vaccinations targeting specific diseases:
 - We have enhanced our feed for use during the winter period, utilizing best available science, to strengthen health, welfare, robustness and quality. Examples of changes are increased levels of essential marine fat and a stronger vitamin mix.
 - Initiatives to optimize health, welfare and robustness of smolt and post-smolt by conducting data analysis on historical production data to provide decision-making support.
 - Efforts to mitigate the negative impact mechanical sea lice treatments may have on fish health and welfare. Mortality caused by such treatments has been reduced, and we are working to reduce it further.
 - We have developed our own fish welfare indicators, based on the Fishwell research project, to enable us to more systematically assess and improve fish welfare throughout our operations.

3 "PRECISION FARMING" - DATA-DRIVEN DECISION SUPPORT

"Grieg Seafood Precision Farming" is our concept for digitalizing farming operations, where we apply advanced sensors, data analytics, artificial intelligence, and prediction models with the aim of supporting our farmers to take insight-based decisions before eventual negative impact occurs in everyday operations. The aim is to implement more automation, work more preventatively, improve fish welfare, reduce our impact, and improve our farming. We are gaining positive results by combining experience-based knowledge and data-based insight in our projects.

Data analyses on previously unknown connections between the fish and the environment provide insights for strategic decision-making. The use of digital tools and dashboards, providing real-time data on various farming parameters to operational centers as well as to farmers, aims to improve tactical and operational decisions. They also allow us to benchmark on new parameters and learn better from best practice. We aim to be able to predict negative events early, enabling us to apply preventative measures and improve management decisions. The result is expected to be increased growth, reduced environmental impact, improved fish welfare, increased productivity and lower costs. Read more about Precision Farming [here](#).

ACHIEVEMENTS 2023

- Our internal analysis team has continued with new data analyses to provide strategic and tactical decision-making support, aimed at mitigating biological challenges.
 - Introduced concept of data democratization to enable production managers and biological planners to perform data analysis and gain insights based on facts, including simple simulation capabilities.
 - Analysis of the drivers behind risk of mortality in sea lice treatment methods. Findings gives the operational personnel decision support when choosing treatment methods.
 - Developed models for prediction of harvest distribution and quality, based on historical data.
 - Implemented common dashboards for environmental monitoring in freshwater production. Enables production managers to analyze water chemistry towards production variables, and to benchmark against the other facilities and regions.
 - Implemented tools enabling operation managers to optimize input to sea for reducing winter ulcers in Finnmark. The optimization is based on prediction models developed on markers in historical data found in analytic projects.
 - Analysis to find markers in the feeding data from our integrated operation center to improve growth and reduce feed waste. Developing AI models for prediction of feed next day based on historical data together with testing of autonomous feeding.
 - Finalized project to identify the eFCR, bFCR and growth rates for different smolt sizes throughout the whole production cycle (freshwater & seawater), including the optimal smolt size given location, time of input and cost.
 - Benchmarking genetics providers on fish performance in sea, utilizing full traceability in the data from harvest to egg. Findings will be used to optimize production and input to sea.

GOING FORWARD

- Implementing ChatGPT to internal library of scientific articles, internal documents etc., to increase internal competence and knowledge sharing (GSF SalmoPedal).
- Implementing prediction tools to improve the process between sales, processing, and harvest planning (GSF AI Harvest Hub).
- Continuing set up of integrated operation centers in both Newfoundland and Finnmark as a continuation of our strategy to strengthen our seawater production by enforcing the utilization of digital capabilities in the group. Both centers will be built to the same design and with similar capabilities as we are running in Rogaland.

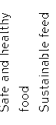




SUSTAINABILITY FOR

OUR FIVE PILLARS AND MATERIAL TOPICS

Grønt Seafood's business is based on sustainable operations. In our long-term perspective, there is no contradiction between clean seas, healthy fish, and financial profit. It is our task to make these aspects go hand in hand and contribute to a sustainable ocean economy. Our targets go beyond short-term profitability. Based on our materiality assessment, our five pillars show our commitment to sustainable and long-term value creation for all of our stakeholders. The topics listed under each pillar is identified as important to our organization and our stakeholders, and is covered by group policies. The topics in red represents the list of material topics reported in line with the GRI standards. Find a combined overview of our pillars, targets and Group policies here.

OUR PILLARS	SDG ALIGNMENT	MATERIAL TOPICS
 HEALTHY OCEAN	  	- Fish health & welfare - Protecting wild salmon/escapade and sea lice - Protecting biodiversity & marine ecosystems - Local emissions, medicine use, wildlife interaction
 SUSTAINABLE FOOD	     	- Safe and healthy food - Sustainable feed ingredients - Climate action - Recycling and waste management - Plastic pollution
 PROFIT & INNOVATION	  	- Profitable operations - Our market - Research, development and innovation - Responsible business conduct - Corporate governance
 PEOPLE	   	- Human rights - Embracing diversity - Creating attractive jobs - Keeping our employees safe
 LOCAL COMMUNITIES	  	- Local value creation - Indigenous relationships - Dialogue and engagement

FINANCIAL IMPACT OF MATERIAL ESG TOPICS

While managing many of these risks is an ethical responsibility, it also supports our financial performance directly or indirectly.

	MATERIAL AREA	ANNUAL TARGET		MATERIAL AREA	ANNUAL TARGET	
Healthy ocean	Fish health and welfare	Mainly direct financial impact: Fish with good health and welfare grow well. Health and welfare are important to the highest possible harvest volume with the highest possible quality. Diseases and treatments on the other hand, are key cost drivers.	Our impact and principles: Co-existence with wild salmon and welfare	Sustainable feed ingredients	Mainly indirect financial impact: Fish feed comprises approximately 40% of the total cost of production. Feed ingredients that are accepted by the consumer is important to keeping salmon feed. Working proactively to improve the sustainability of salmon feed and ensure that it meets the requirements of the future consumer is key to ensure access to various feed ingredients and the lowest possible feed cost in the short, medium and longer term.	Our impact and principles: Sustainable feed ingredients, Sustainable marine ingredients, Zero deforestation
	Protecting wild salmon - sea lice control	Mainly indirect financial impact: Escaped fish may interbreed with wild salmon in some of our farming regions. Escape events increase risk of stricter regulations and reduce the social license to operate needed to achieve growth.	Our impact and principles: Co-existence with wild salmon	Climate action	Direct financial impact: Physical climate risks, such as increased water temperature in the ocean, may in the longer run cause financial impacts if they are not mitigated	Policy for sustainable feed by 30% from 2018 to 2030 See more targets in the policy
	Protecting wild salmon - sea lice control	Mainly direct financial impact: Controlling sea lice through preventative methods is the most cost-efficient approach. Sea lice treatments are resource intensive and increase production cost.	Average adult female sea lice below 0.5 in Norway / average adult sea lice below 3.0 in BC	Profit & innovation	Indirect financial impact: Efforts to reduce carbon emissions reduce transitional climate risks, such as impacts of future carbon taxes or regulations	Policy for climate action TCFD report
	Protecting biodiversity and marine ecosystems - local emission	Mainly direct financial impact: Good sites that restore easily during the following period between each production cycle are the most optimal for salmon production. They do not only have the lowest impact on the marine ecosystem, they also typically have the best fish health, welfare, growth and lowest cost.	All sites restored to regulatory cycle accepted level between each generation of fish	Responsible business conduct	Mainly indirect financial impact: Strong corporate governance is essential to achieve our objectives. Breaches and non-compliance can lead to fines and lawsuits, impacting revenues and costs.	Code of Conduct Supplier Code of Conduct Policy for anti-money laundering Policy for anti-corruption
Sustainable food	Protecting biodiversity and marine ecosystems - medicine use	See sea lice control above.	Minimizes use of pharmaceutical treatments	Corporate governance	Governing policies including Principles of Corporate Governance	Our impact and principles: Human rights
	Protecting biodiversity and marine ecosystems - wild life interaction	Mainly indirect financial impact: Impacting wild life around our farms increases risk of stricter regulations, and reduce the social license to operate needed to achieve growth.	Zero dead marine animals	Human rights	Mainly indirect financial impact: Promoting respect for human rights in our operations and supply chain supports our social license to operate, our reputation and attractiveness in the market, all of which underpin growth and price achievement	Policy for human rights Human Rights Due Diligence
	Safe and healthy food	Mainly direct financial impact: If our product does not meet health and safety expectations, we risk losing confidence with our customers, leading to loss of revenues.	All our operations certified according to a Global Food Safety Initiative	Keeping our employees safe	Mainly indirect financial impact: A safe workplace with good conditions is a prerequisite for good performance	Our impact and principles: Health and safety Policy for diversity Policy for gender equity Policy for HSE
			See more targets in the policy	Local value creation	Mainly indirect financial impact: Contributing to the rural communities where we operate is key to our social license to operate, which underpins our growth ambitions and a prosperous industry.	Regalmark Finmark British Columbia Newfoundland
			Local communities	Indigenous relationships	Mainly indirect financial impact: Respecting indigenous people's rights in the relevant regions is also key to our social license to operate.	Our impact and principles: Indigenous relationships



THE SUSTAINABLE DEVELOPMENT GOALS

The UN Sustainable Development Goals guide us towards a more sustainable food system. They highlight opportunities to grasp and challenges to solve - both in our farming operations and in our value chain. Read how Grieg Seafood aligns with the various SDGs [here](#).

R&D ACTIVITY

R&D is inherent to delivering on our strategy and targets, such as improvements in fish welfare, sustainability, cost control and product quality. Read about our efforts [here](#).

GLOBAL SUSTAINABILITY INITIATIVES

Grieg Seafood has committed to several initiatives that set high standards for our farming operations and value chain. Initiatives range from ocean stewardship to the climate, deforestation, and human rights. Read more about these initiatives [here](#).

PARTNERSHIPS AND COLLABORATION

Collaboration and partnerships with researchers, peers, companies in our value chain, NGOs or other relevant actors is highly valued by Grieg Seafood. Only through collaboration can we drive necessary change, and solve the challenges we have in our industry and in our global food system. Read more about our partnerships [here](#).

OUR OPERATIONAL RESULTS

We aim to create shared value for shareholders,
employees, local communities and customers alike.

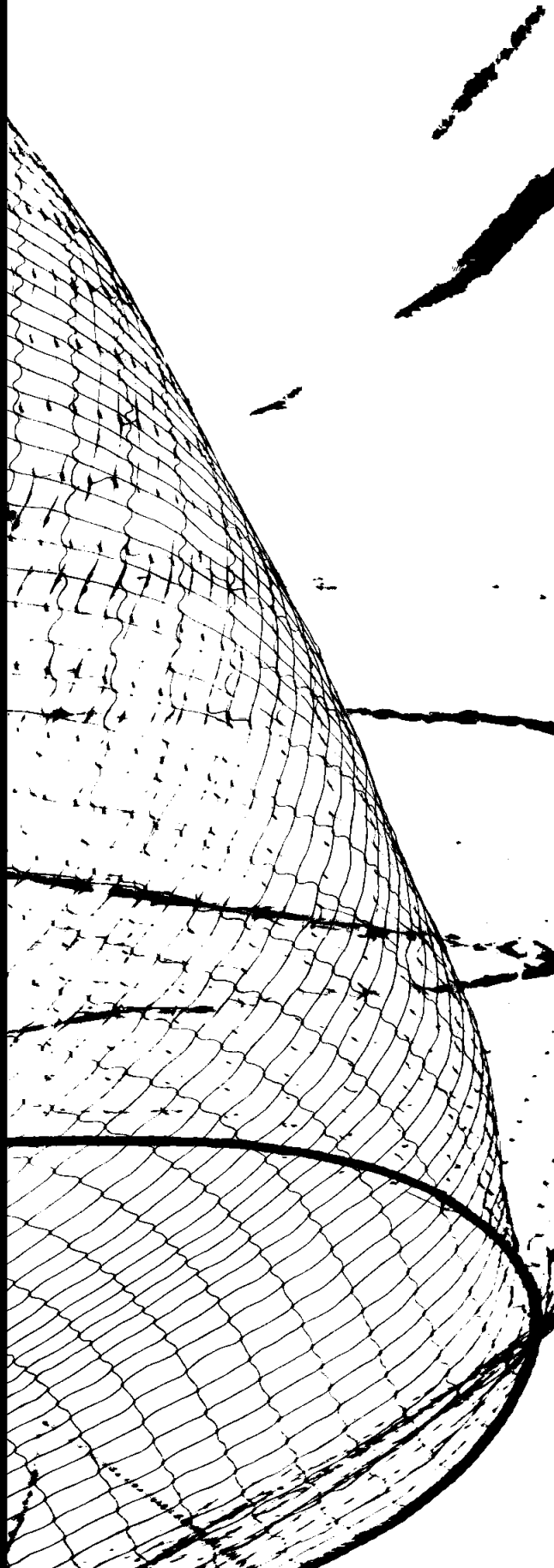
PART 02

OPERATIONAL RESULTS FROM OUR FARMING AND SALES ACTIVITIES

PROFITABLE OPERATIONS	20
EU TAXONOMY	23
GRIEG SEAFOOD ROGALAND	27
GRIEG SEAFOOD FINNMARK	31
GRIEG SEAFOOD BRITISH COLUMBIA	35
GRIEG SEAFOOD NEWFOUNDLAND	40
OUR CERTIFICATIONS	43
SALES & MARKET	44

RESULTS FROM SELECTED SUSTAINABILITY TOPICS

CLIMATE ACTION	47
SUSTAINABLE FEED INGREDIENTS	50
PEOPLE	52



PROFITABLE OPERATIONS

We aim to provide our shareholders with a competitive return on capital invested, with a ROCE target of 12%. With initiatives to reduce our environmental impact and improve fish welfare, we aim to increase harvest rates and reduce production costs.

GROUP FINANCIAL RESULTS 2023

PROFIT AND LOSS

The Group harvested 72 015 tonnes GWT of Atlantic salmon in 2023, down 15% compared to 84 697 in 2022. Our Norwegian regions contributed 71% (74%) of the volume harvested, while the Canadian regions contributed 29% (24%).

Total sales revenue for the year came to NOK 7 020 million, down NOK 144 million from NOK 7 164 million in 2022. Sales revenues from the Group's farming regions totaled NOK 5 956 million in 2023, down NOK 462 million from NOK 6 418 million in 2022 (see Note 5 to the Group Accounts). The difference between the total sales revenue for the Group and sales revenues from farming regions is attributable to Elim/Other effects (see Note 5 to the Group Accounts), which includes the gross uplift on sales revenue for the Group generated by the sales organization. The Group's price achievement for the year was NOK 82.7 per kg (NOK 75.8 per kg) on aggregate for our farming regions. By comparison, the average NOSAL MON NOK/kg price for 2023 was NOK 92.3 per kg (82.0). Price realization was negatively impacted by fixed-price contracts for some of our Norwegian harvested volume, as well as the lower price achieved for production grade volumes. The lower sales revenue for the Group compared to last year is mainly due to a lower harvested volume.

The Group's farming cost for 2023 ended at NOK 70.2 per kg (NOK 52.7 per kg). In total, our Norwegian farming regions contributed to 63% (69%) of the farming cost, an increase of NOK 14.6 per kg from NOK 47.7 per kg in 2022 to NOK 62.3 per kg in 2023. British Columbia had, on a 13% lower harvest volume year-on-year, a farming cost of CAD 11.2 per kg, up CAD 2.0 per kg compared to CAD 9.1 per kg in 2022. The increased farming costs is primarily due to inflation pressure on key input to production throughout 2022, which impacted our EBIT in 2023 when the

fish was harvested. This is due to the long production cycle for Atlantic salmon, where the cost to produce the biological assets are capitalized to the balance sheet and released to the income statement at the point of harvest (if not previously expensed as abnormal mortality). Additionally, we have also had lower growth than expected, which all else equal increase cost per kg due to, on the short term, fixed costs in the cost base of the farming operations.

Raw materials and consumables, which consist mainly of the Group's freshwater and seawater fish stocks, in addition to feed, ended at NOK 2 748 million, up NOK 514 million from the NOK 2 234 million recognized in 2022. Salaries and personnel expenses ended the year at NOK 726 million, an increase of NOK 30 million from NOK 696 million in 2022. Other operating expenses ended at NOK 2 236 million, up NOK 149 million compared to NOK 2 087 million in 2022.

Operational EBIT (see Alternative Performance Measures) in 2023 ended at NOK 780 million (NOK 1 739 million), equivalent to an Operational EBIT of NOK 10.8 per kg (NOK 20.5 per kg). The decrease was driven by lower harvested volume and higher farming cost. The ROCE for 2023 ended at 7%, compared to 23% in 2022.

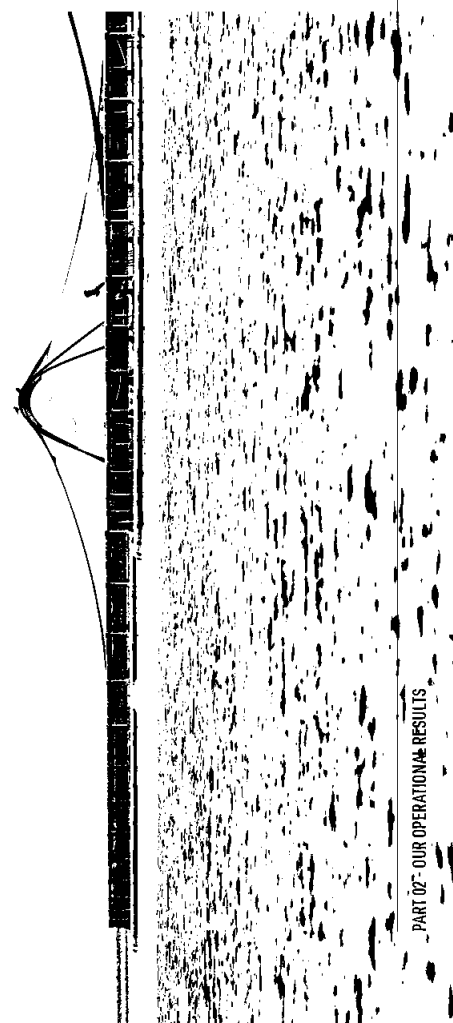
EBIT (earnings before interests and taxes) came to NOK 991 million, down NOK 517 million compared to NOK 1 498 million in 2022.

For a more detailed review of the Group's financial performance in 2023, see the Board of Directors' report.

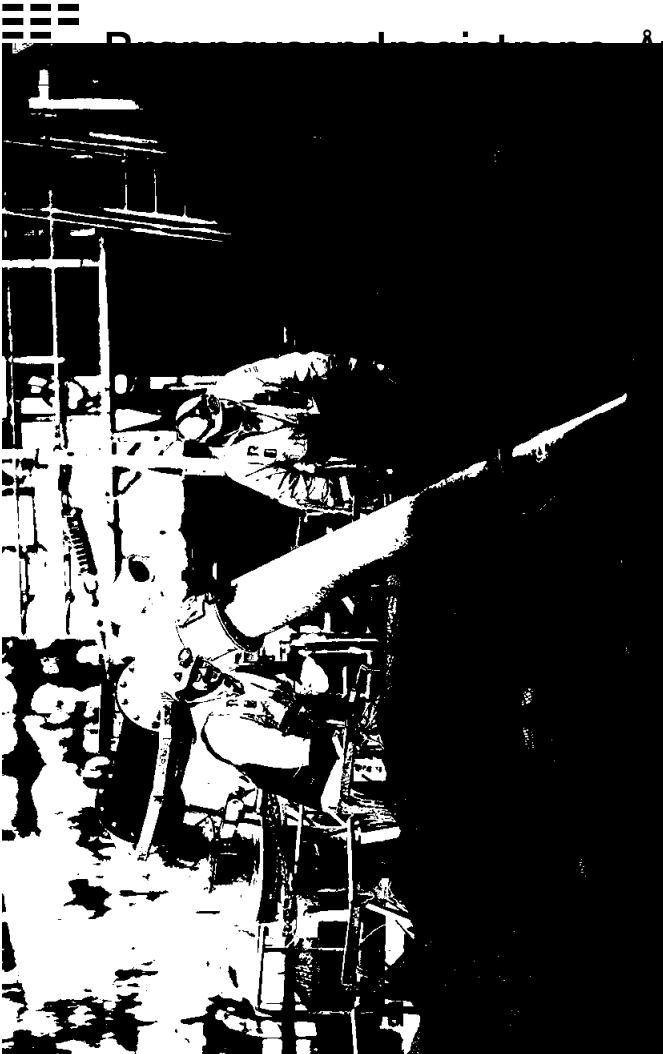
FIGURE 2.1
KEY FIGURES GREG SEAFOOD GROUP

	2019	2020	2021	2022	2023
NOK MILLION					
Sales revenues	4 756	4 384	4 599	7 164	7 020
Operational EBITDA	1 384	602	816	2 191	1 334
Operational EBIT	1 077	233	442	1 739	780
EBIT (Earnings before interests and taxes)	822	-57	941	1 498	991
Harvest volume (tonnes GWT)	71 700	71 422	75 601	84 697	72 015
Farming cost/kg (NOK)	40.5	47.0	47.2	52.7	70.2
Operational EBIT/kg (NOK)	15.0	3.3	5.9	20.5	10.8
ROCE	19%	3%	6%	23%	7%

Shetland was sold 15 December 2021. The figures from 2019 to 2021 are ex. Shetland, as the assets were held for sale as from 2020 and presented as discontinued operations.



PART 02 - OUR OPERATIONS RESULTS



DIRECT ECONOMIC VALUE GENERATED

Taxes are important sources of government revenue. They are central to the fiscal policy and macroeconomic stability of countries and are acknowledged by the United Nations to as playing a vital role in achieving its Sustainable Development Goals. Furthermore, they are a key mechanism by which organizations contribute to the economies of the countries in which they operate, i.e. Norway and Canada for Grieg Seafood. By reporting our taxes paid country-by-country, we indicate our scale of activity and the contribution we make through tax in these jurisdictions. Living up to our obligation to comply with tax legislation and our responsibility to meet our stakeholders' expectations with respect to good tax practice is extremely important to us.

The information on the creation and distribution of economic value shall provide a basic indication of how we create wealth for our stakeholders. In addition, the components of the economic value generated and distributed sharpen Grieg Seafood's economic profile, permit a different interpretation of the economic figures and outline the overall economic value retained from the Group's ordinary operations during the year. In 2023, the economic value retained came to NOK -312 million, corresponding to a decrease of about NOK 1 862 million compared to 2022.

FIGURE 2.2 TOTAL TAXES (INCOME AND PROPERTY TAX) PAID IN 2023 (NOK million)					
	2019	2020	2021	2022	2023
Norway	4 756	4 384	4 599	7 164	7 020
Canada	4 756	4 384	4 599	7 164	7 020
UK					
Total taxes paid					867

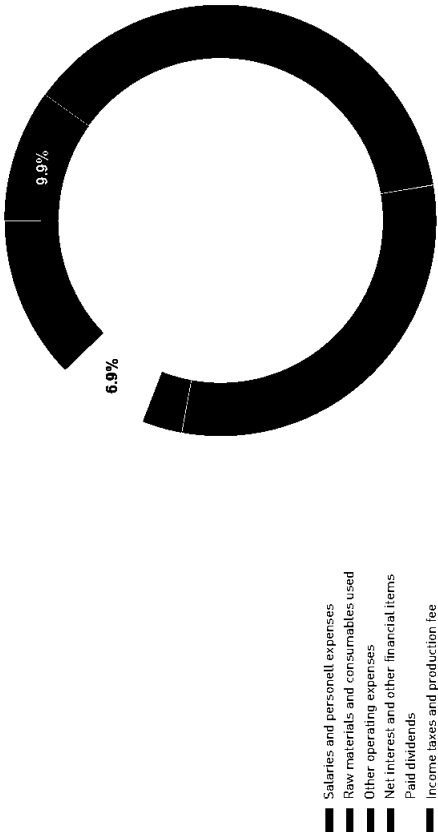
FIGURE 2.3
DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

NOK MILLION	2019	2020	2021	2022	2023
Value generated					
Revenues	4 756	4 384	4 599	7 164	7 020
Total value generated	4 756	4 384	4 599	7 164	7 020
Value distributed					
Salaries and personnel expenses	493	500	577	696	726
Operating cost					
Raw materials and consumables used	1 438	1 717	1 738	2 234	2 748
Other operating expenses	1 407	1 593	1 527	2 087	2 236
Payments to providers of capital					
Net interest and other financial items	64	133	200	140	222
Paid dividends	442	—	—	337	504
Payments to government					
Income taxes and production fee	128	205	31	120	894
Total value distributed	4 083	4 148	4 075	5 614	7 331
Total value retained	773	237	524	1 550	-312

All figures compiled from the audited Group accounts.

PART 02 - OUR OPERATIONAL RESULTS

FIGURE 2.4
VALUE RETAINED IN 2023





CREATING SHAREHOLDER VALUE

Our ambition is to create shareholder value and deliver competitive returns relative to comparable investment alternatives. We engage with the investor community in an open, transparent and continuous dialogue. Building trust and awareness is critical to ensure that the information disclosed to the financial market, including current and potential investors, analysis and other stakeholders, provides the best possible basis for a correct valuation of Grieg Seafood.

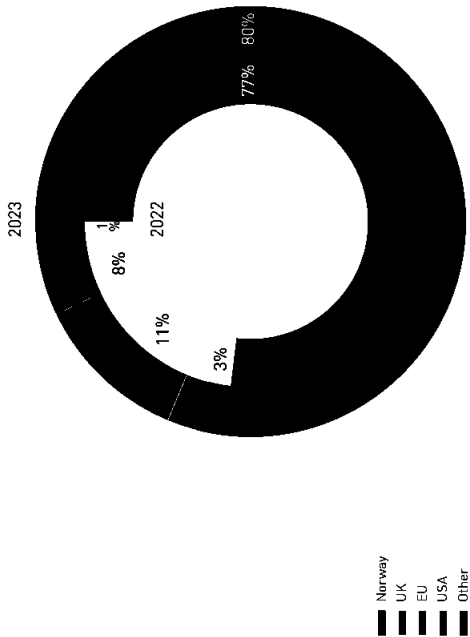
Grieg Seafood was listed on the Oslo Stock Exchange/Euronext on 21 June 2007, under the ticker GSF. We have only one class of shares, and all shares carry the same rights. As of 31 December 2023, the Company had 112 133 389 shares outstanding, at a nominal value of NOK 4.00 per share (excluding treasury shares). Total ordinary shares as at 31 December 2023 was 113 447 042.

As of 31 December 2023, we had 10 445 shareholders, with our ten largest investors holding 65.8% of our shares, and the 20 largest investors holding 74.3%. The number of shareholders increased during the year, from 10 590 at year-end 2022. Norwegian-based shareholders own the majority of the

Company's shares, with the Grieg family controlling 50.17% of the outstanding shares as of 31 December 2023. A further 4.5% was controlled by DM-Holding AS and 2.1% by Folketrykdfondet (the Norwegian National Insurance Fund) at year-end 2023. Grieg Seafood ASA held a total of 1 313 654 treasury shares as of 31 December 2023. For a detailed breakdown of our 20 largest shareholders, please see Note 24 of the Group Accounts.

The Board of Directors maintains that, as an average over time, dividends should correspond to 30-40% of the Group's profit after tax, before fair value adjustment on biological assets (limited to 50% by Green Bond agreement). At the same time, the Group's net interest-bearing debt per kg harvested salmon should remain below NOK 4.0, but can be exceeded in periods of growth investments. In 2023, the Group distributed a dividend of NOK 4.5 per share to shareholders, which correspond to 48% of the net profit for FY 2022, before fair value adjustment of biological assets. As at 31 December 2023, Grieg Seafood was in a good financial position to execute strategic priorities. Based on the 2023 financials, the Board of Directors proposes a dividend of NOK 1.75 per share (equivalent to NOK 1% million) be distributed to shareholders in 2024. The proposed dividend is subject to approval by the Annual General Meeting of Grieg Seafood ASA in 2024.

FIGURE 2.5
GEOGRAPHICAL OWNERSHIP (NUMBER OF SHARES)



PART 02 - OUR OPERATIONAL RESULTS

FIGURE 2.6
THE GRIEG SEAFOOD SHARE

KEY FIGURES GRIEG SEAFOOD SHARE	2019	2020	2021	2022	2023
Number of shares at year-end (incl. own shares)	111 662 000	113 447 042	113 447 042	113 447 042	113 447 042
Number of shares traded	72 001 397	99 831 798	85 719 401	86 797 490	77 793 571
Number of shareholders	4 968	12 436	9 938	10 590	10 445
Total value of shares traded per day (NOK million)	33.7	37.5	28.5	35.8	23.4
Average number of shares traded per day	289 162	396 158	340 355	343 073	327 148
Median number of shares traded per day	240 801	317 106	265 456	283 718	234 696
Total market value OSE (NOK 1 000)	15 646 178	9 642 999	9 427 449	8 916 938	7 748 433
Share price at year-end (NOK)	140.3	85.0	83.1	78.6	68.3
Average share price (NOK)	118.0	99.1	84.4	108.1	76.0
Lowest closing price (NOK)	96.8	66.3	73.2	63.0	60.6
Highest closing price (NOK)	146.8	144.9	95.6	154.0	90.6
Dividend per share	4.0	—	—	3.0	4.5

LEARN MORE ON OUR WEBSITE
→ Our share, shareholders and dividends

EUTAXONOMY

BACKGROUND AND SCOPE

The EU taxonomy serves as a classification framework that defines a set of economic activities considered to be environmentally sustainable. Its primary goal is to facilitate the expansion of investments in environmentally sustainable practices, contributing to the achievement of the European Union's 2030 climate and environmental goals and advancing the objectives outlined in the European Green Deal. Environmentally sustainable economic activities are described as those which "make a substantial contribution to at least one of the EU's climate and environmental objectives, while at the same time not significantly harming any of these objectives and meeting minimum safeguards."

As a non-financial company, Grieg Seafood ASA is in scope of the Taxonomy Regulation (EU) 2020/852 and the Delegated Acts to disclose information on the proportion of the company's revenue (turnover), capital expenditure (CapEx), and operating expenses (OpEx) associated with assets or processes related to environmentally sustainable economic activities. The information is compiled on a Group consolidated level displayed in Norwegian Kroner (NOK), consistent with the format used in the consolidated financial statements. For the mandatory KPI's under the EU Taxonomy, further information concerning reconciliation with the consolidated financial statements of Grieg Seafood has been provided below.

ELIGIBLE AND ALIGNED ECONOMIC ACTIVITIES

Grieg Seafood has established that economic activities qualify as eligible if they can be evaluated against the technical screening criteria outlined in the Climate Delegated Act and possess the potential to either be or become taxonomy-aligned. Grieg Seafood has identified the following economic activities to be in scope of EU taxonomy reporting as of year-end 2023:

6.5 Transport by motorbikes, passenger cars and light commercial vehicles

This activity refers to the purchase, financing, renting, leasing and operation of vehicles for the Group, typically passenger cars. Grieg Seafood utilizes passenger cars, both owned and leased, as a means of transportation of personnel between farms, our land based facilities and administration offices sites.

6.10 Sea and coastal freight water transport, vessels for port operations and auxiliary activities

This activity refers to operation of vessels designed and equipped for transport of freight or for the combined transport of freight and passengers on sea or coastal waters, whether scheduled or not, and auxiliary activities. For this activity, we have allocated CapEx and OpEx related to assets that are designed and equipped for the transportation of freight, including fish, irrespective of the usage of the asset. This is particularly relevant for well-boats. Grieg Seafood operates, through long-term time charter

contracts, well-boats which is utilized in the farming operations primarily for treatments, smolt transportation and transportation of fish to harvesting plants. Well-boats are designed and equipped for transportation of fish.

7.7 Acquisition and ownership of buildings

The activity refers to buying real estate and exercising ownership of that real estate. Grieg Seafood owns and operates buildings and lease properties through its ordinary course of business. We have an integrated value chain, and own broodstock, smolt facilities and harvesting plants on land. In addition to owned and leased buildings that function as land bases in the near proximity of certain fish farms in our regions. Additionally, we own and lease administration buildings for our farming regions, sales operations and corporate headquarter.

DETERMINING WHETHER ELIGIBLE ACTIVITIES ARE ALIGNED WITH THE TAXONOMY CRITERIA

The EU Taxonomy regulation sets out four overarching conditions that an economic activity must meet in order to qualify as environmentally sustainable. Firstly, the activity must do a substantial contribution to at least one of the six environmental objectives. Secondly, the activity must do no significant harm to any of the other five environmental objectives. Third, the company must comply with the minimum safeguards. And forth, the activity must comply with the technical screening criteria set out in the Taxonomy Delegated Acts.

TECHNICAL SCREENING PROCEDURES

Grieg Seafood has implemented the assessment of technical screening criteria for the environmental objectives climate change mitigation and climate change adaptation according to the EU Taxonomy. For 2023, Grieg Seafood's activities relate to climate change mitigation.

An economic activity contributes substantially to the environmental objective climate change mitigation where that activity contributes substantially to the stabilization of greenhouse gas concentrations in the atmosphere at a level consistent with the Paris Agreement.

Grieg Seafood has carried out the technical screening procedures as follows:

- The compliance with the substantial contribution criteria is assessed individually for each identified economic activity. Where the activities have been assessed as similar across segments, the activity has been assessed at Group level.
- Assessment of the do no significant harm-criteria has been assessed individually for each identified economic activity. Where the activities have been assessed as similar across segments, the activity has been assessed at Group level.

- Grieg Seafood has a group wide and global approach to the assessment of minimum safeguards.

The assessment of the eligible activities has resulted in none of the activities being taxonomy aligned as at 31 December 2023.

NON-ELIGIBLE ECONOMIC ACTIVITIES

Our climate action target is to reduce carbon emissions by 35% towards 2030, and by 100% in 2050, with 2019 as the baseline year. This reduction target is for Scope 1, 2 & 3. Our carbon emission reduction targets are classified as well-below 2°C global warming, and aligned with the Paris Agreement. Our emission targets have been approved by the Science Based Targets Initiative (SBTi).

We believe that the sustainable production of salmon is vital to feed a growing population in the world. As at year-end 2023, aquaculture has not been defined as either an eligible or non-eligible activity according to the EU Taxonomy, and consequently are treated as a non-eligible activity for 2023.

KPI DENOMINATOR

REVENUE (TURNOVER)

Revenue represent Grieg Seafood's total revenue from contracts with customers, in addition to rental income. A specification is provided below.

REVENUE NOK MILLION	NOTE	2023
Revenue from contracts with customers	Note 6 to the Group Accounts	7 020
Rental income	Note 28 to the Group Accounts	9
Total revenue according to EU Taxonomy		7 029

CAPITAL EXPENDITURES

Total capital expenditures (CapEx) according to the EU Taxonomy consists of additions of property, plant and equipment including right-of-use assets and additions to intangible assets. The total CapEx according to the EU Taxonomy is consistent with the consolidated financial statement of Grieg Seafood. A specification is provided below.

CAPITAL EXPENDITURES NOK MILLION	NOTE	2023
Intangible assets	Note 13 to the Group Accounts	2
Property, plant and equipment incl. right-of-use assets	Note 14 to the Group Accounts	1 329
Total CapEx according to EU Taxonomy		1 330

Grieg Seafood is a salmon farming company, and we hold biological assets on our balance sheet. According to the EU Taxonomy, additions to biological assets are a part of CapEx. For Grieg Seafood, biological assets is classified as current assets and a part of the Group's working capital. Additions to biological assets (at cost) has therefore not been included as part of the CapEx reported under the EU Taxonomy as stated in the table above, since biological assets is not property, plant and equipment.

OPERATING EXPENSES

Total operating expenses (OpEx) according to the EU Taxonomy covers the direct non-capitalized costs that relate to research and development, building renovation, short-term leases, maintenance and repair, and any direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment that are necessary to ensure the continued and effective functioning use of such assets. The definition of OpEx under the EU Taxonomy is not consistent with the operating expenses as included in the Group's consolidated financial statement. In short, the OpEx under the EU Taxonomy cover only part of the operating expenses in the consolidated financial statement, as the EU Taxonomy's OpEx definition is more narrow.

OPERATING EXPENSES NOK MILLION	NOTE	2023
Other operating expenses	Note 9 to the Group Accounts	2 236
Other operating expenses according to IFRS, not defined as OpEx according to the EU Taxonomy		1 845
Total OpEx according to EU Taxonomy		391

KPI NUMERATOR

The KPI numerators of consist of the taxonomy-eligible and taxonomy-aligned revenue, CapEx and OpEx that are included in the denominator.

MINIMUM SAFEGUARDS

Grøig Sealood ensures that its economic activities strictly adhere to minimum safeguards, with the majority of these principles being addressed through Group policies that are in alignment with both national and global regulations.

HUMAN RIGHTS	CORRUPTION	TAXATION	FAIR COMPETITION
1. Grøig Sealood is committed to the UN Guiding Principles on Business and Human Rights (to the OECD Guidelines on Multinational Enterprises and the UN Guiding Principles on Human Rights Due Diligence Process in line with the Norwegian Transparency Act where we have used the OECD Guidelines in the implementation of the law, and based our due diligence process on the approach at the UNGP.	1. Grøig Sealood perform risk assessments of our operations and have mitigating measures and controls to prevent corruption. We have implemented measures in the countries where we operate. 2. Grøig Sealood or any senior management affiliated with the company has not been finally convicted in court on corruption.	1. Grøig Sealood treat tax governance and compliance as integral components of its oversight framework and practices in strict accordance with national accounting principles and laws. 2. Grøig Sealood or its subsidiaries has not been found violating tax laws.	1. Grøig Sealood ensures compliance with competition laws through our Code of Conduct, which all employees are obliged to follow. Grøig Sealood has no agreements or relationships with competitors that violate competition laws through our Code of Conduct Program. 2. Grøig Sealood or its senior management has not been finally convicted on violating competition laws.
2. There exists no signals that Grøig Sealood or any senior management in breach of labor law or human rights.			

NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES

The disclosure requirement for Grøig Sealood's exposure to nuclear and fossil gas related activities is provided in the table below.

ROW	NUCLEAR ENERGY RELATED ACTIVITIES	YES/NO
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or heat for district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
FOSSIL GAS RELATED ACTIVITIES		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No



FIGURE 2.7
PROPORTION OF TURNOVER FROM PRODUCTS OR SERVICES
ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

DNSS Criteria ('Does not Significantly Harm')													
ECONOMIC ACTIVITIES	Code	Absolute turnover (mNOK)	Proportion of turnover %	Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Biodiversity and ecosystems %	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N
A. TAXONOMY-ELIGIBLE ACTIVITIES													
A.1. Environmentally sustainable activities (Taxonomy-aligned)													
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0	0%	100%	0%	0%	0%	0%	0%	Y	Y	Y	Y
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM 6.10	0	0%	100%	0%	0%	0%	0%	0%	Y	Y	Y	Y
Acquisition and ownership of buildings	CCM 7.7	0	0%	100%	0%	0%	0%	0%	0%	Y	Y	Y	Y
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%										
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)													
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0	0%										
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM 6.10	0	0%										
Acquisition and ownership of buildings	CCM 7.7	0	0%										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%										
Total (A.1+A.2)		0	0%										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES													
Turnover of Taxonomy-non-eligible activities		7 028	100%										
Total (A+B)		7 028	100%										

FIGURE 2.8
PROPORTION OF CAPEX FROM PRODUCTS OR SERVICES ASSOCIATED
WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

DNSS Criteria ('Does not Significantly Harm')													
ECONOMIC ACTIVITIES	Code	Absolute CapEx (mNOK)	Proportion of CapEx %	Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Biodiversity and ecosystems %	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N
A. TAXONOMY-ELIGIBLE ACTIVITIES													
A.1. CapEx of environmentally sustainable activities (Taxonomy-aligned)													
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0	0%	100%	0%	0%	0%	0%	0%	Y	Y	Y	Y
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM 6.10	0	0%	100%	0%	0%	0%	0%	0%	Y	Y	Y	Y
Acquisition and ownership of buildings	CCM 7.7	0	0%	100%	0%	0%	0%	0%	0%	Y	Y	Y	Y
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%										
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)													
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	6	0%										
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM 6.10	611	40%										
Acquisition and ownership of buildings	CCM 7.7	191	12%										
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		808	53%										
Total (A.1+A.2)		808	53%										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES													
CapEx of Taxonomy-non-eligible activities		722	47%										
Total (A+B)		1 530	100%										

FIGURE 2.9
PROPORTION OF OPEX FROM PRODUCTS OR SERVICES ASSOCIATED
WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

[illegible]

Grieg Seafood Rogaland farms salmon in the county of Rogaland on the west coast of Norway. In the region, we have seawater licenses with a maximum allowed biomass (MAB) of 17 800 tonnes. We have smolt and post-smolt facilities and also operate our own broodstock activity. We process and pack our salmon at our own facility.

OPERATIONAL RESULTS

A total of 25 980 tonnes was harvested in 2023, a decrease of 9% compared to the 28 387 tonnes harvested in 2022. Despite this decline, sales revenues amounted to NOK 2 305 million in 2023, an increase of 9% compared to 2022 (NOK 2 124 million). This increase was primarily driven by higher spot prices, with the Nasdaq spot price averaging NOK 92.5 per kg in 2023 compared to NOK 82.0 per kg in 2022. However, the sale of 17% of our volume under fixed-price contracts coupled with quality downgrades, resulted in a decline in price achievement in 2023 to NOK 88.7 per kg, compared to NOK 74.8 per kg in 2022. Additionally, the share of superior quality fish decreased from 84% in 2022 to 79% in 2023.

Our freshwater production was good in 2023, with close to eight million smolt transferred to the sea, with an average weight of 460 grams. Notably, the freshwater survival rate from our own facility increased to 94% in 2023, up from 93% in 2022.

Despite encountering challenges related to Infectious Salmon Anemia (ISA), winter ulcers, and gill disease throughout the year, our underlying seawater production remained robust. Early harvest due to ISA impacted biomass growth, but the 12-month rolling survival rate improved from 92% in 2022 to 94% in 2023. To address these challenges, we have intensified efforts to improve fish health and welfare, particularly focusing on the freshwater phase to ensure robust smolt. A vaccination program against ISA for all smolt released to sea has been initiated, along with additional measures at our smolt facilities to mitigate ISA-related risks. Furthermore, transferring larger and more robust smolt to sea farms has facilitated improved biological control and reduced disease impact. Our post-smolt results so far also indicates a higher survival rate. Thanks to the implementation of post-smolt and cleaner fish, including wrasse, we have managed

to reduce the number of sea lice treatments, resulting in 65% of pens from which fish were harvested not receiving any treatment in 2023, compared to 54% in 2022. Notably, our efforts to ensure robust fish health have resulted in the elimination of antibiotics usage in Rogaland for several years. Read more about our post-smolt results in "Our business strategy" in Part 1 of this report.

However, the costs associated with reduced survival (cost recognized as abnormal mortality in the income statement), notably attributable to ISA, gill diseases, winter ulcers, and sea lice treatments, increased to NOK 56.6 million in 2023 (NOK 2.2 per kg), compared to NOK 33.6 million in 2022 (NOK 1.2 per kg). The farming cost (the total cost of producing and harvesting our fish) ended at NOK 60.4 per kg in 2023, up from NOK 48.2 per kg in 2022. The industry experienced a general rise in costs in 2023, in particular in feed prices, which has continued to impact the farming cost until the generation of impacted fish is harvested. Additionally, reduced growth due to early harvest to minimize risk related to ISA, increased the economic feed conversion rate (eFCR, a measure of the feed utilization) from 1.38 in 2022 to 1.42 in 2023. The farming cost was additionally impacted by harvesting from ISA-affected sites, which increased the cost of handling fish, including well boat costs.

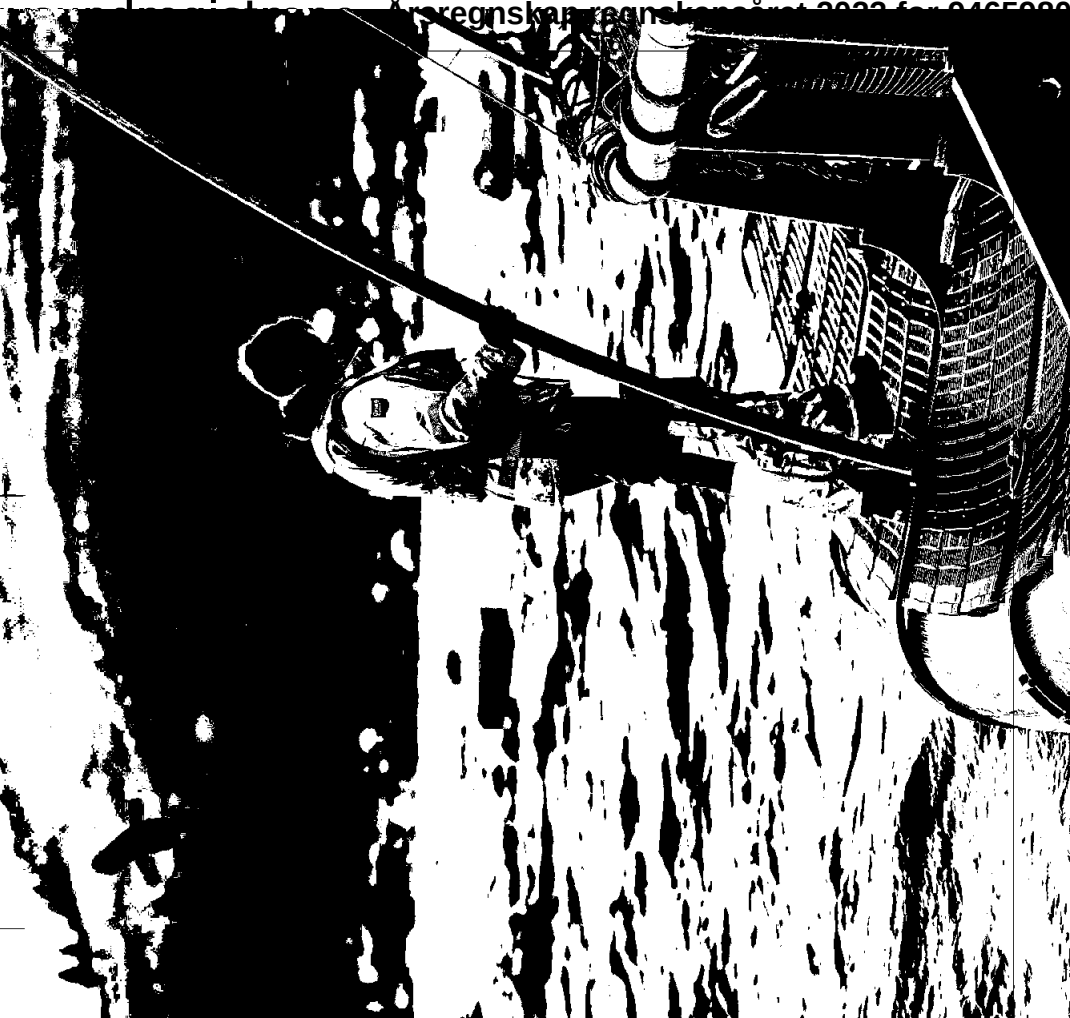
Due to our continued focus on escape prevention, we did not have any escape incidents in 2023. We also strive to minimize our impact on local wildlife. Our operations did not harm any mammals during the year. However, three bird got caught in our nets, compared to four last year. We continue our efforts to reduce our impact.

28.3

OPERATIONAL EBIT/MG (NOK)

25 980

TONNES GWT HARVESTED





SUSTAINABILITY SCOREBOARD

PROFIT & INNOVATION	KPI	STATUS	2022	2023	2020
HEALTHY OCEAN	Harvest volume (tonnes GWT)	29 000 tonnes in 2023	25 980	26 670	23 043
	Operational EBIT per kg (NOK)		28.3	26.6	9.1
	Farming cost per kg (NOK)	Cost leader	60.4	48.2	44.6
	ASC certification (% of sites)	All sites (11 eligible) by 2023	6	5	0
PEOPLE	Survival rate in freshwater		94%	93%	94%
	Survival rate at sea	95% by 2023	94%	92%	90%
	Cost of reduced survival (NOK 1 000)		56 638	33 553	30 804
	Use of antibiotics (kg per tonne LWE) *	No use of antibiotics	0.00	0.00	0.00
LOCAL COMMUNITIES	Use of hydrogen peroxide (kg per tonne LWE) *	Minimize use of pharmaceutical treatments	0.00	0.00	1.58
	Sea lice treatments - in feed (kg per tonne LWE) *	Minimize use of pharmaceutical treatments	0.00	1.61	3.74
	Sea lice treatments - in bath (kg per tonne LWE) *	Minimize use of pharmaceutical treatments	0.13	0.05	0.63
	Escape incidents (# of fish)	Zero escape incidents	0	0	0
SUSTAINABLE FOOD	Dead birds	Minimize impact on wildlife in 2023	3	4	13
	Dead marine mammals	Minimize impact on wildlife in 2023	0	0	0
	Carbon emissions (kgCO ₂ e per tonne GWT)	35% reduction (from 2018) in total emissions by 2030	295	272	332
	Scope 1 + 2 (location based)		5 636	5 289	5 676
PEOPLE	Scope 3	93% superior share	79%	84%	85%
	High quality product		1.27	1.24	1.26
	Biological feed conversion ratio (BFCR)		1.42	1.38	1.43
	Economic feed conversion ratio (eFCR)		181	175	162
LOCAL COMMUNITIES	Employees		3.9%	5.6%	3.0%
	Absence rate	Below 4.5%	32	25	42
	Lost time incident rate	**	15%	11%	n/a
	Turnover rate		4.1%	52%	64%

* Amount of active pharmaceutical ingredients (API) used (in g or kg) per tonne of fish produced (LWE).
** An LTR target has not been defined in order to avoid under-reporting of incidents.
n/a: Data not available or applicable.
Please refer to Part 1 - Our pillars and material topics for a description of the general financial impact of each topic.

Aquaculture Stewardship Council (ASC) certification is an important objective, as we believe it provides our customers and consumers with assurance that we are operating in a responsible manner and producing high-quality seafood certified to the highest social and environmental standards. We aim to certify all sites in Rogaland according to ASC. We started the certification and audit process at the start of 2022, and had six of 11 eligible sites ASC-certified by the end of 2023. This corresponds to 74% of harvested volume for the year.

As part of our Climate Action Plan to reduce our carbon emissions by 35% in 2030, we are connecting our sea farms to the onshore power grid, thereby lowering our carbon emissions from diesel consumption. In Rogaland, 53% of our farms are powered by onshore electricity. Due to challenges in connecting the rest of the farms, we have installed batteries to enable diesel-electric power generation at three sites in 2023. Read more about our work to reduce carbon emissions in Part 02 - Climate action.

We are committed to maintaining a good working environment and keeping our employees safe. In 2023, the total absence rate for Rogaland was 3.9%, below the target of 4.5%. We monitor and follow up absence in accordance with our procedures and guidelines. Read more about how we work to secure our employees well-being and labor rights in Part 02 - People.

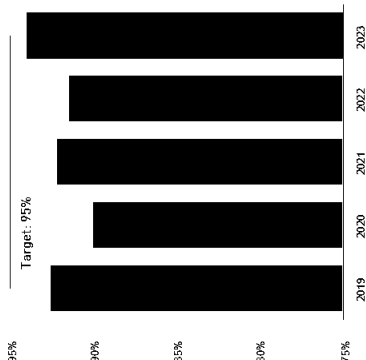
NOK MILLION	2019	2020	2021	2022	2023
Harvest (tonnes GWT)	25 217	23 043	26 670	26 387	25 980
Revenue (NOK million)	1 538.9	1 263.1	1 430.9	2 123.7	2 305.2
Operational EBIT (NOK million)	568.2	292.3	242.0	754.6	735.4
Operational EBIT / kg (NOK)	22.5	12.7	9.1	26.6	28.3
Farming cost / kg (NOK)	35.9	42.1	44.6	48.2	60.4

FIGURE 2.10 RESULTS



FIGURE 2.11 OPERATIONAL EBIT AND HARVEST

FIGURE 2.12
SURVIVAL RATE AT SEA, ROLLING 12 MONTHS

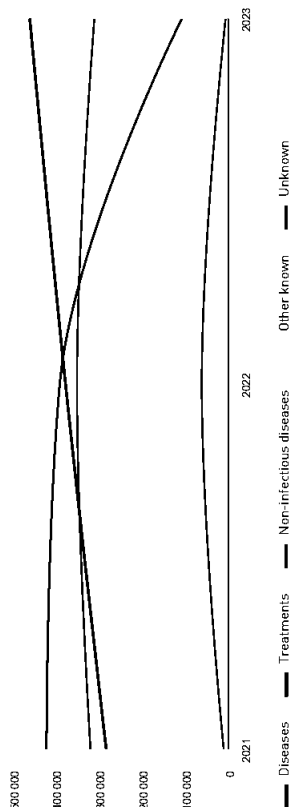


Our hypothesis set targets for survival rates in fresh water. This is primarily a small, transient stage of a fish's life cycle, and because of the high mortality rates, it is the starting point for most of the fish that will become adults. That is our chosen starting point. Over the years, research has allowed us to improve the quality of breeding stock, and the eggs and survival rates, but we still experience mortality especially in the very early phases. We work systematically at the various stages in the life cycle to improve survival rates. These targets can be found in our fish health and welfare strategy. The calculation of survival rate at sea corresponds to the 55th indicator, "Fish mortality" which is defined as "12 months rolling mortality = total # of mortalities in sea - total # of mortalities in 12 months" (closing of fish in sea - total # of mortalities in last 12 months + total # of harvested fish in last 12 months). The calculation of survival rate in sea is defined as "12 months rolling survival rate in sea = total # of culled fish in sea / total # of fish in sea" + 100%.

FIGURE 2.13
MAIN CAUSES FOR REDUCED SURVIVAL IN SEAWATER IN 2023

MAIN CAUSE	NUMBER OF FISH	TONNES OF FISH
Diseases	459 423	1 595
Handling and/or treatments	106 015	250
Non-infectious diseases	4 626	12
Other known	18 959	90
Unknown	309 243	737
Total	898 366	2 684
Abnormal seawater mortality write-down	430 081	952
%	48%	35%

FIGURE 2.14
MAIN CAUSES FOR REDUCED SURVIVAL IN SEAWATER (NUMBER OF FISH)



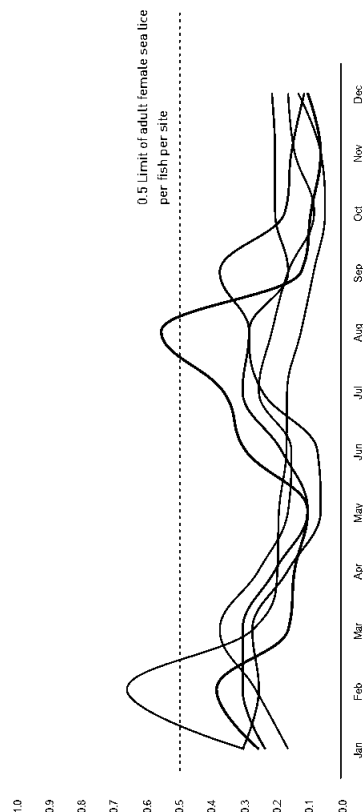
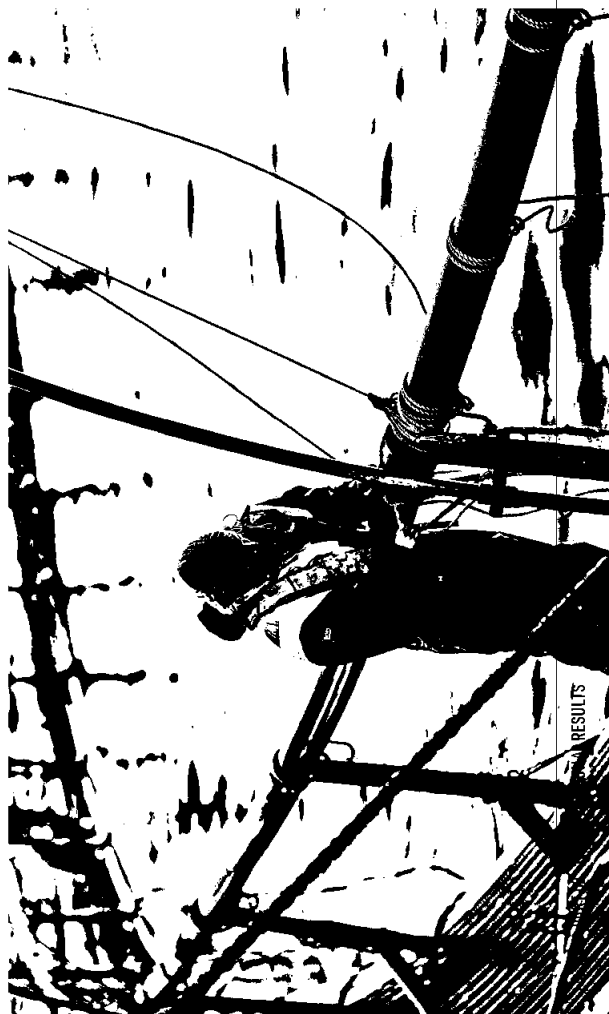
The main causes of reduced survival in sewerage are categorized according to a new standardized mortality classification scheme developed in 2023 by the Norwegian University of Life Sciences (NMBU) together with industry leaders. In previous years, we have classified mortality by the main categories "infectious" and "non-infectious" with subcategories. Historical data is reclassified according to the new standard.

We perform a daily count and registration of dead fish. Laboratory analysis are undertaken to establish the main cause of mortality. In some cases, the cause of mortality can be difficult to establish due to various reasons such as weather- and environmental conditions, and the lack of diagnostic tools on site to identify causal agents.

Mortality caused by diseases in 2023 was mainly related to winter ulcers and complex gill disease (CGD). Gill infections are in most cases complex and multifactorial, and the primary cause of mortality is unknown. Gill infection is a welfare issue as well as being an important cause of mortality. In addition, handling and treatments that led to lesions and bacterial infections including winter ulcer were also a main driver for reduced survival. In addition to being a welfare issue, winter ulcers can lead to increased mortality and reduced quality at harvest. Our fish are vaccinated against the disease, however, high challenge pressure and presence of other strains or bacteria can also cause skin ulcers.

Site-specific information about treatments and notifiable diseases are publicly available at Barentswatch.

FIGURE 2.15
SEA LICE LEVELS (ADULT FEMALES)

[illegible]



LOCAL COMMUNITIES

We aim to be open and honest with local communities about our production methods, our successes, and our remaining challenges. We view it as our responsibility throughout all of our four farming regions to engage in constructive dialogue with all stakeholders and groups that are impacted by our activities. We create jobs and opportunities in the rural areas where we operate, and we use local suppliers as often as we can. We hire local apprentices and support aquaculture schools and training facilities. We sponsor sports and cultural activities, and we engage in monitoring and protection of the local environment. We also provide a grievance mechanism for local communities on our regional website as well as a whistle blower channel. This enable us to identify and prevent potential negative impact on local communities, such as pollution of local environment and violations of human rights. In 2023, we did not identify any significant negative impact on local communities from our operations.

NOK 799 million
equated to 4.1% of total purchases, spent on goods and services purchased from local suppliers in the county of Rogaland.

NOK 1.9 million
donated to local services and projects, all of which are pro-bono. We support preserving local culture and the Norwegian way of life connected to the sea. Our contributions include sponsoring the restoration of a local fishing boat and books on local history. We support cultural events for children and young people to make participation in cultural activities affordable for those with few financial resources. In Stavanger for instance, we supported Children's Møllis, a family festival in the woods. We also support sports clubs in the municipalities where we have farms.

NOK 16.9 million
in direct support from the Norwegian Aquaculture Fund to the municipalities where we operate, based on the production fee of NOK 0.56/kg (gatted weight) for volume harvested during the first half of 2023 and NOK 0.70/kg (gatted weight) for volume harvested during the second half of 2023.

Learn more about our relationships with our local community on our website.

OPERATIONAL PRIORITIES

We expect to harvest 28 000 tonnes in 2024, with an ambition to increase harvest to 35 000-40 000 by improving the utilization of our seawater capacity. The key to achieving this, is to reduce production time in the sea, which we expect to result in improved biological performance and a higher utilization of each site's maximum allowable biomass (MAB). Read more about how larger smolt (post-smolt) will significantly reduce seawater production time, reduce our impact and improve growth in sea in the operational focus area chapter in Part 1 of this report. In 2023, 65% of fish harvested were from post-smolt. In 2023, the average weight of smolt transferred to sea was 460 grams. We aim to increase the average smolt weight to 1 kg in 2027.

Another tool that will improve biology and drive growth, is our Precision Farming strategy. Read more about Precision Farming in our operational focus areas chapter in Part 1 of this report.

We are well-positioned with land-based production, and aim to add at least 4 500 tonnes by increasing our post-smolt capacity. Our current freshwater facilities at Trosnåvåg and Høglund have a production capacity of 1 200 tonnes smolt. We also have a 33% shareholding in Tylandsvik Aqua, with a current smolt production capacity of 6 000 tonnes (where Greg Sealfood Rogaland is entitled to 50% of the smolt). Tylandsvik is exploring additional capacity of 3 000 tonnes, possibly adding 1 500 tonnes of smolt to Greg Sealfood Rogaland. In addition, we use two closed-containment facilities in sea, Fisk6LOBE, to produce post-smolt. These facilities have a total capacity of 900 tonnes. Further, we have a 44% shareholding in Årdal Aqua, a land-based facility with the same design as Tylandsvik Aqua. Årdal Aqua is expected to produce at least 4 500 tonnes of post-smolt annually from 2025. Due to the introduction of a resource rent tax in 2023, we have not had any strategic investments in Rogaland this year, however, we have spent a total of NOK 77 million in maintenance investments.

FIGURE 2.17
RESTORED ECOSYSTEMS UNDER FARMS

We used one net with copper antifouling solutions at one site in Rogaland in 2023	
Remediated ecosystems under farms before a new generation of fish was transferred to the farms in 2023	
Restored to "very good" or "good" thresholds according to local regulations.	
100% of farms	

FIGURE 2.18
RESULTS OF B-TEST

Year	Very good	Good	Poor	Very poor	Test not yet taken (new sites)
2023	73%	18%	9%	0%	0%
2022	75%	17%	8%	0%	0%
2021	83%	17%	0%	0%	0%

As in all other types of food production, our farming operations leave a footprint through local emissions. Such emissions may be excess feed, feces from the fish or copper from fish nets. This impact should never be irreversible. Read more about our impact on nature here. Between each generation of fish, we allow the ecological system to rest and restore itself. In Norway, all farms are required to conduct independent seabed tests (B-test) at peak biomass production (max load), and undertake regular independent tests in the area around the farms (C-test). Local regulations impose following periods after each generation to ensure the environment under and around the pen recovers. The minimum following period is at least two months, and longer if seabed test results indicate that is needed. Only when a farm has reached the threshold of restoration, may we transfer a new generation of fish to the site. If following is not enough to improve seabed test results, additional measures, such as reducing production, is taken. In 2023, 91% of our sites received a very good or good score after a B-test, and 100% of our sites received a good or better score after a C-test. We have one site in Rogaland where the ecosystem takes longer to recover, and where we performed seabed at peak biomass in 2022 and 2023. The site that received a poor score must follow for longer. Results of the B-tests are publicly available information. Please see The Directorate of Fisheries.

According to the Risk Report of Norwegian Fish Farming by the Institute of Marine Research, the risk of impact from organic waste from fish farming is low and the environmental ecosystem condition is good in Rogaland (the salmon production area P02). Greg Sealfood has partnered with other salmon farming companies in Rogaland to commission an independent environmental monitoring program, to ensure that the combined organic emissions from all the farms do not significantly impact the fjord. The program monitors the water quality and possible eutrophication in the Kykkje fjord system. The results after a decade of monitoring show that the fjord system's environmental condition is good.

FIGURE 2.19
PROTECTING MARINE ECOSYSTEMS

Impact assessment's performed	Operations in protected areas/areas of high biodiversity value	Red list species impacted
100% of farms	Two broodstock farms, total water surface area of 0.093km ²	One species (2 birds)

We perform environmental and social impact assessment for all of our farms. The assessment also includes presence of cauldower corals. These assessments are also part of the ASC certification process, which is a standard for responsible aquaculture. Two broodstock farms in Rogaland have been assessed by the Norwegian Directorate of Environment and Climate, and are subject to certain restrictions as a result. We do have sites in the proximity of land nature reserve, but we do not have any other sites in or adjacent to protected areas or areas of high biodiversity value (as defined as Special Areas of Conservation (SAC), Marine Protected Areas (MPA), High Conservation Value Areas (HCVAs) or Federal Marine Protected Areas). For the definition of protected areas and areas of high biodiversity value, we refer to the ASC Salmon Standard. All site locations are available on our website.

FIGURE 2.20
IUCN RED LIST - AND NATIONAL CONSERVATION LIST SPECIES

	Critically endangered	Endangered	Vulnerable	Near threatened	Least concern
IUCN Red List	10	13	45	47	940
Artsdatabanken	6	17	28	22	296

Our impact assessments also include identification of species listed in the IUCN Red List and Norway's national conservation list, Artsdatabanken, with habitats in areas where we operate. The International Union for Conservation of Nature (IUCN) Red List of Threatened Species provides an inventory of the global conservation status of plant and animal species, and is the world's most comprehensive information source on the conservation status of species. Our assessments have not identified that our activities pose a threat to any endangered plants or animal species. We keep track of red listed species impacted in areas affected by our operations as a part of the ASC certification. In 2023, we had three incidents which involved two Black-headed gulls, which according to Norway's national conservation list is critically endangered, and one Mew gull, which according to Norway's national conservation list is vulnerable. The Mew gull and one Black-headed gull have drowned. One Black-headed gull was found entangled in the anti-bird net. We have changed our procedures to ensure we keep our nets tight to prevent similar incidents.

Each year we monitor beach areas in proximity to our active sites in Rogaland (the size of the beach areas we monitor do not keep track of this, only positioning in terms of location). We have implemented measures to prevent beach erosion, such as seawater carbon dioxide in their roots, and also provide our energy, refuge and foraging habitats for marine animals. In 2023, we conducted several assessments. The results showed no significant impact from our farming operations. We continue to monitor beach areas each year to keep track of changes and will implement protective measures if negative impact is detected.

PART 02 - OUR OPERATIONAL RESULTS



GRIEG SEAFOOD

FINNMARK

Grieg Seafood Finnmark farms salmon in Troms and Finnmark, the northernmost county in Norway. We have seawater licenses with a maximum allowed biomass (MAB) of 27 000 tonnes, including green licenses which are subject to stricter environmental standards. We also operate freshwater facilities. In general, the salmon we harvest are processed and packed at our local facility in Alta.

OPERATIONAL RESULTS

A total of 25 170 tonnes was harvested in 2023, a decrease of 30% compared to the 36 024 tonnes harvested in 2022. Sales revenues amounted to NOK 1 947 million, a decrease of 26%, compared to NOK 2 629 million in 2022. The year-on-year reduction is related to the lower harvest volume. The Nasdaq average spot price in 2023 was NOK 92.3 per kg, compared to NOK 82.0 per kg in 2022. Our price achievement in 2023 was NOK 77.3 per kg (NOK 73.0 per kg in 2022). The price achieved was significantly depressed by downgrades, in addition to the sale of 15% of our volume under fixed-price contracts. The superior quality share decreased from 86% in 2022 to 58% in 2023 due to impact from the parasite *Spironucleus Salmonicida* (Spiro) in addition to winter ulcers and string jellyfish.

Freshwater production at our own facility at Adamselv was good during the year. Throughout the year, we have performed regular testing for Spiro, which was detected in fish from Adamselv in 2022. The source of the parasite is believed to be the water intake to the facility. Water treatment equipment have been installed and disinfection measures have been implemented to significantly reduce future risks of Spiro in the freshwater facility. We also collaborate with research institutions to close knowledge gaps related to Spiro. We have not had any new detections of Spiro at the freshwater facility in 2023. We transferred a total of 12.2 million smolt with an average weight of 210 grams to the sea in 2023. The freshwater survival rate increased from 90% in 2022 to 95% in 2023. During the year, we have completed a redesign of the freshwater facility at our jointly-owned Nordnorsk Smolt, where we commenced production in the autumn.

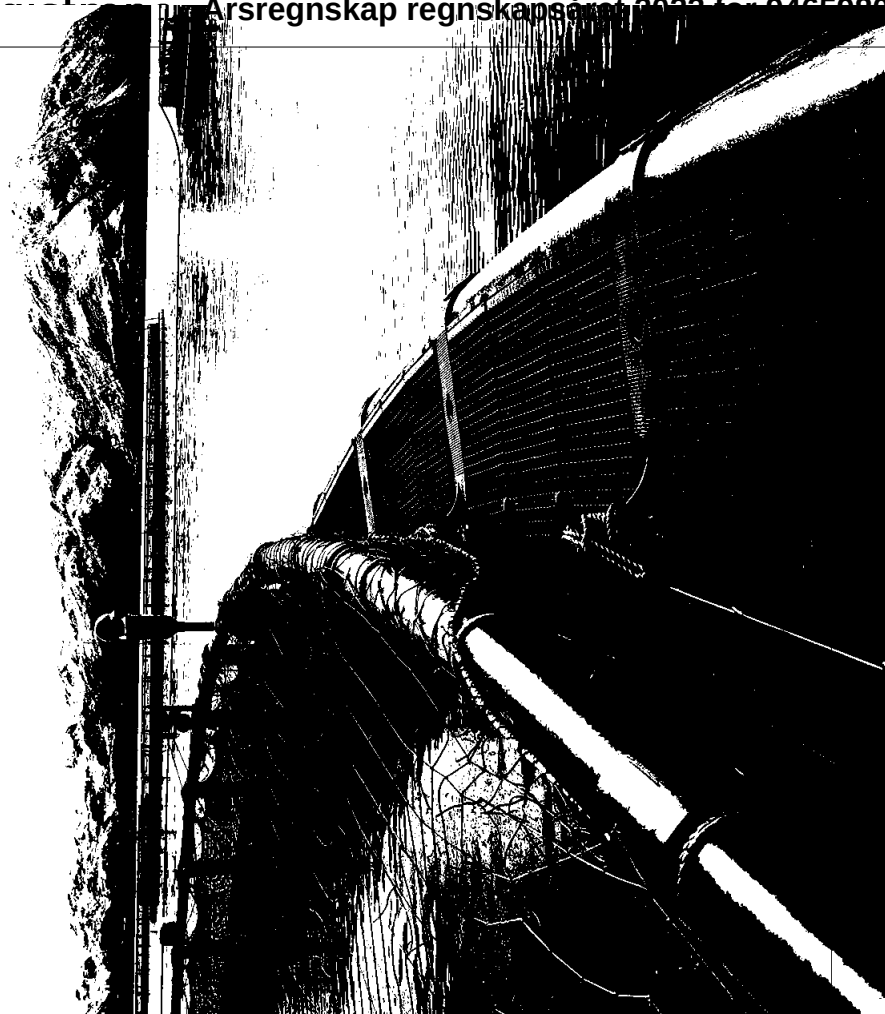
PART 02 - OUR OPERATIONAL RESULTS

25 170

TONNES GWT HARVESTED

13.0

OPERATIONAL EBIT/KG INOK



Årsregnskap regnskapsåret 2023 for 016509938



SUSTAINABILITY SCOREBOARD

KPI	STATUS	2022			2020		
		2022	2021	2020	2022	2021	2020
PROFIT & INNOVATION	Harvest volume (tonnes GWT)	33 000 tonnes in 2023	25 170	36 024	34 484	26 919	32 362
	Operational EBIT per kg (NOK)	13.0	25.7	7.3	4.7	17.9	17.9
	Farming cost per kg (NOK)	Cost leader	64.4	47.3	44.1	37.7	37.7
HEALTHY OCEAN	ASC certification (# of sites)	All sites (18 eligible) by 2023	17	17	18	15	10
	Survival rate in freshwater	95%	90%	95%	95%	89%	87%
	Survival rate at sea	95% by 2023	92%	91%	95%	92%	96%
	Cost of reduced survival (NOK 1 000)		95 525	100 567	53 133	37 495	15 055
	Use of antibiotics (kg per tonne LWE) *	No use of antibiotics	2.63	6.77	5.98	0.00	0.00
	Use of hydrogen peroxide (kg per tonne LWE) *	Minimize use of pharmaceutical treatments	7.68	6.54	2.36	3.62	0.00
	Sea lice treatments - in feed (kg per tonne LWE) *	Minimize use of pharmaceutical treatments	0.18	0.07	0.14	0.14	0.10
	Sea lice treatments - in bath (kg per tonne LWE) *	Minimize use of pharmaceutical treatments	0.74	0.73	0.34	0.82	0.21
	Escape incidents (# of fish)	Zero escape incidents	0	1 (2 878)	1 (4 352)	0	0
	Dead birds	Minimize impact on wildlife in 2023	0	20	8	6	2
SUSTAINABLE FOOD	Dead marine mammals	Minimize impact on wildlife in 2023	0	0	0	0	0
	Carbon emissions (kg CO ₂ e per tonne GWT)	35% reduction (from 2018) in total emissions by 2030	241	151	166	182	169
	Scope 1 + 2 location based		4 997	3 774	4 492	5 973	5 330
	Scope 3		59%	86%	82%	69%	86%
	High quality product	93% superior share	1.26	1.23	1.21	1.20	1.14
	Biological feed conversion ratio (BFCR)		1.48	1.40	1.34	1.35	1.21
	Economic feed conversion ratio (eFCR)		300	283	262	257	256
	Employees		8.0%	9.7%	8.7%	5.5%	4.9%
	Absence rate	Below 4.5%	22	21	22	28	22
	Lost time incident rate	**	17%	16%	n/a	n/a	n/a
LOCAL COMMUNITIES	Turnover rate		28%	29%	45%	60%	66%
	Local procurement						

* Amount of active pharmaceutical ingredients (API) used (in g or kg) per tonne of fish produced (LWE).
** An LTR target has not been defined in order to avoid under-reporting of incidents.
n/a: Data not available.

Please refer to Part 1 - Our pillars and material topics for a description of the general financial impact of each topic.

As part of our Climate Action Plan to reduce our carbon emissions by 35% in 2030, we have connected our feed barges to the onshore power grid. In Finnmark, 57% of our farms are connected to the onshore grid. For sites that are not suitable for the provision of onshore power, we use diesel-electric batteries to reduce carbon emissions. We have only one more remaining barge without electrification or diesel-electric batteries left in Finnmark. This means that 95% of all operational sites and barges are reducing their annual fossil fuel emissions. Read more about how we work to reduce our carbon emissions in Part 02 - Climate action.

We are committed to maintaining a good working environment and keeping our employees safe. In 2023, the total absence rate for Finnmark was 8.0%, against a target of 4.5%. We are monitoring and following up on absence in accordance with procedures and guidelines. Read more about how we work to secure our employees well-being and labor rights in Part 02 - People.

As in all our regions, Ørsted Seafood Finnmark focuses on improving fish welfare, achieving a high survival rate and working towards sustainable production. As a result of our efforts in the area, 17 out of 18 eligible sites were ASC certified at year end. This is equivalent to 74% of harvested volume for the year. New sites must reach peak biomass to be considered for certification.

Spro has also impacted our cost of reduced survival (cost recognized as abnormal mortality in the income statement) the last years, which came to NOK 95.5 million in 2023 (NOK 3.9 per kg) and NOK 100.6 million in 2022 (NOK 2.8 per kg). The farming cost (the total cost of producing and harvesting our fish) ended at NOK 64.4 per kg in 2023, up from NOK 47.3 per kg in 2022. In addition to reduced survival and early harvest of fish impacted by Spro, the farming cost was impacted by a general rise in cost. This applies in particular to feed, whose prices increased by close to 40% from 2021 to 2022. This impacted our farming cost in 2023, when we have harvested fish impacted by the increases. Additionally, reduced growth due to biological challenges increased our economic feed conversion rate (eFCR, a measure of the feed utilization) from 1.40 in 2022 to 1.48 in 2023. Overall, we are working to improve survival rates through both general and targeted health and welfare measures. Good results from vaccines and efforts to ensure robust fish health have eliminated the need of antibiotics for several years. However, we did use the antibiotic Florfenicol in the beginning of the year to safeguard the welfare of fish at selected pens impacted by sores.

We have a continuous focus on escape prevention, as we regard it as our responsibility to avoid interbreeding between our farmed salmon and local wild salmon should an escape occur. We had no escapes in 2023. We are also working on measures to minimize our impact on local wildlife. No birds and no mammals got caught in our nets in 2023.

FIGURE 2.21 RESULTS

FINNMARK	2019	2020	2021	2022	2023
Harvest (tonnes GWT)	32 362	26 919	34 484	36 024	25 170
Revenue (NOK million)	1 815.3	1 313.5	1 756.3	2 629.2	1 946.6
Operational EBIT (NOK million)	580.2	127.4	250.5	926.1	326.6
Operational EBIT / kg (NOK)	17.9	4.7	7.3	25.7	13.0
Farming cost / kg (NOK)	37.7	44.1	43.7	47.3	64.4

FIGURE 2.22 OPERATIONAL EBIT AND HARVEST

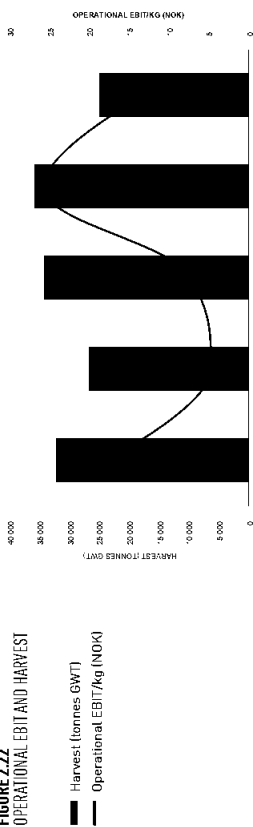
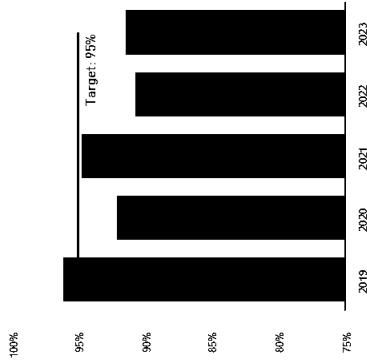


FIGURE 2.23
SURVIVAL RATE AT SEA, ROLLING 12 MONTHS



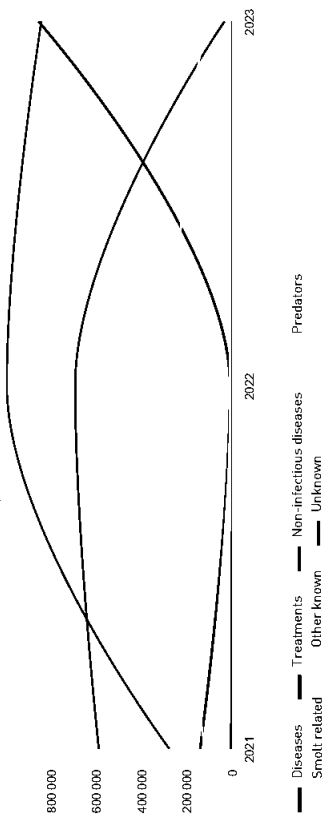
We have also set targets for survival rates in fresh water. In the wild, only a small percentage of fertilized eggs survive and become adults. In our aquaculture breeding fish, on the other hand, we have allowed us to improve the quality of breeding practices. This has resulted in a higher survival rate, especially in the very early phases. We work systematically at the various stages in the life cycle to improve survival rates.

These targets can be found in our fish health and fish welfare policies. The calculation of survival rate at sea corresponds to the GSI indicator "Fish Mortality" which is defined as "12 months rolling mortality = total # of mortalities in sea last 12 months / (closing # of fish in sea + total # of mortalities in last 12 months + total # of harvested fish in last 12 months + total # of culled fish in sea) x 100".

FIGURE 2.24
MAIN CAUSES FOR REDUCED SURVIVAL IN SEAWATER IN 2023

MAIN CAUSE	NUMBER OF FISH	TONNES OF FISH
Diseases	856 485	1 726
Environmental	80 526	29
Handling and/or treatments	28 412	73
Non-infectious diseases	348	1
Predators	667	1
Smolt related	119 338	25
Other known	419	1
Unknown	82 848	1 538
Total	1 929 043	3 395
Abnormal seawater mortality write-down	1 183 970	1 698
%	61%	50%

FIGURE 2.25
MAIN CAUSES FOR REDUCED SURVIVAL IN SEAWATER (NUMBER OF FISH)



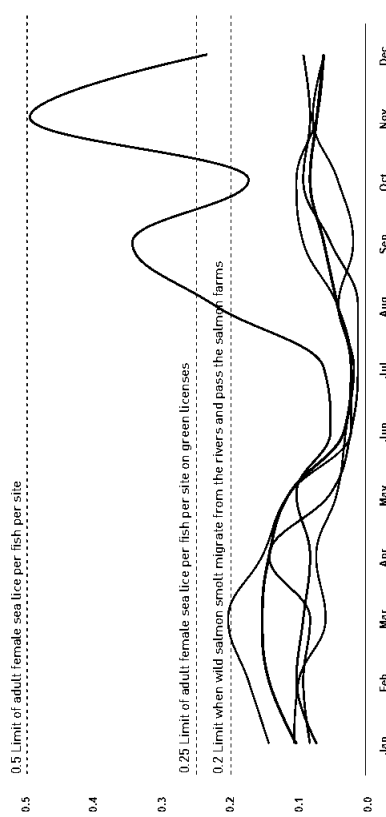
The main causes of reduced survival in seawater are categorized according to a standardized mortality classification scheme developed by the Norwegian University of Life Sciences (NMBU) together with industry leaders. In previous years, we have classified mortality by the main categories: "infectious and non-infectious" with subcategories. Historical data is reclassified according to the new standard.

