Gratanglaks Sustainability Report

YES to vibrant communities!

Sustainability Report 2022

Gratanglaks

Content

YES to vibrant communities

We at Gratanglaks are investing in a dedicated sustainability report for the third year in a row. We do this because we want to show everyone how we work with sustainability: Economically, environmentally and socially. In the report, we take stock of where we stand and chart the course ahead.

YES to our ambitions

We at Gratanglaks always have new and ambitious goals. Just like our skiing star and partner, Erik Valnes, our ambition is to lead the way internationally in whatever we do, in food production and in sustainability. The fact that we are a locally-owned company in a small town, far north in the world, gives us an advantage.

We can set ambitious goals, make faster decisions than large corporations, and take a shorter path from making a decision to implementing it in the organization. Everyone who works for us is welcome to provide good input and suggestions for improvement. In this way, we believe that Gratanglaks can become a guiding star in producing healthy, good and sustainable food.

We want Northern Norway to be a winner when it comes to sustainability, and for Gratanglaks to be at the forefront. That is why we are challenging our suppliers to follow suit.

In order to further reduce our environmental footprint, our suppliers must also be part of the solution – together we must create a more sustainable aquaculture industry and region.

This will give our suppliers and our company a competitive advantage; it will help secure more jobs in our region, and it will help make our municipalities stronger.

Succeeding with our sustainability work is very important for the communities of Gratangen, Harstad, Narvik, Tromsø and Tjeldsund.

YES to vibrant communities

A vibrant community is one of the most important pillars on which we stand. We love our home municipalities and are passionate about making them attractive places to live and work, today and in the future. If the municipalities and our company are to succeed, we are completely dependent on the success of the companies around us. That is why we make conscious choices and choose local solutions. This is the right thing for us to do, and it becomes Social Sustainability in practice.

Hanne Lundberg
Deputy CEO of Gratanglaks AS

A good example is Astafjord Vekst, which, among other things, washes work wear. They wash work wear and bed linen, for us and for the Astafjord slaughterhouse. We have deliberately chosen to use their offers instead of creating our own.

This has local ripple effects, creates vital jobs and helps to create local optimism. If we are to continue to develop society, optimism must be spread, and we must cheer each other on!

When our partner, Grovfjord Mekaniske, has managed to become a leading supplier of boats to the aquaculture industry, their success also makes us proud. When our supplier companies hire new employees, we are delighted. If our municipalities manage to slow depopulation, and perhaps even help our communities grow, we are moved and motivated.

We therefore challenge everyone to purchase more locally. This is Added Value.

YES to new fellow employees and residents

Many companies compete for the same new employees. We must therefore work hard to get them to choose our region. For those who are considering moving here, a good business community is essential. New neighbours need stores and shops, a partner may need a job, and we need local communities with good services and enjoyable leisure facilities that inspire people to live and work here. That is why Gratanglaks is an essential part of the society we are part of. We cooperate with other companies and municipalities to make the region as attractive as possible. The battle for heads and hands can only be won together.

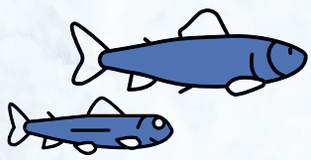
YES to sustainable workplaces

When we siblings were little, we never considered salmon farming a job, this was something mom and dad did as a hobby in their spare time. Now, I'm kind of grinning at that memory; we look at things quite differently today.

I am 28 years old, I have a bachelor's degree in aquaculture operations and management, and have worked full time in the company since 2017. I have realised that this is a very serious JOB. An important job. The world needs more healthy, safe, good and sustainable food. Local communities need good, sustainable jobs.

I am proud to work in the aquaculture industry and to be part of developing our locally-owned company. We are facing a very exciting and challenging time. It will take hard work and smart choices to succeed. Sustainability is one such choice.
At Gratanglaks, we continue to live according to our vision: "With strength, quality and sustainability at all levels for the future here in the north".
Happy reading!

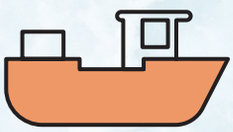
The Value Chain



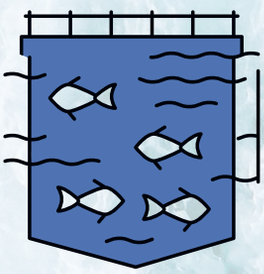
Smolt (juvenile) fish)

Astafjord Smolt
Production and delivery of smolt.
Employees: 11.

Transport of live smolt.



Fish carrier North
Shipping of smolt.
Employees: 46



Research on natural products to combat salmon lice.

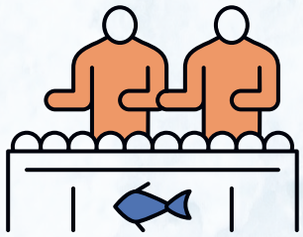
Seacalx
A development project wholly-owned by Gratanglaks AS, which works to combat salmon lice.
Employees: 1.

Gratanglaks AS
Gratanglaks is engaged in sea production (from the release of smolt to harvestable fish). Employees: 34.

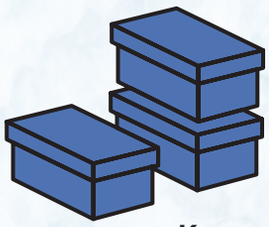
Håløy Havservice
Provides services related to maritime service work.
Employees: 27.

From smolt to harvestable salmon.

Stunning, bleeding and gutting salmon.

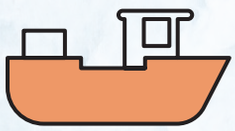


Astafjord Slakteri
A fish slaughterhouse located in Gratangen. Capacity of 140 tons of salmon per day in two shifts. Employees: 50.



Kasseriet
Production of packaging. Employees: 11.

Transport of live salmon.



Fish carrier North
Transport of harvestable fish. Employees: 46.

Blue Vision
Gratanglaks' salmon information and viewing center, located at Kystens Hus in Tromsø. Employees 1.

Gratanglaks

Gratanglaks AS is a family-owned company that has been involved in salmon production since 1984, in the Municipality of Gratangen in Troms. Our operations are primarily located in Astafjorden and Vågsfjorden, with headquarters in Gratangen. Through close cooperation with several local fish farmers, we have established a fully-integrated company, covering the entire value chain from smolt to slaughter. We can therefore control the entire process, from start to finish. We provide salmon of the highest quality, which is delivered to customers with minimal environmental impact. The collaboration involves the companies Astafjord Smolt, Håløy Havservice, Brønnbåt Nord, Kasseriet and Astafjord Slakteri.

Blue Vision

Blue Vision is our salmon information and viewing center, located in Kystens Hus in downtown Tromsø. Blue Vision was established to disseminate knowledge about aquaculture to the general population, tourists and students/ schools. You will learn a lot about modern Norwegian aquaculture here. We use interactive screens and camera transmissions from Gratanglaks' locations at sea combined with communication from knowledgeable employees. The offer is free. Drop-in visits and arranged viewings are possible.

Ripple Effects in 2022

NOK 153 935 651
in value creation
This corresponds to the following:

An operations subsidy, for an area the size of
383
football pitches
Average annual subsidy per pitch: NOK 80 594.
Source: Ministry of Cultural Affairs.

330
primary school places
NOK 139 732 per pupil per year.
Source: SSB (2020)

126
nurses
NOK 612 240 salary per year.
Source: SSB (2020)

Over
36 million
meals produced in 2022.

NOK 19 502 479
from the Aquaculture Fund was distributed to the municipalities of Harstad, Kvæfjord and Gratangen for our concessions in 2022.

Over
NOK 19 millions
in local purchasing power.

NOK 7 426 000
in taxes from employees.

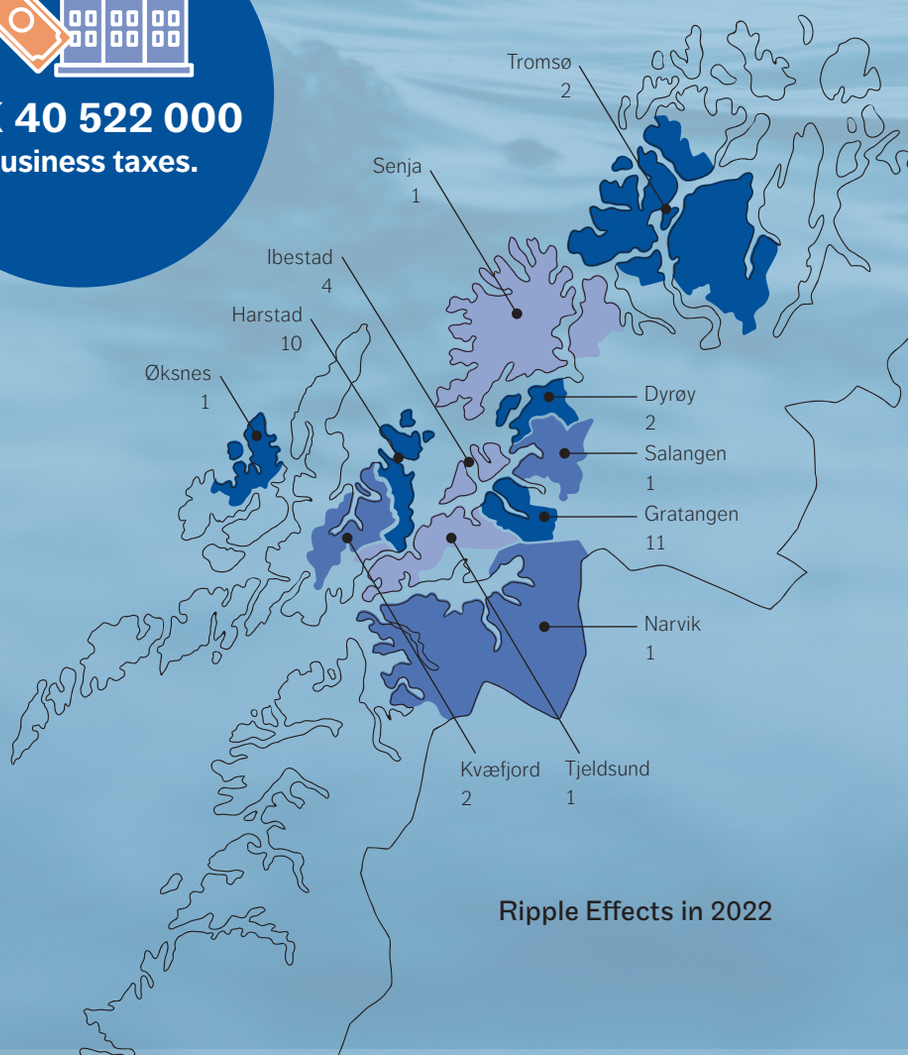
11
summer temps.

36
employees

246
suppliers with a total purchase volume of NOK 415 million*
(*Only includes suppliers over NOK 5000).

NOK 40 522 000
in business taxes.

We contributed
NOK 497 250
to local events, sports and advertisements
this includes e.g. sponsorship for sports teams, local small businesses and donations.



The Local Community

Local ownership matters.

Anita Karlsen,
mayor for the Municipality of Gratangen

The fact that Gratanglaks continues to be owned and operated by a local family is crucial for future value creation. So says Mayor Anita Karlsen.

Local ownership matters.
"It would not be the same if there was large corporation farming being done here. They would probably centralise much of what is produced locally today. Mayor Anita Karlsen refers to the fully-integrated model of Gratanglaks, where the company is either owner or part owner in all stages of production from smolt, service boats, slaughter and packaging, in addition to the actual aquaculture activity at sea.

"The fact that Gratanglaks is able to do all this locally is inspiring. It gives us the belief that we can achieve something great in Gratangen. I think this model is more sustainable than the centralised way that large corporations operate – both at the local and national level," Karlsen said.

Afraid of what new tax rules will mean for family-owned fish farmers.
Mayor Karlsen (Norwegian Centre Party), like other Centre Party mayors along the coast, has taken a clear stand against her own government's proposal for increased taxes on the aquaculture industry. The Gratangen Municipal Council has submitted a consultation statement with many exclamation points in its formulations against the tax regime, which Minister of Finance Trygve Slagsvold Vedum (Centre Party) helped to propose in the autumn of 2022. The consultation statement concludes as follows:

We hope you see that the proximity between family-owned companies and local communities is a strength, and that this provides predictability for both local communities and the aquaculture industry as we jointly create viable local communities! This has evolved from past to present. It is part of our identity and culture! We depend on each other! And we will continue to do so in the future!

Investments determine the labour market
It is the much-discussed resource rent tax that has received the most attention, but there is also another tax proposal that has raised concern, especially for the smaller family-owned companies; a proposal for a new valuation of old fish farming concessions as a basis for wealth taxation. As a result, the value of concessions that have been held by family companies for a long time will be adjusted upwards in value and lead to a greater tax burden.

"For locally-owned fish farming companies like Gratanglaks, the new tax rules have a lot to say and therefore it has a lot to say for Gratangen as well. Take the labour market as an example. The investments Gratanglaks has made have meant that there is a varied offer of positions here, and it has everything to say in getting young people who have moved out to choose to return after education," Karlsen said.

The commitment to young people is commendable
Mayor Karlsen praises the work Gratanglaks has done to engage young people and inspire them to live and work in the region. Among other things, the company participated in a youth conference for ninth and tenth grade in the region, where young employees presented career opportunities.

"It was great to hear young people at Gratanglaks talk about how they experience working and living in Gratangen, and the opportunities it offers.
And Karlsen believes there is even more to be gained from the already close cooperation between the municipality and Gratanglaks.

"As I have become better acquainted with the company, I see that there are several things we can collaborate on, especially when it comes to recruitment.

Gratanglaks AS

Young people expect us to invest in sustainability

In the past, students under practical training were curious about whether sustainability was a part of the company's goals, but now they take it for granted," said Monica Eide at Gratanglaks.

Gratanglaks cooperates closely with the Norwegian College of Fishery Science (UiT) and the IVT Faculty at UiT Narvik. The company has students on work placement programmes every year. This is a good opportunity for students to gain insight into everyday life at a fish farming company, but it is also a golden opportunity for the companies to gain knowledge about what potential future employees think is important.

"I feel that there has been a change in what students expect from us in terms of sustainability. A few years ago, it was a slightly new topic that the students wondered if we were doing anything about. But now, the attitude is more that they take it for granted that we work with sustainability," said public affairs officer Monica Eide

A red thread from education to business

Gratanglaks strives to be an attractive employer for young people, whether they are compulsory school kids who have not yet chosen their educational path, or students of higher education. Monica Eide is therefore active in various places where young people meet the industry.

Some examples: Ungt entreprenørskap, Mastermeeting at Skjervøy and other youth conferences.

"Creating a common thread from education programmes to industry is an important task, so students are able to get in touch with the companies they like and so we have the opportunity to recruit. That is why we are in close contact with schools and universities, and we are happy to assist when students write master's theses or there are other things they need help with," Eide said.er andre ting de trenger hjelp til, sier Eide.

Creating a common thread from study programmes to the industry is important

An out of the ordinary understanding of education

Ingrid Hovda Lien is responsible for internships at the Norwegian College of Fishery Science (UiT) in Tromsø, and has worked closely with Gratanglaks for several years now.

"In aquaculture, there is some difference between the large and the small companies when it comes to the resources available to them to accommodate students who are busy with their on-the-job training. The small companies have less capacity when it comes to creating an academic programme and spending time with the students, but here Gratanglaks stands out positively among the smaller fish farming companies.
Hovda Lien believes that the good cooperation the College of Fisheries Science has had with Gratanglaks is an advantage with Eide's pedagogical education.
"I would say that a company like Gratanglaks that has a resource that understands education so well is quite out of the ordinary," Lien said.

Sustainability – more than fancy words on shiny paper
Hovda Lien can confirm that students are concerned about sustainability when looking for future employers.

"The students think working with the environment, biological challenges, fish health and local value creation are important, and they want to be part of a company that does something active about this. It is also important that sustainability work becomes something more than fancy words on shiny paper, and here Gratanglaks has come a long way. Management is not the only department with a relationship to sustainability; awareness is present throughout the organization," Lien said.

UN Sustainable Development Goals

Based on the results of the materiality assessment carried out in 2021, Goals 3, 8, 11, 14 and 17 emerged as the UN Sustainable Development Goals (SDGs) with highest priority for our company, and we will therefore focus on these five.

3 GOD HELSE OG LIVSKVALITET

Good health and well-being

Ensure good health and promote quality of life for all, regardless of age.

The fish we produce is nutritious and healthy, and contributes to a balanced diet that can help reduce obesity and overweightness, as well as reduce the risk of cardiovascular disease. The omega-3 fatty acids in oily fish such as salmon, mackerel, trout and herring are also essential for good brain health. It is good for memory, concentration, attention and learning. Most people in Norway get too little Omega 3. We support research that promotes the health benefits of eating more fish.

By becoming even better at communicating the health benefits of salmon, more people will be able to get a healthier diet that is good for their health. We also do this when we serve healthy food at the events we support.

Through our support of local sports clubs, we contribute to the population being active from an early age, and that more young people can participate in sports. This is important for both good health and a good social life.

At our workplace we offer physical work and activity, with good working conditions. Our employees receive ergonomic advice and workplace adaptation to avoid occupational injuries.

8 ANSTENDIG ARBEID OG ØKONOMISK VEKST

Decent work and economic growth

Promote sustained, inclusive and sustainable growth, full employment and decent working conditions for all.

Creating a decent and safe workplace for our employees is held in high regard. We have good EHS protocols that preserve the safety of those at work. It is also ensured by the fact that we have a system to deal with deviations, which is checked continuously, which means that errors are detected quickly and measures can be implemented. There are strict requirements for the working relationship through our certification processes, and these requirements are followed up closely. At Gratanglaks, we comply with what is outlined in the Working Environment Act. Everyone who works for us should have a good working environment and this is actively followed up in the way we manage the company.
We hope to place more emphasis on recruiting young people to the company in the future. We hope to be an attractive workplace that entices young people to work for Gratanglaks. We see that this contributes to a broader diversity at the workplace, at the same time as more young people, who are from Gratangen, choose to stay when they establish themselves.
It is a great value for the local community – and for our company.

Sustainable cities and communities

Make cities and human settlements inclusive, safe, resilient and sustainable.

The ripple effects we create locally contribute to more jobs, and the contributions to local sports teams, associations and events lead to economic growth and well-being for both the local community and residents.

We have focused a lot of attention on electrifying parts of our operations in recent years. This is something we want to continue to prioritise, to reduce our use of fossil fuels. We want to be able to facilitate that employees can drive electric cars to work, and we also want to motivate those who can cycle to work. It will be important in the future to find new operational solutions that are good for the fish, the environment, society and the economy.

Life below water

Conserve and use the oceans and marine resources in a way that promotes sustainable development.

The sea is not only important for our production; it is important for all life on earth. Being aware of the impact of our production is crucial to ensure sustainable development. We want as low an environmental impact as possible, and we therefore keep up to date on new solutions that can help us with this.

We are working on several measures to protect marine life and biodiversity. We want aquaculture in more exposed locations, so that biodiversity will be more sheltered from our production. Our cages are placed with regard to environmental impact assessments, and we are involved in monitoring the wild salmon population in river watercourses. Going forward, we will continue to focus on preserving marine biodiversity, and will set requirements for more sustainable raw materials for fish feed.

Keeping track of our equipment and waste is very important when one has the sea as one's workplace. We therefore prioritise measures to prevent equipment and waste from going astray and ending up at sea.

17 SAMARBEID FOR Å NÅ MÅLENE

Partnerships for the goals

Strengthen the policy instruments needed to carry out this work and renew global partnerships for sustainable development.

If we are to succeed with the SDGs, we need to cooperate and form partnerships where both businesses and local communities take responsibility. We aim to contribute to this collaboration by sharing knowledge and experience in several projects, meeting arenas and networks. This is something we want to be even better at in the future. We will also cooperate on the coastal zone plans and the management of nature zones.

We have an internal understanding in our company that we will consider sustainability in everything we do. But to achieve better solutions, cross-company collaboration is crucial. Such cooperation could provide new and better solutions to reduce resource use throughout the industry and in several areas.

Gratanglaks AS

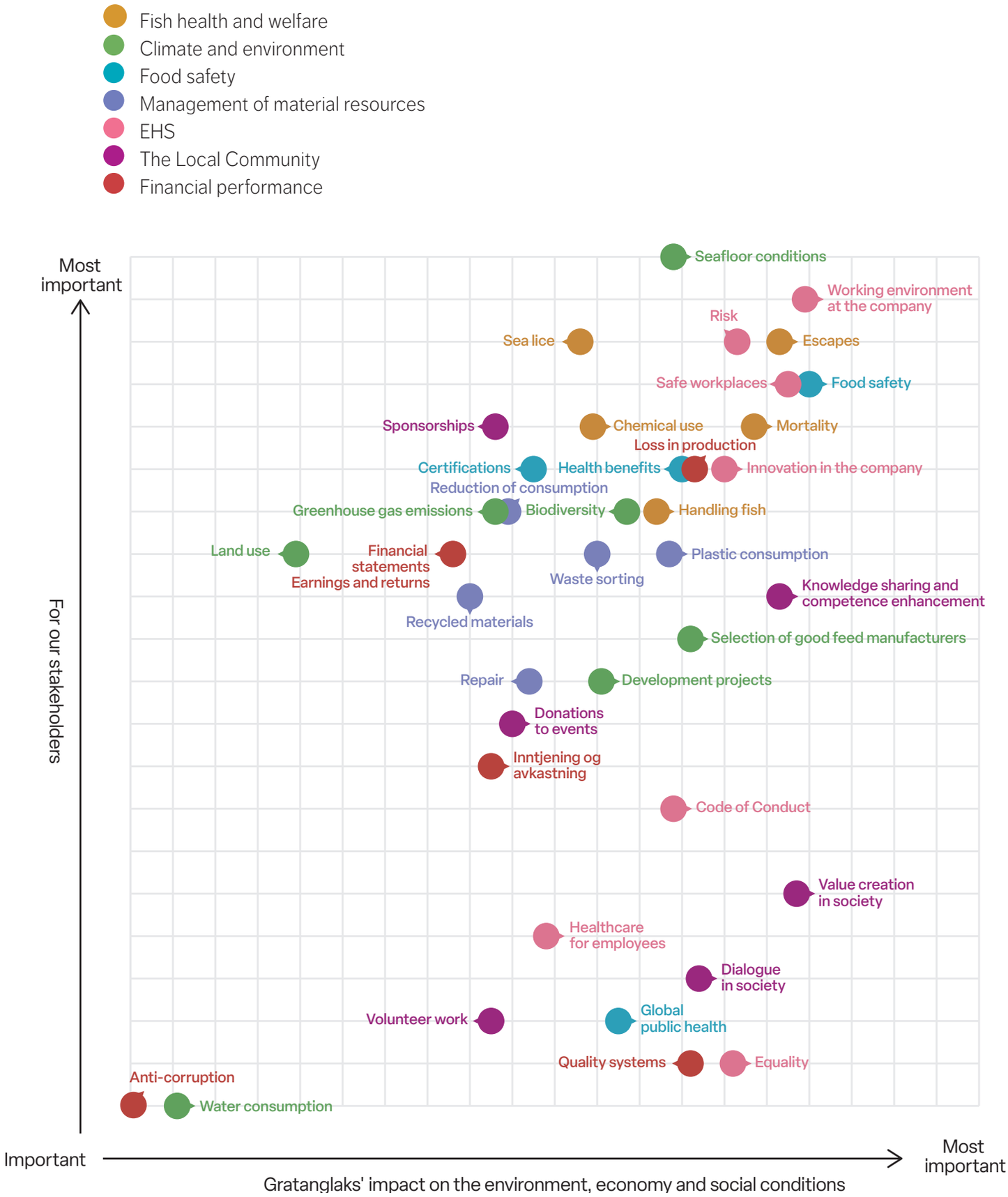
Materiality Assessment

Materiality assessments are an important part of Gratanglaks' work on sustainability. In 2021, a materiality assessment was conducted for the first time where both internal and external stakeholders were invited to provide their input. This provided a good basis for the results from the materiality assessment, which was carried out in accordance with the Global Reporting Initiative standard (GRI).

A questionnaire was sent out to assess the importance of various topics. The purpose of the assessment was to identify the most important sustainability topics for Gratanglaks and our stakeholders. We received 59 responses from employees, suppliers and community stakeholders, among others. This provided a good basis for the results from the materiality assessment, which was carried out in accordance with the Global Reporting Initiative standard (GRI).

We intend to conduct a new assessment every two years. This assessment will form the basis for our focus areas in the years to come. We will conduct a new assessment in 2023 with double materiality in accordance with CSDR sustainability reporting requirements.

*Corporate Sustainability Reporting Directive (CSDR), the EU's sustainability directive to ensure that companies report the impact of their social and environmental activities.


Fish health and welfare
Climate and environment
Food safety
Management of material resources
EHS
The Local Community
Financial performance
Most important
For our stakeholders
Important
Most important
Gratanglaks' impact on the environment, economy and social conditions
Seafloor conditions
Working environment at the company
Risk
Sea lice
Escapes
Safe workplaces
Food safety
Sponsorships
Chemical use
Mortality
Loss in production
Certifications
Health benefits
Innovation in the company
Reduction of consumption
Greenhouse gas emissions
Biodiversity
Handling fish
Land use
Financial statements
Earnings and returns
Waste sorting
Plastic consumption
Knowledge sharing and competence enhancement
Recycled materials
Selection of good feed manufacturers
Repair
Development projects
Donations to events
Inntjening og avkastning
Code of Conduct
Value creation in society
Healthcare for employees
Dialogue in society
Volunteer work
Global public health
Quality systems
Equality
Anti-corruption
Water consumption


808NM
SCANIA


FMS

Our focus areas

Based on the materiality assessment conducted in 2021, we have identified which sustainability topics are the most important for both Gratanglaks and our key stakeholders. We emphasise the focus areas where we can make a difference and contribute the most.

Enviroment, Health and Safety (EHS)

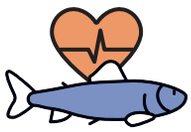
Working environment
Our employees are our most important resource. Without them, we are nothing. Every year, our employees deliver millions of meals of good, safe and healthy seafood. If we succeed with the well-being of our employees, we will have done our job well and the company will more easily be able to deliver good results.

Safe workplaces and risk assessments
Aquaculture is classified as one of Norway's most dangerous professions. That is why safety – and work to avoid workplace accidents and injuries – are so important to us. EHS is given high priority. We want daily work operations to be safe and good for our employees at sea and on land, so that everyone comes home unharmed.

Impact on biodiversity

Seafloor conditions
All production results in emissions. In aquaculture, it is the excrement from fish and feed waste, i.e. nutrients (primarily nitrogen and phosphorus) that are released and sink towards the seafloor. Excessive concentrations of these substances can disrupt the balance of the ecosystem. Any overfeeding will increase the risk of poorer bottom conditions. The environmental impacts of all aquaculture facilities in Norway are therefore systematically checked through mandatory bottom surveys. These are performed by accredited third-party companies in accordance with the NS-9410 standard. We do our utmost to comply with all laws and regulations to improve bottom conditions.

Escapes
Fish in aquaculture are livestock that we are responsible for preserving. One escaped salmon is one too many. That is why we have good routines for our work, with the goal that no fish should go astray. At Gratanglaks we had another year in 2022 with 0 escaped fish.



Fish health and welfare

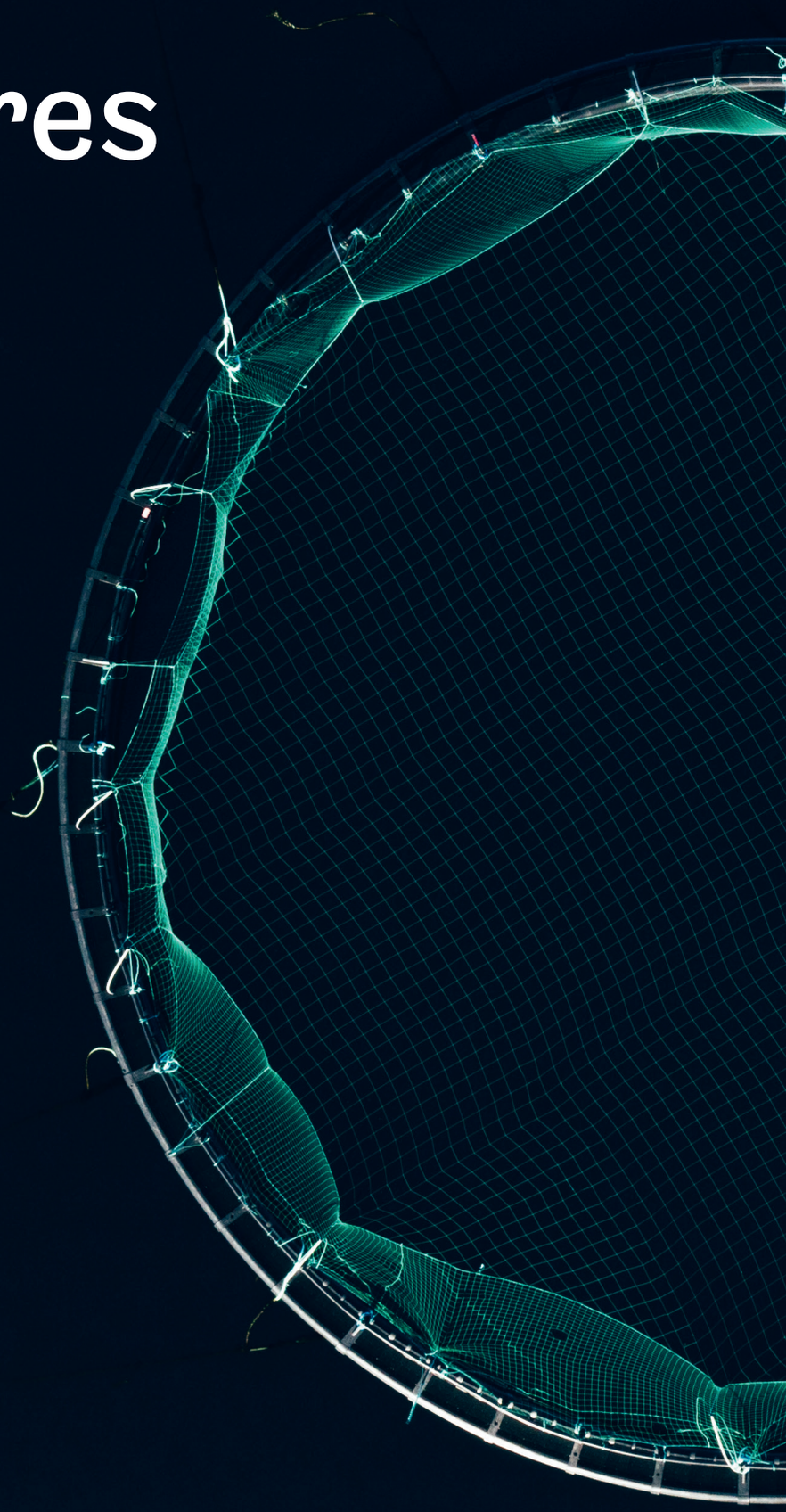
Sea lice
Sea lice are the aquaculture industry's greatest challenge. It is a small crustacean that lives naturally in the sea. It is a parasite that eats skin, mucus and blood on fish. It affects us economically and environmentally and is stressful for our fish. High levels of sea lice affect salmon health and welfare. Sea lice can also spread to the wild salmon population, particularly posing a threat to salmon smolts that migrate out in spring. The number of salmon lice may not exceed set limits, which is why our authorities and we in the aquaculture industry are working to control and reduce lice levels. We count lice every week, but if the temperature in the sea is higher than 4 degrees, we count every 14 days. If the number of lice is above the limit, we must initiate measures to reduce lice levels. Handling salmon lice is our highest priority.

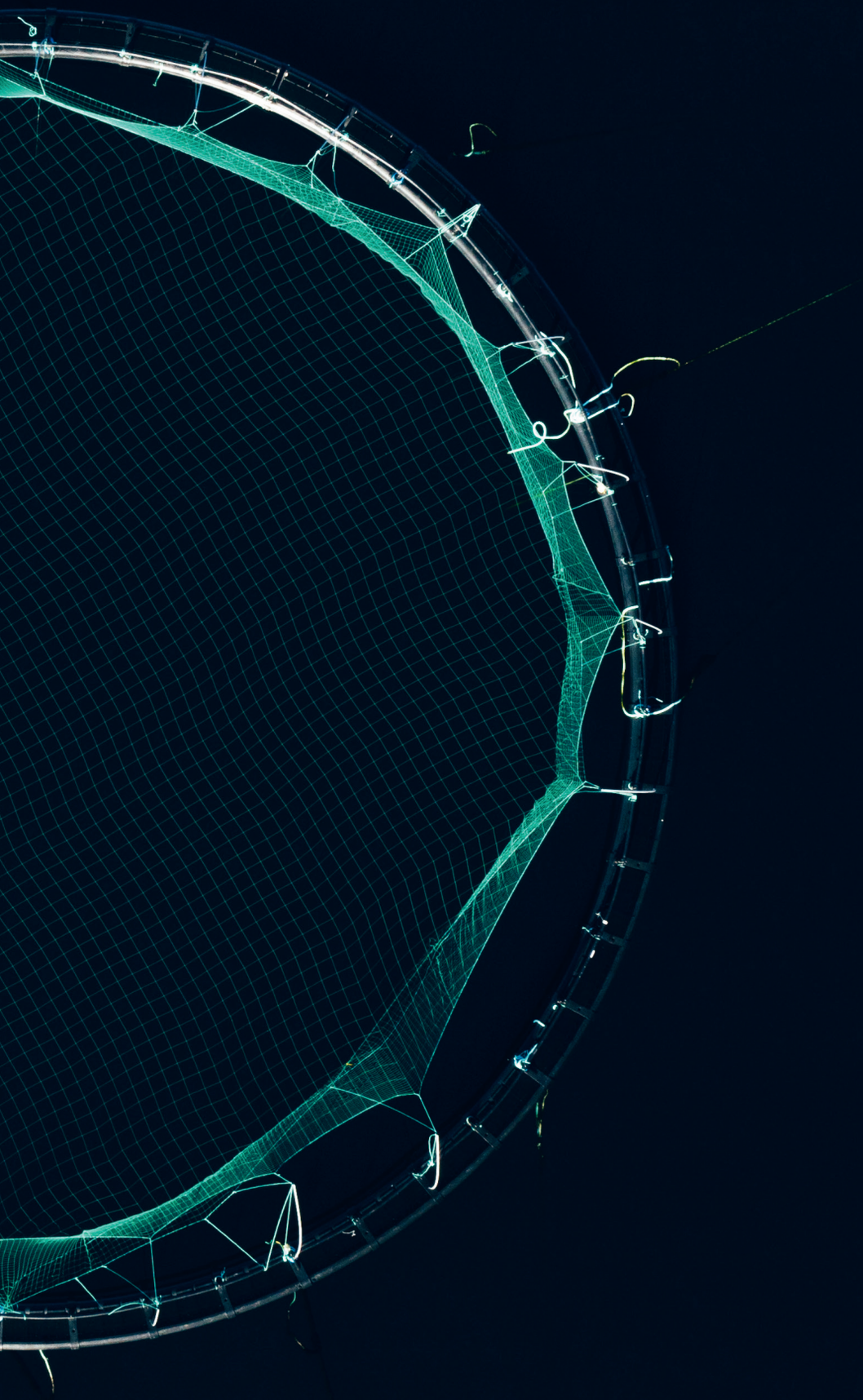
Mortality
Fish mortality is an important welfare indicator. We want our fish to be healthy and have a good life. The goal is low mortality, efficient production, good economic results and, not least, good fish welfare. Reducing mortality is therefore one of our most important goals.