We perform a daily count and registration of dead fish. Laboratory analysis is undertaken to establish the main cause of mortality. In some cases, the cause of mortality can be difficult to establish due to various reasons such as weather- and environmental conditions, and the lack of diagnostic tools on site to identify causal agents.

Mortality caused by lesions from string jelly fish encounters, treatments and after effects from parasitic infestations were the main drivers for reduced survival. Diseases include Spironucleus salmonicida and winter ulcers, a bacterial infection. In addition to being a welfare issue, winter ulcers can lead to increased mortality and reduced quality at harvest. Our fish are vaccinated against the disease, however, high challenge pressure and presence of other strains or bacteria can also cause skin ulcers. We have used antibiotics during the winter months to treat the disease, but this has led to increased mortality and reduced quality at harvest. We have also used antibiotics during the summer months to treat the disease, but this has led to increased mortality and reduced quality at harvest. We have also used antibiotics during the summer months to treat the disease, but this has led to increased mortality and reduced quality at harvest.

Site-specific information about treatments and notifiable diseases are publicly available at BarEntsWatch.

FIGURE 2.26
SEA LICE LEVELS (ADULT FEMALES)



The sea lice counts are calculated as the average number of adult female sea lice per month. Sea lice levels shall stay below the legal limit of 0.5 adult female per fish. At the green license, the sea lice counts are calculated as the average number of adult female sea lice per month. Sea lice counts are conducted by visual inspections, done by lifting a minimum of 30 salmon out of the water for each pen on a weekly or biweekly basis, depending on the seawater temperature. The number of sea lice on each fish is recorded in our systems, and this information is used to estimate the overall prevalence of sea lice in the population. On average, we did not exceed the sea lice limits in 2023. We report sea lice levels and sea lice treatments to the Directorate of Fisheries on a weekly basis. This is publicly available information, please see BarEntsWatch.



LOCAL COMMUNITIES

We aim to be open and honest with local communities about our production methods, our successes, and our remaining challenges. We view it as our responsibility throughout all of our farming regions to engage in constructive dialogue with all stakeholders and groups that are impacted by our activities. We create jobs and opportunities in the rural areas where we operate, and we use local suppliers as often as we can. We hire local apprentices and support agriculture schools and training facilities. We sponsor sports and cultural activities, and we engage in monitoring and protection of the local environment. We also provide a grievance mechanism for local communities on our website. This enable us to identify and prevent potential negative impact on local communities. This enable us to identify and prevent potential negative impact on local communities, such as pollution of local environment and violations of human rights. In 2023, we did not identify any significant negative impact on local communities from our operations.

Finmark has been home to the Sami people for millennia. We recognize that the Sami people have special rights, as acknowledged in the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), and take particular care to avoid infringing them. We are in a process to understand how we can advance the same culture in Finmark. We continue our close dialogue with the Sami people and we did not identify any violations of their rights caused by our operations in 2023.

585 million
NOK

NOK 2.7 million

NOK 18.1 million in direct support from the Norwegian Aquaculture Fund to the municipalities where we operate, based on the production fee of NOK 0.56/kg (gutted weight) for volume harvested during the first half of 2023 and NOK 0.70/kg (gutted weight) for volume harvested during the second half of 2023.

Learn more about our relationships with our local community on our website.

OPERATIONAL PRIORITIES

Bring Seafood Finmark targets a harvest volume of 27 000 tonnes in 2024, with an ambition to increase harvest to 40 000–45 000 tonnes by improving the utilization of our seawater capacity. The key to achieving this is to optimize our existing site structure, obtaining new sites and reducing production time at sea, which we expect to result in improved biological performance and a higher utilization of each site's MAB. We are currently farm smolt at our own facility in Admelsvik and at Nordorsk Smolt, in which we have a 50% shareholding. We are targeting a capacity increase of 3 000 tonnes of post-smolt at Admelsvik. The construction of the new post-smolt unit in Admelsvik commenced at the end of the year. Larger smolt will significantly reduce seawater production time, avoiding two winners at sea, while also providing increased flexibility in timing their transfer to seawater, as larger fish is more robust. Shorter time at sea will also decrease the fishes' exposure to issues such as winter ulcers, sea lice and other biological challenges. Flexibility is a requirement to achieve better utilization of our capacity, and we are also continuously looking for opportunities to secure access to new sites.

In 2023, we spent NOK 141 million in growth investments, mainly related to the UV water treatment system at our current freshwater facility in and construction start-up of the new post-smolt unit in Adamselev, in addition to NOK 169 million in maintenance investments.

FIGURE 2.28
RESTORED ECOSYSTEMS UNDER FARMS

Copper-free antifouling solutions on nets	We used two nets with copper antifouling solutions at one site in Finnmark in 2023	Remediated ecosystems under farms before a new generation of fish was transferred to the farms in 2023	100% of farms
		Restored to "very good" or "good" threshold according to local regulations.	

FIGURE 2.29
RESULTS OF B-TEST

Year	Sites with hard seabed (do not get a score)				Test not yet taken (new sites)
	Very good	Good	Poor	Very poor	
2023	86%	14%	0%	0%	0%
2022	62%	33%	0%	5%	0%
2021	43%	10%	19%	5%	10%

fisheries in all other types of food production, our farming generations, now as well as future, may be acrossed less, thanks from fish and capture from fish. This impact should never be irreversible. More about our impact on nature here. Between each generation of fish, we need the ecological system to rest and restore from fish. Norway, all local regulations impose following seabed tests (B-test at task biomass production/ha and, under the regular independent tests in the area around the farms, C-test). Local regulations impose following seabed tests after each generation to ensure the environment under and around the plan recovery. The minimum following period is the two months, and longer if seabed tests indicate that it is needed. Only when a farm has reached the threshold of restoration, may we transfer a new generation of fish to the next test. Following is not enough if seabed tests yield poor results, additional measures, such as reducing production, are needed. 100% of our sites received a very good or good score in seabed tests in 2020, up from 95% in 2019. The results are based on last B-test taken for each site (a B-test taken for each site that is part of our ongoing operations, either at task biomass production/ha or, before resting when the seabed has recovered). Longer following periods are in place for sites with poor scores, and a new generation will not be stocked until the impact is reduced. The results of the seabed tests are publicly available information, please see <https://www.fiskeridir.no> (The Directorate of Fisheries). We are subsequently working with local authorities to adjust the way the B-test can be used in the most optimal way, which reduces the organic impact. Please see <https://www.fiskeridir.no> (The Directorate of Fisheries).

According to the Risk Report on Norwegian Fish Farming by the Institute of Marine Research, the risk of impact from organic waste from fish farming in Finnmark (the salmon production area P012) is low and the environmental ecosystem condition is good. An environmental study of the organic impact of fish farming in the Alta fjord, published in 2017, showed low impact on the fjord system.

FIGURE 2.30
PROTECTING MARINE ECOSYSTEMS

Impact assessments performed	Operations in protected areas/areas of high biodiversity value	Red list species impacted
100% of farms	One harvest site, total area of 0.004 km ² of the water surface	0

We perform environmental and social impact assessment for all of our farms. Such assessments are also part of the SAC certification process, which includes criteria to minimise potential impacts on biodiversity. Our inventory plans, which have the highest priority for assessment, are carried out in one or more of the following categories:

- Areas subject to the Ramsar Convention
- Sites of Special Scientific Interest (SSSI)
- National Nature Reserves (NNR)
- Sites of Community Importance (SCI)

In addition, salmon farmed in certain regions are also subject to specific legislation as a result. We do have sites in the proximity of land native reserves. This knowledge plan was present prior to the establishment of the category, and areas of high biodiversity value were defined as Special Areas of Conservation (SAC), Marine Protected Areas (MPA), High Nature Value Areas (HNVAs) or adjacent to protected areas or areas of high biodiversity value. Land was defined as Special Areas of Conservation (SAC). Marine Protected Areas (MPA), High Nature Value Areas (HNVAs) or adjacent to protected areas or areas of high biodiversity value were defined as Special Areas of Conservation (SAC). The definition of protected areas and areas of high biodiversity value was based on the Salmon Standard. All site locations are available on our website.

FIGURE 2.31
U.S. RED LIST- AND NATIONAL CONSERVATION LIST SPECIES

	Critically endangered	Endangered	Vulnerable	Near threatened	Least concern
IUCN Red List	10	13	45	47	940
Artsdatabanken	6	10	22	24	2%

Our impact assessments also include identification of species listed in the IUCN Red List and Norway's national conservation list, Arcticabbatene, with habitats in areas where we operate. The International Union for Conservation of Nature (IUCN) Red List of Threatened Species provides an inventory of the global conservation status of plant and animal species; the Norwegian national conservation list serves as authorities on the sensitivity of habitat in areas affected by our operations, and on the relative importance of these habitats from a management perspective. Our assessments have not identified that our activities pose a threat to any endangered plants or animal species. We keep track of red listed species impacted in areas affected by our operations as a part of the ASC certification.

As part of our commitment to co-existence with wild salmon, the Alta river (total length of 140 km) in Finnmark are monitored in collaboration with the Norwegian Institute for Nature Research, the management of the Alta river, and the West Finnmark Hunting and Fishing Association. The objective is to investigate the impact of escaped farmed salmon from recreational fishing, and to evaluate the need for enhanced proactive measures. In 2023, 495 shell samples were submitted from the Alta river, whereas no samples were identified as escaped farmed salmon. In the Reparaparfjord river, one (0.2%) out of 567 shell samples submitted was identified as farmed salmon. Based on these results, no proactive measures are

GRIEG SEAFOOD

BRITISH COLUMBIA

Grieg Seafood BC Ltd farms salmon on the east and west sides of Vancouver Island, north of Vancouver. The company's operations includes land-based production of smolt, broodstock and seawater production. We process our BC salmon externally.

OPERATIONAL RESULTS

A total of 17 682 tonnes was harvested in 2023, 13% lower than in 2022 (20 286 tonnes). Harvesting volumes vary every other year regardless of the underlying biological performance, due to an imbalance in the number of farms and maximum allowable biomass (MAB) in the different production areas on the East and West Coast of Vancouver Island. Sales revenues for the year amounted to NOK 1 468 million, a decrease of 12% compared to NOK 1 665 million in 2022. According to Urner Barry, the average spot price farm-raised salmon Seattle West Coast, fresh, whole fish) was NOK 86.7 per kg in 2023, compared to NOK 84.1 per kg in 2022. Our price achievement was NOK 83.0 per kg in 2023, compared to NOK 82.1 per kg in 2022. The price achievement was positively impacted by an increased share of superior quality fish, which improved from 85% in 2022 to 90% in 2023.

The freshwater production has experienced reduced survival due to technical issues which has impacted the number of smolt transferred to sea this year. The freshwater survival rate decreased from 84% in 2022 to 81% in 2023. We have added additional expertise at the hatchery to address the production issues.

Seawater production was stable in 2023, and the 12-month survival rate remained unchanged from 2022 to 2023 at 91%. Despite seasonal challenges related to sea lice and events of low dissolved oxygen, we managed to stabilize survival due to treatments and our semi-closed technology solution. Mortality related to algal blooms has been gradually reduced over the last year due to our efforts relating to algae mitigation, digital monitoring and aeration systems, and came to 1.1% in 2023.

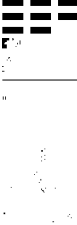
We are constantly working to reduce the use of antibiotics. In 2023, the antibiotic Florfenicol was used to treat Yellow mouth, to safeguard the welfare of the fish. Our use of antibiotics has historically been too high, and we are pursuing non-therapeutic

means to manage diseases, such as vaccines and an adapted diet. Infrastructure such as the barrier system, might also aid in reducing disease transmission.

BC has low sea lice levels during the important out-migration period (when the juvenile wild salmon pass our farms on their way from the rivers to the ocean). However, the region is influenced by sea lice pressure each autumn, during the in-migration period when adult wild salmon pass our farms on their way back to the rivers to spawn. Sea lice are then transferred from the wild salmon to the farmed salmon, with risk of multiplication within the farms. In BC, unlike Norway, the wild salmon population greatly outnumber the farmed salmon population. Our barrier system have shown potential to improve sea lice control significantly. When additional measures are needed, we carry out the type of treatment most appropriate to the biological situation. During 2023, medicinal sea lice treatment with hydrogen peroxide and in-feed treatments were used to reduce and maintain a stable sea lice level. We aim to reduce the use of medicinal sea lice treatments through a combination of a barrier system between the farmed salmon and the environment and use of the latest mechanical sea lice removal tool.

The cost of reduced survival (cost recognized as abnormal mortality in the income statement) was NOK 142.7 million in 2023 (NOK 8.1 or CAD 1.0 per kg), compared to NOK 90.7 million in 2022 (NOK 4.5 or CAD 0.6 per kg). The cost was significantly impacted by reduced survival at the freshwater stage. The farming cost (the total cost of producing and harvesting our fish) increased from CAD 9.1 per kg (NOK 68.8) in 2022 to CAD 11.2 per kg (NOK 88.4) in 2023. The increase is mainly related to cost: inflation on feed and other input factors during 2022, which has continued to impact the farming cost until the generation of impacted fish is harvested, in addition to the increased cost of reduced survival.

PART 02 - OUR OPERATIONAL RESULTS



17 682

TONNES GWT HARVESTED

-5.3

OPERATIONAL EBIT/KG (NOK)





SUSTAINABILITY SCOREBOARD

HEALTHY OCEAN	API	STATUS	2022		2023	
			2022	2023	2022	2023
PROFIT & INNOVATION	Harvest volume (tonnes GWT)	20 000 tonnes in 2023	17 682	20 286	14 468	14 120
	Operational EBIT / kg (INOK)		-5.3	13.3	10.4	-0.4
	Farming cost per kg (ICAD)	Cost leader	11.2	9.1	8.8	8.0
	ASC certification (# of sites)	All sites (11 eligible) by 2023	11	7	12	11
HEALTHY OCEAN	Survival rate in freshwater		81%	86%	85%	78%
	Survival rate at sea	95% by 2023	91%	91%	92%	88%
	Cost of reduced survival (INOK 1 000)		142 668	90 728	17 617	66 082
	Use of antibiotics (kg per tonne LWE) *	No use of antibiotics	32.61	34.75	41.67	62.32
	Use of hydrogen peroxide (kg per tonne LWE) **	Minimize use of pharmaceutical treatments	17.38	12.83	35.66	46.62
	Sea lice treatments - in feed (kg per tonne LWE) *	Minimize use of pharmaceutical treatments	0.27	0.17	0.30	0.22
	Sea lice treatments - in bath (kg per tonne LWE) *	Minimize use of pharmaceutical treatments	0.00	0.00	0.00	0.00
	Escape incidents (# of fish)	Zero escape incidents	2 (2001)	0	2 (4)	0
	Dead birds	Minimize impact on wildlife in 2023	5	6	8	12
	Dead marine mammals	Minimize impact on wildlife in 2023	0	0	1	1
	Carbon emissions (kg CO ₂ e per tonne GWT)	35% reduction (from 2018) in total emissions by 2030	677	741	1 091	769
	Scope 1 + 2 location based		2 799	2 439	4 025	3 276

PEOPLE	High quality product	93% superior share	90%	85%	87%	86%
	Biological feed conversion ratio (BFCR)		1.19	1.21	1.18	1.23
	Economic feed conversion ratio (eFCR)		1.32	1.38	1.27	1.43
	Employees		153	157	176	171
LOCAL COMMUNITIES	Absence rate	Below 4.5%	3.9%	6.4%	5.6%	6.8%
	Lost time incident rate	***	8	9	6	36
	Turnover rate		27%	40%	n/a	n/a

LOCAL COMMUNITIES	Local procurement		79%	86%	86%	83%
	Local procurement		79%	86%	86%	83%

* Amount of active pharmaceutical ingredients (API) used (in g or kg) per tonne of fish produced (LWE).
** As of 01.01.2021, the Government of Canada - Department of Fisheries and Oceans (DFO) changed the calculation formula for the API of hydrogen peroxide from Paramore 50 to Paramore 501 + 115 Density + 0.45 Concentration = 1 kg H₂O₂ to 1 L Paramore 501 + 1.15 Density + 0.45 Concentration = 1 kg H₂O₂, which corresponds to the method used in the 2023 report.
*** An LTR target has been defined in order to avoid under-reporting of incidents.
n/a: Data not available.

Please refer to Part 1 - Our pillars and material topics for a description of the general financial impact of each topic.

As part of our Climate Action Plan to reduce our carbon emissions by 35% in 2030, we exchanged our compressors with flow technology, reducing our compressor energy usage and thereby our diesel consumption. It is estimated that the flowpressors will reduce annual carbon emissions by 3 000 tCO₂e per year. Read more about how we are working to reduce our carbon emissions in Part 02 - Climate action.

We are committed to maintaining a good working environment and keeping our employees safe. In 2023, the total absence rate for BC was 3.9%, below the target of 4.5%. We are monitoring and following up on absence in accordance with procedures and guidelines. Read more about how we work to secure our employees well-being and labor rights in Part 02 - People.

Obtaining ASC certification is an important signal that our salmon is a responsible choice, as ASC has strict requirements with respect to minimizing fish farms' impact on the environment and supporting local communities. At the end of 2023, all of our 11 eligible sites were ASC certified (corresponding to 100% of harvested volume for the year).

In BC, the wild salmon are Pacific salmon species which cannot interbreed with our Atlantic salmon. Unfortunately, we had two escape incidents from our sea farms in 2023, where the first incident was one fish lost to the ocean during a transfer from the pen to the broodstock transport vessel. The fish was not recaptured. The second incident occurred during a transfer of fish between pens, where the offload pipes were wrongly positioned, and approximately 300 fish were offloaded to the walkway. Immediate corrective action was taken to improve our procedures to prevent this type of incidents from happening again. We also continue our efforts to minimize our impact on other local wildlife. In 2023, no mammals got caught in our nets, but unfortunately, five birds got stuck in our nets and under walkways. Causes of death are accidental drowning and net entanglement. We have changed our procedures to ensure we keep our nets tight and conduct regular inspections beneath our walkways to avoid similar incidents.

BRITISH COLUMBIA					
	2019	2020	2021	2022	2023
Harvest (tonnes GWT)	14 120	21 181	14 468	20 286	17 682
Revenue (INOK million)	861.4	1 178.9	1 023.5	1 665.1	1 468.3
Operational EBIT (INOK million)	73.3	-7.4	150.2	270.4	-93.9
Operational EBIT / kg (INOK)	5.2	-0.4	10.4	13.3	-5.3
Farming cost / kg (INOK)	55.3	56.0	60.4	68.8	88.4
Farming cost / kg (ICAD)	8.3	8.0	8.8	9.1	11.2

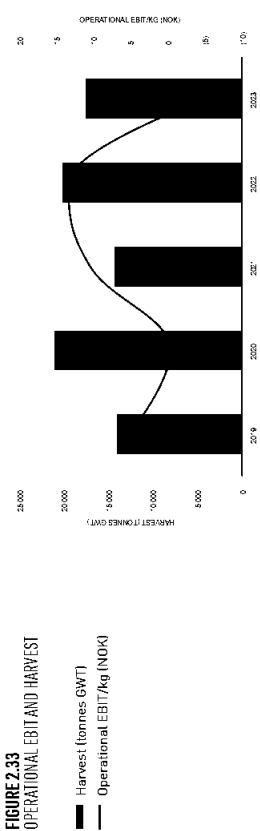
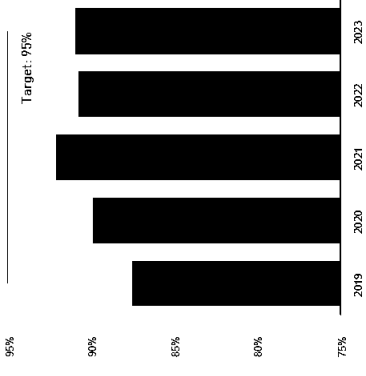


FIGURE 2.34
SURVIVAL RATE AT SEA, ROLLING 12 MONTHS

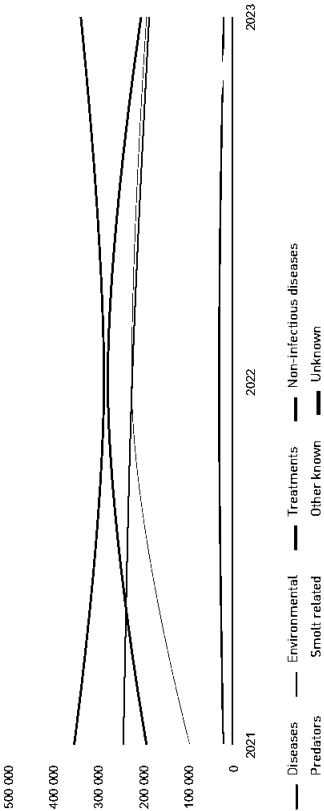


We have also set targets for survival rates in fresh water. In the wild, only a small percentage of fertilized eggs survive and become adults. That is our biological starting point. Over the years, research has allowed us to improve the quality of breeding process, the eggs and survival rates, but we still experience mortality especially in the very early phase. We work systematically at the various stages in the lifecycle to improve survival rates. These targets can be found in our fish health and fish welfare policies. The calculation of survival rate at sea corresponds to the 95% indicator "Fish survival rate at sea" in the fish health and fish welfare policy. The calculation is based on last 12 months (rolling # of fish in sea = total # of mortalities in last 12 months + total # of harvested fish in last 12 months + total # of culled fish in sea x 100%.

FIGURE 2.35
MAIN CAUSES FOR REDUCED SURVIVAL IN SEAWATER IN 2023

MAIN CAUSE	NUMBER OF FISH	TONNES OF FISH
Diseases	183 341	304
Environmental	189 278	619
Handling and/or treatments	201 317	547
Non-infectious diseases	17 458	30
Predators	28 542	55
Smolt related	5 158	1
Other known	2 643	9
Unknown	385 634	625
Total	963 371	2 191
Abnormal seawater mortality write-down	320 093	1 151
%	33%	53%

FIGURE 2.36
MAIN CAUSES FOR REDUCED SURVIVAL IN SEAWATER (NUMBER OF FISH)



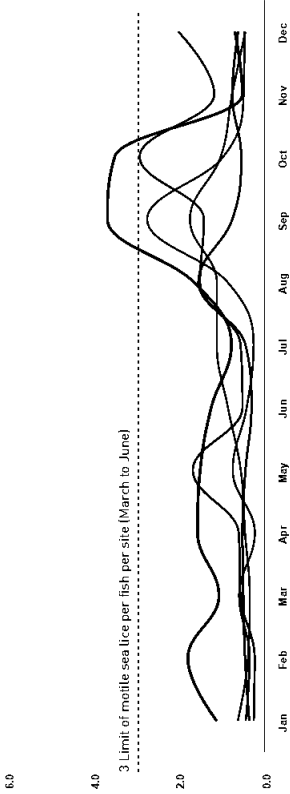
The main causes of reduced survival in seawater are categorized according to a standardized mortality classification scheme developed by the Norwegian University of Life Sciences (NMBU). In the last few years, we have classified mortality by the main categories "infectious" and "non-infectious" with subcategories. Historical data is reclassified according to the new standard.

We perform a daily count and registration of dead fish. We undertake routine screening to determine the cause of mortality. In some cases, the cause of mortality can be difficult to establish due to various reasons such as weather- and environmental conditions, and the lack of diagnostic tools on site to identify causal agents.

The main causes for reduced survival in 2023 were complications post handling and sea lice treatments, in addition to bacterial infections and gill infections. Gill infections are in most cases caused by poor water quality and high stocking densities. Yellow mouth diseases typically occur during the first few weeks after transfer to the sea, and is controlled through therapeutic treatments using antibiotics. Algal blooms and low oxygen levels explains the environmental causes.

PART 02 - OUR OPERATIONAL RESULTS

FIGURE 2.37
SEA LICE LEVELS (MOTILE SEA LICE)



The sea lice counts are calculated as the average number of motile sea lice per salmon. The limit as defined by the authorities is three motile sea lice per salmon in the period from March to June during the out-migration period, recognized as a vulnerable time for wild salmon migrating out to sea. Sea lice counts are conducted by visual inspections, done by lifting a minimum of 20 salmon out of the water for three pens on a weekly basis. The number of sea lice on each fish is recorded in our systems, and this information is used to estimate the overall prevalence of sea lice in the population. On average, we did not exceed the sea lice limits in 2023.





FIGURE 2.38
USE OF COPPER

Copper-free antifouling solutions on nets	100%	Remediated ecosystems under farms before a new generation of fish was transferred to the farms in 2023	100% of farms
We did not use copper antifouling solutions on our nets in BC in 2023.			
Threshold at level bottom according to local regulations: Benthic species, similar bacteria or marine worms does not cover 10% or more of any four segments of substrate. Threshold on soft bottom according to local regulations: Sulphide does not exceed 1 300 µM at 30 m and 700 µM at 125 m away from the cage edge along two transects.			

FIGURE 2.40
% OF SITES THAT ARE RESTORED

Substrate Type	Benthic exceedance thresholds at peak biomass or before re-stocking	Compliance 2023
Hard Bottom	Beggiatia species, similar bacteria or marine worms does not cover 10% or more of any four segments of substrate.	100%
Soft bottom	Sulphide does not exceed 1 300 µM at 30 m and 700 µM at 125 m away from the cage edge along two transects.	100%
	Sulphide does not exceed 1 500 µM outside the Allowable Zone of Effect*	100%

* ASC Salmon standard.

As in all other types of food production, our farming operations leave a footprint through local emissions. Such emissions may be across feed, feces from the fish or efferant from fish nets. This impact should never be overlooked. Read more about our impact on nature here. In BC, regulations require us to conduct benthic tests at peak biomass at each farm, and follow the farm after initial production cycle until the seabed of the site reaches the regulated threshold of remediation. The test must be accepted by the regulators and, since our farms are BAP and ASC certified farms, an independent third party.

The Aquaculture Activities Regulation, established under the Canadian Fisheries Act, sets exceedance limits for the benthic substrate monitoring according to the Monitoring Standard. The sites cannot be restocked if they exceed these limits.

FIGURE 2.41
PROTECTING MARINE ECOSYSTEMS

Impact assessments performed	Operations in protected areas/areas of high biodiversity value	Red list species impacted
100% of farms	None	None
We perform environmental and social impact assessment for all of our farms. Such assessments are also part of the ASC certification process, which includes criteria to minimize environmental impact and preserve biodiversity. We do not have sites in the proximity of land nature reserves, nor do we have sites in or adjacent to protected areas or areas of high biodiversity value (areas defined as Special Areas of Conservation (SAC), Marine Protected Areas (MPA), High Conservation Value Areas (HCVAs) or Federal Marine Protected Areas). For the definition of protected areas and areas of high biodiversity value, we refer to the ASC Salmon Standard. All site locations are available on our website.		

FIGURE 2.42
IUCN RED LIST AND NATIONAL CONSERVATION LIST SPECIES

IUCN Red List	Critically endangered			Vulnerable	Near threatened	Least concern
	1	3	371	3	4	235
Species at Risk Act	0			200	259	201

Our impact assessments also include identification of species listed in the IUCN Red List and BC's national conservation list. Species at Risk Act (SARA), with habitats in areas where we operate, is a federal law in Canada. Under the Act, the Government of Canada has a duty to protect and conserve species at risk. The IUCN Red List of Threatened Species is a global authority on the conservation of species, and national conservation lists serve as authorities on the sanctuaries of habitat in areas affected by our operations, and on the relative importance of these habitats from a management perspective. Our assessments have not identified that our activities pose a threat to any endangered plants or animal species. We keep track of red listed species impacted in areas affected by our operations as a part of the ASC-certification. No red list species was impacted in proximity of our operations in 2023.

As wild salmon is an important part of the Indigenous culture, we embrace the responsibility of not causing harm and has engaged in several wild salmon enhancement projects in BC, including the Kootenai Sound Watershed Society. The Kootenai Sound Watershed Society works to protect, restore and enhance Pacific salmonids and their habitat in Kootenai Sound, B.C. through sustainable, science-based practices. Read more about the projects and their habitat status assessments here.

OPERATIONAL PRIORITIES

Grieg Seafood BC targets a harvest volume of 15 000 tonnes in 2024. We aim to increase the volume harvested to 30 000-35 000 tonnes by both developing current sites to utilize more of our seawater capacity and developing new sites. Key initiatives to achieve our objective include the implementation of barrier systems to provide better biological control and higher survival rates. We also seek to develop sites that are well suited for salmon farming, and phase out older and smaller sites with more challenging biological conditions.

Access to high-quality smolt is also key to ensuring sustainable production growth. Last year, we completed the expansion of our Gold River smolt facility, with smolt capacity increasing from 500 to 800 tonnes. Another key priority to increase survival rates and harvest volume, is the use of digital monitoring and prediction technology. Harmful Algal Blooms (HAB) and low oxygen events represent significant biological risks in BC.

Mortality related to algae blooms has been reduced the last years due to our successful efforts in the field of algae mitigation, digital monitoring and aeration systems. Algae movements and oxygen levels are continuously monitored and analyzed using high-grade real-time in-pen sensors, and machine learning with predictive environmental software. We have installed aeration systems to enable feeding also during challenging situations, which increases the survival during these periods. In combination with HAB and oxygen monitoring tools, we are also using the CO2L Flow barrier systems on some sites, which we expect to contribute to improved oxygen levels and a reduction in sea lice treatments. In 2023, we spent approximately NOK 29 million in growth investments, mainly related to the barrier systems and NOK 105 million in regular maintenance investments.

The United Nations Declarations on the Rights of Indigenous Peoples (UNDRIP), giving indigenous peoples rights in their own traditional territory, is under implementation in BC. This is a process of reconciliation between the government, businesses and First Nations. The vast majority of our production in BC is operated under agreements with First Nations and we are pursuing agreements with others. These relationships are very important to us. The Truth & Reconciliation Commission: Call to Action #92 provides us with guidance on our role in the reconciliation process. We strive to operate with respect for the culture of our First Nations partners in every way, to deepen our understanding and to provide shared opportunities. Read more about our journey of reconciliation in BC here.

By 2025, the Canadian Federal Government aims to have created a responsible plan to transition into better and more sustainable practices in British Columbia, in order to reduce interactions with wild salmon. Grieg Seafood welcomes the transition process and the transition framework published. We have established a constructive dialogue with the federal Minister of Fisheries, Oceans and the Canadian Coast Guard, The Honourable Diane Lebovitch and her Department about finding a good solution going forward. We also continue to work collaboratively with our First Nation partners, government and local communities on innovation and modernization towards a sensible transition plan.

LOCAL COMMUNITIES

We aim to be open and honest with local communities about our production methods, our successes, and our remaining challenges. We view it as our responsibility throughout all of our farming regions to engage in constructive dialogue with all stakeholders and groups that are impacted by our activities. We create jobs and opportunities in the rural areas where we operate, and we use local suppliers as often as we can. We hire local apprentices and support aquaculture schools and training facilities. We sponsor sports and cultural activities, and we engage in monitoring and protection of the local environment. We also provide a grievance mechanism for local communities on our website. This enable us to identify and prevent potential negative impact on local communities, such as pollution of local environment and violations of human rights. In 2023, we did not identify any significant negative impact on local communities from our operations.

We are active in the communities in which we live and work through our sponsorship and donation program. Contributions include financial support, in-kind and employee knowledge sharing or participation. In 2023, we supported dozens of initiatives ranging from youth sports team funding to support for wild salmon restoration and enhancement. Throughout the year we have collected funds for local Food Banks, and supported school programs and camps for local children.

In British Columbia, we farm in areas that belong to Indigenous peoples. These groups have special rights, as acknowledged in the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), and Grieg Seafood takes particular care to avoid infringing them. The vast majority of our production is covered by agreements with First Nations, and we are pursuing agreements with others. These agreements are a layer of regulation requiring compliance and the details of these agreements are unique to each Nation. They ensure transparency and Nation oversight to our operations while providing economic and social benefits to each community. We are continuously working to be in compliance with the agreements.

NOK 1 298 million

equal to 7% of total purchases, spent on goods and services purchased from local suppliers in BC.

NOK 0.44 million

donated to local services and projects, all of which are up-to-date. In 2023, we supported dozens of community and Indigenous initiatives ranging from youth sports teams to wild salmon restoration and enhancement projects. Throughout the year, we have collected funds for local Food Banks and supported programs for local children such as the Campbell River Angel Tree Society, various school programs and Uva-thuk Science Camp.

Learn more about our relationships with our local community here, and our approach to the implementation of UNDRIP and our journey of reconciliation with Indigenous Peoples in British Columbia here.



GRIEG SEAFOOD

NEWFOUNDLAND

Grieg Seafood Newfoundland is a greenfield project with fish farming rights in Placentia Bay in Newfoundland and Labrador, and the only salmon farmer in this area. We will develop the region gradually and responsibly, based on the biological development of our first generations of fish.

OPERATIONAL RESULTS

In 2023, an important milestone was reached, when we successfully conducted our first harvest from the first generation of fish from our region in Newfoundland. The harvest volume was 3 184 tonnes. Sales revenues amounted to NOK 235.7 million and our realized price for the year came to NOK 74.0 per kg. Our price achievement was supported by a favorable superior share of 97% in addition to good average harvest weight.

Production at our Recirculating Aquaculture System (RAS) freshwater facility in Marystown Marine Industrial Park, in Placentia Bay, remained on track. The new generation of fish at the facility is healthy and growing well, with high survival rates. Approximately 2.5 million smolt were transferred from our freshwater facility to three sea farms in Placentia Bay during the spring and summer of 2023.

Our seawater licenses in Newfoundland require use of sterile all-female salmon in order to eliminate the risk of genetic interaction of wild Atlantic salmon in case of escape. The salmon is of European broodstock, and we apply best practices from sterile production across the globe, tailored to ensure we optimize the growth and health of our sterile all-female salmon production. We have a year-round supply of high-quality eggs, and we optimize the conditions during the freshwater phase, the times of the year when the fish are transferred to the sea, and the feed composition. Sterile all-female salmon perform well in cold environments and do not mature. Our fish have performed well biologically, with a 12-month rolling survival rate of 95% and good growth at sea, and we have not experienced sea lice issues or other biological issues. We are still in an early phase and will expand the project gradually and in line with biological developments.

PART 02 - OUR OPERATIONAL RESULTS

The farming cost (the total cost of producing and harvesting our fish) came to CAD 12.1 per kg (NOK 95.9) in 2023. The farming cost is high due to the low harvest volume and to still being in a development phase with low capacity utilization. There has been no recognition of abnormal mortality in the income statement. Parts of our operational cost have been allocated directly to the income statement as we are still in a development phase, which totalled NOK 76.4 million (NOK 24.0 per kg) in 2023.

While Newfoundland's emissions notably increased in 2023 due to operational expansion following successful harvesting, our Climate Action Plan anticipates continued emissions growth in this region in the coming years. We plan to offset these increases with enhanced reductions in other farming regions, while also taking direct measures in Newfoundland. In 2023, we have invested in diesel-electric power on all of our feed barges in Newfoundland, where two have been in operation during the year. These investments have reduced potential emissions by 50%. Read more about how we work to reduce our carbon emissions in Part 02 - Climate action.

We are committed to maintaining a good working environment and keeping our employees safe. In 2023, the total absence rate for Newfoundland was 1.4%, well below our target of 4.5%. We are monitoring and following up on absence in accordance with procedures and guidelines. Read more about how we work to secure our employees well-being and labor rights in Part 02 - People.

Obtaining ASC certification is an important signal that our salmon is a responsible choice, as ASC has strict requirements with respect to minimizing fish farms' impact on the environment and supporting local communities. We aim to certify our sites in Newfoundland when the seawater sites are eligible for certification.

3 184

TONNES GWT IN FIRST HARVEST



7

8

9

016509938



SUSTAINABILITY SCOREBOARD

KPI		STATUS		2022
PROFIT & INNOVATION	Harvest volume (tonnes GWT)	5 000 tonnes in 2023	●	3 184
	Operational EBIT (NOK million)			-146.1
				-114.7
HEALTHY OCEAN	Farming cost per kg (CAD)	Cost leader	●	12.1
	Survival rate in freshwater			85%
	Survival rate at sea	95% by 2023		95%
	Cost of reduced survival (NOK 1 000)			0
	Use of antibiotics (g per tonne LWE) *	No use of antibiotics		0
	Use of hydrogen peroxide (kg per tonne LWE) *	Minimize use of pharmaceutical treatments		0
	Sea lice treatments - in feed (g per tonne LWE) *	Minimize use of pharmaceutical treatments		0
	Sea lice treatments - in bath (g per tonne LWE) *	Minimize use of pharmaceutical treatments		0
	Escape incidents (# of fish)	Zero escape incidents		0
	Dead birds	Minimize impact on wildlife		n/a
SUSTAINABLE FOOD	Dead marine mammals	Minimize impact on wildlife		n/a
	Carbon emissions (tCO ₂ e)	35% reduction (from 2018) in total emissions by 2030		0
	Scope 1 + 2 location based			5 524
	Scope 3			39 985
	High quality product	93% superior share		97%
	Biological feed conversion ratio (bFCR)			1.20
	Economic feed conversion ratio (eFCR)			1.24
	Employees			106
	Absence rate	Below 4.5%		1.4%
	Lost time incident rate	**		9
PEOPLE	Turnover rate			32%
	Local procurement			27%
LOCAL COMMUNITIES				37%

* Amount of active pharmaceutical ingredients (API) used (in g or kg) per tonne of fish produced (LWE).
** An LTR target has not been defined in order to avoid under-reporting of incidents.
n/a: Data not available or not applicable as seawater production started mid-year 2022.

Please refer to Part 1 - Our pillars and material topics for a description of the general financial impact of each topic.

We remain committed to developing our operations in Newfoundland and Labrador gradually and responsibly, and to meeting all regulatory requirements from the local provincial and federal authorities. We are well prepared in terms of equipment, employees and knowledge of biological conditions, and we will adjust our operations according to the experience we gain from the first generations of fish. We are confident that we will be able to build a strong farming region in Newfoundland during the coming years and create jobs and value for our local communities.

FIGURE 2.43 RESULTS

NEWFOUNDLAND	2022	2023
Harvest (tonnes GWT)	—	3 184
Revenue (NOK million)	—	235.7
Operational EBIT (NOK million)	-114.7	-146.1
Operational EBIT / kg (NOK)	n/a	-45.9
Farming cost / kg (NOK)	n/a	95.9
Farming cost / kg (CAD)	—	12.1
Other cost / kg (NOK)	6.0	n/a

FIGURE 2.44 MAIN CAUSES FOR REDUCED SURVIVAL IN SEAWATER IN 2023

MAIN CAUSE	NUMBER OF FISH	TONNES OF FISH
Handling and/or treatments	1 928	12
Non-infectious diseases	921	2
Smolt related	29 755	5
Other known	21	0.01
Unknown	200 890	4.01
Total	233 515	428
Abnormal seawater mortality write-down	0	0
%	—%	—%

The main causes of reduced survival in seawater are categorized according to a standardized mortality classification report developed by the Norwegian University of Life Sciences (NMBU) together with industry leaders. In previous years, we have classified mortality by the main categories: infectious and non-infectious, with subcategories. The survival in Newfoundland is high and within expected goals. We have lost some fish due to transport related issues, however the underlying cause is unknown. There have been no detections of infectious diseases, and the fish has not been treated against sea lice.

FIGURE 2.45
USE OF COPPER



FIGURE 2.46
% OF SITES THAT ARE RESTORED

Substrate Type	Benthic exceedance thresholds at peak biomass or before re-stocking	Compliance 2023
Hard Bottom	Beggiatoia species or similar bacteria, marine worms or barren substrate does not cover 70% or more of the locations specified in the Monitoring Standard	50%
Soft bottom	The mean concentration of free sulfides as calculated at the locations specified in the Monitoring Standard does not exceed 3 000 µM	No primarily soft bottom sites active in 2023

As in all other types of food production, our farming operations leave a footprint through local emissions. Such emissions may be excess feed, feces from the fish or copper from fish nets. This impact should never be irreversible. Read more about our impact on nature here. In 2023, samples from both our sites were sampled at peak biomass. One out of the two sampled sites exceeded the threshold as outlined in the Aquaculture Activities Regulations (AAR) Monitoring Standard. Though the 70% threshold was exceeded, there was no indication of barminess due to aquaculture activities or off-gassing. Factors such as sea anemones, crabs, brittle stars, shrimp, sea urchins, worms and encrusting sponges were monitored and found to be within acceptable levels. The monitoring data indicates that the threshold of organic enrichment has been reduced to acceptable levels.

FIGURE 2.47
PROTECTING MARINE ECOSYSTEMS

Impact assessments performed	Operations in protected areas/areas of high biodiversity value	Red list species impacted
100% of farms	Five farming sites, total area of 0.071km² of water surface	None

We perform environmental and social impact assessment for all of our farms. Such assessments are also part of the ASC certification process, which includes criteria to minimize environmental impact and preserve biodiversity. According to Department of Fisheries and Oceans (DFO), we have sites located in an area in Placentia Bay (~7800 km²), which is classified as a "Ecologically and Biologically Significant Area" (EBSA). Grog Seafood Newfoundland has conducted an Environmental Impact Statement (EIS) Assessment which was reviewed by DFO and other regulators. Approval to operate in this area has been granted based on the assessment by both federal and provincial regulators. Our sites are located away from important bird areas and proposed downback sea turtle critical habitat identified within the EBSA.

FIGURE 2.48
IUCN RED LIST - AND NATIONAL CONSERVATION LIST SPECIES

	Critically endangered	Endangered	Vulnerable	Near threatened	Least concern
IUCN Red List	0	1	5	2	156
Species at Risk Act	0	371	200	258	201

Our impact assessments also include identification of species listed in the IUCN Red List and BC's national conservation list. Species at Risk Act (SARA), with habitats in areas where we operate. The International Union for Conservation of Nature (IUCN) Red List of "Threatened Species" provides an inventory of the global conservation status of plant and animal species, and national conservation lists serve as authorities on the sensitivity of habitat in areas affected by our operations, and on the relative importance of these habitats from a management perspective. Our assessments have not identified that our activities pose a threat to any endangered plants or animal species. We keep track of red listed species impacted in areas affected by our operations as a part of the ASC certification. No red list species was impacted in proximity of our operations in 2023.

Together with Provincial and Federal regulators, we have implemented monitoring procedures and protective measures as part of our commitment to co-existence with wild salmon in Newfoundland. In late spring and summer 2023, we monitored upstream migration of adult wild Atlantic salmon on the Come-by-Chance River and the Bay de l'Eau Blanche. This was the third year the Come-by-Chance River was monitored, with Atlantic salmon in sea at the Red Island AMA and Miramshere AMA. We expect to stock fish to sea during spring/summer 2024 in the Rushoon farming area, the first year of data collection on the Bay de l'Eau Blanche is considered baseline.

In 2023, river monitors did not report any suspected farmed salmon based on their visual examination of salmon removed from the trap for sample collection nor from those salmon observed within the trap at both the Come by Chance and Bay de l'Eau river.

OPERATIONAL PRIORITIES

North America is one of the world's fastest growing market for Atlantic salmon, and currently only one sixth of demand is met by North American production. We already have a position in this market through our operations in British Columbia, where we have attained significant sales and market experience. With proximity to important markets on the US East Coast, our Newfoundland region will significantly strengthen our US market exposure and open up to synergies with our existing operations as we should be able to provide a more stable supply to the US market year-round.

Our RAS facility currently consists of a hatchery, nursery and a first phase construction, which comprises the foundation and ground work, of the new post-smolt building. This investment is estimated to approximately CAD 14 million. For the full year 2023 we have spent a total of NOK 355 million in investments, related to start-up of the first phase construction of the new post-smolt building, in addition to investments in seawater locations and equipment for digital monitoring. We currently have 14 seawater licenses, each with an allowance of one million fish at first stocking, increasing to two million fish in subsequent stockings. Five of our sites are stocked with fish at year end. We expect to harvest 11 000 tonnes of salmon in 2024. We have also been awarded rights to submit an application for license in the Bays West area, with the potential to produce an additional 20 000 tonnes of salmon.

LOCAL COMMUNITIES

We aim to be open and honest with local communities about our production methods, our successes, and our remaining challenges. We view it as our responsibility throughout all of our four farming regions to engage in constructive dialogue with all stakeholders and groups that are impacted by our activities. We create jobs and opportunities in the rural areas where we operate, and we use local suppliers as often as we can. We hire local apprentices and support aquaculture schools and training facilities. We sponsor sports and cultural activities, and we engage in monitoring and protection of the local environment. We also provide a grievance mechanism for local communities on our website. This enable us to identify and prevent potential negative impact on local communities, such as pollution of local environment and violations of human rights. In 2023, we did not identify any significant negative impact on local communities from our operations.

NOK 323 million
equal to 27% of total purchases, spent on goods and services purchased from local suppliers in Newfoundland.

NOK 0.29 million
donated to local services and projects, all of which are pro bono. We support different local youth sports clubs, such as hockey and dance. We also donated to the Burn Peninsula Health Care Foundation, a direct support of the local health care centers to improve the quality of care for patients and long term care residents. Additionally, our support has been directed towards local food banks and charitable organizations, to help them with the provision of foodstuffs and we're looking at social gatherings for the community.

Learn more about our relationships with our local community on our website.

OUR CERTIFICATIONS

To ensure that local communities, customers, and civil society can trust that we farm responsibly and to the highest standards, we certify our farms according to several recognized, third-party certifications.

Our farming operations in Rogaland, Finnmark and BC are certified according to BAP or GLOBALG.A.P. Both these standards for management systems are tailored to address farming operations within the aquaculture industry. Our harvest, sales and market operations are chain-of-custody certified according to ASC and/or GlobalG.A.P. ensuring traceability in our product value chain, and our internal processing plants are certified according to FSSC 22000, a Global Food Safety Initiative (GFSI) recognized standard. While GFSI does not provide food safety certification, it recognizes a number of certification programs that meet the GFSI benchmarking requirements. GFSI-recognized certification is a mark of the highest standards in

food safety, allowing food businesses that hold these recognized certificates to access all corners of the global market. External processing partners in BC hold the GFSI-recognized BAP certification for their operations, while our external partners in Newfoundland and Norway either hold equivalent certificates or are on a path to GFSI-recognized certification. Read more about our certifications and their current status here.



CERTIFICATE	DESCRIPTION	TARGET	STATUS 31.12.2023
ASC	Aquaculture Stewardship Council (ASC) was founded in 2010 by the World Wide Fund for Nature (WWF) and the DH Sustainable Trade Initiative to establish global standards for sustainable seafood production. The ASC label only appears on food from farms that have been independently assessed and certified as being environmentally and socially responsible. ASC-certified salmon farms minimize impacts on the local ecosystem to protect biodiversity. Farms are required to measure various water parameters and remain within set limits. Farms are required to adhere to rigorous requirements to minimize disease outbreaks, keep sea lice levels low and can only use certain medicines under very strict conditions. Use of wild fish as an ingredient for feed must be minimized and full traceability back to a responsibly managed source, preferably certified, must be ensured for both wild fish and soy. There are also strict social requirements. A Chain of Custody certification ensures that companies selling certified seafood have identification, segregation and traceability processes and procedures in place.	100% ASC certification for compliance with ASC for active and eligible sites by 2023. Newfoundland aims to certify when its seawater sites are eligible for certification.	81% of our total harvest volume is ASC-certified. 17 sites (86% of harvested volume) in Finnmark, All sites (100% of harvested volume) in BC, and Six sites (74% of harvested volume) in Rogaland have received ASC certification. Our sales and market organizations in Norway and Canada are ASC Chain of Custody certified.
GLOBALG.A.P	Global Good Agricultural Practices (GLOBALG.A.P.) is a standard for both agriculture and aquaculture. The standard covers food safety, animal welfare, sustainability, employment and traceability. GlobalG.A.P. certification provides assurance that food has been grown using recognized levels of quality and safety. It also ensures that it has been produced sustainably in a way that respects the health, the environment and the welfare and safety of workers and animals. The Chain of Custody Standard ensures that the product is sourced from GLOBALG.A.P. certified farms. GlobalG.A.P. is particularly important for customers in Europe. Best Aquaculture Practices (BAP) is an aquaculture standard that covers practices in all stages of the fish farming process. BAP certification helps to assure consumers that the seafood they buy is produced in a manner that is considerate of the animal's welfare, the environment, workforce and community, food safety and traceability. BAP is particularly important for customers in the United States.	100% of farms in Norway GlobalG.A.P. certified (certification not relevant for Canada)	100% of our farms (thus 100% of our production volume) in Norway are certified. Our farms in Rogaland have been certified since 2008, and farms in Finnmark since 2016. Our sales and market organization in Norway is GlobalG.A.P. Chain of Custody certified. 92% of our farms (thus 85% of our production volume) in Canada are BAP certified (certification not relevant for Norway). 2023, our Newfoundland region started delivering to the market and has not yet achieved certification.
FSSC 22000	FSSC 22000 is a certification scheme for Food Safety Management Systems that is aligned with the ISO Management System approach and the ISO Harmonized Structure. The FSSC 22000 standard is recognized by the Global Food Safety Initiative (GFSI).	100% of processing plants (62% of our production volume) in Norway FSSC 22000 certified	We have two processing facilities in Norway. The processing plant in Finnmark was certified in December 2022, while the Rogaland plant was certified in May 2023.

SALES & MARKET

Grieg Seafood is part of a global salmon market, supplying 3% of the global volume of Atlantic salmon harvested in 2023. As part of our new strategy, we will reposition Grieg Seafood in the value chain and become a strategic partner for selected customers.



PART 02- OUR OPERATIONAL RESULTS

THE GLOBAL SALMON MARKET

In 2023, the global volume of Atlantic salmon harvested decreased by approximately 2%, compared to 2022, according to KONTALI. A total of 2 516 463 tonnes GWT (gutted weight equivalent) was estimated to have been harvested globally in 2023, down from 2 577 042 tonnes in 2022. Chile contributed an increase in output of 11 430 tonnes, while most other salmon producing countries saw their output fall. Norway experienced a reduction of 34 020 tonnes and Canada a reduction of 20 770 tonnes (all figures in GWT).

Salmon exports from Norway fell by 2% in 2023 compared to 2022. The volume of fresh salmon exports decreased by 1%, while exports of fresh salmon fillet decreased by 7% compared to 2022. The main export markets for salmon from Norway were Europe, which accounted for 75% of the volume, while Asia accounted for 17% and North America 8% (Source: Norwegian Seafood Council). The total volume supplied by Canada decreased by 17% in 2023 compared to 2022.

Demand for farmed salmon both in the retail and HoReCa sectors was strong in 2023. However, due to the limited supply of salmon, consumption decreased by 5% in the European market in 2023 compared to 2022. Consumption in China and Russia increased by 39% and 19%, respectively.

The average spot price for Norwegian salmon (NOSALMON, weekly average) for 2023 varied significantly during the year, depending on supply to the market. The same trend was observed in the North American market. The spot market price stood at NOK 88.7 per kg at the beginning of the year. It increased to a peak above NOK 126 per kg mid-March before Easter holiday, then fell to the high-60s at the end of August, bouncing back and closing the year at NOK 99.0 per kg. The 12-month average NOSALMON for 2023 came to NOK 92.3 per kg, compared to NOK 82.0 in 2022. Spot salmon prices in the US market started the year at NOK 97.5 per kg, peaked at around NOK 113 per kg before Easter holiday and ended the year at NOK 70.9 per kg. The average price came to NOK 84.7 per kg, down by NOK 20.6 per kg compared to 2022.

FIGURE 2.49
GLOBAL HARVEST OF ATLANTIC SALMON IN 2023
Source: KONTALI Analyse AS

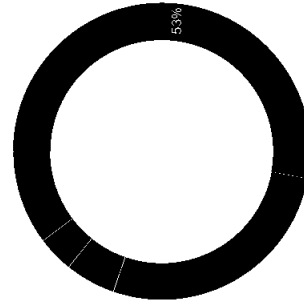
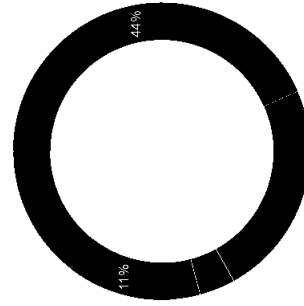


FIGURE 2.50
GLOBAL CONSUMPTION OF ATLANTIC SALMON IN 2023
Source: KONTALI Analyse AS



OUR SALES & MARKET RESULTS

We continue to capitalize on the benefits of having a fully integrated global sales organization and reached further key milestones in 2023. We strengthened processing capacity with partners in Norway, Europe and Western Canada during the year. We have an increasing supply of our own VAP (Value Added Processing) products in the European, Asian and the US markets. 5% of our global harvested volume in 2023 was sold as VAP. We aim to build on this development by optimizing biological performance and market timing through close collaboration between farming and sales, thereby securing good price achievement. The sales organization of Grieg Seafood operates as one coherent unit across the global salmon market, and we expect to leverage this for both our Norwegian and Canadian origins.

By a continued focus on sustainable farming practices and good fish health and welfare, we can provide the safe, healthy, tasty, and high-quality product that our customers and consumers demand. Through our food safety management system we ensure that our products are safe throughout harvest, processing and logistics on it's way to the market. We are transparent about our farming and production methods and communicate our standards and results to our customers. All our products are intended for human consumption. Read more about why our salmon is healthy and nutritious [here](#).

Products originating from our processing plants have been handled according to our Food Safety Management System ensuring compliance with principles and requirements for HACCP- and food hygiene programs in food production. We have not had any product recalls related to serious food safety incidents for the last ten years, nor did we have any in 2023. No serious incidents of food safety non-conformities in regard to requirements in regulations or voluntary codes have been reported in 2023. Our product is not banned from any markets. To manage possibly product recalls and serious incidents related to food safety, regular training is performed. Read more about how we work with food safety on our web site.

OUR MARKETS
Grieg Seafood accounted for 2,9% of the global supply of Atlantic salmon in 2023. Continental Europe is by far our most important market, accounting for 56% (63%) of our volume and contributing 53% of our sales revenue in 2023. North America is our second largest market, and accounted for 31% (26%) of our volume and 31% (29%) of our revenues in 2023. The market distribution of sales varies year on year, depending on the volumes harvested across our regions. The main change in our sales distribution was a decrease to Continental Europe from 58% in 2022 to 53% in 2023. We decreased our harvested volume by 21% from our Norwegian farming operations in 2023, while we harvested 3% more in Canada compared to 2022, mainly as a result of the first harvest in Newfoundland. In 2023, 15% of our total sales were to airborne markets, mainly delivered from our Norwegian operations. Our main export markets from Norway were Europe (79% of our volume with a strong focus on key markets in southern Europe, Asia (17%) and North America (4%)). 6% of our volume of Norwegian origin was sold as value added products. Approximately 31% of our salmon from BC was sold in Canada, while 68% was sold to the USA and 1% to Asia. 7% of our harvested salmon was processed and sold as value added products, while the Skuna Bay brand made up approximately 3% of the volume. We did not have any sales to Russia or Belarus in 2023. See [here](#) for further details of sales revenues by markets and products.

Our sales revenues amounted to NOK 7 020 million, a decrease of NOK - 144 million or 2.0% from 2022. The decrease in sales revenue is due to a 15% lower volume harvested in 2023. The group's price achievement was NOK 82.7 per kg compared to NOK 75.8 per kg in 2022. By comparison, the average NOSALMON price for 2023 came to NOK 92.3 per kg compared to NOK 82.0 in 2022. The price realization was negatively impacted by contracts for some of our Norwegian volume, in addition to price achievement on production grade harvest volume. For more information on our harvested volume and sales performance, see the regional chapters in this report.

FIGURE 2.51
NOSALMON WEEKLY AVERAGE (NOK/KG)

Source: MASDAQ Salmon Index

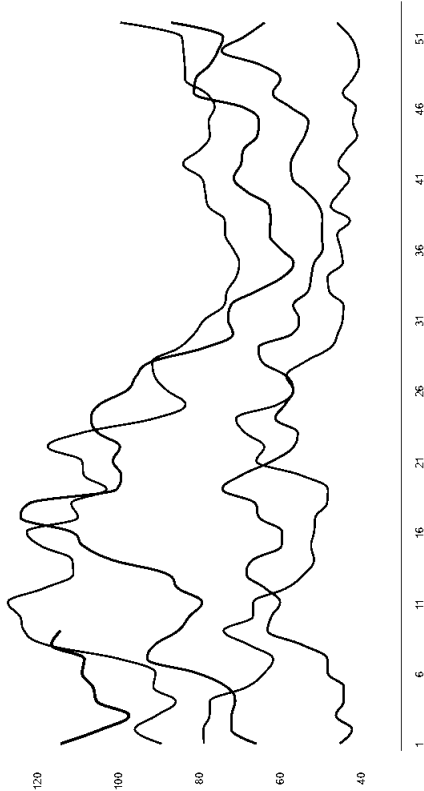
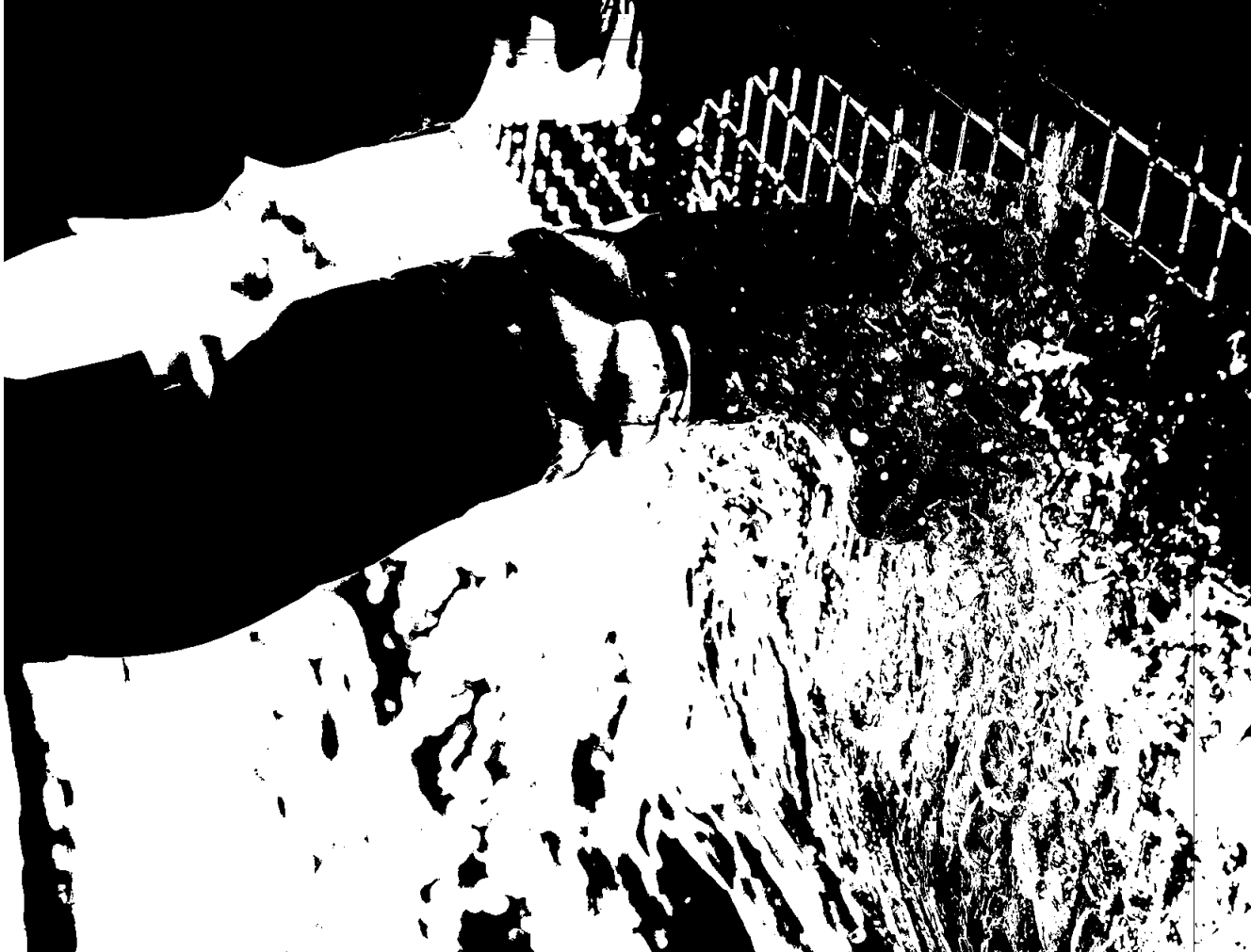


FIGURE 2.52
URNER BARRY FARM RAISED SALMON SEATTLE WEST COAST, FRESH, WHOLEFISH (NOK/KG)



The Urner Barry Farm Raised Salmon Seattle West Coast, Fresh, Wholefish shown above is a weekly average of all weight classes (4-4 lb, 4-8 lb, 8-10 lb, 10-12 lb, 12-14 lb, 14-16 lb, 16-18 lb) in USD/lb, converted into NOK/kg using the weekly average of Norges Bank's daily exchange rate. There are no registered UB entries for Farm Raised Salmon, Fresh Wholefish Seattle in week 2-10 in 2023 nor in the beginning of 2024 due to limited availability of UB salmon prices.



MARKET EXPECTATIONS AND OUR PRIORITIES

The global harvest of Atlantic salmon in 2024 is expected to increase by 2% compared to 2023, to a total of 2 857 600 tonnes, according to Konafti (figures in whole fish equivalent, WFE). Norwegian salmon farmers are expected to harvest approximately 44 000 tonnes more in 2024 than in 2023, while the UK and the Faroe Island are expected to increase harvest by approximately 14 000 tonnes each. Chile is expected to decrease harvest for 2024 by approximately 35 000 tonnes while Canada is expected to increase harvest by approximately 6 000 tonnes. The current harvest estimates indicate no supply growth in the first half of the year, with the main increase coming towards year end. With expectations of limited growth in global harvest in 2024, combined with an outlook for continuing strong demand fuelled by an increased focus on healthy food and sustainably produced proteins, we expect a sustained strong market in 2024. The current Fish Pool forward price reflects this, with an average price around NOK 100 per kg for 2024. We currently have a contract share for 2024 of 6% of our Norwegian harvest volume. We do not have contracts in Canada.

While our sale currently consists mainly of fresh, head-on gutted salmon, we aim to establish processing partners close to key markets and customers in the EU and the USA, targeting 20-30% share of our volume for Value Added Processing (VAP) by 2026. To further strengthen our processing capacity, we have decided to invest in a new 10 000-12 000-tonnes capacity secondary processing facility at Oslo airport Gardermoen. We expect the facility to be operational from Q3 2025. Increasing our VAP share is integral to our CO2 emissions reduction strategy, as it reduces the need to transport non-edible salmon parts to markets. We also aim to develop B2B brands going forward. Currently, we have the successful Skuna Bay brand in the USA.

North America is one of the world's fastest growing market for Atlantic salmon, but only one sixth of the demand is currently met by North American production. We already have a position in this market through our operations in British Columbia, where we have attained significant sales and market experience. With proximity to important markets on the US East Coast, our Newfoundland region significantly strengthens our US market exposure.

FIGURE 2.53
OUR MARKETS BY SALES REVENUES

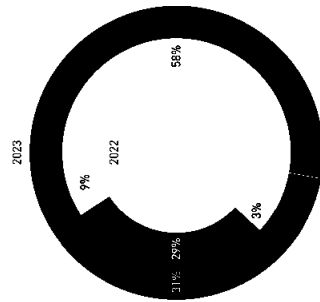
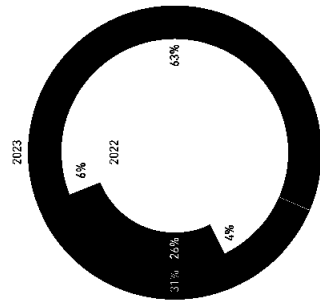


FIGURE 2.54
OUR MARKETS BY HARVESTED VOLUME



■ Asia ■ North America ■ UK ■ Continental Europe

CLIMATE ACTION

While farmed salmon has a low carbon footprint compared to other animal proteins, our industry must do its part to achieve the goals set out in the Paris Agreement. New solutions must be developed to cut emissions in our operations and along our value chain.

Reducing carbon emissions

According to the High-Level Panel for a Sustainable Ocean Economy (Ocean Panel), food production from the sea may be advantageous from a climate perspective, because the carbon footprint from production is low compared to terrestrial animal protein production (see Figure 1.2 in our Aquaculture in a sustainable global food system chapter). However, we recognize that we must do more to cut carbon emissions from our farming operations and supply chains. Direct carbon emissions from our production (Scope 1 & 2) account for 8% or 31 000 tCO₂e of our total emissions. 92% or 382 000 tCO₂e of our emissions originate from our value chain (Scope 3), particularly those aspects linked to fish feed and the transportation of salmon to our markets.

Our climate action target is to reduce carbon emissions by 35% towards 2030, and by 100% in 2050, with 2018 as the baseline year. This reduction target is for Scope 1, 2 & 3. Our carbon emission reduction targets are classified as well-below 2°C global warming, and aligned with the Paris Agreement. Our emission targets have been approved by the Science Based Targets initiative (SBTi). More information can be found here.

CLIMATE ACTION PLAN UPDATE

In 2022, we developed a comprehensive climate action plan outlining the necessary measures and investments to achieve our climate targets. This plan emphasizes the importance of operational changes affecting Scope 1 & 2 emissions, as well as supply chain adjustments in Scope 3. Our goals include reducing operational fossil fuel consumption, transitioning to renewable electricity, and implementing supplier requirements to lower our absolute emission levels. We are also investing in site and boat electrification, promoting novel feed ingredients with lower emissions, and reducing transportation-related emissions.

In 2023, we continued to implement and monitor the projects outlined in the plan, making any necessary adjustments based on our progress. We have also enhanced our governance of emission reduction initiatives through internal ESG training, improved documentation, and increased regional involvement to ensure the effectiveness of our efforts. Given the reliance on innovation and development for our projects, we recognize the need for flexibility in our climate plan, particularly due to technical risks impacting cost estimates and emission reduction potential. Collaborating with suppliers and customers has allowed us to improve data quality and reporting, while increased stakeholder attention to carbon emissions has further supported our initiatives.

In our farming regions Rogaland and Finnmark, we have continued investing in sea site electrification to eliminate fossil fuel usage. Diesel-electric batteries have been acquired in all regions, significantly reducing fuel consumption and improving feeding operations at sea sites. In British Columbia, we have replaced barge feeding compressors with high efficient flowpressors, reducing our energy and fuel consumption

drastically. In Rogaland, our focus on post-smolt practices has led to carbon reduction by minimizing the need for sea lice control treatments. We anticipate similar benefits in other regions as smolt sizes increase.

While Newfoundland's emissions notably increased in 2023 due to operational expansion following successful harvesting, our climate action plan anticipates continued emissions growth in this region in the coming years. However, we plan to offset these increases with enhanced reductions in other farming regions, as outlined in our strategy.

GREENHOUSE GAS EMISSIONS

In 2023, our total greenhouse gas (GHG) emissions increased by 9%, or close to 34 000 tCO₂e, compared to 2022. The increase is mainly attributable to an increase in our emission factors from feed in Scope 3, operational expansion and harvest in Newfoundland, and purchase and distribution of a larger volume of external fish compared to previous years. Feed emissions increased by 13%, or close to 30 500 tCO₂e compared to the year before, which contributed significantly to an increase in Scope 3 emissions. Despite the substantial increase in the Newfoundland region following successful harvesting, we have experienced reduction in our other operating regions. This has constrained the overall rise in our total emissions for 2023. It should be noted that according to our climate action plan, we expect emissions in Newfoundland to keep increasing in the subsequent years as production volume increases.

SCOPE 1 & SCOPE 2 EMISSIONS

Our absolute Scope 1 and Scope 2 GHG emissions increased by 3%, or approximately 800 tCO₂e, in 2023 compared to 2022, while harvest volume decreased by 15% due to biological challenges and focus on growing biomass in 2023. As a consequence, the emissions measured as kilograms of CO₂ equivalents per tonne harvested increased by 21%. In Rogaland, total emissions decreased by 1% from 2022 to 2023, accompanied by a 8% decrease in the harvested volume. As a consequence, emissions per tonne increased by 9%. In Finnmark, total emissions increased by 11%, primarily attributed to treatments and preventive actions undertaken to address the biological issues prevalent in the region. Furthermore, we have included emission data from an operational service boat, which were previously unaccounted for. Due to the significant decrease in harvested volume of 30%, the relative emissions increased by 59%.

Well-boat services make up a substantial proportion of our emissions, and whether we decide to provide these services ourselves or outsource them to external service providers has a considerable influence on our Scope 1 emissions. In Rogaland, BC, and Newfoundland well-boat emissions are included in Scope 1, while well-boat emissions in Finnmark are categorized as Scope 3 due to contractual considerations. Finnmark's Scope 3 emissions from well-boat activities in 2023 totaled 3 250 tCO₂e.

OUR GREENHOUSE GAS ACCOUNTS
FIGURE 2.55 GREENHOUSE GAS EMISSIONS SCOPE 1 + 2 + 3

REGION	Scope	TOTAL EMISSIONS (tCO ₂ e)				RELATIVE EMISSIONS (kgCO ₂ e / tonnes)			
		*Baseline 2018	2021	2022	2023	*Baseline 2018	2021	2022	2023
ROGALAND	Scope 1	3 939	8 519	7 433	7 363				
	Scope 2 location based	456	331	287	309				
	Total (Scope 1 + 2)	4 395	8 850	7 720	7 673				
	Scope 3								
ROGALAND	Downstream transportation	58 454	40 567	54 049	44 179				
	Fish feed	86 257	104 470	89 472	92 257				
	Other	4 065	6 350	6 248	9 883				
	Total (Scope 3)	146 776	151 387	150 129	144 449	9 131	5 676	5 209	5 636
Total GHG emissions Rogaland		153 171	160 237	157 849	152 091	9 401	6 008	5 561	5 231
FINNMARK	Scope 1	7 134	5 122	4 948	5 480				
	Scope 2 location based	420	591	494	580				
	Total (Scope 1 + 2)	7 554	5 713	5 444	6 059				
	Scope 3								
FINNMARK	Downstream transportation	52 971	13 963	21 739	20 066				
	Fish feed	115 949	131 286	101 894	97 045				
	Other	9 921	9 645	12 323	8 631				
	Total (Scope 3)	178 841	154 894	135 956	125 742	6 007	6 492	3 774	4 997
Total GHG emissions Finnmark		186 395	160 607	141 400	131 821	6 240	6 657	3 925	5 237
BRITISH COLUMBIA	Scope 1	9 143	15 129	14 509	11 501				
	Scope 2 location based	783	629	513	476				
	Total (Scope 1 + 2)	9 926	15 758	15 022	11 977				
	Scope 3								
BRITISH COLUMBIA	Downstream transportation	45 602	4 884	12 097	7 809				
	Fish feed	38 116	46 700	29 934	34 058				
	Other	5 695	6 563	7 454	7 627				
	Total (Scope 3)	89 413	58 147	49 485	49 494	5 376	4 025	2 639	2 799
Total GHG emissions British Columbia		99 339	73 905	64 507	61 471	5 973	5 115	3 180	3 477
NEW-FOUNDLAND	Scope 1	n/a	1 637	1 572	4 855				
	Scope 2 location based	n/a	429	672	670				
	Total (Scope 1 + 2)	n/a	2 066	2 244	5 524	n/a	n/a	n/a	1 735
	Scope 3								
NEW-FOUNDLAND	Downstream transportation*	n/a	n/a	n/a	1 184				
	Fish feed	n/a	212	8 427	36 907				
	Other	n/a	523	463	1 893				
	Total (Scope 3)	n/a	735	8 890	39 985	n/a	n/a	n/a	12 557
Total GHG emissions Newfoundland		n/a	2 801	11 134	45 509	n/a	n/a	n/a	14 292
ASA & SALES	Scope 1	—	1	2	4				
	Scope 2 location based	33	14	12	12				
	Total (Scope 1 + 2)	33	15	14	16				
	Scope 3								
ASA & SALES	Other**	253	991	4 470	20 435				
	Total (Scope 3)	253	991	4 470	20 435				
	Total GHG emissions Other	286	1 004	4 484	20 451				
	Scope 1 (tCO ₂ e)	20 216	30 408	28 464	29 202				
TOTAL GROUP	Scope 2 location based (tCO ₂ e)	1 492	1 994	1 980	2 047				
	Total Scope 1 + Scope 2 location based	21 908	32 402	30 444	31 249	349	429	359	434
	Scope 3								
	Downstream transportation	157 027	59 414	88 245	73 237				
TOTAL GROUP	Fish feed	240 322	282 688	229 727	240 287				
	Other	19 934	24 072	30 958	48 569				
	Total (Scope 3)	417 283	366 154	348 930	382 093	6 655	6 063	4 120	5 304
	Total GHG emissions Group	439 191	398 556	379 374	413 342	7 005	5 272	4 479	5 740

*In 2023, we included downstream transportation for Newfoundland for the first time as we started harvest of our first generation in Q4 2023.
**In 2023, we included downstream transportation for Newfoundland for the first time as we started harvest of our first generation in Q4 2023.
***In 2023, we included downstream transportation for Newfoundland for the first time as we started harvest of our first generation in Q4 2023.
****In 2023, we included downstream transportation for Newfoundland for the first time as we started harvest of our first generation in Q4 2023.
*****In 2023, we included downstream transportation for Newfoundland for the first time as we started harvest of our first generation in Q4 2023.
*****Specifically, the transportation of external fish accounts for 19 229 tCO₂e of this. Other: Scope 3 emissions from ASA and sales.

Value-added processing and details of the exact transportation routes were not taken into consideration due to lack of data availability. In 2023, we collaborated with our seafood logistics software provider to create a tool that monitors real-time emissions from our downstream transportation and distribution activities. This software tool is designed to enhance accuracy in tracing the path of our salmon from the harvesting facility to the end consumer. We plan to implement this tool in 2024. Moreover, the establishment of a processing facility in Oslo Airport City at Gardermoen will notably decrease emissions from transporting our salmon to various markets.

Fish feed

Carbon emissions from fish feed are calculated on the basis of the amount of feed used and the carbon emission factor of the feed products used. Our carbon emissions from fish feed are highly dependent on the different raw materials used in the feed, as well as the life cycle assessments and methodology chosen by our feed suppliers. More information about the composition of our feed can be found in our chapter on feed ingredients. Fish feed carbon emission factors are calculated on the basis of life cycle assessments (LCAs) and appear to be variable over time and different between our suppliers. The reason for this is that data quality and transparency vary and increase in relation to the efforts made and resources allocated to those comprehensive analyses.

Our feed-related emission factors increased from 2022 to 2023. We have worked continuously through 2023 on getting more specific data regarding carbon emissions from feed, down to the specific feed product level. This information has been supplemented by a list of additional information, such as LCA database used, calculation methodology, data aggregation level and origin. As a result of this supplemented information, we have been able to conclude with two reasons for the increase in feed-related emissions from 2022 to 2023. The main reason is that our feed suppliers use different sources (database or primary data) when calculating emissions from different raw materials. The other reason is that the volume supplied from different feed suppliers often vary from one year to another. Consequently, depending on which supplier delivers the most volume in a given year, our volume-weighted emission factor will differ.

Towards the 2030 target

Our climate target is set in line with SBTi, which requires a baseline year as starting point. In 2023, we have a total reduction in Scope 1, 2 and 3 of 6% from our 2018 baseline year, which shows that we are moving towards a 35% reduction in 2030. Although there has been a significant increase in emissions from our operations in Newfoundland, attributed to expansion efforts, we have successfully reduced emissions in other regions. This progress ensures that we remain aligned with our objectives. The increase in emissions from Newfoundland was anticipated and has been factored into our climate action plan.

In BC, total emissions in Scope 1 and 2 decreased by 20%, accompanied by a decrease of 13% in the harvested volume. This caused relative emissions per tonne to decrease by 9%. The reduction can be explained by the closure and decommissioning of five operating farms in the Sechart production area. An added contributor to the decrease is our CoolFlow trial aeration barges which we installed on some of the sites. The volume harvested in BC varies significantly every other year, however our emissions are not correlated with harvested volume as production, or activities to prepare for production, might still take place.

In Newfoundland, we started harvest of our first generation in Q4 2023. As a result, we had a significant increase in Scope 1 and 2 emissions. Seawater production resulted in a noticeable increase in Scope 3, due to the use of feed and transportation and distribution of our first harvested volume. As our operation continues to grow in Newfoundland, we are expecting an increase in emissions in the years to come.

Our total energy consumed for 2023 was 152 672 MWh from Scope 1 and 2, whereas the percentage renewable energy (location-based) was 21.4%. The percentage grid electricity varies in our operating regions. In Rogaland, 53% of our farms are powered by onshore electricity, and in Finnmark 57% of our farms are connected to the onshore grid. In BC and Newfoundland the infrastructure provides challenges in connecting farms to onshore grid. However, we are investing in diesel-electric power and other technology to increase our renewable energy share.

SCOPE 3 EMISSIONS

The two most substantial contributors to Scope 3 emissions are downstream transportation and fish feed. Downstream transportation accounts for 18% and fish feed for 63% of our total emissions (19% and 60% of our Scope 3 emissions, respectively). As shown in Figure 2.55, our total emissions increased by approximately 34 000 tCO₂e in 2023.

Downstream transportation

In 2023, we experienced a decrease of 17% or 15 000 tCO₂e in downstream transportation in our operating regions from 2022. There are various reasons for this development. The choice of transport mode is influenced by logistical restrictions, harvest schedules, availability and demand for certain sizes and qualities of fish, and prices. However, we increased our purchase, resale, and transportation of external fish compared to prior years in 2023. This activity, recorded in "ASA and sales", contributed an additional 19 300 tCO₂e. Consequently, our total transport emissions increased by 5% or 4 300 tCO₂e from 2022 to 2023.

In general, downstream transportation is calculated as transport from the harvesting facility to the airport of departure to the destination country (capital by air in tonne-kilometers (tkm). For all sales from our Canadian operations (mostly delivered to the North American market), transport was calculated to the state capital in order to achieve an acceptable degree of precision.



Scope 3 challenges

We strive to continuously improve our collection of Scope 3 emissions data. Some of the figures are only technical estimates of our actual emissions, calculated on the basis of science-based emission research. However, we deem the disclosure of our Scope 3 emissions to be an important step towards achieving awareness of those emissions and encouraging our suppliers to also conduct annual greenhouse gas accounting, even if data accuracy is an aspect we need to improve on. This will help us, our industry and all business sectors linked to our industry to improve in concert as we go forward.

GHG REPORTING STANDARD

Our greenhouse gas emissions are reported in accordance with the Corporate Accounting and Reporting Standard, developed by the Greenhouse Gas Protocol Initiative (GHG Protocol), using the operational approach. We report on all seven greenhouse gases covered by the Kyoto Protocol (CO₂, CH₄, N₂O, HFC, PFCs, SF₆, NF₃), which are converted to CO₂e. 2018 is defined as our baseline year in accordance with SBTi guidance that companies should "choose the most recent year for which data is available as the base year". When structural changes, improved data collection methods or discovery of significant errors occur, the GHG Protocol supports recalculating the base year*. However, it is important to note that certain changes do not require recalculation, for example, changes involving facilities that did not exist in the base year, out/in-sourcing of activities previously reported under a different scope, and organic growth or contraction.

*Grieg Seafood Shetland was divested in 2021, and is excluded from the base year as a result. As a result, the data for the base year is not available for 2018 and is thus excluded from the base year. As Grieg Seafood Newfoundland was acquired in 2020, but did not exist before the acquiring year, it is not included in the base year.

Scope 1 emissions are those that are directly emitted by Grieg Seafood's activities and include emissions from the combustion of fossil fuels for generators, heating and our own vehicles. Emissions are calculated based on the purchased quantities of commercial fuels. We also have a relatively small consumption of hydrofluorocarbons (HFC) for cooling, which are included in Scope 1. All Scope 1 emission factors used are from DEFRA (the UK's Department for Environment, Food and Rural Affairs). Underlying data is collected from financial cost.

Scope 2 emissions are indirect emissions relating to third-party generation of the electricity we consume at our sites. Emissions are reported as location-based emissions in accordance with the GHG Protocol (Market-based Scope 2 emissions can be found in the response field of GRI standard 305-2 in our GRI index). Location-based factors are from the International Energy Agency (IEA), using three-year rolling averages. For electricity consumed in Norway, we apply the Nordic mix, since this is the most representative emission factor for Norway. This is because Norway is almost self-sufficient when it comes to electricity, while the bulk of the electricity imported to Norway comes from Sweden and Denmark (Ive.no). The Nordic mix is calculated as a weighted average of the Swedish, Norwegian, Finnish and Danish factors. Underlying data is collected from metered electricity consumption and invoices from electricity suppliers.

Scope 3 emissions are all other indirect emissions (not included in Scope 2) that occur in our value chain, including both upstream and downstream emissions. In 2021 we had the first year with comparable Scope 3 figures. However, in 2022 we managed to improve our data collection processes to the extent of calculating historic Scope 3 emissions to achieve a comparable trend from the base year. Throughout 2023, our efforts have been centered on enhancing the quality of data in existing categories and examining the potential integration of additional relevant emission categories into Scope 3. We have mapped the emissions in our supply chain in a comprehensive analysis and identified the categories most relevant to Grieg Seafood. Upstream, we included (1) Purchased goods and services, (3) Fuel and energy-related activities (not included in Scope 1 or Scope 2), (4) Upstream transportation and distribution, (5) Waste generated in operations, and (6) Business travel. Downstream, we included (9) Downstream transportation and distribution, and (15) Investments. The categories correspond to the 15 Scope 3 categories defined by the GHG Protocol. Underlying data is collected from production data, financial cost or suppliers, or estimated based on production data.