Food safety

Delivering high-quality fish that is safe to eat is what everyone in Gratanglaks works for every single day. In our production, consideration for the environment is also important. We use sustainable production methods. Our feed meets the nutritional requirements of our fish; our goal is to maintain efficient and sustainable production and safe food for everyone who eats our salmon. Food safety is ensured through quality controls, traceability, monitoring of fish health and requirements set for suppliers. Our production is also done in accordance with national and international regulations and standards. Our salmon must be healthy, safe, tasty and sustainable – always!

Key Figures





Fish Welfare

Good fish welfare is a prerequisite for good fish health.

We work to constantly perform better in relation to fish health and welfare. We aim to strengthen biosecurity and reduce mortality.

We are GlobalG.A.P. certified. As of 2022 we have two sites that are ASC certified. Both of these certifications set strict requirements for fish health, fish welfare, biosecurity, water quality and impact on the natural environment. Veterinarians visit our facilities every month. They check fish health, make reports and provide professional follow-up. All this is done to ensure that our fish will have a good life.

We have also developed a Veterinary Health Plan that meets the requirements of GlobalG.A.P., IFA, AB, CoC version 5.1, and ASC. The plan also ensures that operations at Gratanglaks facilities comply with relevant Norwegian regulations, including the Aquaculture Operations Regulations. The main goal is a living health plan that actively adapts to production, and it is revised every year to improve results.

We had a slight increase in mortality in 2022. Our goal is to get it below 5%.

As previously described under Fish Health and Welfare, salmon lice are the aquaculture industry's greatest challenge. It affects our fish, the economy and the environment around the cages. It could also threaten the red-listed wild salmon population.

Prevention and management of salmon lice is therefore our highest priority. Delousing methods are often stressful and harsh for the fish, and increased use of non-medicinal treatment against salmon lice is one of the main causes of poorer fish welfare in Norwegian fish farming in recent years. The best thing for salmon, the economy and the environment will therefore be to prevent salmon lice instead of delousing.

We use several preventive methods against salmon lice. Methods used in 2022 include lice skirts and the use of functional feed (slice).

When we have to resort to treatment, we try to balance between mechanical and chemical. This is to take the best possible care of the environment around us and the welfare of the fish. Norway has introduced strict rules through specific legislation (Sea Lice Regulations). These regulations establish the limits for the quantities of salmon lice a fish farm can have. We need to make sure that there are not too many adult female lice in the facility per fish. The lice limit is 0.5 adult female lice per fish. In the spring period between week 21 and week 26, the limit is reduced to 0.2. In 2022, we had an increase in the number of lice counts, because we had several sites in use over a longer period of time. In 2022, we had 6 counts above the lice limit.

At facilities with green permits, the limit is stricter, and there should always be less than 0.25 adult female lice per fish.

Mortality

Average fish mortality during the year*
*A 12-month rolling survival rate is used here

2022	**5,62 %**
2021	5,5 %
2020	6,7 %
2019	7,9 %
2018	5,8 %
2017	5,3 %

Antibiotics and vaccination

100%
of our fish are vaccinated

0%
use of antibiotics

Gratanglaks AS

Sea lice

	2017	2018	2019	2020	2021	2022
Number of counts	92	99	169	129	114	180
Average adult (female)/ year	0,18	0,14	0,14	0,11	0,18	0,17
Number >0.2 (opp. 21–26)	3	2	0	0	0	0
Number >0.5 (opp. the rest)	6	1	8	2	6	6

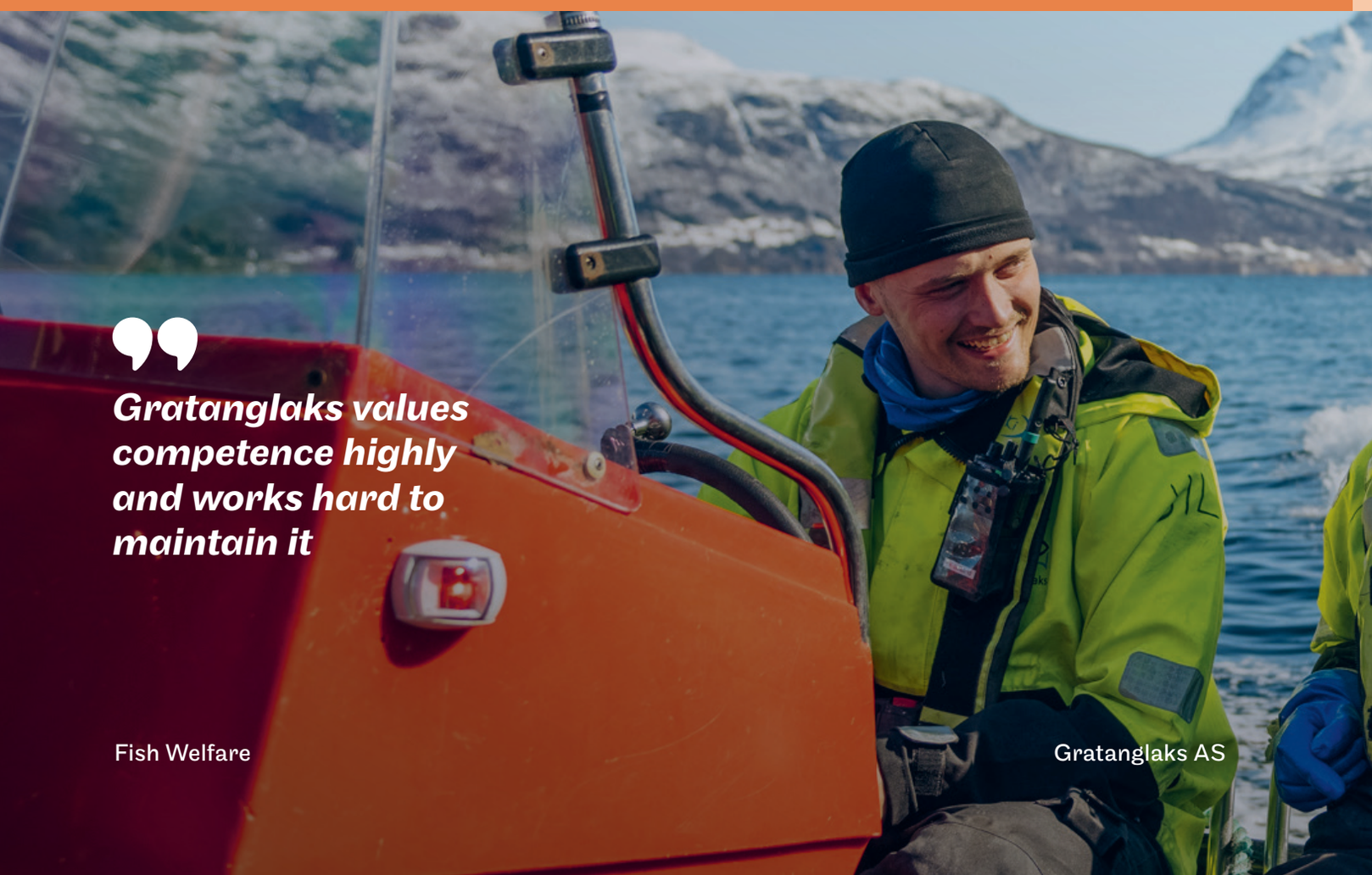
Delousing

- Mechanical: 3
- Chemical: 4
- Fish feed (slice): 2

Total in 2022: 9

Salmon should thrive

Charlotte Winje, 28 years old, makes sure that 770 000 salmon in 7 cages are doing well. She is the site manager for Gratanglaks at Skardbergvika in Astafjorden, and the only woman among five site leaders.



Gratanglaks values competence highly and works hard to maintain it

Fish Welfare

Gratanglaks AS

"I wanted to be a site manager and was encouraged to apply. But it was really scary," she admits. "It is an enormous responsibility! The fish need to thrive, and we do everything possible to ensure that they do. I would never do this if it was animal cruelty," she says.

She added that, right now as we speak, she is actually participating in a course on fish welfare.

"Gratanglaks values competence highly and works hard for us to keep it that way. We do this by attending workshops and courses, and we have the opportunity to acquire a certificate of apprenticeship and participate in gatherings to share our experiences. I really appreciate that," the site manager said.

Charlotte has worked for Gratanglaks since February last year. She has already worked for Salmar for 8 years and has a certificate of apprenticeship in aquaculture. The focus now is to master the job as site manager, she notes. On a daily basis, Charlotte Winje works side by side with two male colleagues at the Skardbergvika facility.

"I enjoy being with the men, they are very straightforward and it is great working with them," Charlotte said. She recommends other women find work in the aquaculture industry.

Charlotte believes that Gratanglaks is a good place to work.

"We work closely with management; they are responsive to our opinions and take it to heart," she said. It is also fun to be able to try things out at your "own" facility.

"If I have a good idea, I have plenty of freedom to test it out at my facility," she said with a twinkle in her eye. Charlotte lives in Harstad and commutes 75 km to Gratangen. If she eats salmon herself?

"Yes, of course I do!

Seacalx – the fight against lice

After the first phase of the research has been completed, it was obvious that lime is not a hocus pocus powder against lice, but it still remains to be seen whether the remedy can help reduce the number of delousings.

Research continues on lime to combat lice

Salmon lice have received a lot of attention earlier in the sustainability report, as aquaculture's biggest challenge. In Norwegian aquaculture, there has been no shortage of creative attempts to find new methods to combat the parasites, which cost the industry enormous sums every year.

The idea of spraying lime, more specifically calcium oxide, to kill the lice nits in the cages arose in 2008. Researchers at the Institute of Marine Research carried out experiments to get rid of sea urchins in the Porsanger fjord. They observed that the lime killed the sea urchins, while the fish that came into contact with the lime did not appear to be affected. This observation was the basis for the idea that calcium oxide can kill salmon lice without harming the fish.

Experiments on an industrial scale

Laboratory experiments showed that lime could be effective against salmon lice. This was why Seacalx was founded in 2012, with lime producer Franzefoss as a shareholder. The research ran its course, and it gradually became necessary to collaborate with a fish farmer to carry out experiments on real fish farms. That is how Gratanglaks came into the picture. In 2020, Gratanglaks acquired Seacalx with the associated research licences. Seacalx has continued to work on experiments with liming in cages.

"We have been in what we call Phase 0 so far, which means that we lime the cages before we put fish into them. Before we lime, we put a lice skirt on the cage so that no lice will enter after we have limed. The idea is that the water in the cage should be lice- free before we release the fish," said Seacalx CEO Stein Ivar Antonsen.

Can reduce delousing

NMBU (Norwegian University of Life Sciences) is designing the trials, and phase 1 will be implemented in 2023.

"This means that we will set lime in the cages when there are fish in them. We have test cages with quite a few fish, 120 of them, and can find out more about

whether the fish are affected by the lime," Antonsen said.

"It is too early to say with certainty that lime has an effect on salmon lice, but it is unlikely that it is a remedy that alone can combat the lice problem.

"This is no hocus-pocus powder that solves everything. What we need to find out is whether it has a sufficient effect for the agent to be used in conjunction with other methods to limit lice loads. The hope is that we can avoid one delousing per production unit by using lime," Antonsen said.

Evaluation after the next phase

When calcium oxide (pure lime that has been burnt) comes into contact with water, the temperature of the water increases and the pH decreases. This is because the lime is a base. This chemical reaction lasts while the lime sinks, and ends when the lime is between 10 and 20 meters deep. When the lime settles on the seabed, it has turned into gypsum and does not have a negative impact on the environment, quite the opposite.

"The pH under a fish farm is often a little acidic due to the release of faeces, and the calcium that is alkaline helps to neutralise this," Antonsen said.
The effect of lime on salmon lice occurs while the lice are in the larval stage and are living free in the water masses. Once the lice have attached themselves to the salmon, they are not so affected.

"When the lice are at the larval stage, they don't have shells and it's more susceptible for PH and temperature change, so that's when it has to be taken," Antonsen said.

The future of Seacalx and further research will depend on the results of Phase 1, which will be implemented in 2023.

Environment

We at Gratanglaks are proud of our local community and our connection to the sea. Many of us who work for the company have aquaculture facilities as a neighbour and panoramic views of the fjords where our salmon grow up. This means that we are both personally and professionally passionate about sustainable food production. We want to improve our performance and reduce our footprint.

In Northern Norway, we have an abundant supply of fresh water, which is a valuable resource that helps to limit the use of substances in production. We rinse and clean the equipment with water, which reduces the need for the use of chemicals. Increased use of fresh water is therefore positive for us as it contributes to a more sustainable production.
Gratanglaks takes responsibility for preserving the biodiversity of the sea. We want to reduce the impact on marine ecosystems and preserve wild salmon stocks. We are constantly taking steps to improve our production methods. Our intention is to reduce our footprint!

Strict regulatory requirements
The authorities set requirements for the extent of environmental impact allowed in salmon production. We therefore carry out mandatory environmental impact assessments where the seabed conditions around and under our cages are checked. During a production period, several surveys can be carried out at each facility.
After harvesting the fish at each locality, the facility lays fallow for a while. We do this so that the environment can recover to normal conditions before the next release of fish. The requirements in the Aquaculture Regulations require a minimum of two months of non-production between production cycles.

> ***We are constantly taking steps to improve our production methods. Our intention is to reduce our footprint!***

If disease is detected, the affected aquaculture facility, as well as other facilities in the same zone, may be ordered to stop production. This will entail emptying/harvesting of fish, collecting the nets and disinfecting all the equipment.
In 2022, no such outbreaks of disease were detected at our localities. If a facility is not in use, it will be registered as fallow. We had production at the following sites in 2022: Myrlandshaug, Skjærvika, Hilderkleiva, Skardbergvika, Kjøtta and a rented facility. Only Åmundsvika was not in use.

0 escaped fish again

The aquaculture industry in Norway has a zero vision for escapes. Over the past 25 years, the industry has worked systematically on research, development and measures to reduce the risk of escaping fish.
There are many reasons why the aquaculture industry spends a lot of time and resources on this. Escaped salmonids can go upriver to spawn with wild salmon, with unwanted genetic influence as a possible result. Runaway salmon can also entail a risk of transmission of sickness and parasites. In aquaculture, salmon is also our livestock, which we are responsible for taking care of. Any escape would also result in significant financial losses for the company. Fish escapes are also detrimental to the reputation of the entire aquaculture industry.

Measures and control systems are important to minimise the risk of escapes. It is also essential that our employees have the right training with courses in escape prevention. Important topics are escape prevention measures, emergency preparedness, sharing of experience and learning from incidents and near incidents.

We also need procedures for catching escaped fish, should such an unfortunate incident occur. In 2022, we had zero escaped fish.

We aim to be a sustainable producer of salmon, while at the same time safeguarding the biodiversity of the oceans.

In 2022, we had a biological feed factor of 1.22, which is significantly lower than for the production of meat.

Feed is the industry's biggest cost

Feed is the aquaculture industry's largest cost and also makes the largest contribution to the climate footprint of the salmon industry. We therefore use Feed Factor (Feed Conversion Ratio/FCR), to show how much feed is required for the fish to gain one kilo.

The Feed Factor shows how efficiently the fish utilise the feed. A low factor has several advantages. Among other things, it contributes to economic efficiency with lower feed costs, it is beneficial for the environment with less raw material consumption, and less environmental impact. Fish that utilise feed efficiently are also usually healthy and have good immune systems, which reduces the need for medication.

In 2022, we had a biological Feed Factor of 1.22, which is significantly lower than for the production of meat. For example, chicken has a Feed Factor of 1.7–2 kg, pork 2.7–5 kg, and cattle 6–10 kg.
We are proud to be part of a sustainable and responsible aquaculture industry, and we work continuously to maintain a good reputation.


KASK

Feed Factor

We used one temporary facility this year. This was an unknown location for us, which implied other environmental challenges for us – including particularly low temperatures during periods of the year. This has resulted in lower growth of the fish, which in turn gives a higher feed factor compared to the previous year.

Although the feed factor is substantially lower than in meat production, we are not satisfied with our figures for 2022. We will be working to reduce feed consumption for the years to come, and hope to have better figures as early as 2023.

	2017	2018	2019	2020	2021	2022
Biological Feed Factor	1,11	1,12	1,17	1,16	1,17	1,22

Fallowing

	2020	2021	2022
Number of months fallow	23	45	26
Number of months per locality (mean)	4,6	5	3,7

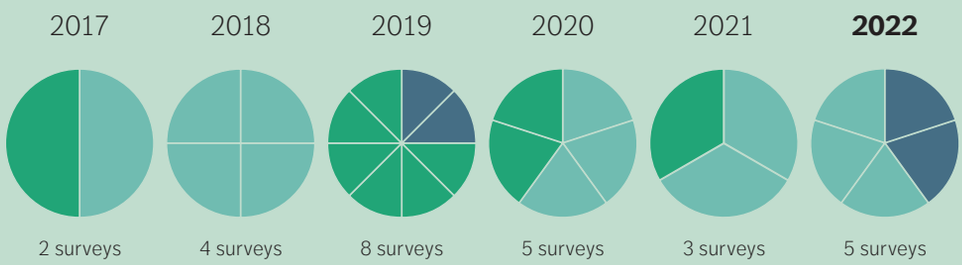
Bottom surveys

Bottom surveys (B-surveys) are environmental surveys conducted below the fish farm to assess the environmental impact on the seabed directly under the facility. C-surveys (surrounding areas) is an environmental survey carried out in the area around the fish farm to assess any spread of environmental impact and the effect on the seabed outside the facility.