FIGURE 2.56
SCOPE 3 MAPPING PER REGION/UNIT

		Status	Data collected	Scoped out	Data not available
1	Purchased goods and services				
	Fish feed				
	Well-boat services				
	EPS boxes				
2	Capital goods				
3	Fuel and energy-related activities				
	N/A				
	Well-to-Tank (WTT)				
4	Upstream transportation and distribution				
	Boat/truck transportation				
5	Waste generated in operations*				
	Waste				
6	Business travel				
	Air travel				
	Employee mileage				
7	Employee commuting				
	Public/private transportation				
8	Upstream leased assets				
	N/A				
9	Downstream transportation and distribution				
	Goods transportation				
10	Processing of sold products				
	N/A				
11	Use of sold products				
	N/A				
12	End-of-life treatment of sold products				
	N/A				
13	Downstream leased assets				
	N/A				
14	Franchises				
	N/A				
15	Investments				
	Nordnorsk Smolt**				
	Tytlendsvik Aqua				

* Waste generated in operations was included for the first time in B2 for 2023.

** Nordnorsk Smolt was scoped out in 2022 due to no production, but included again in 2023.

FIGURE 2.57
GREENHOUSE GAS EMISSIONS DEVELOPMENT
FROM BASE YEAR (1000 tCO₂e)



LEARN MORE ON OUR WEBSITE

- Our policy for climate action
- Reducing carbon emissions

The chart shows the last three years compared with the base year, and our development towards our 35% reduction target in 2030

SUSTAINABLE FEED INGREDIENTS

We are conscious of the environmental and social risks that may be connected to feed ingredients and are committed to responsible sourcing. We are committed to reduce the impacts from our fish feed. As an industry, we also need to develop new feed ingredients in order to grow sustainably.



TOWARDS MORE SUSTAINABLE FEED INGREDIENTS

Greg Seafood has identified and mitigated the most material risks related to our feed ingredients, such as overfishing and deforestation. With a growing aquaculture sector, we need new marine and protein-based feed ingredients in order to reduce the environmental and social impact in the years to come.

CERTIFICATIONS

To ensure that our ingredients do not contribute to overfishing and deforestation, we require recognized certification of our high-risk ingredients. Fish meal and fish oil from fisheries and Brazilian soy and palm oil are identified as high-risk ingredients. In 2023, all our marine ingredients (excluding trimmings) in feed were based on fisheries certified according to the Marine Stewardship Council (MSC) or Marine Trust (including FIPa). As a member of Marine Trust Governing Body Committee (GBC), we continuously work towards increasing the share of certified fisheries across the industry. All Brazilian soy protein concentrate was certified according to ProTerra or Round Table on Responsible Soy (segregated). The only region where we used a small amount of palm oil (0.10% of the raw material content) was in Newfoundland. The palm oil used was certified according to Round Table on Sustainable Palm Oil.

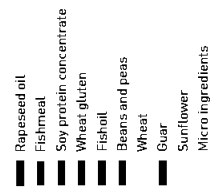
TRACEABILITY

Feed traceability is a key concern in aquaculture, as it relies on depleted fish stocks or plant-based protein which is associated with natural ecosystem conversion. We are in close dialogue with our feed suppliers concerning the sourcing of raw material, and we expect continuous improvements in our feed supply chains with respect to environmental, social and governance (ESG) risks. We require information on each ingredient and raw material in the feed we buy, including the origin of all ingredients used as well as how they were produced. This covers the entire supply chain – from farm/boat to feed manufacturer. While we recognize that it will take time to provide the traceability needed in all supply chains, we require continuous improvements every year. In 2023, we improved our level of traceability on our high-risk ingredients. We were able to identify the vast majority of the species, origin and certification of forage fisheries and trimmings used in our feed. Additionally, we managed to trace soy to national and regional level.

LEARN MORE ON OUR WEBSITE

- [Supplier Code of Conduct](#)
- [Sustainable feed policy](#)
- [Our feed approach](#)

FIGURE 2.58
FEED INGREDIENTS IN 2023



This illustrates the average raw material content in our feed used in Norway and Newfoundland. In BC, the content is somewhat different, as, in general, a larger proportion of vegetable protein is replaced by animal byproducts. Palm oil constituted 0.10% of the raw material ingredients in the feed used in Newfoundland.



ZERO DEFORESTATION

Our Brazilian soy protein concentrate vendors, CJ Selectia, Incopra and Caramuru, were the first Brazilian soy traders to set a 2020 cut-off date for their entire soybean business in the Cerrado, and establish a robust MRV system. With this move, they have set a new benchmark for sustainable supply chains globally. We have engaged with these producers and applaud their leadership. Read more [here](#).

We participated in the CDP Forest program for the fourth time in 2023. CDP Forest provides a framework of actions to measure and manage forest-related risks and opportunities, transparent reporting on progress, and commitment to work proactively for the restoration of forests and ecosystems. We scored B on our work against deforestation related to soy. Additionally, Grieg Seafood was acknowledged as a supplier engagement leader (A-) by CDP in recognition of our efforts to measure and reduce climate risk within our supply chain. For more information, please visit [CDP's website](#).

NOVEL FEED INGREDIENTS

The aquaculture industry is looking at developing novel feed ingredients to mitigate sustainability-linked risks such as deforestation and overfishing. We must ensure that a scale-up of ingredients does not repeat the mistakes of the past by contributing to new or unforeseen ESG risks. As a member of the Global Roundtable on Marine Ingredients and the Global Salmon Initiative Climate Taskforce, we take part in commercializing novel feed ingredients that are a good fit for a future sustainable food system. In 2021, we initiated a project to perform a holistic evaluation of ESG risks relating to salmon feed ingredients in order to increase transparency and traceability, to enable us to benchmark feed ingredients on material ESG aspects and have the ability to reduce risk and drive change throughout our supply chains. The project was adopted by Global Salmon Initiative (GSI) and has received approval from all members, including Grieg Seafood. The project was launched in March 2024. Read more about how the project is driving industry-wide accountability [here](#).

FIGURE 2.59
TARGETS AND ACHIEVEMENTS 2023

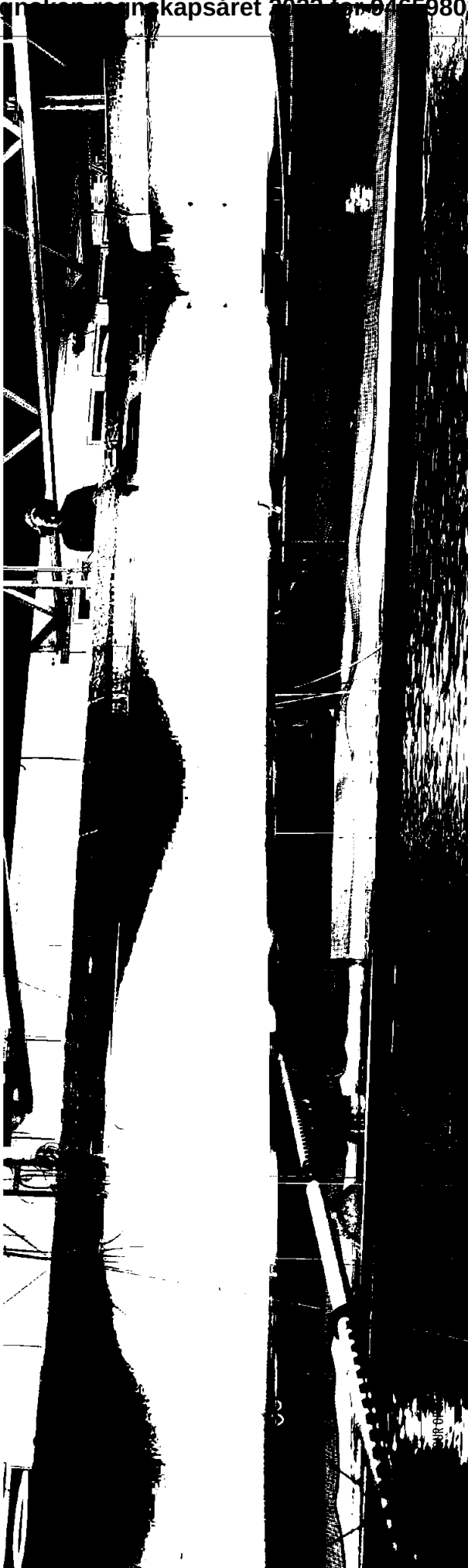
Targets	Achievements 2023
All marine ingredients (excluding trimmings) used are based on fisheries certified according to MSC or Marine Trust (including RPPs)	Yes, in all regions for the full year
FFDbs below 252 (ASC requirement)	Yes, in all regions
FFDbs below 120 (ASC requirement)	Yes, in all regions. The level is below 1.0, making us a net producer of marine protein
All Brazilian soy protein concentrate certified according to ProTerra or segregated RTRS	Yes, in all regions using Brazilian soy protein concentrate
All Brazilian soy protein concentrate supplied by Brazilian vendors with a 2020 cut-off date + robust MRV system	Yes, in all regions using Brazilian soy protein concentrate, CJ Selectia, Caramuru and Incopra are the Brazilian suppliers used
All palm oil used certified according to Round Table on Sustainable Palm Oil	Yes, in Newfoundland, the only region where we used a small amount of palm oil

FIGURE 2.60
VOLUME OF MARINE INGREDIENTS

Volume of marine ingredients (tonnes)	Forage fish 2022	Forage fish 2023	Trimmings 2022	Trimmings 2023	Total 2022	Total 2023
Fish meal	10 107	9 817	5 394	6 777	15 501	16 594
Fish oil	8 280	5 639	5 316	5 771	13 596	11 610

Trimmings also referred to as co-products, are viable cut-offs (e.g. entrails, fins, scales, heads, and tails) from fishing processing activities commonly not used for other consumption. Trimmings are often ground and dried into fishmeal.

Marine feed ingredients should come from sustainable sources. An overview of marine raw materials in our feed, including species, country of origin and certification of each raw material, is available [here](#).



PEOPLE

Every single day, whether it is sunny, stormy or freezing cold, our fantastic employees are out there working hard in the hatcheries, on the farms or at the harvesting plants. Their passion and dedication drive Grieg Seafood forward.



PART 02 - OUR PEOPLE

OUR COLLEAGUES

Grieg Seafood consists of people with different backgrounds, genders, experiences, expertise and age. We have talented employees range from teenage apprentices to people who will soon retire. We have people fresh from university, people with advanced degrees, people who have worked in the industry for multiple years, and people who have grown up with salmon and are experts in their field through dedication and experience. You can read more about our talented employees and their stories on our website.

DIVERSITY

Diversity and equality are among the most essential aspects of living our culture. We are dedicated to being an employer that provides equal opportunities. Our varied workforce consists of 837 (ex contractors) employees representing 30 different nations, with a gender balance of 235 women (28%) and 602 men (72%).

In 2023, we placed a particular emphasis on the development of female leaders and potential leaders. This was accomplished by completing the international program FiftyFifty, and other initiatives focused on the local level. FiftyFifty is a think tank and networking collaboration amongst various companies, aiming to encourage the development of individual projects within those organizations. A greater gender balance in managerial positions in Norway and around the world is the target of the FiftyFifty initiative, which aims to provide a boost to focus on and contribute to this goal. The concluding meeting was held in the Munch Museum in Oslo, Norway, and was attended by both our Chief Executive Officer and the attendees.

«It is not counting the numbers of women employed that is important; it's all about that women thrive and have equal opportunities as their male colleagues in Grieg Seafood,» says Andreas Kvame, CEO.

LEARN MORE ON OUR WEBSITE

- Our policy and grievance mechanisms for human rights
- Human rights in our operations and value chain
- Our policy for diversity
- Our policy for gender equity
- Embracing diversity
- Health and safety principles
- HSE policy

The Grieg Seafood workplace is a secure environment for all employees, and initiatives like this will only further emphasize the core values of Grieg Seafood, which include openness, ambition, and concern for others.

In 2023, Grieg Seafood has implemented several measures to enhance the gender balance. The appointment of women to fill vacant management roles, drawing from both internal and external candidates, and the appointment of another female executive management team member are all included in this category. In 2023, women made up 27% of our newly hired staff. We undertake a yearly evaluation of the salaries and benefits provided to our employees, and we benchmark our pay using the Korn Ferry technique. The Korn Ferry methodology is one of the tools we utilize to maintain gender equity and to ensure fair, competitive and living wages for our employees.

We select and appoint the best-suited individuals for a position based on their abilities, qualifications, and aptitudes, including everyone from aquaculture technicians to regional directors. We continue to place a significant emphasis on recruitment. Being an attractive employer and being visible in the areas where the next generation of aquaculture talent comes from are both essential components of our recruitment approach.

We have prioritized ensuring that all of our employees, regardless of ethnicity or background, are afforded the same opportunities, rights, and respect. Strategies that compensate for historical and societal barriers prohibiting women and men from working on a level playing field must also be readily available to guarantee fairness. There is a direct correlation between gender equity and gender equality, characterized by equal rights, responsibilities, and opportunities for men and women. Our digital coaching program was maintained for all our employees, regardless of gender, in 2023. Under the terms of this program, participants would have the opportunity to get one-on-one instruction from a native speaker for six months to improve their language skills. The program was one of the projects we launched after COVID to grow our staff professionally and personally, and it has been met with positive feedback from those who participated.



HEALTH AND SAFETY

In 2023, we once again conducted our now annual Great Place to Work survey, and we are happy to say we kept our certification. Not only does this confirm that our employees feel that Grieg Seafood is a great place to work, they also think it is a safe place to work. We have a zero accidents vision and encourage our employees to report all deviations in accordance with our recently published health and safety global policy. All employees receive health and safety training when they join us, and are required to re-take the courses regularly. Employees have the possibility to actively participate in and contribute to the development of their workplace safety through their employee representative. External health services provide health checks and advice to employees. In our Norwegian regions they are represented on our Health and Safety committees. We provide a health-plan for employees, ranging from dental and medical to counselling depending on the region, and we offer a variety of health programs to the employees (competitions, gym membership). We have a strong health and safety program to ensure our workers are protected and risks are minimized. This includes adhering to local laws and legislation regarding working hours in all our regions. We will never compromise on the health and safety of our employees. Through our Supplier Code of Conduct, we expect the same from our suppliers.

OUR RESULTS

FIGURE 2.61
UNIONIZED EMPLOYEES (%) AT YEAR-END 2023

	Share
Rogaland	28%
Finmark	48%
British Columbia	n/a
Newfoundland	n/a
ASA	n/a
Sales & Market	n/a

We accept and welcome labor union membership among employees. Grieg Seafood has established a good, collaborative relationship with our union representatives. This collaboration extends beyond periodic salary negotiation to a variety of internal improvement projects. The numbers reflect membership of the United Federation of Trade Unions (Fellaforbundet) and The Norwegian Food and Allied Workers Union (NNH), the largest labor unions in our industry. Due to privacy and security laws, we do not have access to data on all types of memberships, such as associations of professionals and graduates. It is therefore presumed that the actual number of unionized employees is higher than depicted. We also accept and welcome collective bargaining and freedom of association, by union or employee representation. Any employees working in the same jobs as those covered by either of the above will receive the same working conditions and terms.

HUMAN RIGHTS

We are committed to respecting fundamental rights in our operations, our value chain, and in the communities where we operate. In 2022, the Norwegian Transparency Act entered into force. Grieg Seafood operate in compliance with the Norwegian Transparency Act and is committed to following the UN Guiding Principles on Business and Human Rights (UNGPs). In the end of June 2023 we published our first human rights progress report. The report provides an account of the due diligence conducted, findings and actions, in line with the Norwegian Transparency Act. We will provide status on our efforts to ensure respect for human rights each year.

Based on this year's assessment, the risk of human rights breaches connected to our own operations is evaluated as low. However, the human rights risk connected to our value chain is considered high. Both upstream and downstream, our value chains are linked to high-risk geographies and high-risk industries. There is generally low transparency and traceability in these value chains, as many of them are linked with the trading of global commodities, where transparency and traceability can be a huge challenge. Read more about how we have started to take action on prioritized areas in our value chain here.

FIGURE 2.63
HARASSMENT INCIDENTS

0

No harassment incidents were reported in 2023. Grieg Seafood has zero tolerance for misconduct in the workplace, and all reports of harassment are dealt with in accordance with established procedures. We do, however, for reasons of privacy protection, not comment specifically on any reported incidents.

FIGURE 2.66
NON-DISCRIMINATION TRAINING

52%

Overall, 52% of our 827 employees (ex contractors) have completed a non-discrimination training course. 46% of our employees completed the course in 2023. This does not include our Code of Conduct program, which also includes a non-discrimination section.

FIGURE 2.62
CODE OF CONDUCT PROGRAM

87%

87% (724) of our 827 employees (ex contractors) have completed our Code of Conduct program, broken down by 141 (19%) permanent and 16 (2%) temporary employees from Rogaland, 267 (32%) permanent and 27 (6%) temporary employees from Finnmark, 78 (11%) permanent and 10 (1%) temporary employees from ASA, 153 (18%) permanent and 10 (1%) temporary employees from British Columbia, 86 (10%) permanent and 5 (1%) temporary employees from ASA and Sales & Market. Eight out of nine (89%) of our Group Executive Team have completed the Code of Conduct program, all from Norway. There has been no changes to the Group policies or similar that have led to a new assessment of the Code of Conduct, hence none of the members of the Board of Directors from Norway received any particular Code of Conduct communication or training in 2023.

Our Code of conduct program involves presentation and training on all of our principles. The Code of Conduct program is required to be completed every second year by all our employees.

FIGURE 2.65
HUMAN RIGHTS TRAINING

88%

In 2023, 729 employees (88%) were given human rights training. This includes, but is not limited to, our Code of Conduct.

FIGURE 2.64
WHISTLEBLOWER CASES

1

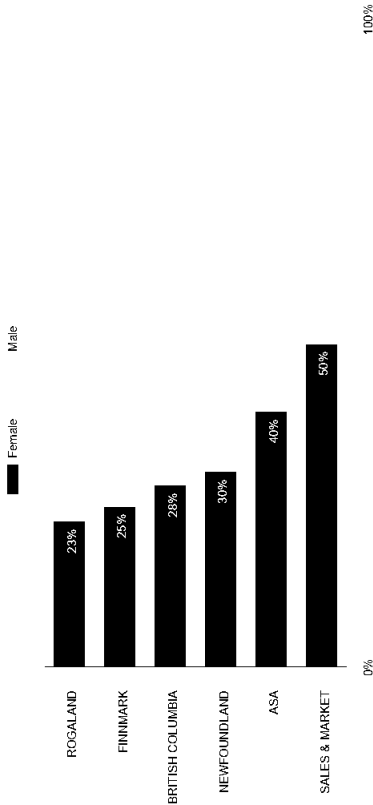
One case was reported through our whistleblower channel in 2023. One of our employees claimed unlawful terminations and work-related concerns. The claim was closed after an external investigation.

All employees have both the right and a responsibility to report concerns through our whistleblower channel, or the CHRO, or through our external whistleblower channel. The whistleblower channel is also available for external stakeholders through our website. All notifications through our external whistleblower channel are handled in a professional manner by Grieg Seafood. On the basis of the information received, it is decided whether the case is handled internally or if it will be referred to the relevant authorities. The whistleblower concern to be followed up. The CHRO receives a summary report from the operator of the whistleblower channel, and all reported incidents are reported to the CEO and Board of Directors. All reported incidents are investigated. Unless the employee has requested otherwise, the investigation will be kept adequately informed about the process and its outcome. We prohibit any retaliation against anyone for raising or helping to address a concern about violation of our policies.

Our Supplier Code of Conduct requires suppliers to ensure that they do not discriminate against workers and contractors, and minimize workers' exposure to potential safety hazards. Furthermore, we expect our suppliers to adhere to all applicable laws and regulations. Our suppliers can also use our whistleblower channel to report negative occupational health and safety impacts in business relationships.



FIGURE 2.67
GENDER BALANCE AT YEAR-END 2023



At year-end 2023, the Grieg Seafood Group had 837 employees (235 women and 602 men), including full-time and temporary workers, but excluding contractors. Hence, women make up 28% of the workforce, while 72% are men. Management and support functions at Grieg Seafood ASA and the Sales & Market teams have the highest proportion of female employees.

Employee data is registered in a dedicated HR database. Only HR personnel are allowed access to register employee data, which is reviewed regularly to ensure its continued quality. The data provided is collected from the HR database in head-count at the end of the reporting period.

FIGURE 2.68
GREAT PLACE TO WORK

74%

Grieg Place to Work assesses and evaluates organizations and the practices that underpin workplace culture, based on the experience of employees. In 2023, we took part in the Great Place to Work survey for the sixth time in Norway, and for the fifth time globally. We are proud to announce that all our regions achieved the Great Place to Work certification in 2023. The average score was 74%, with 79% stating this is a great place to work. The score is above average and shows that Grieg Seafood is among the best companies to work for. With a high participation rate, this certification is an enormous credit to the employees and their hard work and loyalty.

FIGURE 2.69
APPRENTICESHIP PARTICIPATION
AT YEAR-END

27

At year-end 2023, a total of 27 employees were participating in an apprenticeship: 16 in Rogaland and 11 in Finnmark, British Columbia and Newfoundland did not have any apprentices at year-end 2023.

FIGURE 2.70
APPRENTICESHIP ACHIEVEMENTS

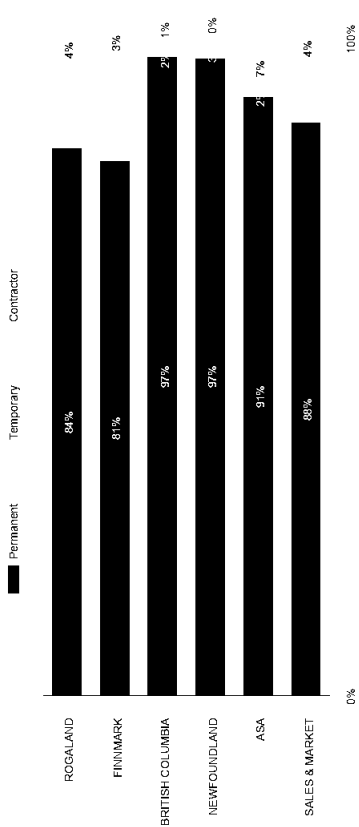
10

In 2023, a total of ten employees received their final certificate of apprenticeship: four in Rogaland, four in Finnmark, and two in Newfoundland.

In cooperation with the North Island College and Fleming College, Grieg Seafood British Columbia has established the Grieg Seafarer Technician Apprenticeship Program (GTA). The program provides additional training for technicians, as well as further training for higher positions within aquaculture. The program has so far been a success.



FIGURE 2.71
THE WORKFORCE AT YEAR-END

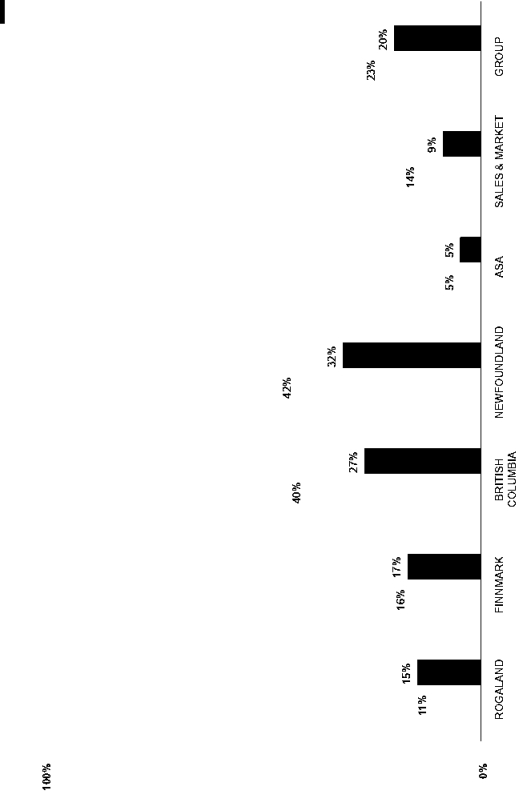


The compiled data is reported in head-count as of 31 December 2023. Overall, 89% (752 of 858) of our workers were permanent employees in 2023 (incl. contractors). We had some temporary employees, particularly seasonal workers in our processing facilities and apprentices at our farms. Most of our apprentices are offered a permanent position with us after their apprenticeship is over. Contractors are mainly used in Norway during peak periods of harvesting, or in office roles, providing regular services as needed (mostly IT-related work). Employee data is registered in a dedicated HR database. Only HR personnel are allowed access to register employee data, which is reviewed regularly to ensure its continued quality.

FIGURE 2.72
THE WORKFORCE AT YEAR-END

		Permanent		Temporary		Contractor		Total
		Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	
Rogaland	Female	26	9	4	2	1	0	42
	Male	105	17	16	2	4	2	146
Finnmark	Female	55	5	7	8	1	0	76
	Male	191	0	27	7	4	3	232
British Columbia	Female	39	2	1	1	0	0	43
	Male	109	0	1	0	0	1	111
Newfoundland	Female	31	1	0	0	0	0	32
	Male	71	0	3	0	0	0	74
ASA	Female	17	0	0	0	0	0	17
	Male	24	1	0	1	1	2	29
Sales & Market	Female	25	1	0	1	1	0	28
	Male	21	2	2	2	1	0	28
Total		714	38	61	24	13	8	858

FIGURE 2.73
TURNOVER RATE



These figures are calculated based on the total number of permanent employees since it is only these employees who are meant to stay with the company permanently. Temporary employees are not included in these figures. As per IFRS definition, employee turnover includes all employees who leave the organization voluntarily or due to dismissal, retirement, or death in service.

Turnover has overall decreased in 2023 compared to 2022. Grønt Sandstøl Newfoundland experienced a lower turnover in 2023 compared to 2022, but still high due to a competitive market. We expect more stability in the future. The turnover in BC has been high, which has been common through all industries in this region, as it was challenging to attract candidates in a competitive market. We continue to support our good relationships with First Nations and local communities to help attract potential employees from the region. We also work closely with training institutions to offer employment to applicants that have chosen agriculture as their desired career path. Through our commitment to supporting the local workforce, we aim to ensure a steady supply of talent for our operations in the region. As a result, we are pleased to see the turnover decreasing in BC in 2023 compared to 2022.



FIGURE 2.74
FATALITIES

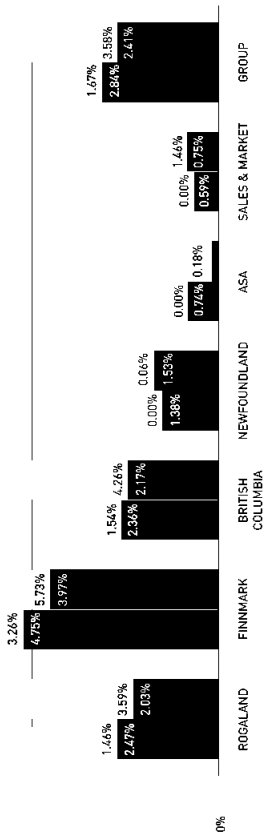
0

We had zero fatalities in 2023.

FIGURE 2.75
ABSENCE RATE

10%

Short-term 2023 Short-term 2022 Target
Long-term 2023 Long-term 2022



In Finnmark, Rogaland, Sales & Market, British Columbia and Newfoundland, the absence rate has decreased compared to the year before, while in ASA, the absence rate increased. In Finnmark, we have an ongoing process related to facilitating reduced work assignments and we have introduced training or absence follow-up for all employees. All initiatives in this area are implemented in consultation with employee representatives.



FIGURE 2.76
SAFETY INDICATORS

	Hours worked (incl. overtime)	Total work-related injuries	Rate of work-related injuries**	High-consequence work-related injuries	Rate of high-consequence work-related injuries**
Rogaland	249 508	9	36	0	0
Finnmark	400 922	18	45	0	0
British Columbia	246 844	24	97	0	0
Newfoundland	224 244	4	18	0	0
ASA	69 095	0	0	0	0
Sales & Market *	88 327	0	0	0	0

* Estimate based on number of employees and general annual working hours.
** Rate of work-related injuries divided by the total number of hours worked (incl. overtime), multiplied by 1 000 000. Permanent and temporary employees are included in our incident data. Information on contractors is not currently available.

100% of our (BSB) employees are covered by health and safety systems, including contractors. We use occupational health and safety systems and standards in line with local regulations in each country. All of our health and safety procedures are internally audited and reviewed by management. As a part of our ASC, Global G.A.P. and BAP certifications and ongoing certification processes, all of our health and safety management procedures are certified by an external party. The administrative support department are not directly covered by an occupational health and safety management system, but are subject to occupational health services and represented by a staff-elected safety representative.

Health and safety incidents are registered in our systems, and reviewed as part of our monthly HSE meetings. Our occupational health services provide help to map and assess the health and safety risks in our systems, and identify and control physical, chemical, biological and psychosocial factors. Job risks in each department are formally evaluated and categorised using a risk matrix. Job hazard assessments are also carried out for non-routine jobs.

Injuries are caused mainly by being struck by objects, handling equipment, crushing, cuts, slips, and falls. Risk assessments show that high-consequence injuries derive from being struck by an object, crushing and cuts. We did not have any high-consequence injuries in 2023.

All our staff have the right to stop any type of work or task if they feel unsafe or that they are not competent enough to carry out their duties. These routines are established in all our systems, and our staff are trained in these routines. If a staff member feels unsafe or that they are not competent enough to carry out their duties, they should report this to their supervisor or a staff-elected safety representative or our whistleblowing channel for major issues which is handled by an external partner (ET) if they feel anything is unsafe or a hazard in their work environment. We have a "no reprisal" policy when it comes to reporting health and safety issues. This is described in our Code of Conduct.

Our improvement and preventative initiatives are based on thorough evaluation of all accidents and near misses that are reported in our deviation system and are designed to reduce risk and prevent the recurrence of unwanted incidents. Mitigating measures may, for example, include servicing machinery, ordering new equipment, training employees, or changes in procedures and instructions.

We always use required Personal Protective Equipment (PPE) to do our job as safely as possible, and our operations use no known IL-health risks.

FIGURE 2.77
HT-FACTORS/LTI

	Absence rate									
	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Rogaland	15	9	42	25	32	3.5%	3.1%	3.0%	5.6%	3.9%
Finnmark	22	28	22	21	22	4.9%	5.6%	8.7%	9.7%	8.0%
British Columbia	35	36	6	9	8	2.0%	6.8%	5.6%	6.4%	3.9%
Newfoundland	n/a	n/a	5	0	9	n/a	n/a	1.3%	1.6%	1.4%
ASA	0	0	0	0	0	0.3%	1.1%	0.5%	0.4%	0.7%
Sales & Market	0	0	0	0	0	0.5%	0.0%	0.9%	2.2%	0.6%
Group	n/a	24	15.97	13	16	3.2% **	4.9% **	5.0% **	6.0%	4.5%

* HT-Factor/LTI: number of lost-time injuries divided by the total number of hours worked (incl. overtime) from and including 2023), multiplied by 1 000 000. Permanent and temporary employees are included in our incident data. Information on contractors is not currently available.
** Including Snelstad.

On a group level, the number of LTI incidents in 2023 has increased compared to 2022, mainly due to an increase in the more common type of work injuries. As a result of this we will have an increased focus on procedures and handling of equipment in order to reduce these incidents going forward.
In Oring Snelstad BC, we have been working for several years to improve our openness and reporting in order to create a more mature safety performance culture and as a result Oring Snelstad BC are OSE certified. Our ultimate goal is that people both feel and are safe, that we have an open reporting culture and that OSE always are at the top of our agenda. In our safety system, we have implemented measures by using the OSE tool to assess the risk of incidents, and we have implemented measures to ensure that we have both safety action plans and safety observations, and, if possible, assess the quality of observations and how actions are closed. We also conduct safety training and safety meetings.

In order to avoid any under-reporting of incidents, no LTI target has been defined.

OUR FINANCIAL RESULTS

BOARD OF DIRECTORS' REPORT	60
CORPORATE GOVERNANCE	75
GRIEG SEAFOOD GROUP ACCOUNTS	84
GRIEG SEAFOOD ASA ACCOUNTS	123
AUDITOR'S REPORT	139
ALTERNATIVE PERFORMANCE MEASURES	142





BOARD OF DIRECTORS

Our Board of Directors will provide leadership to the company and deliver shareholder value over the long term.

Find the presentation of our Board of Directors [here](#).

GROUP EXECUTIVE MANAGEMENT TEAM

Our executive management team is responsible for overseeing the Group's day-to-day operations and working to realize our vision, values and targets.

Find the presentation of our management team [here](#).

PART 3: OUR FINANCIAL RESULTS

BOARD OF DIRECTORS' REPORT





MAIN ACHIEVEMENTS

72 015
TONNES GWT
HARVESTED

780
OPERATIONAL EBIT
NOK MILLION

10.8
OPERATIONAL EBIT/KG
(NOK)

560
NET PROFIT AFTER TAX
NOK MILLION

5.0
EARNINGS PER SHARE
(NOK)

81%
ASC CERTIFIED HARVEST
VOLUME

- Harvested volume of 72 015 tonnes
- Operational EBIT of NOK 780 million, with Operational EBIT/kg of NOK 10.8
- Net profit after tax of NOK 560 million and earnings per share equal to NOK 5.0
- Salmon market remained strong
- Results impacted by historical biological events
- Milestone achieved with first harvest ever in Newfoundland
- Improved processing capacity via partnerships and expanded availability of Value-Added Products (VAP)
- Approved a NOK 130 million investment in a secondary processing facility with a capacity of at least 10 000 tonnes at Oslo airport
- Identified initiatives to reduce costs by NOK 150 million over the next two years as part of the ongoing improvement program
- In the process of identifying long-term partners for the development of the Canadian farming operations
- Continued focus on sustainable farming certification with 34 out of 40 eligible sites ASC certified, representing 81% of the harvested volume in 2023
- Dividend proposal of NOK 1.75 per share, subject to approval by the Annual General Meeting in June 2024
- Ranked third by the Celler FAIRR Protein Producer Index, acknowledging Grieg Seafood as one of the world's top sustainable protein producers
- Received a Leadership (A-) score from CDP for transparency and actions on climate change risks, reinforcing the Group's environmental commitment

GRIEG SEAFOOD'S VISION AND AMBITIONS

The Grieg Seafood Group is one of the world's leading salmon farmers. The Group has licenses for seawater farming and land-based smolt production in Finnmark and Rogaland in Norway, and British Columbia and Newfoundland in Canada.

The Group's vision "Rooted in nature – farming the ocean for a better future", represents how the Group intends to make a difference and what it aims to accomplish. It also encompasses the foundation for the Group's operational development – a healthy ocean, sustainable food, profitable growth and innovation, good jobs for everyone, and local value creation. With its business strategy, the Group aims to increase the harvest volume to 120 000–135 000 tonnes at a competitive cost level, and to evolve from purely a commodity supplier to an innovation partner for selected customers. Sustainable farming practices are the foundation of Grieg Seafood's operations. Achieving the lowest possible environmental impact and the best possible fish welfare are both an ethical responsibility and a prerequisite for long-term profitability. To achieve sustainable growth and improve competitiveness, the Group focuses on reducing the time fish spend at sea by stocking larger smolt to sea, improving fish health and welfare, and providing digital decision-making support to its farmers.

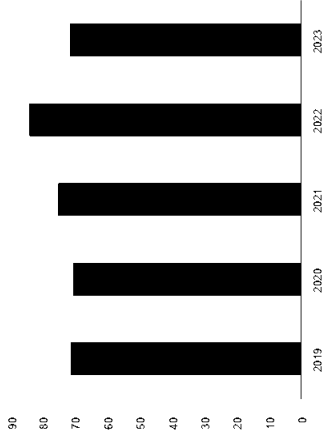
TARGETS AND ACHIEVEMENTS

Global growth, value chain repositioning and cost improvement are the key areas of the Group's business strategy. Despite challenges in some areas during 2023, the Board wants to recognize the hard work, passion and dedication of the employees in all regions. With the improvement measures that have been implemented throughout the year, the Group moves forward with expectations of improved results in 2024.

As part of the strategy, the Shetland operations were sold in 2021 to concentrate the Group's focus on the regions with the greatest potential for profitable growth – Norway and Canada. An important project for Grieg Seafood has been the development of Grieg Seafood Newfoundland, where salmon was transferred to the sea for the first time in 2022 and harvesting started towards the end of 2023.

The Group originally estimated a total harvest volume of 87 000 tonnes in 2023. The actual harvest volume was impacted by reduced growth at sea due to biological challenges, mainly in Finnmark, and came to 72 015 tonnes GWT in 2023. The market demand for farmed salmon both in the retail and HoReCa sectors continued strong in 2023. The average NOSAL MON price for 2023 came to NOK 92.3 per kg, while Urner Barry (Seattle West Coast, fresh, whole fish) came to NOK 84.7 per kg in 2023. Weak biological performance in Finnmark mainly due to the rarely occurring parasite *Spiranucleus Salmonicida* (Spiro) that led to reduced survival and reduced growth in sea put pressure on both the farming cost and price realization from this region. Measures have been taken to address the challenges both in the short and medium term.

FIGURE 3.1
HARVEST VOLUME (1 000 TONNES GWT)



The Group aims to be cost competitive. The industry experienced general cost inflation during 2022, including a sharp rise in feed prices, which has driven up the farming cost in all regions in 2023 as the fish has been harvested. In addition, biological challenges put pressure on the farming cost, particularly in Finnmark due to the impact from Spiro.

Biological control is the main cost driver and the primary operational focus area in the farming regions. The Group has implemented several cost improvement initiatives, in the area of research and development (R&D) and the utilization of new technologies in addition to cost saving program, which, combined with a higher harvested volume, are expected to reduce or stabilize the farming cost.

Creating shareholder value is a prerequisite for company growth and survival, and Return on Capital Employed (ROCE) is the Group's ultimate financial performance indicator (see Alternative Performance Measures for definition). The ROCE for 2023 ended at 7%, compared to the ROCE target of 12% per year. The result was impacted mainly by weak biological performance in Finnmark.

The sustainability scoreboard includes some of the key performance indicators (KPIs) for the Group. Sustainability and financial results go hand in hand. Good financial results are needed to develop the Group's operations sustainably, and sustainable operations are needed to safeguard long-term financial results and performance, and create or maintain value for all stakeholders. That is why sustainable farming practices form the very foundation of all areas of Grieg Seafood's strategy. The Board was pleased to see that Grieg Seafood was rated

3rd on the Colter FAIRR Index, as one of the world's most-sustainable protein producers. Grieg Seafood also received the Leadership (A-) score from the CDP for its transparent reporting and actions related to climate change.

The Group has climate reduction targets approved by the Science Based Target initiative (SBTi), with the aim of reducing carbon emissions by 35% by 2030 and 100% by 2050. In 2023, the Group increased total emissions by 9% compared to the year before. The increase is mainly attributable to an increase in the emission factors from feed in Scope 3, operational expansion and harvest in Newfoundland, and purchase and distribution of a larger volume of external fish compared to previous years. Despite a substantial increase in the Newfoundland region following successful harvesting, the Group has experienced reduction in its other operating regions. The absolute Scope 1 greenhouse gas (direct emissions from company-owned and controlled resources) and Scope 2 (indirect emissions from the generation of purchased energy) emissions increased by 3% in 2023 compared to 2022, while harvest volume decreased by 13% due to biological challenges and focus on growing biomass in 2023. Measured as kilograms of CO₂ equivalents per tonne harvested, emissions increased by 21%. Scope 3 emissions (emissions that occur upstream and downstream in the value chain) accounted for 92% of total emissions in 2023. Even though farmed Atlantic salmon already has a low carbon footprint, more work needs to be done to reduce the impact from the global food system.

Salmon feed is the most important and cost-intensive input factor in salmon farming. The industry needs to develop new

feed ingredients in order to grow sustainably. Grieg Seafood has identified and mitigated the most material risks related to feed ingredients, overfishing and deforestation. To ensure that feed ingredients does not contribute to overfishing and deforestation, Grieg Seafood requires recognized certification of its high-risk ingredients. Fish meal and fish oil from fisheries and Brazilian soy and palm oil are identified as high-risk ingredients. Grieg Seafood has been acknowledged by CDP Forest with a B-score for its work against deforestation related to soy.

Aquaculture Stewardship Council (ASC) certification is an important objective for the Group, as it provides the market with assurance of responsible operations and production of high-quality seafood certified to the highest social and environmental standards. As at year-end, 81% of the Group's harvested volume for 2023 was ASC certified. The Group aims to continue to certify sites.

Production and harvest volumes depend on the number of smolt transferred to the sea, and how well that fish performs in terms of growth and survival. By effectively preventing and combating sea lice and health issues, and by understanding the salmon's behavior, the Group's farming regions have worked continuously to improve survival and growth rates. Grieg Seafood targeted a survival rate of 95% for 2023. Only Newfoundland reached this target in 2023. The survival rate in Rogaland increased from 92% in 2022 to 94% in 2023. Finnmark came to 92% up from 91% in 2022, while BC was stable at 91%. The main biological challenge in Finnmark in 2023 has been Spiro. To mitigate Spiro, Grieg Seafood has invested NOK 70 million in UV treatment facilities

to secure the water intake to the freshwater facility in Adamslv. Grieg Seafood also participates in a project with academia to investigate and learn more about Spiro. Towards year end 2023, construction of a new 3 000 tonnes capacity post-smolt unit in Finnmark started, where the first smolt will be transferred to sea in 2026. In general, it is expected that post-smolt will improve fish health and welfare, as it provides better control of the fish's environment for a longer period of time. Post-smolt makes the fish more robust before they are transferred to the sea farms, and reduces their exposure to seaborne biological risks. The Group's post-smolt strategy in Rogaland has provided promising results so far. Other initiatives to improve fish health and welfare include the selection of roe with specific qualities related to sea lice and diseases, feed customized for the various stages of the salmon's lifecycle, and vaccinations to immunize against specific diseases.

Grieg Seafood aims to reduce the overall use of medical sea lice treatments based on efforts to use targeted preventive methods, such as sea lice skirts and cleaner fish (Rogaland only). Grieg Seafood BC uses a combination of a barrier system between the farmed salmon and the environment and the latest mechanical sea lice removal tool to keep sea lice levels down. The Group also aims to avoid use of antibiotics when possible, and use of antibiotics decreased compared to 2022. In Norway, effective vaccines have reduced the use of antibiotics significantly. Limited amounts have been used to secure the welfare of the fish when there are no other alternative treatments, which was the case in Finnmark and BC in 2023.

FIGURE 3.2
FARMING COST PER KG

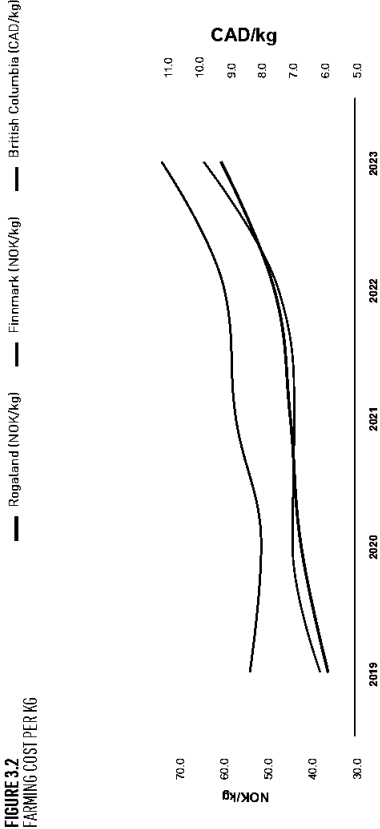
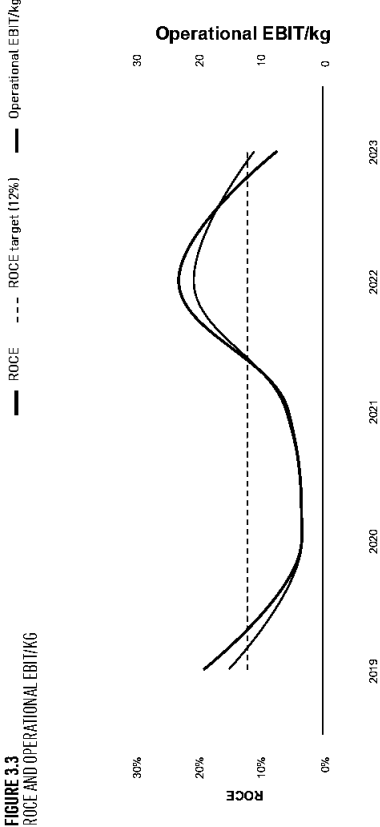


FIGURE 3.3
ROCE AND OPERATIONAL EBIT/KG



Newfoundland not included, as the farming cost in 2023 is not representative as we are scaling up our production in the region, which impact the cost level of the first harvested generation.

second half of 2023. ISA led to early harvest on some sites, which affected the biomass growth throughout the year. The 12-month rolling survival rate for 2023 improved from 92% in 2022 to 94% in 2023.

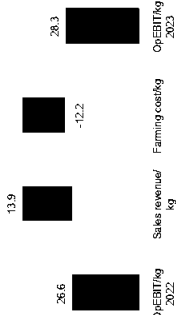
The farming cost ended at NOK 60.4 per kg in 2023, up NOK 12.2 per kg from NOK 48.2 per kg in 2022. The industry experienced a general rise in costs in 2022, in particular in feed prices with an increase close to 40%, which has continued to impact the farming cost in 2023 until the generation of impacted fish is harvested.

Operational EBIT for the year ended at NOK 736 million, compared to NOK 755 million in 2022. This corresponds to NOK 28.3 per kg in 2023, up NOK 1.8 per kg from NOK 26.6 per kg in 2022.

Read more about Grieg Seafood Rogaland's operational priorities in the regional chapter in Part 2 Profit & Innovation.

FIGURE 3.6
ROGLAND OPERATIONAL EBIT/KG YEAR-OVER-YEAR

Source: Group Accounts Note 5



OPERATIONAL REVIEW

In general, both freshwater and seawater production through the year was good, however with some challenges to freshwater production in BC and seawater production in Finnmark impacting the Operational EBIT. For further details, see the separate regional chapters in Part 2 Profit & Innovation.

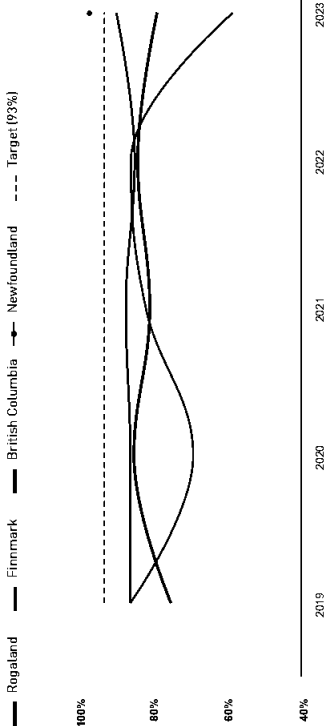
A summary for the farming regions in Rogaland, Finnmark, British Columbia, Newfoundland and the sales organization follows below.

ROGLAND

Grieg Seafood Rogaland harvested a volume of 25 980 tonnes in 2023, a decrease of 8% compared to the 28 387 tonnes harvested in 2022. Sales revenues amounted to NOK 2 305 million, compared to NOK 2 124 million in 2022. The increase was mainly driven by the strong market in 2023. In 2023, the price achievement came to NOK 88.7 per kg, up NOK 13.9 per kg from NOK 74.8 per kg in 2022. Higher market prices were offset by the sale of 17% of the volume under fixed-price contracts, in addition to quality downgrades. The share of superior quality fish decreased from 84% in 2022 to 79% in 2023.

The freshwater production has been good in 2023. During the year, close to eight million smolt were transferred to the sea, with an average weight of 460 grams. Overall, the underlying seawater production was good during the year, despite some challenges related to infectious Salmon Anemia (ISA) and winter ulcers during the first half of the year and gill disease during the

FIGURE 3.5
SUPERIOR SHARE OF SALMON



The Group conducted the global Great Place to Work survey also in 2023. The Board is proud to report that all regions received their Great Place to Work certification. The total score of 74% for the Group was very satisfactory, proving that Grieg Seafood is among the best companies to work for.

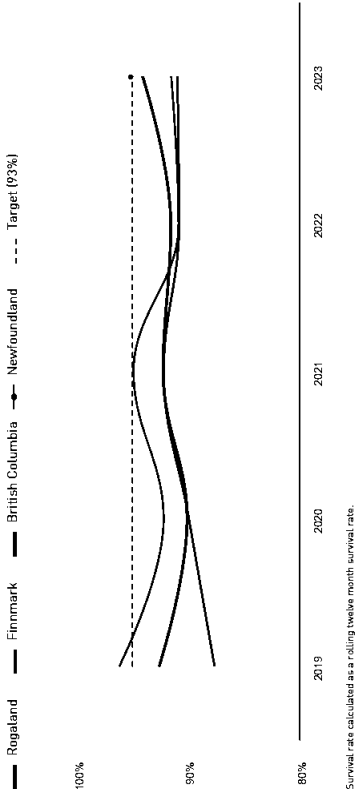
Grieg Seafood operates in many rural communities, and is grateful for their permission to farm salmon in their inlets and fjords. The Group aims to create local jobs and opportunities, use local suppliers, and engage in and support various local projects and activities. Communities' social license to operate is essential for sustainable growth. In British Columbia, Grieg Seafood is farming in areas that belong to indigenous peoples, while Finnmark has been home to the Sami people for millennia. Grieg Seafood recognizes that these groups have special rights, as acknowledged in the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), and takes particular care to avoid infringing them.

Diseases, winter ulcers and other biological issues can affect the quality of the salmon. A superior quality salmon gives a positive overall impression, with good meat quality and no external damage or faults, while downgraded salmon has external and/or internal faults or damage, and obtains a lower price in the market. The Group aims for 93% of its salmon to be graded as superior quality. Biological issues such as winter ulcers, Spiro and string jellyfish negatively impacted the quality of the fish harvested in 2023, and only Newfoundland reached this target. Finnmark was particularly hit hard, while BC had an improvement in quality share compared to 2022. The Group's post-smolt program, with reduced exposure to biological challenges in the sea, is expected to contribute to an increased superior share.

Unfortunately, the Group reported two escape incidents in 2023, in British Columbia. Both incidents happened during transfer of fish, and due to human errors. Management has taken steps to prevent similar incident from happening again. In addition to ensuring that farms have high technical standards and that procedures are being followed, all employees regularly attend courses on escape prevention.

The Group does not compromise on occupational health and safety, and follows up accidents and absence rates. The Group had no high-consequence work-related injuries in 2023. The Board is pleased to see that the Group reached the absence rate target below 4.5% for most regions, except in Grieg Seafood Finnmark. Management has routines in place to monitor and follow up absence.

FIGURE 3.4
SURVIVAL RATE AT SEA



Survival rate calculated as a rolling twelve month survival rate.

FINNMARK

Grieg Seafood Finnmark harvested a volume of 25 170 tonnes in 2023, a decrease of 30% compared to 36 024 tonnes in 2022. Sales revenues amounted to NOK 1 947 million, a decrease of 26% compared to NOK 2 629 million in 2022. The reduction was mainly driven by the lower harvest volume. Finnmark achieved an average price of NOK 77.3 per kg in 2023, up NOK 4.4 per kg from NOK 73.0 per kg in 2022. The price achieved was significantly depressed by downgrades, in addition to the sale of 15% of our volume under fixed-price contracts. The superior quality share decreased from 86% in 2022 to 58% in 2023 due to impact from Spiro, winter ulcers and string jellyfish.

Freshwater production at Finnmark's own facility at Adamselv was good during the year. A total of 12.2 million smolt, with an average weight of 210 grams, were transferred to the sea in 2023. Seawater production has been challenging this year. Spiro, which was detected in fish from Adamselv in 2022, has continued to impact the seawater production, leading to early harvesting and the culling of fish with sickness signs to protect fish welfare. At the end of the year, Finnmark also experienced an increasing impact from string jellyfish and winter ulcers. This has affected the biomass growth. Measures to reduce the impact from winter ulcers include feed composition and vaccination. String jellyfish has been a threat to several fish farmers towards the end of the year. The situation is closely monitored to safeguard the welfare of the fish. Nevertheless, the 12-month survival rate improved from 91% in 2022 to 92% in 2023, due to better survival of the new generation. Spiro will impact the production until the generation is completely harvested by Q2 2024.

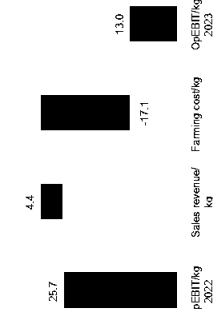
The farming cost ended at NOK 64.4 per kg in 2023, up NOK 17.1 per kg from NOK 47.3 per kg in 2022. In addition to reduced survival and early harvest of fish impacted by Spiro, the farming cost was impacted by the general rise in cost during 2022, which applied in particular to feed, whose prices increased by close to 40%. This impacted the farming cost in 2023, when fish impacted by the price increase have been harvested. Additionally, reduced growth due to the biological challenges increased the economic feed conversion rate (eFCR, a measure of the feed utilization) from 1.40 in 2022 to 1.48 in 2023.

Operational EBIT for 2023 ended at NOK 327 million, compared to NOK 926 million in 2022, which corresponds to NOK 13.0 per kg in 2023, down NOK 12.7 per kg from NOK 25.7 per kg in 2022.

Read more about Grieg Seafood Finnmark's operational priorities in the regional chapter in Part 2 Profit & Innovation.

FIGURE 3.7
FINNMARK OPERATIONAL EBIT/KG YEAR-OVER-YEAR

Source: Grieg Accounts Note 5



BRITISH COLUMBIA

Grieg Seafood British Columbia (BC) harvested 17 682 tonnes in 2023, 13% lower than in 2022 (20 286 tonnes). Harvesting volumes vary significantly every other year in BC due to local production region arrangements and fewer farms on the West Coast of Vancouver Island compared to the East Coast. As a consequence, the region's volume varies every other year, regardless of the underlying biology.

Sales revenues for the year amounted to NOK 1 468 million, a decrease of 12% compared to NOK 1 665 million in 2022. The price achievement came to NOK 83.0 per kg in 2023, up NOK 1.0 per kg compared to NOK 82.1 per kg in 2022. The price achievement was positively impacted by an increased share of superior quality fish, which ended at 90% in 2023 compared to 85% in 2022, however, suppressed by lower market prices.

The freshwater production has been impacted by reduced survival during the year due to technical issues and lower quality roe, which has impacted the number of smolt transferred to sea this year. Seawater production was stable in 2023. The 12-month survival rate remained unchanged from 2022 to 2023 at 91%. Despite seasonal challenges related to sea lice and events of low dissolved oxygen, BC managed to stabilize survival due to treatments and the barrier and CO2L flow system.

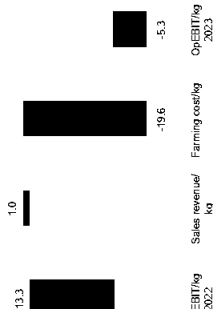
The farming cost increased from CAD 9.1 per kg (NOK 68.8) in 2022 to CAD 11.2 per kg (NOK 88.4) in 2023. The increase is mainly related to cost inflation on feed and other input factors, in addition to the increased costs recognized as abnormal mortality in the income statement.

Operational EBIT for the year ended at NOK -94 million, compared to NOK 270 million in 2022, which corresponds to NOK -5.3 per kg in 2023, down NOK 18.6 per kg from NOK 13.3 per kg in 2022.

Read more about Grieg Seafood British Columbia's operational priorities in the regional chapter in Part 2 Profit & Innovation.

FIGURE 3.8
BRITISH COLUMBIA OPERATIONAL EBIT/KG YEAR-OVER-YEAR

Source: Grieg Accounts Note 5



NEWFOUNDLAND

Grieg Seafood Newfoundland is a greenfield project acquired in 2020. In 2023, an important milestone was reached, when harvesting of the first generation of fish that was transferred to sea in 2022 started. The harvest volume came to 3 184 tonnes. Sales revenues amounted to NOK 235.7 million and the realized price for the year came to NOK 74.0 per kg. The price achievement was supported by a favorable superior share of 97% in addition to good average harvest weight.

Production at the freshwater facility has been on track. The new generation is healthy and growing well, with high survival rates. Approximately 2.5 million smolt were transferred from our freshwater facility to sea during the spring and summer of 2023. The seawater licenses in Newfoundland require use of sterile all-female salmon in order to eliminate the risk of genetic pollution of wild Atlantic salmon in case of escape. The fish have performed well biologically, with a 12-month rolling survival rate at 95% and good growth, and the company has not experienced any sea lice or other biological issues during the year.

The farming cost (the total cost of producing and harvesting fish) came to CAD 12.1 per kg (NOK 95.9) in 2023. The farming cost is high due to the low harvest volume and to still being in a development phase with low capacity utilization. Most of the production cost has been accounted for as inventory (biological assets excluding fair value adjustment) in the balance sheet, although a portion has been expensed directly to the income statement, which totaled NOK 76.4 million (NOK 24.0 per kg) in 2023.

Operational EBIT for 2023 totaled NOK -146.1 million, compared to NOK -114.7 million in 2022.

Read more about Grieg Seafood Newfoundland in the regional chapter in Part 2 Profit & Innovation.

SALES & MARKET

Grieg Seafood is on an exciting journey of growth, which involves building a stronger presence in the market. With a fully-integrated global sales organization, the Group aims to optimize biological performance and market timing through close collaboration between farming and sales, thereby securing good price achievement. The downstream strategy is based on strategic partnerships, value added processing and brand cultivation. While sales currently consist mainly of fresh, head-on gutted salmon, the target is for Value Added Processing (VAP) to account for 20-30% share of the harvested volume by 2026. To this end, the Group aims to establish processing partners close to key markets and customers in the EU and the USA. Increasing the VAP share is also an important part of reducing CO2 emissions.

Today, the Group has the successful Skuna Bay Brand in the USA, and aims to develop B2B brands going forward. Key milestones in 2023 included a strengthened processing capacity with partners in Norway, Europe and Western Canada and an increasing supply of own VAP products in the European, Asian and the US markets. 5% of the global harvested volume in 2023 was sold as VAP.

For more information on the sales organization and the markets, see the Sales & Market chapter in Part 2 Profit & Innovation.

FINANCIAL PERFORMANCE

GROUP FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU.

PROFIT AND LOSS

SALES REVENUE AND HARVESTED VOLUME

The Group harvested 72 015 tonnes GWT in 2023, down 15% compared to 84 697 in 2022. The Norwegian regions contributed 71% (76%) of the harvested volume, while the Canadian regions contributed 29% (24%).

The Group's main product, fresh whole gutted Atlantic salmon, is traded largely as a commodity, and the prices achieved largely reflect a general market price. The prices achieved will, to some extent, deviate from the spot market price, based on quality, sales contracts and the ability to place the salmon effectively in the market. Price achievement is measured relative to the relevant observed market price or reference price. There are several reference prices for salmon. In Norway, Fish Pool provides historic price information, as well as future salmon derivative prices. FCA Oslo as part of the NASDAQ Salmon Index (NOSALMON). In the USA, Urner Barry provides reference prices for North American salmon in Seattle and Chilean salmon in Miami. Market prices are correlated across regions, but significant short-term variations between markets are not uncommon.

Market demand remained strong in 2023. Relative to 2022, it is estimated by Koniadi Analyse that the global volume of Atlantic salmon harvested decreased by approximately 2%. However, due to a limited supply of salmon, consumption decreased in most markets in 2023 compared to 2022. The largest relative increases in consumption were found in China, up 39%, and Russia, up 19%, while the demand in EU & the UK was down by 5%.

The Group's price realization for the year was NOK 82.7 per kg (NOK 75.8 per kg) on aggregate for its farming regions. By comparison, the average NOSALMON NOK/kg price for 2023 was NOK 92.3 per kg (82.0). The Group's price realization was negatively impacted by contracts for some of the Group's Norwegian volume, in addition to price achievement on production grade harvest volume.

The sensitivity analysis below illustrates the impact changes in sales revenue/kg have on Operational EBIT/kg.

FIGURE 3.9
SENSITIVITY ANALYSIS SALES REVENUE/KG

	Sales revenue/kg	opEBIT/kg impact
Actual for 2023	82.7	
+/- 2.5 %	84.8 / 80.6	2.1
+/- 5.0 %	86.8 / 78.6	4.1
+/- 7.5 %	88.9 / 76.5	6.2
+/- 10.0 %	91.0 / 74.4	8.3
+/- 12.5 %	93.1 / 72.4	10.3

The calculation is performed bottom-up, based on separate calculations for the four regions. The impact of potential percentage changes in sales revenue, all other factors remaining unchanged.

Total sales revenue for the year came to NOK 7 020 million, down NOK -144 million from NOK 7 164 million in 2022. The sales revenue from the Group's farming regions totaled NOK 5 956 million in 2023, down NOK -462 million from NOK 6 418 million in 2022 (see Note 5 to the Group Accounts). The decrease in sales revenue is due to a combination of lower harvest volume and lower share of superior quality fish in 2023 compared to 2022.

The difference between the total sales revenue for the Group of NOK 7 020 million and sales revenue from farming regions of NOK 5 956 million is attributable to the Elin/Other effect (see Note 5 to the Group Accounts), which includes the gross uplift on sales revenue for the Group generated by the sales organization.

The Group's primary market is Continental Europe. Sales to Continental Europe comprised 53% of sales revenue in 2023 (or 56% of volume sold), down from 58% of the sales revenue in 2022 (63% of volume sold). North America was the second largest market, and totaled 31% of sales revenue in 2023 (or 31% of volume sold), up from 29% of the sales revenue in 2022 (26% of volume sold). Sales to Asia accounted for 11% of the sales revenue in 2023 (or 7% of the volume), compared to 9% in 2022 (6% of volume). Even though salmon is regarded as a commodity, prices vary across geographical markets, with the (relatively) highest price/kg generated in Asia and North America.

Grieg Seafood did not have sales to Russia in 2023 or 2022. Sales to Ukraine accounted for 0.1% of Grieg Seafood's total revenue in 2023, compared to 0.3% in 2022.

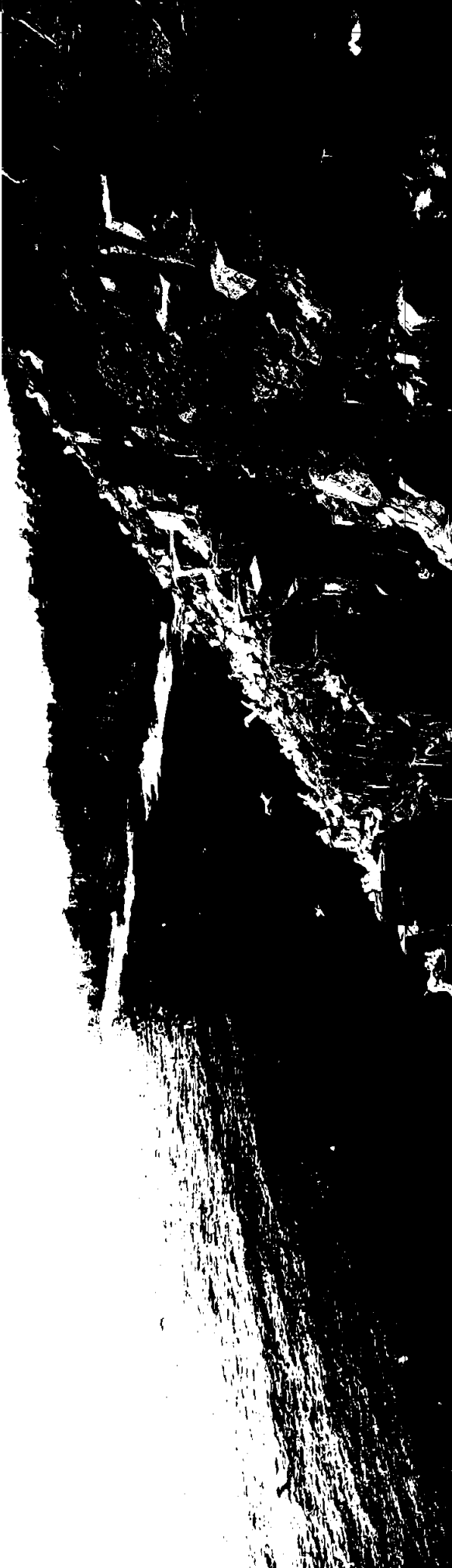


FIGURE 3.10
SENSITIVITY ANALYSIS FARMING COST/KG

	Actual for 2023	Farming cost/kg	opEBIT/kg impact
-/+ 2.5 %		68.5 / 72.0	1.7
-/+ 5.0 %		66.7 / 73.7	3.3
-/+ 7.5 %		64.9 / 75.5	5.0
-/+ 10.0 %		63.2 / 77.2	6.6
-/+ 12.5 %		61.4 / 79.0	8.3

The calculation is performed bottom-up, based on separate calculations for the farming regions, by analyzing incremental percentage changes in farming cost, all other factors remaining unchanged.

In addition to purchase prices for inputs to production, profitability is also influenced by how quickly the salmon grow and how efficiently feed is converted into weight gain (feed conversion rate). Water temperatures, biological conditions, farming practices and fish survival are key drivers for salmon growth. Higher seawater temperatures increase growth, but also increase biological risks in the form of diseases, sea lice and algal blooms. This may in turn result in lost feeding days, lower growth and reduced survival. Through the introduction of improved sensor technology, use of advanced imaging analysis and other technologies, the Group is continuously improving the ability to make informed decisions about feeding and protective measures.

Strong and healthy fish, combined with high feed quality and good feeding practices, are the key to achieving a low production cost. Farming performance is measured through the economic feed conversion rate, or eFCR, and relative growth indices (achieved growth compared to own and feed supplier expectations). Feed accounted for 39% of the total cost per kg harvested fish in 2023, similar to 2022. At the same time, the economic feed conversion rate (eFCR) also remained unchanged from 2022 to 2023 at 1.39 for the Group (or 1.41 in 2023 excl. Newfoundland). The eFCR measures how much fish feed is used to produce one kilogram of live salmon (net of mortality). The main difference between eFCR and bFCR (biological feed conversion rate) is that bFCR does not adjust the production figures for mortality.

Salmon growth, survival rates and the economic feed conversion rate (eFCR) are strongly linked to fish health, disease and sea lice. Treatments, fasting and reduced appetite negatively impact growth, reduce our harvested volumes and increase the cost per kg of harvested fish. In short, an efficient feed conversion is crucial to being cost competitive.

FARMING COST

Costs directly related to the production and harvesting of salmon comprise the farming cost. The inputs needed to raise a live salmon from roe to harvestable size account for the bulk of the farming cost. In addition, costs related to harvesting and processing are included. Performance is tracked through the farming cost per kg of harvested salmon. Tracking the underlying drivers that influence the cost of salmon to be harvested in the future, such as survival, feeding and growth, is therefore vital. The regional Operational EBIT is calculated as sales revenue less the farming cost. See Note 5 to the Group Accounts and Alternative Performance Measures for more information.

Until harvest, the production cost of the salmon is capitalized to inventory and included in the line item 'biological assets' in the balance sheet. The production cycle for a salmon, from roe to harvest weight, is about three years, whereas the production cycle after smoltification is about 12-24 months. Working capital requirement is, per generation, generally progressive throughout the production cycle. Due to the long production cycle for Atlantic salmon with a harvest weight of about 4-5 kg, the expensed farming cost through the income statement at the point of harvest reflects all costs for all past periods (if not previously expensed as abnormal mortality).

Production cost capitalized to inventory (biological assets) excluding fair value adjustment, see Note 19 of the Group Accounts) comprises feed as well as health, treatment and fish welfare-related expenses. In addition, the production cost capitalized to inventory includes salary, depreciation of fixed assets and administration costs that are allocated to production. Feed cost comprises the largest individual part of the production cost.

In recent years, the industry has faced challenges with respect to sea lice. This has caused an increase in costs directly related to treatments and increased investments in equipment and technologies. This development has had a noticeable impact on the relative allocation of cost factors, as well as the total cost level in the industry. In terms of cost per kg, however, the loss of harvested volumes has had a significantly larger impact than the direct cost increases. As production cost per kg has risen in recent years, the directly variable cost of feed has become a smaller part of the total incurred cost per kg produced salmon. At the same time, other costs, such as salaries, health costs and maintenance, have become a larger share of the total. Although the industry has seen feed prices increase by up to 40% from 2021 to 2022, this was not fully captured in the expensed farming cost until 2023 when the fish impacted by the price increase was harvested.

The sensitivity analysis illustrates the impact changes in farming cost/kg have on the Operational EBIT/kg, expressed as percentage changes in the 2023 financials.

FIGURE 3.11
FARMING COST

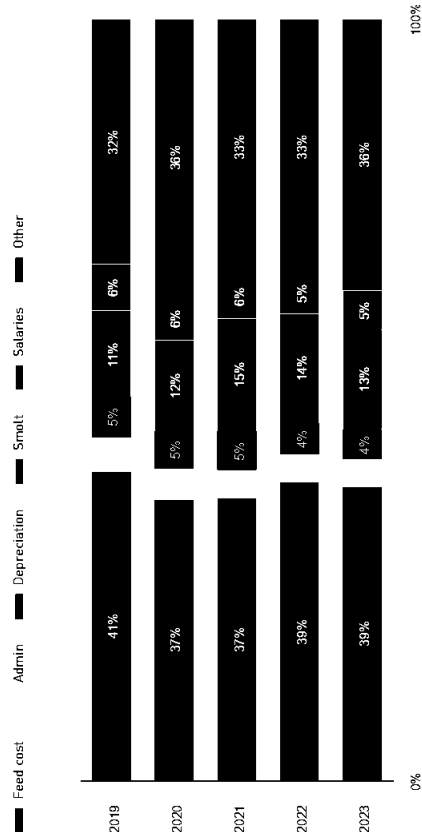


FIGURE 3.12
ECONOMIC FEED CONVERSION RATE

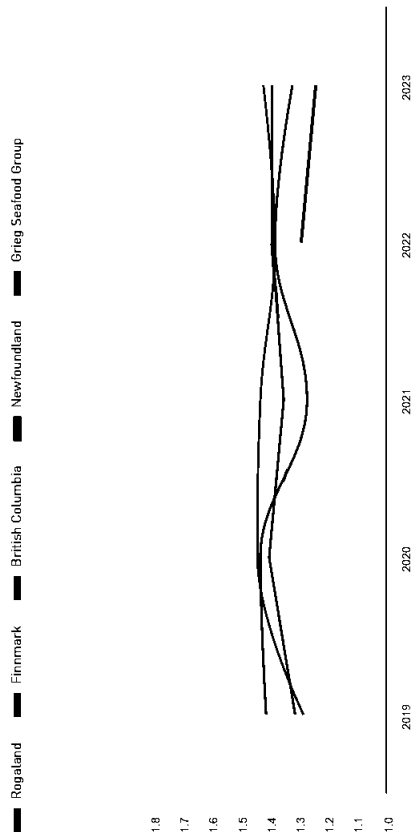


FIGURE 3.13
KEY FIGURES

					Operational EBIT/kg (NOI)	Operational EBIT (NOI million)
		2022	2023		2022	2023
	Rogaland	25 980	28 387	28.3	26.6	755
	Finnmark	25 170	36 024	13.0	25.7	926
	British Columbia	17 682	20 286	-5.3	13.3	270
	Newfoundland	3 184	—	-45.9	n/a	-115
	Elm/Other	—	—	n/a	n/a	-97
	Grieg Seafood Group	72 015	84 697	10.8	20.5	1 739

Source: Group Accounts, Note 5

The Group's farming cost for 2023 ended at NOK 70.2 per kg (NOK 52.7 per kg). The rise in farming cost compared to the previous year is mainly due to inflation pressure on key input costs, such as feed, fuel, and electricity, which led to an increase in production, including feed, in addition to increased cost of reduced survival. In total, the Norwegian farming regions contributed to 63% (69%) of the farming cost, an increase of NOK 14.6 per kg in cost, from NOK 47.7 per kg in 2022 to NOK 62.3 per kg in 2023. In Canada, there was a 3% higher harvest volume per kg in 2023, a farming cost of CAD 11.3 per kg, up CAD 2.2 per kg compared to CAD 9.1 per kg in 2022. This is mainly related to cost inflation and increased cost of reduced survival in BC, which increased by CAD 0.4/kg compared to 2022. Additionally, Newfoundland is included in the Canada segment's farming cost. From 2023, as they commenced harvesting during the year. The farming cost in Newfoundland is high due to the low volume and still being in a development phase with low capacity utilization.

The salmon farming industry might be volatile, due to both biological and market conditions. The following sensitivity analysis illustrates the impact changes in eCR has on the Operational EBIT/kg, calculated as percentage changes on the 2023 financials.

The salmon farming industry might be volatile, due to both biological and market conditions. The following sensitivity analysis illustrates the impact changes in ePCR has on the Operational EBIT/kg, calculated as percentage changes on the 2023 financials.

FIGURE 3.14
SENSITIVITY ANALYSIS ECONOMIC FEED CONVERSION RATIO (EFCR)

	Actual for 2023	eFCR	opEBIT/kg impact
		1.39	
	-4 2.5 %	1.36 / 1.43	0.7
	-5 0 %	1.32 / 1.46	1.4
	-4 7.5 %	1.29 / 1.49	2.0
	-4 10.0 %	1.25 / 1.53	2.7
	-4 12.5 %	1.22 / 1.56	3.4

The calculation is performed bottom-up based on separate calculations for the farming regions, by analyzing incremental percentage changes in eFCR, all other factors remaining unchanged.

RAW MATERIALS, SALARIES AND OTHER OPERATING EXPENSES

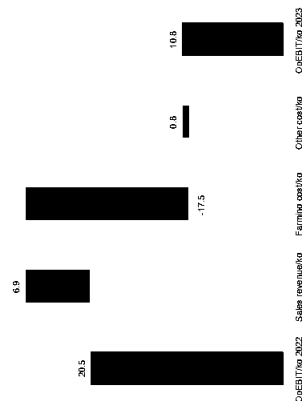
Raw materials and consumables, which consist mainly of the Group's freshwater and seawater fish stocks, in addition to feed, ended at NOK 2 748 million, up NOK 514 million compared to NOK 2 234 million in 2022. Salaries and personnel expenses ended the year at NOK 726 million, an increase of NOK 30 million from NOK 696 million in 2022. See the Group Accounts Note 5 for more information. Other operating expenses ended at NOK 2 236 million, up NOK 149 million compared to NOK 2 087 million in 2022.

EBIT
OPERATIONAL EBIT

Operational EBIT (see Note 5 to the Group Accounts and Alternative Performance Measures for more information) in 2023 ended at NOK 780 million (NOK 1 739 million), equivalent to NOK 20.8 per kg (NOK 20.5 per kg). The decrease was mainly driven by a weak EBIT in Finnmark due to Spiro as well as loss in BC related to increased cost.

The difference between Operational EBIT and the EBIT line item presented in the Income Statement for 2023 relates to the non-operational share of profit from associates, the production fee on the volume harvested in Norway, fair value adjustments on the Group's biological assets, impairment of intangible and intangible non-current assets, litigation and legal claims, and decommissioning costs, as explained in the notes to the Income Statement. A reconciliation between Operational EBIT and the EBIT presented in the Income Statement is provided in Note 5 of the Group Accounts.

FIGURE 3.15
GRIEG SEAFOOD GROUP OPERATIONAL EBIT/KG YEAR-OVER-YEAR
Source: Group Accounts, Note 5.



	OnEAIT/In 2022	Sales revenue/kg	Farming cost/kg	Other cost/kg	OnEAIT/In 2023
1	100%	100%	100%	100%	100%
2	100%	100%	100%	100%	100%
3	100%	100%	100%	100%	100%
4	100%	100%	100%	100%	100%
5	100%	100%	100%	100%	100%
6	100%	100%	100%	100%	100%
7	100%	100%	100%	100%	100%
8	100%	100%	100%	100%	100%
9	100%	100%	100%	100%	100%
10	100%	100%	100%	100%	100%
11	100%	100%	100%	100%	100%
12	100%	100%	100%	100%	100%
13	100%	100%	100%	100%	100%
14	100%	100%	100%	100%	100%
15	100%	100%	100%	100%	100%
16	100%	100%	100%	100%	100%
17	100%	100%	100%	100%	100%
18	100%	100%	100%	100%	100%
19	100%	100%	100%	100%	100%
20	100%	100%	100%	100%	100%
21	100%	100%	100%	100%	100%
22	100%	100%	100%	100%	100%
23	100%	100%	100%	100%	100%
24	100%	100%	100%	100%	100%
25	100%	100%	100%	100%	100%
26	100%	100%	100%	100%	100%
27	100%	100%	100%	100%	100%
28	100%	100%	100%	100%	100%
29	100%	100%	100%	100%	100%
30	100%	100%	100%	100%	100%
31	100%	100%	100%	100%	100%
32	100%	100%	100%	100%	100%
33	100%	100%	100%	100%	100%
34	100%	100%	100%	100%	100%
35	100%	100%	100%	100%	100%
36	100%	100%	100%	100%	100%
37	100%	100%	100%	100%	100%
38	100%	100%	100%	100%	100%
39	100%	100%	100%	100%	100%
40	100%	100%	100%	100%	100%
41	100%	100%	100%	100%	100%
42	100%	100%	100%	100%	100%
43	100%	100%	100%	100%	100%
44	100%	100%	100%	100%	100%
45	100%	100%	100%	100%	100%
46	100%	100%	100%	100%	100%
47	100%	100%	100%	100%	100%
48	100%	100%	100%	100%	100%
49	100%	100%	100%	100%	100%
50	100%	100%	100%	100%	100%
51	100%	100%	100%	100%	100%
52	100%	100%	100%	100%	100%
53	100%	100%	100%	100%	100%
54	100%	100%	100%	100%	100%
55	100%	100%	100%	100%	100%
56	100%	100%	100%	100%	100%
57	100%	100%	100%	100%	100%
58	100%	100%	100%	100%	100%
59	100%	100%	100%	100%	100%
60	100%	100%	100%	100%	100%
61	100%	100%	100%	100%	100%
62	100%	100%	100%	100%	100%
63	100%	100%	100%	100%	100%
64	100%	100%	100%	100%	100%
65	100%	100%	100%	100%	100%
66	100%	100%	100%	100%	100%
67	100%	100%	100%	100%	100%

NON-OPERATIONAL SHARE OF PROFIT FROM ASSOCIATED COMPANIES, PRODUCTION FEE AND FAIR VALUE ADJUSTMENT OF BIOLOGICAL ASSETS

The share of profit from associated companies included in Operational EBIT ended at NOK 7 million for 2023 (NOK -1 million) and NOK 1 million for 2022 (NOK 1 million), see Note 5 to the Group Accounts. The production cost per kg of cod fillet was NOK 0.56 per kg (netted weight) for volume harvested during the first half of 2023 and NOK 0.50 per kg (netted weight) for volume harvested during the second half of 2023 (NOK 0.41 per kg) by the Norwegian regions, came to NOK 0.35 million in 2023 (NOK 0.24 million), while the fair value adjustment of biological assets impacted the Group positively by NOK 218 million in 2023, up NOK 135 million from NOK 83 million in 2022.

WRITE-DOWN OF NON-CURRENT TANGIBLE AND INTANGIBLE ASSETS, LITIGATION AND LEGAL CLAIMS, AND DECOMMISSION COSTS

In 2022, Norwegian aquaculture licenses were written down by NOK 47 million in the income statement (see Note 15 to the Group Accounts). Additionally, Grieg Seafood decided to end production in the shishah (Secheh) farming area of British Columbia, negatively impacting the income statement for 2022 with a write-down of licenses and relevant seawater assets of NOK 93 million, in addition to site clean-up costs amounting to NOK 24 million. During the first half of 2023, Grieg Seafood finished the clean-up and expensed another NOK 3 million in decommissioning costs and reversed NOK 0.1 million in write-down of fixed assets related to the project. Total write-down not included in Operational EBIT in 2023 was as such NOK -0.1 million (NOK 140 million). The site clean-up costs are included in the financial statement line item "Decommissioning costs" (see Note 10 of the Group Accounts for more information). In 2023, the remaining accrual estimated as at year-end 2022 related to litigation and legal claims was reversed in connection to a settlement of lawsuits in North America, which explain the net positive line item contribution litigation and legal claims had on EBIT in the year, totaling NOK 20 million (cost of NOK 157 million). The income/cost are included in the financial statement line item "Litigation and legal costs" and thus not included in the Group's Operational EBIT (see Note 10 of the Group Accounts for more information).

EBIT

EBIT (Earnings before interests and taxes) ended at NOK 981 million in 2023, down NOK 517 million from NOK 1 498 million in 2022.

NET FINANCIAL ITEMS, TAXES AND NET PROFIT FOR THE YEAR

NET FINANCIAL ITEMS

Net financial items came to NOK -137 million in 2023, down NOK 87 million from NOK -50 million in 2022. Compared to 2022, the debt service cost in 2023 was higher. This is primarily due to the increased market interest rates compared to 2022, which impact our borrowing costs through the floating rate component of the term-loans and bond loan's interest rate.

TAXES AND NET PROFIT FOR THE YEAR

Profit before tax in 2023 totaled NOK 844 million, a decrease of NOK 603 million from NOK 1 448 million in 2022. The tax expense for 2023 came to NOK 284 million, compared to a tax expense of NOK 294 million in 2022. Net profit in 2023 came to NOK 560 million, down NOK 594 million from NOK 1 154 million in 2022.

FINANCIAL POSITION

As at 31 December 2023, the book value of the Group's assets totaled NOK 13 463 million, up NOK 788 million from NOK 12 675 million as at 31 December 2022. The increase in the Group's balance sheet compared to 2022 was primarily due to increases in the biological assets and property, plant and equipment.

The Group's goodwill, licenses, other intangible assets, and property plant and equipment including right-of-use assets totaled NOK 7 326 million as at 31 December 2023, up NOK 1 121 million from NOK 6 205 million as at 31 December 2022. Measured relative to total assets, these assets contributed 54% of the balance sheet as at 31 December 2023, compared to 48% as at 31 December 2022. The increase in assets are driven by our gross investment of NOK 880 million for the year as well as NOK depreciating versus CAD, increasing the book value of the Group's Canadian operations when translating to NOK. Lastly, the Group has made additions of approximately NOK 708 million in leases that would be classified as operational leases according to the prior IFRS Standard IAS 17, which is not included in gross investments. These lease additions primarily relate to long-term well-boat charter hire, securing the Group's operational capacity in the year's ahead.

Biological assets measured at cost totaled NOK 3 736 million as at 31 December 2023, up NOK 840 million from NOK 2 896 million as at 31 December 2022. Even though all farming regions had a higher biological asset book value at cost as at year-end 2023 compared to the same time last year, a significant contribution to the increase in biological assets are driven by Newfoundland, Newfoundland are, at year-end, conducting harvesting of the first generation of fish from the region, which explain a significant increase in biological assets measured at cost from Newfoundland. Measured relative to total assets, the accumulated capitalized cost of inventory contributed 27% of the balance sheet as at 31 December 2023, compared to 22% as at 31 December 2022. Grieg Seafood's biological assets are primarily fish at sea, which represented 93% of the book value of biological assets, excluding fair value adjustment, as at

31 December 2023. The comparable figure for 31 December 2022 was 94%. By weight, biological assets totaled 58 181 tonnes at year-end 2023, up 7 568 tonnes from 50 614 tonnes at year-end 2022. Biological assets stocked at sea accounted for 99% of this amount at year-end 2023 (99% as at year-end 2022). The average live weight of the fish on aggregate (on land and at sea) was 1.0 kg as at 31 December 2023, compared to 1.1 kg at year-end 2022.

As at 31 December 2023, Grieg Seafood was in a good financial position. The cash balance at the end of the year was NOK 216 million, down NOK 426 million from NOK 643 million as at 31 December 2022. In addition, the undrawn revolving credit facility and overdraft facility was NOK 887 million as at 31 December 2023, compared to NOK 1 700 million as at 31 December 2022. At the end of 2022, the Group had invested approximately NOK 1 000 million of cash surplus in money market funds - an investment that the Group has exited in full as

at year-end 2023. Current assets (excluding fair value adjustment of biological assets) over current liabilities measured 3.1 as at 31 December 2023, compared to 2.8 as at 31 December 2022. Total equity as at 31 December 2023 came to NOK 6 669 million, up NOK 183 million from NOK 6 486 million as at 31 December 2022. The equity ratio as at 31 December 2023 was 49% compared to 50% as at 31 December 2022.

The Group's debt structure comprises sustainability-linked loans with a NOK 750 million term loan (outstanding NOK 656 million), an EUR 75 million term loan (outstanding EUR 66 million), a NOK 1 500 million revolving credit facility and a NOK 200 million overdraft facility. As at 31 December 2023, net interest-bearing liabilities (NIBD) excluding the effect of IFRS 16 totaled NOK 3 873 million, up NOK 2 135 million from NOK 1 739 million as at 31 December 2022. The increase in NIBD excluding the effect of IFRS 16 is due to biomass build-up during the year and cash outflow related to dividend payout of NOK 504 million and taxes paid totaling NOK 861 million.

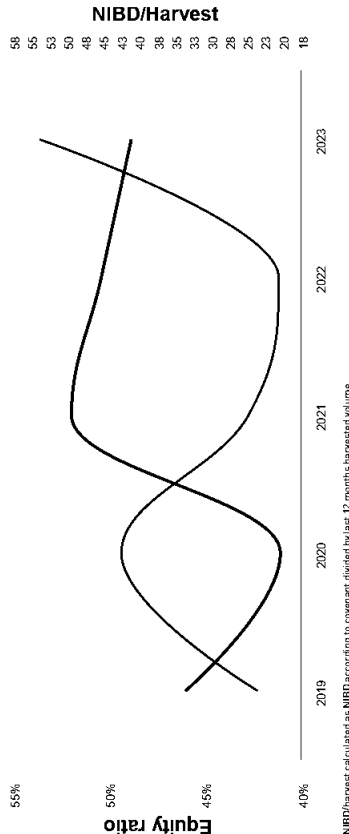
In total, NIBD excluding the effect of IFRS 16 divided by the last twelve months' actual harvest volume (tonnes GWT) equalled NOK 53.9 per kg as at year-end 2023, compared to NOK 20.5 at year-end 2022. In comparison, at year-end 2023, NIBD including the effects of IFRS 16 was NOK 4 879 million, up NOK 2 656 million from NOK 2 223 million as at 31 December 2022, which equals 36% of the Group's assets as at 31 December 2023, compared to 17% as at 31 December 2022. Besides the causes of changes in NIBD excluding IFRS 16 as mentioned above, the changes in NIBD incl. the effects of IFRS 16 is driven by

lease additions incl. the effect of changes in lease agreements of approximately NOK 708 million not included in gross investments, which primarily relates to long-term well-boat charter hire contracts.

The Group was in compliance with its financial covenants as at 31 December 2023. As at 31 December 2023, the equity ratio according to covenant was 53%, compared to 52% as at 31 December 2022. As at 31 December 2023, 56% of gross interest-bearing liabilities (see Note 27 to the Group Accounts) were green or sustainability-linked, compared to 75% as at 31 December 2022. The decrease in the share of green and sustainability-linked financing is due to an increase of leasing liabilities during 2023.

Grieg Seafood aims to provide shareholders with a competitive return on invested capital through payment of dividends and share price increases. The Board of Directors maintains that, as an average over time, dividends should correspond to 30-40% of the Group's profit after tax, adjusted for the effect of the fair value of biological assets (limited to 50% by Green Bond agreement). At the same time, the Group's net interest-bearing debt per kg harvested salmon should remain below NOK 40, but can be exceeded in periods of growth investments. In 2023, the General Meeting of Grieg Seafood ASA approved a dividend distribution of 4.5 (NOK 3.0 per share), which was according to the Board of Directors proposal as communicated in the Annual Report of 2022. Based on the 2023 financials, the Board of Directors proposes a dividend of NOK 1.75 per share (equivalent to NOK 1% million) be distributed to shareholders in 2024. The proposed dividend is subject to approval by the Annual General Meeting of Grieg Seafood ASA in 2024.

FIGURE 3.16
EQUITY RATIO AND NIBD/HARVEST



CASH FLOW

The net cash flow from operating activities for 2023 totaled NOK -302 million (NOK 1 584 million). The reduction in net cash from operating activities is primarily due to a combination of lower harvest volume and thus lower revenue, higher cost level in the farming regions, and NOK 861 million in income taxes paid in 2023 compared to NOK 94 million in 2022.

For 2023, the net cash flow from investing activities totaled NOK 256 million (NOK -1 651 million), of which investments in non-current tangible and intangible assets totaled NOK 792 million (NOK 564 million). In addition, investments of NOK 23 million (NOK 112 million) have been made in associated companies. At the end of 2022, the Group invested approximately NOK 1 000 million of cash surplus in money market funds - an investment that the Group has exited in full as at year-end 2023.

The net cash flow from financing activities for 2023 was NOK -387 million (NOK -226 million). In 2023, a dividend of NOK 504 million (NOK 4.5 per share) was paid. In 2022, the Group repurchased bonds worth NOK 77 million during the year, of which NOK 50 million had been settled in cash by year-end 2022, with the remaining NOK 25 million paid in January 2023. Towards the end of the year, the Group made a drawdown on the revolving credit facility and overdraft facility totaling NOK 750 million and NOK 63 million, respectively.

The net change in cash and cash equivalents for the 2023 was NOK -434 million (NOK -292 million), and as at 31 December 2023, the Group had a cash balance of NOK 216 million, down NOK 426 million from NOK 643 million as at 31 December 2022.

GRIEG SEAFOOD ASA

PROFIT FOR THE YEAR

The parent company's financial statements have been prepared in accordance with Norwegian accounting principles (NGAAP).

Grieg Seafood ASA is the holding company of the farming and sales operations in the Grieg Seafood Group. In addition, the company is the employer of Group management as well as centralized functions of the Group.

Total operating income for the year ended at NOK 258 million in 2023, down NOK 30 million compared to NOK 288 million in 2022. The company's operating income was reduced in 2023 compared to 2022 primarily due to adjustments made on the management fee model.

Salaries and personnel expenses totaled NOK 85 million in 2023, down NOK 33 million compared to NOK 118 million in 2022. The decrease in salary costs are primarily due to the 2022-cost included NOK 30 million related to the synthetic option scheme, compared to NOK 2 million in 2023.

Depreciation and amortization of non-current tangible and intangible assets ended at NOK 3 million, down NOK 4 million compared to NOK 7 million in 2022.

Other operating expenses totaled NOK 85 million in 2023, down NOK 115 million from NOK 200 million in 2022. Last year, in 2022, the Group recognized litigation and legal claims costs related to lawsuits in North America under other operating expenses. The reduction in other operating expenses in 2023 compared to 2022 is primarily due to the settlement paid in North America last year, for which a portion of the settlement relates to Grieg Seafood ASA. See the Group Accounts Note 10 for more information.

The parent company recorded an operating profit of NOK 85 million in 2023, compared to a loss of NOK 37 million in 2022.

Net financial items ended at NOK 126 million in 2023, down NOK 927 million from NOK 1 053 million in 2022. The lower net financial items is due primarily to Grieg Seafood ASA being a receiver of group contributions from subsidiaries. In 2022 of approx NOK 1 000 million, compared to being a provider of Group contribution in 2023 (which increase cost price of investment in subsidiary and are thus not recognized in the income statement). Interest expenses from external financing decreased in 2023. This is primarily due to the general increase in market rates, which increase our borrowing costs through the floating rate component of the term-loans and bond loan's interest rate.

Profit before tax for Grieg Seafood ASA totaled NOK 211 million in 2023, down NOK 805 million from NOK 1 016 million in 2022. The tax expense in 2023 ended at NOK 52 million, compared to NOK 222 million in 2022, bringing net profit for the year to NOK 159 million, down NOK 635 million from NOK 794 million in 2022.

BALANCE SHEET

Total assets amounted to NOK 7 584 million at the end of 2023, up NOK 405 million from NOK 7 179 million the year before. The change in the book value of assets is primarily due to changes in current assets and working capital items, including receivables from subsidiaries. As Grieg Seafood ASA is the owner of the cash pool arrangement, net cash flow from the subsidiaries part in the group account impacts Grieg Seafood ASA's working capital through changes in cash and cash equivalents and short-term receivables/liabilities to subsidiaries.

The book value of investments in subsidiaries came to NOK 2 023 million, which is up NOK 119 million compared to NOK 1 903 million in 2022. The increase is due to Grieg Seafood ASA being a provider of group contribution to subsidiaries in 2023.

Long-term loans to subsidiaries amounted to NOK 810 million, up NOK 13 million from NOK 798 million due to changes in foreign exchange rates, as the principal (in CAD) is unchanged. In 2022, a cash surplus was of approximately NOK 1 000 million was invested in money market funds - an investment which the company has exited in full as at 31 December 2023.

Total equity at the end of 2023 stood at NOK 2 981 million, up NOK 30 million compared to NOK 3 011 million in 2022. During the year, a dividend of NOK 4.5 per share, or NOK 504 million in total, was distributed to shareholders (the dividend accrual was recognized in the equity as at year-end 2022). At year-end, Grieg Seafood ASA had an equity ratio of 39%, in line with the year before. At the end of the year, Grieg Seafood ASA was in compliance with its financial covenants. Grieg Seafood ASA's financial covenant is tied to the equity ratio (excl. the effect of FRS 16) in the Grieg Seafood Group, which was 53% as at 31 December 2023 compared to 52% at the end of 2022.

The company has a syndicated sustainability-linked loan with secured lenders totaling NOK 3 200 million, which comprises a NOK 750 million term loan, an EUR 75 million term loan, a

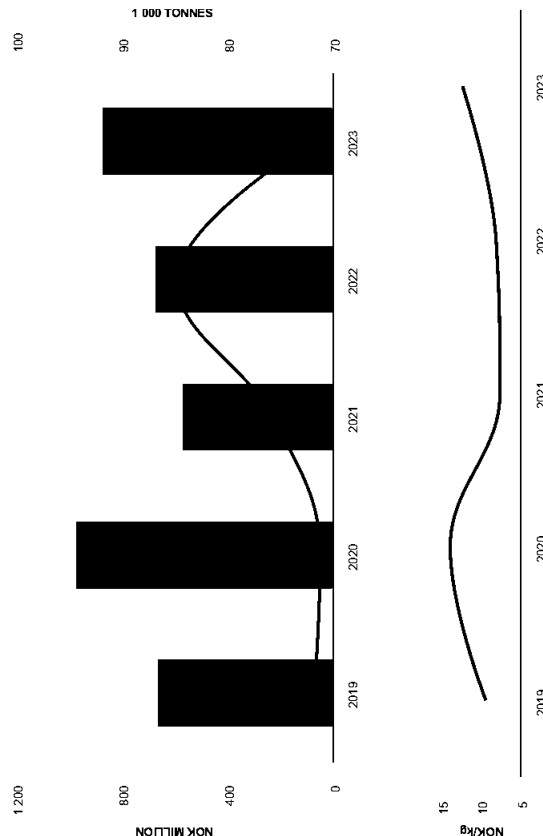
NOK 1 500 million revolving credit facility and a NOK 200 million overdraft facility. At the end of the year, NOK 887 million of the revolving credit facility and the overdraft facility was available for utilization. The total amount outstanding on the syndicated debt was NOK 2 144 million as at 31 December 2023 (excl. amortized loan costs). The company also has a green bond issue of NOK 1 393 million (excl. amortized loan costs), which matures in June 2025.

CASH FLOW

Grieg Seafood ASA's net cash flow from operations in 2023 totaled NOK 218 million, compared to NOK -36 million in 2022.

The difference in net cash flow from operations between 2023 and 2022 is primarily due to differences in net working capital items. Additionally, there was a higher income tax paid in 2023 compared to the year before.

FIGURE 3.17
GROSS INVESTMENTS, HARVEST VOLUME TONNES GWT
AND GROSS INVESTMENTS/GWT



The cash payment of NOK 620 million made on the acquisition of Grieg Newfoundland is not included in the 2023 figure presented in the chart above. The increased level in 2023 (gross investments of NOK 13.8/kg) is largely attributable to capital investments in the freshwater facility in Newfoundland. The freshwater facility in Newfoundland was completed in 2021.

RISK AND RISK MANAGEMENT

The Group is exposed to risks in numerous areas, such as biological production, the effects of climate change, degradation of nature, compliance risk, the risk of accidents, changes in salmon prices, and the risk of politically motivated trade barriers. The substantially enacted resource rent tax on salmon farming in Norway is deemed a high political risk for our operations. The Group's internal controls and risk exposure are subject to continuous monitoring and improvement, and efforts to reduce risk in different areas have a high priority. Management has established a framework for managing and eliminating most of the risks that could prevent the Group from attaining its goals. See the Group's risk overview here. A summary of some of these risks, in the short and medium term, is included below.

The members of the Board of Directors and the CEO are covered by Directors and Officers (D&O) insurance. The insurance provides liability cover for members of the Board of Directors and the CEO with respect to claims arising from decisions or actions they may take on behalf of Grieg Seafood ASA.

OPERATIONAL RISK

The greatest operational risk relates to biological developments within the Group's smolt and marine aquaculture operations. The book value of live fish at year-end was NOK 5 066 million, of which the fair value adjustment was NOK 1 330 million. The book value of live fish exclusive fair value at year-end 2023 was NOK 3 736 million, or 27% of the balance sheet. Biological risks include oxygen depletion, diseases, viruses, bacteria, parasites, algae blooms, jelly fish and other contaminants. To reduce this risk, the Group focuses on improving fish health and welfare through several initiatives, including joint following and area-based management, switching from pharmaceutical to mechanical dedousing treatment methods, and use of sensor technology to reduce algae challenges. The Group's post-smolt strategy, where fish are grown to a larger size on land, thereby shortening the time they spend in open sea pens, is an important element of the effort to reduce biological risk.

The freshwater production has been good across all regions during the year, except from BC, which has experienced reduced survival due to technical issues and lower quality ree, resulting in lower stocking to sea and growth. We have added additional expertise at the hatchery to address the production issues.

Seawater production was impacted by biological challenges in the beginning of the year. In Rogaland, advanced harvesting was performed to reduce biological risk related to *Infectious Salmon Anemia* (ISA) in addition to winter ulcers. During the second half of the year, there were some challenges related to gill disease. However, despite this, the underlying production has been good

Cash flow from investing activities came to NOK -812 million (NOK -575 million in 2022). The difference from 2022 to 2023 is primarily due to a cash surplus of approximately NOK 1 000 million being invested in money market funds in 2022, and the very same investment been exited in full as per 31 December 2023. Additionally, loans to subsidiaries have increased substantially during the year.

Net cash flow from financing activities came to NOK 97 million, compared to NOK 343 million in 2022. The change in net cash flow from financing activities from 2022 to 2023 is primarily due to a higher dividend of NOK 4.5 per share being distributed during the year compared to NOK 3.0 per share in 2022. Additionally, debt service costs is increased during the year, primarily due to generally higher market rates which increase the floating rate component of the interest rate in our term-loan facilities and bond loan.

As at 31 December 2023, available cash totaled NOK 27 million, compared to NOK 325 million as at 31 December 2022.

FINANCIAL RESULTS AND ALLOCATIONS – GRIEG SEAFOOD ASA

Our mission is to create shareholder value and deliver competitive returns relative to comparable investment alternatives. The Group's dividend policy is that the dividend should, over time, average 30-40% of the Group's net profit after tax before fair value adjustment of biological assets (limited to 50% by Green Bond agreement). At the same time, the Group's net interest-bearing debt per kg harvested salmon should remain below NOK 40, although this may be exceeded in periods of growth investments. In 2023, the General Meeting of Grieg

Seafood ASA approved a dividend distribution of 4.5 (NOK 3.0 per share), which was according to the Board of Directors proposal as communicated in the Annual Report of 2022. Based on the 2023 financials, the Board of Directors proposes a dividend of NOK 1.75 per share (equivalent to NOK 1% million) be distributed to shareholders in 2024. The proposed dividend is subject to approval by the Annual General Meeting of Grieg Seafood ASA in 2024.

The parent company, Grieg Seafood ASA, recorded a profit after tax of NOK 159 million for 2023, which the Board proposes that the Annual General Meeting allocate as follows:

FIGURE 3.18 ALLOCATION OF PROFIT/LOSS FOR THE YEAR, GRIEG SEAFOOD ASA	
	NOK million
Provision for dividends	195.2
Transfer from retained equity	-37.1
Total allocated	159.1

during the year in Rogaland. To reduce the risk related to ISA, Rogaland has initiated a vaccination program of all smolt going to sea, which is expected to reduce the impact from ISA going forward.

Finmark has had a challenging year, with the parasite *Spirornucleus salmonicida* (Spiro), leading to advanced harvest and culling of fish with sickness signs, in addition to winter ulcers and impact from string jellyfish towards the end of the year. To compensate for lost biomass growth, the region transferred more smolt to sea. Additionally, water treatment equipment have been installed and disinfection measures have been implemented to reduce future risk of Spiro entering the freshwater facility. There have been no new incidents of Spiro in the freshwater facility during the year.

Seawater production in BC has been affected by high sea lice pressure and low oxygen events. However, due to successful efforts in treatments, aeration and barrier systems, the region has been able to maintain the sea lice level stable and to reduce the impact from low oxygen events.

Newfoundland has had a good and stable production throughout the year, and has not experienced any sea lice or other biological issues thus far.

The feed industry is characterized by large global suppliers operating under cost-plus contracts, and feed prices are accordingly linked to the global markets for fishmeal, vegetable meal, animal proteins and fish/vegetable/animal oils, which are the main ingredients in fish feed. Access to terrestrial feed ingredients is stable, while access to marine feed ingredients continues to be limited. The Group expects, on an aggregate level, high but relatively stable prices in 2024.

The risk of cyberattacks is relevant for the Group. Cyberattacks may cause disruption to the ordinary course of operations, both within the Group and at third parties, as well as damage and/or incapacitate critical infrastructure necessary to operate the Group's freshwater and seawater sites. The outcome of a cyberattack may adversely impact fish welfare at affected sites, the Group's reputation and financial performance. Grieg Seafood are continuously working to strengthen its defense towards cyberattacks and other malicious attempt to disrupt our infrastructure. Cybersecurity is high on management's agenda, and is addressed through securing the digital systems and infrastructure (incl. monitoring and analysis of all network traffic in our infrastructure), as well as awareness and training, strengthening the focus on securing remote access for employees and vendors. Furthermore, the Group has procedures in place for incident handling and strategic crisis management should a cyber incident occur.

MARKET RISK

The global volume of Atlantic salmon harvested in 2024 is expected to increase by only 2%, compared to 2023. With expectations of limited supply growth in 2024, combined with an outlook for continuing strong demand fueled by an increased focus on healthy food and sustainably produced proteins, the Group currently believes in sustained strong market in 2024. The current fishpool forward price for 2024 is around NOK 100 per kg, reflecting an optimistic market outlook.

The Group targets a contract share of 20-50% for its Norwegian harvested volume. The estimated contract share for 2024 is 6%. The Group does not have contracts in Canada.

The Group's has its own internal sales and market organization, including a value-added department. The Group has secured value-added processing capacity in both Norway and Canada to reduce the risk of low price achievement on production grade fish. Processing capacity will be further strengthened in 2025, when a new 10 000-12 000 tonnes capacity secondary processing facility at Oslo airport Gardermoen is expected to open.

Continental Europe is the Group's most important market, with North America as the second largest market. The Group does not sell salmon to Russia due to the ongoing war against Ukraine.

COMPLIANCE RISK

Grieg Seafood is committed to conducting its business ethically and with integrity. The Group performs risk assessments on its operations and value chain, and has implemented mitigating measures and controls to prevent corruption and money laundering activities. The Group did not experience any incidents of corruption or money laundering activities in 2023. The Group adheres to all relevant sanctions related to Russia and Belarus.

In February 2019, the European Commission launched an investigation to explore potential anti-competitive behavior in the market for spot sales of fresh, whole and gutted Norwegian farmed Atlantic salmon. On 25 January 2024, Grieg Seafood received a Statement of Objections from the European Commission related to its investigation. The issuance of a Statement of Objections is a common and formal step in the process, where the European Commission sets out its preliminary view in the matter.

The Statement of Objections in no way prejudices the final outcome of the European Commission's proceedings. Subsequent to the Statement of Objections, the companies concerned may examine the documents in the Commission's investigation file and present its views on the case, before the Commission takes a decision on the matter. Grieg Seafood is currently examining the Statement of Objections carefully and continues to fully cooperate with the European Commission's investigation.

LIQUIDITY RISK The Group has invested substantial amounts during the last few years. This includes the acquisition of Greg Newfoundland and the build-up of biological assets in all regions. The Group utilizes factoring agreements to finance its trade receivables in Norway. The trade financier purchases credit-insured trade receivables (maximum NOK 500 million of outstanding receivables) from the Norwegian sales organization, transferring significant (95%) risk and control to the credit insurer. The receivables purchased by the trade financier are derecognized from the Group's statement of financial position.	FINANCIAL RISK The Group operates within an industry characterized by high volatility, which entails financial risk. The Group's business and plans are capital intensive. To the extent that sufficient cash is not generated from operations in the long term, additional funding needs to be raised to pursue the Group's growth strategy and finance capital expenditures. Adequate sources of capital funding might not be available when needed or may only be available on unfavorable terms. Financial and contractual hedging is a matter of constant consideration, in combination with operational measures. Management draws up rolling liquidity forecasts, extending over five years. These forecasts are based on conservative assumptions for salmon prices and form the basis for calculating liquidity requirements. This forecast also forms the basis for the Group's financing needs. Available financing will be impacted by the Norwegian resource rent tax regime, as - all else equal - less cash will be available to service debt, finance investments and provide a return on investment for shareholders.
CURRENCY RISK The Group is primarily impacted by currency exposure to CAD, USD and EUR. Part of the long-term intercompany loans to subsidiaries in the Group are in the local currency and are regarded as net investments, as there are no set plans for their repayment. The currency effect of these net investments is included in the Group's consolidated statement of other comprehensive income (OCI). In addition, the sales organization hedges foreign currency risk expose if required. The Group may not be successful in hedging against currency fluctuations, and significant fluctuations may have a material adverse effect on the Group's financial results and business.	CREDIT RISK Credit risk is managed at Group level. Credit risk arises from transactions involving derivatives and deposits in banks and financial institutions, transactions with customers, including trade receivables, and fixed contracts as well as loans to associates. The Group has procedures to ensure that products are sold only to customers with satisfactory creditworthiness. The Group normally sells to new customers solely against presentation of a letter of credit or against advance payment, and credit insurance is used when deemed necessary.

FINANCIAL RISK The Group's debt structure comprises sustainability-linked loans, including a NOK 750 million term loan, an EUR 75 million term loan, a NOK 1 500 million revolving credit facility and a NOK 200 million overdraft facility. See Note 27 of the Group Accounts for more information. In addition, the Group has a senior unsecured green bond issue with an outstanding amount of NOK 1 393 million, which matures in June 2025.	FINANCING RISK The Group operates within an industry characterized by high volatility, which entails financial risk. The Group's business and plans are capital intensive. To the extent that sufficient cash is not generated from operations in the long term, additional funding needs to be raised to pursue the Group's growth strategy and finance capital expenditures. Adequate sources of capital funding might not be available when needed or may only be available on unfavorable terms. Financial and contractual hedging is a matter of constant consideration, in combination with operational measures. Management draws up rolling liquidity forecasts, extending over five years. These forecasts are based on conservative assumptions for salmon prices and form the basis for calculating liquidity requirements. This forecast also forms the basis for the Group's financing needs. Available financing will be impacted by the Norwegian resource rent tax regime, as - all else equal - less cash will be available to service debt, finance investments and provide a return on investment for shareholders.
INTEREST RATE RISK The Group is exposed to interest rate risk through its borrowing activities, and to fluctuating interest rate levels in connection with the financing of its activities in the various regions. The Group's existing loans are at floating interest rates, but separate fixed-rate contracts have been entered into to reduce interest rate risk. Greg Sealood's policy is to have 20-50% of interest-bearing debt hedged through interest rate swap agreements. A given proportion shall be at floating rates, while consideration will be given to entering and exiting hedging contracts for the remainder.	CREDIT RISK Credit risk is managed at Group level. Credit risk arises from transactions involving derivatives and deposits in banks and financial institutions, transactions with customers, including trade receivables, and fixed contracts as well as loans to associates. The Group has procedures to ensure that products are sold only to customers with satisfactory creditworthiness. The Group normally sells to new customers solely against presentation of a letter of credit or against advance payment, and credit insurance is used when deemed necessary.

POLITICAL RISK The Norwegian Parliament passed the a resource tax scheme on aquaculture in Norway 31 May 2023, with a tax rate of 25%, effective from 1 January 2023. The tax applies to commercial marine-phase salmon aquaculture activity in Norway and the resource rent tax is an additional taxation on aquaculture, as the operations are subject to corporate taxation of 22%, bringing the total marginal tax rate to 47%.	FINANCIAL RISK The Group operates within an industry characterized by high volatility, which entails financial risk. The Group's business and plans are capital intensive. To the extent that sufficient cash is not generated from operations in the long term, additional funding needs to be raised to pursue the Group's growth strategy and finance capital expenditures. Adequate sources of capital funding might not be available when needed or may only be available on unfavorable terms. Financial and contractual hedging is a matter of constant consideration, in combination with operational measures. Management draws up rolling liquidity forecasts, extending over five years. These forecasts are based on conservative assumptions for salmon prices and form the basis for calculating liquidity requirements. This forecast also forms the basis for the Group's financing needs. Available financing will be impacted by the Norwegian resource rent tax regime, as - all else equal - less cash will be available to service debt, finance investments and provide a return on investment for shareholders.
NORWAY The uncertainties related to the structure and impact of the resource rent tax has delayed the Group's investment and growth plans. Greg Sealood farms Atlantic salmon in both Norway and Canada, and the Norwegian resource rent tax will not affect the tax load of the Group's operations in British Columbia and Newfoundland, as they are subject to Canadian tax legislation. Overall, salmon farming in Norway may lose competitiveness compared to aquaculture in other countries. With new technologies being developed, where there is no reliance on a coastline with naturally tempered water, aquaculture investors may find it more attractive to invest and develop the industry in places with lower tax levels.	FINANCING RISK The Group operates within an industry characterized by high volatility, which entails financial risk. The Group's business and plans are capital intensive. To the extent that sufficient cash is not generated from operations in the long term, additional funding needs to be raised to pursue the Group's growth strategy and finance capital expenditures. Adequate sources of capital funding might not be available when needed or may only be available on unfavorable terms. Financial and contractual hedging is a matter of constant consideration, in combination with operational measures. Management draws up rolling liquidity forecasts, extending over five years. These forecasts are based on conservative assumptions for salmon prices and form the basis for calculating liquidity requirements. This forecast also forms the basis for the Group's financing needs. Available financing will be impacted by the Norwegian resource rent tax regime, as - all else equal - less cash will be available to service debt, finance investments and provide a return on investment for shareholders.

POLITICAL RISK Furthermore, three class-actions were filed in Canada. In one has been certified as a class-action). Even though Greg Sealood considers the complaints to be entirely without merit, Greg Sealood have agreed to a settlement offer from the plaintiffs and entered into a respective settlement agreement dated 22 September 2023 as the costs of litigation in Canada can be substantial. The settlement agreement was approved by the Federal Court on 9 February 2024. A claim has been filed for damages in the UK against, among others, Greg Sealood ASA and Greg Sealood UK Limited arising from alleged unlawful cartel arrangements in relation to the supply of farmed Atlantic salmon. Greg Sealood rejects that there is any basis for the alleged claim and considers the complaint to be entirely unsubstantiated. In general, Greg Sealood denies any anti-competitive conduct whether it is in regard to the EC investigation, the claim filed in the UK or any possible future claims related to this matter subsequent to the issuance of the SO. Greg Sealood will continue to collaborate with the European Commission and follow up all processes as it deems appropriate.	FINANCIAL RISK The Group operates within an industry characterized by high volatility, which entails financial risk. The Group's business and plans are capital intensive. To the extent that sufficient cash is not generated from operations in the long term, additional funding needs to be raised to pursue the Group's growth strategy and finance capital expenditures. Adequate sources of capital funding might not be available when needed or may only be available on unfavorable terms. Financial and contractual hedging is a matter of constant consideration, in combination with operational measures. Management draws up rolling liquidity forecasts, extending over five years. These forecasts are based on conservative assumptions for salmon prices and form the basis for calculating liquidity requirements. This forecast also forms the basis for the Group's financing needs. Available financing will be impacted by the Norwegian resource rent tax regime, as - all else equal - less cash will be available to service debt, finance investments and provide a return on investment for shareholders.
CANADA In British Columbia (BC), licenses are renewed by the federal Department of Fisheries and Oceans (DFO) on a regular basis, with different length. By 2025, the Canadian Federal Government aims to have created a responsible plan to transition into better and more sustainable practices in British Columbia, in order to reduce interactions with wild salmon. In 2022, the Canadian Department of Fisheries and Oceans renewed all farming licenses for two years to allow for the development of the plan. Greg Sealood expects that the licenses will be renewed in 2024 and that they are incorporated into the transition plan. Greg Sealood supports the transition and continues to work collaboratively with their First Nation partners, government and local communities on innovation and modernization towards a sensible transition plan.	FINANCING RISK The Group operates within an industry characterized by high volatility, which entails financial risk. The Group's business and plans are capital intensive. To the extent that sufficient cash is not generated from operations in the long term, additional funding needs to be raised to pursue the Group's growth strategy and finance capital expenditures. Adequate sources of capital funding might not be available when needed or may only be available on unfavorable terms. Financial and contractual hedging is a matter of constant consideration, in combination with operational measures. Management draws up rolling liquidity forecasts, extending over five years. These forecasts are based on conservative assumptions for salmon prices and form the basis for calculating liquidity requirements. This forecast also forms the basis for the Group's financing needs. Available financing will be impacted by the Norwegian resource rent tax regime, as - all else equal - less cash will be available to service debt, finance investments and provide a return on investment for shareholders.

POLITICAL RISK Furthermore, three class-actions were filed in Canada. In one has been certified as a class-action). Even though Greg Sealood considers the complaints to be entirely without merit, Greg Sealood have agreed to a settlement offer from the plaintiffs and entered into a respective settlement agreement dated 22 September 2023 as the costs of litigation in Canada can be substantial. The settlement agreement was approved by the Federal Court on 9 February 2024. A claim has been filed for damages in the UK against, among others, Greg Sealood ASA and Greg Sealood UK Limited arising from alleged unlawful cartel arrangements in relation to the supply of farmed Atlantic salmon. Greg Sealood rejects that there is any basis for the alleged claim and considers the complaint to be entirely unsubstantiated. In general, Greg Sealood denies any anti-competitive conduct whether it is in regard to the EC investigation, the claim filed in the UK or any possible future claims related to this matter subsequent to the issuance of the SO. Greg Sealood will continue to collaborate with the European Commission and follow up all processes as it deems appropriate.	FINANCING RISK The Group operates within an industry characterized by high volatility, which entails financial risk. The Group's business and plans are capital intensive. To the extent that sufficient cash is not generated from operations in the long term, additional funding needs to be raised to pursue the Group's growth strategy and finance capital expenditures. Adequate sources of capital funding might not be available when needed or may only be available on unfavorable terms. Financial and contractual hedging is a matter of constant consideration, in combination with operational measures. Management draws up rolling liquidity forecasts, extending over five years. These forecasts are based on conservative assumptions for salmon prices and form the basis for calculating liquidity requirements. This forecast also forms the basis for the Group's financing needs. Available financing will be impacted by the Norwegian resource rent tax regime, as - all else equal - less cash will be available to service debt, finance investments and provide a return on investment for shareholders.
CANADA In British Columbia (BC), licenses are renewed by the federal Department of Fisheries and Oceans (DFO) on a regular basis, with different length. By 2025, the Canadian Federal Government aims to have created a responsible plan to transition into better and more sustainable practices in British Columbia, in order to reduce interactions with wild salmon. In 2022, the Canadian Department of Fisheries and Oceans renewed all farming licenses for two years to allow for the development of the plan. Greg Sealood expects that the licenses will be renewed in 2024 and that they are incorporated into the transition plan. Greg Sealood supports the transition and continues to work collaboratively with their First Nation partners, government and local communities on innovation and modernization towards a sensible transition plan.	FINANCING RISK The Group operates within an industry characterized by high volatility, which entails financial risk. The Group's business and plans are capital intensive. To the extent that sufficient cash is not generated from operations in the long term, additional funding needs to be raised to pursue the Group's growth strategy and finance capital expenditures. Adequate sources of capital funding might not be available when needed or may only be available on unfavorable terms. Financial and contractual hedging is a matter of constant consideration, in combination with operational measures. Management draws up rolling liquidity forecasts, extending over five years. These forecasts are based on conservative assumptions for salmon prices and form the basis for calculating liquidity requirements. This forecast also forms the basis for the Group's financing needs. Available financing will be impacted by the Norwegian resource rent tax regime, as - all else equal - less cash will be available to service debt, finance investments and provide a return on investment for shareholders.

CLIMATE AND NATURE RISK

The effects of climate change, such as extreme weather events, fluctuating seawater temperatures and a decline in biodiversity, could have a significant financial impact in the coming decades. Knowledge of the possible financial consequences of global warming, biodiversity loss, or even ecosystem collapse, and the integration of climate risk and nature risk as a separate risk category, are an essential part of Grieg Seafood's risk management strategy. Grieg Seafood aims to increase its understanding of climate and nature-related risks, in order to find solutions to reduce adverse impacts.

The Group has mapped its climate-related risks, which is reported in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

The Group has also prepared a climate-related scenario analysis, assessing the impact of transitional risks and physical risks. These risks and opportunities are included in the risk assessment as part of the Group's regular forecast process. Overall, the impacts of climate-related risks are expected to be moderate in the short term, with no quantifiable impact as per year-end 2023. However, these impacts could become more severe in the medium to long term. Any significant physical change is likely to interfere with the Group's current business model or damage facility infrastructure, both of which could be costly. Similarly, the transitional risks related to increased climate-change regulation or significant changes in consumer preferences could affect the Group's bottom line and access to capital. On the other hand, Grieg Seafood is being uniquely placed to mitigate these risks and take advantage of climate-related opportunities. The Group's Climate Action Plan describes the measures and investments needed to reach the climate targets (reducing carbon emissions by 38% towards 2030, and 100% in 2050, with 2018 as a baseline year). This plan stresses the importance of both operational measures that affect Scope 1 and 2, and supply chain measures in Scope 3. The Group needs to reduce operational fossil fuel consumption, purchase renewable electricity and set supplier requirements to be able to reduce its absolute emissions. The Group needs to continue to invest in electrification of its sites and boats, choose fish feed that has a lower emission factor and reduce emissions from transportation. The largest direct source of emissions is from the fuel that powers the boats, use of well-boats, vehicles, and on-site electricity generators. Transitioning to equipment that will enable reduction in fossil fuel consumption will be done gradually through replacement investments, in addition to investments targeting growth. Before making any investments, the Group evaluates the potential carbon emissions and environmental impact of the investment. This is an integrated part of the Group's CapEx process. To get a full overview over how these climate-related risks and opportunities may evolve and affect the Group, likelihood and impact analyses under different emission pathways and time horizons have been developed and will be regularly revised. The Group's TCFD report, including the climate-related scenario analysis, is available here.

PART 03 - OUR FINANCIAL RESULTS

The Group also acknowledges that biodiversity, diversity within and between species, and diversity of ecosystems, is declining globally faster than at any other time in human history. Nature and ecosystems provide the basic building blocks of the global economy, and biodiversity loss and ecosystem collapse will also affect the Group's operations, supply chains and markets. Grieg Seafood is a Member of the Taskforce on Nature-related Financial Disclosures (TNFD). TNFD has published a risk management and financial disclosure framework on nature-related risks, and will support organizations to report and act on both their impacts and dependencies on nature. Grieg Seafood is committed to start publishing nature-related disclosures using the TNFD Recommendations as of the financial year 2024. For further information, visit the TNFD's website.

The salmon farming industry is regulated to avoid impact on biodiversity and the marine environment. In addition, certifications like the Aquaculture Stewardship Council (ASC) help raise the bar above regulatory limits. As of year-end, 81% of the Group's harvested volume in 2023 was ASC certified. Grieg Seafood acknowledges that there are still challenges to overcome and believes that preventive farming is key to reducing the Group's impact on both the climate and nature. Several of the Group's ongoing initiatives target climate and nature-related challenges, such as shortening the time the fish spend at sea and are exposed to risks, using real-time ocean data, data analytics, machine learning and artificial intelligence to better predict outcomes and implement mitigating actions early, and experimenting with new farming technologies that create barriers between the fish and the natural environment, such as semi-closed sea-based systems, land-based farming and offshore farming.

CORPORATE SOCIAL RESPONSIBILITY

Grieg Seafood's vision "Rooted in nature – farming the ocean for a better future" demonstrates the Group's commitment to corporate responsibility by operating profitably and sustainably in a manner that conforms with fundamental ethical norms and respect for the individual, society and the environment. Sustainable operations underpin the Group's license to operate and its strategy. In a long-term perspective, there is no contradiction between clean seas, healthy fish and financial profit. It is the Group's task to make these aspects go hand in hand and contribute to a sustainable ocean economy. The targets go beyond short-term profitability. Read more about the Group's foundation, value chain and strategy in Part 1 of this Annual Report.

Grieg Seafood's sustainability strategy is built on material topics and the five pillars: Healthy Ocean, Sustainable Food, Profit & Innovation, People, and Local Communities. These pillars are founded on external expectations, based on dialogues with stakeholders, and the company's own goals and ambitions. The

pillars are covered by group policies. Find an overview of the topics, targets and policies here. The five pillars are aligned with GR Index is included in Part 4 of this Annual Report. The Group has also prepared an overview of the material topics' financial impacts in Part 1 of this report.

The Group has a responsibility to protect biodiversity wherever it operates. The aim is to use farming methods that allow co-existence with other species, such as wild salmon, cod, shrimp, wild mammals and birds. The Group has targets to minimize its impact on biodiversity, and has adopted policies and operational procedures, as well as high technical standards on equipment, to reduce the risk of impact. Environmental impact assessments are performed prior to establishing new seawater sites as well as a part of the continuing ASC certification process. Please refer to the regional sections in Part 2 of this report for information relating to use of treatments and medicines, escape, wildlife interaction and local emissions.

Along with the rest of the industry, the Group needs to develop new feed ingredients in order to grow sustainably. The Group does not produce its own fish feed, but set requirements for the feed suppliers to develop more sustainable feed. Input factors in fish feed, both marine ingredients and plant-based ingredients, should come from sustainable sources. Ingredients associated with a high risk (fish meal and fish oil from fisheries, Brazilian soy and palm oil) are certified by recognized certification schemes. The Group has also committed to a deforestation statement. Read more about the Group's work on sustainable feed ingredients in Part 2 of this report.

While farmed salmon has a low carbon footprint compared to other animal proteins, the industry must do more to contribute to the Paris Agreement's climate goals. New technologies must be developed to cut emissions in our own operations and value chain. The Group has a policy for climate action, and has set a Science Based Target for emission reduction. The Group undertakes climate accounting and performs a systematic assessment of its emissions, for Scope 1, 2 and 3. For more information on the Group's climate action plan and emission reductions, see the climate action section in Part 2 of this report.

The Group is grateful to the local communities for giving permission to farm salmon in their fjords and inlets. In return, the Group not only does what it can to safeguard local biodiversity and apply sustainable farming methods, but also aims to contribute to vibrant local communities in the rural areas in which it operates. See the end of each regional section for information on our contribution to local communities. Grieg Seafood has a responsibility to engage in constructive dialogue with all stakeholders and groups that are impacted by its activities. In British Columbia, Grieg Seafood is farming in areas that belong to indigenous peoples, while Finnmark has long been home to the Sami people. Grieg Seafood recognizes that these groups have special rights, as acknowledged in the

United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), and takes particular care to avoid infringing them.

RESEARCH AND DEVELOPMENT AS PART OF ACHIEVING SUSTAINABLE GROWTH

The main objective of Grieg Seafood's R&D activities is to create value, ensure sustainability and promote innovation in the Group. The activities and priorities are anchored in the Group's strategy. A continuous process of identifying the most important issues to be addressed forms the basis for R&D activities.

The project portfolio covers most areas of Grieg Seafood's value chain. The majority of projects are related to fish health and welfare, environmental documentation and impact, nutrition and feeding, as well as novel and improved production methods both in the freshwater and the seawater phases of production. An internal R&D strategy provides guidance in the process of project prioritization and qualification to secure each project's relevance and industry value. Projects are aligned with the needs of the farming regions in order to ensure the relevance and potential applicability of the planned endeavors. Meeting with the farming regions are regularly carried out to discuss R&D needs. Short descriptions of the ongoing projects are available in an internal project archive, and finalized projects and results are shared throughout the Group and with external participants, if applicable. The global functional team for R&D works continuously with the farming regions to facilitate the operational implementation of the R&D results.

EMPLOYEES AND HUMAN RIGHTS

As an industry with global supply chains both upstream and downstream, Grieg Seafood has a responsibility to respect and promote human rights both at its own operations and in its value chains. The Group has a Human Rights policy and Code of Conduct in place, and adheres to various related global principles and practices. The Group also requires its suppliers to abide by its Supplier Code of Conduct. In accordance with the Norwegian Transparency Act, the Group published its first human rights progress report in June 2023. The report provides an account of the due diligence conducted, findings and actions.

To reach goals and solve challenges, Grieg Seafood needs the best people, regardless of their gender, age, ethnicity, origin, or political, religious, or sexual persuasion. The Group embraces diversity and is committed to being an equal opportunity employer. This is reflected in the Group's Gender Equity policy and the Diversity policy. At year-end 2023, the majority of the Group's employees, including managers, are men. The Group aims to have 40% female representation in management positions and in positions such as supervisors, site managers and other administrative positions, by 2026. At year-end 2023, the Group had 33% female representation in the Group executive team, while 50% of the regional farming directors were female. In total, 837 people were employed at the Group as at 31 December 2023, of whom 235 (28%) were women and 602 (72%) were men. The Group conducts annual assessments of its pay structure to

needs stable regulatory conditions to be able to grow in a sustainable manner going forward. In Norway, the resource rent tax that was adopted by the Norwegian Parliament on 31 May 2023, with a tax rate of 25% effective from 1 January 2023, has generated a lot of uncertainty. Overall, salmon farming in Norway may lose competitiveness compared to aquaculture in other countries. With new technologies being developed, where there is no reliance on a coastline with naturally tempered water, aquaculture investors may find it more attractive to invest and develop the industry in places with lower tax levels. This might have a tremendous impact on local communities on the coast where salmon farming takes place, and also throughout the supply chain.

For the past 25 years, literally all new fish volumes have come from aquaculture. Wild fishing has long had to cope with smaller catches, quotas and other regulatory restrictions. Since 1990, the volume of farmed fish has multiplied more than six-fold, with the salmon making up less than 2.5% of the volume. In line with the ongoing global megatrends relating to health and sustainability, there has been growing interest in the health and potential environmental benefits of sustainable aquaculture. Currently, Europe is the largest and most mature market for Atlantic salmon, consuming more per capita than other continents. There are, however, countless ongoing initiatives to introduce salmon to a larger number of new consumers across the globe. An increase in consumption per capita in large markets and growing economies such as the USA, Brazil, China and India is expected to contribute to rising demand for Atlantic salmon over time.

According to Kottali, the global harvest of Atlantic salmon in 2024 is expected to increase by 2% compared to 2023, and come to 2 857 600 tonnes (whole fish equivalent, WFEI). With limited supply growth in 2024, combined with an outlook for continuing strong demand fueled by an increased focus on healthy food and sustainably produced proteins, the Group currently (at the time of publishing this report) believe in sustained strong market prices in 2024. The Board acknowledges that there is a natural and inherent uncertainty related to estimated future market demand, trends, growth, and outlook in general. However, looking into 2024, we remain cautiously optimistic, recognizing both the opportunities and challenges that lie ahead.

OWN OPERATIONS

In 2024, Grieg Seafood expects to harvest a total of 81 000 tonnes GWT. At the time of issuing this report, biological production was good in all regions. Grieg Seafood Finnmark had some issues with string jellyfish at the start of 2024, however the situation improved in to the first quarter of the year. The Group's farming operations are running as normal, and salmon is being harvested according to plan. The emphasis is on continued optimization of production, focusing on fish health and welfare.

During 2023, an improvement program was launched to review all aspects of the Group's operations. In addition to improving operational efficiency and profitability, the Board also expects

EU TAXONOMY
As a non-financial company Grieg Seafood reports on revenue (turnover), capital expenditure and operating expenses that are associated with EU Taxonomy-aligned and -eligible activities, in accordance with the Taxonomy Regulation (EU) 2020/852 and the Delegated Acts. The company's statement on EU Taxonomy for sustainable economic activities are disclosed in part two of this report.

EVENTS AFTER THE REPORTING DATE

On 25 January 2024, Grieg Seafood received a Statement of Objections (SO) from the European Commission related to its investigation of potential anti-competitive behavior regarding the sale of farmed Norwegian Atlantic salmon which was launched back in 2019. The issuance of a SO is a common and formal step in the process without prejudice of the final outcome, where the European Commission sets out its preliminary view in the matter.

On 9 February 2024, the Federal Court in Canada approved the settlement agreement dated 22 September 2023 entered into by the plaintiffs and Grieg Seafood regarding the proposed three class-actions in Canada.

On 13 and 14 February 2024, Grieg Seafood ASA and Grieg Seafood UK Limited have received a service letter according to which certain claimants filed a claim for damages against, among other, Grieg Seafood ASA and Grieg Seafood UK Limited arising from alleged unlawful cartel arrangements in relation to the supply of farmed Atlantic salmon.

In general, Grieg Seafood denies any anti-competitive conduct whether it is in regard to the EC investigation, the claim filed in the UK or any possible future claims related to this matter subsequent to the issuance of the SO. We will continue to collaborate with the European Commission and follow up all processes as it deems appropriate.

OUTLOOK

MARKET EXPECTATIONS, CHALLENGES AND POSSIBILITIES

The outlook for the salmon farming sector remains promising. Demand for high-quality, sustainably sourced protein continues to grow worldwide, driven by increasing consumer awareness of health and environmental considerations.

There is a consensus in the market that the existing coastal, open-pen aquaculture industry will achieve modest organic growth. This will primarily be driven by the opening of new sites and areas for sea farms, new and improved technologies and farming practices, and better cooperation both between industry players and with the public authorities. The industry

CORPORATE GOVERNANCE
Strong corporate governance is essential to achieving the Group's objectives and acting as a responsible organization. The Group's governance system includes its vision, core values, strategies, objectives, operational performance, impact on the economy, environment and people, and related risk, as well as compliance with laws and regulations. Grieg Seafood ASA seeks to comply, where applicable, with the Norwegian Code of Practice for Corporate Governance issued by the Norwegian Corporate Governance Board (NUGES). The Group follows NUGES' latest recommendations and has updated its existing rules and defined values in accordance with changes to the Norwegian Code of Practice published in 2021. The company's corporate governance policies and practices are disclosed in the Corporate Governance section of this report.

Business integrity is essential for the Group, which has zero tolerance for fraud, corruption or other misconduct. In 2023, there were no reported incidents of corruption. There was one reported whistleblowing case, from one employee claiming unlawful terminations and work-related concerns. The claim was closed after an external investigation. The Group investigates misconduct and whistleblowing situations with third-party assistance to ensure justice and objectivity. The whistleblower channel, operated by EY, is available for the employees and external stakeholders to report any unwanted behavior and breaches of the Group's Code of Conduct. The Group has established grievance mechanisms for external parties and local communities, available through the Group's regional websites. No incidents involving infringement of the rights of indigenous peoples were reported in 2023.

The company's reporting on corporate social responsibility is based on several standards, such as the Euronext guidance on ESG reporting, the OECD Guidelines for Multinational Enterprises and the Global Reporting Initiative (GRI). Grieg Seafood is also committed to the UN Global Compact, and has signed the Sustainable Ocean Principles. Corporate social responsibility reporting is integrated in this Annual Report.

The Board has assessed the Group's achievements in relation to the above-mentioned topics as part of the sustainability scoreboard, see "Targets and achievements" at the beginning of the Board of Director's report. Overall, the Board is satisfied with the Group's achievements and efforts in relation to corporate social responsibility and the management of the Group's impact on the economy, environment and people in 2023. The Group will continue working to reduce or minimize its impact on the environment, to have a positive social impact and maintain strong corporate governance.

identify any pay gaps between men and women performing jobs of equal value. Non-administrative positions are covered by labor union agreements and there are no differences between women and men. The only differences that may occur are based on seniority, which is also regulated by union agreements. The Group uses the Korn Ferry methodology to benchmark salaries and benefits against the market. Salaries that are not on the median level are adjusted according to the benchmark - both for women and men. The Group's positions and pay structure are based on a matrix where all positions are given a score/number based on their responsibility, mandate and content. There is no gender-based discrimination in this matrix. Salaries are based on roles and responsibility, not on gender, cultural background or place of origin. The Group offers flexible working hours to office staff and seeks to ensure a good work-life balance throughout its operations. The goal is to attract the best skills, improve workplace diversity and to be the preferred employer, regardless of industry. A good working environment creates attractive jobs, and the Group has established and lives by the values: Open, Ambitious and Caring. For the sixth time in Norway, and the fifth time globally, the Group participated in the Great Place to Work survey. The Board is proud to announce that all regions maintained the Great Place to Work certification in 2023.

The Group also works systematically to safeguard its employees' health, safety and working environment. The aim is to prevent work-related injuries, illness, accidents and fatalities. The Group expects nothing less from its supply chain. Human resources are managed locally in compliance with local rules and regulations, and in accordance with the Group's guidelines. The Group is working continuously to strengthen global routines and guidelines for human resources and health and safety throughout the Group, and actively seeks to reduce sick leave and the number of health and safety incidents. All such incidents are registered and reviewed as part of monthly HSE meetings. Read more about how the Group is committed to safeguarding its employees and the results of this work in the People section of this report.

To strengthen the corporate culture and encourage employee loyalty, Grieg Seafood continues to give its employees the opportunity to become company shareholders through the annual share-purchase program. Through this program, participants receive a 30% discount on the purchase price of shares. The maximum number of shares per employee in 2023 was 759. There is a lock-up period of 18 months for the shares. Primary insiders employed by Grieg Seafood ASA are also eligible under the share program.

The Group has guidelines for management remuneration, available here and the Remuneration Report for 2023 is available here.

The Board wishes to thank all employees for their dedication, efforts and contributions in 2023.

GOING CONCERN

The Board is of the opinion that the financial statements give a true and fair presentation of the Group's assets and liabilities, financial position and financial results. Based on the above presentation of the Group's results and financial position, and in accordance with the Norwegian Accounting Act, the Board confirms that the annual financial statements have been prepared on a going concern basis, and that the requirements for so doing have been met.

STATEMENT FROM THE BOARD OF DIRECTORS AND THE CEO

We hereby confirm that, to the best of our knowledge, the financial statements for the period from 1 January to 31 December 2023 have been prepared in accordance with applicable accounting standards and give a true and fair view of the Group and of the Group's assets, liabilities, financial position and overall results. We also confirm that the Board of Directors' Report gives a true and fair view of the development and performance of the business and the position of the company and the Group, as well as a description of the principal risks and uncertainties facing the company and the Group.

operations in British Columbia, with significant sales and market experience. With proximity to important markets on the US East Coast, the Newfoundland region significantly strengthens the Group's US market exposure and opens for synergies with existing operations, as the Group should be able to provide a more stable supply to the US market. However, developing the Canadian operations require substantial investments at a time when the resource tax in Norway and global inflation requires greater capital discipline. The Group is committed to take the next step of the growth journey in Canada and are inviting long-term partners to take part in the development of the Canadian operations. A process to identify potential partners has been initiated.

FINANCIAL POSITION

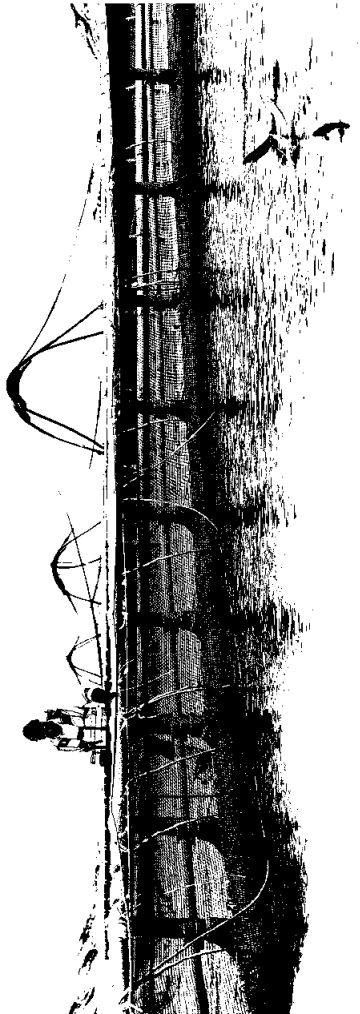
As at 31 December 2023, Grieg Seafood was in a good financial position, with NOK 216 million in cash and cash equivalents and NOK 887 million of undrawn credit facilities as at 31 December 2023.

that the program will contribute to cost-reductions of NOK 150 million over the next two years.

The Board has, at the start of 2024, approved the investment in a new 10 000-12 000 tonnes capacity secondary processing facility at Oslo airport. This will improve the utilization of production in Norway and reduce risk related to lower superior share, while also provide increased flexibility and efficiency in the farming operations. The facility is expected to be up and running in 2025.

Based on the results achieved so far with post-smolt in Rogaland, the Board has chosen to prioritize a post-smolt expansion in Finnmark of NOK 1.1 billion as the major investment the next years. Post-smolt is expected to drive biological control, earnings and sustainability. The construction of a new post-smolt unit in Grieg Seafood Finnmark commenced at the end of 2023. The company is targeting a capacity increase of 3 000 tonnes of post-smolt from 2026.

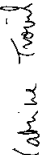
The Board still believes that the Canadian operations have untapped growth potential, while also having the advantage of being close to one of the largest and fast-growing markets for Atlantic salmon. North America is one of the world's fastest growing market for Atlantic salmon, but only one sixth of the demand is currently met by North American production. The Group already has a position in this market through its

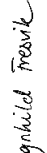


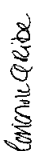
Bergen, 21 March 2024
The Board of Directors and CEO of Grieg Seafood ASA


PER GRIEG
Chair

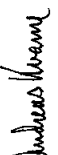

TORE HOLAND
Vice Chair


KATRINE TROVIK
Board Member


RAGNHILD JAMBU FRESVIK
Board Member


MARIANNE RIBE
Board Member


NICOLA HAFELD GRIEG
Board Member


ANDREAS KVAME
CEO

CORPORATE GOVERNANCE

Grieg Seafood believes that strong corporate governance is an essential element in achieving our overall objectives and acting as a responsible organization. Our vision “Rooted in nature – farming the ocean for a better future” demonstrates our commitment to corporate responsibility by operating profitably and sustainably in a manner that conforms with fundamental ethical norms and respect for the individual, society and the environment.



COMPONENTS OF CORPORATE GOVERNANCE

A sound corporate structure, with viable decision-making processes, a clear division of responsibility and authority, appropriate information and communication processes as well as remuneration and reward schemes, is key to Grieg Seafood being able to achieve its strategic goals and objectives. The main components of the Group's corporate governance consist of objectives and directions, structure, organizational planning and management as well as learning and improvement. Together with the external context, these components underpin our ability to create value and achieve goals. Our operations are clearly connected with a multitude of external expectations. We, therefore, seek to maintain a regular dialogue with our stakeholders, as they are the basis for our social license to operate. Transparency and disclosure are vital in building trust, and engaging in a dialogue with our stakeholders enables us to better understand the role we play in local communities and in the society as a whole.

GOVERNANCE STRUCTURE

The shareholders are the owners of the company, and the General Meeting, which all shareholders are invited to attend, is the supreme governing body of the company. The General Meeting provides instructions to the Nomination Committee, which safeguards shareholders' interests by nominating Board members to be elected by the General Meeting. The Board of Directors is setting the strategy and overseeing the conduct and management of Grieg Seafood. The Board's responsibilities to ensure good corporate governance include setting and approving the vision, core values, strategies, objectives, plans, budgets and overall organization of the operations, monitoring operational performance and due diligence, as well as the company's impact on the economy, environment, people, and related risks, as well as ensuring compliance with laws and regulations.

The Board nominates its members to specific committees (Audit Committee and Remuneration Committee) to provide counsel and advice or to handle tasks on the Board's agenda. The Audit Committee members have a particular responsibility for overseeing the integrated reporting process, the audit process, the company's system of risk management, internal controls and compliance with laws and regulations. The role of the Remuneration Committee is to establish and maintain an appropriate rewards policy that attracts and motivates executives to achieve the short and long-term interests of shareholders.

The Board has delegated the management of the Group's overall operations and resources to the CEO. The CEO's responsibilities include establishing a vision, core values, strategies, objectives, plans and budgets for the Group. The CEO is also responsible for establishing and approving group policies, and is accountable for the Group's operational performance and its impacts on the economy, environment and people. In addition, the CEO is responsible for managing related risks and ensuring compliance with laws and regulations. The CEO acts as the main point of communication between the Board and the Group's operations,

and is the public face of the Group, responsible for stakeholder engagement. The CEO is also responsible for establishing rules for handling possible conflicts of interest.

The CEO delegates authority and responsibility to the group executive management team, from where responsibilities cascade throughout the Group. The executive management team, which consists of senior executives representing all aspects of the Group's operations, is responsible for establishing operational plans and targets, allocating resources to its members' specific functions and following up their operational performance. In 2023, the executive team consisted of the Chief Financial Officer (CFO), two Chief Operational Officers (COO), responsible for farming operations in Norway and Canada, the Chief Commercial Officer (CCO), responsible for the sales function, in addition to the supporting functions lead by Chief Technology Officer (CTO), the Chief Human Resource Officer (CHRO), the Chief Communication Officer, and the Chief Strategy Officer. The executive management team is responsible for implementing group policies, monitoring their functions' impacts on the economy, environment and people, managing related risks and securing compliance with laws and regulations. This also includes adhering to our Code of Conduct and ensuring that responsible business conduct underpins all activities. The executive management team is responsible for ensuring that employees receive the proper training of policy commitments. The CEO and the group executive management team together engage with the Group's stakeholders, which is key to be able to grasp emerging opportunities for the Group, and at the same time to understand and mitigate economic, environmental and social risks. Results of stakeholder engagement is reported to the Board as part of risk management procedures and regular business updates in Board meetings. See examples of stakeholder engagements in Part 4 of this report.

The CEO has delegated the establishment of group policies to the Sustainability Steering Committee, which prepares and updates them on the basis of a holistic assessment of economic and environmental, social and governance (ESG) issues (the materiality assessment). Relevant organizational functions and expertise take part in preparing the policies. The policies are approved by the CEO while the Board of Directors monitors compliance with the policies. Policies are presented to the group management team and the regional management team, and are available to all employees through the internal Governance, Risk and Control system. We have a special focus on our Code of Conduct, where the employees are required to complete a program every second year. In 2023, 87% of our employees completed the Code of Conduct program. Our policies are available to the public through our website. The group policies contain a set of targets and Key Performance Indicators (KPIs), of which most are included in the sustainability scoreboard in the company's quarterly and annual reports as part of the material topic they relate to. As such, the Board, and in particular the Audit Committee, reviews and approves the Group's performance with respect to material topics, including the management of its

COMPLIANCE
We aim to comply with all relevant laws and regulations in the regions in which we operate. Salmon farming is a highly regulated industry, and we are subject to strict standards for fish welfare, environmental impact, food production and production equipment. We must comply with operational requirements related to the use of medicines and chemicals, biomass levels, sea lice levels, stock density, water quality, etc. We report regularly to public authorities on, for instance, biomass levels, sea lice levels and disease outbreaks. We are also subject to regular inspections and audits by local, national and international stakeholder groups and authorities.

Furthermore, three class-actions were filed in Canada (none has been certified as a class-action). Even though Grieg Seafood considers the complaints to be entirely without merit, Grieg Seafood have agreed to a settlement offer from the plaintiffs and entered into a respective settlement agreement in September 2023 as the costs of litigation in Canada can be substantial. The settlement agreement was approved by the Federal Court in February 2024.

A claim has been filed for damages in the UK against, among others, Grieg Seafood ASA and Grieg Seafood UK Limited arising from alleged unlawful cartel arrangements in relation to the supply of farmed Atlantic salmon. Grieg Seafood rejects that there is any basis for the alleged claim and considers the complaint to be entirely unsubstantiated.

In general, Grieg Seafood denies any anti-competitive conduct whether it is in regard to the EC investigation, the claim filed in the UK or any possible future claims related to this matter subsequent to the issuance of the SO. Grieg Seafood will continue to collaborate with the European Commission and follow up all processes as it deems appropriate.

FIGURE 3.19
NON-COMPLIANCE WITH LAWS AND REGULATIONS

Area of non-compliance	Description	Fines (NOK)	Number of non-monetary sanctions	Dispute resolution mechanisms
Environmental	Leak of chlorine	1,400,000	0	None
Social	n/a	0	0	None
Economic	n/a	0	0	None

In 2023, we received a fine related to a chlorine spill at our harvesting facility in Alaska that occurred in 2021. An independent environmental assessment of the chlorine spill was performed by a third party, which concluded that the spill had a limited local impact and that rapid recovery and remediation of the seabed could be expected. We have not received any other fines related to non-compliance, nor were any non-monetary sanctions imposed on us. Additionally, we did not have any significant instances of non-compliance (where significant is determined to be any instance except charges related to delayed reporting to authorities).

International/OECD, aquaculture is not assessed as an industry of high risk for corruption. Our risk assessments in 2023, which included all of our sales and farming operations, did not uncover any significant risks that required specific mitigation actions. None of the countries in which we operate were considered high-risk countries according to the Transparency International Corruption Perception Index. We did not experience any incidents of corruption or money laundering activities in 2023. We had no corruption incidents that resulted in the termination or non-renewal of contracts with a business partner. We will continue to perform these risk assessments.

Our policies stipulate our mechanisms for grievance and remediation of negative impacts, as well as for seeking advice and raising concerns. We aim to have an open and transparent dialogue with all our stakeholders, and regularly meet with stakeholders as well as invite them to our sites. Our employees can raise any concerns about our business conduct, business relationships, or potential and actual negative impacts through our whistleblower channel. All reported incidents are investigated and reported to the CEO and Board of Directors. Employees can also raise concerns through their line manager or HR functions, through their labor unions or relevant human rights tribunals. Complaints by local communities or other stakeholders can be raised through meetings, through the regional websites or through the whistleblower channel. In 2023, we had one whistleblower case, where one of our employees claimed unlawful terminations and work-related concerns. The claim was closed after an external investigation. Our organization investigates misconduct and whistleblowing situations with third-party assistance to ensure justice and objectivity. We have not received any concerns from external stakeholders, and as such have not provided any related remediation. While our policies set out our commitments related to the environment and social impacts, we recognize that we can improve our grievance mechanisms and remediation processes.

INVESTIGATIONS

In February 2019, the European Commission launched an investigation to explore potential anti-competitive behavior in the market for spot sales of fresh, whole and gutted Norwegian farmed Atlantic salmon. In January 2024, Grieg Seafood received a Statement of Objections from the European Commission related to its investigation. The issuance of a Statement of Objections is a common and formal step in the process, where the European Commission sets out its preliminary view in the matter. The Statement of Objections in no way prejudices the final outcome of the European Commission's proceedings. Subsequent to the Statement of Objections, the companies concerned may examine the documents in the Commission's investigation file and present its views on the case, before the Commission takes a decision on the matter. Grieg Seafood is currently examining the Statement of Objections carefully and continues to fully cooperate with the European Commission's investigation.

impact on the economy, environment and people. Combined with the quarterly risk assessment and the review of the quarterly and annual report, the Audit Committee and the Board are advancing their knowledge on sustainable development. Additionally, the Audit Committee has been presented a detailed ESG stakeholders analysis in 2023.

RESPONSIBLE BUSINESS CONDUCT

Our values and Code of Conduct underpin the way we conduct ourselves and our approach to responsible business behavior. Our Code of Conduct sets out the ethical principles and standards that must be upheld by each and every employee, and any agent that acts on our behalf, including our Board of Directors. Through our Supplier Code of Conduct, we demonstrate that we expect no less from our supply chain. A large share of our suppliers, in purchase value, have signed the Supplier Code of Conduct. Additionally, our Procurement policy provides global standards for how we source goods and services. Through our Human Rights policy, we recognize that we can contribute to the fulfillment of human rights. We have a responsibility to prevent, mitigate, and address adverse human rights impacts in our own operations, but we also use our leverage to promote respect for human rights in our value chain. Our approach to responsible business conduct including human rights is based on the OECD Guidelines for Multinational Enterprises, the OECD Due Diligence Guidance for Responsible Business Conduct, the UN Convention against Corruption, the UN Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the United Nations Convention on the Rights of the Child, the UN Convention on the Elimination of Discrimination against Women, the UN Declaration on the Rights of Indigenous Peoples, and the UN Global Compact.

Our policies set out guidelines and precautionary principles to enable adoption of precautionary measures. We are committed to respecting fundamental human rights in our operations, our value chain, and in the communities where we operate. We use our influence to promote the fulfillment of human rights and always seek to avoid involvement, even indirectly, in their abuse. Please find the details of our commitment in the Human Rights policy on our website. We also aim to conduct proper due diligence when engaging with third parties. In June 2023, we published our first human rights due diligence report, covering both our own operations and our supply chain, in line with the Norwegian Transparency Act.

Our policies state that we do not permit or tolerate engagement in any form of corruption or money laundering activities. We also refrain from anti-competitive behavior, anti-trust and monopolistic practices, as this can severely affect consumer choice, pricing and other factors that are essential for efficient salmon markets. As part of our risk management process, we assess our operations for risks related to corruption and implement mitigating measures or controls to prevent corruption and money laundering activities. According to Transparency

CORPORATE GOVERNANCE PRINCIPLES

Adopted by the Company's Board of Directors on 20 April 2007, and updated on 21 March 2024.



FIGURE 3.20
GRIEG SEAFOOD'S COMPLIANCE WITH THE NORWEGIAN CODE OF PRACTICE FOR CORPORATE GOVERNANCE

Section of the Norwegian Code of Practice for Corporate Governance		Deviation from the Code of Practice
1.	Statement of corporate governance	No deviation
2.	Activities	No deviation
3.	Share capital and dividends	No deviation
4.	Equal treatment of shareholders and transactions with related parties	No deviation
5.	Negotiability	No deviation
6.	General Meeting	Two deviations, see below
7.	Nomination Committee	One deviation, see below
8.	Corporate Assembly and Board of Directors - composition and independence	No deviation
9.	Work of the Board of Directors	No deviation
10.	Risk management and internal control	No deviation
11.	Directors' fees	No deviation
12.	Remuneration of executive personnel	No deviation
13.	Information and communication	No deviation
14.	Company takeovers	No deviation
15.	Auditor	No deviation

1. IMPLEMENTATION AND REPORTING ON CORPORATE GOVERNANCE

PRESENTATION OF CORPORATE GOVERNANCE

Responsibility for ensuring that the company has good corporate governance rests with the Board of Directors (the Board). The Board reviews the updates Grieg Seafood Group's corporate governance policy, which is part of the Group's governing framework and forms the basis of this summary. Grieg Seafood's principles for corporate governance are based on standards such as the Norwegian Code of Practice for Corporate Governance as recommended by the Norwegian Corporate Governance Board (NUEB), the Institute of Internal Auditors Norway's guidelines for governance, in addition to best practices from, for example, the Euronext guidance on ESG reporting, the OECD Guidelines for Multinational Enterprises and the Global Reporting Initiative (GRI).

The company abides by the latest Norwegian Code of Practice for Corporate Governance as recommended by the Norwegian Corporate Governance Board (NUEB), published 14 of October 2021. The company has adopted the "follow or explain principle" with respect to the Code's application. This means that the company provides an explanation whenever it deviates from the Code of Practice.

Deviations from the Norwegian Code of Practice: None



2. BUSINESS

GRIEG SEAFOOD ASA

The company's business is defined in Article 3 of its Articles of Association: "The object of the company is to engage in the production and sale of seafood and in naturally related activities, including investment in companies engaged in the production and sale of seafood and in other naturally related activities."

The company is established and registered in Norway, and is required to comply with Norwegian law, including laws and regulations pertaining to companies and securities.

GRIEG SEAFOOD ASA'S VISION, TARGETS AND STRATEGY

In keeping with Grieg Seafood's vision "Rooted in nature - farming the ocean for a better future", we demonstrate our commitment to corporate social responsibility by operating profitably and sustainably in a manner that conforms to fundamental ethical norms and respect for the individual, society as a whole and the environment. Through its five pillars, Grieg Seafood is committed to creating sustainable and long-term value. Sustainability is fundamental to the industry and strongly impacts our financial performance. Our strategy comprises three key strategic objectives for continued business development: global growth, cost improvement and value chain repositioning. Increasingly sustainable farming practices underpin all areas of the strategy.

The Board is committed to sound corporate governance, and our governance structure helps enable the Board to fulfil its fiduciary duties and ensure our long-term success. The Board has established objectives, strategies and risk profiles for the company's defined business scope, in order to create value for its shareholders. The Board has an annual plan for its endeavors and follows a five-year cycle in its strategy work. This includes a review of risk areas and internal controls, as well as approving the strategy, objectives and risks relating to sustainable development.

The company aims to comply with all relevant laws and regulations, and with the Norwegian Code of Practice for Corporate Governance. This also applies to all companies controlled by the Group. Therefore, to the extent possible, this statement of principle also applies to all companies within the Group. The company has its own Code of Conduct, which all employees and contract workers must abide by. The company also has its own Supplier Code of Conduct, which all suppliers are expected to comply with.

MANAGEMENT OF THE GROUP

Control and management of the Group is divided between the shareholders, represented by the General Meeting, the Board of Directors and the CEO, and is exercised in accordance with prevailing company legislation.

Deviations from the Norwegian Code of Practice: None

3. EQUITY AND DIVIDENDS

EQUITY

At any given time, the Group shall have a level of equity and a capital structure that is appropriate to the Group's cyclical activities. The Board requires that, as a minimum, equity consistently complies with current loan covenants.

As at 31 December 2023, the company's consolidated equity totaled NOK 6 669 million, equivalent to 49% of total assets and a debt-to-equity ratio of 1.0. The Board of Directors considers the current capital structure to be satisfactory in relation to the company's objectives, strategy, and risk profile.

DIVIDEND

The Group's objective is to give shareholders a competitive return on invested capital through dividend payments and appreciation in the value of the share, at a level at least equivalent to other companies with comparable risk.

Any future dividend will depend on the Group's earnings after taxes, financial situation and cash flow. The Board believes that the dividend paid should keep pace with the Group's profit growth, while at the same time ensuring that equity remains at a healthy and optimal level. In addition, the Board must ensure that there are adequate financial resources to pave the way for future growth and investment, and meet its desire to minimize capital cost.

The Board has adopted a dividend policy whereby the average dividend, over a period of several years, should correspond to 30-40% of profit after tax before fair value adjustment of biological assets (limited to 50% by Green Bond terms). Furthermore, although a net interest-bearing debt per harvested kg of up to NOK 40 is considered reasonable, it may be exceeded in periods of growth-related investments. Based on this, the size of the dividend could be adjusted within the margin set out above.

In 2023, the Group distributed a dividend of NOK 4.5 per share to shareholders, which corresponds to 48% of the net profit before fair value adjustment of biological assets for the 2022 fiscal year.

BOARD AUTHORIZATIONS

The Board can ask the Annual General Meeting (AGM) to grant a general mandate to pay out dividends in the period until the next AGM. An explanation must be given for the Board's proposal. The dividend will be based on the Group's current policy. Dividends should be paid on the basis of the last financial statements approved within the scope of the Norwegian Public Limited Companies Act. Upon authorization being granted, the Board determines the date from which the shares are to be traded ex-dividend.

The Board has a general authorization to increase the company's share capital through share subscriptions for a total amount not exceeding NOK 45 378 816, divided into 11 344 704 shares at the nominal value of NOK 4 each. The authorization covers merger decisions as provided for in Section 13-5 of the Norwegian Public Limited Companies Act. The Board is entitled to increase the share capital on several occasions and may itself determine the amount of the share capital increase in each case.

The Board has a general authorization to acquire the company's own (treasury) shares in accordance with the provisions of Chapter 9 of the Norwegian Public Limited Companies Act for an aggregate nominal amount not exceeding NOK 45 378 816. The company shall pay not less than NOK 4 per share and not more than NOK 240 per share when acquiring treasury shares. No treasury shares were acquired in 2023. See Note 24 to the Group Accounts.

All the authorizations remain in effect until the next AGM, but not later than 30 June 2024. Going forward, the company will observe the Norwegian Code of Practice in respect of new proposals to authorize the Board to implement capital increases and acquire treasury shares.

Deviations from the Norwegian Code of Practice: None

4. EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS WITH RELATED PARTIES

SHARE CLASS

The company has one class of shares, and all shares carry the same rights. As at 31 December 2023, the company had 113 447 042 outstanding shares, including treasury shares.

TREASURY SHARES

If the company trades in its own (treasury) shares, the Norwegian Code of Practice's provisions relating to the equal treatment of shareholders and transactions with related parties shall be observed.

As at 31 December 2023, the company held 1 313 654 treasury shares.

APPROVAL OF AGREEMENTS WITH SHAREHOLDERS AND OTHER RELATED PARTIES

All non-material transactions between the company and a shareholder, Board member, senior employee, or their related parties, shall be subject to valuation by an independent third party. If the consideration exceeds one-twentieth of the company's share capital, transactions of this kind shall be approved by the General Meeting, in so far as this is required under Section 3-8 of the Norwegian Public Limited Companies Act. The company has adopted a policy for transactions with related parties/majority shareholders. There were no significant transactions with related parties in 2023. Day to day transactions with related parties have taken place under market conditions in accordance with arm's length principle, and are described in Note 30 to the Group Accounts.

CAPITAL INCREASES

Should shareholders' preferential subscription right be waived, the Norwegian Code of Practice shall be observed. There were no capital increases in 2023.

Deviations from the Norwegian Code of Practice: None

5. SHARES AND NEGOTIABILITY

There are no limitations with regards to owning, or trading for the company's share or voting right conferred by them.

Deviations from the Norwegian Code of Practice: None

6. GENERAL MEETINGS

The shareholders are the owners of the company, and the General Meeting is the supreme governing body of the company. All shareholders are invited to attend the Annual General Meeting (AGM) and Extraordinary General Meeting (EGM), if any. With respect to the timing and facilitation of General Meetings, the Board of Directors will do its best to ensure that as many shareholders as possible may attend and exercise their rights, thereby making the General Meeting an effective forum for the views of shareholders and the Board of Directors.

The company's AGM shall be held each year before the end of June. The Board will assess the meeting form (physically and/or digital). The AGM shall consider and, if thought fit, adopt the annual financial statements, the integrated annual report and proposed dividend, and the annual report on remuneration of executive personnel. It shall also decide other matters which under current laws and regulations pertain to the AGM. Guidelines in accordance with the Norwegian Public Limited Liability Companies Act, Section 6-16a, and the regulations about guidelines and reporting for remuneration of executive personnel were adopted by the AGM in June 2021. Pursuant to Sections 6-16a and 6-16b of the Public Limited Liability Companies Act, the remuneration report shall be approved by the AGM. The remuneration guidelines shall be reviewed and approved every four years or earlier in the event of significant changes.

The Board may convene an Extraordinary General Meeting (EGM) at whatever time it deems necessary or when such a meeting is required under current laws or regulations. The company's auditor and any shareholder or group of shareholders representing more than 5% of the company's share capital may require the Board to convene an EGM.

The Board must give at least 21 days' notice that a General Meeting is to be held. During this period, the notice and documents pertaining to matters to be considered at the General Meeting shall be accessible on the company's website. The same applies to the Nomination Committee's recommendations. When documents are made available in this manner, the statutory requirements for distribution to each shareholder do not apply. Nevertheless, a shareholder may ask to be sent physical documents concerning matters to be considered at the General Meeting.

Shareholders who wish to attend the General Meeting in person or by proxy, must notify the company at the latest two working days before the General Meeting.

Shareholders can vote on each individual matter (subject to statutory disqualifications), including on each individual candidate nominated for election. Shareholders unable to attend may vote by proxy. An authorization form containing a vote option for each agenda item will be enclosed with the notice of meeting. Shareholders may also authorize the Board's chair or the CEO to vote on their behalf.

The Nomination Committee proposes candidates for election to the Board by the AGM.

The company will publish the minutes of General Meetings in accordance with the stock exchange regulations, in addition to making them available for inspection at the company's registered offices. The minutes of meetings are available here.

The Board's chair and the CEO will attend the General Meeting. The Board's chair will normally chair the General Meeting. The Board will ensure that, if it so requests, the General Meeting is also able to appoint an independent chair. A member of the Nomination Committee will attend the General Meeting if they are likely to be needed or are available.

The Board shall not contact the company's shareholders outside the General Meeting in a manner which could be deemed to constitute preferential treatment or which could be in conflict with current laws or regulations.

In 2023, Grieg Seafood Group held its AGM on 27 June as a virtual meeting.

Deviations from the Norwegian Code of Practice:

GSG Group deviates from the Code of Practice in two ways.

1. The AGM is not led by an independent chair, but by the Board's chair. This is in accordance with its Articles of Association. Given the matters considered by the AGM, an independent chair has not been considered necessary. In cases that involve related parties, the AGM is chaired by an independent Board member.
2. Not all members of the Board or the Nomination Committee attend the AGM. The Board of Directors considers it sufficient that the Board's chair is present. Other Board members and members of the Nomination Committee and Audit Committee attend as needed.



7. NOMINATION COMMITTEE

On 13 February 2023, the AGM approved a resolution to establish a Nomination Committee. This is described in Article 9 of the Articles of Association. At the same time, the AGM adopted instructions for the Nomination Committee. According to these instructions, the Nomination Committee should safeguard the interests of the shareholders by nominating Board members according to principles set out in the Norwegian Code of Practice for Corporate Governance. Instructions for the Nomination Committee were updated on 27 June 2023.

The present Nomination Committee was elected at the AGM on 27 June 2023.