B-surveys

Grading system::

- 1 Very Good
- 2 Good
- 3 Poor
- 4 Very Poor

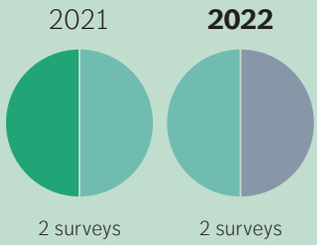


C-surveys

Environmental condition

Grading system:

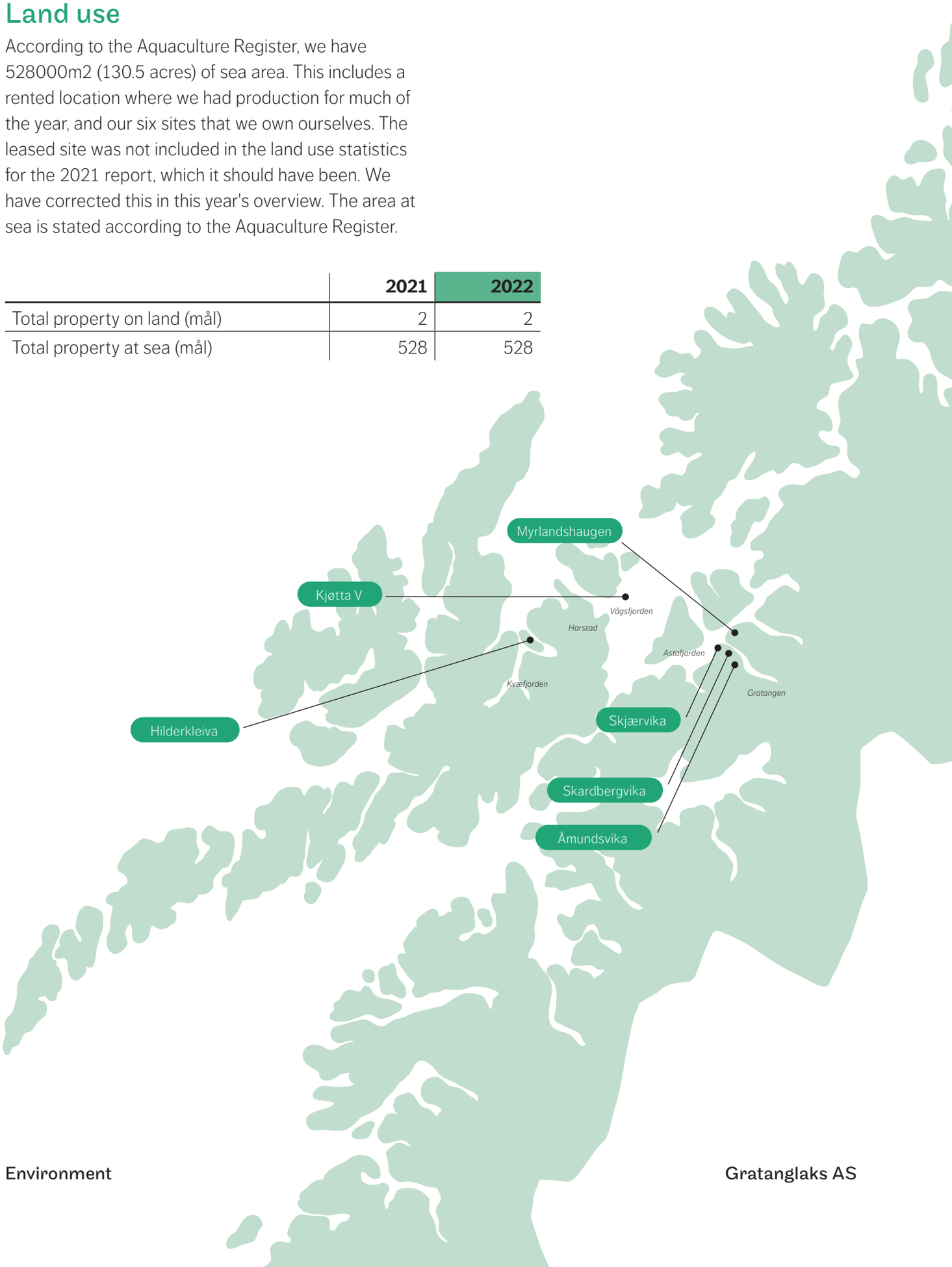
- 1 Very Good
- 2 Good
- 3 Moderate
- 4 Poor
- 5 Very Poor



Land use

According to the Aquaculture Register, we have 528000m2 (130.5 acres) of sea area. This includes a rented location where we had production for much of the year, and our six sites that we own ourselves. The leased site was not included in the land use statistics for the 2021 report, which it should have been. We have corrected this in this year's overview. The area at sea is stated according to the Aquaculture Register.

	2021	2022
Total property on land (mål)	2	2
Total property at sea (mål)	528	528



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Zero escaped salmon!

Energy consumption

We are constantly working to optimise our energy consumption to limit CO_2 emissions. The most important measure we are taking is to use sustainable shore power from renewable sources, and implement battery packs at facilities where shore power is not available. During the whole of 2022, the Skøyen facility was operated exclusively on shore power, and correspondingly we used shore power to a large extent at the Skjærvika facility as well. These measures have led to an increase in electricity consumption for 2022. Although high energy consumption contributes to large greenhouse gas emissions, total emissions will be reduced as diesel use can be replaced.

Our energy consumption varies from year to year depending on which sites are in use and how long they are in operation. In 2021, we experienced an increase in diesel consumption due to the operation of an extra workboat connected to production at Skøyen. We also began operating two new boats (Bas and Pjokken). This year we have started a new pilot project with the Bas boat, which will be used to service our facilities and act as an auxiliary service boat to the sites. This will lead to a certain increase in the use of fuel, but will in return increase the efficiency of the facilities. We are working to develop and implement sustainable solutions that will help reduce our environmental impact and limit CO_2 emissions. By continuing our energy-saving project and replacing diesel with shore power and battery packs, we are taking active steps towards a more sustainable future.

Scope 1 includes direct emissions from operations, which include diesel and gasoline used in boats, rafts and cars. To calculate CO_2 emissions from fuel consumption, we have used conversion factors of 2.66kg CO2 per liter of diesel, 2.32kg CO2 per liter of petrol and 2.64kg CO2 for biofuel. In this year's report, we have used updated factors from the Norwegian Environment Agency, which were published in 2022. As a result of these updates, figures for previous years have been adjusted compared to the previous report. This ensures that the report is based on the most accurate and up-to-date information available.

Scope 2 includes indirect emissions related to electricity generation. In 2022, we had a total electricity consumption of 640 364 kWh. To calculate CO_2 emissions, we have used an emission factor of 0.48, based on the EU mix for electricity.

Scope 1, Direct emissions

CO2-emissions (tons)	2018	2019	2020	2021	2022
Diesel	526	954	670	702	789
Gasoline	19	25	29	15	23
Biofuel	323	0	0	0	0
Total emissions Scope 1	**545**	**979**	**699**	**717**	**812**

Scope 2, Indirect emissions

CO2-emissions (tons)	2018	2019	2020	2021	2022
Electricity	37	309	76	235	307
Total emissions Scope 2	**37**	**309**	**76**	**235**	**307**

Total for scopes 1+2

CO2-emissions (tons)	582	1 288	775	952	1119

Beregningen av
Scope 3 is based on estimated total emissions from our key suppliers. We have taken into account the share of their goods and services that Gratanglaks has used during the reporting period. For salmon production, the largest greenhouse gas emissions will be linked to Scope 3. Feed accounts for the largest contribution to salmon emissions. In 2022, EWOS delivered 8287 tons of feed to us, with an emission intensity of 2065kg CO2 per kg of feed produced, including changes in land area. Feed production, smolt delivery, slaughterhouse, box production and wellboats constitute the most important links in our value chain, and thus we have considerable influence in these areas. Our calculations are based on the energy consumption provided by the suppliers, and we have applied the same conversion factors used for Scope 1, including propane by a factor of 1.62kg CO2 per liter. It is a general challenge for all companies to calculate Scope 3 emissions due to complex supply chains and a lack of standardised reporting. The figures we present here represent the best metrics we have achieved at the time of reporting. However, we strive to obtain better and more reliable data in the future in order to improve the accuracy of our emission calculations. In order to maintain our position as a sustainable producer, we will strengthen our commitment to projects that can contribute to significant reductions in emissions at our suppliers.

Scope 3, emissions outside the organization

CO2-emissions (tons)	2018	2019	2020	2021	2022
Delousing	N/A	N/A	N/A	225	129
Styrofoam boxes	N/A	N/A	N/A	235	253
Smolt	N/A	N/A	N/A	1946	1211
Slaughterhouse	N/A	N/A	N/A	308	524
Wellboats	N/A	N/A	N/A	129	344
Feed (production, footprint and delivery)	13 796	13 796	14 972	20 594	17 112
Total for Scope 3	**13 796**	**13 796**	**14 972**	**23 437**	**19 573**

Total CO2-emissions, all scopes

CO2-emissions (tons)	14 378	15 084	15 747	24 389	20 692

Emission intensity

	2018	2019	2020	2021	2022
Salmon produced (tons) (LWE)	7 142	8 495	8 726	7 415	10 482
Tons CO2	14 378	15 084	15 747	24 389	20 692
Tons of CO2 per ton produced	2,01	1,78	1,80	3,29	1,97

Certifications

Certification benefits both the environment and the economy

Meeting the requirements for GlobalG.A.P and ASC certifications requires a lot of work, but Quality Coordinator Freddy Haugen has no doubt that it's worth it – both for the environment and the economy.

Freddy Haugen, Quality Coordinator

ASC Certification

"There are various certifications that fish farmers can choose to document their extent of sustainable production and to meet all legal requirements.

The most stringent requirements come from the so-called ASC certification (Aquaculture Stewardship Council). This standard contains measurable requirements to minimise or eliminate the main negative environmental and social impacts of salmon farming. At the same time, it must ensure economic sustainability for the industry.

"The benefits of an ASC certification are many. We document that the company practices responsible and sustainable aquaculture that meets legal requirements, so we can label the company's products with an internationally recognised ecolabel. It ensures distribution through a certified supply chain, creating lasting competitive advantages and a good reputation. This is not a mandatory certification. ASC labelling aims to increase the availability of environmentally certified aquaculture products. The label is a guarantee that environmental requirements are met throughout the value chain. This will make it easier for consumers to choose products that are certified in accordance with requirements for sustainable and responsible aquaculture production," Haugen said.

Comprehensive reporting requirements

Gratanglaks started work on ASC certification in 2021, and had the first two sites approved in 2022. The ASC certificate applies to one specific site, and not to the fish farming company as a whole. Gratanglaks has a total of six sites and is now working to get all sites certified.

"It is a very extensive and time-consuming process to get a site approved. Detailed measurements with strict requirements for the environmental impact of the facility on biodiversity must be submitted. Fish welfare, animal welfare and traceability are also measured," Haugen said.

The requirement for environmental surveys and sampling from the seabed beneath the site is extensive and time-consuming. It will show how marine life, organisms and benthic fauna in a wide perimeter around the facility are affected. The reporting for the certifications also involves a lot of paperwork. For GlobalG.A.P., there are approximately 380 points to be checked out, while for ASC there are 836 points. Everything must be documented.

Global Gap Certification

In addition to ASC, Gratanglaks is also certified by the GlobalG.A.P. Standard (Good Agricultural Practices). A GlobalG.A.P. certification is important to show that the company prioritises food safety and has a viable quality assurance system. This type of certification highlights the company's focus on sustainability, the natural environment and animal welfare.

"The standard spans the entire production process and also includes a GlobalG.A.P. Chain of Custody certification. Chain of Custody ensures traceability throughout the entire production and supply chain, from fish farm to retailer. This increases the value of the product, signalling a high degree of transparency and integrity. Global Gap requires documenting the existence of a functioning quality assurance system and procedures, while ASC requires documented measurements from production," Haugen said.

It comes at a cost, but it pays off

Extensive reporting makes it costly to get a site certified by both GGAP and ASC standards. Haugen estimates an additional cost of about NOK 200 000 for each site, but it still pays off.

"The price increases between two and five kroner per kilo for salmon that have ASC certification. The fact that the ASC certification provides additional revenue testifies to the status it has among customers who want sustainable food with a focus on food safety," Haugen said in conclusion.

Aquaculture Stewardship Council (ASC)

The Aquaculture Stewardship Council (ASC) is an independent non-profit organization founded in 2010 by the World Wildlife Fund (WWF) and the Sustainable Trade Initiative (IDH). ASC administers global standards for responsible aquaculture. They work internationally with producers of seafood, process industry, retail, restaurants, researchers, environmental organizations and the public to promote both the best environmental solutions and social responsibility in aquaculture.

The ASC standard applies to the entire value chain from hatchery to consumer.

GlobalG.A.P.

GlobalG.A.P. is an international standard for the production of farmed fish.

It has a particular focus on satisfying requirements for food safety, environmental protection, working environment and animal welfare and satisfying the requirements of the Global Food Safety Initiative (GFSI). The standard also applies to the entire value chain from hatchery to consumer.

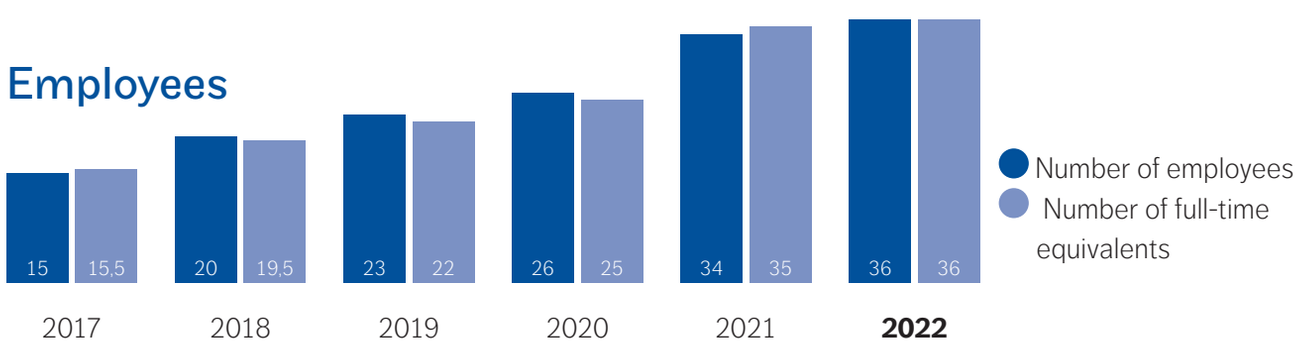
Social aspects

Our good colleagues make it possible to deliver millions of meals of good, safe and healthy seafood.

We are committed to creating a working environment that inspires and motivates. People who thrive and feel good also want to perform better. It also helps to ensure that we deliver good results. A good working environment also makes it easier to recruit new employees, and we are proud that more and more people want to work with us. Today, the vast majority of our employees come from municipalities in Troms County, most from Gratangen, Harstad and Ibestad.

We value our employees highly and are very happy with the effort and commitment they deliver. We invest in training and development to ensure that our employees, at all times, have the knowledge and skills needed to succeed in their jobs. We are an industry in rapid development, which means that we must further develop our expertise in order to keep up.

Employees

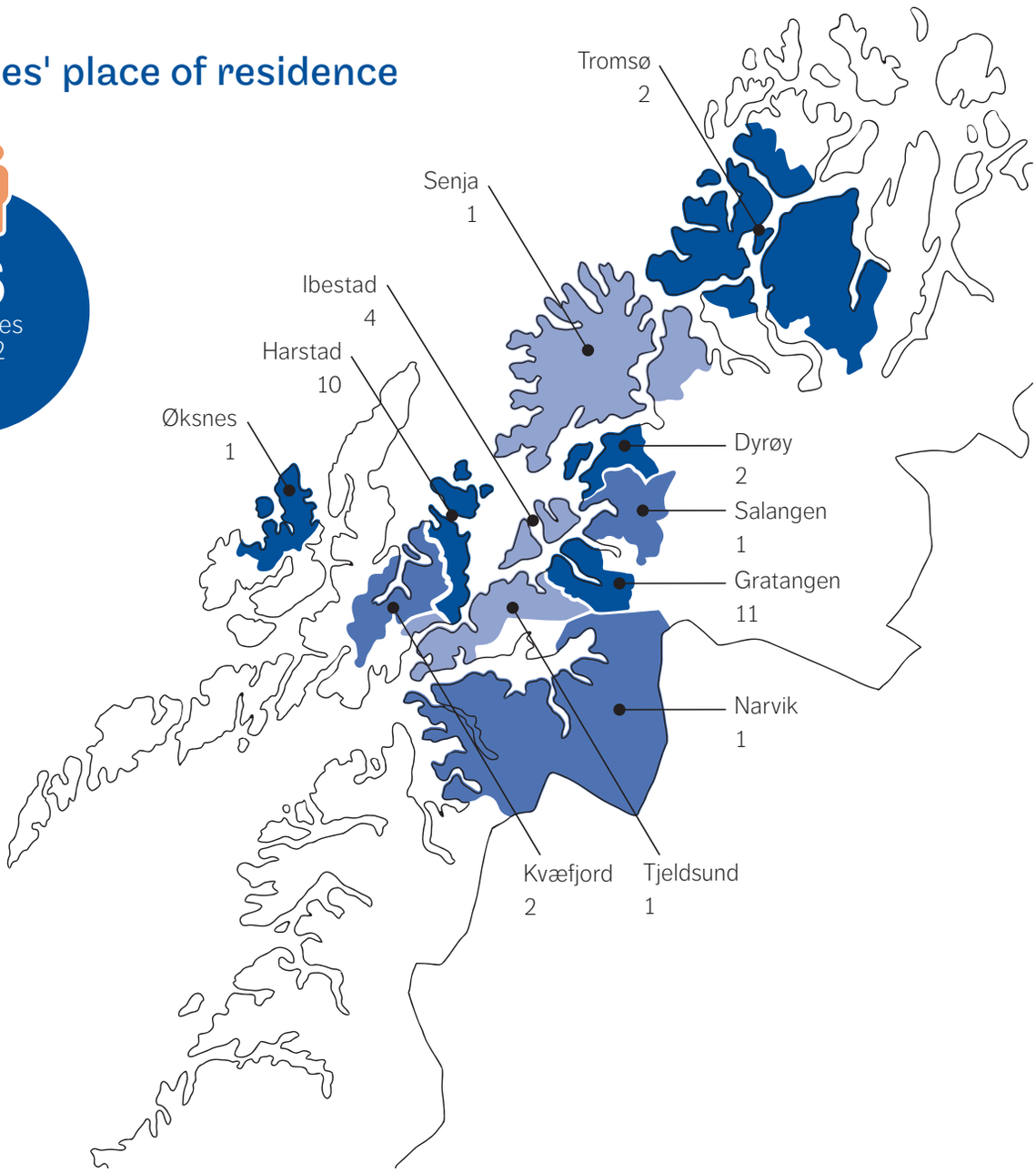


Salary paid

	2021	2022
Total salary paid in NOK	19 640 841	26 656 651
Number of full-time equivalents	35	36

Employees' place of residence

36
employees
in 2022




KASK
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NORWAY


REMOVE
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EHS

As a natural part of our social responsibility, we are committed to safeguarding the health and safety of our employees. We have zero tolerance towards discrimination and harassment, and want everyone to encounter a positive and inclusive work culture with us.