Nomination Committee	Role	Considered independent	Served since	Term expires
Elisabeth Grieg	Chair	No	12.06.2018	AGM 2024
Marit Solberg	Member	Yes	02.06.2021	AGM 2024
Erlend Sædal	Member	Yes	27.06.2023	AGM 2024

The members of the Nomination Committee are elected for a term of one year. At least 2/3 of the Nomination Committee's members shall be independent of the Board. The CEO cannot be a member of the Nomination Committee. The Nomination Committee shall have meetings with the directors, CEO and relevant shareholders. None of the members of the Nomination Committee are company executives.

The Nomination Committee must ensure that the composition of the Board can safeguard the interests and independence of the shareholder community and the company's need for expertise, capacity and diversity. Furthermore, the Nomination Committee should consult relevant stakeholders to assess the need for changes in the composition of the Board. The Nomination Committee's recommendations to the AGM must be submitted well ahead of time and accompany the notice of the AGM, no later than 21 days before the meeting. The Nomination Committee's recommendations must include information about each candidate's impartiality, competence, age, education and professional experience. Upon proposal for re-election, the recommendation should include additional information about how long the candidate has been a member of the Board, as well as details of their attendance at Board meetings.

All shareholders are entitled to submit proposals to the Nomination Committee for candidates to the Board of Directors and other appointments. Proposals must be submitted to the Nomination Committee no later than two months prior to the AGM. Proposals should be submitted via email to the chair of the Nomination Committee, Elisabeth Grieg, at elisabeth.grieg@grieg.no.

A proposal submitted to the Nomination Committee should include relevant information about the recommended candidates.

Deviations from the Norwegian Code of Practice:

GSF Group deviates from the Norwegian Code of Practice in one way:

1. The Code of Practice recommends that all shareholders should be able to submit proposals to the Nomination Committee for candidates to the Board of Directors and other appointments in a simple and easy manner. Currently, shareholders must send an email to the chair of the Nomination Committee directly. The company will investigate how it can further facilitate the submission of new proposals so that all shareholders can easily propose candidates to the Board and Nomination Committee.

8. BOARD OF DIRECTORS: COMPOSITION AND INDEPENDENCE

BOARD MEMBERS

Pursuant to Article 6 of its Articles of Association, the company's Board of Directors comprises three to seven members. The shareholder elected Board members are elected by the General Meeting. Board members are chosen based on their competence and experience representing the company's need of expertise in various fields. The requirements for gender representation apply, i.e. if the Board has three of four members, no more than two Board members may belong to the same gender and if the Board has five or more members, no more than 60% of the Board members may belong to the same gender.

The Board's chair is either elected by Board members or directly by the AGM. The chair of the Board is not an executive in the company. In the event of a tied vote, the Board's chair has the casting vote. The CEO is appointed by the Board and has both a right and a duty to attend Board meetings but is not a member of the Board. The CEO is not entitled to vote on Board decisions.

ELECTION PERIOD

All Board members are elected at the AGM, for a one-year term. Board members may be re-elected.

INDEPENDENT BOARD MEMBERS

As at 31 December 2023, the Board of Directors consisted of the following non-executive members (whereof 50% men and women):

Name	Male/ Female	Role	Considered independent	Served since	Term expires	2023 meeting attendance	% of shares in GSF per 31.12.2023
Per Grieg	M	Chair	No	20.05.2019	AGM 2024	100%	51.06% *
Tore Holand	M	Vice chair	Yes	12.06.2018	AGM 2024	100%	0.00%
Marianne Ødegaard Rite	F	Board member	Yes	14.05.2020	AGM 2024	90%	0.00%
Karinne Tronvik	F	Board member	Yes	14.05.2020	AGM 2024	100%	0.00%
Nicolai Halfeldt Grieg	M	Board member	No	04.11.2021	AGM 2024	100%	50.17% *
Ragnhild Janbu Fresvik	F	Board member	Yes, part of the year	09.06.2022	AGM 2024	80%	0.0%

*Indirectly via the Grieg Group.

Ragnhild Janbu Fresvik was considered dependent of Grieg Seafood ASA until 31 March 2023 as she was employed by Grieg Maturitas AS, the largest shareholder of Grieg Seafood ASA via Grieg Aqua AS, until this time. Per Grieg and Nicolai Halfeldt Grieg represent the main shareholders in the Group, and as such are defined as not independent. The Board works on the basis that there may be cases where one or more of its members may be prejudiced. To prevent and mitigate any conflict of interests, any such issues are clarified before meetings are held. A Board member or members who are prejudiced refrain from participating in the relevant matter. Apart from shareholder's representation, no other stakeholders are represented in the Board.

Board members' qualifications are wide-ranging, with the relevant competencies relevant to the impacts of the Grieg Seafood. Two of the members have extensive knowledge within salmon farming, having both served on boards and been employed in the industry for several years. Five of the members have a finance background, whereof three have experience from banking and financial institutions, and one from innovation and marketing. One Board member is currently engaged in the development of new business opportunities related to the energy transition within the maritime segment, where part of this knowledge can be applicable to Grieg Seafood's business. The average age of the Board members is 57.

Board members are not included in share option programs as Board members are only elected for one year at a time while the share option program runs over a longer period.

The company's website provide information on Board members' backgrounds, expertise as well as quarterly updated Board members' shareholdings in the company. No under-represented social groups are included in the Board or any of its committees.

Deviations from the Norwegian Code of Practice: None.

9. THE WORK OF THE BOARD OF DIRECTORS

DUTIES AND ANNUAL PLAN

The Norwegian Public Limited Liability Companies Act regulates the duties and workings of the Board of Directors. In addition, the Board has adopted supplementary rules of procedure covering the duties of the Board and the Group's CEO, the division of labor between the Board and the CEO, the annual plan for the Board, notices of Board proceedings, administrative procedures, minutes, Board committees, handling of conflicts of interests, transactions between the company and shareholders, and confidentiality.

The Board's main task is to ensure a proper organization of the company's business and thereby also safeguard the shareholders' interests. The Board has partly delegated the management and takes up a supervisory role for delegated tasks, overseeing the conduct and management of Grieg Seafood. The Board's responsibilities to ensure good corporate governance include approving the vision, core values, strategies, objectives, plan and budgets. It also includes approving the overall organization of the operations, including an efficient and value-creating management structure. The Board also monitors the Group's operational performance and financial position, and its impacts on the economy, environment and people, as well as related risks, and verifies compliance. The Board shall initiate any investigation it considers necessary to perform its duties, or investigations requested by one or more Board members.

To ensure all matters are given unbiased and satisfactory consideration, members of the Board and executive management cannot consider matters in which they have a special and prominent interest. The Board jointly assess each board member's impartiality with respect to matters under consideration.

INSTRUCTIONS

The Board has drawn up a set of instructions for its members and executive management, which contain a more detailed description of the Board's duties, procedural matters relating to meetings of the Board, including attendance and schedule, separate entries in the board minutes, and duty of confidentiality.

The Board and the CEO have separate roles, and there is a clear division of responsibility between the two. The Board of directors has delegated the management of the Group's overall operation and resources to the CEO. The Board underlines that special care must be exercised in matters relating to financial reporting and the remuneration of the executive management team.

The instructions for the Board and executive management were last revised by the Board on 20 September 2017.

CONFLICT OF INTEREST

Board members and the Group's executive management team shall inform the Board if they have any significant interest in a transaction to which the company is a party. To prevent and mitigate any conflict of interests, any such issues are clarified before Board meetings are held. A Board member or members who are not independent must refrain from participating in the relevant matter. Any conflicts of interest must be registered by the administration and disclosed in the Annual Report. Please refer to Note 30 to the Group Accounts in the Annual Report 2023 for an overview of related parties' transactions in 2023. The Group has adopted a policy that sets out Grieg Seafood's principles for interaction with the Group's majority shareholder, with the aim of ensuring equal treatment of all shareholders.

In matters of importance where the Board's chair is or has been actively involved, the Board's discussions shall be chaired by the vice chair.

ANNUAL ASSESSMENT

Each year, the Board shall carry out an assessment of its work, including its performance in overseeing the conduct and management of the company in the previous year. The assessment is based on the results of a questionnaire completed anonymously by each member of the Board and the executive management team. The latest assessment, completed in the autumn of 2023, did not uncover any need for changes to the composition of the Board or organizational practices.

AUDIT COMMITTEE

The Board has set up a sub-committee, Audit Committee, comprising a minimum of two and a maximum of three members with relevant financial and operational background and experience, elected from among the Board's members, and has drawn up a mandate for its work. The mandate was last updated in 2023.

The Audit Committee has a particular responsibility for overseeing the integrated financial and sustainability reporting process, the audit process, the company's system of risk management, internal controls and compliance with laws and regulations. The Audit

Committee reviews the Group's quarterly and annual reports before they are put to the full Board for final approval. In 2023, the Audit Committee held seven meetings, in accordance with its annual plan. The Audit Committee also carries out an annual assessment of its work, including its performance in overseeing the conduct, impact and management of all risk areas, as well as its own composition. The Group's external auditor participates in all Audit Committee meetings.

As at 31 December 2023, the Audit Committee consisted of one woman and one man:

Board's Audit Committee	Role	Considered independent	Served since	2023 meeting attendance
Katrine Tronk	Chair	Yes	14.05.2020	100%
Tore Holand	Member	Yes	13.06.2019	88%

REMUNERATION COMMITTEE

The Remuneration Committee is governed by a separate set of instructions adopted by the Board of Directors. The members of the Remuneration Committee are appointed by and from among the members of the Board and shall be independent of the company's executive management. As at 31 December 2023, the Remuneration Committee consisted of one woman and one man:

Board's Remuneration Committee	Role	Considered independent	Served since
Per Ørting	Chair	No	13.06.2019
Marianna Ødegård Rike	Member	Yes	14.05.2020

The role of the Remuneration Committee is to have an appropriate reward policy that attracts and motivates executives to achieve the long-term interests of shareholders. The Remuneration Committee assists and facilitates the Board's decision-making in matters related to the remuneration of the executive management team. It also reviews recruitment policies, career planning and management development plans, and prepares matters relating to other material employment issues with respect to executive management. The Remuneration Committee monitors that remuneration is in line with guidelines approved by the AGM, and prepares a remuneration report which must be audited by the company's auditor. The AGM shall conduct a consulting vote over the remuneration report.

The Remuneration Committee shall hold discussions with the CEO concerning his/her financial terms of employment. It shall further submit a recommendation to the Board concerning all matters relating to the CEO's financial terms of employment.

The Remuneration Committee is also the advisory body for the CEO in relation to remuneration schemes which cover all employees to a significant extent, including the Group's bonus system and pension scheme. Matters of an unusual nature relating to personnel policy, or matters considered to entail an especially great or additional risk, should be put before the committee.

The Remuneration Committee reports and makes recommendations to the Board, but the Board retains responsibility for implementing such recommendations.

The composition of the Remuneration Committee is assessed each year.

Deviations from the Norwegian Code of Practice: None.

RISK MANAGEMENT AND INTERNAL CONTROL

Governance is intended to provide a means by which management and other employees can contribute to the achievement of the company's objectives, plan for sound internal control and risk management, support efficient and effective operations with the required level of monitoring and reporting, as well as establish effective independent control and assurance. Risk management is part of governance and involves identifying the types of risk exposure the company faces, measuring these potential risks, proposing means to hedge, insure or mitigate the risks, and estimating the impact of various risks and opportunities on the future earnings. Internal control represents a subset of the broader risk management activities.

Internal control comprises activities and procedures carried out to safeguard the Group's resources and those of its customers, and to realize its goals through appropriate operations. The achievement of these goals requires systematic strategy development and planning, identification of risk, choice of risk profile, as well as establishing and implementing control measures to verify that the goals are achieved. The Group's internal control system is designed to provide reasonable assurance that the Group's goals will be achieved. Such goals include targeted, efficient, and appropriate operations, reliable internal and external reporting, as well as compliance with laws and regulations, including internal policies and principles.

12. REMUNERATION OF THE GROUP EXECUTIVE TEAM

The objective of the guidelines approved by the AGM for salary and other remuneration payable to executive employees within the Group is both to attract people with the required competence and retain key personnel. The guidelines shall create a wage culture which promotes the company's long-term interests, business strategy and financial strength. The guidelines should also motivate employees to work with a long-term perspective to achieve the company's goals.

The determination of salary and other remuneration payable to the Group's executive management team is based on the following guidelines:

- Ensuring that salaries and other remuneration are competitive and motivating for each executive.
- Linking salaries and other remuneration to, among other things, the company's value creation, the company's stakeholders and shareholders.
- Attracting, motivating and retaining an executive management team with qualifications that correspond to the company's size and complexity.
- Developing competence and creating continuity in management.
- Ensuring transparency and publishing management's remuneration in the company.

The principles used to determine salary and other forms of remuneration shall be simple and understandable to employees, shareholders and the public at large.

Salaries, other remuneration and important terms for the executive management team are evaluated by the CEO annually. Salary, other remuneration and key terms for the CEO are evaluated annually by the Remuneration Committee, which prepares a recommendation for the Board's decision on remuneration to the CEO. The committee shall hold discussions with the CEO about financial terms annually and, at the latest, by the end of June each year. The Remuneration Committee presents its evaluation to the Board, which makes the final decision.

The salary agreed to the members of the Group's executive management team in 2023 consisted of a fixed and a variable element. A fixed basic salary is the main component of executive compensation and should be competitive, taking into consideration the industry and the individual's qualifications, and ensuring effective operations to achieve the company's strategic aims. The variable element depends on good financial results being achieved as well as company or personal goals and priorities, based on a pre-defined set of key performance indicators (KPIs). No variable element was paid to the Group's executive management in 2023 (cf. below incentive plan).

General schemes for the allocation of variable benefits, including bonus schemes and option programs, are determined by the Board according to the guidelines approved of the AGM. Schemes which entail an allotment of shares, subscription rights, options and other forms of remuneration related to shares or the development of the company's share price, are determined by the AGM. Each year, the Board must report to AGM that remuneration to executive personnel complies with the guidelines. The Board's statement on management remuneration is a separate item on the AGM's agenda. The AGM votes separately on guidelines to the Board and on remuneration comprising the synthetic options program. The guidelines and the remuneration report will be published on the company's website.

The company's Board approved the allocation of cash options based on the AGM's resolution on the share and cash options program. The last approval granted by the AGM dates from 2 June 2021. Members of executive management are included in the synthetic options program, see Note 8 to the Group Accounts in the Annual Report 2023. The option agreements have been entered into within the scope of the resolution adopted by the AGM. Minutes of this AGM can be accessed [here](#).

OPTION PROGRAM

A synthetic option scheme has been established for group management including regional directors. The Board wishes group management to become shareholders through the option program. The Board believes this is a decisive tool for realizing its ambitions and building the company, by allowing group management to take part in the company's dividends from growth and success.

The Board has a responsibility to ensure that the Group has proper risk management and such internal control as is required by statute. The Audit Committee has been given a particular responsibility to monitor critical business risks and address the quality and effectiveness of relevant risk-reducing measures. Management performs a risk assessment quarterly, which is reviewed by the Audit Committee in connection with quarterly reporting. The Audit Committee informs the Board after each meeting.

Each year, the external auditor carries out a review of the Group's performance of internal control relevant for financial reporting. The auditor's review is submitted to the Audit Committee.

Grøeg Seafood has established risk management principles based on the COSO Enterprise Risk Management (COSO ERM) framework, which is the most widely used risk management framework. Based on this, a described and quantified risk appetite and risk tolerance level has been established. Risk management processes are established at all relevant levels of the Group, including strategic and operational levels. Day-to-day implementation of risk management and risk assessment are a line management responsibility, with ultimate responsibility lying with the Board and executive management. Risks are attributed to risk owners according to the functional matrix of the organization. Risk owners decide, manage and accept risk exposure and identify and ensure implementation of adequate controls to close any risk gaps. The company follows the "three lines model" to implement roles responsible for risk management, internal control and assurance activities.

The Group categorizes its main risks as: strategic risk, operational risk, financial risk, compliance risk, political risk and climate and nature risk. Management conducts continuous assessments of acute risks and scenarios for possible outcomes. The Group's greatest risk relates to biological development during the production of smolt in freshwater facilities and production in open net pens in seawater. The Group works continuously and systematically to develop processes that safeguard animal welfare and reduce disease and mortality, and ensure that "best practices" are implemented at all levels. Control routines have been prepared for employee working conditions, as well as for escape prevention, animal welfare, pollution, water resources and food safety.

The Group is exposed to the following financial risks: market risk (including foreign exchange risk, interest rate risk, and price risk), credit risk and liquidity risk. The Group's overall risk management plan focuses on the unpredictability of the capital markets and seeks to minimize any potentially negative effects on the Group's financial results. The Group uses financial derivatives to hedge against some risks. Risk management is undertaken at group level and involves identifying, evaluating and hedging financial risk in close cooperation with the Group's operational units. The Group has written principles for risk management related to foreign exchange and interest rate risk, price risk and the use of financial instruments. The Board has established procedures for reporting financial risk within the Group. At the start of each year, the Board adopts a budget for the year. Deviations from the budget are reported on a monthly basis. Forecasts are drawn up for the next five years and updated every month.

Every month, executive management reviews a set of Key Performance Indicators (KPIs) for the Group's farming and sales and marketing operations. Example of KPIs include the number of smolt transferred to the sea, freshwater and seawater production, production cost, feed factor, harvested volume, farming cost and Operational EBIT/kg. Analyses are made and measured against budget figures and forecasts, aligned with the overall strategy of the Group. The performance data is summarized in a report submitted to the Board.

Each quarter, the Group's executive management holds meetings with the management of each region. The aim of such meetings is to follow up the results achieved in relation to the strategies and goals that have been set.

Deviations from the Norwegian Code of Practice: None.

11. REMUNERATION OF THE BOARD OF DIRECTORS

Proposals concerning the remuneration of the Board are submitted by the Nomination Committee. The guidelines approved by the AGM state that remuneration to members of the Board shall be a fixed remuneration and not performance-related. Remuneration shall reflect the position's complexity, responsibility and time spent, with remuneration reflecting the levels at comparable companies. No Board member has any special duties in relation to the company over and above those they have as a member. No Board member participates in any incentive or share-purchase programs.

Board remuneration is shown in the financial statements of both the parent company and the Group.

Deviations from the Norwegian Code of Practice: None.

PART 03 - OUR FINANCIAL RESULTS

INCENTIVE PLAN

Grieg Seafood ASA has also established an incentive plan that applies to all employees. Its aim is to stimulate goal achievement, while promoting good risk management, preventing excessive risk taking and contributing to the avoidance of conflicts of interest. Annual goal achievement and pay-outs from the incentive plan are regulated by the Remuneration Committee. Taking into consideration the company's financial position, risks and costs, as well as its capital requirements and liquidity, the committee will decide if the payment of variable compensation under the incentive plan is acceptable. If so, the committee will submit a recommendation to the Board, which makes the final decision. If the company cannot achieve the financial results associated with the incentive plan, no bonus pay-out will be awarded. The bonus is a function of the number of fixed monthly salaries (maximum six month) and the individual's level within the organization.

General schemes for the allocation of variable benefits, including bonus schemes and option programs, are determined by the Board according to the guidelines approved of the AGM. Schemes which entail an allotment of shares, subscription rights, options and other forms of remuneration related to shares or the development of the company's share price, are determined by the AGM. Each year, the Board must report to AGM that remuneration to executive personnel complies with the guidelines. The Board's statement on management remuneration is a separate item on the AGM's agenda. The AGM votes separately on guidelines to the Board and on remuneration comprising the synthetic options program. The guidelines and the remuneration report will be published on the company's website.

SHARE PURCHASE PROGRAM

The company's share purchase program aims to stimulate co-ownership and a sense of common interest with the company. The Board can decide annually that all employees, including executive management, shall be offered shares at a discount. All permanent employees who have been employed for at least six months at Grieg Seafood ASA or a wholly owned subsidiary are included in this program. Minor changes in qualifications to this program may be approved by the Remuneration Committee and/or the CEO.

SEVERANCE PAY

The CEO and the CFO are entitled to 12 months' severance pay after termination of the employment relationship by the company. The CEO is further entitled to full salary during sick leave lasting up to 12 months.

Deviations from the Norwegian Code of Practice: None.

13. INFORMATION AND COMMUNICATION

FINANCIAL INFORMATION

The guidelines for reporting financial and other information to the stock market are defined within the framework established by securities and accounting legislation and the rules and regulations of the stock exchange. The company also complies with the Oslo Stock Exchange (Euronext) Code of Practice for IR, published on 1 March 2021.

The Group's investor relations policy clarifies roles and responsibilities related to financial reporting, and regulates contact with shareholders and the investor market. This policy is based upon the key principles of transparency and equal treatment of market participants to ensure they receive accurate, clear, relevant, complete and balanced information about performance and outlook. The IR policy is available on the company's website. The company shall at all times provide its shareholders, the Oslo Stock Exchange (Euronext), and other stakeholders (through the Oslo Stock Exchange information system) with timely information. The Board shall ensure that the company's quarterly reports give a correct and complete picture of the Group's financial and operational position, and whether the Group's operational and strategic objectives are being met. In addition, the Board has adopted a separate policy on the disclosure of inside information, which sets forth the company's disclosure obligations and procedures.

The company shall be open and active with respect to investor relations, and shall hold regular presentations in connection with the announcement of its interim results. The company publishes all information (including quarterly reports and annual reports in accordance with the company's financial calendar) through stock exchange/press releases, all of which are also published on the company's website. The presentation of each quarter's results is available as webcast.

SHAREHOLDER INFORMATION

The Board shall ensure that information is provided on matters of importance for shareholders and for the stock market's assessment of the company, its activities and results, and that such information is made publicly available without undue delay. Publication shall take place in a reliable and comprehensive manner, and by means of information channels which ensure that everyone has equal access to the information.

All information shall be provided in English. The company has procedures to ensure that this is done. The Board of Directors' communication with shareholders and other stakeholders is delegated to the Board's chair, or other appointed persons in specific cases. The Board's chair shall ensure that the shareholders' views are communicated to the entire Board.

Deviations from the Norwegian Code of Practice: None.

14. TAKEOVERS

CHANGE OF CONTROL AND TAKEOVERS

The company has not established mechanisms which can prevent or avert takeover bids. Any such decision must be made by a General Meeting of shareholders and requires a majority of two-thirds of the votes cast and of the share capital represented. After a takeover bid has become known, the Board will not use its authority to prevent it without the approval of the General Meeting. If a takeover bid is received, management and the Board will ensure that all shareholders are treated equally. The Board will obtain a valuation from a competent independent party and advise the shareholders whether to accept or reject the bid. Shareholders will be advised of any difference of views among members of the Board in its statements on the takeover bid.

At its meeting on 13 October 2015, the Board adopted some core principles for how it will act in the event of any takeover bid. These core principles are in accordance with the Norwegian Code of Practice.

Deviations from the Norwegian Code of Practice: None.

15. AUDITOR

Through its Audit Committee, the Board seeks to collaborate fully and transparently with the Company's auditor. Each year, the Audit Committee obtains confirmation that the auditor meets the requirements of the Norwegian Auditing Act concerning the independence and objectivity of the external auditor.

The Board of Directors ensures that the auditor's auditing plan is submitted to the Audit Committee once a year. In particular, the Audit Committee considers whether the auditor is performing a satisfactory control function.

Both the company's management and the auditor comply with guidelines issued by the Financial Supervisory Authority of Norway concerning the extent to which the auditor may provide advisory services.

The Board invites the auditor to the meeting which address the annual financial statements. The auditor attends all meetings with the Audit Committee to consider quarterly reports and other relevant matters, and has at least one meeting a year to report on the Group's accounting principles, risk areas and internal control procedures. Moreover, each year, the Board has a meeting with the auditor at which neither the CEO nor anyone else from company management is present.

The auditor's fee appears in the relevant note in the Annual Report, showing the breakdown of the fee between auditing and other services.

Deviations from the Norwegian Code of Practice: None.

Bergen, 21 March 2024
Grieg Seafood ASA



GROUP ACCOUNTS

85	Income statement	NOTE 1	General information
85	Comprehensive income statement	NOTE 2	Accounting Policies
86	Statement of financial position	NOTE 3	Nature and climate-related risk
87	Statement of changes in equity	NOTE 4	Financial risk management
87	Cash flow statement	NOTE 5	Segment information
		NOTE 6	Sales revenues
		NOTE 7	Salaries and personnel expenses
		NOTE 8	Share-based payments
		NOTE 9	Other operating expenses
		NOTE 10	Contingent liabilities, litigation and legal claims and decommissioning costs
		NOTE 11	Financial income and financial expenses
		NOTE 12	Income taxes
		NOTE 13	Intangible assets
102		NOTE 14	Property, plant and equipment incl. right-of-use assets
105		NOTE 15	Impairment of non-financial assets
106		NOTE 16	Investment in associated companies and joint ventures
107		NOTE 17	Other non-current receivables
108		NOTE 18	Inventories
109		NOTE 19	Biological assets
112		NOTE 20	Trade receivables
113		NOTE 21	Other current receivables
113		NOTE 22	Investment in money-market funds
113		NOTE 23	Cash and cash equivalents
113		NOTE 24	Share capital and shareholder information
115		NOTE 25	Contingent consideration, other equity and retained earnings
115		NOTE 26	Earnings per share and dividend per share
116		NOTE 27	Borrowings
118		NOTE 28	Leases
119		NOTE 29	Other current liabilities
120		NOTE 30	Related parties
120		NOTE 31	Financial instruments and fair value measurement
122		NOTE 32	Events after the reporting date



INCOME STATEMENT

GRIEG SEAFOOD GROUP NOK 1 000				NOTE	2023	2022
Sales revenues				5/6	7 019 622	7 163 956
Other income					38 697	31 490
Other gains/losses					-6 959	13 393
Share of profit from associates				16	-6 957	21 096
Raw materials and consumables used				19	-2 747 944	-2 233 655
Salaries and personnel expenses				7/8	-725 653	-695 577
Other operating expenses				9/20/28	-2 236 165	-2 087 310
Depreciation property, plant and equipment and right-of-use assets				14/28	-532 911	-634 641
Amortization licenses and other intangible assets				13	-21 792	-16 706
Write-down of tangible and intangible non-current asset				13/14/15	136	-140 074
Production fee					-34 987	-26 350
Fair value adjustment of biological assets				19	217 922	83 412
Litigation and legal claims				10	20 427	-157 065
Decommissioning costs				10	-2 515	-24 382
EBIT (Earnings before interest and taxes)					980 730	1 497 586
Financial income				11	140 195	126 267
Financial expenses				11	-276 768	-176 210
Net financial items					-136 573	-49 944
Profit before tax					844 157	1 447 642
Income tax expense				12	-284 407	-293 863
Net profit for the year					559 750	1 153 779
ALLOCATED TO						
Owners of the parent company, Grieg Seafood ASA					559 750	1 153 779
Earnings per share						
Earnings per share (NOK)				26	5.0	10.3
Diluted earnings per share (NOK)				26	5.0	10.3

COMPREHENSIVE INCOME STATEMENT

GRIEG SEAFOOD GROUP NOK 1 000				NOTE	2023	2022
Net profit for the year					559 750	1 153 779
NET OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT/LOSS IN SUBSEQUENT YEARS						
Currency effect on investment in subsidiaries						109 335
Currency effect on loans to subsidiaries				25	28 784	24 792
Tax effect				25	-6 332	-5 454
Total other comprehensive income for the year, net of tax					120 767	128 673
Total comprehensive income for the year					680 517	1 282 452
ALLOCATED TO						
Controlling interests					680 517	1 282 452



STATEMENT OF FINANCIAL POSITION

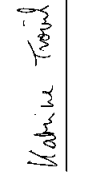
GRIEG SEAFOOD GROUP NOK 1 000		NOTE	31.12.2023	31.12.2022
ASSETS				
Goodwill		13/15	727 111	691 094
Licenses		13/15	1 489 798	1 443 710
Other intangible assets		13	13 275	14 489
Property, plant and equipment incl. right-of-use assets		14/15/28	5 095 401	4 095 590
Indemnification assets			40 000	40 000
Investments in associates		16	209 667	216 624
Other non-current receivables		17/31	42 337	17 935
Total non-current assets			7 617 589	6 479 642
Inventories		18	230 053	240 172
Biological assets		19	5 045 718	4 045 800
Trade receivables		4/20/31	327 160	259 137
Other current receivables		21/31	171 249	157 060
Derivatives and other financial instruments		4/31	35 164	37 988
Investments in money market funds		22/31	—	1 012 848
Cash and cash equivalents		4/23/31	216 318	642 719
Total current assets			6 045 663	6 395 723
Total assets			13 663 252	12 875 365

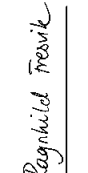
GRIEG SEAFOOD GROUP NOK 1 000		NOTE	31.12.2023	31.12.2022
EQUITY AND LIABILITIES				
Share capital		24	453 788	453 788
Treasury shares		24	-5 255	-5 407
Contingent consideration		25	701 535	701 535
Other equity		25	317 947	197 180
Retained earnings		25	5 201 155	5 138 612
Total equity			6 669 170	6 485 708
Deferred tax liabilities		12	842 612	1 041 101
Share-based payments		8/31	8 178	6 756
Borrowings		27/31	3 491 980	2 838 809
Lease liabilities		27/28/31	1 111 049	653 650
Total non-current liabilities			5 453 819	4 540 316
Share-based payments		8/31	833	672
Current portion of borrowings		27/31	208 335	141 968
Current portion of lease liabilities		27/28/31	299 426	228 910
Trade payables		4/31	740 753	717 498
Tax payable		12	6 156	353 191
Public duties payable			27 266	55 963
Derivatives and other financial instruments		4/31	1 709	64 928
Other current liabilities		29/31	235 584	288 210
Total current liabilities			1 540 263	1 849 341
Total liabilities			6 994 082	6 389 657
Total equity and liabilities			13 663 252	12 875 365

BERGEN, 21 MARCH 2024
The Board of Directors and CEO of Grieg Seafood ASA

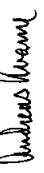

PER GREG
Chair


TORE HOLAND
Vice Chair


KATRINE TROVIK
Board Member


RAGNHILD JANBU FRESVIK
Board Member


MARIANNE RIBE
Board Member


ANDREAS KVAME
CEO


NICOLAI HAFELD GRIEG
Board Member



STATEMENT OF CHANGES IN EQUITY

GRIEF SEAF600 GROUP NOK 1 000	SHARE CAPITAL	TREASURY SHARES ¹	CONTINGENT LIABILITIES ²	OTHER EQUITY ³	RETAINED EQUITY ⁴	TOTAL
Equity at 01.01.2022	453 788	-4 532	701 535	68 205	4 344 307	5 563 302
Profit for 2022	—	—	—	—	1 153 779	1 153 779
Other comprehensive income 2022	—	—	—	128 976	-383	128 593
Total comprehensive income 2022	—	—	—	128 976	1 153 476	1 282 452
Sale of treasury shares to employees ¹	—	385	—	—	6 510	6 895
Purchase of treasury shares	—	-1 260	—	—	-28 739	-29 999
Dividend	—	—	—	—	-336 942	-336 942
Transactions with owners (in their capacity as owners)	—	-875	—	—	-359 171	-360 046
Total change in equity 2022	—	-875	—	128 976	794 305	922 406
Equity at 31.12.2022	453 788	-5 407	701 535	197 180	5 138 612	6 485 708
Equity at 01.01.2023	453 788	-5 407	701 535	197 180	5 138 612	6 485 708
Profit for 2023	—	—	—	—	559 750	559 750
Other comprehensive income 2023	—	—	—	120 767	559 750	680 517
Total comprehensive income 2023	—	—	—	120 767	1 119 500	1 240 267
Sale of treasury shares to employees ¹	—	433	—	—	6 632	7 065
Purchase of treasury shares	—	-280	—	—	280	—
Dividend	—	—	—	—	-504 120	-504 120
Transactions with owners (in their capacity as owners)	—	153	—	—	-497 288	-497 055
Total change in equity 2023	—	153	—	120 767	62 543	183 463
Equity at 31.12.2023	453 788	-5 255	701 535	317 947	5 201 155	6 669 170

¹ The recognized amount equals the nominal value of the parent company's holding of treasury shares.² See Note 25.

CASH FLOW STATEMENT

GRIEF SEAF600 GROUP NOK 1 000	NOTE	2023	2022
EBIT (Earnings before interest and taxes)		980 730	1 497 586
Depreciation, amortization and write-down of non-current assets	13/14	554 568	591 422
Gain/loss on sale of property, plant and equipment		8 159	-5 535
Share of profit from associates	16	6 957	-21 096
Fair value adjustment of biological assets	19	-217 922	-88 412
Change in inventories and biological assets excl. fair value		-829 830	-529 150
Change in trade and other receivables		-82 213	-117 071
Change in trade payables		43 256	194 302
Change in other accruals		93 357	155 412
Change in non-current, cash-settled share option liability	8	1 422	-4 359
Taxes paid	12	-860 705	-93 665
Net cash flow from operating activities		-302 021	1 584 234
Proceeds from sale of property, plant and equipment		2 408	17 112
Payments on purchase of property, plant and equipment	14	-790 032	-561 916
Payments on purchase of intangible assets incl. licenses	13	-1 592	-2 581
Government grant	14	25 947	9 119
Investment in money market funds		104 194	-1 000 224
Investment in associates and other invest. incl. loan receivables	22	-22 821	-112 212
Net cash flow from investing activities	16/17	255 794	-1 650 702
Proceeds of long-term int. bearing debt	27	756 379	1 443 423
Proceeds of short-term int. bearing debt	27	63 113	—
Repayment long-term int. bearing debt excl. lease liabilities	27	-193 517	-962 146
Repayment lease liabilities	27/28	-279 830	-225 468
Interest paid	11	-221 759	-140 002
Repurchase of own shares	25	-5 540	-24 400
Paid dividends	25	-504 120	-336 942
Net cash flow from financing activities		-387 274	-225 535
Net change in cash and cash equivalents		-433 571	-292 003
Cash and cash equivalents - 01.01.		642 719	928 342
Currency translation of cash and cash equivalents		7 170	6 380
Cash and cash equivalents - 31.12.	23	216 318	642 719

NOTE 1 GENERAL INFORMATION

AUTHORIZATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of Grieg Seafood for the full year ended 31 December 2023 were approved for issuance by the Board of Directors on 21 March 2024 and subject to approval by the Annual General Meeting of Grieg Seafood ASA.

ORGANIZATION

The Grieg Seafood Group (Grieg Seafood) consist of the parent company Grieg Seafood ASA and its subsidiaries. Grieg Seafood ASA is incorporated and domiciled in Norway. Grieg Seafood ASA is a public limited company registered in Norway, and is listed on the Oslo Stock Exchange in Norway. The address for its registered office is C. Sundts Gate 17/19, 5008 Bergen, Norway.

Grieg Seafood is an integrated Norwegian seafood company engaged in farming of Atlantic salmon. The consolidated Grieg Seafood's ("The Group") integrated sales organization sell the farmed salmon from our regions to the market, primarily as fresh head-on gutted, but also processed through external processing partners. The Group has operations in Norway and Canada.

The ultimate parent company of Grieg Seafood ASA is Grieg Maturitas AS, the parent company of Grieg Maturitas II AS, which in turn owns 100 % of Grieg Aqua AS, which owns 50.17% of Grieg Seafood ASA.

COMPANIES OF THE GROUP

Grieg Seafood Group comprised the following entities at 31 December 2023:

Grieg Seafood UK Ltd (owned 100% by Grieg Seafood Sales AS) is domiciled in the UK. Grieg Seafood BC Ltd., and its 100% owned subsidiary Grieg Seafood Sales North America Inc, are domiciled in British Columbia, Canada, while Grieg Seafood Newfoundland Ltd (incl. the subsidiaries Grieg Marine NL Ltd and Grieg NL Nurseries Ltd) are domiciled in Newfoundland, Canada. Grieg Seafood Premium Brands Inc (domiciled in the USA) is owned 100% by Grieg Seafood Sales North America Inc. Grieg Seafood Sales USA Inc (domiciled in the USA) is owned 100% by Grieg Seafood Sales AS.

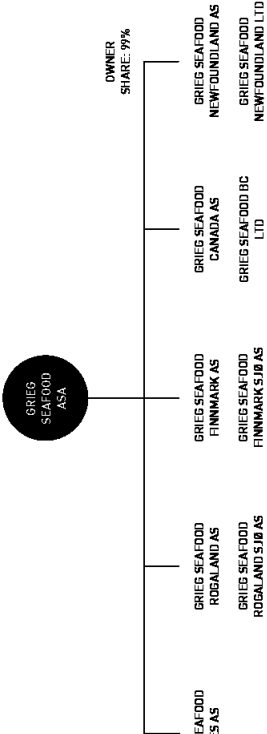
To be able to correctly calculate and report the resource rent tax in Norway as from 2023, Grieg Seafood considered it necessary in 2022 to reorganize the ownership of aquaculture licenses in Norway into separate legal entities owning the commercial and non-commercial aquaculture licenses. Therefore, Grieg Seafood Rogaland Sjø AS was established as a subsidiary (100%) of Grieg Seafood Rogaland AS, and Grieg Seafood Finnmark Sjø AS as a subsidiary (100%) of Grieg Seafood Finnmark AS. The commercial aquaculture licenses in Norway are owned by Grieg Seafood Rogaland Sjø AS and Grieg Seafood Finnmark Sjø AS. These four entities are all domiciled in Norway. See Note 12 for more information concerning the internal reorganization of the Rogaland and Finnmark farming regions in 2022.

The remaining subsidiaries are domiciled in Norway and owned by Grieg Seafood ASA.

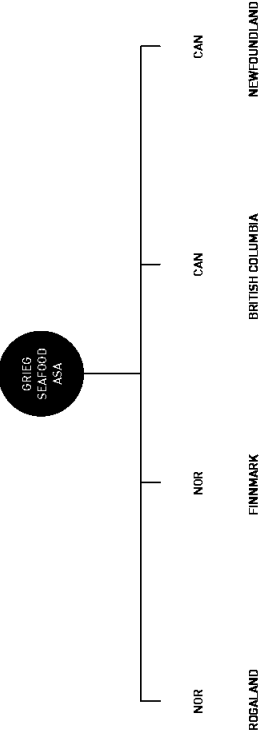
Grieg Seafood Canada AS (100%) and Grieg Seafood Newfoundland AS (99%) are holding companies within the Group, and wholly own the production companies Grieg Seafood BC Ltd. (incl. subsidiaries) and Grieg Seafood Newfoundland Ltd (incl. subsidiaries), respectively.

Grieg Seafood Rogaland AS has investments in three associated companies: Tytlandsvik Aqua AS (33%), Ardal Aqua (44%) and Nextseafood AS (50%), while Grieg Seafood Finnmark has an investment (50%) in Nordtorsk Smolt AS.

GROUP LEGAL STRUCTURE



SEGMENT STRUCTURE



NOTE 2 ACCOUNTING POLICIES

The material accounting policies applied by Grieg Seafood when preparing the consolidated financial statement are set out below and in the following note disclosures. These note disclosures of the consolidated financial statement have been structured such that the material accounting policies relevant for the various note disclosures have been presented together, and not separated by a dedicated accounting policy note. For those material note disclosures then encompass accounting policies not specific for a financial statement line item or otherwise topic of disclosure, the relevant material accounting policies have been set forth in this Note 2.

STATEMENT OF COMPLIANCE

The consolidated financial statements as per 31 December 2023 for the period 1 January to 31 December have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU and with IFRSs as issued by the International Accounting Standards Board (IASB), interpretations issued by IASB and the additional requirements of the Norwegian Accounting Act, effective on 31 December 2023.

BASIS OF PREPARATION

The consolidated financial statements have been prepared under the historical cost convention, modified for biological assets, equity instruments and financial assets/liabilities (including derivative instrument) at fair value through profit or loss.

The preparation of financial statements in accordance with IFRS requires the use of estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Estimates and underlying assumptions are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be probable under the present circumstances. The final outcomes may deviate from these estimates. Changes in accounting estimates are recognized in the period in which the estimates are changed.

The main areas where Grieg Seafood has made significant judgements when applying the accounting policies and that have the most material effect on the amounts as recognized in the consolidated financial statements are listed below, with reference to the relevant note disclosure.

ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

	NOTE
Norwegian resource rent tax scheme assumptions made concerning the basis for taxation)	12
Classification of fish-farming licenses (indefinite or definite economic life)	13
Impairment test of non-financial non-current assets	15
Fair value measurement of biological assets	19

PART 03 - OUR FINANCIAL RESULTS

NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS - NOT YET ADOPTED

At the end of 2023, there are some amendments to, and interpretations of, existing IFRS standards that are not yet effective. The Group has not early adopted any amendments or interpretations of such standards. The Group's intention is to adopt the relevant new and amended standards and interpretations when they become effective, subject to EU approval before the consolidated financial statements are issued. There are no amendments, or interpretations, of standards not yet adopted that are expected to have a material impact on the consolidated financial statements of Grieg Seafood.

CONSOLIDATION PRINCIPLES

The consolidated financial statements include all entities controlled by Grieg Seafood ASA.

Subsidiaries are all entities over which the Group exercises control. Control over an entity arises when the Group is exposed to variability in the return from the entity and has the ability to impact this return by virtue of its influence over the entity. Subsidiaries are consolidated from the day control arises and deconsolidated when control ceases.

The acquisition method of accounting is applied for acquisitions. There are no non-controlling interests recognized in the Group's equity. All the subsidiaries of Grieg Seafood ASA, except for Grieg Seafood Newfoundland AS, are wholly owned, see Note 1 in general and Note 25 for Grieg Seafood Newfoundland AS in specific.

FOREIGN CURRENCY TRANSLATION
INDIVIDUAL ENTITIES OF GRIEG SEAFOOD

The financial statements of each of the Group's entities are generally measured using the currency of the economic area in which the entity operates ("the functional currency").

In preparing the financial statements of the individual entities in the Grieg Seafood Group, transactions in currencies other than the functional currency are translated at the foreign currency exchange rate at the transaction date.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency at the foreign currency exchange rate at the balance sheet date. Foreign currency translation differences are recognized in the consolidated income statement as foreign currency exchange gains or losses within the subtotal financial statement line item of "Net financial items". However, there are two exceptions. Firstly, foreign currency translation differences arising from sales revenue to external customers of the Group, which is included on the financial statement line item of "other gains and losses", included in the subtotal of EBIT (Earnings before interest and taxes) in the consolidated income statement. Secondly, foreign currency translation differences arising from the translation of estimate-based provisions are generally recognized as part of

the change in the underlying estimate and include within the relevant financial statement line item relevant for the item that is estimated.

Non-monetary assets measured at historical cost in a foreign currency are translated using the currency exchange rate at the date of the transaction.

CONSOLIDATED FINANCIAL STATEMENT

The consolidated financial statements are presented in Norwegian Kroner (NOK), which is the parent company's functional currency and the Group's presentation currency.

When preparing the consolidated financial statements, the income statements and statements of financial positions of the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- The statement of financial position is translated using the closing rate at the end of the period.
- Income and expense items are translated at average exchange rates for the period (if the average is not a reasonable estimate of the cumulative effects of using the transaction rate, the transaction rate is used)
- Translation differences are recognized in other comprehensive income and specified separately.

Grieg Seafood ASA has provided loans to subsidiaries of the Group with other functional currencies than the parent company, and for which settlement of the loan neither is planned nor likely to occur in the foreseeable future. In addition, certain parent companies of sub-consolidation levels of the Group has provided similar loans to subsidiaries of its sub-group. Foreign currency exchange differences arising on such loans are recognized in the consolidated statement of other comprehensive income in the consolidated financial statements of the Group.

CASH FLOW STATEMENT

The Group's cash flow statement shows the overall cash flow specified by operating, investing and financing activities using the indirect method. The cash flow statement illustrates the effect of the various activities on cash and cash equivalents. Operating activities are presented using the indirect method, where EBIT (Earnings before interest and taxes) is adjusted for changes in biological assets at cost, other inventories, operating receivables and liabilities, the effect of non-cash items such as depreciation, amortization and fair value adjustment of biological assets, profit and loss from investment in associates and joint ventures, and taxes paid. Increase/decrease in derivative financial instruments are included as part of the operational activities.

See Note 27 for opening to closing balance reconciliation of the Group's gross interest-bearing liabilities, specified by cash and non-cash items.

NOTE 3 NATURE AND CLIMATE-RELATED RISKS

IMPACT ON FINANCIAL REPORTING AND ESTIMATES AS AT 31 DECEMBER 2023

As at 31 December 2023, there has been no material impact identified on financial reporting judgments and estimates. The Group recognizes the ever-changing risks related to climate change and will regularly assess these risks against judgments and estimates made in the preparation of the Group's financial statements.

As at 31 December 2023, the Group's action plan for reducing carbon emissions (see below) has not had any material impact on our accounting estimates for the useful life of property, plant and equipment, or materially impacted the Group's impairment test calculations. This is due to the gradual replacement of equipment which generally has a useful life shorter than the timeframes for the Group's climate action targets. Furthermore, our budget (basis for the impairment test) has factored in the quantifiable nature- and climate related risks.

CLIMATE-RELATED RISK

The effects of climate change, such as extreme weather events, fluctuating temperatures in seawater and a decline in biodiversity, could have a significant financial impact in the decades ahead. Knowledge of the possible financial consequences of global warming, biodiversity loss, or even ecosystem collapse, and the integration of climate risk and nature risk as a separate risk category, are an essential part of Grieg Seafood's risk management strategy. Grieg Seafood aim to increase its understanding of climate and nature-related risks, in order to find solutions to reduce adverse impacts.

Grieg Seafood has mapped its climate-related risks, which the Group reports in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Grieg Seafood has also prepared a climate-related scenario analysis, assessing the impact of transitional risks and physical risks. These risks and opportunities are included in the Group's risk assessment as part of Grieg Seafood's regular forecast process. The results from the TCFD scenario analysis are summarized below.

Overall, Grieg Seafood expects the impacts of climate-related risks to be moderate in the short term, with no quantifiable impact as per year-end 2023, but these impacts could become more severe in the medium to long term. Any significant physical change is likely to interfere with the Group's current business model or damage the Group's facility infrastructure, both of which could be costly. Similarly, the transitional risks related to increased climate-change regulation or significant changes in consumer preferences could affect the Group's bottom line and access to capital. On the other hand, the Group sees Grieg Seafood as being uniquely placed to mitigate these risks and take advantage of climate-related opportunities.

PART 03 - OUR FINANCIAL RESULTS

CLIMATE-RELATED SCENARIO ANALYSIS

The scenario analysis helps Grieg Seafood to understand the potential impact of climate change on the Group's core business in the future, and is used to stress-test the Group's strategic and financial planning. Grieg Seafood has performed a thorough assessment of the impact on the Group's salmon production of 2C and 4C of global warming. Grieg Seafood aims to meet the Paris Agreement criteria to keep global warming below 2C, compared to pre-industrial levels. The Group is currently increasing its production volume, and the assessments for 2030 and 2050 are based on our business strategy and the targeted production volumes.

2C of global warming

In this scenario, Grieg Seafood assumes that the Paris Agreement targets will be met. The Group assumes production of target volumes until 2030. How the Group's production will change towards 2050 is difficult to predict, but many initiatives and forecasts look towards the ocean and aquaculture to provide more food for the future. With 2C of global warming, Grieg Seafood's business is well positioned to seize opportunities for sustainable growth.

Main impacts from the scenario:

- Higher risk from transitional risks
- Carbon taxing
- Initiatives to reduce deforestation increase cost of raw feed materials
- Increased cost of procured aquaculture equipment
- Policies and legislation that restrict production

4C of global warming

In this scenario, Grieg Seafood sees the need to differentiate our products to prove their value with respect to sustainability. This comes with an increased cost and risk of lower earnings potential. Meeting the Group's Paris Agreement targets may adversely impact Grieg Seafood's margins compared to our competitors, and the Group must base its business viability on specific customer groups.

Main impacts from the scenario:

- Temperature increases and daily temperature variations may increase events that are stressful for the salmon
- More frequent extreme weather events increase the personnel risk (HSE) associated with operating exposed sites
- More droughts and floods reduce the production of land-based feed ingredients, which increases feed cost

MANAGING PHYSICAL RISKS AND OPPORTUNITIES

Assessing the impact of increased seawater temperature

The analysis shows that Grieg Seafood expects increased risks and costs related to global warming. 4C is a vastly greater threat than 2C. However, the risks associated with global warming indicate a shift towards the necessity of alternating sites, increasing post-smolt production on land and investing in heavy equipment at those sites which are exposed to harsh weather. This is in line with the Group's current strategy, where large concrete production vessels, and overlay protected work boats have been introduced to our fleet recent years. Together with increased personnel training, education and specialization, investment in communication equipment and our focus on improving our smolt facilities, we believe that Grieg Seafood is prepared to meet the challenges it will face in the future. The issue of sea lice and their implications for the Group's future production is associated with high levels of uncertainty and varies between regions. The future effects of increased seawater temperature on sea lice levels in the Group's regions cannot be predicted without performing a comprehensive analysis. This is a topic Grieg Seafood will further pursue in the future.

Reducing carbon emission

Last year, in 2022, Grieg Seafood developed a Climate Action Plan, which describes the measures and investments needed to reach the Group's climate targets (reducing our carbon emissions by 25% towards 2030, and 100% in 2050, with 2018 as a baseline year). This plan stresses the importance of both operational measures, which affect Scope 1 and 2, and supply chain measures in Scope 3. Grieg Seafood needs to reduce its operations' fossil fuel consumption, purchase renewable electricity and set supplier requirements to be able to reduce its absolute emissions. The Group needs to invest in the electrification of sites and boats, choose fish feed that has a lower emission factor and reduce emissions from transportation. Fish feed is our largest single source of GHG emissions (Scope 3). We are committed to continually challenging our fish feed suppliers on the carbon emission from their production of the fish feed. The Group's largest direct source of emissions is from the fuel that powers our boats, including well-boats, vehicles, and on-site electricity generators.

As the Climate Action Plan is staged in 2030 and 2050 targets, the Group's current efforts are focused on actionable measures to meet the 2030 target. Actionable measures to meet the 2050 target will be set when we are closer to the calendar year of 2030.

We are working closely with the salmon feed suppliers and focus on sustainable feed ingredients. In addition, the Group expects that new technology and transport of more processed products will enable us to reduce our carbon emissions from freight transport.

The transitioning to equipment that enables the Group to reduce its fossil fuel consumption, in order to meet the our 2030 Climate Action Plan target, is an important part of reaching our carbon reduction target. The transitioning of operating equipment will be carried out gradually through replacement investments. Before making any investments, the Group evaluates their potential carbon emissions and environmental impact. This is an integrated part of Grieg Seafood's CapEx process.

NOTE 4 FINANCIAL RISK MANAGEMENT

CAPITAL MANAGEMENT

The Group aims to ensure sufficient access to capital to enable the business to develop in accordance with adopted strategies, and thus continue to be one of the leading players in the salmon farming industry. Historically, the industry has always been vulnerable to price fluctuations in the market. For this reason, accounting results may fluctuate considerably from year to year. Consequently, the Group strives to ensure that the business maintains an appropriate level of liquidity.

The Group's funding is primarily syndicated debt with banks in addition to a green bond loan. The level of liabilities and alternative forms of funding are subject to constant evaluation. As at 31 December 2023, the Group had a good financial foundation, with cash and cash equivalents of NOK 216 million and unutilized facilities of NOK 887 million. See Note 27 for more information.

Grøt Seafood aims to provide shareholders with a competitive return on invested capital through payment of dividends and share price increases. The Board of Directors maintains that, as an average over time, dividends should correspond to 30-40% of the Group's profit after tax, adjusted for the effect of the fair value of biological assets (limited to 50% by Green Bond agreement). At the same time, the Group's net interest-bearing debt per kg harvested salmon should remain below NOK 40, but can be exceeded in periods of growth investments.

FINANCIAL RISK FACTORS

The Group is exposed to a number of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the volatility of the financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses short-term financial derivatives to reduce certain risks. Such contracts are recognized at fair value through profit or loss and presented as financial income/financial expenses. As at 31 December 2023 (31 December 2022), the Group does not apply hedge accounting. The Group identifies, evaluates and hedges financial risks in close cooperation with the Group's operational units. The Board has established written principles for the management of foreign exchange risk, interest rate risk and use of the Group's financial instruments.

II) MARKET RISKS

(I) FOREIGN EXCHANGE RISK

The Group operates internationally and is exposed to foreign exchange risk relating to various currencies, primarily CAD, EUR, USD and GBP. Foreign exchange risk arises from future commercial transactions, recognized assets, and liabilities and net investments in foreign operations. The Group enters into foreign currency forward contracts to manage this risk.

TRADE RECEIVABLES AND TRADE PAYABLES CURRENCY IN NOK 1 000									
2023	NOK	CAD	EUR	USD	GBP	OTHER	TOTAL		
Trade receivables	77 744	79 815	15 276	154 221	—	104	327 140		
Trade payables	544 185	195 287	16 403	3 390	751	535	750 753		

2022	214 681	1 911	23 901	17 207	1 517	-81	259 137		
Trade receivables	555 910	143 587	12 590	1 044	174	3 193	717 098		
Trade payables									

NET INTEREST-BEARING LIABILITIES CURRENCY IN NOK 1 000									
2023	NOK	CAD	EUR	USD	GBP	OTHER	TOTAL		
Cash and cash equivalents	30 452	138 121	144	47 601	—	—	216 918		
Loans to associated companies	32 529	—	—	—	—	—	32 529		
Gross interest-bearing liabilities*	3 749 524	798 184	650 265	-52 476	-16 068	-1 698	5 127 730		
Net interest-bearing liabilities	3 686 542	640 062	650 122	-100 077	-16 068	-1 698	4 878 084		

2022	284 965	134 040	87 485	88 647	41 877	5 705	642 719		
Cash and cash equivalents	1 012 848	—	—	—	—	—	1 012 848		
Money market funds	8 300	—	—	—	—	—	8 300		
Loans to associated companies	2 678 379	452 331	755 679	—	—	—	3 886 390		
Gross interest-bearing liabilities*	1 372 266	318 992	648 194	-88 647	-41 877	-5 705	2 222 529		
Net interest-bearing liabilities									

* See Note 27 for more information on the Group's interest-bearing liabilities.

The Group has investments in foreign subsidiaries whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through intercompany borrowings denominated in the relevant foreign currencies.

The term-loan facility of the syndicated bank loan is split into NOK and EUR. Since a substantial portion of the Group's sales revenues are denominated in EUR, the EUR loan acts as a natural, economical hedge on foreign currency translation rate fluctuations.

SENSITIVITY ANALYSIS

The sensitivity of a depreciation (appreciation) of 5% change in NOK foreign exchange rates versus CAD, EUR, USD and GBP at the balance sheet date (all other factors remaining unchanged) would be expected to have the following effects on the Group's profit after tax, other comprehensive income and total comprehensive income / equity effect. The OCI item reflect agio on intercompany long-term loans and the effect of translating the foreign subsidiary financials to the Group's presentation currency, while the profit after tax-item include trade receivables and trade payables (incl. intercompany items), term-loan, lease liabilities, cash and cash equivalents and foreign currency derivative contracts.

SENSITIVITY NOK 1 000													
					CAD	EUR	USD	GBP	TOTAL				
31.12.2023													
Profit after tax	-14	8 487	-32 533	632	-570	-25 249							
Other comprehensive income	-14	25 640	—	—	—	25 640							
Total comprehensive income / effect on equity	-14	34 147	-32 533	-632	-570	411							
31.12.2022													
Profit after tax	-14	21 478	-25 703	1 270	—	-2 955							
Other comprehensive income	-14	24 335	—	—	—	24 335							
Total comprehensive income / effect on equity	-14	45 813	-25 703	1 270	—	21 380							

FORWARD CURRENCY CONTRACTS AT FAIR VALUE THROUGH PROFIT AND LOSS

SOLD	AMOUNT CURRENCY IN 1 000	BOUGHT	AMOUNT CURRENCY IN 1 000	31.12.2023	
				WEIGHTED HEDGING RATE	MARKET VALUE NOK 1 000
USD	2 372	NOK	26 259	11,0702	2 243
GBP	1 073	NOK	14 680	13,6809	843
EUR	8 528	NOK	100 580	11,7940	4 525
USD	22 147	CAD	29 852	1,3479	4 241
Total					11 852

*Maturity specified as an interval for multiple contracts

SOLD	AMOUNT CURRENCY IN 1 000	BOUGHT	AMOUNT CURRENCY IN 1 000	31.12.2022	
				WEIGHTED HEDGING RATE	MARKET VALUE NOK 1 000
EUR	2 600	NOK	27 376	10,5291	29
USD	3 518	NOK	37 091	10,5433	2 721
USD	415	CAD	561	1,3515	-9
Total					2 741

*Maturity specified as an interval for multiple contracts

III) INTEREST RATE RISK

Since the Group has no significant interest-bearing assets apart from bank deposits, its income and operating cash flows are largely independent of changes in market interest rates. The Group's interest rate risk arises from borrowings. Borrowings at variable rates expose the Group to cash flow interest rate risk. Fixed-interest contracts are used to reduce this risk. The Group continuously monitors its interest rate exposure. The Group calculates the impact on profit or loss of a defined interest rate change. The same change in the interest rate is used for all currencies in each simulation. The scenarios are only run for liabilities that represent major interest-bearing positions.

Sensitivity calculations show the following expected values: if the interest rate had been 100 basis points lower (higher) throughout the year, all other factors remaining unchanged, the pre-tax profit would have increased (decreased) by NOK 30.4 million in 2023 and NOK 28.3 million in 2022 due to the floating rate of interest on loans and deposits. The sensitivity analysis is calculated based on our term loans in NOK and EUR (including revolving credit facility and overdraft) and bond loan, irrespective of concluded interest rate swap agreements.

SENSITIVITY NOK 1 000		CHANGE IN BASIS POINTS		2023	2022
Effect on profit before income tax		-/+ 100		+/- 30.439	+/- 28.257

The sensitivity table is for our bank and bond loans. A reduction in interest rates will increase profit before tax.

INTEREST RATE SWAP AGREEMENTS

The purpose of the Group's risk management activities is to establish an overview of the financial risk that exists at any given time and to provide more time to adapt to relevant developments. To this end, the Group has chosen to employ interest rate swap agreements to establish greater stability for the Group's loan-related, variable-rate interest expenses. The Group has decided that at any given time, a certain percentage of its variable interest-bearing liabilities should be hedged using interest rate swap agreements. A given proportion will always be at a floating rate, while the remainder will be subject to potential hedging. This situation is constantly reviewed in light of the market situation.

INTEREST RATE SWAP	PRINCIPAL NOK 1 000	FIXED RATE (%)	BASIS OF FLOATING RATE	MARKET VALUE NOK 1 000	
				31.12.2023	31.12.2022
Fixed rate paid - floating rate received	NOK 200 million	1.61	Nibor 3 months	—	2 670
Fixed rate paid - floating rate received	NOK 200 million	1.35	Nibor 3 months	04.03.2024	5 018
Fixed rate paid - floating rate received	NOK 200 million	1.07	Nibor 3 months	05.07.2024	7 627
Fixed rate paid - floating rate received	NOK 200 million	0.71	Nibor 3 months	18.12.2024	9 943
Fixed rate paid - floating rate received	NOK 200 million	0.72	Nibor 3 months	18.12.2024	9 961
Fixed rate paid - floating rate received	NOK 200 million	3.16	Nibor 3 months	30.08.2027	1 875
Total				23 312	35 238

IBOR REFORM

The Group is exposed to the ongoing IBOR reform, as the Group has bank and bond loans, and engages in interest-rate swaps, which are exposed to the relevant IBOR rate. The bank loans, which are denominated in NOK and EUR, carry an interest rate which is based on the 3M IBOR plus a margin set per interest period based on a margin ratchet. The 3M IBOR and the margin are fixed per interest period. The bond loan's interest rate, which is denominated in NOK, is 3M NIBOR plus a margin of 3.4 percentage points. 3M NIBOR is fixed per interest rate period.

The Group monitors the IBOR reform and its potential impacts on the Group. As at 31 December 2023, the IBOR reform is not expected to significantly impact the Group. The information concerning our interest rate swaps disclosed above, explicitly states the swaps exposed to NIBOR.

IIII) PRICE RISK

Financial salmon price contracts allow the buyer and seller to agree prices and volumes for future delivery. The Group uses financial contracts to hedge the sales price for the volume harvested by our two Norwegian regions, Rogaland and Finnmark.

For the financial contracts entered into with Fish Pool, changes in unrealized gains and losses on the sale and purchase agreements are recognized net in the income statement as a fair value adjustment of biological assets, while the carrying value is reported as a derivative in the statement of financial position at the gross carrying amount of sales and contracts, respectively. As biological assets are recognized at fair value, the expected costs to meet contract terms will be included in the fair value adjustment. We target a contract share of 20-50% of our Norwegian volume. In 2023, financial fixed-price contracts accounted for 16% (22%) of the volume harvested in our Norwegian regions. As at 31 December 2023, the Group had financial salmon contracts totaling NOK -17 million (2022: NOK -64.9 million), of which all were sales contracts. The estimated contract share for the Norwegian harvest volume is 6% for the full-year 2024.

III) CREDIT RISK

Credit risk is managed at Group level. Credit risk arises from transactions involving derivatives and deposits in banks and financial institutions, transactions with customers, including trade receivables, and fixed contracts as well as loans to associates. The sales companies secure the bulk of the sales through credit insurance and bank guarantees. The Group has procedures to ensure that products are only sold to customers with satisfactory creditworthiness. The Group normally sells to new customers solely against presentation of a letter of credit or against advance payment. For customers who have a reliable track record with the Group, sales up to certain previously agreed levels are permitted without any security. The Group utilizes a factoring arrangement for sales transactions entered into by the Norwegian sales organization.

The book value of financial assets represents the maximum credit exposure. For further information about loss allowance, please refer to Note 20.

MAXIMUM CREDIT RISK EXPOSURE NOK 1 000		NOTE		2023	2022
Trade receivables		20		109 187	64 283
Cash and cash equivalents		23		216 318	642 719
Total				325 505	707 002

III LIQUIDITY RISK

The Group adopts a prudent approach to liquidity risk management, which includes maintaining sufficient cash and marketable securities, securing funding through sufficient credit facilities and maintaining the ability to close market positions when considered appropriate.

Management monitors the Group's liquidity reserve, which comprises a bond and loan facility (see Note 27), cash and cash equivalents (Note 23), and short-term money market investments (Note 22). Cash flow forecasts for all farming regions, sales and the whole Group are performed regularly, and simulation/stress testing of the liquidity risk is carried out. This is generally carried out at Group level in cooperation with the operating companies.

Management and the Board seek to maintain a high equity ratio (49% at 31 December 2023), to be well positioned to meet financial and operational challenges.

The following table is a specification of the Group's financial liabilities, classified by maturity structure.

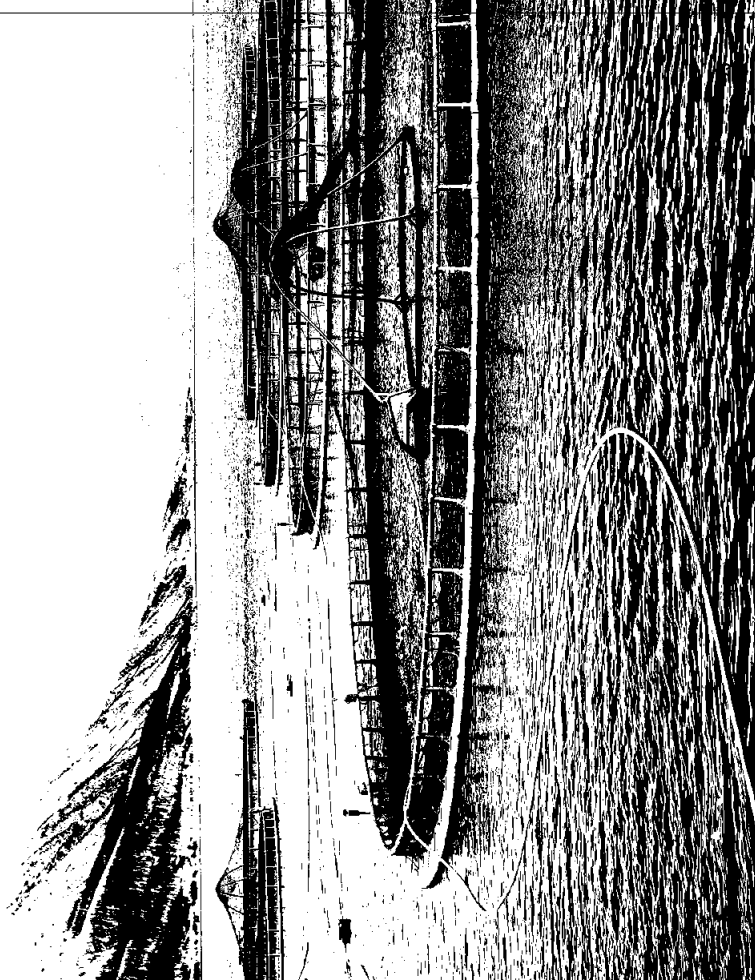
31.12.2023 NOK 1 000	< 3 M	3 M - 1 Y	Y2	Y3	Y4	Y5	> 5 YRS	TOTAL
Green bond loan instalment	—	—	1 392 500	—	—	—	—	1 392 500
Green bond loan interest*	28 057	86 693	57 375	—	—	—	—	172 125
Term-loan instalment	66 377	66 377	132 753	132 753	995 648	—	—	1 393 908
Term-loan interest*	19 834	65 111	67 318	59 838	14 025	—	—	225 926
Revolving credit and overdraft instalment	63 113	—	—	—	750 000	—	—	813 113
Revolving credit and overdraft interests*	12 120	37 306	49 425	49 425	12 120	—	—	140 396
Other non-current liabilities	5 577	11 176	13 490	15 772	15 391	15 262	67 094	143 761
Lease liabilities	89 784	274 425	300 234	274 530	233 619	151 077	312 041	1 635 709
Trade payables	760 753	—	—	—	—	—	—	760 753
Derivative financial instruments	8 741	-7 033	—	—	—	—	—	1 709
Other current liabilities	15 667	—	—	—	—	—	—	15 667
Total liabilities	1 069 823	534 655	2 013 094	532 318	2 020 803	166 339	379 134	6 715 567

M = Months, Y = Year, YRS = Years, * = floating

31.12.2022 NOK 1 000	< 3 M	3 M - 1 Y	Y2	Y3	Y4	Y5	> 5 YRS	TOTAL
Green bond loan instalment	—	—	—	1 423 500	—	—	—	1 423 500
Green bond loan interest*	23 070	72 094	95 951	47 713	—	—	—	238 829
Non-current term-loan instalment	64 106	64 106	128 211	128 211	961 584	—	—	1 474 429
Term-loan interest*	10 860	31 273	38 412	34 470	30 638	7 007	—	152 661
Other non-current liabilities	4 829	12 659	14 471	12 615	12 860	13 770	61 285	132 439
Lease liabilities	71 460	187 538	226 320	139 445	127 249	97 112	136 986	986 111
Trade payables	717 498	—	—	—	—	—	—	717 498
Derivative financial instruments	28 526	36 401	—	—	—	—	—	64 928
Other current liabilities	76 585	—	—	—	—	—	—	76 585
Total liabilities	996 935	404 021	503 366	1 785 955	299 959	1 079 474	198 271	5 266 981

M = Months, Y = Year, YRS = Years, * = floating

PART 03 - OUR FINANCIAL RESULTS



NOTE 5 SEGMENT INFORMATION

ACCOUNTING POLICIES

Operating segments are reported in a manner consistent with internal reporting to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the group management.

The operating segments are identified on the basis of the reports which Group management uses to assess performance and profitability at a strategic level. Group management assesses business activities from a geographical perspective, based on the location of assets. The Group has one production segment: Production of farmed salmon. Earnings from the sales companies in the Group are reported per producer. Geographically, management assesses the results of production in Rogaland - Norway, Finnmark - Norway, British Columbia - Canada, and Newfoundland - Canada. Group management evaluates the results from the segments based on Operational EBIT.

The method by which Operational EBIT is calculated excludes the effect of non-recurring costs, such as restructuring costs, legal costs on acquisition and impairment of goodwill and intangible assets, when impairment is attributable to an isolated event which is not expected to recur. Costs or gains which relate to prior years and not to the current operation of Grieg Seafood, are not included as Operational EBIT, as such costs are not considered meaningful for the comparability of the Group's results from one period to another. See Alternative Performance Measures.

RECONCILIATION OF OPERATIONAL EBIT WITH EBIT IN THE INCOME STATEMENT NOK 1 000		2023	2022
Sales revenues		7 019 632	7 163 956
Other income		38 697	31 490
Other gains/losses		-6 959	13 393
Share of profit from associates (operational)		-6 957	-1 463
Raw materials and consumables used		-2 747 944	-2 233 655
Salaries and personnel expenses		-725 653	-695 577
Other operating expenses		-2 236 165	-2 087 310
Operational EBITDA		1 334 631	2 190 834
Depreciation property, plant and equipment		-532 911	-634 641
Amortization licenses and other intangible assets		-21 792	-16 706
Operational EBIT		779 767	1 739 486
Share of profit from associates (non-operational)		—	22 558
Write-down of non-current assets (non-operational)		136	-140 074
Production fee		-34 987	-26 350
Fair value adjustment of biological assets		217 922	83 472
Litigation and legal claims		20 427	-157 065
Decommissioning costs		-2 515	-24 382
EBIT (Earnings before interest and taxes)		980 730	1 497 586

2023 SEGMENTS NOK 1 000	FARMING NORWAY				FARMING CANADA		ELIM/OTHER	GRIEG SEAFOOD GROUP
	ROGALAND	FINNMARK	BRITISH COLUMBIA	NEW- FOUNDLAND				
Sales revenues	2 305 214	1 946 646	1 468 303	235 715	1 063 750			7 019 632
Other income	93 550	28 335	7 884	2 186	-93 458			38 697
Other gains/losses	-1 710	-3 678	-2 771	—	1 200			-6 959
Share of profit from associates	2 386	-9 443	—	—	—			-6 957
Operating costs before depreciation and amortization	-1 560 157	-1 473 517	-1 428 871	-241 463	-1 005 754			-5 709 761
Depreciation and amortization	-102 834	-161 828	-138 444	-142 545	-9 051			-554 703
Operational EBIT	736 449	326 617	-93 899	-146 107	-43 312			779 767
Harvest volume (tonnes GWT)	25 980	25 170	17 682	3 184	—			72 015
Sales revenue/kg (NOK)	68.7	77.3	83.0	74.0	n/a			82.7
Farming cost/kg (NOK)	60.4	64.4	88.4	95.9	n/a			70.2
Other costs/kg (NOK) *	—	—	—	24.0	n/a			1.7
Operational EBIT/kg (NOK)	28.3	13.0	-5.3	-45.9	n/a			10.8
Total assets	3 062 846	4 503 373	2 541 031	4 180 619	-424 616			13 663 252
Total liabilities	931 648	2 171 857	1 316 420	4 151 619	-1 577 642			6 994 082

* Other costs incl. ownership and headquarters costs/kg (NOK)

2022 SEGMENTS NOK 1 000	FARMING NORWAY				FARMING CANADA		ELIM/OTHER	GRIEG SEAFOOD GROUP
	ROGALAND	FINNMARK	BRITISH COLUMBIA	NEW- FOUNDLAND				
Sales revenues	2 123 671	2 629 226	1 665 105	—	745 954			7 163 956
Other income	81 137	18 619	8 649	321	-77 237			31 490
Other gains/losses	-1 954	11 965	-4 475	—	7 858			13 393
Share of profit from associates	7 195	-8 658	—	—	—			-1 463
Operating costs before depreciation and amortization	-1 354 928	-1 579 017	-1 279 079	-40 576	-760 843			-5 016 543
Depreciation and amortization	-98 536	-145 997	-119 789	-74 474	-12 552			-451 347
Operational EBIT	754 585	926 139	270 411	-114 728	-96 920			1 739 486
Harvest volume (tonnes GWT)	28 387	36 024	20 266	—	—			84 677
Sales revenue/kg (NOK)	74.8	73.0	62.1	n/a	n/a			75.8
Farming cost/kg (NOK)	48.2	47.3	68.8	n/a	n/a			52.7
Other costs/kg (NOK) *	—	—	—	n/a	n/a			2.5
Operational EBIT/kg (NOK)	26.6	25.7	13.3	n/a	n/a			20.5
Total assets	2 920 718	3 422 148	1 913 438	3 116 131	1 502 930			12 875 965
Total liabilities	1 236 330	1 610 456	692 878	2 735 606	1 143 349			6 389 657

* Other costs incl. ownership and headquarters costs/kg (NOK)

Sales revenue on regional level comprises revenue from the sale of Atlantic salmon including gains/loss on contracts. Other income at regional level includes the sale of byproducts (such as entrails), as well as income from the sale of smolt, fry and roe. At the Group level, such income is reclassified to sales revenue in the "Elim/Other" column in the Group's segment information. On regional level, other income also includes rental income and income from overcapacity of operational assets. Gains/losses from the sale of fixed assets and other equipment, are included in the line "other income" in the segment information. Profit and loss from associated companies that are closely related to the Group's operations and included in the Group's value chain, for example when the relevant associates operate in the same location in the value chain as the Group, are included in the Group's operational EBIT. In addition to inter-company eliminations and the effect of share-based payments, the profit/loss from activities conducted by the parent company or other Group companies comprise, in addition to inter-company eliminations and the effect of share-based payments, the profit/loss from activities conducted by the parent company or other Group companies not geared to production. Earnings from the sales companies in the Group are reported per producer. The elim/other column thus include the effective sales or other Group companies gross figures related to sales revenue and operating expenses, as well as the impact the other non-farming entities has on the Group's consolidated figures.

Sales revenue/kg reported in the segment information is equal to the sum of sales revenue of the regions divided by the related harvest volume. Group sales revenue is calculated based on the farming operation of the Group, excluding sales revenue from Group companies not geared for production.



Farming cost/kg reported in the segment information comprise all cost directly related to production and harvest of salmon, divided by the related harvest volume. On regional level, farming costs equal the operational costs. Other income are included in the farming cost metric, considered as cost reduction activities. Group farming cost is calculated based on the farming operation of the Group, excluding ownership costs and costs from Group companies not geared for production.

Other costs incl. ownership and headquarter costs/kg reported in the segment information include all costs and revenue not directly related to production and harvest of salmon, hence the costs from activities conducted by the parent company and other Group companies not geared for production, divided by the Group's harvest volume. Operational EBIT/kg reported in this segment information is equal to the operational EBIT divided by the related harvest volume.

See Alternative Performance Measures for more information on the non-IFRS measures relating to sales revenue/kg, farming cost/kg, other costs incl. ownership and headquarters cost/kg and Operational EBIT/kg.

NOTE 6 SALES REVENUES

ACCOUNTING POLICIES

SALE OF ATLANTIC SALMON

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group's revenue derives primarily from the sale of whole and processed fish. Sales contracts cover both spot sales and fixed-price deliveries. Revenue from the sale of salmon is generally recognized upon delivery, as the Group considers delivery as the point in time when control of the goods/service is transferred to the customer. Each sales contract – either for a spot sale or a fixed delivery – is considered as one performance obligation. Each week, the sale of fish is settled with the customers. The fixed price delivery contracts that are entered into with customers, specify a per-week volume.

The sales price is determined upon contract settlement and is based on available market price (for example Nasdaq prices including transport and margin, with a price per kilogram). The price varies according to the quality and weight of the salmon. Payment is settled upon delivery, and the performance obligation related to the sale of fish is satisfied at delivery.

The normal credit term of the Group's sales transactions is 30 days. Based on the nature of the sale of fresh and frozen fish, the Group generally has no material contract liabilities. The Group does not generally engage in customer contracts where fulfillment of the performance obligation lies more than one year in the future. Therefore, the Group does not disclose further information on contract liabilities and related performance obligations.

Cash refunds are given to the customer if the sold product is delivered with discrepancies compared to the agreed sales contract, or if the product is damaged. Generally, refunds are not material.

Revenue is shown net of value added tax, returns, rebates and discounts and after eliminating intragroup sales.

OTHER REVENUE STREAMS

The Group's revenue stream also comprises some ensilage (byproduct from the harvesting of Atlantic salmon), in addition to sales of smolt, roe and third-party harvesting if the Group has overcapacity at its facilities. Together, these have historically made up a non-significant part of the total sales of Grieg Seafood.

SALES REVENUE IN TOTAL

Sales revenues are recognized at the point in time when control of the fish has been transferred to the customer. This will normally be upon delivery. In 2023, the sale of fresh whole Atlantic salmon totaled 93% (2022: 97%) of the Group's sales revenues (excluding other products), while fresh processed fish accounted for 4% (2022: 2%).

SALES REVENUES FROM CONTRACTS WITH CUSTOMERS, BY GEOGRAPHICAL MARKET NOK 1 000	NORWAY*		CANADA*		TOTAL	
	2023	2022	2023	2022	2023%	2022%
Continental Europe	3 690 607	4 152 843	—	—	3 690 607	59%
UK	384 716	247 295	—	—	384 716	5%
USA	316 139	181 659	1 228 930	1 323 551	1 545 069	22%
Canada	49 944	87 722	586 334	466 935	636 279	9%
Asia	702 446	584 914	36 494	67 028	739 340	11%
Other markets	23 421	52 008	—	—	23 421	0%
Total	5 167 674	5 306 441	1 851 957	1 857 515	7 019 632	100%
					7 163 956	100%

*Sum of revenue from contracts with customers generated by the farming and sales organization, net of intercompany eliminations. See Note 5. Grieg Seafood did not have any sales to Russia in 2023 or in 2022.

SALES REVENUES FROM CONTRACTS WITH CUSTOMERS, BY DISTRIBUTED PRODUCTS NOK 1 000	NORWAY*		CANADA*		TOTAL	
	2023	2022	2023	2022	2023	2022
Fresh whole fish	4 864 040	5 149 017	1 686 482	1 805 633	6 550 522	6 954 650
Fresh processed fish	136 072	57 142	144 134	51 588	300 206	108 729
Frozen processed fish	95 227	53 373	32	10	95 259	53 383
Other products and services	72 395	46 909	1 310	284	73 645	47 193
Total	5 167 674	5 306 441	1 851 957	1 857 515	7 019 632	7 163 956

*Sum of revenue from contracts with customers generated by the farming and sales organization, net of intercompany eliminations. See Note 5.

NOTE 7 SALARIES AND PERSONNEL EXPENSES

SALARIES AND PERSONNEL EXPENSES NOK 1 000		2023		2022	
Salaries		579 759		533 629	
Social security costs		41 388		38 635	
Synthetic stock options granted to directors and key employees, incl. social security costs (Note 8)		1 584		30 399	
Pension costs		34 188		29 069	
Other personnel costs		68 733		63 844	
Total		726 653		695 577	
Average full time equivalents (FTE)		759		718	

Pension obligations

The Group pays premiums to local, defined-contribution schemes for all employees. The Group's Norwegian pension schemes meet the requirements of the Norwegian Mandatory Occupational Pension Act. Pension premiums are recognized in the income statement through operations on an ongoing basis. Employer's social security contributions are expensed based on paid pension premiums. Grieg Seafood Rogaland AS and Grieg Seafood Finnmark AS have a contractual early retirement pension scheme (AFPP). AFPP is a multi-enterprise defined benefit pension scheme that is booked as an defined contribution scheme as the Group cannot identify the obligation per employee which is part of the scheme. The financial commitments is associated with the AFPP scheme are therefore included in the Group's pension expenses. The AFPP early retirement scheme follows the rules for private sector AFP, and both companies are members

of the Norwegian Confederation of Trade Unions (LO)/the Confederation of Norwegian Enterprise (NHO) scheme. The pension payment calculations are based on standard assumptions relating to the development of mortality and disability as well as other factors such as age, years of service and remuneration. Pension premiums are recognized in the income statement through operations as they arise.

Share savings program

Grieg Seafood established a share savings program for its employees in 2018, which has continued throughout 2023. Each year has its own set of terms and conditions concerning how much each employee can invest in the program that year. In addition, each year has its set of terms for the lock-up period. The participating employees buy shares on a discount. The discount is recognized as a cost in the income statement and included as an other personnel cost as presented in the table above. The total costs related to the discount was NOK 2.1 million, in line with NOK 2.1 million in costs for 2022. The purchase price and the number of shares acquired by the company will be reported in accordance with the applicable regulations.

At 31 December 2023, loan to employees related to the share savings program equals NOK 5.0 million (2022: NOK 4.9 million). The total shares sold to employees was 107 473 in 2023 (2022: % 150). See also Note 24.

Management remuneration

The guidelines for management remuneration are available on Grieg Seafood ASA's website.

The remuneration to the Group Management Team is disclosed below.

REMUNERATION PAID TO GROUP MANAGEMENT TEAM IN 2023 NOK 1 000	SALARY	BONUS	RETAINED BONUS, NOT YET PAID	OPTIONS EXERCISED DURING THE YEAR	OTHER REMUNERATION	TOTAL
Andreas Kuame (Chief Executive Officer)	4 003	—	—	—	454	4 457
Atle Harald Sandtorv (Chief Financial Officer)	2 885	—	—	—	136	3 020
Alexander Knudsen (Chief Operating Officer Farming Europe)	2 270	—	—	—	331	2 601
Grant Cumming (Chief Operating Officer Farming Canada)	2 347	—	—	—	252	2 600
Erik Holvik (Chief Commercial Officer)	2 435	—	—	—	139	2 573
Knut Uthheim (Chief Technology Officer)	2 259	—	—	—	147	2 406
Kathleen O. Mathisen (Chief Human Resource Officer)	1 833	—	—	—	152	1 985
Nina Stangeland (Chief Strategy Officer)	524	—	—	—	44	568
Kristina Furnes (Chief Communication Officer)	1 348	—	—	—	116	1 463
Total remuneration	19 903	—	—	—	1 770	21 673

Grant Cumming was appointed as Chief Operating Officer Farming Canada in Q1 2023, and Nina Stangeland appointed as Chief Strategy Officer in Q3 2023.

Recognized expenses arising from synthetic options not declared throughout the year are not included in the above statement. See Note 8.

REMUNERATION PAID TO BOARD MEMBERS IN 2023 NOK 1 000	TOTAL
Per Grieg ¹	542
Tore Holand ²	422
Marianne Ribe ³	342
Kathrine Trovik ³	394
Nicolas Håfeldt Grieg	314
Ragnhild Fresvik Iltøm 9 of June 2022)	314
Total remuneration including social security costs	2 298

¹ Payment for work performed on the Remuneration Committee of NOK 25 525 is included in the remuneration paid to Per Grieg and Marianne Ribe.

² Payment for work performed on the Audit Committee is included in the remuneration paid to Tore Holand and Kathrine Trovik, amounting to NOK 79 870.

The amounts include social security costs.

REMUNERATION PAID TO GROUP MANAGEMENT TEAM IN 2022 NOK 1 000	SALARY	BONUS	RETAINED BONUS, NOT YET PAID	OPTIONS EXERCISED DURING THE YEAR	OTHER REMUNERATION	TOTAL
Andreas Kuame (Chief Executive Officer)	3 444	1 007	—	4 540	2 954	12 144
Atle Harald Sandtorv (Chief Financial Officer)	2 349	612	—	3 202	120	6 282
Alexander Knudsen (Chief Operating Officer Farming Europe)	2 066	321	—	2 917	332	5 637
Roy Tore Rikardsen (Chief Operating Officer Farming Canada until 10 of June 2022)	1 802	-26	—	2 917	47	4 740
Erik Holvik (Chief Commercial Officer)	2 247	483	—	3 070	123	5 923
Knut Uthheim (Chief Technology Officer)	2 098	426	—	2 883	131	5 538
Kathleen O. Mathisen (Chief Human Resource Officer)	1 631	323	—	2 209	133	4 296
Kristina Furnes (Chief Communication Officer)	1 229	172	—	1 773	108	3 282
Total remuneration	17 047	3 318	—	23 509	3 948	47 842

¹ The CEO has in 2022 received a one-time payment in arrears for pension benefits.

Recognized expenses arising from synthetic options not declared throughout the year are not included in the above statement. See Note 8.

REMUNERATION PAID TO BOARD MEMBERS IN 2022 NOK 1 000	TOTAL
Per Grieg ¹	516
Tore Holand ²	401
Marianne Ribe ³	328
Kathrine Trovik ³	372
Nicolas Håfeldt Grieg	308
Ragnhild Fresvik Iltøm 9 of June 2022)	183
Total remuneration including social security costs	2 107

¹ Payment for work performed on the Remuneration Committee of NOK 25 673 is included in the remuneration paid to Per Grieg and Marianne Ribe.

² Payment for work performed on the Audit Committee is included in the remuneration paid to Tore Holand and Kathrine Trovik, amounting to NOK 68 440.

The amounts include social security costs.

NOTE 8 SHARE-BASED PAYMENTS

ACCOUNTING POLICIES

The Group operates a share-based remuneration scheme with settlement in cash for the management team of the Group. The options' strike price is the stock market price on the date of issue, rising by 0.5% per month until the exercise date. The most recent allocation was in 2023, totalling 2 680 000 options. The final exercise date is 31 May 2026. The options have a term of two years, where 50% is vested each year. Employees taken on after the initial allocation of options are allocated options on taking up employment.

The value of the synthetic stock options settles in cash is recognized as a salary and personnel cost in income statement (see Note 7) and as a liability in the statement of financial position (see Note 31) as well as the table in this note that specify the amounts in the balance sheet.

The cost of the executive management synthetic option scheme is expensed over the average vesting period. The liability is measured at fair value at each balance sheet date until settlement, and changes in the fair value are recognized in profit and loss. Social security tax on options is recorded as a liability and is recognized over the estimated vesting period.



The Black and Scholes option pricing model is used for valuation. A brokerage firm is used to perform the calculations and the measurement is according to level 3 of the fair value hierarchy. The table below shows the movement in outstanding options in 2023 and 2022.

OVERVIEW 2023	OUTSTANDING OPTIONS AT 31.12.2023	GRANTED OPTIONS	EXERCISED OPTIONS	EXPIRED/ CANCELLED OPTIONS	OUTSTANDING CASH-SETTLED OPTIONS AT 31.12.2023
TOTAL CASH-SETTLED OPTIONS	229 764	380 000	—	59 764	550 000
Andreas Kvam (Chief Executive Officer)	80 799	250 000	—	—	330 799
Atle Harald Sandtorv (Chief Financial Officer)	88 302	100 000	—	3 302	185 000
Knut Ulheim (Chief Technology Officer)	49 011	100 000	—	—	149 011
Kathleen O. Mathisen (Chief Human Resource Officer)	39 262	100 000	—	—	139 262
Kristina Funes (Chief Communication Officer)	86 832	170 000	—	1 832	255 000
Grant Cumming (Chief Operating Officer Farming Norway)	—	170 000	—	—	170 000
Erik Holvik (Chief Commercial Officer)	65 788	170 000	—	—	235 788
Nina Slungeland (Chief Strategy Officer)	—	100 000	—	—	100 000
Others	135 240	1 140 000	—	—	1 275 257
Total	775 016	2 680 000	—	64 898	3 390 118

OVERVIEW 2022	OUTSTANDING OPTIONS AT 31.12.2021	GRANTED OPTIONS	EXERCISED OPTIONS	EXPIRED/ CANCELLED OPTIONS	OUTSTANDING CASH-SETTLED OPTIONS AT 31.12.2022
TOTAL CASH-SETTLED OPTIONS	540 000	—	310 236	—	229 764
Andreas Kvam (Chief Executive Officer)	270 000	—	189 201	—	80 799
Atle Harald Sandtorv (Chief Financial Officer)	270 000	—	181 698	—	88 302
Knut Ulheim (Chief Technology Officer)	200 000	—	150 989	—	49 011
Kristina Funes (Chief Communication Officer)	100 000	—	60 738	—	39 262
Alexander Knudsen (Chief Operating Officer Farming Norway)	270 000	—	183 168	—	86 832
Roy Tore Rikardsen (Chief Operating Officer Farming Canada)	270 000	—	183 168	86 832	—
Erik Holvik (Chief Commercial Officer)	170 000	—	104 212	—	65 788
Others	600 000	—	416 863	47 877	135 240
Total	2 690 000	—	1 780 273	134 709	775 016

ALLOCATION YEAR - MONTH	EXPIRY DATE - YEAR - MONTH	STRIKE PRICE NOK PER SHARE AT 31.12.2023	STRIKE PRICE NOK PER SHARE AT 31.12.2022	OUTSTANDING OPTIONS TOTAL	OUTSTANDING OPTIONS VESTED
2020 - 12	2023 - 05	—	83.82	—	64 898
2020 - 12	2024 - 05	94.03	94.03	710 118	710 118
2023 - 12	2026 - 05	na	na	1 340 000	—
2023 - 12	2027 - 05	na	na	1 340 000	—
Total				3 390 118	775 016

Cash-based options available for settlement	2023
Weighted average exercise price on outstanding options (NOK per option)	3 390 118
	775 016
	76.56

PART 03 - OUR FINANCIAL RESULTS

2023		AMOUNTS IN NOK 1 000							
		LISTED PRICE ON ALLOCATION	CALCULATED VALUE PER OPTION ON ALLOCATION	TOTAL VALUE ON OPTIONS AT 01.01.2023	TOTAL VALUE	CHANGE IN PROVISION CB-08*	EXERCISED OPTION IN EQUITY AT 31.12.2023	ACC. COST RECOGNIZED IN EQUITY AT 31.12.2023	RECOGNIZED LIABILITY CASH SETTLEMENT AT 31.12.2023
Former employees with expired options**		—	—	—	—	—	—	6 887	—
	Andreas Kvam (Chief Executive Officer)	78.96	4.35	1 480	1 652	-1 488	—	—	163
	Atle Harald Sandtorv (Chief Financial Officer)	78.96	6.34	1 078	669	-589	—	—	81
	Knut Ulheim (Chief Technology Officer)	78.96	5.82	989	663	-579	—	—	84
	Kathleen O. Mathisen (Chief Human Resource Officer)	78.96	7.20	720	442	-392	—	—	50
	Kristina Funes (Chief Communication Officer)	78.96	6.04	604	354	-316	—	—	39
	Alexander Knudsen (Chief Operating Officer Farming Norway)	78.96	5.87	999	654	-570	—	—	84
	Erik Holvik (Chief Commercial Officer)	78.96	6.13	1 042	606	-542	—	—	65
	Other options allocated in 2020	78.96	7.04	3 519	1 469	-1 334	—	—	135
	Andreas Kvam (Chief Executive Officer)	75.93	4.29	1 632	—	803	—	—	803
	Atle Harald Sandtorv (Chief Financial Officer)	75.93	4.22	1 055	—	519	—	—	519
	Knut Ulheim (Chief Technology Officer)	75.93	7.97	797	—	390	—	—	390
	Kathleen O. Mathisen (Chief Human Resource Officer)	75.93	6.53	653	—	320	—	—	320
	Kristina Funes (Chief Communication Officer)	75.93	5.26	526	—	258	—	—	258
	Alexander Knudsen (COO Farming Norway)	75.93	5.43	923	—	453	—	—	453
	Alexander Knudsen (Chief Operating Officer Farming Norway)	75.93	5.95	1 011	—	497	—	—	497
	Erik Holvik (Chief Commercial Officer)	75.93	5.30	901	—	443	—	—	443
	Nina Stangeland (Chief Strategy Officer)	75.93	6.24	624	—	306	—	—	306
	Other options allocated in 2023	75.93	5.28	5 227	—	2 877	—	—	2 877
	Total			23 777	6 510	1 056	—	6 887	7 566

* Amounts exclude social security costs.
** The station category for the line item "Former employees with expired contracts" is equity options. All the other options in this table are options with settlement in cash.



2022	Listed price on allocation	Calculated value per option on allocation	Calculated total value on allocation *	Total value of all options at 01.01.2022	Amounts in NOK 1 000			Recognized liability cash settlement at 31.12.2022
					Change in provision CB-08*	Exercised option 2022	Acc. cost recognized in equity at 31.12.2022	
Former employees with expired options**								
Andreas Kvame (Chief Executive Officer)	78.9%	4.35	1 480	1 408	244	2 541	—	1 452
Atle Harald Sandtorv (Chief Financial Officer)	78.9%	6.34	1 078	909	-240	2 202	—	669
Knut Ulheim (Chief Technology Officer)	78.9%	5.82	989	840	-177	1 883	—	663
Kathleen O. Mathisen (Chief Human Resource Officer)	78.9%	7.20	720	600	-158	1 210	—	442
Kristina Funes (Chief Communication Officer)	78.9%	6.04	604	511	-157	1 773	—	354
Alexander Knudsen (COO Farming Norway)	78.9%	5.87	999	847	-193	1 917	—	654
Roy Tore Rikardsen (COO Farming Canada)	78.9%	5.87	999	847	-847	1 917	—	—
Erik Holvik (Chief Commercial Officer)	78.9%	6.13	1 042	881	-274	3 070	—	606
Andreas Kvame (Chief Executive Officer)	83.00	2.26	906	7	-7	1 999	—	—
Atle Harald Sandtorv (Chief Financial Officer)	83.00	2.79	557	4	-4	999	—	—
Knut Ulheim (Chief Technology Officer)	83.00	2.79	557	4	-4	999	—	—
Kathleen O. Mathisen (Chief Human Resource Officer)	83.00	2.38	475	4	-4	999	—	—
Other options allocated in 2020	78.9%	7.04	3 519	2 921	-1 451	9 628	—	1 469
Other options allocated in 2017	83.00	2.35	1 880	11	-11	2 998	—	—
Total			15 802	9 792	-3 283	34 135	6 887	6 510

* Amounts exclude social security costs.

** The option category for the line item "Former employees with expired contracts" is equity options. All the other options in this table are options with settlement in cash.

RECOGNIZED LIABILITY, COSTS AND KEY ESTIMATES USED FOR THE FAIR VALUE CALCULATION OF OPTIONS

As at 31 December 2023, fair value of outstanding options with the right to cash settlement were NOK 8 million (NOK 7 million). In addition, social security costs is included in the recognized liability in the statement of financial position, which totaled NOK 1.4 million (NOK 0.9 million) bringing the total recognized liability to NOK 9.0 million (NOK 7.4 million). See the table below for specification of the liability as per the balance sheet date.

RECOGNIZED LIABILITY IN THE STATEMENT OF FINANCIAL POSITION NOK 1 000	FAIR VALUE OF SYNTHETIC OPTIONS		SOCIAL SECURITY COSTS		TOTAL RECOGNIZED LIABILITY	
	2023	2022	2023	2022	2023	2022
Non-current liabilities	6 867	5 921	1 312	835	8 178	6 756
Current liabilities	700	589	134	83	833	672
Total	7 566	6 510	1 445	918	9 012	7 428

COSTS RELATED TO CASH OPTIONS NOK 1 000				CLASSIFICATION IN FINANCIAL STATEMENTS			
2022	2023	2022	2023	2022	2023	2022	2023
Change in provisions	1 056	—	34 137	Salaries and personnel expense / cash			
Exercised options during the year	—	—	30 855	Salaries and personnel expense / cash			
Total costs excl. social security costs	1 056	—	30 855	Salaries and personnel expense / cash			
Social security costs	527	-456	30 399	Public taxes payable			
Total costs incl. social security costs	1 584	—	30 399	Salaries and personnel expense			

The total cost incl. social security costs totaled NOK 1.6 million (NOK 30.4 million). These costs are recognized in the income statement as an other personnel cost (see Note 7). Social security contributions are provided for on an ongoing basis based on the fair value of the options.

ESTIMATES USED TO CALCULATE ALLOCATION OF OPTIONS				2023		2022	
2022	2023	2022	2023	2022	2023	2022	2023
Anticipated volatility (%)	58.29%	45.63%	58.29%	58.29%	45.63%	58.29%	45.63%
Risk-free rate of interest (%)	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Estimated qualification period (years)	2.33	2.33	2.33	2.33	2.33	2.33	2.33

The estimated qualification period for the options is based on historical data and does not necessarily represent future developments. In order to estimate volatility, management has applied historical volatility for comparable listed companies.

NOTE 9 OTHER OPERATING EXPENSES

OTHER OPERATING EXPENSES NOK 1 000				2023		2022	
2022	2023	2022	2023	2022	2023	2022	2023
Transportation costs	433 469	433 469	433 469	433 469	433 469	433 469	433 469
Maintenance costs	346 941	346 941	346 941	346 941	346 941	346 941	346 941
Electricity and fuel	179 076	179 076	179 076	179 076	179 076	179 076	179 076
Lease expenses ¹	28 563	28 563	28 563	28 563	28 563	28 563	28 563
Outsourced services and audit fees	99 980	99 980	99 980	99 980	99 980	99 980	99 980
Insurance	115 583	115 583	115 583	115 583	115 583	115 583	115 583
IT expenses	84 225	84 225	84 225	84 225	84 225	84 225	84 225
Marketing costs	14 327	14 327	14 327	14 327	14 327	14 327	14 327
Other operating expenses ²	162 689	162 689	162 689	162 689	162 689	162 689	162 689
Other production-related costs ³	772 312	772 312	772 312	772 312	772 312	772 312	772 312
Total other operating expenses	2 236 165	2 236 165	2 236 165	2 236 165	2 236 165	2 236 165	2 236 165

¹ Includes lease expenses and lease-related expenses, including the effect of IFRS 16.² Includes equipment, telephone/postage, office supplies, lease, travel costs and the like.³ Production-related costs comprise harvesting costs including expenses for well-boat services, packaging material, diving services, vaccination, oxygen, and analyses and the like.

BREAKDOWN OF TOTAL AUDITORS' FEES NOK 1 000

AUDIT SERVICES	2023	2022
Group auditor	3 815	3 049
Other auditors	1 180	1 128
OTHER ASSURANCE AND CERTIFICATION SERVICES		
Group auditor	1 416	783
Other auditors	—	—
TAX SERVICES		
Group auditor	1 082	764
Other auditors	20	124
OTHER SERVICES		
Group auditor	563	26
Other auditors	—	—
Total Group auditor	6 877	4 622
Total other auditors	1 200	1 252
Total auditor's fees	8 077	5 873

The auditor's fees cover financial audit of the Group, assurance engagement on sustainability reporting and related services.

NOTE 10 CONTINGENT LIABILITIES, LITIGATION AND LEGAL CLAIMS AND DECOMMISSIONING COSTS

CONTINGENT LIABILITIES

ACCOUNTING POLICIES

- Contingent liabilities are defined as:
- possible obligations resulting from past events whose existence depends on future events,
 - obligations that are not recognized because it is not probable that they will lead to an outflow of resources entailing financial benefits from the company,
 - obligations that cannot be measured with sufficient reliability.
- Contingent liabilities are not recognized in the annual financial statements apart from contingent liabilities resulting from the acquisition of an entity.

In February 2019, the European Commission launched an investigation to explore potential anti-competitive behavior in the in the market for spot sales of fresh, whole and gutted Norwegian farmed Atlantic salmon. In January 2024, Grieg Seafood received a Statement of Objections from the European Commission related to its investigation. See Note 32 concerning events after the balance sheet date of 2023.

LITIGATION AND LEGAL CLAIMS

Three class-actions were filed in Canada (none has been certified as a class-action). Even though Grieg Seafood considers the complaints to be entirely without merit, Grieg Seafood have agreed to a settlement offer from the plaintiffs and entered into a respective settlement agreement in 22 September 2023 as the costs of litigation in Canada can be substantial. The settlement agreement was approved by the Federal Court in February 2024. In 2022, incurred costs and provisions for expected costs related to the lawsuits in North America in total of NOK 157 million were expensed, of which NOK 129 million were used at year end 2022. The remaining NOK 28 million were carried over to 2023. After the settlement related payment was made, the remainder of the accrual was released. At year-end 2022, the accrual was reported as other current liability in the Statement of Financial Position, while the costs in the income statement in 2023 and 2022 are presented as a separate financial statement line item - "Litigation and legal claims".

DECOMMISSIONING COSTS

Grieg Seafood has in 2022 discontinued production in the shishalh (Sechelt) farming area of British Columbia. At year-end 2022, all fish from the farming area of Sechelt have been harvested. The Group are required to decommission the sites and at year-end 2022, the Group has accrued a total of NOK 24 million of clean-up costs. The decommissioning activities were finalized in 2023, following an additional NOK 2.5 million in costs reported as decommissioning costs for the year. The costs are reported on the financial statement line item "Decommissioning costs".

NOTE 11 FINANCIAL INCOME AND FINANCIAL EXPENSES

FINANCIAL INCOME AND FINANCIAL EXPENSES NOK 1 000		2023	2022
FINANCIAL INCOME			
Realized gain (loss) on investment in money market fund		41 461	—
Unrealized gain (loss) on investment in money market fund		-12 624	12 624
Net change in fair value of derivatives		26 703	61 851
Net currency gains		79 060	38 205
Other interest income		3 796	11 893
Other financial income		1 800	1 693
Total financial income		140 196	126 267
FINANCIAL EXPENSE			
Interest expense on external borrowings and leases		253 706	156 067
Amortization of transaction cost on external borrowings		8 311	16 471
Net change in fair value of derivatives		11 926	—
Other financial expenses		2 825	3 672
Total financial expenses		276 768	176 210
Net financial items		-136 573	-49 944

NOTE 12 INCOME TAXES

ACCOUNTING POLICIES

Income tax expense consists of tax payable and changes to deferred tax.

Deferred tax is provided for in full at nominal value, using the liability method, on temporary differences arising between the value of assets and liabilities for tax and accounting purposes. The liability method is applied both for ordinary corporate taxation as well as for the Norwegian resource rent tax scheme.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply when the related deferred tax asset is realized, or the deferred income liability is settled. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available, from which the temporary differences can be deducted. Deferred tax is calculated on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not be reversed in the foreseeable future. For the Norwegian resource rent tax scheme deferred tax liability is recognized for temporary differences on biological assets allocated to fish farming licenses subject to the resource rent tax. The deferred resource rent tax is recognized using the effective tax rate 25%. For the fish farming licenses subject to the resource rent tax, no deferred tax liability is recognized, because a subsequent sale will not be subject to resource rent tax and the carrying value is not realized through use. A deferred tax asset is recognized, with the effective rate of 25%, for any loss carried forward within the resource rent tax regime as long as it is probable that there is sufficient taxable income in future periods.

ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY
THE NORWEGIAN RESOURCE RENT TAX SCHEME

On 31 May 2023, the Norwegian Parliament passed the resource rent tax scheme on aquaculture in Norway. The tax scheme applies to net profits from commercial sea-phase salmon aquaculture activity in Norway. The tax is an additional layer of taxation on aquaculture, on top of ordinary corporate income taxation of 22%, bringing the total marginal tax rate for the in-scope aquaculture activity to 47%. This new tax scheme was implemented retrospectively with effect from 1 January 2023. The Norwegian resource rent tax will not affect the tax load of the Group's operations in British Columbia and Newfoundland.

In December 2022, the Group carried out an internal reorganization, in which its commercial aquaculture licenses, together with the connected standing biomass of live fish in sea, were transferred from Grieg Seafood Rogaland AS and Grieg Seafood Finnmark AS to Grieg Seafood Rogaland Sjø AS and Grieg Seafood Finnmark Sjø AS, which are also indirectly wholly owned by Grieg Seafood ASA. The biomass was transferred by way of a sale and purchase transaction at fair value, using tax discontinuity. Both companies that acquired biomass chose to capitalize the acquisition costs in 2022 for tax purposes (as opposed to expensing the acquisition costs), thereby carrying over these tax positions into 2023. With tax effect for 2023, the companies have deducted the capitalized costs both in the basis for the ordinary corporate income tax, as well as in the basis for the new resource rent tax scheme. Consequently, the Group has not recognized an implementation effect concerning the transitioning to the resources rent tax scheme. If the deduction in the new resource rent tax scheme is not accepted by the tax authorities, the deferred tax asset released to loss carried forward in the regime will be reduced accordingly.

As the Group has aquaculture licenses both in- and out-of-scope of the resource rent tax scheme, the income and expenses related to the tax scheme have to be identified. To be able to calculate the resource rent tax in accordance with the chapter 19 of the Norwegian tax law, a number of analyses have been performed related to transfer pricing according to the Norwegian tax law chapter 13 and the OECD guidelines for transfer pricing. The implementation of the resources tax regime has resulted in changes in process and procedures, transforming from an integrated value chain of breeding, freshwater and seawater farming and harvesting of salmon to carving out the farming business subject to the resource rent tax into individual companies. The transfer pricing model applied by the Group pursuant to the OECD transfer pricing guidelines induces that a variability in profitability mainly affects the companies subject to resources rent tax. As this is a new tax, it is unknown how the tax authorities will assess the methods used and the assumptions made. Management is, therefore, not able to quantify any meaningful sensitivity, caused by a reasonable change in the assumptions applied.

Due to weak operational performance in Finnmark combined with a substantial share of non-commercial licenses (not being subject to resource rent tax) in Rogaland, the basis for the resource rent tax is limited in 2023.

INCOME TAXES FOR THE YEAR IN THE INCOME STATEMENT NOK 1 000			
	2023	2022	2021
Norway	14 614	243 084	—
Norway - resource rent tax	—	—	—
Abroad	4 084	59 422	59 422
Current income tax	18 698	322 506	322 506
Norway	250 032	116 873	—
Norway - resource rent tax	11 273	—	—
Abroad	4 003	-145 516	-145 516
Changes in deferred tax	265 708	-28 643	-28 643
Total income taxes related to profit for the year	284 407	273 863	273 863

TAX RECONCILIATION BETWEEN NOMINAL AND EFFECTIVE TAX RATES NOK 1 000			
	2023	2022	
Profit before tax	844 157	1 447 642	
Taxes calculated at nominal tax rate	210 484	286 185	
Withholding tax	12 600	6 085	
Non-taxable income/loss from associated companies	1 531	-4 641	
Effect of adjustment of income tax from previous years	-10 436	-27 453	
Effect of recognition of previously non-recognized tax assets	—	-4 187	
Effect of non-recognition of losses and tax assets	74 439	37 189	
Effect of resources tax	11 273	—	
Other permanent differences	-15 084	685	
Total income tax expense	284 407	293 863	
Weighted average tax rate	33.7%	20.3%	

TAX PAYABLE BOOKED IN FINANCIAL STATEMENT CURRENT LIABILITIES NOK 1 000			
	2023	2022	
Tax payable in Norway	—	286 566	
Tax payable resource rent in Norway	—	—	
Tax payable abroad	6 156	66 605	
Total tax payable in the statement of financial position	6 156	353 171	

CHANGE IN BOOK VALUE OF DEFERRED TAX NOK 1 000			
	2023	2022	
Balance sheet value at 01.01.	1 041 101	1 049 743	
Reclassified from deferred tax to tax payables *	-492 959	—	
Currency conversion	14 892	30 467	
Tax effect of OCI transactions (see Note 25)	6 332	5 454	
Other effects	7 538	-27 453	
Changes to income in the period	254 426	-37 111	
Changes to income in the period of resource rent tax	11 273	—	
Net deferred tax liability at balance sheet date	842 612	1 041 101	

*After the completion of the consolidated financial statements and before the submission of tax returns for each subsidiary, there was a reclassification of deferred tax to payable tax, resulting in an impact on the consolidated financial statement. Instead of expensing all costs associated with the biomass, the value of the biomass was capitalized for tax purposes, reflecting a general option available to taxpayers. The corresponding amount was included in the tax payment for corporate income tax paid in 2023.

The nominal tax rate in Norway is 22% and the resource rent tax is 25%. The nominal tax rate for 2023 was 27% in British Columbia (BC) and 30% in Newfoundland.

TOTAL DEFERRED TAX ASSETS/LIABILITIES IN THE STATEMENT OF FINANCIAL POSITION NOK 1 000			
	2023	2022	
Deferred tax assets (+)	—	—	
Deferred tax liabilities (-)	-842 612	-1 041 101	
Net deferred tax (-)	-842 612	-1 041 101	

The following tables provide a breakdown of deferred tax. The tax effects of taxable and deductible temporary differences are shown separately. The Norwegian and Canadian parts of the Group each have a net deferred tax position. Deferred tax assets linked to tax losses are offset against deferred tax liabilities in the tax jurisdictions where acceptable.

SPECIFICATION OF DEFERRED TAX AND TAX ASSETS NOK 1 000			
	2023	2022	
Non-current assets	340 073	572 722	
Current assets	711 458	617 349	
Debt (lease, other liabilities)	-76 484	1 493	
Tax losses carried forward	-143 708	-150 461	
Total recognized deferred tax liability ordinary taxation	831 339	1 041 101	
Biological assets - deferred resource rent tax	624 315	—	
Tax losses carried forward - resource rent tax	-613 012	—	
Total recognized deferred tax liability resource rent tax	11 273	—	
Total recognized deferred tax liability	842 612	1 041 101	

TAX LOSS CARRIED FORWARD ARE DIVIDED AMONG THE FOLLOWING JURISDICTIONS NOK 1 000			
	2023	2022	
Tax losses carried forward resources rent tax in Norway	-613 012	—	
Tax losses carried forward in Canada	-143 708	-150 461	
Total	-756 720	-150 461	

The tax loss carry forward in Norway has no expiration date. Losses in Canada have a 20-years carry forward period, with the first expiration date in 2036. Deferred tax assets related to tax losses carried forward in Canada not book is NOK 96 million.

NOTE 13 INTANGIBLE ASSETS

ACCOUNTING POLICIES

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value of the asset at the date of the acquisition.

Intangible assets that arise internally within the Group are not recognized.

GOODWILL

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired entity at the date of acquisition. Goodwill on acquisitions of subsidiaries is classified as an intangible asset. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill is allocated to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

LICENSES

Fish-farming licenses acquired by the Group are measured on initial application at cost. Fish-farming licenses with an indefinite useful life are not amortized but reviewed for impairment annually, or more frequently if there are indications that the carrying value may have decreased.

The Group considers the following licenses to have indefinite useful lives:

- Licenses granted with an indefinite useful life, where the company has no other contractual restrictions relating to the use of the license.
- Licenses granted with a finite useful life, but where the license holders can renew the licenses without incurring considerable expenses.

Licenses with a finite useful life are amortized over their useful lives, and tested for impairment if there are indications that future earnings do not justify the asset's carrying value. Such licenses relate to water licenses for hatcheries and some specific seawater licenses.

See the separate section below for more information concerning the fish farming licenses of our farming regions.

OTHER INTANGIBLE ASSETS

Acquired customer portfolios and computer software licenses are measured on initial recognition at cost and amortized over their estimated useful lives. Customer portfolios are recognized in the statement of financial position at cost on the date of purchase. Amortization is calculated using the straight-line method over the estimated useful life, as follows:

- Other intangible assets 3–10 years

ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

CLASSIFICATION OF LICENSES

A significant judgment is whether a license should be amortized over its definite life, or whether it is deemed to have an indefinite life and tested for impairment only. All licenses where the Group has no other contractual restrictions relating to the use of the licenses have indefinite lives and, as such, are not amortized. Also, licenses granted with a finite useful life, but where the license holder can renew the licenses without incurring considerable expenses are assessed as having indefinite lives. However, the Group's licenses in each country (see separate section in this Note for each license regime) are subject to certain requirements and the Group risks penalties, sanctions or even license revocation if the Group fails to comply with license requirements or related regulations. Local governments may, moreover, change the way licenses are renewed.

BRITISH COLUMBIA

In British Columbia (BC), licenses are renewed by the federal Department of Fisheries and Oceans (DFO) on a regular basis, with different length. By 2023, the Canadian Federal Government aims to have created a responsible plan to transition into better and more sustainable practices in British Columbia, in order to reduce interactions with wild salmon. In 2022, the Canadian Department of Fisheries and Oceans renewed all farming licenses for two years to allow for the development of the plan. We expect that the licenses will be renewed in 2024 and that they are incorporated into the transition plan. Grieg Seafood supports the transition and continues to work collaboratively with our First Nation partners, government and local communities on innovation and modernization towards a sensible transition plan.

In addition, farm tenures in BC are renewed by the province on a regular basis. From 2022, farm tenures that are not accepted by the First Nation that is the rights-holder of the territory where the farm is located will not be renewed. All of Grieg Seafood's current production is operating under agreements with First Nations. Grieg Seafood supports the implementation of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) into BC regulations, and we are engaging in the ongoing process of reconciliation between the government, First Nations and Industries.

The vast majority of Grieg Seafood's production are under long-term agreements with the First Nations in those areas, and we are pursuing agreements with more First Nations. The current agreements we have with First Nations last until 2037–2045. Even though the agreements cannot be said to be everlasting, the Group has nevertheless classified the licenses as having indefinite lives, based on the lack of sufficient relevant factors to change the principle at this point. Work on the transition plan has not been completed, and based on the experience we have with the work so far, it is not considered reasonable to change estimates regarding the economic life of the aquaculture licenses in BC. Given that it is desirable for both First Nations partners and the Group to have close and good working relationships, and that they want the Group to operate in the area, the Group's best estimate is that the licenses will still be classified as having indefinite lives. This will be continuously assessed, if the situation changes and the Group agrees not to use the option to extend the duration of the agreement, the estimate of the remaining amortization period must be re-evaluated.

NEWFOUNDLAND

Grieg Seafood Newfoundland has 14 approved seawater farming licenses, as well as one freshwater license. The seawater licenses are granted for terms of six years. To renew the licenses, licenses must follow the Provincial Aquaculture Policy and Procedures Manual. As long as licenses follow and comply with the requirements, the license will be renewed. For this reason, the licenses are classified as having indefinite lives and, as such, are not amortized.

Grieg Seafood Newfoundland is the single aquaculture operator/salmon farmer in the Placentia Bay area. The fair value related to this (the excess value of book values as identified in the acquisition of Newfoundland in 2020) is amortized over the duration of the agreement.

INTANGIBLE ASSETS 2023 NOK 1 000	FISH FARMING LICENSES – INDEFINITE LIVES			FISH FARMING LICENSES – FINITE LIVES		OTHER INTANGIBLE ASSETS		TOTAL
	GOODWILL							
Book value at 01.01.	691 094	1 332 936		130 775	7 461	14 689		2 169 693
Currency translation differences								
Additions	34 016	37 055			7 461	357		80 891
Amortization	—	—		—	—	1 592		1 592
Book value at 31.12.	727 111	1 369 991		119 807	—	—3 363		2 230 104
ACCUMULATED VALUES								
Acquisition cost	816 774	1 505 263		162 694		63 957		2 568 649
Accumulated amortization	—	—		—	—	—50 662		—113 570
Accumulated impairments	—89 603	—135 292		—	—	—		—224 895
Book value at 31.12.	727 111	1 369 991		119 807		13 275		2 230 104

See Note 27 for information on assets pledged as security for financial liabilities.

INTANGIBLE ASSETS 2022 NOK 1 000	FISH FARMING LICENSES – INDEFINITE LIVES			FISH FARMING LICENSES – FINITE LIVES		OTHER INTANGIBLE ASSETS		TOTAL
	GOODWILL							
Book value at 01.01.	660 071	1 522 227		14 092		36 828		2 233 218
Currency translation differences	31 023	50 560		—4 439		1 463		78 627
Reclassifications ¹	—	—104 159		124 845		—20 687		—
Additions	—	—		7 380		2 669		10 049
Amortization	—	—		—11 103		—5 603		—16 706
Impairment ²	—	—135 693		—		—		—135 693
Book value at 31.12.	691 094	1 332 936		130 775		14 689		2 169 693
ACCUMULATED VALUES								
Acquisition cost	760 697	1 463 687		173 274		61 944		2 479 602
Accumulated amortization	—	—		—42 499		—47 255		—89 754
Accumulated impairments	—89 603	—130 752		—		—		—220 355
Book value at 31.12.	691 094	1 332 936		130 775		14 689		2 169 693

See Note 27 for information on assets pledged as security for financial liabilities.
¹The reclassification primarily concerns licenses in Newfoundland that have been considered as having finite economic life and subject to amortization. In addition, the reclassification
line item relate to other intangible assets reclassified to indefinite licenses following formal approval of license application in Newfoundland.
²For information concerning the impairment of aquaculture licenses in 2022 see Note 15.

LICENSES

NORWAY

The licensing regime for the production of salmon in Norway is enacted by the Norwegian Parliament through the Aquaculture Act. The Ministry of Trade, Industry and Fisheries grants permits for aquaculture (licenses). All aquaculture operations are subject to licensing, and no one can produce salmon without permission from the authorities, see Section 4 of the Aquaculture Act.

The aquaculture permit allows the production of salmon in limited geographic areas within the current determined limitations of the permit scope. The Aquaculture Act is administered centrally by the Ministry of Trade, Industry and Fisheries, with the Directorate of Fisheries as the supervisory authority. Regionally, several industry authorities jointly manage full administrative and supervisory responsibility within the regulating range of the Aquaculture Act. The county council is the regional administrative body, while the Directorate of Fisheries serves as appellate body in locality and licensing matters.

Seawater licenses
Each license for the farming of salmon in the sea is subject to a production limit in the form of "maximum allowed biomass" (MAB) on both company and location/seawater site level. The system means the license holder can at no time have a standing biomass (number of kg of live fish in seawater) that exceeds the company level MAB. In addition that no location can have a standing biomass that exceeds the seawater site's MAB. When a seawater site is approved, a maximum level of tonnes of fish is set, based on the location and environmental conditions on the site. The normal size of a permit is 780 tonnes at the license level ex. the county of Troms and Finnmark, while the normal size of a permit in Troms and Finnmark is 945 tonnes. While the extent of biomass a company can possess primarily depends on the type and number of licenses, the limitation at site level is primarily dependent on the site's environmental sustainability. See Section 15 of the Salmon Allocation Regulation ("Lakselidelingsforskriften").

Norway also has green licenses, with stricter environmental criteria. The sea lice limit is half that of regular licenses, with stricter criteria for escape prevention technologies and limits on the amount of medical treatment permitted per generation.

Hatchery licenses

Young salmon are defined as eggs, juveniles, parr or smolt to be released at another location, see Section 4(f) of the Salmon Allocation Regulation. Such licenses are not limited and thus subject to continuous application for new licenses or changes to existing licenses. Pursuant to the regulations, annual production is limited to 15 million fish.

Broodstock and R&D licenses

These licenses are not limited in number. The purpose of broodstock licenses is to produce roe and milt from salmon with improved and/or specific traits. Broodstock licenses include both a land and sea phase, i.e. broodstock and egg production are covered by the same licensing process. The purpose of an R&D license is to encourage important research projects that can bring the Norwegian aquaculture industry forward. Permits are means tested, meaning that the applicant must demonstrate a need for the production of eggs, specific research projects or for educational purposes.

Educational licenses

Educational licenses in Norway are given to universities, colleges or high schools offering aquaculture-related courses of study. Salmon farming companies can lease educational licenses from the educational institution. Part of the students' training will then take place at these salmon farms.

Harvesting pen licenses

Licenses utilized for holding pens where live fish are kept prior to harvesting. These relate to specific locations.

Duration and renewal

The Ministry may in individual decisions or regulations specify further provisions on the content of aquaculture licenses, including matters relating to scope and time limitations, see Section 9(2) of the Aquaculture Act. Nonetheless, the preparatory work for the Aquaculture Act specifies that licenses are normally granted without a time limit.

Grøt Seafood's general fish farming and hatchery licenses are not time-limited under current regulations. After the reform in 2009, a number of licenses were time-limited, mainly for 15 years. As no government practices have been established relating to the renewal of broodstock licenses, the current understanding is that they will be renewed upon application. Expiration of licenses allows for application for renewal on demand. A license for harvesting pens is valid for ten years and must be renewed on expiration, provided that the license is still connected to an approved harvesting facility.

Disposal and withdrawal

All licenses can be transferred and mortgaged in accordance with Section 19 of the Aquaculture Act. Transfers and mortgages must be recorded in a separate register (the Aquaculture Register). It is not permitted to rent out licenses or license capacity.

Section 9 of the Aquaculture Act sets out the basis for withdrawal of an aquaculture license. This states that there must be significant breaches of the terms of an aquaculture license before it can be revoked.



CANADA - NEWFOUNDLAND

Orleg Seafood Newfoundland is the single aquaculture operator/salmon farmer in the Placentia Bay area. Newfoundland currently holds 14 seawater licenses and one freshwater license, with the aim to develop additional licenses as the project progresses.

The regulations for salmon farming in Placentia Bay are based on the number of fish in the sea at any one site. Per license there is a maximum of one million fish in the sea in the first generation, and a maximum of two million fish in the second generation. In addition there are regulations related to following and adherence to certain environmental indicators.

To operate aquaculture sites in Newfoundland, the following approvals and licenses must be in place:

- Aquaculture License – issued by the Department of Fisheries Forestry and Agriculture
- Lease License for Occupancy – issued by Crown Lands division of Department of Fisheries Forestry and Agriculture
- Canadian Navigable Waters Act – issued by Transport Canada
- Water Use Approval – issued by Department of Environment, Climate Change, and Municipalities

Duration and renewal

Aquaculture licenses are granted for a six-year term. Each year, licensees must complete the validation process and abide by the legislative references: Aquaculture Act and the Policy cross references as Aquaculture License Renewal AP 6, Annual reporting AP 7 and site utilization. For renewal, licensees are required to follow and comply with the requirements set out in AP 6 License Renewal. Licensees must abide by license conditions, policies, and regulations at all times. Licenses may be suspended or cancelled if a breach occurs, or they may not be renewed.

The timeline supports two production cycles and promotes longer-term investment and stability. Ensuring sites are being utilized and developed by license holders in accordance with approved plans on file with the department falls under AP 8 Site Utilization. If sites are not being utilized based on approved plans on file, they may not be renewed.

NORMAN LICENSE CAPACITY AND TOTAL CAPACITY		TOTAL NUMBER	CAPACITY TONNES
Seawater licenses		35	30 853
Green licenses ¹		8	7 743
R&D permit		3	2 340
Broodstock		3	2 340
Smolt		3	4 025
Harvesting pens		2	1 106
Education ²		2	1 560
Total licenses in production		56	49 987
Visitor center for fish farming ³		1	780
Total		57	50 767

¹ Of which four green licenses are converted.

² The capacity in BC is merely theoretical capacity as all locations cannot be utilized simultaneously. BC also has a license for broodstock and smolt.

³ Firmank has a license for a visitor center for fish farming. The center is under construction, and expected to be completed in 2025. The license cannot be utilized before the visitor center is constructed.

CANADA - BRITISH COLUMBIA

Orleg Seafood BC Ltd (OSF BC) has farms on both the west and east coasts of Vancouver Island. To operate farms in British Columbia, Canada, the following three licenses must be in place:

1. Aquaculture license – issued by the Department of Fisheries and Oceans and the First Nations.
2. License of Occupation (Tenures) – issued by the Ministry of Forest, Lands and Natural Resource Operations.
3. Navigation Water Permit – Issued by Transport Canada (Canadian public authority).

For restrictions regarding production quantity, see the table summarizing BC licenses below.

Duration and renewal

1. Aquaculture license – duration of one year, renewal each year is a formality.
2. License of Occupation – duration of 2-20 years. Renewal is applied for on expiration.
3. Navigation Water Permit – duration of five years, but possible to apply for renewal.

CANADA - BC TOTAL CAPACITY, WEST AND EAST OF VANCOUVER ISLAND				WEST	EAST	TOTAL
Total				38 500	17 500	56 000
- Of which relates to Sechelt				0	11 000	11 000

The capacity in BC is merely theoretical capacity as all locations cannot be utilized simultaneously. BC also has a license for broodstock and smolt.

In 2022, the licenses for Sechelt Farming area were written down. Orleg Seafood formally holds the licenses with DFO as a year-end 2023, however we have decommissioned our farming operations at the site.



NOTE 14 PROPERTY, PLANT AND EQUIPMENT INCL. RIGHT-OF-USE ASSETS

ACCOUNTING POLICIES

Property, plant and equipment incl. right-of-use assets is stated at historical cost less depreciation and impairment losses.

Land and buildings mainly comprise freshwater facilities, harvesting plants and offices. Land is not depreciated. Other operating assets are depreciated in accordance with the straight-line method so that the cost, or remeasured value, is written down to residual value over its expected useful economic life as follows:

- Buildings/real estate 10–50 years
- Plants, barges, onshore power supply 5–30 years
- Nets/cages/moorings 5–25 years
- Other equipment 3–35 years

The assets' useful lives and residual values are estimated at each balance sheet date and adjusted if necessary. In 2023 there has not been any changes to the estimated useful life of the Group's property, plant and equipment as a consequence of climate-related risk.

TANGIBLE ASSETS 2022 NOK 1000	BUILDINGS/ PROPERTY	PROD. PLANTS AND BARGES	NETS, CAGES AND MOORINGS	OTHER EQUIPMENT	TOTAL
Book value at 01.01.	1 302 600	1 380 816	603 938	748 238	4 035 590
Currency translation differences	34 151	30 916	16 575	19 018	100 660
Grants and other deductions to historic cost ¹	-25 847	—	—	—	-25 847
Additions ²	209 058	300 518	230 046	788 893	1 528 515
Disposals	-2 299	-5 857	-928	-1 657	-10 741
Depreciation	-46 705	-129 895	-120 458	-236 855	-532 911
Impairment ³	136	—	—	—	136
Book value at 31.12.	1 472 094	1 576 496	729 174	1 317 638	5 095 401
ACCUMULATED VALUES					
Acquisition cost	1 820 899	2 428 996	1 468 702	1 958 891	7 677 488
Accumulated depreciation	-348 805	-852 391	-735 600	-641 057	-2 577 853
Accumulated impairments	—	-109	-3 928	-197	-4 234
Book value at 31.12.	1 472 094	1 576 496	729 174	1 317 638	5 095 401
Of which book value of non-depreciable property	118 833	—	—	—	118 833
RIGHT-OF-USE ASSETS					
Book value at 31.12 of right-of-use assets (see separate specification in Note 20)	64 048	303 100	66 039	1 063 804	1 497 079

See Note 27 for information on assets pledged as security for financial liabilities.
See Note 28 for specification of the Group's right-of-use assets and further information on its leases.
¹Grants and other deductions to historic cost, of which NOK 26 million relates to government grants received in 2023 in Newfoundland.
²The Group leases vessels which are capitalized on the balance sheet as right-of-use assets. Some of these vessels are utilized in the development of the Newfoundland region.
³Reversal of impairment in 2023 related to Sechart farming area in British Columbia.

TANGIBLE ASSETS 2022 NOK 1000	BUILDINGS/ PROPERTY	PROD. PLANTS AND BARGES	NETS, CAGES AND MOORINGS	OTHER EQUIPMENT	TOTAL
Book value at 01.01.	1 169 285	1 065 018	529 302	638 024	3 402 629
Currency translation differences	28 997	15 431	8 744	17 390	70 762
Re-classification	-35 799	21 046	-747	15 501	—
Grants and other deductions to historic cost ¹	75 664	775	—	24	76 464
Additions	106 449	393 178	180 331	256 722	936 879
Disposals	-269	-5 889	-3 160	-2 803	-12 121
Depreciation	-41 726	-108 632	-106 867	-177 416	-434 641
Impairment	—	-113	-4 065	-204	-4 382
Book value at 31.12.	1 302 400	1 380 816	603 938	748 238	4 035 590
ACCUMULATED VALUES					
Acquisition cost	1 611 916	2 178 260	1 429 773	1 320 913	6 551 062
Accumulated depreciation	-309 317	-797 339	-832 197	-572 683	-2 511 335
Accumulated impairments	—	-107	-3 838	-192	-4 137
Book value at 31.12.	1 302 600	1 380 816	603 938	748 238	4 035 590
Of which book value of non-depreciable property	113 016	—	—	—	113 016
RIGHT-OF-USE ASSETS					
Book value at 31.12 of right-of-use assets (see separate specification in Note 20)	66 622	292 209	72 302	547 010	978 143

See Note 27 for information on assets pledged as security for financial liabilities.
See Note 28 for specification of the Group's right-of-use assets and further information on its leases.
¹Grants received and other deductions to historic cost, of which NOK 36 million relates to the reversal of Investment Tax Credit (ITC) carried over from 31 December 2021 in Newfoundland (see Note 17) and NOK 7 million relates to government grants received in 2022 in Newfoundland.
²The Group leases vessels which are capitalized on the balance sheet as right-of-use assets. Some of these vessels are utilized in the development of the Newfoundland region.
³Impairment in 2022 is related to the Sechart farming area in British Columbia, Canada. See Note 15 for more information.

NOTE 15 IMPAIRMENT OF NON-FINANCIAL ASSETS

ACCOUNTING POLICIES

Assets with an indefinite useful life are not amortized but are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever there are indications that future earnings do not justify the carrying value.

An impairment loss is recognized for the amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets, other than goodwill, that have suffered an impairment are reviewed for indicators of possible reversal of the impairment at each reporting date.

ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The Group tests whether goodwill and licenses have suffered any impairment on an annual basis. The recoverable amounts of cash-generating units are generally determined on the basis of value-in-use calculations.

Licenses with finite useful lives are tested for impairment only if there are indications of a decline in value. The estimated value in use (VIU) is used as a basis for calculating the recoverable amount, except for Grieg Newfoundland where the fair value less cost of disposal (FVLCD) has been used as basis for recoverable amount.

These calculations require the use of estimates of future cash flows from the cash-generating unit and the application of a discount rate to calculate the present value of future cash flows. Expectations of future cash flows will vary over time. Changes in market conditions and expected cash flows can result in losses due to future value decreases. The value of long-term growth in demand, changes in market competition, the strength of the production stage in the value chain and thus also expectations of the long-term profit margin are also of significance. The different parameters could variously affect the value of the licenses over time. Any changes in these critical assumptions will result in related write-downs, or the reversal of write-downs of the value of licenses.

IMPAIRMENT TESTING OF GOODWILL AND LICENSES

No impairments of goodwill or licenses were recognized in 2023.

CASH-GENERATING UNIT NOX 1000	LOCATION	BOOK VALUE OF RELATED GOODWILL		BOOK VALUE OF LICENSES	TOTAL
Rogaland	Norway	20 463	206 394		226 857
Finnmark	Norway	—	397 218		397 218
British Columbia (BC)	Canada	10 561	88 898		99 459
Newfoundland	Canada	695 086	797 288		1 492 374
Total value		727 111	1 489 798		2 216 908

Impairment tests are initially based on the Group's rolling five-year projections, which are also used in connection with the Group's liquidity planning. Future price levels are estimated by using Fish Pool forward prices as a basis, adjusted for other considerations such as quality reductions and shipping costs. The explicit period in the impairment test is three years for Rogaland, Finnmark and BC. Cash flows beyond the three-year period are extrapolated using the estimated growth rates stated below. The estimated growth rate corresponds to expected inflation. To test the Newfoundland operation for impairment, we estimated the FVLCD using a period of 12 years to reflect production at full capacity in the terminal year. Although production will increase at a slow pace in the first few years, it will pick up speed once the facilities are completed and more smolt are transferred to the sea. The methodology for estimation of the

value in use for Newfoundland is in line with previous years, and is applied due to Newfoundland being a region under development. During 2023, the second transfer of smolt to sea was successfully completed in Newfoundland. Additionally, we successfully commenced harvesting of the first generation of fish from the region. The quality of the fish was excellent. The second generation is healthy with good biological performance.

The Group has carried out climate-related scenario analysis, assessing the scenarios of 2C global warming and 4C global warming (see Note 3). With 2C of global warming, Grieg Seafood's business is well positioned to seize opportunities for sustainable growth. The 4C global warming scenario represents a risk for increased cost and lower earnings potential. In the impairment tests for year-end 2023, the scenarios have been considered. The uncertainty is high. The basis for the impairment test - the Group's budget and business plans - look five years ahead the explicit period applied in the impairment tests are three years for Rogaland, Finnmark and BC, while in Newfoundland 12 years is used such that production at full capacity is reflected in the terminal value). The explicit periods for the impairment tests represent in general a short time interval when considering nature and climate related risks, as the risk primarily has to be adjusted for in the terminal value. Additionally, time value of money through discounting also impact any quantifiable effect caused by climate-related risks. At year-end 2023, the Group's budget and business plans are aligned towards the 2C global warming scenario. Overall, as disclosed in Note 3, Grieg Seafood expects the impacts of climate-related risks to be moderate in the short term, with no quantifiable impact as per year-end 2023.

Assumptions used for estimating recoverable amount		Rogaland		Finnmark		BC Newfoundland	
		3 years	3 years	3 years	3 years	12 years	12 years
Budget period							
Revenue growth - growth from base year to terminal year		26%	97%	67%	NA		
Operational EBITDA margin (1)		33%-36%	32%-36%	19%-30%	0% - 34%		
Operational EBITDA margin in terminal period		33%	36%	30%	34%		
Harvest growth (tonnes) - growth from base year to terminal year (2)		21%	68%	41%	NA		
Required rate of return before tax (3)		10.2%	10.2%	10.7%	13.4%		
Required rate of return after tax (3)		8.0%	8.0%	7.8%	9.4%		
Growth rate (4)		1%	1%	1%	1%		

Other comments/explanations on assumptions applied in impairment testing are presented below.

1. Budgeted EBITDA-margin: The margin remains more stable for the Norwegian regions, and is assumed to increase for our overseas regions during the budget period. Increase in harvest volume is assumed in all regions the next three years.
2. The growth rate for the harvest volume in the budget period (nominal growth rate) is measured against the 2023 volume. A corresponding increase in output is assumed over time.
3. Weighted required return on capital employed before and after tax. Cash flow forecasts are thus estimated after tax. In the calculation, the return on capital employed is also after tax.
4. Weighted average growth rate used to extrapolate cash flows beyond the budget period. In the years after 2026, the annual reinvestment is assumed to be equal to annual depreciation.

OPERATIONAL EBITDA-MARGIN IN THE BUDGET AND TERMINAL PERIOD

The budgeted Operational EBITDA-margin is based on past performance, expected cost of production and expected market developments. An increase in gutted weight output is assumed towards 2026 (2035 for Grieg Seafood Newfoundland). The increased harvest volume assumes an increase in utilization of existing production capacity and licenses, reflecting the Group's post-smolt strategy and operational improvements. We expect further growth to come from better utilization of our seawater licenses by moving more growth to land through our post-smolt program. We are piloting post-smolt in Rogaland, and will increase post-smolt capacity also in Finnmark. Better utilization of our seawater licenses by improving biosecurity, fish health, welfare and survival rates, is also expected to secure on-growth and harvest volumes. Flexibility is a requirement to achieve better utilization of our capacity, and we are continuously looking for opportunities to secure access to new locations.

The assumptions in the terminal year are based on the budget, adjusted for inflation. The applied discount rates are after tax and reflect specific risks relating to the relevant operating segments.

SENSITIVITY ANALYSIS

The assessment of fair value less cost of disposal and value-in-use is sensitive to changes in the assumptions made, the most important of which are the discount rate and Operational EBIT/kg. A sensitivity analysis has been carried out based on these assumptions for all groups of cost-generating units. An isolated increase in the discount rate by 1.5% percentage points would result in an estimated impairment for the Newfoundland operations of NOK 327 million, while a reduction of NOK 5 in Operational EBIT/kg for each year in the entire budget period and terminal would entail an estimated impairment for Newfoundland of NOK 254 million. The other cash-generating units (Rogaland, Finnmark and BC) are not sensitive to equivalent changes in the same assumptions.

See Alternative Performance Measures for more information on Operational EBIT, Operational EBIT/kg and Operational EBITDA.

WRITE-DOWN OF TANGIBLE AND INTANGIBLE NON-CURRENT ASSETS

There was no impairment of tangible and intangible non-current assets in 2023, only a reversal of impairment of NOK 0.1 million from 2022 related to the discontinuing of farming operations in the shishah (Secheit) area in BC. In 2022, Grieg Seafood recorded write-down of tangible and intangible non-current assets totalling NOK 140 million related to reorganization of ownership structure of licenses in Norway, and decommissioning of farming operations in BC.

WRITE-DOWN ON TANGIBLE AND INTANGIBLE NON-CURRENT ASSETS NOK 1 000		Note	2023	2022
Commercial aquaculture licenses in Rogaland, Norway		13	—	47 242
Commercial aquaculture licenses in British Columbia, Canada		13	—	88 451
Non-current tangible assets in British Columbia, Canada		14	- 136	4 382
Total write-down			- 136	140 074
- Of which total write-down of intangible non-current assets			—	135 893

NOTE 16 INVESTMENT IN ASSOCIATED COMPANIES AND JOINT VENTURES

ACCOUNTING POLICIES

The Group's investments in associated companies and joint ventures are recognized in the consolidated financial statement according to the equity method.

Associates and joint ventures that are closely related to the Group's operations and included in the Group's value chain are classified on a separate line in the income statement and included in the subtotal of EBIT (Earnings before interests and taxes) when the relevant associates operate in the same position in the value chain as the Group (see Note 5). All investments in associates in 2023 and 2022 are closely related. The carrying value of the investment is classified on a single line item included in the subtotal of non-current assets in the statement of financial position.

Set out below are the associated companies and joint ventures of the Group as at 31 December 2023. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held. All investments in associates and joint ventures have the same financial year as the Group.

The Group owns, through Grieg Seafood Finnmark AS, 50.00% of Nordnorsk Smolt AS together with SalMar ASA (50.00%). At 31 December 2023, Grieg Seafood Finnmark AS has an outstanding interest-bearing long-term loan to Nordnorsk Smolt AS of NOK 26.5 million (NOK 2.3 million at 31 December 2022). The loan is classified as a non-current receivable in the statement of financial position (see Note 17). Nordnorsk Smolt AS is located in Troms and Finnmark county in Northern Norway, and has an annual production capacity of 900 tonnes. There was no production in the facility during the first half of 2023 due to a redesign of the facility. Nordnorsk Smolt AS commenced operations in the second half of 2023, and will be fully operational in 2024.

PART 03 - OUR FINANCIAL RESULTS

The Group owns, through Grieg Seafood Rogaland AS, 33.33% of Tylandsvik Aqua AS, together with Brennes Seashore AS (33.33%) and Vest Havbruk AS (33.33%). Tylandsvik Aqua AS has an annual smolt production capacity of 6 000 tonnes, of which Grieg Seafood Rogaland AS is entitled to 50%.

The Group owns, through Grieg Seafood Rogaland AS, 44.44% of Årdal Aqua AS together with Vest Havbruk AS and Omfær AS. Grieg Seafood Rogaland AS has provided an interest-bearing loan of NOK 6 million (NOK 6 million) to Årdal Aqua AS. The loan is classified as a non-current receivable in the statement of financial position (see Note 17). The construction of Årdal Aqua AS, a land based facility with the same design as Tylandsvik Aqua AS, is progressing according to plan. Årdal Aqua AS is expected to produce at least 4 500 tonnes of post-smolt annually from 2025.

The Group owns, through Grieg Seafood Rogaland AS, 50.00% of NextSeafood AS. NextSeafood AS is owned together with Hydrukkompagniet AS and aims to explore and realize the closed containment system known as FishGLOBE V6. FishGLOBE AS was awarded two development licenses (1 560 tonnes MAB) in 2019. Grieg Seafood Rogaland AS has provided a long-term interest-free loan to FishGLOBE AS (an affiliated company of NextSeafood AS) of NOK 8.6 million (NOK 8.6 million). The loan is classified as a non-current receivable in the statement of financial position (see Note 17). Following the resource rent tax in Norway, Grieg Seafood has put the development of FishGLOBE V6 on hold.

Specification of excess values included in the equity method accounting for investments in associates and joint ventures:

INVESTMENT IN ASSOCIATES AND JOINT VENTURES	PLACE OF BUSINESS INCORPORATION	EQUITY INTERESTS AT 31.12.2023	BOOK VALUE AT 31.12.2023 NOK 1 000	PROFIT/LOSS PERIOD, INCL. REPAIRS NOK 1 000	CHANGES IN THE PERIOD, INCL. REPAIRS NOK 1 000	BOOK VALUE AT 31.12.2023 NOK 1 000
Nordnorsk Smolt AS	Troms and Finnmark County, Norway	50.00%	39 053	-9 343	—	29 710
Tylandsvik Aqua AS	Rogaland County, Norway	33.33%	55 951	2 244	—	58 215
Årdal Aqua AS	Rogaland County, Norway	44.44%	114 047	121	—	114 168
Nextseafood AS	Rogaland County, Norway	50.00%	7 574	—	—	7 574
Total			216 624	-6 957	—	209 667

Specification of excess values included in the equity method accounting for investments in associates and joint ventures:

AT 31.12.2023	TIME OF INVESTMENT	EQUITY INTEREST	EXCESS VALUE HATCHERY NOK 1 000	DEPRECIATION OF EXCESS VALUE NOK 1 000	BOOK VALUE OF EXCESS VALUE NOK 1 000
Nordnorsk Smolt AS	01.07.2019	50.00%	17 022	7 660	9 362
Tylandsvik Aqua AS	01.06.2017	33.33%	14 600	6 134	8 466
Årdal Aqua AS*	15.01.2020	44.44%	17 634	—	17 634
Nextseafood AS	31.01.2022	50.00%	—	—	—
Total ownership			49 257	13 794	35 463

* Depreciation of the excess value in Årdal Aqua will start when the facility of Årdal Aqua is constructed and production has commenced.

The following table displays provisional financial information at 31 December 2023 (100%).

AT 31.12.2023 NOK 1 000	TOTAL ASSETS	TOTAL LIABILITIES	TOTAL EQUITY	OPERATING INCOME	PRE-TAX PROFIT/LOSS
Nordnorsk Smolt AS	125 099	88 016	39 084	25 752	-19 395
Tylandsvik Aqua AS	746 748	594 389	150 359	298 620	13 742
Årdal Aqua AS	707 436	490 213	217 223	2 006	218
Nextseafood AS	15 149	—	15 149	—	—



NOTE 17 OTHER NON-CURRENT RECEIVABLES

OTHER NON-CURRENT RECEIVABLES NOK 1 000	NOTE	2023	2022
Loan to associated company (interest- and non-interest bearing)	16	41 129	16 900
Investments in shares	31	402	271
Other non-current receivables		806	764
Total		42 337	17 935

NOTE 18 INVENTORIES

ACCOUNTING POLICIES

Inventories are stated at the lower of historical cost and net realizable value. Cost are determined by FIFO (first in, first out), with the exceptions being weighted average cost for feed, and broodstock and roe. The net realizable value is the estimated sales price less the estimated costs of completion and sale.

Biological assets are classified on a separate financial statement line item in the statement of financial position. See Note 19 for more information.

INVENTORIES NOK 1 000	2023	2022
Raw materials (feed) at cost price	132 198	105 555
Broodstock and roe	25 027	41 219
Other (goods in transit, frozen fish, supplementary products)	72 828	93 368
Total inventories	230 053	240 172
Write-down of inventories recognized in the statement of financial position at year-end	—	—
Write-down of inventories recognized in the income statement for the year*	34 420	507

*The impairments of inventories for the year where related to broodstock and roe.

See Note 27 for information on assets pledged as security for financial liabilities.

COST OF RAW MATERIALS AND CONSUMABLES PURCHASED NOK 1 000	2023	2022
Inventories at 01.01. (Inverted number)	-240 172	-178 299
Raw materials and consumables purchased	-2 737 825	-2 365 528
Inventories at 31.12.	230 053	240 172
Total	-2 747 944	-2 233 655

The item raw materials and consumables mainly comprises feed, roe, recognition of extraordinary mortality and external purchases of fish by our sales organization.

Specification of book value of the investments in associates and joint ventures according to the equity method:

INVESTMENT IN ASSOCIATES AND JOINT VENTURES	PLACE OF BUSINESS / COUNTRY OF INCORPORATION	EQUITY INTEREST AT 31.12.2022	BOOK VALUE AT 01.01.2022 NOK 1 000	PROFIT/LOSS PERIOD 2022 NOK 1 000	CHANGES IN THE PERIOD, REPAID CAPITAL		BOOK VALUE AT 31.12.2022 NOK 1 000
					2022	2022	
Nordnorsk Smolt AS	Trøms and Finnmark County, Norway	50.00%	47 710	-8 658	—	—	39 053
Tyllandsvik Aqua AS	Rogaland County, Norway	33.33%	48 087	7 864	—	—	55 951
Ardal Aqua AS	Rogaland County, Norway	44.44%	8 878	21 915	83 254	—	114 047
NextSealfood AS	Rogaland County, Norway	50.00%	—	-26	7 600	7 574	7 574
Total			104 475	21 096	90 854	—	216 624

Specification of excess values included in the equity method accounting for investments in associates and joint ventures:

AT 31.12.2022	TIME OF INVESTMENT	EQUITY INTEREST	EXCESS VALUE		DEPRECIATION OF EXCESS VALUE		BOOK VALUE OF EXCESS VALUE NOK 1 000
			EXCESS VALUE NOK 1 000	HATCHERY	EXCESS VALUE NOK 1 000	EXCESS VALUE NOK 1 000	
Nordnorsk Smolt AS	01.07.2019	50.00%	17 022	—	5 958	—	11 064
Tyllandsvik Aqua AS	01.06.2017	33.33%	14 600	—	4 676	—	9 926
Ardal Aqua AS	15.01.2020	37.04%	17 634	—	—	—	17 634
NextSealfood AS	31.01.2022	50.00%	—	—	—	—	—
Total ownership			49 257	—	10 632	—	38 625

The following table displays provisional financial information at 31 December 2022 (100%).

AT 31.12.2022 NOK 1 000	TOTAL ASSETS	TOTAL LIABILITIES	TOTAL EQUITY	OPERATING INCOME	PRE-TAX PROFIT/LOSS
Nordnorsk Smolt AS	91 295	34 227	55 068	195	-13 911
Tyllandsvik Aqua AS	623 770	485 682	138 088	322 999	34 631
Ardal Aqua AS	220 614	3 665	216 949	—	-1 449
NextSealfood AS	15 149	—	15 149	—	-45

NOTE 19 BIOLOGICAL ASSETS

ACCOUNTING POLICIES

Biological assets are recognized in the statement of financial position at their fair value less cost to sell. The fair value of biological assets are measured according to level 3 of the fair value hierarchy, based on factors not drawn from observable market rates and –prices.

The fish are divided into two main groups, depending on the stage of the life cycle. At the earliest stage of the life cycle, the fish are kept on land in freshwater facilities. This group encompasses roe, fry and smolt. When the fish are large enough to be transferred to the sea, they are classified as biomass in sea.

In accordance with application of highest and best use when estimating the fair value of live fish, Grieg Seafood considers that the fish have optimal harvest weight when they have a live round weight of 4.60 kg, which corresponds to 4.00 kg gutted weight. Fish with a live round weight of 4.60 kg or more are classified as ready for harvest (mature fish), while fish with an weight less than 4.60 kg are classified as not ready for harvest (immature fish).

Fish onshore (smolt) are recognized at accumulated cost, which is considered the best estimate of fair value because of very little biological transformation. This assessment must be seen in the light of the fact that smolt are currently transferred to the sea at a stage when their weight is still relatively low. For fish in sea, the fair value is calculated by applying a cash-flow based present value model. The measurement unit is the individual fish. However, for practical reasons, cash flows and estimates are carried out per locality.

When estimating the fair value of the fish, a cash flow model is applied. The cash-flow based present value model for estimating the fair value less cost to sell does not rely on historical and company specific factors. In a hypothetical market with perfect competition, a hypothetical buyer of live fish would maximum be willing to pay the present value of the estimated future profit from the sale of the fish when it is ready for harvest. The estimated future profit, considering all price adjustments and payable fees for completion, constitutes the cash flow. No deductions are made for sales expenses, as these are not observable in the market. Such expenses are also deemed immaterial.

Incoming cash flow is calculated as a function of estimated volume multiplied by estimated price. For fish not ready for harvest, a deduction is made to cover estimated residual costs to grow the fish to harvestable weight. The cash flow is discounted monthly by a discount rate. The discount rate comprises three main components: 1) the risk of incidents that influence cash flow, 2) hypothetical license lease and 3) the time value of money. The sales price for fish in the sea is based on the forward price from Fish Pool. Fish Pool is a marketplace for financial purchase and sale agreements for superior Norwegian Salmon size 3-6 kg head-on gutted weight. The volume on Fish Pool is limited, but Grieg Seafood's opinion is that the observable forward prices must be seen as the best approach to a price for the sale of salmon as there are limited alternative observable prices in the market. Regarding foreign countries, the most relevant price information available for the expected harvesting period is applied. For fish in the sea, the forward price in Norway is adjusted for historical differences in achieved prices between Norway and Canada. The price/net sales value is adjusted for quality differences (superior, ordinary and production grade), and for logistics expenses and sales commissions. Estimated harvesting expenses are deducted.

When estimating the actual accumulated cost at the respective seawater facility, direct costs (fish feed and similar) are allocated to each group of fish transferred to the sea at the same location. Financial costs are not included in the costs of production.

The volume (biomass) is based on the actual number of individuals in the sea at the balance sheet date, adjusted to cover estimated mortality up to harvest date and multiplied by the estimated harvest weight per individual at the time of harvest. The fair value estimate for the fish in sea figure is adjusted for gutting waste, as the price is measured for gutted weight. Budgeted harvesting and freight costs are applied. Foreign currency forward contracts associated with the date of harvesting are applied when translating the price to CAD.

OPENING TO CLOSING BALANCE RECONCILIATION OF THE CARRYING VALUE OF BIOLOGICAL ASSETS

BIOLOGICAL ASSETS	TONNES		NOK 1 000	
	2022	2023	2022	2023
Biological assets at 01.01.	50 614	59 121	4 065 800	3 449 412
Currency translation differences	NA	NA	58 707	36 945
Increase due to production	94 144	93 087	5 563 616	4 348 288
Decrease due to abnormal mortality/loss	-3 801	-3 408	-294 832	-224 924
Decrease due to sales	-82 776	-98 186	-4 487 742	-3 743 033
Fair value adjustment at 01.01.	NA	NA	-1 149 591	-970 480
Fair value adjustment at 31.12	NA	NA	1 329 761	1 149 591
Biological assets at 31.12	58 181	50 614	5 065 718	4 065 800

See Note 27 for information on assets pledged as security for financial liabilities. Tonnes is provided in live round weight.

SPECIFICATION OF THE CARRYING VALUE OF BIOLOGICAL ASSETS

STATUS OF BIOLOGICAL ASSETS	NUMBER OF FISH 1 000	BIOLOGICAL ASSETS TONNES	ACCUMULATED COST OF PRODUCTION NOK 1 000	FAIR VALUE ADJUSTMENT NOK 1 000	BOOK VALUE NOK 1 000
2023					
Biological assets on land *	27 227	541	245 069	—	245 069
Immature fish at sea, round weight < 4.60 kg	28 854	39 784	2 497 747	943 998	3 441 745
Mature fish at sea, round weight > 4.60 kg	3 262	17 857	975 142	385 163	1 358 905
Total	59 343	58 181	3 735 957	1 329 761	5 065 718
2022					
Biological assets on land *	17 680	547	181 569	—	181 569
Immature fish at sea, round weight < 4.60 kg	28 562	41 614	2 370 985	934 708	3 305 693
Mature fish at sea, round weight > 4.60 kg	1 648	8 453	343 655	214 683	558 337
Total	45 890	50 614	2 894 209	1 149 591	4 065 800

* Smolt production

ABNORMAL MORTALITY

ACCOUNTING POLICIES

Fish farming naturally comes with a certain level of loss of fish along the production cycle, and our budgets are typically produced with an inherent assumption of a 0.5-1% monthly mortality. The losses associated with normal levels of survival are not directly recognized in the income statement. In periods where specific abnormal incidents lead to reduced survival, we immediately recognize write-downs of the biomass inventory to better reflect the actual biomass in the sea or on land. The write-down costs are recorded in the income statement as they arise, included in the financial statement line item "Raw materials and consumables used".

Cost related to abnormal mortality will be immediately recognized in profit or loss, and presented as "decrease due to abnormal mortality/loss" in the table for opening-to-closing balance reconciliation as discussed above. Normal mortality is classified as part of the production cost. The classification of mortality only affects the note presentation, and not the fair value calculation.

Abnormal mortality in 2023 is related to winter ulcers, *Spironucleus salmonicida* (Spiro), sea lice treatment and gill disease.

ABNORMAL MORTALITY - WRITE-DOWN				BIOLOGICAL ASSETS		AVERAGE SIZE KG	WRITE-DOWN NOK 1 000
				NUMBER OF FISH 1 000	TONNES		
2023							
Immature fish in sea, round weight < 4.60 kg				1 832	3 276	1.79	197 750
Mature fish in sea, round weight > 4.60 kg				102	523	5.13	23 865
Total abnormal mortality in sea				1 934	3 801	1.97	221 615
Biological assets onshore							73 217
Total abnormal mortality							294 832
2022							
Immature fish in sea, round weight < 4.60 kg				2 293	2 994	1.31	154 694
Mature fish in sea, round weight > 4.60 kg				85	414	4.89	16 983
Total abnormal mortality in sea				2 378	3 408	1.44	171 677
Biological assets onshore							53 247
Total abnormal mortality							224 924

FAIR VALUE ESTIMATE AND RECOGNIZED FAIR VALUE ADJUSTMENT TO THE BIOLOGICAL ASSETS

ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The fair value model assessed by the Group calculates the net present value of expected cash flow. Valuation is based on a variety of premises, many of which are non-observable. For mature fish (ready for harvesting) on the reporting date, uncertainty mainly involves realized prices and volume. For immature fish (not ready for harvesting), the level of uncertainty is generally higher. Price, volume and discount rate are the main uncertainty factors. However, uncertainty is also related to biological transformation and mortality prior to the harvest date for the fish.

Sales price

Salmon sales prices are volatile. The sales price is based on forward prices and/or the most relevant pricing information available for the period in which the fish is expected to be mature (ready for harvesting). Changes in price assumptions have the greatest impact on the fair-value estimate. The market price constitutes the basis for calculating fair value for both mature and immature fish. The forward prices for superior Norwegian salmon weighing 3-6 kg gutted weight from Fish Pool are applied. For fish ready for harvest, the forward price for the following month is applied. For fish not ready for harvest, the forward price for the month when the fish is expected to be harvested is applied.

Estimating remaining production cost

The planned point of harvesting is assumed to be when the fish reaches a live round weight of 4.60 kg, however, there may be uncertainty regarding the estimated growth rate. For immature fish, the fair value is adjusted by the estimated remaining cost necessary to grow the fish to optimal harvest weight. Forecast production costs include provisions for estimated feed prices, the cost of lice treatments and other costs to prevent biological accidents. Here, estimations are affected by uncertainty regarding the number of lice treatments to be carried out, the sea temperature and other conditions affecting growth and costs.

Volume

Estimated harvest volume is based on the estimated number of fish on the reporting date, less estimated future mortality multiplied by optimal harvest weight (4.60 kg round weight). Actual harvest volume may differ from the estimated volume due to changes in biological conditions or due to special events, such as a mass mortality. The estimated number of fish is based on the number of smolt transferred to the sea, and mortality is a given percentage of the fish in the sea. The normal estimated harvest weight is assessed to be the live round weight of fish that results in a gutted weight of 4.0 kg. If there are any specific conditions at the reporting date resulting in the fish being harvested before they reach optimal weight, the estimated harvest weight is adjusted. Mortality during the period from the reporting date to the date when the fish reach harvest weight is estimated to be 1% of the number of opening balance of fish per month in the forecast period.

Discount rate

The sales revenue and remaining expenses are allocated to the same period in which the fish is harvested. The cash flows from all localities where the Group has fish in the sea will then be distributed over the entire period it takes to farm the fish in the sea. With the current size of the smolt released and the frequency of the smolt transfers, this period may be from 12 to 18 months. The discount rate considers both risk adjustment (risk related to volume, cost and price), compensation for the value of the licenses (hypothetical rent) and time value (lying up capital). The reason for differentiating the discount rate at the regional level is the different prerequisites for biological production, which also requires a differentiation of the recognized synthetic license rent. The risk adjustment shall reflect the price discount a hypothetical buyer would demand as compensation for the risk assumed by investing in live fish rather than a different object. The longer it takes to reach harvest date, the higher the risk that something may occur that will affect the cash flow. Three significant factors could have an impact on the cash flow: volume, costs and price. The one thing all three factors have in common is that the sample space is asymmetrical.

Due to limited access to licenses for the farming of fish, the license value is currently considered to be very high. For a hypothetical buyer of live fish to take over and continue to farm the fish, the buyer needs a license, locality and other permits required for such production. However, in a hypothetical market for the purchase and sale of live fish, one must assume that this would be possible. In that scenario, a hypothetical buyer would claim a significant discount to allocate a sufficient share of the returns to the buyer's own licenses. It is difficult to create a model that would allow a hypothetical annual lease cost to be derived from prices for sold licenses as the curve in the model would be based on projections of future profit performance in the industry.

A discount must be made for the time value of the tied-up capital linked to the share of the present value of the cash flow allocated to the biomass. The buyer who is investing in live fish rather than some other type of object, would claim compensation for the alternative cost. The production cycle for salmon in the sea currently takes up to 18 months. The cash flow will therefore extend over a similar period. Assuming a constant sales price throughout the period, the cash flow would decrease for each month, as costs are incurred to farm the fish to harvest weight. The cost increases for every month the fish are in the sea. As such, the effect of deferred cash flow is lower than would be the case if the cash flow had been constant. This component is, however, deemed important due to the substantial value the stock of fish represents.

Biological assets are measured at fair value, unless the fair value cannot be measured reliably. The change in the fair value of biological assets is recognized in the income statement as "fair value adjustment of biological assets". The table below summarizes the components of the fair value adjustment recognized in the income statement for the year.

RECOGNIZED FAIR VALUE ADJUSTMENT IN THE INCOME STATEMENT NOK 1 000			
	2023	2022	
Change in fair value adjustment of biological assets ¹	156 557	129 331	
Change in physical delivery contracts relating to fair value adjustment of biological assets ²	-1 846	-1 610	
Change in fair value of financial derivatives from salmon (Fish Pool contracts) ³	63 211	-44 309	
Total recognition of fair value adjustment of biological assets	217 922	83 412	

Recognized value adjustments of biological assets include:

- 1 Fair value adjustments of biological assets
- 2 Fair value (liability) change in loss-making contracts
- 3 Change in unrealized gains/losses from financial purchases/sales contracts (derivatives) from fish at Fish Pool

Changes arising from physical delivery contracts are recognized as "fair value adjustment of biological assets". The provision relates to onerous contracts for delivery of salmon, where the expenses of fulfilling the contracts are higher than the economic yield the company expects to gain by fulfilling the contracts. As biological assets are recognized at fair value, the fair value adjustments of the biological assets will be included in the estimated expenses required to fulfil the contract. The contracts are calculated based on the same forward prices used for the fair value calculation of biological assets. This implies that the Group may experience loss-making (onerous) contracts according to IAS 37 even if the contract price for physical delivery contracts is higher than the actual production cost for the products. If that occurs, a provision is made for the estimated negative value. The liability in the statement of financial position is recognized as other current liabilities, see Note 29.

Changes in the value of salmon-related financial derivatives are recognized in the balance sheet under derivatives and other financial instruments. Financial derivatives are calculated at market value. See Note 31 for further information.



BASIS FOR VALUES - WEIGHTED PRICE PER KGWGT			
	NORWAY	BRITISH COLUMBIA	NEWFOUNDLAND
31.12.2023	95.84	14.28	12.79
31.12.2022	84.06	12.83	11.66
Source	Fish Pool	Fish Pool	Fish Pool

Forward prices from Fish Pool are adjusted for expected quality reductions and stated before logistics expenses. The standard deduction for quality reduction is applied. Forward prices are weighted in relation to the intended harvesting period.

The price for British Columbia and Newfoundland is based on the forward price in Norway, adjusted for historical differences in price levels between Norway and Canada. Forward exchange rates are used to translate prices into CAD in relation to the harvesting period.

The estimated future cash flow is discounted by a monthly rate, which is assessed individually for each region. The discount rate reflects a combination of the cost of capital for the biological assets, risk adjustment (the risk related to volume, cost and price of the biological assets) and a synthetic license rent. The discount rate is differentiated to take account of each region's different prerequisites for biological production, which also results in a differentiation of the recognized synthetic license rent. See the table below for the applied discount rates per region.

DISCOUNT RATE PER REGION		
	2023	2022
Rogaland	5.0%	5.0%
Finnmark	5.0%	5.0%
British Columbia	3.5%	3.5%
Newfoundland	3.5%	3.5%

Grieg Seafood considers three components to be key parameters for valuation: price, estimated harvest biomass volume and the applied monthly discount rate. The monthly discount rate is applied to expected future cash flows to account for risk, the time value of money and the cost of contributory assets. The following table is a sensitivity analysis, showing the change in the fair value of the biological assets, and hence the Group's profit before tax, in the event of changes in these parameters. The estimate of fair value of the biomass will always be based on uncertain assumptions, even though the Group has built up expertise in assessing these factors.

SENSITIVITY ANALYSIS OF BIOMASS - EFFECT ON PRE-TAX PROFIT NOK 1 000		
	2023	2022
Change in discount rate +1%	-215 696	-175 527
Change in discount rate -1%	264 132	207 074
Changes in sales price +1 NOK/kg	82 860	69 555
Changes in sales price -1 NOK/kg	-70 722	-68 073
Changes in sales price +5 NOK/kg	409 732	357 629
Changes in sales price -5 NOK/kg	-399 033	-325 903
Changes in biomass volume +1% kg	62 821	54 202
Changes in biomass volume -1% kg	-50 824	-53 427

NOTE 20 TRADE RECEIVABLES

ACCOUNTING POLICIES

Trade receivables arising from the trading of goods or services within the ordinary operating cycle and under normal terms of payment are initially recognized at nominal value.

The Group is engaged in factoring agreements that cover financing of outstanding receivables for the sales organization in Norway. Generally, a financial asset is derecognized from the statement of financial position when either the rights to receive cash flows from the asset have expired, or the Group has transferred its right to receive cash flows from the asset, preconditioned that the Group has transferred substantially all risks and rewards, or control, of the financial asset to a third party.

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. Losses on receivables are classified as other operating expenses in the income statement.

For trade receivables, the Group applies a simplified approach in calculating expected credit loss (ECL). In the Group's expected credit ECL model, customers are categorized as high or low risk, depending on their country of origin, and as credit insured or uninsured. The group of uninsured receivables also consists of some receivables that have other types of security. The risk evaluation is based on our own experience and input from credit insurance companies. A loss allowance is calculated as a percentage of the aging distribution (days past due). The Group also makes manual accruals if significant information implies that there is a higher risk of losses. Around 5% credit risk also remains for the factored trade receivables. The aging analysis given below is therefore based on the total receivables rather than total receivables less the factored receivables. For more information about credit risk, refer to Note 4.

TRADE RECEIVABLES NOK 1 000	2023	2022
Gross amount of trade receivables	603 229	690 226
Trade receivables deducted*	-256 597	-416 053
Loss allowance	-19 472	-15 036
Trade receivables at 31.12	327 160	259 137

*Trade receivables bought by the factoring company.
See Note 4 for a specification of the carrying value per currency.
See Note 27 for information on assets pledged as security for financial liabilities.