Through good attitudes towards work and actively focusing on Environment, Health and Safety (EHS), we make certain everyone comes home from work safely. We will ensure a working environment that provides complete safety against mental and physical adverse effects. The aquaculture industry is classified as one of the most dangerous professions in Norway. Management therefore has an important responsibility to ensure that systematic EHS work is followed up.

We have not had any serious incidents in the last two years, and in 2022 only one undesirable incident was reported.

In 2022, we also have a low sickness absence rate of 2.59%, which is well below our target of 4%.

This is also well below the average for sickness absence for businesses under the Confederation of Norwegian Enterprise (NHO), which ended at 5.7%.

Everyone at Gratanglaks must have EHS on their minds and make good risk assessments in their daily work.

Accidents

	2021	2022
Number of accidents	0	0
With absence	0	0
Undesirable incidents	9	1

Another year without serious incidents!

Sick leave

	2017	2018	2019	2020	2021	2022
Days away from work %	1,3	1,2	3,2	3,2	2,8	2,59

Local suppliers

We want to create jobs and ensure growth and development where we work and live. When we talk about shopping locally, we don't just mean supporting neighbouring stores. We believe that, by purchasing as much as possible locally, we are both helping to support the community we are a part of while helping to safeguard our municipalities and our company's future. Local procurement also reduces the need for long-haul transport with a reduction in greenhouse gas emissions. Deliveries from suppliers close to home can also mean less packaging and waste.

Choosing local suppliers can yield a triple benefit, with beneficial ripple effects in the economy, for the environment and for society.


polarcirkel
HONDA

Assignments from Gratanglaks made it possible for Gaute Roaldsen to move back to his home town and start a family.

Gaute Roaldsen grew up in Gratangen, but moved from the town to get an education. He went to Oslo where he studied to be an engineer, but Gaute wanted to return to Northern Norway. After completing his education, he moved to Tromsø.

"I worked for a couple of years in Tromsø, also for my father's construction company in Gratangen. There was a lot of commuting between Tromsø and Gratangen, and eventually my partner and I found out that we would like to move back here.

Had to create their own workplace

When his girlfriend, Thea Torres, who trained as a dentist, got a job in Gratangen, the couple seized the opportunity. The question was what Gaute would do for work if they moved home. His father's construction company had closed down and his father had retired, so if Gaute wanted to work as a building contractor in Gratangen he had to create his own workplace. Gratangen is not a place where many construction projects are initiated, but something did exist. Gratanglaks had plans to build a new administration building, and when Gaute established Roaldsen Bygg he was given the assignment.

"The fact that Gratanglaks is here in town is crucial for us to get local assignments," Roaldsen said.

The administration building has eight offices, meeting rooms and a warehouse. Fôrbua is also located here, the company's mainland feed center, which ensures that salmon at all our sites receive food.

"The size of the building is good, but Gratanglaks' activity also has ripple effects. For example, we have a number of assignments to restore and build homes, because people move to town to work for Gratanglaks," Gaute said.

Prefer local assignments

It has been a couple of years since Gaute took the step and established Roaldsen Bygg. Gaute is glad he dared to invest in Gratangen. Today, he has eight employees and operations have gone smoothly, despite the downturn in the construction industry. His orders consist mostly of local jobs, but there have also been assignments in Tromsø.

"We take assignments in different places, but I definitely prefer the local ones, so I don't have to commute," Gaute said.

Hopes his son can work in Gratangen

The need for local assignments has not diminished since Gaute had a son about a year ago.

"Gratangen is a great place to start a family. We have friends and family here, and there is a kindergarten and everything else. We really enjoy it. Gaute hopes his son will also have the opportunity to live and work in Gratangen when he grows up, although it is difficult to imagine what the town will look like then.

"We have to take it one thing at a time, but it would be great if that is possible.

Gaute Roaldsen, Roaldsen Bygg AS.

If Gratanglaks hadn't been here, we couldn't live here.

Gaute Roaldsen
Roaldsen Bygg AS

> ***Trine and Tore were successful in getting their children to join.***
>
> Bård Meek Hansen
> Grovfjord Mechanical Workshop

Bård Meek Hansen at Grovfjord Mek.Verksted is pleased that the next generation has taken an active role in Gratanglaks.

Grovfjord is not far from Gratangen, where the Grovfjord Mechanical Workshop (GMV) is located. GMV is a cornerstone company here.

The fact that GMV is today one of the foremost boat builders for the aquaculture industry in Norway is largely due to the local fish farmers in the region. Owner and general manager Bård Meek Hansen emphasises that local ownership, with families with a commitment to the local community, is positive.

"Having people like Tore Lundberg and his family in Gratanglaks nearby has enabled us to develop our boats in close cooperation with those who use them. They have been a sparring partner that we have had very good and close contact with, and that is not a given. Dealing with larger companies is different, because the decisions are made in a completely different place. That makes it difficult to achieve the same kind of dialogue," Meek Hansen said.

Hard times in fish farming

GMV shipyard has long traditions. It was founded way back in 1919 by Bård Meek Hansen's grandfather.

The company had grown gradually for many decades, but in 1999 they decided to invest in aluminium boats for the aquaculture industry, which was initially not a success. When a local fish farmer who owed money for four boats went bankrupt, GMV was dragged into its wake. Bård Meek Hansen lived in Trondheim at the time and had no role in GMV. After the bankruptcy, he moved up to Grovfjord to take over the bankruptcy estate, and put the family business back on its feet.

"It's almost a bit strange to think about today, but at that time the aquaculture industry was facing hard times.

Failed to see the potential

The problems in the aquaculture industry did not deter Meek Hansen from investing further in service boats for fish farming, but it was difficult to get banks and investors to believe in the project.

"It is easy to laugh at in retrospect, but Innovation Norway didn't believe we would be able to deliver three fish farming boats a year. We have delivered over 130 boats to the fish farming industry since then.

Would have liked to have the kids alongside

In the twenty years since Meek Hansen took over the bankruptcy estate, the company has grown to a turnover of between 200 and 260 million kroner. Today, the company has over 100 employees, including partly-owned subcontractors. Meek Hansen believes in a future as a supplier to the aquaculture industry, but he is a little worried about who will take over the shipyard from him.

"My children don't want to take over, which is understandable since they didn't grow up here. But I envy Tore Lundberg who got his children to join Gratanglaks – and everyone seems to be settling in. Trine and Tore were successful in getting their children to join.

Economy

In 2022, Gratanglaks experienced significant profit improvements compared to the previous two years. Higher salmon prices have been crucial. At the same time, the company has succeeded in increasing production. This has resulted in increased revenues and strengthened our economic foundation.

The company's production costs increased in 2022. Most of this is due to price increases, especially for feed. Figures for turnover, profit, sales volume and taxes are shown here.

Turnover

	2017	2018	2019	2020	2021	2022
Turnover in 1000 NOK	369 590	368 710	337 755	377 568	397 560	574 778

Profit

	2017	2018	2019	2020	2021	2022
Profit before tax in NOK 1000	126 403	108 261	112 105	13 138	58 972	149 249

Sales volume

	2017	2018	2019	2020	2021	2022
Sales volume in tons (round weight)	6 506	6 112	5 402	7 130	7 447	8 393

Taxes

In 1000 NOK	2017	2018	2019	2020	2021	2022
Tax employees total	2 176	2 731	3 232	4 586	5835	7 426
Tax company total	28 741	23 941	24 568	2 800	12 815	40 522

In addition, there is a wealth tax, based on the company's value, of approximately 7-8 million.

Tons produced

10 482 tons of salmon produced* in 2022!

*Salmon produced is defined here as (Biomass as of 1 January – biomass as of 31 December) + (amount of salmon sent to slaughterhouse) + (dead fish/escapes) - (number of kg/tons of smolt delivered) + (number of live salmon sold to Seacalx)

Cooperating to attract new residents

Gratanglaks supports activities and events that increase the quality of life in our district. We support initiatives that promote a healthy and active lifestyle for local residents.

Our contributions are often complex, with a combination of financial contributions and salmon. We see that our production of sustainable, healthy and good food fits well with sports and other events that create activity and joy.

We also support some local sports stars, such as skier Erik Valnes and swimmer Ingeborg Vassbakk Løyning, to help them compete in international elite sports.

We contributed

NOK 497 250

to local events, sports and advertisements;

this includes e.g. sponsorship for sports teams, local small businesses and donations

Gratanglaks is always there for you.

Marit Mørtsell
Coastal culture enthusiast, Foldvik market and culture festival

Foldvik market and culture festival

Gratanglaks is always there

The Foldvik market has 30 years of events behind it, and always takes place on the third weekend in August, with great support from the locals.

"It is a great apparatus and a great voluntary effort. It is all about craftsmanship, tradition, coastal culture and much much more," said general manager of the Foldvik market and coastal culture festival, Marit Mørtsell.

She says that Gratanglaks is always there for the Coastal Day events or events for kids.

"They never say no, so they are a really great partner to have. They contribute with practical work, salmon and also financial contributions," Mørtsell said.

The support of a local sponsor at local events can often be very complex.

"Gratanglaks is a major and important supporter for us in the Foldvik market. "They bring salmon to the market and lend us their boats. They help us anchor up when we need to get the huge floating docks we need during the festival days, and much more," said coastal culture enthusiast Marit Mørtsell.

The Foldvik market festival has a very curious event called the Cable Eye Throwing Championship. The enthusiast and initiator of this feisty and popular competition is the general manager of Gratanglaks, Tore Lundberg. And are you wondering what a cable eye is? It is a teardrop-shaped metal object. Or, according to Wikipedia, a metal liner that is inserted into a spliced loop or eye splice at the end of a rope or wire.

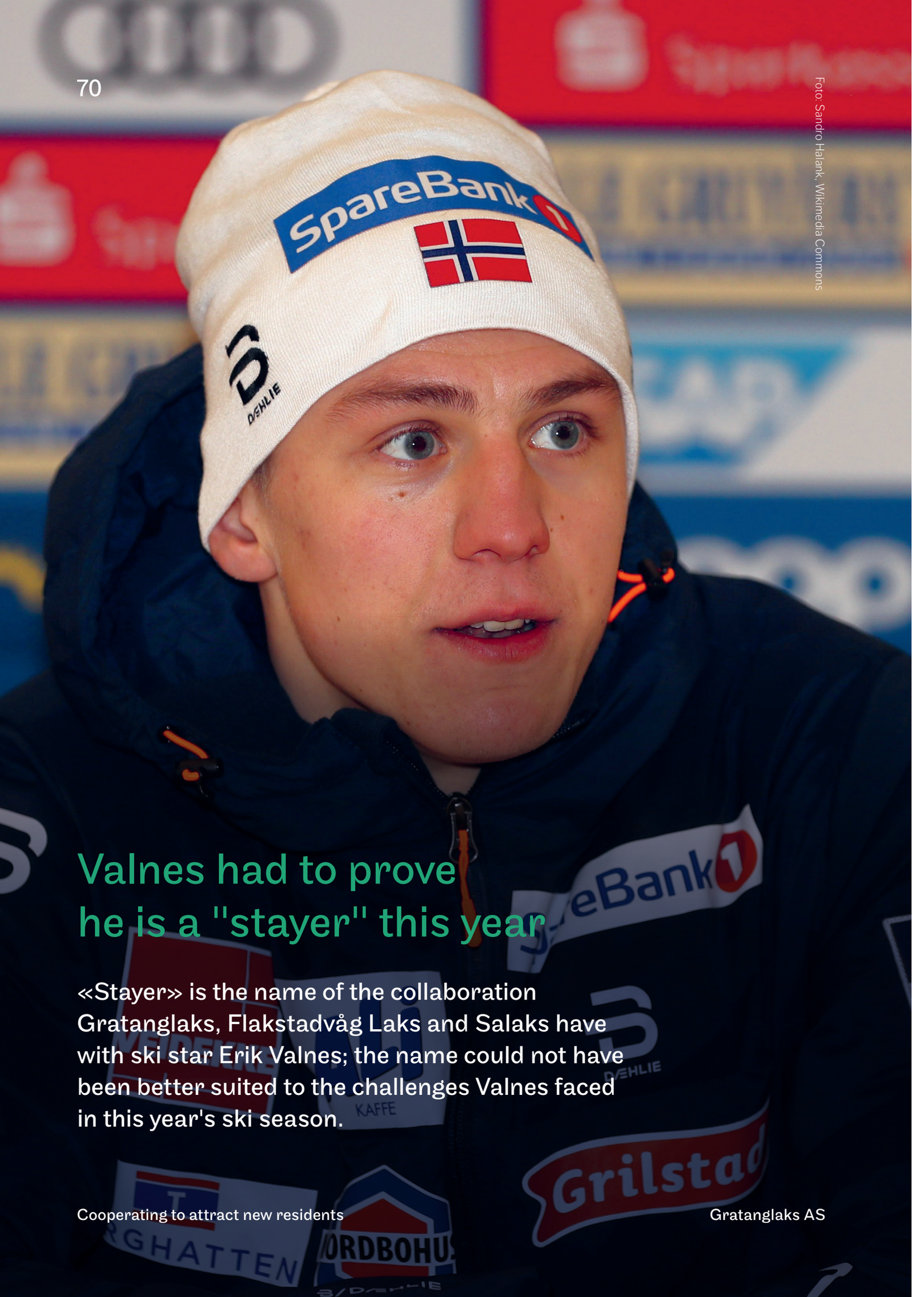

Foto: Sandro Halank, Wikimedia Commons

Valnes had to prove he is a "stayer" this year

«Stayer» is the name of the collaboration Gratanglaks, Flakstadvåg Laks and Salaks have with ski star Erik Valnes; the name could not have been better suited to the challenges Valnes faced in this year's ski season.

"Yeah, this year I have learned the meaning of being a stayer. I have progressed in previous years, and my results have improved, but this year was simply a period of adversity. But facing adversity and persevering in the long run is what characterises a stayer, and I definitely intend to do that," Erik Valnes said by phone from Lahti, where he was preparing for the last world cup race of the season.

Disastrous World Cup

The hardship that Valnes experienced this season started when he fell ill before Christmas. As a result, he missed several important races, including the important Tour de Ski. However, as the World Ski Championships in Planica approached at the end of February, he was back in shape and everything was ready for a medal in Valnes. Ahead of the sprint, confidence was at its peak, and Valnes was among the favourites. The risk of failure was great, and it is understandable that Valnes was first angry and then discouraged when disaster struck.

Moving on

Valnes' skis simply broke during the semifinals of the sprint classic. Valnes threw the broken ski in a rage, and during the post-race interview with the press, his mood was clearly at an all-time low.

"I could have lost heart after the World Cup, but I have moved on. It was difficult, but I kept going. I'm happy about that.

The end of the season has also yielded better results in several world cup races, and Valnes can now see his adversities from a little distance.

"In the grand scheme of things, I had a brief period of adversity, but turned it into a good season to finish the year.

Now is the time to look ahead to upcoming seasons and new opportunities.

A stayer from the north

One reason why Valnes has the opportunity to invest in the long term is the sponsorship agreement he has with Gratanglaks and two other local fish farmers. The collaboration is being called Stayer, a name that Valnes thinks reflects what he stands for.

"It has kind of a double meaning. It is both about being a stayer in competitions, but also about the activity that Gratanglaks operates that makes it possible to have a vibrant local community. To create a place where people want to live and work. There are many stayers in Gratangen.

No thoughts of heading south

Local connections mean a lot to Valnes. That is why he is happy that he has Gratanglaks on the team. Working with someone who knows where you come from and knows the local conditions is important.

"Bardufoss has always been my club. It is a great environment and I have always felt a sense of belonging there. Now I live in Tromsø and I intend to stay in the north, although there are many who have wondered if I should move south after I started skiing for the national team. It's been a long time since there have been any top qualifiers from Tromsø, but I think it's good to live and train there. I want to show that it is possible to succeed in the north. For me, it's important to see the opportunities and not the limitations.

Strong revanchism

And Valnes certainly sees opportunities, not least because he has good sponsors behind him. The long-term goal is a medal at the 2026 Olympics. Valnes already has one gold from the Beijing Olympics in February 2022, when he and Johannes Høsflot Klæbo took team gold in the sprint. At the next Olympics, Valnes is aiming for an individual gold medal.

"What is certain is that the desire for revanchism is very great after this season," the "stayer" said.

Key goals ahead

In our strategy, we assume that targeted and systematic sustainability work is a central part of our business. We defined the specific objectives for our sustainability work in the 2021 report. We have chosen to formulate the goals as quantifiable, to ensure that our work with sustainability is clear. We also use Key Performance Indicators (KPIs) to highlight the factors that are most important for success in achieving our goals.

In 2022, we have based the targets going forward on our focus areas from the latest materiality assessment. We have also included some of the goals from 2021 that we believe are important to continue working on.