RECOGNIZED LOSSES ON TRADE RECEIVABLES

RECOGNIZED LOSSES NOK 1 000	2023	2022
Change in loss allowance	4 436	71
Confirmed losses in the year	—	33
Total recognized losses on receivables	4 436	104

NOK 1 000	GROSS AMOUNT	EXPOSED AMOUNT	NOT YET DUE	OVERDUE			Total			
				OVERDUE 0-30 days	OVERDUE 31-90 days	OVERDUE > 90 days				
AGING PROFILE OF TRADE RECEIVABLES (TR) 31.12.2023										
Regular/normal risk countries	TR Credit insured	520 137	27 925	336 869	169 204	12 480	293	1 291	—	520 137
	TR Unsecured	82 117	81 261	21 591	17 934	21 370	412	5 364	15 445	82 117
	TR Credit insured	975	—	975	—	—	—	—	—	975
	TR Unsecured	—	—	—	—	—	—	—	—	—
Total		603 229	109 187	359 434	187 139	33 850	705	6 455	15 445	603 229
LOSS ALLOWANCE 31.12.2023										
Regular/normal risk countries	TR Credit insured	—	27 925	132	244	94	5	3	—	478
	TR Unsecured	—	81 261	2	7	28	202	4 389	14 365	18 993
High risk countries	TR Credit insured	—	—	1	—	—	—	—	—	1
	TR Unsecured	—	—	—	—	—	—	—	—	—
Total		—	109 187	135	251	122	207	4 392	14 365	19 472

LOSS ALLOWANCE 31.12.2023

Regular/normal risk countries	TR Credit insured	—	27 925	132	244	94	5	3	—	478
	TR Unsecured	—	81 261	2	7	28	202	4 389	14 365	18 993
High risk countries	TR Credit insured	—	—	1	—	—	—	—	—	1
	TR Unsecured	—	—	—	—	—	—	—	—	—
Total		—	109 187	135	251	122	207	4 392	14 365	19 472

NOK 1 000	GROSS AMOUNT	EXPOSED AMOUNT	NOT YET DUE	OVERDUE			Total			
				0-30 days	31-90 days	OVERDUE > 90 days				
AGING PROFILE OF TRADE RECEIVABLES (TR) 31.12.2022										
Regular/normal risk countries	TR Credit insured	615 863	—	486 463	121 035	6 332	381	1 616	36	615 863
	TR Unsecured	59 939	61 444	33 057	1 550	10 898	401	60	13 773	59 939
High risk countries	TR Credit insured	11 583	—	5 399	5 732	474	—	-22	—	11 583
	TR Unsecured	2 841	2 839	2 839	2	—	—	—	—	2 841
Total		690 226	64 283	527 757	128 319	17 704	982	1 655	13 809	690 226
LOSS ALLOWANCE 31.12.2022										

LOSS ALLOWANCE 31.12.2022

Regular/normal risk countries	TR Credit insured	—	—	271	8	316	79	512	36	1 223
	TR Unsecured	—	61 444	8	—	—	—	—	13 773	13 780
High risk countries	TR Credit insured	—	—	3	16	12	—	—	—	31
	TR Unsecured	—	2 639	2	—	—	—	—	—	2
Total		—	64 283	283	25	328	79	512	13 809	15 036



NOTE 21 OTHER CURRENT RECEIVABLES

OTHER CURRENT RECEIVABLES NOK 1 000	2023	2022
VAT receivable	80 748	87 431
Prepaid expenses	58 656	44 113
Other current receivables	31 625	25 515
Total	171 249	157 060

NOTE 22 INVESTMENT IN MONEY MARKET FUNDS

INVESTMENT IN MONEY MARKET FUNDS NOK 1 000	NOTE	2023	2022
Investment in money market funds		—	1 000 224
Unrealized gain/loss		—	12 624
Total investment in money market funds		—	1 012 848
Realized fair value gains (losses) recognized in the income statement	11	41 461	—
Unrealized fair value gains (losses) recognized in the income statement	11	-12 624	12 624

In 2022, the Group temporarily placed surplus liquidity funds in money market funds. The entire investment has been exited as per year-end 2022. The Group did not invest directly in bonds or securities, but through units in established money market funds. All three funds held in the investment portfolio as per 31 December 2022 were money market funds that invested in bonds and securities with short time to maturity in the Norwegian market.

NOTE 23 CASH AND CASH EQUIVALENTS

ACCOUNTING POLICIES

Cash and cash equivalents include cash in hand, bank deposits and other short-term highly liquid investments with original maturities of three months or less. The overdraft facility is included in current borrowings in the statement of financial position.

CASH AND CASH EQUIVALENTS NOK 1 000	2023	2022
Restricted deposits incl. employee tax deductions	1 000	1 000
Other cash and bank deposits	215 318	641 719
Total	216 318	642 719

The Group has two multi-currency group account scheme (cash pool agreement), in which Grieg Seafood ASA, the parent company, is the legal account holder. One of the cash-pool agreements do have a multi-currency overdraft facility of NOK 200 million, which is utilized with NOK 63 million at year-end 2023. See Note 27 for more information. The subsidiaries that are part of the agreement can utilize the group cash pool arrangement provided that the arrangement without overdraft cannot be net negative, and that the arrangement with overdraft facility can not exceed negative NOK 200 million. Not all subsidiaries are part of the cash pool arrangement. The subsidiaries participating in the group account scheme are jointly and severally liable for the entire amount of the commitment under the scheme. Cash and cash equivalents include the currency exposure in the group account scheme. At 31 December 2023, the net amount of bank deposits in the group account scheme amounted to NOK 26 million (2022: NOK 524 million). At the same time, unutilized overdraft facility was NOK 137 million (NOK 200 million), in addition to unutilized revolving credit facility of NOK 750 million (NOK 1 500 million).

See Note 4 for a specification of the carrying value per currency. See Note 27 for information on the Group's available credit facilities.

PART 03 - OUR FINANCIAL RESULTS

NOTE 24 SHARE CAPITAL AND SHAREHOLDER INFORMATION

As at 31 December 2023, the company had 113 447 042 shares with a nominal value of NOK 4 per share. All shares issued by the company are fully paid-up. There is one class of shares and all shares confer the same rights.

SHARE CAPITAL AND NUMBER OF SHARES	NOMINAL VALUE PER SHARE (NOK)	TOTAL SHARE CAPITAL NOK 1 000	NO. OF ORDINARY SHARES 31.12.2023
Total	4.00	453 788	113 447 042
Holdings of treasury shares	4.00	-5 255	1 313 654
Total excl treasury shares	4.00	448 533	112 133 388

Treasury shares

Grieg Seafood ASA hold treasury shares in connection to its share saving program for employees. The latest sale of treasury shares from the company to employees was in December 2023, as 107 473 treasury shares was sold through the share saving program. As at 31 December 2023, the company has 1 313 654 treasury shares.

In 2022, 96 150 shares was sold to employees through the share savings program at an average price of NOK 71.10. In December 2022, Grieg Seafood purchased 385 000 shares at a weighted average price of NOK 77.76 per share of which 314 980 has been settled within year-end 2022 and the remainder was settled in January 2023.

THE LARGEST SHAREHOLDERS IN GRIEG SEAFOOD ASA	NO. OF SHARES 31.12.2023	SHAREHOLDING 31.12.2023
Grieg Aqua AS	56 914 355	50.17%
OM Holding AS	5 140 982	4.55%
Folketrygdfondet	2 419 585	2.13%
Ystholmen Felles AS	1 923 197	1.70%
Clearstream Banking S.A. (Nominee)	1 615 271	1.42%
State Street Bank and Trust Comp (Nominee)	1 512 715	1.33%
State Street Bank and Trust Comp (Nominee)	1 435 586	1.27%
Grieg Seafood ASA	1 313 654	1.16%
BNP Paribas (Nominee)	1 192 532	1.05%
JPMorgan Chase Bank, N.A. London (Nominee)	1 171 727	1.03%
Sparbank 1 Markets AS	1 159 872	1.02%
Froy Kapital AS	1 116 323	0.98%
J.P. Morgan SE (Nominee)	1 105 349	0.97%
State Street Bank and Trust Comp (Nominee)	1 078 185	0.95%
Kvasshøgdi AS	996 772	0.88%
Bank Pictet & Cie (Europe) AG (Nominee)	921 918	0.81%
Six AG (Nominee)	853 102	0.75%
BNP Paribas (Nominee)	842 579	0.74%
Skandinaviska Enskilda Banken AB (Nominee)	800 350	0.71%
State Street Bank and Trust Comp (Nominee)	753 837	0.66%
Total 20 largest shareholders	84 287 891	74.30%
Total others	29 159 151	25.70%
Total number of shares	113 447 042	100.00%



THE LARGEST SHAREHOLDERS IN GRIEG SEAFOOD ASA		
	NO. OF SHARES 31.12.2022	SHAREHOLDING 31.12.2022
Grieg Aqua AS	56 914 355	50.17%
OM Holding AS	5 110 982	4.51%
Folketrygdfondet	2 939 985	2.59%
Ysholmen Felles AS	1 923 197	1.70%
State Street Bank and Trust Comp (Nominee)	1 717 439	1.51%
State Street Bank and Trust Comp (Nominee)	1 692 877	1.49%
Morgan Stanley & Co. Int. Plc. (Nominee)	1 470 346	1.30%
Clearstream Banking S.A. (Nominee)	1 376 622	1.21%
Grieg Seafood ASA	1 351 811	1.19%
JPMorgan Chase Bank, N.A., London (Nominee)	1 136 470	1.00%
Gåse Næringsutvikling AS	1 116 323	0.98%
Kvaschagfi AS	996 772	0.88%
Ferd AS	924 407	0.81%
State Street Bank and Trust Comp (Nominee)	724 407	0.64%
DZ Privatbank S.A. (Nominee)	698 518	0.62%
J.P. Morgan SE (Nominee)	687 236	0.61%
Danske Invest Norge Vekst	540 000	0.48%
Six Sis AG (Nominee)	534 229	0.47%
J.P. Morgan SE (Nominee)	526 442	0.46%
DNB Bank ASA (Broker)	482 561	0.43%
Total 20 largest shareholders	82 064 979	73.04%
Other shareholders	30 582 063	26.96%
Total shares	113 447 042	100.00%

SHARES CONTROLLED DIRECTLY AND INDIRECTLY BY THE BOARD OF DIRECTORS AND GROUP MANAGEMENT			
	NO. OF SHARES 31.12.2023	SHAREHOLDING 31.12.2023	NO. OF SHARES 31.12.2022
BOARD OF DIRECTORS			
Per Grieg *	2 877 206	2.54%	2 877 206
Tore Holand **	3 160	0.00%	2 000
Marianne Ribe	—	—%	—
Katrine Trovik	—	—%	—
Nicola Hafeld Grieg *	2 117 289	1.87%	2 117 289
Ragnhild Janbu Fresvik (board member from 9 June 2022)	—	—%	—
GROUP MANAGEMENT			
Andreas Kjaer (Chief Executive Officer)	44 372	0.04%	40 513
Atle Harald Sandtorv (Chief Financial Officer)	28 015	0.02%	25 556
Alexander Knudsen (Chief Operating Officer Farming Norway)	24 272	0.02%	23 513
Grant Cumming (Chief Operating Officer Farming Canada)***	9 857	0.01%	NA
Erik Holvik (Chief Commercial Officer)	11 135	0.01%	8 831
Knut Ulheim (Chief Technology Officer)	25 614	0.02%	24 855
Kathleen O. Mathisen (Chief Human Resource Officer)	15 839	0.01%	15 074
Nina Stangeland (Chief Strategy Officer)***	—	—%	NA
Kristina Funes (Chief Communications Officer)	5 167	0.00%	4 711

*The Grieg and Nicola Hafeld Grieg both own indirectly in Grieg Seafood ASA through their indirect ownership in Grieg Maritima II AS (see Note 1). Grieg Maritima II AS owns 100% of Grieg Aqua AS, which is the largest shareholder in Grieg Seafood ASA representing 50.17% of the shares. Additionally, both Per Grieg and Nicola Hafeld Grieg is represented in the Board of Directors of Grieg Maritima II AS. Together, Per Grieg and Nicola Hafeld Grieg therefore represents, through their indirect ownership and board representation in Grieg Maritima II AS, 50.17% of the shares in Grieg Seafood ASA through Grieg Aqua AS. Additionally, Per Grieg has further ownership interests in Grieg Seafood ASA through shares invested privately and through Kvaschagfi AS, bringing the total percentage of shares in Grieg Seafood ASA through shares invested in Skippergata 20 AS as well as shares invested privately.

**Tore Holand owns shares in Grieg Seafood ASA through shares invested in Skippergata 20 AS as well as shares invested privately.

***Grant Cumming and Nina Stangeland were appointed to Group Management in 2022.

NOTE 25 CONTINGENT CONSIDERATION, OTHER EQUITY AND RETAINED EARNINGS

CONTINGENT CONSIDERATION

ACCOUNTING POLICIES

Equity-classified contingent consideration is measured initially at fair value on the acquisition date and is not remeasured subsequent to initial recognition. Settlement of the equity-classified contingent consideration is accounted for within equity.

On 15 April 2020, Grieg Seafood ASA completed the acquisition of Grieg Seafood Newfoundland AS, which is the holding company for the farming operations in the Newfoundland region. On the date the acquisition was completed, 99% of the shares in Grieg Seafood Newfoundland AS were transferred, while the remaining 1% is subject to a put/call option accounted for and included in the contingent consideration (classified as equity) of the acquisition.

Through the acquisition, a contingent consideration of NOK 702 million was recognized. Depending on the planned production volume within the first 10 years following the transaction, additional payments may be triggered. The additional amount becomes unconditional when Newfoundland has reached an annual harvest volume of 15 000 tonnes, and the amount increases with planned volume unit an annual harvest volume of 33 000 tonnes. The amount due is NOK 43 per kg for volumes between 15 000 and 20 000 tonnes, and NOK 55 per kg for volumes between 20 000 and 33 000 tonnes, with a 4% per annum inflation adjustment from the calendar year 2023.

The contingent consideration is classified as equity. It is in Grieg Seafood's sole discretion to decide when to make the expansion investments and increase production.

OTHER EQUITY

SPECIFICATION OF ACCUMULATED OTHER COMPREHENSIVE INCOME NOK 1 000	CHANGES IN FAIR VALUE OF EQUITY INSTRUMENTS	CURRENCY EFFECT ON LOANS TO SUBSIDIARIES	CURRENCY EFFECT ON INVESTMENT IN SUBSIDIARIES	CURRENCY EFFECT ON LOANS TO SUBSIDIARIES	TOTAL
Book value at 01.01.2022	-37	-29 010	97 553		68 506
Changes in 2022	—	19 338	109 336		128 674
Book value at 31.12.2022	-37	-9 672	206 889		197 180
Changes in 2023	—	22 451	98 316		120 767
Book value at 31.12.2023	-37	12 780	305 206		317 947

The holding companies in the Group extend current and non-current loans to the subsidiaries, denominated in these companies' functional currencies. The non-current loans, with some exceptions, are considered to be equity in these companies, as there is no planned repayment of the principal amount outstanding. The currency effect of loans is recognized under "currency effect on loans to subsidiaries" in the Other Comprehensive Income (OCI) statement. The numerical effects for 2023 and 2022 are presented in the table below.

CURRENCY EFFECTS ON LOANS TO SUBSIDIARIES NOK 1 000	2023	2022
Currency effect	28 784	24 792
Tax effect (22%)	-6 332	-5 454
Net effect recognized in equity through OCI	22 451	19 338

PART 03 - OUR FINANCIAL RESULTS

RETAINED EARNINGS

SPECIFICATION OF RETAINED EQUITY NOK 1 000	EFFECT OF SHARE-BASED REMUNERATION	PURCHASE/SALES OF TREASURY SHARES *	ACCUMULATED INCOME LESS ACCUMULATED DIVIDEND	TOTAL
Book value at 01.01.2022	1 094	-2 020	4 344 929	4 344 002
Changes in 2022	—	-22 229	816 539	794 410
Book value at 31.12.2022	1 094	-24 249	5 161 767	5 138 612
Changes in 2023	—	6 912	55 631	62 543
Book value at 31.12.2023	1 094	-17 337	5 217 398	5 201 155

* The amount classified under "purchase of treasury shares" equals the cost price in excess of nominal value.

NOTE 26 EARNINGS PER SHARE AND DIVIDEND PER SHARE

ACCOUNTING POLICIES

Earnings per share are calculated by allocating the profit for the year to the company's shareholders based on a weighted average of the number of issued ordinary shares during the year. Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

CALCULATION OF EARNINGS PER SHARE	2023	2022
Profit / loss after tax (majority share) NOK 1 000	559 750	1 153 779
SPECIFICATION NUMBER OF SHARES AT 31.12:		
Number of shares	113 447 042	113 447 042
Number of treasury shares	1 313 654	1 351 811
Number of outstanding shares	112 133 388	112 095 231
Weighted average number of outstanding shares	112 034 001	112 309 715
Diluted average number of outstanding shares	112 034 001	112 309 715
Earnings per share (NOK)	5.0	10.3
Diluted earnings per share (NOK)	5.0	10.3

ACCOUNTING POLICIES

Dividends payable to the company's shareholders are recognized as a liability in the Group's financial statements when the dividends are approved by the annual general meeting of Grieg Seafood ASA.

DIVIDENDS	2023	2022
Proposed dividend per share (NOK)*	1.76	4.50
Distributed dividend to owners during the year per share (NOK)	4.50	3.00

*Proposed dividend per share (NOK) by the Board of Directors. Per the date of this Annual Report - not yet approved by the Annual General Meeting.

NOTE 27 BORROWINGS

ACCOUNTING POLICIES

Borrowings are initially recognized at fair value when the funds are received, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost applying the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Grøeg Seafood ASA has a syndicated, secured loan provided by DNB and Norddea. The syndicated financing consists of an aggregate of NOK 3 200 million in five-year senior secured sustainability-linked loans and credit facilities with maturity date in 2027. The debt structure comprises a NOK 750 million term loan (outstanding NOK 656 million), an EUR 75 million term loan (outstanding EUR 66 million), a NOK 1 500 million revolving credit facility and a NOK 200 million overdraft facility. As at the end of 2023, the Group has NOK 887 million (NOK 1 700 million) available on the revolving credit facility and overdraft facility. The revolving credit facilities are non-current and may be redrawn. Of the syndicated debt, NOK 133 million is installments due the next 12 months from the reporting date. The financing carries floating interest rates, calculated as the relevant three month IBOR plus the applicable margin per interest period. The financial covenant of the facility is a minimum equity ratio requirement of 31%, measured excl. the effect of IFRS 16.

In addition to the senior secured facility, the Group also has a green bond (GSF01 6, listed at Euronext), which matures in June 2025. The outstanding amount of the bond loan was NOK 1 393 million at the end of 2023. The total bond issue in 2020 was NOK 1 500 million, and since the bond issue, Grøeg Seafood has repurchased NOK 107 million. The bond carries a coupon rate of three months NIBOR + 3.4% p.a. The bond's financial covenant is an equity ratio requirement of minimum 30%, measured consistent with the Group's equity ratio financial covenants as defined in its syndicated loan agreement with secured lenders.

Grøeg Seafood ASA was in compliance with its financial covenant at 31 December 2023. At 31 December 2023, the Group had an equity ratio of 49% (2022: 50%) while the equity ratio according to financial covenant was 53%, compared to 52% at 31 December 2022.

In addition to bank- and bond loan, the Group's financing consists of lease agreements with credit institutions, in addition to the effect of IFRS 16 by capitalizing leases on the balance sheet (operational leases according to IFRS in force prior to 1 January 2019).

NON-CURRENT LIABILITIES INTEREST-BEARING NOK 1 000		2023	2022
CURRENT BORROWINGS			
Green bond loan		1 392 500	1 423 500
Non-current syndicated term-loan		1 261 155	1 346 218
Non-current syndicated revolving credit facility		750 000	—
Other non-current liabilities		105 067	94 144
Non-current interest-bearing borrowings		3 508 722	2 863 862
Amortization effect of loans		-16 742	-25 053
Non-current borrowings according to the statement of financial position		3 491 980	2 838 809
NON-CURRENT LEASE LIABILITIES			
Non-current lease liabilities according to the statement of financial position		1 111 069	653 650
TOTAL NON-CURRENT BORROWINGS INCL. AMORTIZED LOAN COSTS AND LEASE LIABILITIES			
Total non-current liabilities		4 603 028	3 492 459

PART 03 - OUR FINANCIAL RESULTS

CURRENT LIABILITIES INTEREST-BEARING NOK 1 000		2023	2022
CURRENT BORROWINGS			
Current portion of non-current syndicated term-loan		132 753	128 211
Overdraft facilities*		63 113	—
Current portion of other non-current liabilities		12 469	13 757
Current portion of borrowings according to the statement of financial position		208 335	141 968
CURRENT LEASE LIABILITIES			
Current portion of leasing liabilities according to the statement of financial position		299 626	226 910
TOTAL CURRENT BORROWINGS AND LEASE LIABILITIES			
Total current liabilities		507 960	368 878

*The Group has two multicurrency cash pool schemes, held at two different banks. One of the cash pool schemes has a multi-currency overdraft facility of NOK 200 million. As at year-end 31.12.2023, the cash pool scheme with the overdraft engagement had a net negative cash position, classified as overdraft facility at year-end. For more information on the Group's cash and cash equivalents, see Note 4 and 23.

NET INTEREST-BEARING LIABILITIES NOK 1 000		2023	2022
Total non-current interest-bearing liabilities		4 619 770	3 517 512
Total current interest-bearing liabilities		507 960	368 878
Gross interest-bearing liabilities		5 127 730	3 886 390
Loans to associated companies		-32 529	-8 300
Investment in money market fund		—	-1 012 848
Cash and cash equivalents		-2 616 318	-642 719
Net interest-bearing liabilities		4 678 884	2 222 522
Lease liabilities for contracts classified as operating lease for the lessor		-1 005 714	-463 946
Net interest-bearing liabilities ex. the effect of IFRS 16		3 673 170	1 758 576

Loans to associated companies, investment in money market funds, cash and cash equivalents and lease liabilities for contracts classified as operating lease for the lessor are presented by their net value in the table above.

Lease liabilities for contracts classified as operating lease for the lessor, corresponds to leases under the previous IFRS accounting standard (IAS 17' definition of operational leases). These lease liabilities (NOK 1 006 million in 2023 and NOK 484 million in 2022), also referred to as "the effect of IFRS 16", are not included in the financial covenant's definition of net interest-bearing liabilities.

The Group monitors leverage by assessing both the net interest-bearing liabilities including the effect of IFRS 16, totalling NOK 4 879 million (NOK 2 223 million) and net interest-bearing liabilities ex. the effect of IFRS 16, totalling NOK 3 873 million (NOK 1 739 million). In this Note, the lease liabilities are reported in aggregate. See Note 28 for a specification of the Group's lease liabilities, separated into lease liabilities for contracts classified as financial lease for the lessor (which corresponds to leases under the previous IFRS accounting standard (IAS 17' definition of financial leases)) and lease liabilities for contracts classified as operating lease for the lessor (which corresponds to leases under the previous IFRS accounting standard (IAS 17' definition of operational leases)).

MATURITY PROFILE INTEREST-BEARING LIABILITIES NOK 1 000		31.12.2023						TOTAL	
		2024	2025	2026	2027	2028	LATER		
Green bond loan		—	1 392 500	—	—	—	—	1 392 500	
Syndicated term-loan		132 753	132 753	132 753	995 648	—	—	1 393 908	
Syndicated revolving credit facility		—	—	—	750 000	—	—	750 000	
Overdraft facility		63 113	—	—	—	—	—	63 113	
Lease liabilities (book values)**		299 626	249 578	236 302	206 846	139 219	285 083	1 410 674	
Other non-current liabilities**		12 468	9 955	12 151	12 223	12 543	58 796	117 595	
Total		507 960	1 704 186	381 206	1 964 738	145 762	343 879	5 127 730	

*See Note 4 for a specification of the nominal payments for the lease component of the contractual liability
**NOK 117.6 million attributable to various loans provided by government agencies in Canada concerning the development of the Newfoundland region. These loans are recognized at present value, with a calculated interest charged to the income statement until maturity.



AVERAGE INTEREST RATE ON BANK- AND BOND LOAN			
	2023	2022	
Average interest rate (NOK)	6,62%	4,61%	
Average interest rate (EUR)	4,15%	1,77%	

The effect of interest rate swaps is not taken into account in calculating the average interest rate on borrowings and credit facilities.

BOOK VALUE AND FAIR VALUE OF BORROWINGS NOK 1 000			
	2023	2022	FAIR VALUE

Green bond loan	1 392 500	1 423 500	1 414 552
Borrowings from current syndicated loan and revolving credit facility, incl. current part of the non-current liability and overdraft facility)	2 207 021	1 474 429	2 207 021
Total	3 599 521	2 897 929	3 611 705

Book values in the table above are excluding the amortization effect of loan cost.

The book value of borrowings (excluding the green bond) closely approximates to the fair value.

Our green bond is listed on Oslo Børs (Euronext). Our green bond is listed on Oslo Børs (Euronext). Market price of the bond was 100,88% of par value at year-end 2023 (2022: 99,37%).

CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES NOK 1 000			
	31.12.2022	CASH INFLOW	31.12.2023
Green bond loan	1 423 500	—	1 392 500
Syndicated term loan	1 474 429	—	1 393 908
Syndicated revolving credit facility	—	750 000	750 000
Other interest-bearing liabilities	107 900	4 379	117 535
Long-term int.-bearing liabilities excl. leases	3 005 830	754 379	3 653 943
Overdraft facility	—	63 113	63 113
Short-term int.-bearing liabilities excl. leases	—	63 113	63 113
Amortized loan costs	-25 053	—	-16 742
Total borrowings	2 980 777	817 492	3 700 314
Lease liabilities	880 560	—	95 563
Total borrowings and lease liabilities	3 861 337	817 492	5 110 989

SPECIFICATION OF NON-CASH FLOW MOVEMENTS FOR 2023 NOK 1 000			
	NEW LEASE LIABILITY	OTHER CHANGES	TOTAL NON-CASH MOVEMENTS
Green bond loan	—	25 000	25 000
Syndicated term loan	—	—	52 753
Syndicated revolving credit facility	—	—	—
Other interest-bearing liabilities	—	3 772	9 498
Long-term int.-bearing liabilities excl. leases	—	28 772	87 252
Overdraft facility	—	—	—
Short-term int.-bearing liabilities excl. leases	—	—	—
Amortized loan costs	—	8 311	8 311
Total borrowings	—	28 772	95 563
Lease liabilities	708 349	87 751	809 942
Total borrowings and lease liabilities	708 349	116 524	905 507

Maturity profile interest-bearing liabilities NOK 1 000						
	2023	2024	2025	2026	2027	TOTAL
Green bond loan	—	—	1 423 500	—	—	1 423 500
Syndicated term loan	128 211	128 211	128 211	128 211	96 158	1 474 429
Lease liabilities (book values)**	226 910	201 443	122 059	114 500	88 482	880 560
Other non-current liabilities**	13 757	11 310	9 844	9 856	11 004	107 900
Total	368 878	340 965	1 683 714	252 568	1 061 071	3 886 390

*See Note 4 for a specification of the nominal payments for the lease component of the contractual liability.

**The book value of lease liabilities is determined by government's rates for the Canadian and concerning the development of the Newfoundland region. These loans are recognized at present value, which is calculated interest charged to the income statement until maturity.

LIABILITIES SECURED BY MORTGAGES/CHARGES ON ASSETS NOK 1 000		
	2023	2022
Liabilities secured by mortgages/charges on assets	2 442 413	1 899 364

ASSETS PLEDGED AS SECURITY NOK 1 000		
	2023	2022
Licenses	1 489 798	1 463 709
Property, plant and equipment (excl. the effect of IFRS 16 / prior IAS 17 operational leases)	4 112 535	3 562 816
Trade receivables	327 160	259 137
Inventories and biological assets excl. fair value of biological assets	3 966 011	3 156 381
Total assets pledged as security	9 895 503	8 422 043

Pledges also include shares in subsidiaries in addition to charges directly on assets. The book value of these shares is NOK 0 for the Group, as such shares according to the consolidation method of subsidiaries are eliminated in the Group. See Note 13 in the financial statement of the parent, Grieg Seafood ASA.

BOOK VALUE OF GROUP BORROWINGS BY CURRENCY NOK 1 000						
	31.12.2023	NOK	CAD	EUR	USD	GBP
Green bond loan	1 392 500	1 392 500	—	—	—	—
Syndicated term loan	1 393 908	656 250	—	737 658	—	—
Syndicated revolving credit facility	750 000	750 000	—	—	—	—
Overdraft facility*	63 113	79 924	140 824	-87 393	-52 476	-16 068
Lease liabilities	1 410 674	870 850	539 824	—	—	—
Other non-current and current liabilities	117 535	—	117 535	—	—	—
Amortization effect of loans	-16 742	-16 742	—	—	—	—
Total	5 110 989	3 732 702	798 184	650 265	-52 476	-16 068

BOOK VALUE OF GROUP BORROWINGS BY CURRENCY NOK 1 000						
	31.12.2022	NOK	CAD	EUR	USD	GBP
Green bond loan	1 423 500	1 423 500	—	—	—	—
Syndicated term loan	1 474 429	718 750	—	755 679	—	—
Lease liabilities	880 560	536 129	344 431	—	—	—
Other non-current and current liabilities	107 900	—	107 900	—	—	—
Amortization effect of loans	-25 053	-25 053	—	—	—	—
Total	3 861 337	2 653 326	452 331	755 679	—	—

NOTE 28 LEASES

ACCOUNTING POLICIES

The Group as a lessee

The Group acts primarily as a lessee as the Group do not have any business directed toward a role as a lessor. However, from time to time, when overcapacity on operational assets (e.g. well-boats), leased assets may be subleased by the Group.

Identifying a lease

The Group has several lease arrangements, various offices, equipment and vehicles. Contracts are engaged both with credit institutions and external parties (where the material leases are mostly with well-boat and workboat providers).

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes. The leases are recognized in the respective Group companies in local currencies, and translated to the Group's presentation currency at the balance sheet date.

Lease payments

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The Group reassesses the incremental borrowing rates applicable for new lease agreements annually. The applied incremental borrowing rates for new leases as from 2023 ranged from 4.8% – 5.7% for buildings and properties, and 4.9% – 6.2% for other assets.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Extension options

Some of the Group's agreements have extension options which may be exercised during the last period of the lease term. The Group assesses at the commencement whether it is reasonably certain to exercise the renewal right. The Group's potential future lease payments not included in the lease liabilities related to extension options is NOK 357 million (NOK 267 million at 31 December 2022).

Practical expedient

The Group leases smaller office equipment, such as coffee machines with contract terms of 1-3 years. The Group has elected to apply the practical expedient of low-value assets for some of these leases. Leases that have a present value as new lower than USD 5 000, are considered low-value leases. The Group has also applied the practical expedient for short-term leases. Short term is defined as a lease term of 12 month or less at the commencement date. For low-value leases and short-term leases, the Group does not recognize lease liabilities or right-of-use assets. These leases are recognized as operating expenses over the life of the contract.

Presentation

The Group presents its lease liability separately from other liabilities in the statement of financial position. The Group presents its right-of-use assets on the financial statement line item "Property, plant and equipment incl. right-of-use assets".

CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES NOK 1 000	2022				
	31.12.2021	CASH INFLOW	CASH OUTFLOW	TOTAL CASH FLOW	TOTAL NON-CASH MOVEMENTS
Green bond loan	1 500 000	—	-50 275	-50 275	-26 225
Syndicated term-loan	424 524	1 443 423	-469 288	994 134	55 771
Syndicated revolving credit facility	440 000	—	-440 000	-440 000	—
Other interest-bearing liabilities	100 622	—	-2 582	-2 582	9 860
Long-term int.-bearing liabilities excl leases	2 465 146	1 443 423	-962 146	501 277	39 407
Overdraft facility	—	—	—	—	—
Short-term int.-bearing liabilities excl leases	—	—	—	—	—
Amortized loan costs	-29 671	—	-11 854	-11 854	16 471
Total borrowings	2 435 474	1 443 423	-973 999	469 423	55 078
Lease liabilities	755 828	—	-225 448	-225 448	350 200
Total borrowings and lease liabilities	3 191 303	1 443 423	-1 199 447	243 955	406 078
					3 861 337

SPECIFICATION OF NON-CASH FLOW MOVEMENTS FOR 2022 NOK 1 000	NEW LEASE LIABILITY	OTHER CHANGES	AMORTIZED LOAN COSTS	FOREIGN CURRENCY TRANSLATION	TOTAL NON-CASH MOVEMENTS
Green bond loan	—	-26 225	—	—	-26 225
Syndicated term-loan	—	—	—	55 771	55 771
Syndicated revolving credit facility	—	—	—	—	—
Other interest-bearing liabilities	—	4 625	—	5 235	9 860
Long-term int.-bearing liabilities excl leases	—	-21 400	—	61 006	39 407
Overdraft facility	—	—	—	—	—
Short-term int.-bearing liabilities excl leases	—	—	—	—	—
Amortized loan costs	—	—	16 471	—	16 471
Total borrowings	—	-21 400	16 471	61 006	55 078
Lease liabilities	255 901	83 654	—	10 644	350 200
Total borrowings and lease liabilities	255 901	62 055	16 471	71 651	406 078



AMOUNTS RECOGNIZED IN THE INCOME STATEMENT NOK 1 000			
	2023	2022	
Interest on lease liabilities	-55 745	-33 613	
Foreign currency effect	1 142	3 746	
Depreciation right-of-use assets	-248 576	-187 404	
Income from subleasing of right-of-use assets	8 801	31 261	
Expenses relating to short-term leases	-23 176	-40 550	
Expenses relating to leases of low-value assets, excl. short-term leases of low-value assets	-1	-1	
Total amounts recognized in the income statement	-317 576	-276 543	

NOK 1 000	
2023	2022
335 596	259 081

NOTE 29 OTHER CURRENT LIABILITIES

OTHER CURRENT LIABILITIES NOK 1 000			
	2023	2022	
Accrued expenses ¹	166 326	150 241	
Production fee (Norway) ²	11 137	7 987	
Realized gain/loss on fixed-price contracts ³	8 424	30 930	
Other current liabilities ⁴	49 697	99 052	
Other current liabilities	235 584	288 210	

¹ Accrued expenses relate to other operating expenses, including accrued purchases, transportation costs, bonuses/discount for buyers, accrued salaries, and insurance.

² Production fee is a fee for the right to produce for the volume (gross weight) during the first half of 2023, and NOK 0.70/kg for the second volume (gross weight) during the second half of 2023 (NOK 0.60/kg for 2022). The production fee is settled throughout the year. The production fee is presented as a separate financial statement line item in the income statement ("Production fee").

³ See Note 31.

⁴ 2022 figures include NOK 25 million related to repurchased bonds. The repurchases were finalized in 2022 but settled in cash in 2023. In addition, NOK 28 million related to litigation and claims was accrued at year-end 2022, see Note 10. 2023 does not include such items as per year-end 2023.

RIGHT-OF-USE ASSETS 2023				
BUILDINGS/ PROPERTY	PROD. PLANTS AND BARGES	NETS, CAGES AND MOORINGS	OTHER EQUIPMENT	TOTAL
Book value at 01.01.	66 622	292 209	72 302	567 010
Current translation differences	1 690	—	17	13 060
Additions	5 194	43 350	23 193	636 161
Other changes in the right-of-use assets*	3 520	-12 273	-14 734	68 335
Depreciation	-12 978	-20 179	-14 739	-200 681
Book value at 31.12.	64 048	303 108	66 039	1 063 084

*Incl. the effect of exercising extension options and CPI adjustment of applicable leases.

RIGHT-OF-USE ASSETS 2022				
BUILDINGS/ PROPERTY	PROD. PLANTS AND BARGES	NETS, CAGES AND MOORINGS	OTHER EQUIPMENT	TOTAL
Book value at 01.01.	67 927	242 934	87 763	437 294
Current translation differences	1 760	26	43	13 220
Additions	10 036	49 549	8 058	251 807
Other changes in the right-of-use assets*	-1 399	-743	-7 792	-14 915
Depreciation	-11 703	-19 956	-15 749	-140 396
Book value at 31.12.	66 622	292 209	72 302	567 010

*Incl. the effect of exercising extension options and CPI adjustment of applicable leases.

LEASE LIABILITIES NOK 1 000		
	2023	2022
Lease liabilities at 01.01.	880 540	755 828
New leases recognized during the year	708 349	255 901
Cash payments for the principal portion of the lease liability	-279 830	-225 468
Currency exchange differences	13 945	10 902
Other changes in the lease liabilities*	87 751	83 397
Total lease liabilities at 31.12.	1 410 674	880 540

*Incl. the effect of exercising extension options and CPI adjustment of applicable leases.

See Note 4 for a maturity analysis for the contractual nominal amount (of the lease component in the contract) of the total lease liabilities.

SPECIFICATION OF LEASE LIABILITIES AT 31.12			
2023		2022	
CLASSIFIED AS FINANCIAL LEASE FOR THE LESSOR	CLASSIFIED AS OPERATING LEASE FOR THE LESSOR	CLASSIFIED AS FINANCIAL LEASE FOR THE LESSOR	CLASSIFIED AS OPERATING LEASE FOR THE LESSOR
Non-current portion	329 013	782 036	1 111 049
Current portion	75 948	223 678	299 426
Total lease liabilities included in the statement of financial position at 31.12	404 960	1 005 714	1 410 674

SPECIFICATION OF LEASE LIABILITIES AT 31.12			
2023		2022	
CLASSIFIED AS FINANCIAL LEASE FOR THE LESSOR	CLASSIFIED AS OPERATING LEASE FOR THE LESSOR	CLASSIFIED AS FINANCIAL LEASE FOR THE LESSOR	CLASSIFIED AS OPERATING LEASE FOR THE LESSOR
Non-current portion	318 198	335 452	653 450
Current portion	78 416	148 494	226 910
Total lease liabilities included in the statement of financial position at 31.12	396 614	483 946	880 540

NOTE 30 RELATED PARTIES

2023 NOK 1 000	OPERATING INCOME	OPERATING EXPENSES	NON-CURRENT BALANCES	CURRENT BALANCES
Total related parties as shareholders	—	22 797	—	-5 039
Total related parties as associates	—	174 380	41 129	-182
Total	—	197 177	41 129	-5 221

2022 NOK 1 000	OPERATING INCOME	OPERATING EXPENSES	NON-CURRENT BALANCES	CURRENT BALANCES
Total related parties as shareholders	—	33 742	—	-1 706
Total related parties as associates	—	148 353	16 650	-40 879
Total	—	202 095	16 650	-42 785

The Grieg Seafood Group carries out, in the normal course of business, transactions with companies controlled by Grieg Maturitas II AS, which is the parent company of Grieg Aqua AS, the majority owner of Grieg Seafood ASA. The ultimate parent company of Grieg Seafood ASA is Grieg Maturitas AS, the parent company of Grieg Maturitas II AS. These transactions relate to:

- ICT-related services and other functions such as catering, reception, etc., are provided by Grieg Group Resources AS on an arm's length basis.
- Grieg Seafood ASA rents its offices from Grieg Gaarden AS on an arm's length basis. The office rental agreement runs for a period of ten years.
- Grieg Seafood ASA purchases services from Grieg Investor AS.
- The regions purchased cleaner fish from Rensetiskgruppen AS including subsidiaries, a company owned by Grieg Kapital AS.

Furthermore, the Group also purchases goods and services from associated companies, including companies affiliated with the Group through managerial positions in Grieg Seafood and the related party. These transactions relate to:

- Purchase of smolt from the associated company Tylandsvik Aqua AS, which is owned 33.33% by Grieg Seafood Rogaland AS.
- Purchase of smolt from the associated company Nordnorsk Smolt AS, which is owned 50.00% by Grieg Seafood Finnmark AS.
- Interest-bearing loan provided to Ardal Aqua AS, which is owned 44.44% by Grieg Seafood Rogaland AS.
- Interest-bearing loan provided to Nordnorsk Smolt AS, which is owned 50.00% by Grieg Seafood Finnmark AS.
- Non-interest bearing loan provided to an affiliated company of NextSeafood AS, which is owned 50.00% by Grieg Seafood Rogaland AS.
- Fuel is purchased from Eiksvaag AS, which is affiliated with Grieg Seafood through a board member of Grieg Seafood being the Chair of the Board of Directors of the affiliated company.
- Algae monitoring services are purchased from Blue Planet AS, which is affiliated with Grieg Seafood through the Chief Operating Officer Norway of the Group being the Chair of the Board of Directors of the affiliated company.

The parent company provides a range of services to its subsidiaries. The services include administrative services performed on behalf of the subsidiaries of the Group. Grieg Seafood ASA is set up with facility agreements with external parties incl. banks, and lend out funds to subsidiaries. Interest is charged on an arm's length basis. In addition, Grieg Seafood ASA engages in hedge contracts on behalf of subsidiaries. The arrangement is intended to reduce these companies' exposure to salmon prices. Agreements with the subsidiaries are priced on the basis of a "back-to-back" arrangement.

The Board and Group Management are related parties. See Note 8 on share-based options and Note 24 on shares controlled by members of the Board and Group Management.

All transactions, including both the sale and purchase of goods and services, are made on an arm's length basis.

PART 03 - OUR FINANCIAL RESULTS

NOTE 31 FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT

ACCOUNTING POLICIES

A financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. The classification is performed in accordance with the substance of the contractual arrangement, and in line with the definitions of a financial asset, a financial liability and an equity instrument.

Ordinary purchases and sales of investments are recognized on the trade date, the date on which the Group commits to purchase or sell the asset. All financial assets that are not stated at fair value through profit or loss are initially recognized at fair value plus transaction costs.

FINANCIAL ASSETS

Financial assets are initially recognized at fair value when Grieg Seafood becomes party to the contractual provision of the asset. The subsequent measurement of the financial asset depends on which category the asset has been classified into at inception of the contract. The classification is based on an evaluation of the contractual terms and the business model applied.

The Group does not have financial assets with fair value measured through other comprehensive income. As such, the Group's categories of financial assets range from amortized cost and fair value through profit and loss.

Financial assets at amortized cost

The Group's financial assets measured at amortized cost includes trade receivables and other short-term deposits. The Group does not normally have, and has not had at year date of the reporting year nor in the comparable period, trade receivables that contain a significant financing component. Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value, with net changes in fair value recognized in the income statement. Derivatives are initially recognized at fair value on the date a derivative contract is entered into, and are subsequently stated at fair value on an ongoing basis. The category also include the Group's investments in debt instruments and money market funds.

Impairment of financial assets

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. See Note 20 for more information concerning trade receivables.

FINANCIAL LIABILITIES

Financial liabilities are classified, at initial recognition, as amortized cost (loans and borrowings), or as financial liabilities at fair value through profit or loss.

Financial liabilities at amortized cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the income statement.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial derivative contracts. Derivatives are initially recognized at fair value on the date a derivative contract is entered into, and are subsequently stated at fair value on an ongoing basis.

FAIR VALUE MEASUREMENT

ACCOUNTING POLICIES

The following of the Group's financial instruments are not measured at fair value: cash and cash equivalents, accounts receivables, other current receivables and payables, bank loans, bond loans and leasing liabilities.

The Group uses the following hierarchy of valuation techniques to determine and disclose the fair value of financial instruments:

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

For recurring level 3 measurements, transfers between the levels in the fair value hierarchy are evaluated when reassessing the categories of the financial instruments at the end of the period. During the reporting period, there were no changes in the fair value measurement which caused transfers between level 1 and level 2, and no transfers to or from level 3.

The information below describes valuation techniques for fair value measurement and estimation used by Grieg Seafood, including leases and the fair value adjustment of biological assets.

(I) FINANCIAL DERIVATIVE INSTRUMENTS

The fair value of quoted financial assets classified as financial assets at fair value through OCI is determined by reference to published price quotations in an active market. The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The fair value of forward currency contracts is determined using the forward exchange rate at the end of the reporting period. The fair value of interest rate swaps is determined by the present value of future cash flows. The fair value of options is determined using option pricing models. For all the above-mentioned derivatives, the fair value is confirmed by the financial institution with which the Group has entered into the contracts.

The carrying value of derivatives and other financial instruments as at 31 December 2023 and 31 December 2022 is shown in the table below. All the financial derivative instruments included in the table below are measured according to level 2 of the fair value hierarchy.

FAIR VALUE OF FINANCIAL DERIVATIVES NOK 1 000	NOTE		2023		2022	
	ASSETS	LIABILITIES	ASSETS	LIABILITIES	ASSETS	LIABILITIES
Forward currency contracts at fair value through profit or loss	4	11 852	—	2 749	—	9
Interest rate swap agreements	4	23 312	—	35 238	—	—
Financial salmon contract - sales contracts*	—	—	1 709	—	64 920	—
Total financial instruments at fair value	35 144	1 709	37 988	64 920	64 920	64 920

*In addition, as at year-end 2023, Grieg Seafood had NOK 8 million (2022: NOK 31 million) classified as current liabilities (see note Note 27) related to realized financial contracts. This amount represents settled price contracts, not part of the fair value amount of the financial instrument (derivative contract).

(III) TRADE RECEIVABLES, OTHER RECEIVABLES AND TRADE PAYABLES

The nominal value less write-downs for realized losses on trade receivables and trade payables is assumed to correspond to the fair value of these items, as they are short term and entered into on "normal" terms and conditions.

(III) CASH AND CASH EQUIVALENTS

The carrying amount of cash and cash equivalents is approximately equal to fair value, since these instruments have a short term to maturity.

(IV) BANK AND BOND LOANS

The carrying amount of bank loans is assessed to be approximately equal to fair value because the floating interest rate is adjusted to reflect current conditions. The fair value of the bond loan is disclosed in Note 27.

FINANCIAL INSTRUMENTS NOK 1 000	31.12.2023		TOTAL
	FVPL ¹	AMORTIZED COST	
FINANCIAL ASSETS			
Other non-current receivables ²	131	41 129	271
Trade receivables	—	327 160	—
Other current receivables	—	20 292	—
Derivatives ³	35 144	—	—
Cash and cash equivalents	—	216 318	—
Total financial assets	35 275	604 899	271
FINANCIAL LIABILITIES			
Borrowings	—	3 491 980	—
Lease liabilities	—	1 410 674	—
Share-based payments ⁴	7 566	—	—
Derivatives ³	1 709	—	—
Trade payables	—	760 753	—
Other current liabilities	—	15 667	—
Total financial liabilities	9 275	5 079 075	—

FINANCIAL INSTRUMENTS NOK 1 000	31.12.2022		TOTAL
	FVPL ¹	AMORTIZED COST	
FINANCIAL ASSETS			
Other non-current receivables ²	—	16 900	271
Trade receivables	—	259 137	—
Other current receivables	—	8 863	—
Investment in money market funds ⁵	1 012 848	—	—
Derivatives ³	37 988	—	—
Cash and cash equivalents	—	642 719	—
Total financial assets	1 050 836	927 618	271
FINANCIAL LIABILITIES			
Borrowings	—	2 980 777	—
Lease liabilities	—	880 560	—
Share-based payments ⁴	6 510	—	—
Derivatives ³	64 920	—	—
Trade payables	—	717 498	—
Other current liabilities	—	76 585	—
Total financial liabilities	71 439	4 655 420	—

¹ FVPL: Fair value through profit or loss.

² FVOCI: Fair value through other comprehensive income.

³ FVOCI: Fair value through other comprehensive income, measured at level 3. Loans to associated companies at amortized cost.

⁴ Investments in money market funds. Measured at level 2. See Note 22 for more information.

⁵ Forward currency contracts, interest rate swap and financial salmon price contracts. Measured at level 2. See below for specification. The purpose of the derivatives is to reduce the Group's exposure to changes in floating interest rates, exchange rates and fluctuations in the salmon sales price.

⁶ Synthetic option scheme. Measured at level 3. See Note 8 for more information.



IV) LEASES

The fair value of financial assets and liabilities recognized at their carrying amount is calculated as the present value of estimated cash flows discounted by the interest rate that applies to corresponding liabilities and assets at the end of the reporting period. This applies to lease liabilities, see Note 28.

VI) BIOLOGICAL ASSETS

Fish in the sea is measured at estimated fair value. Consequently, the value of biological inventories is likely to vary more than the value of inventories based on cost. The estimated fair value varies for a number of reasons, including volatility in the price of Atlantic salmon, factors relating to production, changes in harvesting schedules and changes in the composition of inventories. See more information concerning the fair value estimation of biological assets in Note 19.

NOTE 32 EVENTS AFTER THE REPORTING DATE

On 25 January 2024, Grieg Seafood received a Statement of Objections (SO) from the European Commission related to its investigation of potential anti-competitive behavior regarding the sale of farmed Norwegian Atlantic salmon which was launched back in 2019. The issuance of a SO is a common and formal step in the process without prejudice of the final outcome, where the European Commission sets out its preliminary view in the matter.

On 9 February 2024, the Federal Court in Canada approved the settlement agreement dated 22 September 2023 entered into by the plaintiffs and Grieg Seafood regarding the proposed three class-actions in Canada.

On 13 and 14 February 2024, Grieg Seafood ASA and Grieg Seafood UK Limited have received a service letter according to which certain claimants filed a claim for damages against, among other, Grieg Seafood ASA and Grieg Seafood UK Limited arising from alleged unlawful cartel arrangements in relation to the supply of farmed Atlantic salmon.

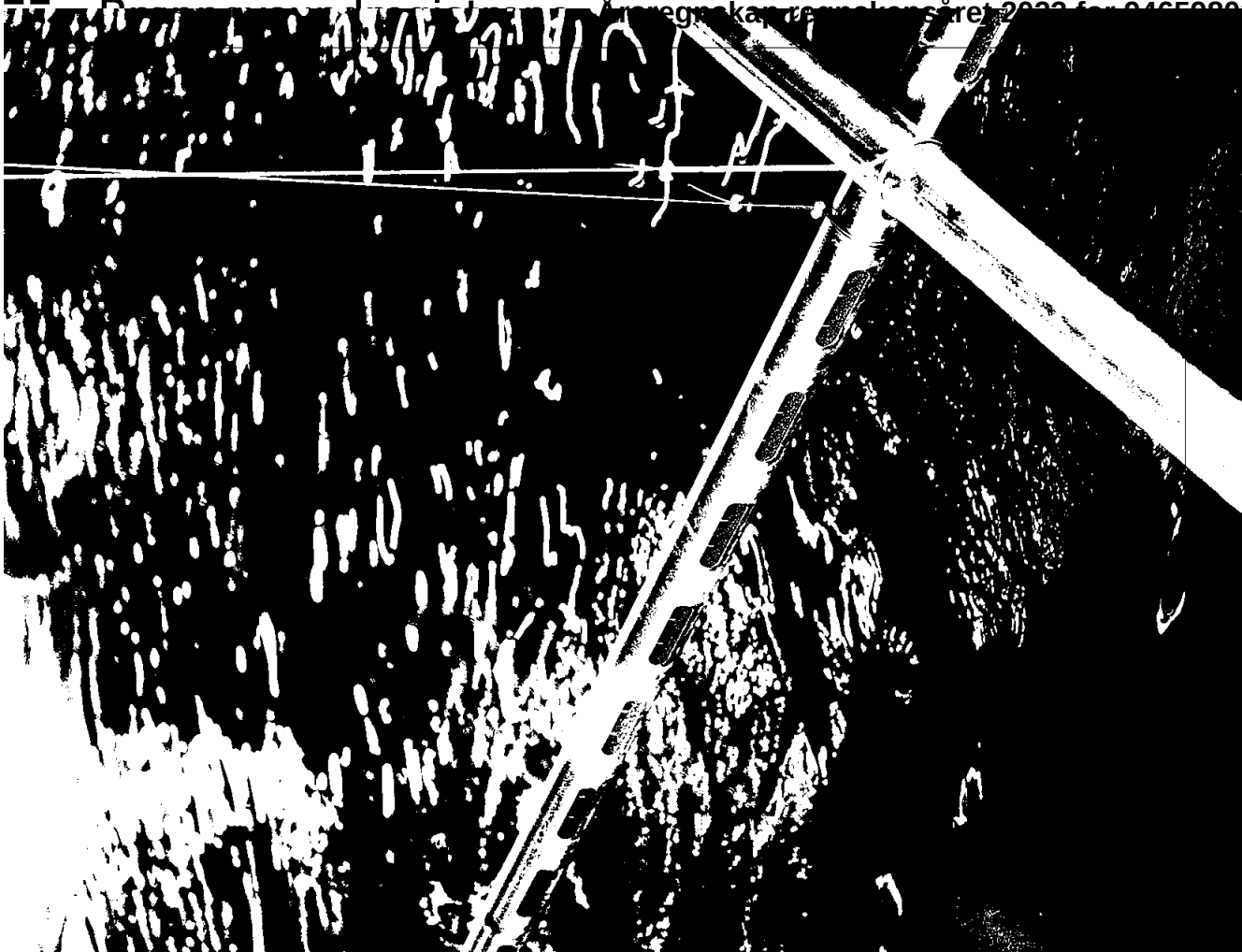
In general, Grieg Seafood denies any anti-competitive conduct whether it is in regard to the European Commission' investigation, the claim filed in the UK or any possible future claims related to this matter subsequent to the issuance of the SO. Therefore, no provision has been recognized at the current stage. We will continue to collaborate with the European Commission and follow up all processes as it deems appropriate.

There have not been any other significant events after the balance sheet date of 31 December 2023.



ASA ACCOUNTS

124	Income statement
125	Statement of financial position
126	Statement of changes in equity
126	Cash flow statement
NOTES	
127	NOTE 1 Accounting policies
128	NOTE 2 Related parties
128	NOTE 3 Operating income
128	NOTE 4 Salaries, personnel and other operating expenses
130	NOTE 5 Financial income and financial expenses
130	NOTE 6 Income taxes
131	NOTE 7 Software, and property, plant and equipment
131	NOTE 8 Investments in subsidiaries
131	NOTE 9 Other current receivables
132	NOTE 10 Short-term investments and derivatives
132	NOTE 11 Cash and cash equivalents
133	NOTE 12 Share capital and shareholder information
134	NOTE 13 Net interest-bearing liabilities and pledges
135	NOTE 14 Share-based payments
138	NOTE 15 Other current liabilities
138	NOTE 16 Guarantees
138	NOTE 17 Events after the reporting date



INCOME STATEMENT

GRUPO SEAFOOD ASA NOK 1 000	NOTE	2023	2022
Other operating income	2/3	258 137	288 015
Total operating income		258 137	288 015
Salaries and personnel expenses	4/14	-84 870	-118 346
Depreciation and amortization	7	-3 357	-6 984
Other operating expenses	2/4	-84 944	-199 548
Total operating expenses		-173 191	-324 879
Operating profit (loss)		84 946	-36 865
Financial income	2/5	410 974	1 273 786
Financial expenses	2/5	-285 218	-221 178
Net financial items		125 756	1 052 608
Profit before tax		210 702	1 015 743
Income tax expense	6	-51 593	-221 666
Net profit for the year		159 109	794 077
APPROPRIATION OF PROFIT FOR THE YEAR			
Proposed dividend		196 233	504 120
Transferred from other equity		-37 125	289 957
Total appropriations		159 109	794 077



STATEMENT OF FINANCIAL POSITION

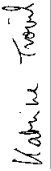
ØRLOG SEAFOOD ASA NOK 1 000				NOTE	31.12.2023	31.12.2022
ASSETS						
Deferred tax assets		6	296		14 192	
Software		7	7 245		8 357	
Property, plant and equipment		7	1 209		1 207	
Investments in subsidiaries		8	2 022 531		1 903 409	
Loan to Group companies		2	810 459		797 907	
Investment in shares			169		169	
Total non-current assets			2 841 929		2 725 241	
Trade receivables from Group companies		2	131 450		180 989	
Other receivables from Group companies		2	4 567 414		2 715 580	
Other current receivables		2/9	10 445		18 281	
Short-term investments and financial instruments		10	4 908		10 134 15	
Cash and cash equivalents		11	27 194		524 823	
Total current assets			4 741 410		4 453 087	
Total assets			7 583 339		7 178 328	

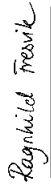
ØRLOG SEAFOOD ASA NOK 1 000				NOTE	31.12.2023	31.12.2022
EQUITY AND LIABILITIES						
Share capital		12	453 788		453 788	453 788
Treasury shares		12	-5 255		-5 255	-5 407
Other paid-in equity			228 593		228 593	227 477
Contingent consideration			701 535		701 535	701 535
Other retained earnings			1 602 044		1 602 044	1 603 390
Total equity			2 980 725		2 980 725	3 010 783
Share-based payments		14	8 178		8 178	6 756
Total provisions			8 178		8 178	6 756
Green bond loan		13	1 383 443		1 383 443	1 408 523
Non-current loan		13	2 003 450		2 003 450	1 336 142
Total non-current liabilities			3 386 913		3 386 913	2 744 665
Current portion of non-current loan		13	195 846		195 846	128 211
Share-based payments		14	833		833	672
Trade payables		2	9 910		9 910	5 432
Trade payables to Group companies		2	27 619		27 619	8 526
Current liabilities to Group companies		2	743 739		743 739	412 125
Tax payable		6	—		—	243 039
Public duties payable			5 530		5 530	9 586
Accrued dividend			196 233		196 233	504 120
Other current liabilities		2/15	27 993		27 993	104 414
Total current liabilities			1 207 723		1 207 723	1 416 125
Total liabilities			4 602 814		4 602 814	4 167 547
Total equity and liabilities			7 583 539		7 583 539	7 178 328

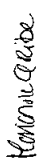
BERGEN, 21 March 2024
The Board of Directors and CEO of Ørlog Seafood ASA


PER GREG
Chair

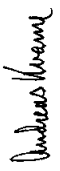

TORE HOLAND
Vice Chair


KATRINE TRØVIK
Board Member


RAGNHILD JÆREVIK
Board Member


MARIANNE RIBE
Board Member


NICOLA HAFELD GRIEG
Board Member


ANDREAS KVAME
CEO

STATEMENT OF CHANGES IN EQUITY

GRIPS SEAFOOD ASA NOK 1 000					
	SHARE CAPITAL	TREASURY SHARES	OTHER PAID-IN EQUITY	CONTINGENT GAINS **	OTHER EQUITY
Equity at 01.01.2022	453 788	-4 532	226 468	701 535	1 366 671
Profit for the year 2022	—	—	—	—	794 077
Sale of treasury shares to employees	—	385	1 009	—	5 501
Purchase of treasury shares	—	-1 260	—	—	-28 739
Accrued dividend at year-end*	—	—	—	—	-504 120
Equity at 31.12.2022	453 788	-5 407	227 477	701 535	1 633 390
Equity at 01.01.2023	453 788	-5 407	227 477	701 535	1 633 390
Profit for the year 2023	—	—	—	—	159 109
Sale of treasury shares to employees	—	433	1 116	—	5 517
Purchase of treasury shares	—	-280	—	—	280
Accrued dividend at year-end*	—	—	—	—	-196 233
Equity at 31.12.2023	453 788	-5 255	228 593	701 535	1 602 064

*Accrued dividend is allocated as at 31 December and not yet authorized by the Annual General Meeting (AGM)

**Contingent consideration related to the acquisition of Grig Seafood Newfoundland AS. See Note 25 in the Group Accounts for more information.

CASH FLOW STATEMENT

GRIPS SEAFOOD ASA NOK 1 000			
	NOTE	2023	2022
Profit before tax		210 702	1 015 742
Recognized, not paid Group contributions		—	-995 291
Taxes paid	6	-247 137	-79 658
Depreciation and amortization	7	3 357	6 984
Change in trade receivables		49 339	-180 811
Change in trade payables		23 571	-10 751
Change in other accruals		-89 086	40 515
Items classified as investing or financing activities		227 007	121 889
Currency translation differences		40 201	44 961
Net cash flow from operating activities		217 955	-36 421
Purchase of property, plant and equipment	7	-474	-659
Purchase of intangible assets	7	-1 592	-2 581
Payments/proceeds, loans to/from Group companies		-2 847 125	121 080
Group contribution from subsidiaries		995 290	307 845
Investment in money market funds	10	1 041 914	-1 000 224
Net cash flow from investing activities		-812 187	-574 589
Proceeds of long-term interest bearing debt	13	750 000	1 463 423
Repayment of long-term interest bearing debt	13	-164 275	-960 788
Proceeds of short-term interest bearing debt	13	63 113	—
Change in loans to/from Group companies		178 892	310 014
Interest paid	5	-221 447	-108 349
Paid dividends		-504 120	-336 942
Repurchase of own shares		-5 540	-24 400
Net cash flow from financing activities		96 603	342 957
Net change in cash and cash equivalents		-497 629	-248 052
Cash and cash equivalents at 01.01.		524 823	772 875
Cash and cash equivalents at 31.12.	11	27 194	524 823
CASH AND CASH EQUIVALENTS AT 31.12. CONSISTS OF:			
Restricted deposits		1 000	1 000
Other bank deposits		26 194	523 823
UNUTILIZED CREDIT FACILITIES AT 31.12:			
Unutilized credit facilities at the year-end		886 887	1 700 000

NOTE 1 ACCOUNTING POLICIES

The annual financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

All amounts are stated in NOK thousand, unless otherwise indicated.

USE OF ESTIMATES

Management has used estimates and assumptions that have affected assets, liabilities, revenues, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway.

REVENUE RECOGNITION

Revenue from the sale of goods is recognized at the time of delivery. Revenue from the sale of services is recognized when the services are performed. The share of sales revenue associated with future service is recognized in the statement of financial position as accrued sales revenues and is transferred to income at the time of execution.

CLASSIFICATION AND VALUATION OF BALANCE SHEET ITEMS

Assets intended for long-term ownership or use are classified as non-current assets. Assets related to the normal operating cycle are classified as current assets. Receivables are classified as current assets if they are expected to be repaid within 12 months of the transaction date. Similar criteria are applied to liabilities. Current assets are valued at the lower of cost and fair value. Current liabilities are recognized in the balance sheet at nominal value. Non-current assets are valued at historical cost. Property, plant and equipment whose value will deteriorate is depreciated on a straight-line basis over the asset's estimated useful life. Non-current assets are written down to fair value where this is required by accounting rules. Nominal amounts are discounted if the interest rate element is material.

INTANGIBLE ASSETS

Expenditure on intangible assets is recognized in the statement of financial position to the extent that a future economic benefit can be identified as deriving from the development of an identifiable intangible asset and cost can be measured reliably. Otherwise, the cost is expensed as it arises. Capitalized development costs are amortized over their useful life.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is recognized in the statement of financial position and depreciated on a straight-line basis over its estimated useful life, providing the asset has an expected useful life of more than 3 years and a cost price of more than NOK 15 000. Maintenance costs are recognized in the Income Statement

CURRENT INVESTMENTS

Current investments (shares and investments which are considered current assets) are carried at the lower of acquisition cost and fair value at the reporting date. Dividends and other distributions received are recognized as other financial income. Investments in money market funds are measured at fair value in the Company's statement of financial position. Unrealized gains (losses) are presented as financial income (expense) in the income statement.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, bank deposits and other short-term highly liquid investments with original maturities of three months or less. The overdraft facility is included in current borrowings in the statement of financial position.

PENSIONS

The company's pension schemes meet the requirements of the Norwegian Mandatory Occupational Pensions Act. The Company operates a defined contribution pensions scheme for its employees. The pension premium is paid through operations and is expensed on an ongoing basis. Social security costs are charged based on the pension premium paid.

GROUP ACCOUNT SCHEME – DEPOSITS AND LOANS

Grig Seafood ASA operates as an internal bank for its subsidiaries. Grig Seafood ASA borrows funds from financial institutions and then lends these funds to its subsidiaries. The Company has set up two multi-currency group account (cash pool) schemes in which Grig Seafood ASA is the legal account holder. Deposits and loans from/to the subsidiaries, which are part of the cash pool, are recognized as intercompany transactions. All subsidiaries that are part of the cash pool (not all subsidiaries of the Group are part of the cash pool) are jointly and severally liable to the financial institutions for the entire amount of the commitment under the scheme.

FOREIGN CURRENCY

The Company's functional and presentational currency is the Norwegian Krone (NOK). Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the reporting date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the reporting date. Changes to exchange rates are recognized in the Income Statement as they occur during the accounting period.

SHARE-BASED PAYMENTS

The Company operates a share-based remuneration scheme for the Group management of the Grig Seafood Group. The share-based option scheme is a synthetic option scheme with settlement in cash. Each member of the scheme is obliged to purchase shares relative to their annual salary. The company's estimated liability is recognized as a current or non-current liability based on the estimated settlement date. The cost for the year is recognized in the Income Statement.

DERIVATIVES

FORWARD CURRENCY CONTRACTS

Realized gains (losses) on forward currency contracts are recognized in the income statement as a financial income (financial cost). The fair value of a forward currency contract is measured in its contracted currency and translated to NOK using the foreign exchange currency rate at the reporting date.

INTEREST RATE SWAPS

Interest rate swap contracts are measured according to the lowest of its acquisition cost and fair value at the reporting date.

TAXES

The tax expense in the income statement consists of both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated at the relevant rate on temporary differences between the value of assets and liabilities for tax purposes and any allowable loss to be carried forward at year-end in the financial statements. Temporary differences, both positive and negative, are offset within the same period. Deferred tax assets are recognized in the statement of financial position when it is more likely than not that the tax assets will be utilized. Deferred tax assets and deferred tax liabilities are presented net in the statement of financial position. Tax on group contributions is recognized as an increase in the purchase price of shares in other companies. Taxes payable and deferred taxes are recognized directly in equity to the extent that they relate to equity transactions (offset against tax payable if the group contribution affects tax payable and offset against deferred taxes if the group contribution affects deferred taxes).

CASH FLOW STATEMENT

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term highly liquid investments which entail no appreciable exchange rate risk, and which mature within three months of the purchase date.

NOTE 2 RELATED PARTIES

2023	OPERATING INCOME	OPERATING EXPENSES	FINANCIAL INCOME	FINANCIAL EXPENSES	NON-CURRENT RECEIVABLES	TRADE RECEIVABLES	CURRENT RECEIVABLES	TRADE PAYABLES	OTHER CURRENT LIABILITIES
Total related parties - Group companies	257 719	9 401	249 057	35 373	810 459	131 650	4 567 414	27 619	743 739
Total related parties - Shareholders	—	14 561	—	—	—	—	—	4	5 000
Total	257 719	24 162	249 057	35 373	810 459	131 650	4 567 414	27 623	748 739

2022	OPERATING INCOME	OPERATING EXPENSES	FINANCIAL INCOME	FINANCIAL EXPENSES	NON-CURRENT RECEIVABLES	TRADE RECEIVABLES	CURRENT RECEIVABLES	TRADE PAYABLES	OTHER CURRENT LIABILITIES
Total related parties - Group companies	287 954	2 185	1 109 243	2 958	797 907	180 989	2 715 580	8 526	412 125
Total related parties - Shareholders	—	12 409	—	—	—	—	—	5 500	—
Total	287 954	14 594	1 109 243	2 958	797 907	180 989	2 715 580	14 026	412 125

See Note 13 for information on assets pledged as security for financial liabilities.

The company carries out, in the normal course of business, transactions with companies controlled by Grieg Maturitas II AS, which is the parent company of Grieg Aqua AS, the majority owner of Grieg Seafood ASA. The ultimate parent company of Grieg Seafood ASA is Grieg Maturitas AS, the parent company of Grieg Maturitas II AS. Grieg Maturitas II AS is headquartered in C. Sundt's gate 17/19, Bergen, Norway.

Consolidated financial statements, in which Grieg Seafood ASA is included, may be obtained from the parent company - in addition to Grieg Seafood ASA also prepares its own consolidated financial statement for the Grieg Seafood Group.

The transactions with Grieg Maturitas II AS and subsidiaries relate to ICT-related services and other functions such as catering, reception, etc., are provided by Grieg Group Resources AS on an arm's length basis. In addition, Grieg Seafood ASA rents its offices from Grieg Gaarden AS on an arm's length basis. The office rental agreement runs for a period of ten years. Lastly, Grieg Seafood ASA purchases services from Grieg Investor AS.

Grieg Seafood ASA provides a range of services to the subsidiaries of the Grieg Seafood Group. The services include administrative services performed on behalf of the subsidiaries of the Group. Grieg Seafood ASA is set up with facility agreements with external parties incl. banks, and lend out funds to subsidiaries. Interest is charged on an arm's length basis. In addition, Grieg Seafood ASA engages in hedge contracts on behalf of subsidiaries. The arrangement is intended to reduce these companies' exposure to salmon prices. Agreements with the subsidiaries are priced on the basis of a "back-to-back" arrangement.

NOTE 3 OPERATING INCOME

OPERATING INCOME NOK 1 000	NOTE	2023	2022
Administrative services - Group companies		117 953	141 622
Royalty fee - Group companies		140 130	146 332
Other operating income - Group companies		536	—
Total operating income - group Group companies	2	257 719	287 954
Other operating income		418	61
Total operating income		258 137	288 015

NOTE 4 SALARIES, PERSONNEL AND OTHER OPERATING EXPENSES

SALARIES AND PERSONNEL EXPENSES NOK 1 000	2023	2022
Wages and salaries	53 995	68 263
Social security costs	9 384	13 122
Synthetic stock options for directors and key personnel (Note 14)	1 584	30 399
Pension costs - defined contribution scheme	2 561	2 523
Other personnel costs	17 346	4 041
Total	84 870	118 348
Average full time equivalents (FTE)	39	—

PENSION SCHEME

The company has a defined contribution pension scheme covering all employees at 31 December 2023. The pension scheme is funded and managed through an insurance company.

SHARE SAVINGS PLAN

Grieg Seafood established a share savings program for its employees in 2018, which has continued throughout 2023. Each year has its own set of terms and conditions concerning how much each employee can invest in the program that year. In addition, each year has its set of terms for the lock-up period. The participating employees buy shares on a discount. The discount is recognized as a cost in the income statement and included as an other personnel cost as presented in the table above. The total costs related to the discount was NOK 2.1 million in 2023 (NOK 2.1 million in 2022). The purchase price and the number of shares acquired by the company will be reported in accordance with the applicable regulations.

At 31 December 2023, loan to employees related to the share savings program equals NOK 5.0 million (2022: NOK 4.9 million). The total shares sold to employees was 107 473 in 2023 (2022: % 150). See also Note 12.

MANAGEMENT REMUNERATION

The guidelines for management remuneration are available on Grieg Seafood ASA's website. Not all members of the Grieg Seafood Group Management Team is employed by Grieg Seafood ASA. For a specification of the remuneration to the Group's Management Team, see Note 7 of the Group Accounts. This Note provide the specification of remuneration of the members of the Group Management that is employed by Grieg Seafood ASA.



REMUNERATION PAID TO BOARD MEMBERS IN 2022 NOK 1 000					TOTAL
Per Grieg ¹	Retained Bonus	Options Exercised During the Year	Other Remuneration		
Tore Holand ²	—	—	454		516
Marianne Ribe ³	—	—	136		401
Karinne Trovik ²	—	—	139		372
Nicola Håfeldt Grieg	—	—	147		338
Ragnhild Frøyvik Ifrom 9 of June 2022	—	—	152		183
Total remuneration	—	—	116		2 107
¹ Payment for work performed on the Remuneration Committee of NOK 25 473 is included in the remuneration paid to Per Grieg and Marianne Ribe. ² Payment for work performed on the Audit Committee is included in the remuneration paid to Tore Holand and Karinne Trovik amounting to NOK 48 440. The amounts include social security costs.					
BREAKDOWN OF AUDITOR'S FEES NOK 1 000					2023
Statutory audit					1 823
Other certification services					1 063
Tax advisory fee					1 116
Other services					—
Total					459
					26
					3 398
					1 872

Other operating expenses

In February 2019, the European Commission launched an investigation to explore potential anti-competitive behavior in the in the market for spot sales of fresh, whole and gutted Norwegian farmed Atlantic salmon. In January 2024, Grieg Seafood received a Statement of Objections from the European Commission related to its investigation. See Note 17 concerning events after the balance sheet date of 2023.

Furthermore, three class-actions were filed in Canada (none has been certified as a class-action). Even though Grieg Seafood considers the complaints to be entirely without merit, Grieg Seafood have agreed to a settlement offer from the plaintiffs and entered into a respective settlement agreement in 22 September 2023 as the costs of litigation in Canada can be substantial. The settlement agreement was approved by the Federal Court in February 2024. In 2022, incurred costs and provisions for expected costs related to the lawsuits in North America in total of NOK 157 million were expensed, of which NOK 129 million were used at year end 2022. The remaining NOK 28 million were carried over to 2023. After the settlement related payment was made, the remainder of the accrual was released. The costs are reported as "other operating expenses" in Grieg Seafood ASA. See also Note 10 of the Group Accounts.

REMUNERATION PAID TO MEMBERS OF GROUP MANAGEMENT TEAM EMPLOYED BY GRIEG SEAFOOD ASA IN 2023 NOK 1 000					TOTAL
SALARY	BONUS	RETAINED BONUS NOT YET PAID	OPTIONS EXERCISED DURING THE YEAR	OTHER REMUNERATION	
Andreas Kvarne (Chief Executive Officer)	4 003	—	—	454	4 457
Alle Harald Sandtorv (Chief Financial Officer)	2 885	—	—	136	3 020
Erik Holvik (Chief Commercial Officer)	2 435	—	—	139	2 573
Knut Uthheim (Chief Technology Officer)	2 259	—	—	147	2 406
Kathleen O. Mathisen (Chief Human Resource Officer)	1 833	—	—	152	1 985
Nina Sjøland (Chief Strategy Officer)	524	—	—	44	568
Kristina Funnæs (Chief Communication Officer)	1 348	—	—	116	1 463
Total remuneration to member's of Group Management employed by Grieg Seafood ASA	15 286	—	—	1 187	16 473

Recognized expenses arising from synthetic options not declared throughout the year are not included in the above statement. See Note 14.
 Nina Sjøland was appointed as Chief Strategy Officer in Q3 2023.

REMUNERATION PAID TO BOARD MEMBERS IN 2023 NOK 1 000					TOTAL
Per Grieg ¹					542
Tore Holand ²					422
Marianne Ribe ³					342
Karinne Trovik ²					394
Nicola Håfeldt Grieg					314
Ragnhild Frøyvik					314
Total remuneration					2 328
¹ Payment for work performed on the Remuneration Committee of NOK 25 473 is included in the remuneration paid to Per Grieg and Marianne Ribe. ² Payment for work performed on the Audit Committee is included in the remuneration paid to Tore Holand and Karinne Trovik amounting to NOK 79 870. The amounts include social security costs.					

REMUNERATION PAID TO MEMBERS OF GROUP MANAGEMENT TEAM EMPLOYED BY GRIEG SEAFOOD ASA IN 2022 NOK 1 000					TOTAL
SALARY	BONUS	RETAINED BONUS NOT YET PAID	OPTIONS EXERCISED DURING THE YEAR	OTHER REMUNERATION*	
Andreas Kvarne (Chief Executive Officer)	3 644	1 007	—	4 540	2 954
Alle Harald Sandtorv (Chief Financial Officer)	2 349	612	—	3 202	120
Alexander Knudsen (Chief Operating Officer Farming Europe)	2 046	321	—	2 917	332
Roy Tore Rikardsen (Chief Operating Officer Farming Canada unit 10 of June 2022)	1 802	-26	—	2 917	47
Erik Holvik (Chief Commercial Officer)	2 247	483	—	3 070	123
Knut Uthheim (Chief Technology Officer)	2 098	426	—	2 883	131
Kathleen O. Mathisen (Chief Human Resource Officer)	1 631	323	—	2 209	133
Kristina Funnæs (Chief Communication Officer)	1 229	172	—	1 773	108
Total remuneration to member's of Group Management employed by Grieg Seafood ASA	17 067	3 318	—	23 509	3 948

*The CEO has in 2022 received a one-time payment in arrears for pension benefits.
 Recognized expenses arising from synthetic options not declared throughout the year are not included in the above statement. See Note 14.

NOTE 5 FINANCIAL INCOME AND FINANCIAL EXPENSES

FINANCIAL ITEMS NOK 1 000	NOTE	2023	2022
FINANCIAL INCOME			
Interest income from Group companies	2	256 505	103 141
Group contributions from subsidiaries	2	—	995 290
Unrealized currency change, non-current loans from Group companies	2	12 552	10 611
Realized currency change, non-current EUR term loan		—	2 624
Realized gain/loss on investment in money market fund	10	41 441	—
Unrealized gain/loss on investment in money market fund	10	-12 624	12 624
Realized gain/loss on interest rate swap contracts	10	26 703	4 657
Unrealized gain/loss on interest rate swaps	10	—	751
Realized gain/loss on cross currency interest rate swap incl. option	10	—	35 740
Unrealized gains/losses FX contracts	10	4 341	—
Net realized currency gains		7 625	317
Net unrealized currency gains		73 015	89 849
Gain/loss sale of subsidiary		—	7 924
Other interest income		—	8 378
Other financial income		1 396	1 678
Total financial income		410 974	1 273 786
FINANCIAL EXPENSE			
Loan interest expenses		189 196	134 897
Interest expense to Group companies	2	35 373	2 958
Realized currency change, non-current EUR term loan		11 298	—
Unrealized currency change, non-current EUR term loan		41 430	58 396
Unrealized gains/losses FX contracts	10	—	21 178
Other interest expenses		5 214	188
Other financial expenses		2 708	3 562
Total financial expense		285 218	221 178
Net financial items		125 756	1 052 608

NOTE 6 INCOMETAXES

BASIS FOR TAX PAYABLE NOK 1 000	2023	2022
Profit before tax	210 702	1 015 743
Dividends recognized in profit or loss	-10	-10
Net other permanent differences	9 536	-1 118
Other permanent differences from gain of sales of share	—	-7 924
Unrealized of adjustments of investment in money funds	—	-12 624
Change in financial derivatives	-4 341	20 426
Change in temporary differences	-43 166	90 227
Group contribution received/provided	—	-995 290
Taxable income/loss	152 721	109 431
Group contribution - receivable	—	995 290
Basis for tax expense for the year	152 721	1 104 721
22% (22%) tax payable	33 599	243 039
Group contribution - liability	152 721	—
Tax of group contribution - liability	-33 599	—
Tax payable after paid group contribution	—	243 039
BREAKDOWN OF DEFERRED TAX BASIS NOK 1 000		
TEMPORARY DIFFERENCES		
Non-current assets	-7	-3 699
Profit and loss account	-81	325
Provisions for liabilities	69 310	—
Cash-based options	-1 584	-9 012
Non-current debt/amortized cost	-8 311	16 742
Discount bond loan	3 839	-5 700
Net temporary differences	63 166	-64 510
Basis for deferred tax in balance sheet	63 166	-64 510
Deferred tax assets (-)/deferred tax liabilities (+) in the balance sheet	13 897	-296
BREAKDOWN OF TAX CHARGE		
Tax payable	33 599	243 039
Change in deferred tax, 22% (22%)	13 897	-24 343
Tax effect of foreign tax not credited Norwegian tax	4 098	2 971
Tax expense in income statement	51 593	221 666
RECONCILIATION OF TAX EXPENSE		
Profit before tax	210 702	1 015 743
Estimated tax 22% (22%)	-46 354	-223 464
Tax expense in income statement	51 593	221 666
Difference	5 239	-1 797
THE DIFFERENCE CONSISTS OF THE FOLLOWING:		
22% of permanent differences	1 141	-4 769
Tax effect of foreign tax not credited Norwegian tax	4 098	2 971
Total reconciled difference	5 239	-1 797



NOTE 7 SOFTWARE, AND PROPERTY, PLANT AND EQUIPMENT

2023 NOK 1 000		SOFTWARE	OTHER EQUIPMENT
Book value at 01.01:		8 357	1 207
Additions		1 592	674
Amortization/depreciation		-2 684	-672
Book value at 31.12:		7 265	1 209
ACCUMULATED VALUES			
Acquisition cost		54 471	18 599
Accumulated amortization/depreciation		-49 206	-17 390
Book value at 31.12:		7 265	1 209
Economic life (amortization/depreciation schedule)		3 - 10 years	3-5 years

2022 NOK 1 000		SOFTWARE	OTHER EQUIPMENT
Book value at 01.01:		10 737	2 571
Additions		2 581	659
Amortization/depreciation		-4 961	-2 023
Book value at 31.12:		8 357	1 207
ACCUMULATED VALUES			
Acquisition cost		54 679	20 173
Accumulated amortization/depreciation		-46 522	-18 965
Book value at 31.12:		8 357	1 207
Economic life (amortization/depreciation schedule)		3 - 10 years	3-5 years

See Note 13 for information on assets pledged as security for financial liabilities.

The company has operating lease agreements, which are not recognized in the statement of financial position:

2023	ASSETS	DURATION	OPERATING LEASE EXPENSE
	Buildings	Until 2028	4 597
	Other equipment	3-5 years	34
	Total lease amount charged		4 632

NOTE 8 INVESTMENTS IN SUBSIDIARIES

SUBSIDIARY	REGISTERED COUNTRY	REGISTERED OFFICE LOCATION	OWNERSHIP/ VOTING SHARE	EQUITY AT 31.12.2023 NOK 1 000	PROFIT/ LOSS 2023 NOK 1 000	BOOK VALUE NOK 1 000
Greg Seafood Regland AS	Norway	Bergen	100 %	1 540 666	581 358	223 497
Greg Seafood Canada AS	Norway	Bergen	100 %	227 361	-10	297 112
Greg Seafood Finnmark AS	Norway	Alta	100 %	1 759 215	591 629	519 603
Greg Seafood Sales AS	Norway	Bergen	100 %	134 387	151 456	1 000
Greg Seafood Newfoundland AS	Norway	Bergen	99 %	158 926	20 677	981 319
Total				3 820 555	1 345 110	2 022 531

Equity and profit/loss are based on provisional financial statements, which have been prepared in accordance with local accounting standards. See Note 13 for information on assets pledged as security for financial liabilities.