Key goals ahead

Gratanglaks AS

Knowledge and methods for preventing escapes

Main topics

Environment, Health and Safety (EHS)

Goal	KPI	Strategy	In 2022
Find a good balance between recruitment of women and men.	Percentage of women/ men.	Recruitment.	43% of hires in 2022 were women. We continue to focus on recruiting the right expertise.
100% reporting of injuries and undesirable incidents	Percentage of incidents reported.	Use of the quality assurance system, Follow-up of strict routines.	Further development of the QA system. Has been made more user-friendly. Continued focus on training and routines
Keep the sick leave rate below 4%.	Sick leave.	Promote good health at work and continue cooperation with the company health service. Have good safety routines, focus on the working environment, use of safety equipment and focus on infection hygiene.	Sick leave: 2.59%.
Recruitment and workforce stability.	Turnover.	Good routines for hiring, performance appraisals and working environment surveys.	Turnover: Six employees quit, and seven were hired in 2022. Work actively with feedback from the working environment survey

Fish Welfare

Goal	KPI	Strategy	In 2022
Work to further improve fish welfare.	Disease occurrence and ability to grow.	Broaden our focus and have good environmental conditions. Seek additional expertise, as well as more contact with fish health personnel.	Participate in: Various meetings to evaluate the past year in our region. Weekly meetings with status and exchange of experience in the area. Relevant conferences that focus on the topic. Working on an introductory programme for students and new employees.
More sustainable feed ingredients.	Greenhouse gas emission intensity.	Participate in knowledge-based development and/or pilot projects	Contributes to meetings/ conferences with the Norwegian Seafood Federation. Participates in meetings/ conversations with feed suppliers about the development of feed and future use of alternative raw materials for feed.
By 2025, achieve a stable survival rate of 95%.	% survival rate.	Good communication with hatchery supplier. Good smolt is crucial for a good survival rate. Acquire and update knowledge.	In 2022, we had a survival rate of 94.38%. Continuous efforts are made to achieve as high a survival rate as possible.

Impact on biodiversity

Goal	KPI	Strategy	In 2022
0 escaped salmon.	Number of escaped salmon.	Continue with: Good training that focuses on knowledge and methods to prevent escapes. Good routines for e.g. facility checks, nets, cages, fastenings and moorings.	0 escaped salmon!
ASC standard on environmental surveys.	Results of bottom conditions/surveys.	Compy with the ASC standard for environmental surveys at sites and surrounding areas. Set strict requirements for the surveys.	Conducted bottom surveys at all facilities. Read more about this on page 45.
Seacalx will expand its research programme in the spring of 2023.	Adult female lice per fish.	Use burnt lime, which is a natural product, in the cages. This could help reduce the amount of lice in the area.	Read more about this on pages 38 and 39.

Food safety

Goal	KPI	Strategy	In 2022
Produce sustainable, healthy, safe and good food. Produce in accordance with market requirements.	Share of certified production.	Comply with applicable requirements and guidelines for safe food production. ASC certify all sites.	Two sites were ASC certified in 2022.
Our fish should be as little affected as possible by disease and parasites.	Health status.	Focus on monitoring diseases, follow the veterinary health plan and vaccinate all fish.	Health veterinary plans are followed up strictly. 100% of exposed fish vaccinated.
Our salmon must be traceable from roe to customer.	Traceability.	Set requirements for slaughterhouses and exporters regarding information on traceability.	Our salmon is traceable from roe to finished product.

Climate and environment

Goal	KPI	Strategy	In 2022
Reduce total greenhouse gas emissions (Scopes 1, 2 and 3) by 30% by 2030.	Total amount of greenhouse gas emissions.	Electrification.	Still working on electrification of operations. In 2022, two sites were connected to shore power and all 5 other sites have battery packs with hybrid operation. Read more about this on pages 48 and 49.
Reduce biological feed factor to below 1.1 by 2025.	Feed factor.	Keep track of technology for new raw materials for feed. Continued focus on feed training. Continuous weight control throughout production.	Biological feed factor: 1.22.
Invest in materials with a longer service life, and materials designed for recycling.	Amount of waste produced.	Make demands on suppliers. Use purchasing power for better material selection.	Renovate old buildings for new use. Planned increased focus on this in 2023.

GRI reporting 2022

GRI-2: General disclosures

2-1 Organizational details
Gratanglaks AS is a privately-owned limited company that also includes Seacalx AS. Our head office is located at Kystkulturveien 1747, 9470 Gratangen.

2-2 Entities included in the organization's sustainability reporting

Sustainability reporting for 2022 applies to Gratanglaks AS and Seacalx AS.

2-3 Reporting period, frequency and contact point
The reporting period for the report is 01.01.2022–31.12.2022 (annual reporting). Contact Monica Eide (cell phone 932 92 466) for questions regarding the report.

2-4 Restatements of information
There is a new GRI template (GRI-13) for 2022. Our subsidiary Seacalx AS is included in the reporting. Updated conversion factors for 2022 have also been used in the energy accounts, which can be found on pages 48 and 49.

2-5 External assurance
We do not have external approval for these reports. The report is approved internally by the general manager and the board.

2-6 Activities, value chain and other business relationships
Gratanglaks is an aquaculture company engaged in the farming of Atlantic salmon. We report under the GRI 13 Standard for Agriculture, Aquaculture and Fisheries. Our value chain can be read on pages 6 and 7. There are no changes in the value chain from last year's report.

2–7 Employees

Our company mostly has permanent employees. On-call temporary workers are used for major work operations at the facilities, during sick leave/short-term leave and during holidays. In case of vacancies, we hire immediately. Information about our employees is obtained from the HR department and the data is compiled using the internal systems Capitech and Simployer.

Table 2-7a-b Total number of employees with permanent, part-time, full-time and temporary employment contracts by gender and region.

Region/year	2021	2022
Permanent employees	34	36
→ Women	7	8
→ Men	27	28
Temporary or time-limited	5	6
→ Women	3	1
→ Men	2	5
Employees without a fixed FTE percentage	0	0
→ Women	0	0
→ Men	0	0

Region/year	2021	2022
Full-time employees	34	36
→ Women	7	8
→ Men	27	28
Part-time employees	0	0
→ Women	0	0
→ Men	0	0
Total number of employees	34	36
→ Women	7	8
→ Men	27	28

Table 2-7e Turnover

Region/year	2022
Number of new employees	7
Number of redundancies	6

Turnover includes both the number of employees who have left and the number of new hires. In rural areas, we face challenges related to long distances. We are therefore focusing on increasing the desire to live in the district and facilitating commuting to retain employees who have long commutes. We arrange for all our employees who want to stay in their jobs.

2-8 Workers who are not employees

Not relevant to our company. We do not hire in workers and do not have workers who are not employed by us. All our temporary workers and on-call shifts have a contract.

2-9 Governance structure and composition

In 2022, the board of directors consisted of chairman Stein Ivar Antonsen, board member Geir Lundberg and board member/general manager Tore Lundberg. The administration team consists of Trine Lundberg, Jorunn Bertelsen, Monica Lundberg, Monica Eide, Hanne Lundberg, Håvard Nilsen, Freddy Haugen, Hans Kristian Bjarke, Mathias Lundberg, Marius Aspen – and Finn Johnsen who is the accountant. Tore Lundberg and Stein Ivar Antonsen are also a part of administration. Just as the board and management are responsible for financial reporting, they are also responsible for sustainability reporting.

2-10 Nomination and selection of the highest governance body

We have no guidelines for the election of the board.

2-11 Chair of the highest governance body

Stein-Ivar Antonsen is chairman of the board and is also part of the administration. The board of directors is the highest decision-making body.

2-12 Role of the highest governance body in overseeing the management of impacts

Gratanglaks is a small business with a flat structure, which makes communication easier. Today, the administration team is responsible for sustainability reporting. This includes formulating our goals, gathering necessary data and following up on corrective actions based on the results. The work is reported to the board that is actively involved in the administration team's work. The sustainability report is presented in board meetings to identify areas where we can improve our performance.

2–13 Delegation of responsibility for managing impacts

Our sustainability strategy and sustainability report have been prepared by the administration. Public affairs officer Monica Eide has led the work in collaboration with the quality assurance manager, Freddy Haugen, and has collaborated with Moloen Sustainability throughout the process. Gratanglaks is a small company where tasks are distributed internally, and everyone works together towards the same goal. This is also true for sustainability. The administration cooperates with the employees to delegate daily tasks. Progress on the strategy is being followed up by the administration. This work is also led by the public affairs officer and quality managers. We have annual meetings with our employees (and several meetings by the administration team each year) where we look at the status and assess how we can improve our sustainability performance.

2–14 Role of the highest governance body in sustainability reporting

The administration presents the report to the board, which reviews and approves the sustainability report.

2–15 Conflicts of interest

Emphasis is placed on transparency in the organization, and this is important for discovering any possible conflicts of interest. We have developed guidelines to ensure that we both identify and counteract conflicts of interest. The administration is responsible for regularly assessing potential sources of conflicts of interest within the company or in relations with our suppliers. In addition to our guidelines, there are also requirements through GlobalG.A.P. and ASC that are related to this. Our goal is to ensure that the company is aware of possible conflicts of interest and has a thorough plan for dealing with them. Our guidelines are available on the Gratanglaks website.

2–16 Communication of critical concerns

Gratanglaks uses the EQS quality assurance system for important matters, which mainly concern daily operations. Employees have access to incident reporting and reporting of blameworthy conditions, both anonymously and by name.

Table 2-16 Communication of critical concerns

Year	Type of concern	Number	Type
2022	Working environment. Working environment mapping shows that some employees may consider changing jobs. We are working to identify causes and implement measures.	1	Limited

2–17 Collective knowledge of the highest governance body

In order to promote the collective knowledge of sustainable development in the enterprise, the following measures have been implemented: workshop with the UN Sustainable Development Goals as the topic. We have participated in conferences focusing on sustainability, we address relevant issues at internal meetings and we cooperate with other aquaculture companies that also work with sustainability. This is our third sustainability report. Today, we have a continuous focus on sustainability in our company. We have actively increased knowledge of sustainable principles among the company's employees and administration, and the company's board is committed to sustainability.

2–18 Evaluation of the performance of the highest governance body

We do not yet have any specific processes for evaluating the board's performance related to sustainability work. The administration maintains daily contact with the board members, as they are also an integral part of administration. Going forward, we will plan for the board to be more formally updated on progress related to sustainability at least twice a year.

2–19 Remuneration policies

Remunerations are paid equally to all employees according to the percentage of full-time positions. For members of the board, a fixed board fee is paid.

2–20 Process to determine remuneration

Results from production vary from year to year. The management team determines bonuses in consultation with the accountant.

2-21 Annual total compensation ratio
All our employees earn tariff wages based on pay scales. We have no share-based payment or skewed distribution of wages in the company.

2-22 Statement on sustainable development strategy
Read more about our sustainable development work on pages 4 and 5.

2-23 Policy commitments
To ensure responsible business operations, we have developed guidelines that all our suppliers and Gratanglaks itself are obligated to follow. These can be read on the Gratanglaks website.

2-24 Embedding policy commitments
We have established a system of regular follow-up in which we assess compliance with the guidelines. Any deviations are handled in accordance with our deviation system.

2-25 Processes to remediate negative impacts
We have introduced an opportunity to submit notifications via our website (https://www.gratanglaks.no/kontakt). Any complaints regarding deviations can be entered into our deviation system, which ensures follow-up. In accordance with ASC requirements, we organize public meetings to inform stakeholders about new sites, update local residents on operating conditions and present actions related to environmental challenges. Information on wildlife, biomass, diseases, fish health, fish mortality for our salmon, and certification is available on our website. We have also established agreements with fishermen for feedback regarding the discovery of feed in wild fish populations.

We work actively with both information and prevention, and are also available to our communities when they want contact or have feedback for us. Measures are implemented if undesirable incidents occur, and we also consider whether we need to adjust our routines to avoid repetition of the same type of incidents.

2-26 Mechanisms for seeking advice and raising concerns
Employees can use our deviation system to seek advice or raise concerns. Reporting of blameworthy conditions takes place anonymously.

2-27 Compliance with laws and regulations

We had no recorded violations of laws and regulations in 2022. Our goal going forward is to maintain this.

2-28 Membership associations

Gratanglaks is a member of the Norwegian Seafood Federation. This is Norway's largest seafood organization with over 850 member companies.

2-29 Approach to stakeholder engagement

Good stakeholder management provides us with valuable information and a better basis for good decisions. Gratanglaks' stakeholder group is wide-ranging. It includes suppliers and employees along the entire value chain. We also have a strong engagement with our customers, which includes sales associates and end customers who buy our salmon from the food counter. We value cooperation with various trade unions, organizations, decision-makers, shareholders – and not least our neighbours in the local community. The Stakeholder Analysis defining our stakeholders and communication methods can be read on pages 22 and 23.

We select our stakeholders based on information from the local community, suppliers, authorities, certification bodies, market information and on who the consumers of our products are. We will be there to inform you when we are contacted. Being a small business with a flat structure, we are very accessible. We collaborate with the Norwegian College of Fishery Science (UiT), the IVT faculty at UiT Narvik and a professorship at UiT. We also collaborate with Kupa, the HIA Group, the Sea North Cluster and other operators and municipalities in the coastal zone planning process. We also have a visitors center (Blue Vision in Tromsø) where we meet audiences of all ages. Our goal is to always meet the demands and expectations of our various stakeholders in an open and constructive manner.

2-30 Collective bargaining agreements

All our employees are covered by collective wage agreements.

GRI-2-30 Employees covered by collective wage agreements

Year	2018	2019	2020	2021	2022
Number of employees and tariff	100%	100%	100%	100%	100%
Number of employees	20	23	26	34	36

GRI-13

13.1 Emissions

The ASC standard requires us to make scopes 1 and 2 emissions visible for each site, based on power and fuel consumption. The calculations are carried out by assessing total emissions in tons of CO2 for all sites. Emissions per ton of fish produced are also calculated. For Scope 3, we base our calculations on estimated total emissions from our largest suppliers with regard to the share of their goods and services that Gratanglaks has used during the reporting period. Feed production, smolt delivery, slaughterhouse, crate/box production and wellboats constitute the most important links in our value chain, and this is where we have the greatest opportunity for improvement.

There were no air pollutants to report in the 2022 report. Gratanglaks works continuously with measures to reduce emissions from our daily operations. We have implemented various measures, including the installation of battery packs at our facilities and the installation of shore power where possible. The sites at Skjærvika, Skardbergvika and Åmundsvika have the possibility of shore power, and all of these sites use it. During 2022, all rafts have had battery packs installed and are operational. Read more about our work to reduce emissions through electrification on pages 48 and 49.

→ **13.1.2 Scope 1 – Direct greenhouse gas emissions.**
→ The emissions in Scope 1 are the direct emissions by our company

CO_2e-emissions (tons)	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Diesel	583	522	947	665	696	783
Gasoline	15	20	25	29	15	23
Biofuel	0	323	0	0	0	0
Total CO_2e-emissions Scope 1 (tons)	**598**	**865**	**972**	**694**	**712**	**806**

→ 13.1.3 Scope 2 – Scope 2 – Indirect greenhouse gas emissions related to energy consumption.

The emissions in Scope 2 are the indirect emissions from purchased energy

	2017	2018	2019	2020	2021	2022
Electricity	247	37	309	76	235	307
Total CO_2e-emissions Scope 2 (tons)	247	37	309	76	235	307
Total CO_2e-emissions Scope 1 + 2 (tons)	**845**	**902**	**1280**	**771**	**947**	**1113**

→ 13.1.4 Scope 3 - Other indirect greenhouse gas emissions

The emissions in Scope 3 are other indirect emissions from outside the organization.

CO_2e-emissions (tons)	**2021**	**2022**
Feed (Production, footprint, and delivery)	20 594	17 112
Styrofoam boxes	235	253
Smolt (young salmon)	1 946	1 211
Slaughterhouse	308	524
Wellboat	129	344
Delousing	225	129
Total CO_2e-emissions Scope 3 (tons)	**23 437**	**19 573**
Total CO_2e-emissions Scope 1 + 2 + 3	**24 384**	**20 686**

→ 13.1.5 Greenhouse gas emission intensity

CO2-emissions (tons)	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Salmon produced (tons)	8 098	7 142	8 495	8 726	7 415*	10 482*
Tons CO2	14 640,60	14 374,20	15 076,10	15 742,80	24 384	20 686
Tons of CO2 per ton of salmon produced	**1,81**	**2,01**	**1,77**	**1,8**	**3,2**	**1,97**

*New method of calculation used. See page 67 for an explanation of what is included.

13.2 Climate adaptation and resilience

Climate adaptation means understanding the consequences of climate change. Measures should also be taken to prevent or reduce damage on the one hand, and on the other hand exploit any opportunities that these changes may bring.

The future may present greater risks as a result of climate change, such as rising temperatures and extreme weather. Climate adaptation involves adaptation of operational processes and technology. Advanced monitoring of water temperature and adapting fish farms to changing sea conditions are examples of this. Resilience is about enhancing the ability of farmed fish to cope with stressors that climate change can cause. This may include selective breeding of fish with higher tolerability, and/or the development of vaccines and medicines. There may also be the development of better feed and nutrition. By implementing measures, we can more easily handle challenges related to climate change, and help ensure continued reliable salmon production.

13.2.2 Financial implications and other risks and opportunities due to climate change

Climate risk is a term that includes both climate change and the measures that combat it. It can also be called future climate-related development. One person who has played a key role in defining what economic climate risk means is former Governor of the Bank of England, Mark Carney. He points to three ways in which climate issues pose risks.

→ Physical risk: Costs associated with physical damage due to climate change.

→ Transition risk: Economic risk associated with the transition to a low-emission society.

→ Liability risk: Claims for compensation related to decisions or lack of decisions that can be linked to climate policy or climate change.

For the aquaculture industry, physical risk is crucial. Climate change can cause significant harm to nature and damage to such as cages, rafts and boats. We operate in close interaction with nature, and may therefore be influenced to a large extent by natural forces. Changes in weather, which have an impact on the nature around us, also affect our production salmon.

One of the most obvious risks we face is the increased cost of damage caused by extreme weather. This may lead to downtime and temporary shutdown of our facilities. Major damage to infrastructure could lead to significant financial losses. Damage to nets and cages can also increase the risk of fish escape. This not only results in the loss of fish, but also possible environmental consequences.

Rising ocean temperatures may result in biological threats, such as algal blooms. That, in turn, can cause oxygen deficiency in the water, which is very dangerous for our fish. Any increase in sea temperature will also make salmon lice thrive better. One possible effect of this is more treatments with e.g. mechanical delousing. This can lead to increased costs and increased mortality. Higher sea temperatures can also have a positive impact on the salmon industry. In winter, higher water temperatures will increase the appetite of salmon. This can result in steadier growth and more efficient production.

Salmon is a protein that can be produced in large volumes with a relatively low climate footprint compared to other protein sources. This applies both to greenhouse gas emissions, but also to the use of land areas and fresh water. Therefore, our production can be part of the solution to meet the food needs of an increasing global population. Rising global temperatures may also make land areas less suitable for food production, and more food will have to be produced at sea in the future.
In relation to transition risk, stricter climate requirements and new technology will result in major changes in demand for a number of products and services. Salmon production is not an industry that will be hardest hit. But the equipment we have that uses fossil resources such as cars, boats and rafts, will lose value. We will also need to make new investments in equipment that have lower emissions.

With regard to liability risk, we do not consider our industry to be exposed. We are not an industry with large greenhouse gas emissions. We have production with strict statutory climate requirements, and we also want to produce products according to strict international certification schemes such as GlobalG.A.P. and ASC. You can read more about this on pages 50 and 51.

At Gratanglaks, we are aware of any financial consequences and risks associated with climate change. We will improve our risk management so that we can continue to deliver safe and sustainable food production.

13.3 Biodiversity

Biodiversity is important because it maintains the stability of ecosystems. It ensures the viability of various species and is essential for human survival.

We produce food in the sea. Going forward, when we plan our operations, it will be even more important to take biodiversity into account. Our certifications set strict requirements for biodiversity protection. There are several parameters that are relevant, e.g. salmon lice, escapes, use of chemicals, bottom conditions and disease. Gratanglaks focuses on ensuring that our fish receive the feed they need without waste. We do not want to have a negative influence on the environment around us unnecessarily. That is why we have our own feeding regime that originates from a dedicated feeding warehouse, where all feed is monitored. Our fish get balanced nutrition, with the most organic content possible.

13.3.2 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

According to Norwegian law, the aquaculture industry must take into account the environment and the local ecosystem. Our concessions are regulated by permits from public authorities. The relationship between Norwegian aquaculture and the environment is mainly regulated by the Aquaculture Act. It specifies that aquaculture must be established, operated and wound up in an environmentally responsible manner. The Act stipulates requirements for e.g. environmental monitoring, measures to remove escaped organisms, clean-up after completion of operations and protection of specific areas. There are also a number of regulations in the Aquaculture Act, the Food Act and the Pollution Control Act that concern and regulate the environmental impact and operation of a fish farming site.

A fish farming site cannot be used until it has been through an extensive approval process. Applications for approval of a site must be sent to the county municipality. They are responsible for ensuring that the municipality in which the locality is to be located clarifies the application in relation to land-use plans etc. The Directorate of Fisheries is allowed to comment on traditional and possibly Sami fishery interests. The Norwegian Food Safety Authority can decide on applications in accordance with the provisions of the Food Act and the Animal Welfare Act. The Norwegian Coastal Administration will have some determination under the Ports and Waters Act. The County Governor's environmental department will decide on the application pursuant to the Pollution Control Act, the Nature Diversity Act and with regard to nature conservation, outdoor recreation, fishing and wildlife interests.

The sea is an open system and all production here may have an impact. All our areas of operation must be approved and we do not produce in or near protected zones.

13.3.3 Significant impacts of activities, products and services on biodiversity

There are several activities related to our operations that may have an impact on biodiversity. Examples are delousing, noise, feed waste, light pollution, microplastics, use of drugs, use of detergents, and any other activity/discharges that may end up in the sea. We have good routines to ensure that our activities have the least possible impact on biodiversity. Our production takes place in accordance with Norwegian laws and regulations. We follow stricter requirements from the ASC certification since 2022 at 33% of our sites, including requirements to minimise the negative impact on the local ecosystem. This includes environmental impact assessments to protect birds, marine mammals and sensitive habitats.

13.3.4 Habitats protected or restored

Habitats protected or restored by Gratanglaks and Seacalx.

Protected habitats	Where?	Size of habitat	Working with a third party?	Status of the condition of the site	Standards, methods and assumptions made
Salmon rivers and migration routes for salmon and protection of red-listed species	All areas	N/A	Cooperating with interest groups regarding watercourses	N/A	Red-listed species protection and measures are followed up in each area and documented, wild salmon are monitored by a third party by the Norwegian Environment Agency

13.3.5 IUCN Red List species and national conservation list species with habitats in areas affected by operations

A list of vulnerable species in the area has been hung at our sites, together with information on preventive measures to protect these species. In special situations where euthanasia of any of the species is considered, procedures specifically devised for each species are followed. These procedures have been developed in cooperation with either the Wildlife Advisory Board or the Directorate of Fisheries, depending on the species in question.

The Red List is an overview of threatened flora and fauna, and is a barometer of the state of these species. The species are categorised according to their risk of extinction:

RE	Regionally extinct
CR	Critically endangered
EN	Endangered
VU	Vulnerable
NT	Near threatened
DD	Data deficiency
LC	Least-concern species
NA	Not applicable
NE	Not evaluated

Table T304-4a

Marine mammals

Scientific name	Known name	Classification
Halichoerus grypus	Grey seal	VU

Table T304-4c

Birds

Scientific name	Known name	Classification
Larus argentatus	Herring gull	VU
Rissa tridactyla	Black-legged kittiwake	EN
Larus canus	Common gull	VU
Sterna hirundo	Common tern	EN
Vanellus vanellus	Lapwing	CR
Uria aalge	Guillemot	CR
Stercorarius parasiticus	Arctic skua	VU
Somateria mollissima	Common eider	VU
Haematopus ostralegus	Oystercatcher	NT
Gavia adamsii	Yellow-billed loon	VU
Fratercula arctica	Atlantic puffin	EN
Limosa limosa	Black-tailed godwit	CR
Melanitta fusca	Sea trout	VU
Podiceps auritius	Slavonian grebe	VU

Table T304-4d

Fish

Scientific name	Known name	Classification
Salmo salar	Wild salmon	NT
Anguilla anguilla	Eel	EN
Boreogadus saida	Arctic cod	EN
Cetorhinus maximus	Basking shark	EN
Sebastes norvegicus	Common redfish	EN
Somniosus microcephalus	Greenland shark	NT
Squalus acanthias	Spiny dogfish	VU
Clupea pallasii Valenciennes	Pacific herring	EN
Gadus Chalcogrammus Pallas	Alaska pollock	NT
Lamna nasus	Mackerel shark	VU
Molva dypterygia	Blue ling	EN
Petromyzon Linnaeus	Black sea bream	NT

13.3.6 Species produced and use of fishing products in feed

This data on the use of fish products in feed applies to Gratanglaks, but not Seacalx.
All feed suppliers in Norway keep track of the percentage of marine raw material deliveries coming from FAO COC-approved fisheries*.

*FAO COC-approved fishermen (Food and Agriculture Organization (FAO) Chain of Custody) is a certification to ensure traceability and sustainable management of fish resources.

Farmed species	Year	Scientific name	Volume produced (round weight)	Harvesting method
Atlantic salmon	2018	Salmo Salar	7142 tons	Aquaculture at sea
Atlantic salmon	2019	Salmo Salar	8098 tons	Aquaculture at sea
Atlantic salmon	2020	Salmo Salar	7638 tons	Aquaculture at sea
Atlantic salmon	2021	Salmo Salar	7414 tons *	Aquaculture at sea
Atlantic salmon	2022	Salmo Salar	10 482 tons *	Aquaculture at sea

*The new calculation for volume produced can be found on page 67

Use of fishing products in feed from EWOS:

Common name	Scientific name	Whole fish used?	Place of origin	Percentage
Blackbelly rosefish	Micromesistius poutassou	Yes	Denmark, Faroe Islands, Iceland, Norway	11,83
Boarfish	Capros aper	Yes	Denmark, Norway	0,05
Capelin	Mallotus villosus	Yes	Denmark, Iceland, Norway	14,68
Capelin trimmings	Mallotus villosus	No	Denmark, Iceland, Norway	4,01
Cod trimmings	Gadus morhua	No	Denmark, Norway	4,42
European anchovies	Engraulis encrasicolus	Yes	Georgia	1,41
Herring	Clupea harengus	Yes	Denmark, Faroe Islands, Iceland, Norway	4,45
Herring trimmings	Clupea harengus	No	Denmark, Faroe Islands, Iceland, Norway	13,93
Bluefin tuna	Trachurus trachurus	Yes	Denmark, Norway	0,14
Chilean jack mackerel	Trachurus murphyi	Yes	Peru	0,00
Krill	Euphausia superba	Yes	Norway	0,29
Mackerel	Scomber scombrus	Yes	Denmark, Morocco, Norway	0,13
Mackerel trimmings	Scomber scombrus	No	Denmark, Iceland, Norway	5,18
Menhaden	Brevoortia patronus	Yes	USA	5,53
Blue whiting	Trisopterus esmarkii	Yes	Denmark, Norway	1,37
Peruvian anchoveta	Engraulis ringens	Yes	Chile, Peru	4,60
Sei trimmings	Pollachius virens	No	Norway	2,32
Lesser sand eel	Ammodyties tobianus	Yes	Denmark, Norway	3,04
Sardine	Sardina pilchardus, Sardinella longiceps, Sardinops sagax, Strangomera bentincki	Yes	Chile, Mauritania, Mexico, Oman, Panama, Peru	15,50
Sprats	Sprattus sprattus baltikus, Sprattus sprattus sprattus	Yes	Denmark, Norway	6,12
Trimmings		No	Denmark, Iceland, Norway	0,58
Whitefish trimmings		No	Denmark, Iceland, Norway	0,41

13.4 Natural ecosystem conversion

Openness and traceability throughout the value chain are fundamental values for all our feed suppliers. Customers and consumers can rest assured that the feed delivered meets the nutritional requirements for the fish, the farmer's expectations for performance, growth and sustainability, and safe food for the consumer.

All our feed suppliers deliver within the strict requirements set by the ASC and GGAP certification schemes. There should be no use of red-listed species. The ASC standard requires traceability related to both marine raw materials and soy. The feed companies do a lot of research on both the development of organic feed and alternative feed ingredients with a smaller environmental footprint. Gratanglaks monitors developments and stays up to date with requirements and relevant standards.

13.4.3 Products sourced by the organization

Cargill Aqua Nutrition and their brand EWOS exclusively use certified, deforestation-free soy in their salmon feed – in line with their commitments to deforestation-free trade. BioMar complies with requirements that comply with ASC and GGAP standards. They continuously assess what purchasing criteria are needed to ensure and document responsible harvesting of raw materials related to sustainability. Procurement of marine raw materials, soybeans and palm products is subject to special requirements. BioMar exclusively buys deforestation-free soybeans and palm products. BioMar keeps track of the percentage of marine raw material deliveries coming from FAO COC-approved fisheries.

13.7 Water and effluents

Northern Norway has great access to fresh water. In our case, therefore, water is a good resource to limit the use of harmful substances. Among other things, we use freshwater to flush production equipment, which reduces our use of chemicals. We therefore view increased freshwater consumption as positive. The cages and the washing of nets mainly use salt water that is pumped up from the sea for washing. When it comes to wastewater, all feed rafts are equipped with Biovac treatment plants where all sewage, greywater and internal water consumption are treated 100%. Read more about water consumption in our production on page 41.

13.8 Waste

Waste sorting takes place both at our head office in Åmundsvika and on our rafts. Waste is sent to HRS Harstad for sorting and recycling. ASC and GlobalG.A.P. require measurability with strict waste management requirements, which must be assessed for risk and documented. Much of our waste is related to the replacement of equipment (wear and tear), sludge, feed hoses, ropes, nets and lice skirts.

We have beach clean-up days to remove litter from coastal areas. We also use sorting bins to sort waste, and focus on reuse and repairs at all our sites. To collect and monitor waste-related data, we use the forms provided by our waste suppliers. The waste from our sites is sent on to Nofir, which sorts and dismantles expired tools for recycling. This can become new products like mobile phone cases, benches, car parts or garments. Silage (category 2 waste) is dead fish that cannot be consumed due to disease or other causes. End products from silage are sourced by the company Scanbio, which processes the material. This process allows the material to be used for various purposes, including bioenergy production and biogas production. Our waste can e.g. be used as fuel for buses, for fertiliser and for feeding animals that are not a source of food. The silage generated by Gratanglaks is taken from the cages and transported in a silage tank on the raft.

Residual material (Category 3 waste) from fish slaughtered for human consumption may be used as feed for food-producing animals after processing. This is handled by the Astafjord slaughterhouse.

13.8.4
Table 306-3 Waste generated

Type of waste	Waste generated (tons)	Proportion avoiding landfill (recycled, reused, repaired)	Share delivered to landfill
Plastic (1-PET)	N/A	N/A	N/A
Plastic (2-HDPE)	N/A	N/A	N/A
Plastic (3-PVC)	N/A	N/A	N/A
Plastic (4-LDPE) (feed sacks)	N/A	N/A	N/A
Plastic (5-PP)	N/A	N/A	N/A
Plastic (6-PS) (polystyrene)	N/A	N/A	N/A
Plastic (7-PC)	N/A	N/A	N/A
Cardboard/carton	0,514	N/A	N/A
Residual waste	7,58	N/A	N/A

Glass and metal	0,54	0,54	0
WEEE	0,315	0	0,315
Biological waste (silage)	478,6	N/A	N/A
Food waste	0,09	N/A	N/A
Combustible waste	1,91	N/A	N/A
Hazardous waste	2,691	N/A	N/A
Industrial waste (ropes, inorganic)	1,04	0	1,04
Total waste generated (in tons)	**493,28**		

13.8.5 Table 306-4 Waste delivered for recycling

Year: 2022

Parameter	Within the company (in tons)	Total (in tons)
Hazardous waste		
- Reused/recycled	0	0
Non-hazardous waste		
- Proportion reused	0	0
- Share of recycled	0,54	0,54
Total waste prevented from landfill	**0,54**	**0,54**

13.8.6 Table 306-5 Waste sent to incineration/landfill

Year: 2022

Parameter	Outside the company (in tons)	Within the company (in tons)
Hazardous waste		
- Handled at Perpetuum	2,691	2,691
Non-hazardous waste		
- Combustion (with energy recovery)	488,694	488,694
- Combustion (without energy recovery)	N/A	N/A
- Landfill	1,355	1,355
Total	**492,74**	**492,74**

13.9 og 13.10 Food security and Food safety

Food safety: This means that the food we eat does not contain microorganisms, environmental toxins or other foreign substances that make us sick, if we prepare and enjoy it as intended. (Source: United Nations Association of Norway)

All the food we produce will be safe to eat. It must be traceable from roe to consumer. Our production is subject to strict controls. Biological and chemical substances in foods are assessed systematically throughout production. We are subject to many food safety requirements and regulations. The Norwegian Food Safety Authority takes samples that are analysed by NIFES. ASC and GlobalG.A.P. have strict requirements for measurability related to food safety and require good procedures, risk assessments and documentation in order to be certified.

Food security: Food security exists when all people at all times have physical and economic access to enough safe food for a complete diet that meets their nutritional needs and preferences, and that forms the basis for an active life of good health. (United Nations Association of Norway).

Farmed fish receive feed that is best suited to their nutritional needs. Salmon eat herring, capelin, squid and various crustaceans in the wild. The feed for farmed salmon is formulated to meet the fish's need for proteins, fats, carbohydrates, vitamins, minerals and pigment. Marine raw materials are a scarcity factor, and it has been necessary to use more protein and fat sources from vegetable raw materials. It is not sustainable to use only marine raw materials. Feed producers select raw materials for their feed very carefully. They follow strict rules and regulations in relation to which fish species are used, and raw materials must come from sustainable and quota-regulated fisheries.

Gratanglaks has not had any incidents of rule violations or non-compliance to voluntary guidelines on health and safety impacts within the 2022 reporting period. If this should occur, we have procedures, routines and risk assessment that will be carried out. This is linked to the certifications that set requirements for food security and food safety. Gratanglaks only produces fish at sea and sends whole fish to the Astafjord slaughterhouse. We do not treat the residual raw materials for the fish ourselves. Astafjord slaughterhouse deals with any feedback they receive regarding the fish.

It is important to ensure that the product on the way to the market, or on the market, is stopped and withdrawn as quickly as possible in cases where there is doubt or if it is confirmed that a product may be harmful to consumers. A test is carried out at least once a year.

13.10.4 Food safety

Company: Gratanglaks and Seacalx.

	2021	2022
Production volume (gutted weight in tons)	6 891*	8 670**
Proportion certified by ASC	0 %	33 %
Share certified by GlobalG.A.P.	100 %	100 %

* including 710 tons round weight sold to Seacalx.

** including 1704 tons harvested from Seacalx

Production data for Gratanglaks AS	2017	2018	2019	2020	2021	2022
Slaughtered gutted	6505	6112	5402	7130	6181	6966

In 2022, 8393 tons of salmon (whole fish) were delivered to the slaughterhouse. 83% is used for human consumption (6966 tons harvested). The residual raw material from the slaughterhouse becomes K3 silage, while fish that die before being delivered to the slaughterhouse become K2 silage. In 2022, we produced a total of 10 482* tons of salmon. See page 67 for the calculation for salmon produced (gross).

13.11 Animal health and welfare

Gratanglaks has a strong focus on animal welfare, risk assessments, certifications, impact on wildlife around the cages, as well as protecting red-listed species. If live wild fish should enter the cage, we remove it with a net and/or landing net when appropriate. We use top nets and jump catch nets on our cages to prevent birds and otters from entering the cage. Net pens and top nets are designed to prevent predators from entering, and we have routines that ensure that animals and birds do not injure themselves and suffer as a result.

The following species of animals are specifically included in the procedure: Seagulls, herons, cormorants, otters, seals and wild fish.

Larger marine mammals like whales may visit the site, but have never been in contact with our installations. Fish feed used for salmon farming must be of the highest quality and contain the right amount of nutrients to ensure the health and growth of the salmon. The feed should be stored in a dry and clean environment, protected from pests and pollution. It is forbidden to use raw materials containing meat and bone meal in fish feed.