NOTE 9 OTHER CURRENT RECEIVABLES

OTHER CURRENT RECEIVABLES NOK 1 000		2023	2022
Prepaid expenses		6 980	6 600
VAT *		1 797	2 934
Estimated remaining purchase price for the sale of Shetland **		—	7 624
Other current receivables		1 667	1 123
Total other current receivables		10 465	18 281

* Greg Seafood ASA is the parent company in jointly registered VAT for the Norwegian entities of the Greg Seafood Group.
** Greg Seafood sold its shares in Greg Seafood Shetland UK Ltd in 2021. As at year-end 2022, the company included an estimate concerning the remaining settlement price, of which was settled in full in 2023.

NOTE 10 SHORT-TERM INVESTMENTS AND DERIVATIVES

SHORT-TERM INVESTMENTS AND FINANCIAL INSTRUMENTS NOK 1 000	2023	2022
Investment in money market funds including unrealized gain*	—	1 012 848
Foreign exchange contracts	4 341	—
Other financial assets	566	566
Total	4 908	1 013 415

*In 2022, the company temporarily placed surplus liquidity funds in money market funds. The company did not invest directly in bonds or securities, but through units in established money market funds. At year-end 2023, the investment in money market funds has been exited in full.

FINANCIAL DERIVATIVE INSTRUMENTS	2023	2022
Interest rate options	FAIR VALUE	BOOK VALUE
Interest rate swap contracts*	4 341	4 341
Financial derivative instruments classified as current assets	23 312	—
Financial derivative instruments classified as current liabilities	27 453	4 341
Total	—	—

Financial instruments booked at fair value in accordance with accounting act § 9-1.

*See specification below.

SPECIFICATION ON INTEREST RATE SWAP	PRINCIPAL NOK 1 000	FIXED RATE %	BASES OF FLOATING RATE	MATURITY	MARKET VALUE NOK 1 000 31.12.2023	MARKET VALUE NOK 1 000 31.12.2022
Fixed rate paid - floating rate received	NOK 200 million	1.61	Nibor 3 months	28.08.2023	—	2 670
Fixed rate paid - floating rate received	NOK 200 million	1.35	Nibor 3 months	04.03.2024	1 677	5 018
Fixed rate paid - floating rate received	NOK 200 million	1.07	Nibor 3 months	05.07.2024	5 391	7 627
Fixed rate paid - floating rate received	NOK 200 million	0.71	Nibor 3 months	18.12.2024	7 187	9 963
Fixed rate paid - floating rate received	NOK 200 million	0.72	Nibor 3 months	18.12.2024	7 181	9 961
Fixed rate paid - floating rate received	NOK 200 million	3.16	Nibor 3 months	30.08.2027	1 875	—
Total					23 312	35 238

CHANGES IN FINANCIAL INSTRUMENTS RECOGNIZED AS FINANCIAL ITEMS NOK 1 000	NOTE	2023	2022
Unrealized gain/loss on interest rate swaps	5	—	751
Unrealized gain/loss on foreign currency contracts	5	4 341	-21 178
Unrealized gain on money market funds	5	-12 624	12 624
Net unrealized gain/(loss) on financial instruments		-8 283	-7 800
Realized gain/loss on interest rate swap contracts	5	26 703	4 657
Realized gain/loss on cross-currency interest rate swap contract incl option	5	—	35 740
Realized gain/loss on investment in money market funds	5	41 461	—
Net realized gain/(loss) on financial instruments		68 164	40 397

The company is exposed to a number of financial risks, including foreign exchange risk, interest rate risk and price risk, credit risk and liquidity risk. The company's overall risk management program focuses on the volatility of the financial markets and seeks to minimize potential adverse effects on the company's financial performance. The company uses financial derivatives to reduce certain risks. The Board has established written principles for the management of foreign exchange risk, interest rate risk and use of the company's financial instruments.

PART 03 - OUR FINANCIAL RESULTS

NOTE 11 CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS NOK 1 000	2023	2022
Restricted deposits relating to employees' tax deductions	1 000	1 000
Other bank deposits	26 194	523 823
Total	27 194	524 823

The Company has two multi-currency group account scheme (cash pool agreement), in which Grieg Seafood ASA, the parent company of the Group, is the legal account holder. One of the cash pool agreements do have a multi-currency overdraft facility of NOK 200 million, which is utilized with NOK 43 million at year-end 2023. See Note 13 for more information. The subsidiaries that are part of the agreement can utilize the group cash pool arrangement provided that the arrangement without overdraft cannot be net negative, and that the arrangement with overdraft facility can not exceed negative NOK 200 million. Not all subsidiaries are part of the cash pool arrangement. The subsidiaries participating in the group account scheme are jointly and severally liable for the entire amount of the commitment under the scheme. Cash and cash equivalents include the currency exposure in the group account scheme. At 31 December 2023, the net amount of bank deposits in the group account scheme amounted to NOK 26 million (2022: NOK 524 million). At the same time, unutilized overdraft facility was NOK 137 million (NOK 200 million), in addition to unutilized revolving credit facility of NOK 750 million (NOK 1 500 million).

See Note 16 concerning guarantee for employee advance tax deduction.

See Note 13 for information on the company's credit facility and drawdown as at year-end 2023.

NOTE 12 SHARE CAPITAL AND SHAREHOLDER INFORMATION

As at 31 December 2023, the company had 113 447 042 shares with a nominal value of NOK 4 per share. All shares issued by the company are fully paid-up. There is one class of shares and all shares confer the same rights.

SHARE CAPITAL AND NUMBER OF SHARES		31.12.2023	
	NOMINAL VALUE PER SHARE (NOK)	TOTAL SHARE CAPITAL NOK 1 000	NO. OF ORDINARY SHARES
Total	4.00	453 788	113 447 042
Holdings of treasury shares	4.00	- 5 255	1 313 654
Total excl treasury shares	4.00	448 533	112 133 388

Treasury shares

Grieg Seafood ASA hold treasury shares in connection to its share saving program for employees. The latest sale of treasury shares from the company to employees was in December 2023, as 107 473 treasury shares was sold through the share saving program. As at 31 December 2023, the company has 1 313 654 treasury shares.

In 2022, 96 150 shares was sold to employees through the share savings program at an average price of NOK 71.10. In December 2022, Grieg Seafood purchased 385 000 shares at a weighted average price of NOK 77.76 per share of which 314 980 has been settled within year-end 2022 and the remainder was settled in January 2023.

THE LARGEST SHAREHOLDERS IN GRIEG-SEAFOOD ASA		31.12.2023	
	NO. OF SHARES	SHAREHOLDING	
Grieg Aqua AS	56 914 355	50.17%	
OM Holding AS	5 140 982	4.55%	
Folketrygdfondet	2 419 585	2.13%	
Ysholmen Felles AS	1 923 197	1.70%	
Clearstream Banking S.A. (Nominee)	1 615 271	1.42%	
State Street Bank and Trust Comp (Nominee)	1 512 715	1.33%	
State Street Bank and Trust Comp (Nominee)	1 435 586	1.27%	
Grieg Seafood ASA	1 313 654	1.16%	
BNP Paribas (Nominee)	1 192 532	1.05%	
JPMorgan Chase Bank, N.A., London (Nominee)	1 171 727	1.03%	
Sparebank 1 Markets AS	1 159 872	1.02%	
Frey Kapital AS	1 116 323	0.98%	
J.P. Morgan SE (Nominee)	1 105 349	0.97%	
State Street Bank and Trust Comp (Nominee)	1 078 185	0.95%	
Kiischlaggi AS	996 772	0.88%	
Bank Pictet & Cie (Europe) AG (Nominee)	921 918	0.81%	
Six SIX AG (Nominee)	853 102	0.75%	
BNP Paribas (Nominee)	842 579	0.74%	
Skandinaviska Enskilda Banken AB (Nominee)	800 350	0.71%	
State Street Bank and Trust Comp (Nominee)	753 837	0.66%	
Total 20 largest shareholders	84 287 891	74.30%	
Total others	29 159 151	25.70%	
Total number of shares	113 447 042	100.00%	

THE LARGEST SHAREHOLDERS IN GRIEG-SEAFOOD ASA		31.12.2023	
	NO. OF SHARES	SHAREHOLDING	
Grieg Aqua AS	56 914 355	50.17%	
OM Holding AS	5 110 982	4.51%	
Folketrygdfondet	2 939 985	2.59%	
Ysholmen Felles AS	1 923 197	1.70%	
State Street Bank and Trust Comp (Nominee)	1 717 439	1.51%	
State Street Bank and Trust Comp (Nominee)	1 692 877	1.49%	
Morgan Stanley & Co. Int. Plc. (Nominee)	1 470 346	1.30%	
Clearstream Banking S.A. (Nominee)	1 376 622	1.21%	
Grieg Seafood ASA	1 351 811	1.19%	
JPMorgan Chase Bank, N.A., London (Nominee)	1 136 470	1.00%	
Gåse Næringsutvikling AS	1 116 323	0.98%	
Kiischlaggi AS	996 772	0.88%	
Ferd AS	924 407	0.81%	
State Street Bank and Trust Comp (Nominee)	724 407	0.64%	
DZ Privatbank S.A. (Nominee)	698 518	0.62%	
J.P. Morgan SE (Nominee)	687 236	0.61%	
Danske Invest Norge Vekst	540 000	0.48%	
Six SIX AG (Nominee)	534 229	0.47%	
J.P. Morgan SE (Nominee)	526 442	0.46%	
DNB Bank ASA (Broker)	482 561	0.43%	
Total 20 largest shareholders	82 104 979	73.04%	
Other shareholders	30 382 063	26.96%	
Total shares	113 447 042	100.00%	

NOTE 13 NET INTEREST-BEARING LIABILITIES AND PLEDGES

Grieg Seafood ASA has a syndicated, secured loan provided by DNB and Nordea. The syndicated financing consists of an aggregate of NOK 3 200 million in five-year senior secured sustainability-linked loans and credit facilities with maturity date in 2027. The debt structure comprises a NOK 750 million term loan (outstanding NOK 656 million), an EUR 75 million term loan (outstanding EUR 66 million), a NOK 1 500 million revolving credit facility and a NOK 200 million overdraft facility. As at the end of 2023, the company has NOK 887 million (NOK 1 700 million) available on the revolving credit facility and overdraft facility. The revolving credit facilities are non-current and may be redrawn. Of the syndicated debt, NOK 133 million is installments due the next 12 months from the reporting date. The financing carries floating interest rates, calculated as the relevant three month IBOR plus the applicable margin per interest period. The financial covenant of the facility is a minimum equity ratio requirement of 31%, measured excl. the effect of IFRS 16.

In addition to the senior secured facility, the company also has a green bond (GSFO16, listed at Euronext), which matures in June 2025. The outstanding amount of the bond loan was NOK 1 393 million at the end of 2023. The total bond issue in 2020 was NOK 1 500 million, and since the bond issue, Grieg Seafood has repurchased NOK 107 million. The bond carries a coupon rate of three months NIBOR + 3.4% p.a. The bond's financial covenant is an equity ratio requirement of minimum 30% for the consolidated Grieg Seafood Group, measured consistent with the Group's equity ratio financial covenants as defined in its syndicated loan agreement with secured lenders.

Grieg Seafood ASA was in compliance with its financial covenant at 31 December 2023. At 31 December 2023, the Group had an equity ratio of 49% (2022: 50%) while the equity ratio according to financial covenant was 53%, compared to 52% at 31 December 2022.

NON-CURRENT LIABILITIES NOK 1 000		2023	2022
NON-CURRENT LIABILITIES (INTEREST-BEARING)			
Green bond loan		1 392 500	1 423 500
Non-current syndicated term-loan		1 261 155	1 366 218
Non-current syndicated revolving credit facility		750 000	—
Total non-current interest-bearing liabilities		3 403 655	2 789 718
Amortization effect of loans*		-16 742	-25 053
Total non-current liabilities		3 386 913	2 764 665

*Amortization effect on green bond loan and non-current syndicated term-loan.

CURRENT INTEREST-BEARING LIABILITIES NOK 1 000		2023	2022
CURRENT INTEREST-BEARING LIABILITIES (INTEREST-BEARING)			
Current portion of non-current syndicated term-loan		132 753	126 211
Overdraft facility*		63 113	—
Total current interest-bearing liabilities		195 866	126 211

*The Company has two multi-currency cash pool schemes, held at two different banks. One of the cash pool schemes has a multi-currency overdraft facility of NOK 300 million. As at year-end 31.12.2023, the cash pool scheme with the overdraft engagement had a net negative cash position, classified as overdraft facility at year-end. For more information on the Group's cash and cash equivalents, see Note 11.

NET INTEREST-BEARING LIABILITIES NOK 1 000		2023	2022
NET INTEREST-BEARING LIABILITIES			
Gross interest-bearing liabilities		3 582 779	2 895 879
Loans to subsidiaries		-5 331 016	-2 420 009
Investments in money market funds		—	-1 012 848
Cash and cash equivalents		-26 194	-523 823
Net interest-bearing liabilities		-1 754 431	-1 058 750

Loans to subsidiaries, investment in money market funds and cash and cash equivalents are presented by their inverted figure in the table above.

SHARES CONTROLLED DIRECTLY AND INDIRECTLY BY THE BOARD OF DIRECTORS AND GROUP MANAGEMENT	NO. OF SHARES		SHAREHOLDING		NO. OF SHARES		SHAREHOLDING	
	31.12.2023	2023	31.12.2023	2023	31.12.2023	2023	31.12.2023	2023
BOARD OF DIRECTORS								
Per Grieg *	2 877 206	2.56%	2 877 206	2.56%	2 877 206	2.56%	2 877 206	2.56%
Tore Holand **	3 160	0.00%	2 000	0.00%	2 000	0.00%	2 000	0.00%
Marianne Ribe	—	—%	—	—%	—	—%	—	—%
Karlene Trovik	—	—%	—	—%	—	—%	—	—%
Nicola Halseth Grieg *	2 117 289	1.87%	2 117 289	1.87%	2 117 289	1.87%	2 117 289	1.87%
Ragnhild Janbu Fresvik (board member from 9 June 2022)	—	—%	—	—%	—	—%	—	—%

GROUP MANAGEMENT								
Andreas Kjaer (Chief Executive Officer)	44 372	0.04%	40 513	0.04%	40 513	0.04%	40 513	0.04%
Atle Harald Sandtorv (Chief Financial Officer)	28 015	0.02%	25 556	0.02%	25 556	0.02%	25 556	0.02%
Alexander Knudsen (Chief Operating Officer Farming Norway)	24 272	0.02%	23 513	0.02%	23 513	0.02%	23 513	0.02%
Grant Cumming (Chief Operating Officer Farming Canada)***	9 857	0.01%	NA	NA	NA	NA	NA	NA
Erik Holvik (Chief Commercial Officer)	11 135	0.01%	8 831	0.01%	8 831	0.01%	8 831	0.01%
Knut Ulvheim (Chief Technology Officer)	25 614	0.02%	24 855	0.02%	24 855	0.02%	24 855	0.02%
Kathleen O. Mathiesen (Chief Human Resource Officer)	15 839	0.01%	15 074	0.01%	15 074	0.01%	15 074	0.01%
Nina Stangeland (Chief Strategy Officer)***	—	—%	NA	NA	NA	NA	NA	NA
Kristina Funes (Chief Communications Officer)	5 167	0.00%	4 711	0.00%	4 711	0.00%	4 711	0.00%

*The Group and Nicola Halseth Grieg both own indirectly in Grieg Seafood ASA through their indirect ownership in Grieg Maritima II AS (see Note 1 of the Group Accounts). Grieg Maritima II AS owns 100% of Grieg Aqua AS, which is the parent shareholder in Grieg Seafood ASA, representing 50.17% of the shares. Additionally, both Per Grieg and Nicola Halseth Grieg is represented in the Board of Directors of Grieg Maritima II AS. Together, Per Grieg and Nicola Halseth Grieg therefore represents, through their indirect ownership and board representation in Grieg Maritima II AS, 50.17% of the shares in Grieg Seafood ASA through Grieg Aqua AS. Additionally, Per Grieg has further ownership interests in Grieg Seafood ASA through shares invested privately and through Kvaechag AS, bringing the total percentage of shares in Grieg Seafood ASA represented by Per Grieg to 51.08%.

**Tore Holand owns shares in Grieg Seafood ASA through shares invested in Skippergata 24 AS as well as shares invested privately.

***Grant Cumming and Nina Stangeland was appointed to Group Management in 2023.

CURRENCY EXPOSURE ON LOANS TO CREDIT INSTITUTIONS NOK 1 000	31.12.2023					
	NOK	CAD	EUR	USD	GBP	OTHER
Green bond loan	1 392 500	—	—	—	—	—
Syndicated term-loan	1 393 908	—	737 658	—	—	—
Syndicated revolving credit facility	750 000	—	—	—	—	—
Overdraft facility	63 113	140 824	187 393	(52 476)	116 068	(1 698)
Total	3 599 521	2 878 674	650 245	(52 476)	116 068	(1 698)

CURRENCY EXPOSURE ON LOANS TO CREDIT INSTITUTIONS NOK 1 000	31.12.2022					
	NOK	CAD	EUR	USD	GBP	OTHER
Green bond loan	1 423 500	—	—	—	—	—
Syndicated term-loan	1 474 429	—	755 679	—	—	—
Total	2 897 929	—	755 679	—	—	—

AVERAGE INTEREST RATE ON BANK AND BOND LOAN				2023	2022
Average interest rate (NOK)				6.62%	4.61%
Average interest rate (EUR)				4.15%	1.77%
The effect of interest rate swaps is not taken into account in calculating the average interest rate on borrowings and credit facilities.					

NOTE 14 SHARE-BASED PAYMENTS

Grieg Seafood ASA operates a share-based remuneration scheme with settlement in cash for the management team of the Group. Members of the management team not employed in Grieg Seafood ASA are also included in the option program. The options' strike price is the stock market price on the date of issue, rising by 0.5% per month until the exercise date. The most recent allocation was in 2023, totalling 2 680 000 options. The final exercise date is 31 May 2026. The options have a term of two years, where 50% is vested each year. Employees taken on after the initial allocation of options are allocated options on taking up employment.

The value of the synthetic stock options settles in cash is recognized as a salary and personnel cost in income statement (see Note 4) and as a liability in the statement of financial position.

The cost of the executive management synthetic option scheme is expensed over the average vesting period. The liability is measured at fair value at each balance sheet date until settlement, and changes in the fair value are recognized in profit and loss. Social security tax on options is recorded as a liability and is recognized over the estimated vesting period.

The Black and Scholes option pricing model is used for valuation. A brokerage firm is used to perform the fair value calculation. The table below shows the movement in outstanding options in 2023 and 2022.

MATURITY PROFILE INTEREST-BEARING LIABILITIES NOK 1 000	31.12.2023					
	2024	2025	2026	2027	2028	LATER
Green bond loan	—	1 392 500	—	—	—	—
Syndicated term-loan	132 753	132 753	132 753	995 448	—	1 393 908
Syndicated revolving credit facility	—	—	—	750 000	—	750 000
Overdraft facility	63 113	—	—	—	—	63 113
Total	195 866	1 525 253	132 753	1 745 448	—	3 599 521

MATURITY PROFILE INTEREST-BEARING LIABILITIES NOK 1 000	31.12.2022					
	2023	2024	2025	2026	2027	LATER
Green bond loan	—	—	1 423 500	—	—	1 423 500
Syndicated term-loan	128 211	128 211	128 211	128 211	961 584	1 474 429
Total	128 211	128 211	1 551 711	128 211	961 584	2 897 929

Figures included in the maturity profile tables are nominal figures. Amortized cost is not included.

LIABILITIES SECURED BY MORTGAGE NOK 1 000			2023	2022
BOOK VALUE OF LIABILITIES SECURED BY MORTGAGE				
Liabilities to credit institutions				
Total liabilities			2 143 908	1 474 429

BOOK VALUE OF ASSETS PLEDGED AS SECURITY				
Shares in subsidiaries			2 022 531	1 903 409
Property, plant and equipment			1 209	1 207
Trade receivables			131 650	180 989
Loans to subsidiaries*			5 331 016	2 420 009
Total assets pledged as security			7 486 406	4 505 613

*The subsidiaries and the parent company have a joint and several liability against the credit institutions. See the consolidated financial statements Note 27 for further information about liabilities secured by mortgage.

TYPE OF LIABILITY NOK 1 000	CURRENCY	INTEREST RATE	2023		2022	
			CURRENT PART	NON-CURRENT PART	CURRENT PART	NON-CURRENT PART
Green bond loan	NOK	Floating	—	1 392 500	—	1 423 500
Syndicated term-loan	NOK	Floating	62 500	593 750	62 500	656 250
Syndicated term-loan	EUR	Floating	70 253	667 405	65 711	689 968
Syndicated revolving credit facility	NOK	Floating	—	750 000	—	—
Overdraft facility	Multiple	Floating	63 113	—	—	—
Total			195 866	3 403 655	128 211	2 769 718



2023	NOK/OPTION	AMOUNTS IN NOK 1 000					RECOGNIZED LIABILITY CASH SETTLEMENT AT 31.12.2023	
		LISTED PRICE ON ALLOCATION	CALCULATED VALUE PER OPTION ON ALLOCATION	CALCULATED TOTAL VALUE OF ALL OPTIONS AT 01.01.2023	CHANGE IN PROVISION CB-08*	EXERCISED IN EQUITY AT 31.12.2023		
Former employees with expired options**								
	Andreas Kvaane (Chief Executive Officer)	78.9%	4.35	1.460	1.462	-1.468	-	163
	Atle Harald Sandtorv (Chief Financial Officer)	78.9%	6.34	1.078	669	-589	-	81
	Knut Uthsein (Chief Technology Officer)	78.9%	5.82	989	663	-579	-	84
	Kathleen O. Mathisen (Chief Human Resource Officer)	78.9%	7.20	720	442	-392	-	50
	Kristina Funes (Chief Communication Officer)	78.9%	6.04	604	354	-316	-	39
	Alexander Knudsen (Chief Operating Officer Farming Norway)	78.9%	5.87	999	654	-570	-	84
	Erik Holvik (Chief Commercial Officer)	78.9%	6.13	1.042	606	-542	-	45
	Other options allocated in 2020	78.9%	7.04	3.519	1.469	-1.334	-	135
	Andreas Kvaane (Chief Executive Officer)	75.93	4.29	1.632	-	803	-	803
	Atle Harald Sandtorv (Chief Financial Officer)	75.93	4.22	1.055	-	519	-	519
	Knut Uthsein (Chief Technology Officer)	75.93	7.97	797	-	390	-	390
	Kathleen O. Mathisen (Chief Human Resource Officer)	75.93	6.53	653	-	320	-	320
	Kristina Funes (Chief Communication Officer)	75.93	5.26	526	-	258	-	258
	Alexander Knudsen (COO Farming Norway)	75.93	5.43	923	-	453	-	453
	Alexander Knudsen (Chief Operating Officer Farming Norway)	75.93	5.95	1.011	-	497	-	497
	Erik Holvik (Chief Commercial Officer)	75.93	5.30	901	-	443	-	443
	Nina Stangland (Chief Strategy Officer)	75.93	6.24	624	-	306	-	306
	Other options allocated in 2023	75.93	5.28	5.227	-	2.877	-	2.877
	Total			23.777	6.510	1.056	-	7.566

*Amounts exclude social security costs.
**The option category for the line item "Former employees with expired contracts" is equity options. All the other options in this table are options with settlement in cash.

OVERVIEW 2023 TOTAL OPTIONS	OUTSTANDING OPTIONS AT 31.12.2022	GRANTED OPTIONS	EXERCISED OPTIONS	EXPIRED/ CANCELLED OPTIONS	OUTSTANDING CASH-SETTLED OPTIONS AT 31.12.2022
Andreas Kvaane (Chief Executive Officer)	229 764	380 000	—	59 764	550 000
Atle Harald Sandtorv (Chief Financial Officer)	80 799	250 000	—	—	330 799
Knut Uthsein (Chief Technology Officer)	88 302	100 000	—	3 302	186 000
Kathleen O. Mathisen (Chief Human Resource Officer)	49 011	100 000	—	—	149 011
Kristina Funes (Chief Communication Officer)	39 262	100 000	—	—	139 262
Alexander Knudsen (Chief Operating Officer Farming Norway)	86 832	170 000	—	1 832	255 000
Grant Cumming (Chief Operating Officer Farming Canada)	—	170 000	—	—	170 000
Erik Holvik (Chief Commercial Officer)	65 788	170 000	—	—	235 788
Nina Stangland (Chief Strategy Officer)	—	100 000	—	—	100 000
Others	135 240	1 140 000	—	—	1 275 257
Total	775 016	2 680 000	—	64 898	3 390 118

OVERVIEW 2022 TOTAL OPTIONS	OUTSTANDING OPTIONS AT 31.12.2021	GRANTED OPTIONS	EXERCISED OPTIONS	EXPIRED/ CANCELLED OPTIONS	OUTSTANDING CASH-SETTLED OPTIONS AT 31.12.2022
Andreas Kvaane (Chief Executive Officer)	540 000	—	310 236	—	229 764
Atle Harald Sandtorv (Chief Financial Officer)	270 000	—	189 201	—	80 799
Knut Uthsein (Chief Technology Officer)	270 000	—	181 498	—	88 302
Kathleen O. Mathisen (Chief Human Resource Officer)	200 000	—	150 989	—	49 011
Kristina Funes (Chief Communication Officer)	100 000	—	60 738	—	39 262
Alexander Knudsen (Chief Operating Officer Farming Norway)	270 000	—	183 168	—	86 832
Roy Tore Rikardsen (Chief Operating Officer Farming Canada)	270 000	—	183 168	86 832	—
Erik Holvik (Chief Commercial Officer)	170 000	—	104 212	—	65 788
Others	600 000	—	416 863	47 877	135 260
Total	2 690 000	—	1 780 273	134 709	775 016

OUTSTANDING OPTIONS						
ALLOCATION YEAR - MONTH	EXPIRY DATE YEAR - MONTH	STRIKE PRICE NOK PER SHARE AT 31.12.2023	STRIKE PRICE NOK PER SHARE AT 31.12.2022	OUTSTANDING TOTAL	OUTSTANDING VESTED	2022
2020 - 12	2023 - 05	—	63.82	—	64 898	—
2020 - 12	2024 - 05	94.03	94.03	710 118	710 118	710 118
2023 - 12	2026 - 05	na	79.20	—	—	—
2023 - 12	2027 - 05	na	79.20	—	—	—
Total				3 390 118	775 016	775 016

Cash-based options available for settlement	2023	775 016
Weighted average exercise price on outstanding options (NOK per option)	2023	76.56

RECOGNIZED LIABILITY, COSTS AND KEY ESTIMATES USED FOR THE FAIR VALUE CALCULATION OF OPTIONS

As at 31 December 2023, fair value of outstanding options with the right to cash settlement were NOK 8 million (NOK 7 million). In addition, social security costs is included in the recognized liability in the statement of financial position, which totaled NOK 1.4 million (NOK 0.9 million) bringing the total recognized liability to NOK 9.0 million (NOK 7.4 million). See the table below for specification of the liability as per the balance sheet date.

RECOGNIZED LIABILITY IN THE STATEMENT OF FINANCIAL POSITION NOK 1 000	FAIR VALUE OF SYNTHETIC OPTIONS		SOCIAL SECURITY COSTS		TOTAL RECOGNIZED LIABILITY	
	2023	2022	2023	2022	2023	2022
Non-current liabilities	6 867	5 921	1 312	835	8 178	6 756
Current liabilities	700	589	134	83	833	672
Total	7 566	6 510	1 445	918	9 012	7 428

COSTS RELATED TO CASH OPTIONS NOK 1 000

	2023		2022		CLASSIFICATION IN FINANCIAL STATEMENTS	
	2023	2022	2023	2022	2023	2022
Change in provisions	1 056	-3 282	Other provisions for liabilities			
Exercised options during the year	—	—	34 137	Salaries and personnel expense / cash		
Total cost excl. social security costs	1 056	30 855				
Social security costs	527	-456	Public taxes payable			
Total cost incl. social security costs	1 584	30 399	Salaries and personnel expense			

The total cost incl. social security costs in 2023 totaled NOK 1.6 million (2022: NOK 30.4 million). These costs are recognized in the income statement as an other personnel cost (see Note 4). Social security contributions are provided for on an ongoing basis based on the fair value of the options.

ESTIMATES USED TO CALCULATE ALLOCATION OF OPTIONS

	2023	2022
Anticipated volatility (%)	45.63%	58.29%
Risk-free rate of interest (%)	4.00%	3.12%
Estimated qualification period (years)	2.33	1.11

The estimated qualification period for the options is based on historical data and does not necessarily represent future developments. In order to estimate volatility, management has applied historical volatility for comparable listed companies.

2022	NOV/OPTION	AMOUNTS IN NOK 1 000					RECOGNIZED LIABILITY AT 31.12.2022	
		LISTED PRICE ON ALLOCATION	CALCULATED VALUE PER OPTION ON ALLOCATION	CALCULATED TOTAL VALUE OF ALL OPTIONS AT 01.01.2022	CHANGE IN PROVISION CB-05*	EXERCISED IN EQUITY AT OPTION 2022		ACC. COST RECOGNIZED IN EQUITY AT 31.12.2022
Former employees with expired options**	—	—	—	—	—	—	6 887	—
Andreas Kvarne (Chief Executive Officer)	78.96	4.35	1 480	1 408	244	2 541	—	1 652
Alle Harald Sandtorv (Chief Financial Officer)	78.96	6.34	1 078	909	-240	2 202	—	669
Knut Ulheim (Chief Technology Officer)	78.96	5.82	989	840	-177	1 883	—	663
Kathleen O. Mathisen (Chief Human Resource Officer)	78.96	7.20	720	600	-158	1 210	—	442
Kristina Funes (Chief Communication Officer)	78.96	6.04	604	511	-157	1 773	—	354
Alexander Knudsen (COO Farming Norway)	78.96	5.87	999	847	-193	1 917	—	654
Roy Tore Rikardsen (COO Farming Canada)	78.96	5.87	999	847	-847	1 917	—	—
Erk Holvik (Chief Commercial Officer)	78.96	6.13	1 042	881	-274	3 070	—	606
Other options allocated in 2020	78.96	7.04	3 519	2 921	-1 451	9 628	—	1 469
Andreas Kvarne (Chief Executive Officer)	83.00	2.26	906	7	-7	1 999	—	—
Alle Harald Sandtorv (Chief Financial Officer)	83.00	2.79	557	4	-4	999	—	—
Knut Ulheim (Chief Technology Officer)	83.00	2.79	557	4	-4	999	—	—
Kathleen O. Mathisen (Chief Human Resource Officer)	83.00	2.38	475	4	-4	999	—	—
Other options allocated in 2017	83.00	2.35	1 880	11	-11	2 998	—	—
Total			15 802	9 792	-3 283	34 135	6 887	6 510

*Amounts exclude social security costs.

**The option category for the line item "Former employees with expired contracts" is equity options. All the other options in this table are options with settlement in cash.



NOTE 15 OTHER CURRENT LIABILITIES

OTHER CURRENT LIABILITIES NOK 1 000		2023	2022
Accrued interest		5 286	1 977
Other accrued expenses ¹		22 686	43 710
Other current liabilities ²		72	58 728
Total other current liabilities		27 993	104 414

¹Includes a liability related to a realized loss on fixed-price contracts of NOK 8 million (NOK 31 million).
²The 2022 figure includes NOK 26 million related to repurchased bonds. The repurchase was finalized in 2023 but settled in cash in 2023. In addition, NOK 28 million related to litigation and claims is accrued at year-end 2022. As at year-end 2023, no such items were present in the balance sheet of Grieg Seafood ASA.

NOTE 16 GUARANTEES

Grieg Seafood ASA has a guarantee relating to employees' tax deductions on total NOK 4.6 million (6.0 million) at the end of 2023. Grieg Seafood ASA acted as a guarantor for Fiskehav SA. Total amount is NOK 7 million. The guarantee expires 9 September 2024.

NOTE 17 EVENTS AFTER THE REPORTING DATE

On 25 January 2024, Grieg Seafood received a Statement of Objections (SO) from the European Commission related to its investigation of potential anti-competitive behavior regarding the sale of farmed Norwegian Atlantic salmon which was launched back in 2019. The issuance of a SO is a common and formal step in the process without prejudice of the final outcome, where the European Commission sets out its preliminary view in the matter.

On 9 February 2024, the Federal Court in Canada approved the settlement agreement dated 22 September 2023 entered into by the plaintiffs and Grieg Seafood regarding the proposed three class-actions in Canada.

On 13 and 14 February 2024, Grieg Seafood ASA and Grieg Seafood UK Limited have received a service letter according to which certain claimants filed a claim for damages against, among other, Grieg Seafood ASA and Grieg Seafood UK Limited arising from alleged unlawful cartel arrangements in relation to the supply of farmed Atlantic salmon.

In general, Grieg Seafood denies any anti-competitive conduct; whether it is in regard to the European Commission' investigation, the claim filed in the UK or any possible future claims related to this matter subsequent to the issuance of the SO. Therefore, no provision has been recognized at the current stage. We will continue to collaborate with the European Commission and follow up all processes as it deems appropriate.

There have not been any other significant events after the balance sheet date of 31 December 2023.



To the General Meeting of Grieg Seafood ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Grieg Seafood ASA, which comprise:

- the financial statements of the parent company Grieg Seafood ASA (the Company), which comprise the statement of financial position as at 31 December 2023, the income statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policies, and
- the consolidated financial statements of Grieg Seafood ASA and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2023, the income statement, comprehensive income statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 36 years from the election by the general meeting of the shareholders on 4 January 1988 for the accounting year 1988.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

PricewaterhouseCoopers AS, Sandvikbodene 2A, Postboks 3894 - Sandviken, NO-5835 Bergen
 02216, org.no: 987 069 713 MVA, www.pwc.no
 Statistisk sentralbureau, medlemsnr. av Den norske Revisorforening og autorisert regnskapsførerselskap



The Group's business activities are largely unchanged compared to last year. *Measuring of the amount of biological assets and Valuation of biological assets at fair value* had the same characteristics and risks as in the prior year and continues to be in our focus. The introduction of resource rent tax on aquaculture made us include this issue to our list of focus areas this year.

Key Audit Matters

Measuring of the amount of biological assets

Biological assets include inventories of brood stock, smolt and live fish held for harvesting purposes.

We focused on the measurement of biological assets (biomass), emphasizing live fish held for harvesting purposes, because it constitutes a major part of the Group's biological assets. Furthermore, there is an inherent risk of error in the measurement of both number of fish and biomass, as the biological assets, by nature, are difficult to count, observe and measure due to lack of sufficiently accurate measuring techniques that at the same time do not affect fish health. As a result, there is some uncertainty related to the number of fish and biomass in the sea. The Group has established control procedures for measurement of both number of fish and biomass.

The amount of biomass in the sea has a direct influence on the valuation; see more about this in the paragraph *Valuation of biological assets at fair value* below.

See note 19 (Biological assets) for further information about measuring of biological assets.

How our audit addressed the Key Audit Matter

For audit of significant inventories, the International Audit Standards (ISAs) require that we participate at inventory counts, provided that it is practicable. Due to the nature of the biological assets and the associated difficulty related to counting, observing, and verifying the fish in the biomass, we have performed alternative audit procedures to obtain sufficient appropriate audit evidence regarding the inventory's existence and condition.

The Group's biomass system shows the number of fish, average weight, and biomass per site. We directed our effort at the movement in biological inventory (in numbers) in the period. The movement is the total of smolt stocked, loss of fish and harvested fish for the period.

We reviewed the Group's processes for controlling the number of fish stocked. To assure accuracy of the number of fish registered in the biomass system, we tested a selection of smolt stocked, by tracing the number of fish stocked back to underlying documentation. Underlying documentation are e.g., vaccination documentation for internally produced smolt and invoices for purchase of external smolt.

The growth in the period is connected to the total feed consumption and is closely associated with purchase of feed. We reviewed the Group's internal controls of reconciliation of feed inventory and obtained external confirmation from feed suppliers to verify purchased volume. We also assessed recorded accumulated feed conversion rate for live fish held for harvesting purposes and obtained explanations from management and further documentation for sites with significantly either higher or lower feed conversion rate than expected. Our procedures substantiated that the growth for the year was reasonable.

To challenge the historical accuracy of management's biomass estimates, we reviewed the harvest deviation for the period. By harvest deviation, we refer to the deviation between actual



Valuation of biological assets at fair value

The Group measures biological assets at fair value using the requirements in IAS 41. As per 31.12.2023, the book value of biological assets is TNOK 5 065 718, of which TNOK 3 735 957 is historical cost and TNOK 1 329 761 is value adjustment. Biological assets comprise about 37% of total assets.

The fluctuations in the fair value estimate that occur due to changes in the market price, may have significant impact on the operating result. The Group therefore shows the effect of fair value adjustments for biological assets as a separate line item before operating result (EBIT).

We focused on the valuation of biological assets at fair value due to the size of the amount, the complexity of the calculation, because the estimate requires application of management judgment, and due to its significance on the financial result for the year.

See note 19 (Biological assets) for further information about valuation of biological assets at fair value.

Introduction of resource rent tax on aquaculture

The introduction of a new, and partly complex taxation model for aquaculture effective from 1 January 2023 increased the risk of errors. The risk was related to the taxation basis as part of an integrated value chain. The regulation requires the tax to be derived based on an estimate of the

harvested biomass (in numbers and kilos) and the estimated biological inventory according to the Group's biomass system. We found the accumulated deviations to be reasonable.

We satisfied ourselves that the disclosures in the notes about measuring of biological assets were reasonable and in accordance with the requirements in the accounting standards.

We challenged management's model for calculation of fair value of biological assets by assessing the model against the criteria in IAS 41 and IFRS 13. We found that the model included the elements that the accounting standards require.

We examined whether the biomass that formed the basis for the Group's model corresponded with the Group's biomass system and tested whether the model made mathematical calculations as intended.

After having assured that these fundamental elements were in place, we assessed whether the assumptions that management used in the model were reasonable. We assessed the price assumptions against observable forward prices from FishPool. We challenged the assumptions made with regards to when the fish is expected to be ready for harvest, the expected monthly mortality rate and the discount rate applied. We found management's assumptions to be reasonable and consistent with industry norm.

Further, we assessed whether information about fish health and harvest deviation after the balance sheet date is reflected in the valuation. We found that the calculation model adequately reflects available information.

We satisfied ourselves that the disclosures in note 19 to the financial statements referring to valuation of biological assets appropriately reflect the valuation method and that the disclosures are according to requirements in the accounting principles.

We gained an understanding of management's processes related to the calculation and accounting of resource rent tax, including management's processes to estimate value creation in the sea.

We assessed management's choice and application of method, the important assumptions,

3 / 6



"value added in the sea", as the resource rent tax is construed to tax value creation that occur in the sea phase of the production cycle. As a result, management in a higher degree than before had to decompose the value creation from the production process in the phases: before sea, in sea, and post sea. Even though the estimate, as any other estimate is dependent on the use of a considerable amount of judgment, it differs from other estimates by being a new area of taxation, where the rules have not yet been tested. Consequently, substantiating management's judgment was more challenging.

See note 12 where management explains how the resource rent tax is derived, and the judgments and estimates this is based on.

and the data applied by management in preparing the estimate in which the resource rent tax is based on. Among other, we assessed the choice of method, assumptions, judgments and underlying data that substantiate management's judgment and choice of assumptions. In addition, we assessed whether the important assumptions that the estimate is based on were consistent and applied in other accounting estimates, for example those related to the valuation and measurement of biological assets, or with related assumptions applied in other areas of the Group's business activities.

We tested the mathematical accuracy of the calculated resource rent tax and underlying estimates.

We read the notes and found that they appropriately explained how management assessed the resource rent tax.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Directors' report applies correspondingly to the statements on Corporate Governance and Corporate Social Responsibility.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

4 / 6



In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting except as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Grieg Seafood ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name gsf-2023-12-31-an.zip, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and XBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities

For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: <https://revisorforetning.no/revisorsberetningar>

Bergen, 21 March 2024
PricewaterhouseCoopers AS

Sune Dyrnes
State Authorised Public Accountant

ALTERNATIVE PERFORMANCE MEASURES

We believe that our financial statements only partially reflect the underlying performance of our operations, and as such some of the financial information presented in the Annual Report 2023 contains alternative performance measures (APM). The APMs represented are important key performance indicators for how the management of Grieg Seafood monitors operational and financial performance on regional and group level. Therefore, we believe that the APMs disclosed provide additional, useful information when analyzing Grieg Seafood and our business activity.

APMs are non-IFRS financial measures. These measures are not intended to substitute, or to be superior to, any measure of IFRS. The APMs used by the Group have been defined by Grieg Seafood to supplement our financial reporting and the APMs could therefore deviate from, or otherwise not being directly comparable to, similar APMs disclosed by other companies.



APM	DEFINITION AND CALCULATION	REASON FOR APPLYING APM
Operational EBIT and operational EBIT/kg (SGWT)	Operational EBIT is calculated by adding production fee and fair value adjustment of biological assets, in addition to isolated non-operational events, such as costs (incl. impairment) of closing down sites, legal claims- and litigation costs and other non-operational items to the financial statement line item EBIT (Earnings before interests and taxes) of the income statement. Operational EBIT is reported in the Group's segment reporting (see Note 5), where a reconciliation with EBIT of the income statement is included. The operational EBIT/kg (SGWT), or operational EBIT/kg, metric is the operational EBIT divided by harvested volume in kg, gutted weight equivalent. The metric is calculated per farming region, for Norway and Canada, and for the Group as a whole. Operational EBIT/kg equals sales revenue/kg subtracted by harvesting cost/kg and cost of contract headquarter costs/kg. The metric is reported in the Group's segment reporting (see Note 5), and calculated using solely figures included in the segment information. Operational EBIT (and operational EBIT/kg) is defined by Grieg Seafood.	Operational EBIT and operational EBIT/kg are used by management, analysts, investors and are generally considered the industry measures for profitability and are used to assess our performance. Operational EBIT has been defined by Grieg Seafood and exclude items as described below. We exclude these items from our operational EBIT as we believe that these items impact the usefulness and comparability of our operational- and financial performance from one period to the other, as these items have a non-operational or non-recurring nature. These items include country-specific taxation on harvest, fair value on biological assets (expected future unrealized) gains or losses on fish not yet sold, isolated events not expected to recur, such as litigation and legal claim costs that arise from prior years as well as costs from impairment and phasing out seawater sites. Operational EBIT/kg is a relative metric which excludes the impact of non-recurring events and fluctuations in time. The metric captures operational profitability for the Group and each farming region.
Operational EBIT%	Operating EBIT% is calculated by dividing operational EBIT by sales revenue as reported in the segment reporting (see Note 5). Operating EBIT% is reported per region, in addition to Group level of Grieg Seafood.	Operating EBIT% is used by management to assess operational performance per region as well as for the Group.
Operational EBITDA	Operational EBITDA is calculated by adding depreciation (and write-down) of property, plant and equipment, and amortization of licenses and intangible assets to Operational EBIT. Operational EBITDA is reported in the Group's segment reporting (see Note 5), where a reconciliation with EBIT of the income statement is included.	Operational EBITDA provides a more informative result, as it does not consider the items with non-operational and/or non-recurring nature as described for Operational EBIT. Furthermore, it excludes the impact accounting estimates of depreciation and amortization has on our profitability.
Operational EBITDA%	Operating EBITDA% is calculated by dividing Operational EBITDA by sales revenue as reported in the segment reporting (see Note 5). Operating EBITDA% is reported per region, in addition to Group level of Grieg Seafood.	Operating EBITDA% is used by management to assess operational performance per region as well as for the Group.



DEFINITION AND CALCULATION

REASON FOR APPLYING APM

APM
ROCE

Return on capital employed (ROCE) is calculated by comparing operational EBIT incl. production fee to capital employed. Capital employed is calculated on annual and quarterly basis, both as a quarter-to-date figure and a year-to-date figure. The quarter-to-date figure is annualized. Capital employed is defined as total equity excl. the equity component of the fair value adjustment of biological assets, plus net interest-bearing liabilities according to the NIBD calculation method¹, as described in the NIBD section of this APM disclosure. Capital employed for the reporting period is calculated as the average of the opening and closing balances.

As the salmon farming industry is a capital-intensive line of business, ROCE is an important metric to measure the Group's profitability relative to the investments made. ROCE is used by management to measure the return on capital employed. ROCE is not impacted by capital structure, that is whether the financing is through equity or debt. The fair value adjustment of biological assets is excluded from the calculation, both in operational EBIT and as part of capital employed, as this reflect estimated future gains or losses on fish not yet sold and this is not considered useful information by the Group when assessing whether invested capital yields competitive return.

Equity ratio

- Equity ratio is calculated in two ways:
- Equity according to the Statement of Financial Position divided by total equity and liabilities according to the Statement of Financial Position.
 - Equity according to loan agreements divided by total equity and liabilities, ex. the impact of IFRS¹⁶. The metric is reported as a key figure of the Group.

Equity ratio captures the financial solidity of the Group. Furthermore, the equity ratio according to calculation method 2 is a covenant requirement for the Group. Equity ratio is, together with NIBD and NIBD/harvest, useful to assess the financial robustness and -flexibility of the capital structure of the Group.

NIBD

- Net interest-bearing debt (NIBD) comprises non-current and current debt to financial institutions and other interest-bearing liabilities, after deducting cash and cash equivalents. Amortized loan costs are not included in NIBD. NIBD is calculated in three ways:
- NIBD includes all long-term and current debt to credit institutions and other interest-bearing liabilities, incl. lease liabilities for contracts classified as operating lease for the lessor which corresponds to leases under the previous IFRS accounting standard IAS 17¹⁷ definition of operational leases). This NIBD metric is disclosed in Note 27 to the Group Accounts. This NIBD metric is included in the ROCE Group Accounts.
 - NIBD includes all long-term and current debt to credit institutions and other interest-bearing liabilities, but is adjusted according to terms and conditions set out in the bank loan agreement. This NIBD metric is disclosed in Note 27 to the Group Accounts, and excludes lease liabilities for contracts classified as operating lease for the lessor, in addition to other adjustments made according to the loan agreement.
 - NIBD includes all long-term and current debt to credit institutions and other interest-bearing liabilities but excludes lease liabilities for contracts classified as operating lease for the lessor. This metric is calculated as NIBD according to bullet 1 above, subtracted by lease liabilities for contracts classified as operating lease for the lessor, as included in the adjustment to the covenant relating to NIBD in bullet 2 above.

Net interest-bearing liabilities is a measure of the Group's net debt and borrowing commitments, and, together with equity ratio and NIBD/harvest, useful to assess the financial robustness and -flexibility of the capital structure of the Group.

The metric is reported as a key figure of the Group, and also reported in Note 27 to the Group Accounts. The Group has deducted the investment in money market funds in the NIBD calculation as from 2022.

DEFINITION AND CALCULATION

REASON FOR APPLYING APM

APM
NIBD/Harvest

NIBD/harvest is calculated using NIBD according to methods 1-3 as described in the NIBD section of this APM disclosure. The applicable NIBD/harvest indicates which NIBD metric is used in the calculation. The NIBD/harvest is calculated in two ways:

- NIBD divided by actual harvest volume in kg gutted weight in the last 12 months
- NIBD divided by guided full-year harvest volume in kg gutted weight

The metric is reported as a key figure of the Group.

NIBD/harvest captures the leverage of the Group measured by the harvest capacity and is utilized when optimizing the Group's leverage ratio. Actual harvest volume in the last 12 months indicates the leverage ratio according to proven harvest capacity, while guided harvest volume indicates the leverage ratio according to business plans as the Group are targeting volume growth in an annual basis.

NIBD/harvest is, together with equity ratio and NIBD, useful to assess the financial robustness and -flexibility of the capital structure of the Group.

Gross investment

Gross investment is equal to the Group's capital expenditures (CAPEX) excluding lease liabilities for contracts classified as operating lease for the lessor which corresponds to leases under the previous IFRS accounting standard IAS 17¹⁷ definition of operational leases. Gross investment includes the value of additions made on property, plant and equipment and intangible assets owned by the Group, together with long-term lease arrangements with credit institutions. The metric is reported as a key figure of the Group.

The Group's CAPEX monitoring shows that gross investments are in line with the CAPEX monitoring of the Group. The accounting impact of (lease) liabilities for contracts classified as operating lease for the lessor which corresponds to leases under the previous IFRS accounting standard IAS 17¹⁷ definition of operational leases) is excluded from gross investments, as such leases are not treated as part of CAPEX.

Sales revenue/kg (GWT)

The sales revenue/kg (GWT) metric is calculated as sales revenue from farming operations divided by harvested volume in kg gutted weight equivalent. The metric is calculated per farming region, for Norway and Canada, and for the Group as a whole. Sales revenue from farming operations equals the revenue directly attributable to the sale of Atlantic salmon, including the impact of fixed contracts and the margin generated by the sales department. The term "sales revenue from sale of Atlantic salmon" is also used by the Group.

Group sales revenue from farming operations equals the sum of the sales revenue from farming operations per farming region according to the segment information. Sales revenue/kg is reported in the Group's segment information (see Note 3).

Sales revenue from farming operation is calculated as the directly attributable revenue from sale of Atlantic salmon, and is in line with our segment reporting. For the Group, sales revenue is adjusted for income from sale of bi-products (smolt, fry, roe, enallage) as such income are considered as cost reduction activities for our farming operation.

Sales revenue/kg is a relative metric which ensures comparability between our farming regions and across time. The metric captures the price achievement- and -realization generated by the Group and each farming region.

REASON FOR APPLYING APM

Farming cost/kg is a relative metric which ensures comparability between our farming regions and across time. The metric captures the cost level of the farming operations. As Atlantic salmon is traded largely as a commodity, and the prices achieved largely reflect a general market price, the farming cost/kg captures the operational profitability for the Group and each farming region.

DEFINITION AND CALCULATION

The farming cost/kg (GWT) metric is the sum of all costs directly related to the production and harvest of salmon, divided by the related harvest volume in kg gutted weight equivalent (GWT). Thus, at the regional level, farming costs equal operational costs. Other income is included in the farming cost metric as cost-reduction activities. Therefore, farming cost can be calculated as, using the segment information, sales revenue from farming operations less operational EBIT, divided by harvest volume. The metric is calculated per farming region, for Norway and Canada, and for the Group as a whole. Group farming cost equals the sum of the regions' farming costs. Farming cost/kg is reported in the Group's segment information (see Note 5).

The Other costs incl. ownership and headquarters costs/kg (GWT) metric captures all costs and revenue not directly related to the production and harvesting of salmon. This includes costs deriving from activities conducted by the parent company and other Group companies not related to production, divided by the Group's harvest volume. The metric is calculated for the Group, and is reported in the Group's segment information (see Note 5).

Other costs incl. headquarters costs/kg is a relative metric which ensures comparability when assessing the Group's cost level over time. The metric captures the costs of the Group which are not deemed directly attributable to farming operations.

RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

Below, the APMs derived in absolute figures are disclosed and reconciled to the Income Statement, Statement of Financial Position and Cash Flow Statement, respectively. The EBITDA and EBIT are disclosed on the Income Statement, and are thus indirectly reconciled on that statement.

FIGURE 3.21
SALES REVENUE FARMING OPERATIONS, FARMING COST AND OPERATIONAL EBIT (NOK MILLION)

	2023		Source	Rogaland	Finnmark	British Columbia	Newfoundland	Group
Sales revenue farming operations			Note 5	2 305	1 947	1 448	236	5 936
Elim/Other - revenue			Note 5					1 064
Sales revenue		Income Statement						7 020
Farming cost		Note 5		1 569	1 620	1 562	305	5 056
Elim/Other & Newfoundland - cost		Note 5					76	1 183
Operating EBIT		Income Statement		736	327	-94	-146	780
Operational EBIT farming operations		Note 5		736	327	-94	-94	875

	2022		Source	Rogaland	Finnmark	British Columbia	Newfoundland	Group
Sales revenue farming operations			Note 5	2 124	2 629	1 665	0	6 418
Elim/Other & Newfoundland - revenue		Note 5						746
Sales revenue		Income Statement		2 124	2 629	1 665	0	7 164
Farming cost		Note 5		1 369	1 703	1 395	NA	4 467
Elim/Other & Newfoundland - cost		Note 5					-115	958
Operational EBIT		Income Statement		755	926	270	-115	1 739
Operational EBIT farming operations		Note 5		755	926	270	NA	1 961

FIGURE 3.22
NBD ACCORDING TO METHOD 1 (NOK MILLION)

	2022	2023	Source
Borrowings	2 839	3 472	Statement of Financial Position
Lease liabilities	654	1 111	Statement of Financial Position
Non-current liabilities	3 492	4 603	
Current portion of borrowings	142	208	Statement of Financial Position
Current portion of lease liabilities	227	300	Statement of Financial Position
Current liabilities	369	508	
Loans to associates	-8	-33	Note 27
Cash and cash equivalents	-643	-216	Statement of Financial Position
Investments in money market funds	-1 013	0	Statement of Financial Position
Amortized loan costs	25	17	Note 27
NBD (method 1)	2 223	4 879	

FIGURE 3.23
GROSS INVESTMENTS (NOK MILLION)

	2023	2022	Source
Property, plant and equipment	790	562	Cash Flow Statement
Intangible assets	3	3	Cash Flow Statement
Additions according to the Cash Flow Statement	792	564	
Finance leases according to IFRS in force prior to 1 January 2019	88	115	
Gross investments	880	679	

OUR INTEGRATED REPORTING

Our integrated report covers our progress with respect to all of our pillars and material topics. We believe that measuring and integrating comparable, consistent and reliable environmental, social, and governance parameters is fundamental to making more informed decisions and to facilitating long-term sustainable growth.

GLOBAL REPORTING INITIATIVE (GRI) INDEX	146
STAKEHOLDER DIALOGUE	154
THE SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX	155
AUDITOR'S SUSTAINABILITY REPORT	156



GLOBAL REPORTING INITIATIVE INDEX

This report has been prepared in accordance with the GRI Standards 2021. We follow the GRI Standards to report our impacts on the economy, environment and people, including human rights, allowing for greater transparency and accountability. For more information on our approach to corporate social responsibility and transparency, see our website.

MANAGEMENT OF MATERIAL TOPICS

With our vision of farming the ocean for a better future, we demonstrate our commitment to corporate responsibility by operating profitably and sustainably in a manner that conforms with fundamental ethical norms and respect for the individual, the environment and society as a whole. We apply the precautionary principle as our strategy for approaching issues of potential harm when scientific knowledge is lacking. We aim to collaborate and take part in research to develop and test new solutions. In pursuit of our vision, we will face risks and opportunities. Our risk management is clearly connected with a multitude of stakeholder expectations, and the topics we have identified as material.

The Board exercises oversight of strategic, operational and financial matters, including the nature and extent of major risks. The Board and the CEO have delegated responsibility to the various business areas and functions, ensuring that operational responsibility is an integral part for all management teams and units and departments. We have implemented Group policies and targets aligned with our pillars and business strategy.

Both monthly key performance indicator (KPI) report, which is used both by operational management and the Board, and our published quarterly reports, are based on these policies and targets. Deviations from targets are followed up and action plans are implemented. We have a whistleblower channel, operated by EY, available both internally for our employees and externally for our stakeholders to report any unwanted behavior and breaches of our Code of Conduct. We also provide a grievance mechanism for local communities on our regional websites.

DETERMINING MATERIAL TOPICS

The materiality assessment is fundamental to our holistic and integrated reporting. Together with our stakeholders, we have identified our current and future positive and negative impact on the environment, economy and people, including human rights. The topics listed under each pillar is identified as important to our organization and our stakeholders, and is covered by group policies. The highlighted topics represents the list of material topics reported in line with the GRI standards. Find a combined overview of our pillars, targets and Group policies here.

REVIEWING MATERIAL TOPICS

The annual materiality review process is based on a revision of existing material topics, in addition to an assessment of the likely material topics proposed by the sector standard, GRI 13: Agriculture, aquaculture and fishing sectors 2022. In 2023, we reviewed our detailed impact assessment, where identified and assessed sustainability topics were reviewed in light of our negative and positive impact on the environment, economy and people for the reporting year. In order to be able to prioritize the impacts for reporting based on their significance, a materiality assessment impact rating tool was used, with severity and likelihood as key concepts. Read more about the stakeholder whose views have informed the process here. The revision resulted in no changes in the list of material topics represented in bold under our pillars from 2022 to 2023. The list is reviewed by our Board of Directors. We consider several topics as significant and cover our impact related to other topics not included in our list of material topics in this report as well as on our website.

EXTERNAL VERIFICATION

To ensure the quality of our report and the information (both quantitative and qualitative) provided, it is reviewed and verified internally. To ensure high data quality and to enhance the credibility of our sustainability reporting, it has been assured by our independent auditor, PwC. Our GRI Index provides further information about the audit performed, where "A" refers to assurance that the disclosures are presented according to the GRI Standards (2021). "B" refers to assurance that the quantitative sustainability disclosures, referred to from the GRI Index, are calculated, estimated and reported in accordance with the criteria defined in GRI or the GRI Index. Reference is made to the auditor's statement on sustainability reporting.

REPORTING SCOPE AND BOUNDARY

Grieg Seafood exclusively produces Atlantic salmon, accounting for 100% of its animal protein production, and has not delegated any of its production to outsourcing. The scope of our sustainability metrics provided in this report includes the environmental, social, and governance performance that has been deemed material to Grieg Seafood's operations for the calendar year ended 31 December 2023. The metrics covers our global operations and includes wholly-owned subsidiaries. It does not include associated companies or joint ventures, as we do not have management control of these companies. There have been no mergers, acquisitions or disposal of entities in 2023 impacting the scope. No adjustments have been made for any minority interests.





Legal entities	Within scope	Material topic
Greg Scaiford Rogaland AS	Yes	Fish health & welfare, Protecting wild salmon, Protecting biodiversity & marine ecosystem, Sustainable feed ingredient, Climate action, Responsible business conduct, Corporate governance, Human rights, Keeping our employees safe, Local value creation
Greg Scaiford Rogaland Sjø AS	Yes	Fish health & welfare, Protecting wild salmon, Protecting biodiversity & marine ecosystem, Sustainable feed ingredient, Climate action, Responsible business conduct, Corporate governance, Human rights, Keeping our employees safe, Local value creation
Greg Scaiford Finnmark AS	Yes	Fish health & welfare, Protecting wild salmon, Protecting biodiversity & marine ecosystem, Sustainable feed ingredient, Climate action, Responsible business conduct, Corporate governance, Human rights, Keeping our employees safe, Local value creation, Indigenous relationships
Greg Scaiford Finnmark Sjø AS	Yes	Fish health & welfare, Protecting wild salmon, Protecting biodiversity & marine ecosystem, Sustainable feed ingredient, Climate action, Responsible business conduct, Corporate governance, Human rights, Keeping our employees safe, Local value creation, Indigenous relationships
Greg Scaiford Sales AS	Yes	Safe & healthy food, Climate action, Responsible business conduct, Corporate governance, Human rights, Keeping our employees safe
Greg Scaiford ASA	Yes	Climate action, Responsible business conduct, Corporate governance, Human rights, Keeping our employees safe
Greg Scaiford BC Ltd	Yes	Fish health & welfare, Protecting wild salmon, Protecting biodiversity & marine ecosystem, Sustainable feed ingredient, Climate action, Responsible business conduct, Corporate governance, Human rights, Keeping our employees safe, Local value creation, Indigenous relationships
Greg Scaiford Sales North America Inc	Yes	Safe & healthy food, Climate action, Responsible business conduct, Corporate governance, Human rights, Keeping our employees safe
Greg Scaiford Newfoundland Ltd	Yes	Fish health & welfare, Protecting wild salmon, Protecting biodiversity & marine ecosystem, Sustainable feed ingredient, Climate action, Responsible business conduct, Corporate governance, Human rights, Keeping our employees safe, Local value creation
Greg Marine Ltd	Yes	Fish health & welfare, Protecting wild salmon, Protecting biodiversity & marine ecosystem, Sustainable feed ingredient, Climate action, Responsible business conduct, Corporate governance, Human rights, Keeping our employees safe, Local value creation
Greg NI Nurseries Ltd	Yes	N/A
Greg Scaiford Canada AS	No	N/A
Greg Scaiford Newfoundland AS	No	N/A
Greg Scaiford UK Ltd	No	N/A
Greg Scaiford Sales USA Inc	No	N/A
Greg Scaiford Premium Brands Inc	No	N/A

DATA QUALITY

We have implemented internal controls to ensure the accuracy and completeness of the data included in this report. Any limitations or exclusions to our reporting are disclosed throughout this report. The quantitative information provided in this report, is mainly data we have retrieved from our production-, logistics-, human resource- and financial systems. Where data has been measured or estimated, this is indicated in footnotes. If we use external data, the source is specified. Our data is reported consistently, unless otherwise indicated. Any restatement of historical data is disclosed.

GRI CONTENT INDEX

The GRI content index refers to where information about each disclosure is presented in our 2023 Annual Report, 2023 Remuneration Report, 2023 TNFD Report or company website.

Statement of use	Grieg Seafood has reported in accordance with the GRI Standards for the period 01.01.2023 to 12.31.2023				
GRI 1 used	GRI 1: Foundation 2021				
Applicable GRI Sector Standard	GRI 13: Aquaculture, Aquaculture and Fishing Sectors 2022				

GRI 2: GENERAL DISCLOSURES 2021

The organization and its reporting practices

2-1	Organizational details	Part 03 - Our financial results, Note 1 General information	NO	A	
2-2	Entities included in the organization's sustainability reporting	Part 02 - Our operational results, Climate action, GHG reporting standard, Part 04 - Our integrated reporting, Reporting scope and boundary	NO	A	
2-3	Reporting period, frequency and contact point	In our integrated sustainability and financial report, we report annually according to the GRI Standards. Contact points: Chief Sustainability Officer: Kristina Fjurnes, Communication Manager: Kristina Fjurnes, kristina.fjurnes@griegseafood.com	NO	A	
2-4	Restatements of information	From 2022 to 2023 we changed our definition of the percentage of production volume certified to third-party audits. The change was caused by a farm being declared based on budget and production to harvest volume per year-end. The changes led to the inclusion of more specific information, which in turn caused a reduction in percentage.	NO	A	
2-5	External assurance	The Chief Sustainability Officer seeks external assurance of sustainability reporting according to GRI Standards, climate accounting and sustainability RPLs. Our sustainability reporting has been assured by our independent auditor PwC.	NO	A	
2-6	Activities, value chain and other business relationships	Feed was our main supply category in 2023, comprising 3% of our cost. Other relevant business relationship is our investment associates	NO	A	
2-7	Employees	We do not have any non-guaranteed hours employees	NO	A, B	

PART 04 - OUR INTEGRATED REPORTING

2-8	Workers who are not employees	We define workers who are not employees as contractors. Data reported on contractors are compiled in headcount, similarly to our employees	NO	A, B	
Governance					
2-9	Governance structure and composition	Part 03 - Our financial results, Corporate governance principles: 8. Board of directors: composition and dependencies, Webpage - Board of Directors	NO	A	
2-10	Nomination and selection of the highest governance body	Part 03 - Our financial results, Corporate governance principles: 7. Nomination committee	NO	A	
2-11	Chair of the highest governance body	Part 03 - Our financial results, Corporate governance principles: 8. Board of directors: composition and independence	NO	A	
2-12	Role of the highest governance body in overseeing the management impacts	Part 03 - Our financial results, Corporate governance principles: 8. Board of directors: composition and independence	NO	A	
2-13	Delegation of responsibility for managing impacts	Part 03 - Our financial results, Corporate governance: Governance structure	NO	A	
2-14	Role of the highest governance body in sustainability reporting	Part 03 - Our financial results, Corporate governance: Governance structure	NO	A	
2-15	Conflicts of interest	Part 03 - Our financial results, Corporate governance principles: 9. The work of the Board of directors: Conflict of interest; Group Accounts, Note 30 Related parties, Corporate social responsibility, Corporate governance	NO	A	
2-16	Communication of critical concerns	Part 03 - Our financial results, Corporate governance: Responsible business conduct	NO	A	
2-17	Collective knowledge of the highest governance body	Part 03 - Our financial results, Corporate governance: Governance structure	NO	A	
2-18	Evaluation of the performance of the highest governance body	Part 03 - Our financial results, Corporate governance principles: 9. The work of the Board of Directors, Annual assessment	NO	A	

[illegible]

151

[illegible]

LOCAL COMMUNITIES								TOPIC		EXPLANATION	
3-3	Management of material topics	We report on our efforts in local communities in all of the regional chapters.	Part 01 - Our foundation, Our sustainability scoreboard; Financial impact of material topics; Part 02 - Our operational results, Greg Seaford Finnmark-, Greg Seaford Rogaland-, Greg Seaford BC-, Greg Seaford Newfoundland - Local communities; Part 04 - Our integrated reporting, Stakeholder dialogue	N0	13.12.1	A		604 13	Agriculture, Aquaculture and Fishing Sectors 2022	Soil health is determined as not material as a result of the detailed impact assessment. The scope of impact is limited to the countries where our feed suppliers source vegetable raw materials. Hence, the overall severity of the impacts is assessed to be moderate. Pesticides use is determined as not material as a result of the detailed impact assessment. The severity is assessed as moderate as the use of pesticide in crop production is regulated and the scope is limited to tier-two suppliers. The approach to sea lice control is discussed under animal health and welfare, as the use of delousing chemicals is defined as medicine or disinfectant which is readily dissolvable, and not a pesticide.	
413-1	Operations with local community engagement, involvement, assessments, and development programs		Part 02 - Our operational results, Greg Seaford Finnmark-, Greg Seaford Rogaland-, Greg Seaford BC-, Greg Seaford Newfoundland - Local communities	N0	13.12.2	A			Water and effluents	Water and effluents is determined as not material as a result of the detailed impact assessment. Greg Seaford does not operate in water scarce areas. The nutrient build-up from fish feces is likely, however the scope is limited to local impact and restoration of sea beds allows remediation.	
413-2	Operations with significant actual and potential negative impacts on local communities		Part 02 - Our operational results, Greg Seaford Finnmark-, Greg Seaford Rogaland-, Greg Seaford BC-, Greg Seaford Newfoundland - Local communities	N0	13.12.3	A			Waste	Waste is determined as not material as a result of the detailed impact assessment. In the comparison of impact level to the other material topics, waste is considered to be significant.	
ECONOMIC INCLUSION	3-3	Management of material topics	Part 01 - Our foundation, Our sustainability scoreboard; Financial impact of material topics; Part 02 - Our operational results, Greg Seaford Finnmark-, Greg Seaford Rogaland-, Greg Seaford BC-, Greg Seaford Newfoundland - Local communities; Part 04 - Our integrated reporting, Stakeholder dialogue	N0	13.22.1	A			Land and resource rights	Land and resource rights is determined as not material as a result of the detailed impact assessment. The possession of farming licenses to operate ensures predictability and accountability of land and resource rights.	
									Non-discrimination and equal opportunity	Non-discrimination and equal opportunities is determined as not material as a result of the detailed impact assessment. The severity is high, however the likelihood is limited by human rights regulation.	
									Freedom of association and collective bargaining	Freedom of association and collective bargaining is determined as not material as a result of the detailed impact assessment. Greg Seaford ensures freedom of association and collective bargaining for its employees. The likelihood is limited through regulations from ILO.	
									Employment practices	Employment practices is determined as not material as a result of the detailed impact assessment. The scope is limited to our direct operations, whereas the severity is determined to moderate.	
									Living income and living wage	Living income and living wage is determined as not material as a result of the detailed impact assessment, as the scale is low and impacts concerning living income and wage is possible to counteract. Thus, the severity is determined to be moderate.	
201-2	Direct economic value generated and distributed		Part 2 - Our operational results, Profitable operations; Direct economic value generated and distributed	N0	13.22.2	A, B			Public policy	Public policy is determined as not material as a result of the detailed impact assessment, as the scale is low and the impact is easy to counteract, the severity is determined to be moderate.	
201-3	Infrastructure investments and assets supported		Part 02 - Our operational results, Greg Seaford Finnmark-, Greg Seaford Rogaland-, Greg Seaford BC-, Greg Seaford Newfoundland - Local communities	N0	13.22.3	A, B			Anti-competitive behavior	Anti-competitive behavior is determined as not material, as a result of the detailed impact assessment, as there is no documented indication of impact on the economy, environment and people.	
201-2	Significant indirect economic impacts	Salmon farming has a range of significant indirect economic impacts that can affect local and regional economies in terms of employment and feed, as well as creating employment opportunities. We describe the significance of our indirect economic impacts in the context of UNSDGs and zero hunger.	Part 02 - Our operational results, Greg Seaford Finnmark-, Greg Seaford Rogaland-, Greg Seaford BC-, Greg Seaford Newfoundland - Local communities; Webpage - UNSDG	N0	13.22.4	A					



STAKEHOLDER DIALOGUE

Our value 'Open' guides our stakeholder dialogue. We aim to be open and honest about our performance and challenges, make it easy for our stakeholders to hold us accountable, and share how we work to improve.

Engaging and collaborating with our stakeholders helps us understand and address our most material sustainability issues. Our stakeholders span our five pillars and gaining their trust is integral for our license to operate. Stakeholders are chosen according to the impact they have on our business, and the economic, environmental and social impact we have on the stakeholders. Stakeholder dialogue is also key to be able to grasp emerging opportunities for our business, and to understand and mitigate risk.

We engage actively and continuously with our stakeholders, and always maintain an open door for stakeholder feedback. Stakeholders frequently contact us to discuss issues. We also engage stakeholders proactively on matters where we believe we can have significant impact, such as with feed suppliers. The continuous dialogue with our stakeholders provides the basis for the materiality matrix. Ultimately, our stakeholders help us deliver healthy food and make positive impacts throughout our value chain.

STAKEHOLDER	MATERIAL TOPIC	HOW WE ENGAGE	ACTIONS	EXAMPLE
NATIONAL AUTHORITIES / REGULATORS	- All sustainability challenges - In particular balanced regulation and long-term local value creation	Meetings, site visits, and correspondence.	We have an open dialogue with all official authorities where we operate, and collaborate on all aspects. We welcome their efforts to enforce regulations and engage in constructive dialogue.	We are committed to be a constructive partner for the government and indigenous communities in the 2025 transition process in BC, and to find a path forward that works for all stakeholders.
LOCAL AUTHORITIES / COMMUNITIES	- All sustainability challenges - In particular local value creation, indigenous relationships and co-existence with other local interests	Dialogue with special interest groups locally, open meetings, site visits, and dialogue through mainstream media and digital channels.	We recognize public concern for the oceans, invite visitors to our farms and participate in the public debate about salmon farming. We try to find solutions to accommodate other local interests. In areas with indigenous populations, consent, dialogue and relations with indigenous representatives are especially important.	Through our website, and in particular the regional websites, we aim to improve transparency and dialogue with our local communities.



SASB INDEX

The Sustainability Accounting Standards Board (SASB) functions as an autonomous organization responsible for establishing standards. Its primary goal is to advocate for the disclosure of essential sustainability information to cater to investor requirements. The SASB standards is classified as Sustainability Accounting Standards and is a part of the The International Financial Reporting Standards (IFRS) Foundation and is under stewardship of the International Sustainability Standards Board (ISSB).

In the table provided below, specific indicators are cited from the SASB standards for the Meat, Poultry & Dairy industry, representing a comprehensive standard applicable to the entire industry. Consequently, only certain aspects of these disclosures are relevant to Grieg Seafood. Nevertheless, we remain committed to enhancing further SASB-related disclosures that hold relevance for our business.

Greenhouse gas emissions			
FB-MP-110a.1	Gross global Scope 1 emissions	Part 02 - Our operational results, Climate action: Scope 1 & Scope 2 emissions; GHG reporting standard	See GRI 305-1
FB-MP-110a.2	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Part 02 - Our operational results, Climate action: Climate action plan update Part 03 - Our financial results, Note 3 Climate related risk, TCFD Report	Partial overlap with GRI 201-2
Energy management			
FB-MP-130a.1	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	Part 02 - Our operational results, Climate action: Scope 1 & Scope 2 emissions	Partial overlap with GRI 302-1
Food safety			
FB-MP-250a.2	Percentage of supplier facilities certified to a Global Food Safety Initiative (GFSI) food safety certification program	Part 02 - Our operational results, Our certifications	See GRI 416-1
FB-MP-250a.3	(1) Number of recalls issued and (2) total weight of products recalled	Part 02 - Our operational results, Our certifications, Our sales & market results	GRI Sector 13.10.5
Workforce health and safety			
FB-MP-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate	Part 02 - Our operational results, Our certifications, Safety indicators 2023, H1-Factor/LTR	See GRI 403-9
Animal care and welfare			
FB-MP-410a.3	Percentage of production certified to a third-party animal welfare standard	Part 02 - Our operational results, Our certifications	GRI Sector 13.11.2
Animal feed & sourcing			
FB-MP-440a.1	Percentage of animal feed sourced from regions with High or Extremely High Baseline Water Stress	Webpage - Zero deforestation and conversion	
FB-MP-440a.3	Discussion of strategy to manage opportunities and risks to feed sourcing and livestock supply presented by climate change	Webpage - Sustainable feed ingredients; Sustainable marine ingredients; Zero deforestation and conversion	
Activity metric			
FB-MP-400.A	Number of processing and manufacturing facilities	Part 02 - Our operational results, Our certifications	
FB-MP-400.B	Animal protein production, by category: percentage outsourced	Part 04 - Our integrated reporting, Reporting scope and boundary	

PART 04 - OUR INTEGRATED REPORTING



Engagements other than Audits or Reviews of Historical Financial Information» and, in respect of greenhouse gas emissions, ISAE 3410 - «Assurance Engagements on Greenhouse Gas Statements», both issued by the International Auditing and Assurance Standards Board. These standards require that we plan and perform this engagement to obtain limited assurance about whether the Subject Matter Information is free from material misstatement.

A limited assurance engagement in accordance with ISAE 3000 and ISAE 3410 involves assessing the suitability in the circumstances of management's use of the Criteria as the basis for the preparation of the Subject Matter Information, assessing the risks of material misstatement of the Subject Matter Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Subject Matter Information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgement and, among others, included an assessment of whether the criteria used are appropriate, as well as an assessment of the overall presentation of the sustainability reporting. Our procedures, based on assessment of the risk of error, also included meetings with representatives from Grieg Seafood who are responsible for the material sustainability topics covered by the sustainability reporting, review of internal control and routines for preparation of sustainability disclosures, obtaining and reviewing relevant information that supports the preparation of sustainability disclosures, assessment of completeness and accuracy of sustainability disclosures identified with a B in the GRI Index and controlling the calculations of sustainability disclosures.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than, for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is not as high as the level of assurance that would be obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Subject Matter Information has been prepared, in all material respects, in accordance with the Criteria.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

A. Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Grieg Seafood's GRI Index for 2023 is not, in all material respects, developed in accordance with the requirements of the Standards published by The Global Reporting Initiative.

B. Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Grieg Seafood's quantitative sustainability disclosures identified with an B in the GRI Index are not, in all material respects, calculated, estimated and reported in accordance with the definitions provided in the Standards published by The Global Reporting Initiative or in the GRI Index.

Bergen, 21 March 2024
PricewaterhouseCoopers AS

Hanne Sæviem
Hanne Sæviem Jøntangen
State Authorised Public Accountant

2 / 2



To the Board of Directors of Grieg Seafood ASA

Independent Report on Grieg Seafood ASA's the sustainability reporting

We have undertaken a limited assurance engagement in respect of Grieg Seafood ASA's (Grieg Seafood) sustainability reporting (the Subject Matter) for the period 1 January 2023 - 31 December 2023.

The identified Subject Matter Information is summarised below:

A. Grieg Seafood's Global Reporting Initiative (GRI) Index for 2023 is an overview of which sustainability topics Grieg Seafood considers material to its business and which indicators it uses to measure and report sustainability performance, together with a reference to where the material sustainability information is reported within the 2023 Annual Report. Grieg Seafood's GRI Index for 2023 is available and included in the 2023 Annual Report. We have examined whether Grieg Seafood's sustainability disclosures for 2023, and the information on sustainability disclosures are reported in accordance with the Standards published by The Global Reporting Initiative (www.globalreporting.org/standards) (the Criteria).

B. This GRI Index in the 2023 Annual Report contains reference to sustainability disclosures that Grieg Seafood measures and controls. The measurement of the quantitative sustainability disclosures are determined by topic-specific disclosure requirements in line with the Standards published by the Global Reporting Initiative or own disclosures as specified by Grieg Seafood and explained in the GRI Index (the Criteria). We have examined the basis for the quantitative sustainability disclosures identified with a B in the GRI Index and examined whether these are calculated, estimated and reported in accordance with the criteria.

Management's Responsibility

Management is responsible for the preparation of the Subject Matter Information in accordance with the applicable Criteria. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of a Subject Matter Information that is free from material misstatement, whether due to fraud or error. Greenhouse gas (GHG) quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements as required by relevant laws and regulations in Norway and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management (ISQM) 1, and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

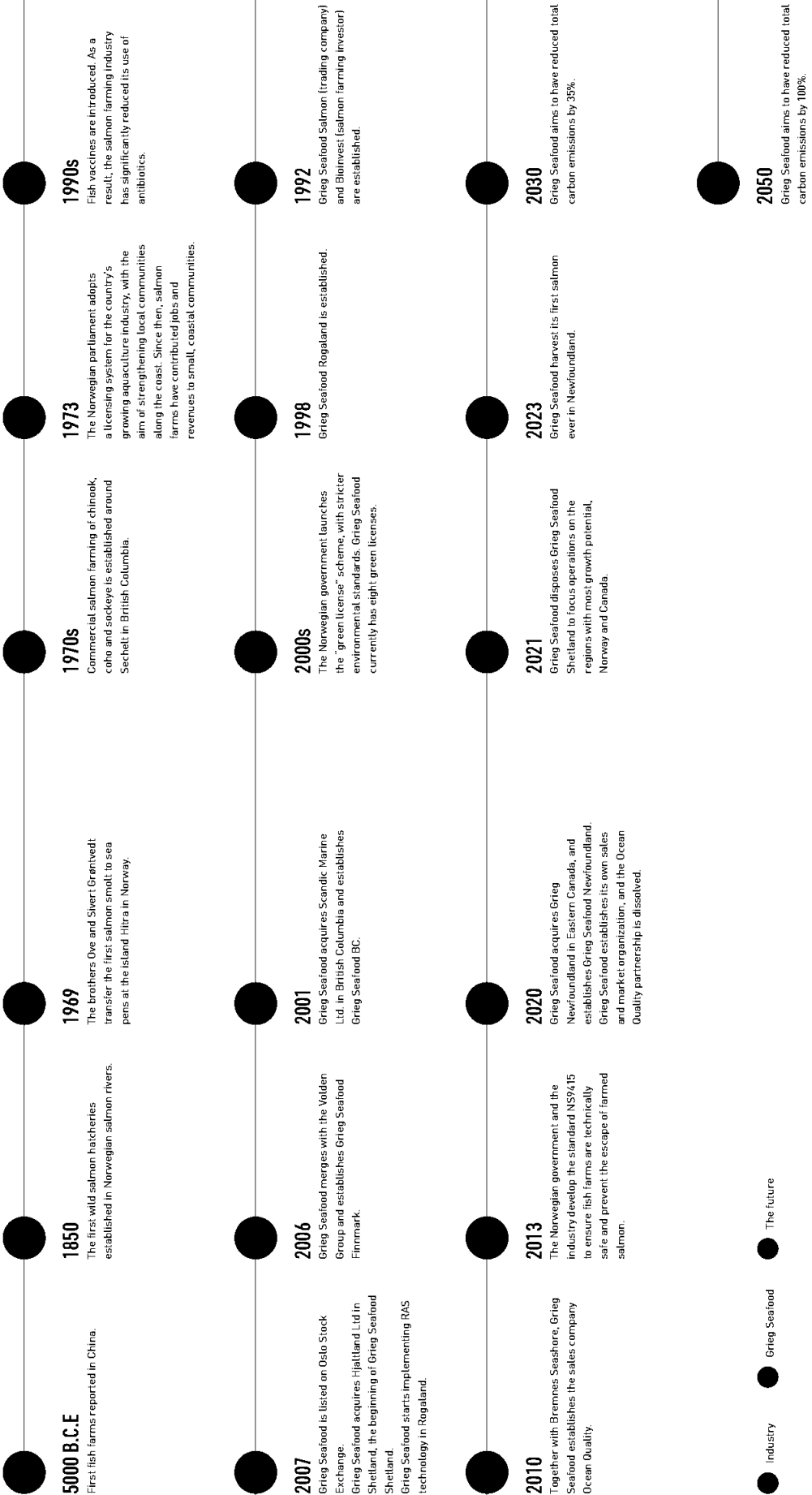
Our Responsibilities

Our responsibility is to express a conclusion on the Subject Matter Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 revised - «Assurance Engagements on Sustainability Reporting».

PricewaterhouseCoopers AS, Sandviksbodene 2A, Postboks 3084 - Sandviken, NO-5835 Bergen
T: 02216, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorsforbund og autorisert regnskapsførerselskap



HISTORY AND FUTURE



● Industry ● Grieg Seafood ● The future



ANNUAL REPORT

2023