The salmon is transported on wellboats, and carried out in a gentle and prudent manner. Transporters must have expertise and experience in handling fish. Transport shall be planned so that we cause the least possible stress and risk of injury to the fish. When moving the salmon, it is important to consider temperature, hygiene and oxygen levels.

Fish farms shall have sufficient size and number of cages to give the fish the opportunity for natural movement and natural living (MTB). Slaughter shall be carried out by personnel with relevant training and experience, taking into account the size and weight of the fish. There are strict requirements for hygiene and control of the slaughter process, and there must be continuous monitoring of the fish during slaughter.

Read more about our work with animal welfare and health on pages 30 to 37

13.11.2 Certifications in accordance with animal health and welfare standards

Read more about certifications on pages 50 to 53.

13.11.3 Mortality and main causes of mortality

Read more about our response to mortality and the status of our production on pages 30 to 33.

13.12 Local communitites

We follow the requirements set by the ASC certification. This includes transparency, neighbour notifications and information meetings as needed. This allows us to inform and involve the local population. Read more about our partnership with the local community on pages 4, 5, 10 and 11.

13.13 Land and resource rights

Our concessions are regulated by permits from public authorities.

The first step when applying for a concession is for the municipality to put the application out for public consultation. The municipality then makes its assessment after a consultation process where residents, businesses and interest organizations are given the opportunity to express their opinions on the location. The municipality also checks whether the facility complies with the current zoning and area plans; ref. Norwegian Planning and Building Act.

The following sectoral authorities must authorise a fish farming concession: The Norwegian Food Safety Authority, the Norwegian Coastal Administration, the County Governor and the Norwegian Water Resources and Energy Directorate (NVE) (if the facility intends to use freshwater). In addition, it is the Directorate of Fisheries that expresses opinions on fishery interests in the area in question. The sector authorities consider applicable laws; food production and food safety, protection against pollution and waste, use of ports and waters, watercourses and groundwater and animal welfare. The relationship between outdoor recreation and the environmental status of water is also assessed. Nor can a site conflict with; adopted conservation measures to safeguard cultural monuments and heritage, adopted land-use plans pursuant to the Planning and Building Act, or adopted conservation measures to safeguard biodiversity. We do not operate in any areas where there are conflicts related to land and resource rights.

13.14 Rights of indigenous peoples

We value and respect the rights of all neighbours, as well as their culture and traditions. At this time, we have not identified any sites in areas where indigenous peoples are affected by our activities. Nor have we violated the rights of indigenous peoples. As a responsible company, we recognise the rights of indigenous peoples based on national legislation, and international standards and agreements such as the UN Declaration on the Rights of Indigenous Peoples.

We follow the guidelines and requirements strictly where our certifications are concerned. We are also subject to regulation and approval through operating permits from the county municipalities. We are committed to operating in accordance with these guidelines to ensure sustainable operations.

We also attach great importance to cooperation with the local communities in which we operate. We seek active dialogue and cooperation to ensure that we take their interests and input into account. We are committed to maintaining a positive working relationship and contributing to the further development of the local community.

13.15 Non-discrimination and equal opportunity

Gratanglaks is committed to promoting anti-discrimination and equal opportunities in our organization. We follow strict guidelines and requirements in the certification process, which include GGAP (GlobalG.A.P.) and G.R.A.S.P. (GlobalG.A.P. Risk Assessment on Social Practice), as well as the ASC standard (Aquaculture Stewardship Council). This applies in particular to Principle 6: to develop and farm in a socially responsible manner. We also ensure that our practices and procedures comply with ILO's core conventions (International Labour Organization) relating to child labour, forced labour, discrimination, freedom of association and occupational safety and health.

We conduct employee surveys to improve our anti-discrimination practices and to ensure equal opportunity. These give us insight into our employees' experiences and perspectives. This gives us the opportunity to address any concerns or challenges that they have identified. We are committed to creating an inclusive and diverse work environment where all employees are valued. Everyone at our company should have equal opportunities for development and success. No incidents of discrimination have been recorded.

13.16 og 13.17 Forced labour and child labour

Gratanglaks strongly opposes forced labour, child labour and all exploitation of workers. This principle is well established in Norwegian business practice. Norway has strict laws and regulations to combat such practices, both nationally and internationally. Both the Working Environment Act and the Penal Code address and prohibit such practices. Norwegian legislation provides a clear direction for ensuring that companies operate without the use of forced or child labour. We are committed to following the requirements set by the GlobalG.A.P. (GRASP) and ASC certifications. These certifications contain standards and guidelines for responsible practices in the industry, including combating forced labour and child labour.

Going forward, we aim to commit all our major suppliers to follow principles of supplier conduct related to sustainability, corporate social responsibility, working environment and business conduct. We prioritise working with companies that share our values and commitment to ethical, responsible business practices.

13.18 Freedom of association and collective bargaining

Gratanglaks respects and supports freedom of association and the right to collective bargaining. As a responsible employer, we operate in accordance with the Norwegian Working Environment Act, which safeguards workers' rights, including freedom of association and the opportunity to bargain collectively. We recognise the importance of good cooperation among employees and their representatives to ensure a fair and inclusive workplace. Gratanglaks shall maintain a working environment that promotes respect, cooperation and dialogue with our employees and their organizations.

13.19 Occupational health and safety

403-1 Occupational health and safety management system
Environment, Health and Safety (EHS) is of utmost importance to Gratanglaks. We closely monitor the guidelines laid down in the Aquaculture Convention from the Norwegian Seafood Federation, which sets the guidelines for environment, health and safety in the aquaculture industry. We also comply with the requirements of the Working Environment Act.

We have established our own system for internal control and EHS procedures. EHS has the highest priority here. We provide our employees with specific training related to EHS. This is to ensure their health and safety. The training in safety and occupational health follows national laws and regulations, such as the Working Environment Act. It also complies with the ISO-45001 standard. We also take proactive measures to prevent work-related illnesses and injuries.

403-2 Hazard identification, risk assessment and incident investigation
We conduct risk assessments and individual job safety analyses to identify and manage risks in connection with our work operations. EHS is discussed at weekly operational meetings, and we have two annual main meetings dedicated to internal control. Any dangerous incidents or situations that may lead to accidents or near misses are registered as EHS deviations in our EQS system. Deviations are thoroughly dealt with in meetings to learn so that future incidents can be avoided. We also determine what measures must be taken to close the deviation.

403-3 Occupational health services
We have a cooperation agreement with STHMS Sør-Troms EHS service, which offers a range of services for us. STHMS functions in principle as our company health service that offers such things as:

→ Targeted health checks as needed

→ Maritime employee attestations

→ Safety inspections

→ Courses and training. For example, first aid, EHS courses, performance appraisals etc.

→ General advice and guidance

→ Mapping the psychosocial working environment, with possible follow-up as needed.

In a risky profession, reliable insurance schemes are essential. We comply with EHS procedures for all work operations. We have insurance schemes for everyone at Gratanglaks and we have quick access to therapists and treatment. The health insurance covers medical specialists, medical advice, chiropractors/ physiotherapists, psychologists and aftercare. Our personnel insurance has a number that is linked to the basic amount in the Norwegian National Insurance Scheme. This covers such things as occupational injuries/work injuries, leisure accidents and compensation in the event of death as a result of illness.

403-4 Worker participation, consultation, and communication on occupational health and safety
The involvement of our employees in EHS work is important to us. We hold regular operational meetings where we discuss EHS and analyse risk assessments and discuss measures that can be implemented. We work closely with Sør-Troms EHS service (STHMS) to ensure efficient EHS work. We also work actively with the safety representative to safeguard the safety, health and welfare of our employees. The safety representative plays an important role in safeguarding the interests of our employees related to the working environment. We also encourage our employees to contribute by using the EQS implementation functionality, so that we get valuable information about EHS from their viewpoints.
We place great emphasis on employee participation to ensure a safe and health-promoting working environment and that we can update with appropriate measures to further develop and improve conditions at our company.

403-5 Worker training on occupational health and safety
EHS training is outlined in our training system and is provided in accordance with our internal controls. Our employees who work on cages receive training in boat safety, safe travel and the safe use of equipment and machinery. We also require everyone who works on rafts/cages, feed barges and work boats to undergo thorough training in the use of cranes, winches and other relevant equipment. Through proper and comprehensive training, we contribute to creating safe working conditions and reducing the risk of accidents and injuries.

403-6 Promotion of worker health
Our employees are covered by public health services to ensure access to necessary healthcare. Through our ASC and GlobalG.A.P. certifications, we follow strict requirements for the health, safety and welfare of our workers. Completing the training course is mandatory to meet all our EHS requirements. We also review all our employees' agreements and insurances once a year.

403-7 Preventing and mitigating of occupational health and safety impacts directly linked by business relationships
We have clear expectations of our suppliers to ensure a safe and healthy working environment for their employees, their subcontractors, and for our employees when they work with us. We want the risk to be minimised through routines, follow-up and procedures.

This is handled through risk assessments, certification requirements such as ASC and GlobalG.A.P., and supplier self-declarations. With upcoming laws and regulations that emphasise transparency and sustainability, it will be even more important for us to set requirements for our suppliers.

403-9 Work-related injuries

Work on the cages entails risks like a risk of pinching injury, falling into the sea and the risk of being hit by moving objects. Both 2021 and 2022 were years without any serious injuries. We have a vision of zero harm. This will be achieved through a strong EHS culture. An important part of this work is the training and involvement of employees in all parts of our activities. We recorded one pinching injury in 2022.

Other injuries that have not led to sick leave, but which are registered as deviations in our quality system, are followed up with good measures to prevent recurrence. We focus on establishing good knowledge and awareness among all our employees. This is linked to our plan to prevent injuries and reduce risk. Key to this work is also to implement preventive measures. We have awareness campaigns, info screens on the rafts, training and regular implementation of risk assessments and use of the deviation system. We carry out thorough risk analyses to minimise risk. We make sure we provide necessary and quality training, also in the use of proper protective clothing and equipment. The data in the table below has been collected via the EQS deviation system.

Table 403-9a

	2020	**2021**	**2022**
Fatalities	0	0	0
Serious occupational accidents	0	0	0
All work-related injuries	1	3	1
No. 1 most common work accident	Falling on boats due to slippery surface or waves		Crush injuries
Nr. 2 mest vanlige arbeidsulykke	Falling on cages due to waves or slippery surfaces		

403-10 Work-related ill health

Gratanglaks works actively to maintain a low level of sickness absence among our employees. In 2022, we had a sickness absence rate of 2.59%, which is below our target of 4%. Absence due to illness is an important indicator of employee well-being and safety. We continue to improve safety practices and conduct thorough risk assessments to ensure a safe workplace. We will continue to focus on the health, safety and well-being of our employees going forward.

Year	2022
Employees	
Number of deaths	0
Number of registered work-related health problems	N/A
Types of work-related health problems	N/A
Non-employees (workplace controlled by the organization)	
Number of deaths	0
Number of registered work-related health problems	0
Types of work-related health problems	0
Dangers	
The dangers that pose a risk of health problems	Long days and heavy lifting
Determination of hazards	N/A
The dangers that cause or contribute to health problems	N/A
Measures to eliminate hazards and minimise risks	Regular risk assessments focusing on EHS at all our sites

13.20 Employment practices

Gratanglaks has clear guidelines for employment practices. We follow Norwegian legislation closely and work in accordance with the guidelines set by GlobalG.A.P. and ASC. In the recruitment process, we cooperate regularly with employee representatives and ensure compliance with Norwegian legal requirements. When it comes to worker pay, we have a clear approach that is guided by our employee handbook and collective bargaining agreements. We make sure our employees are properly compensated according to current pay and working conditions. 100% of our employees have viable wages.

To ensure that the work carried out within our supply chain is in line with appropriate institutional and legal frameworks, we have established a rigorous practice. All our suppliers who are in direct contact with the fish are required to be GlobalG.A.P. certified. If a supplier is not already certified, we require them to undergo a third-party audit to ensure they meet the required standards, either through GlobalG.A.P. or ASC.

13.21 Living income and living wages

Gratanglaks makes sure all employees receive a viable income in accordance with collective wage agreements and Norwegian legislation. We follow the Norwegian Seafood Federation's collective wage agreement to ensure a viable income for our employees. Our purchasing, pricing and reward policy takes this into account by following the main collective agreement with the Norwegian Seafood Federation. We follow pay scales and ensure that the salaries of our employees increase in line with relevant collective agreements and industry standards.

To ensure that the wages paid by our suppliers meet the requirements for viable income, we have a system that monitors wage levels. We set strict requirements for our suppliers through various certifications and requirements for payroll practices.

13.22 Economic inclusion

Economic inclusion is about how a company impacts the economic opportunities in the local community and opportunities for local suppliers. Our economic performance has a significant impact on how we create economic value for society. By making payments to suppliers, we help maintain a well-functioning supply chain. This creates and maintains jobs for suppliers, and ensures access to necessary resources and goods. Employee wages are an important part of economic value creation.

We safeguard the purchasing power of our employees by paying competitive wages. Our employees often reside in smaller communities locally, which contributes to local economic sustainability. We also support society through the payment of taxes, fees and other economic contributions. This is crucial if society is to maintain well-functioning public services and infrastructure. Dividend payments are also part of the economic distribution of goods. Dividends have been used to pay imposed taxes and fees (wealth and dividend tax), as well as investments in associated companies.

Through our activities, we create economic value that has a positive impact on the local community and society as a whole. We will continue to act locally to ensure economic growth, employment, welfare and sustainable development in our region.

201-1 Direct economic value generated and distributed

	2017	2018	2019	2020	2021	2022
Direct economic value generated						
Total operating revenues (in NOK 1000)	369 590	368 710	337 755	377 568	397 560	574 778
Economic value distributed						
Inventory changes	-	4 586	94 386	9 085	–25 475	42 483
Payroll costs	13 357	17 723	20 620	19 880	23 593	27 931
Ordinary depreciation	8 018	10 630	9 788	9 975	12 161	13 693
Impairment	-	-	-	-	-	13 452
Other operating costs	38 236	46 954	49 783	68 809	57642	50 815
Total tax	28 741	23 941	24 568	2 802	12816	43 482
Total dividends	-	71 494*	4 040	-	15 540	0
Total other interest costs	225	206	225	164		580
Profit before tax	124 206	105 414	109 125	11 502	57 826	149 250

*The dividend went towards the payment of taxes, economic assistance to build a new boat (fishing vessel) and the founding of our sister company Odd Lundberg AS..

203-1 Infrastructure investments and services supported

We provided support for a floating dock in Hamnvik in 2022. This is primarily used by Gratanglaks, but is designed for anyone to use it. More about our sponsorships and role in the local community can be read on pages 68-69.

203-2 Significant indirect economic impacts

Our employment of local workers contributes to increased purchasing power in the local community. By hiring locally, we also strengthen the local business community. We emphasise the use of local suppliers. This stimulates economic activity in the region. We are aware of the environmental impact of our operations.

We take strict precautions to minimise pollution and reduce the impact on the environment. We are always aware that there are multiple stakeholders related to natural resources. In our region, fishing and tourism are particularly important.

We are conscious of the consequences of climate change and natural disasters. This can lead to significant economic losses for the fish farming industry and for society as a whole. We therefore invest to minimise our vulnerability. Overall, Gratanglaks has a significant economic impact in society through employment, local supplier cooperation and tax contributions. In 2022, we had over 246 suppliers, 36 employees and 11 summer temps.

13.23 Supply chain traceability

We ensure traceability throughout the value chain by registering and documenting important information about our fish from the roe stage until it reaches the stores. All data is thoroughly recorded when transferring fish to sea, which is delivered from the hatchery supplier. The purpose of this is to provide traceability throughout the value chain, from roe to harvested fish. When we receive fish from Astafjord Smolt AS, the data is imported directly into our system, Fishtalk, and assigned to the correct sea site. Manual registration of which cage the fish are placed in is required, as well as selection of the correct transfer project name. The transfer project number must be identical to the number in the hatchery's CV. This is also entered manually.

When we receive smolt from external hatchery suppliers, we register data from the wellboat reports that contain information about the freight. To ensure that we include all important information about the fish, we use the CV from the hatchery supplier. Here, too, the correct transfer project name, and the transfer project number must be identical to the number in the hatchery's CV. This is entered manually. The CV from the hatchery supplier is stored as a copy either on the server or in a binder to ensure access to the documentation. There is an increased focus on certification among our suppliers. Most suppliers directly linked to our value chain for salmon production have chosen to be certified according to GGAP and ASC standards. This is because the industry imposes increasingly stringent requirements for certification as a guarantee that suppliers operate in accordance with the requirements in the standards.

We are proud that 100% of the volume we collect from smolt is certified according to internationally recognised standards. This ensures good traceability.

13.24 Public policy

The company engages in public policy through the expression of opinion and the sharing of information when there is a need for knowledge about the industry. We are also a member of the Norwegian Institute for Strategic Studies, Norway's largest seafood organization with over 850 member companies. The Norwegian Seafood Federation represents the members in collective wage and tariff negotiation and is the authorities' natural consultative body in the development of legislation, fisheries and industrial policy.

13.25 Anti-competitive behaviour

Gratanglaks promotes broad cooperation in the industry and is actively involved in various cooperation groups, such as the HIA group, Sea-North and Sørtromsgruppen. We recognise the value of collaboration and partnership to strengthen the entire industry and promote sustainable development. In addition to cooperation with other operators, we have a close relationship with the local communities in the municipalities where we operate. We value the importance of being part of the community and support local initiatives and economic development. As part of our commitment to business, we collaborate with business mentors to exchange knowledge and experiences that can contribute to growth and innovation in the industry. This includes three operators in addition to UiT Narvik.

We operate in accordance with applicable competition rules and are committed to ensuring a fair and open market economy. Our business is built on the principles of healthy competition. We take our commitments seriously to maintain a fair and competitive business environment.

13.26 Anti-corruption

We have zero tolerance for corruption. Gratanglaks acts in accordance with the highest standards of ethics and integrity. We have not identified corruption or attempted corruption related to our operations in 2022.

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Gratanglaks

MOLOEN
SUSTAINABILITY