# Sustainability in Gratanglaks



Celebrating 40 years of sustainability!

LEARN MORE ON PAGE 4

"Our people are the most important!"

LEARN MORE ON PAGE 14

Driving growth for Gratangen

LEARN MORE ON PAGE 18



Publisher

Moloen Sustainability

Editor

Moloen Sustainability

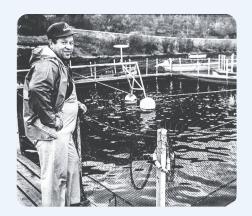
Design

Tank Design Tromsø

	40 Years of Sustainability	<u>4</u>
	Ripple Effects	6
Impact	Materiality Analysis, UN Sustainable Development Goals, and Certifications	10
Key Figures	Our Salmon	12
	Our People – A Day in the Life of Our Employees	14
	The Local Community  – New Life in an Old Pier	18
	The Ocean and the Planet	22
	Greenhouse Gas Emissions	26
	Economic Sustainability	28
GRI Reporting	GRI Reporting	30

#### Introduction

# 40 Years of Sustainability!



Gratanglaks is a true family business, celebrating 40 years in 2024. Looking back at photos from the early years, it's hard to imagine how an industry built with homemade equipment became so significant for Gratangen and Northern Norway. Both CEO Tore Lundberg and his wife, Office Manager Trine Lundberg, were involved from the very beginning.

— "There's no doubt that the 1980s are a far cry from where we are today. The equipment was basic, based on experience from other industries — especially fishing. We had wooden pens with a circumference of 40 meters and nets that were four meters deep. We had to figure out how to build the equipment and secure it ourselves. It was quite a time," Tore reflects, 40 years after the company began.

In the beginning, salmon farming was an expensive side venture that supplemented the family's fishing activities. When the founding brothers, Geir and Tore Lundberg, went fishing to earn money, other family members looked after the salmon.

- "I clearly remember feeding the fish with my mother-in-law. We had to haul 35 kg sacks of feed in a wheelbarrow. It was tough, but we made it work," Trine recalls.
- "Along with the physical labor, the financial aspect was challenging. Scraping together the funds we needed to get started was hard. Starting out like that today would be impossible," Tore adds.

#### Support from the Local Community

The Lundberg family's salmon farming efforts were warmly embraced by the local community. Many stepped up to help tackle the numerous tasks that came with building a new industry.

- "It warms my heart to think of how an entire community helped build this business. So many people supported us along the way, and their help was crucial to getting through some tough early years", Tore shares.
- "We've been incredibly fortunate to have a local community that wanted us to succeed", Trine adds.

Gratanglaks hired its first full-time employee in 1984. Today, 45 people work at the company, making it a significant employer in the municipalities of Harstad, Kvæfjord, and Ibestad, in addition to its home in Gratangen.

- "We've been lucky to have an amazing, motivated team that has helped us achieve ambitious goals.
   Talented people with both brains and hands have been instrumental in our success", says Tore.
- "We have a fantastic staff. Without them, we wouldn't be where we are today", Trine emphasizes.



#### An Established Group

Today, Gratanglaks is a cornerstone company and a group with multiple businesses. Through subsidiaries like Astafjord Smolt, Håløy Havservice, Brønnbåt Nord, and Astafjord Slakteri, the company now controls the entire value chain, from smolt production to processing. In addition to creating skilled jobs, the salmon businesses contribute substantial tax revenues to local municipalities.

- "We have local operations, with slaughterhouses, smolt production, and feed centers right where we live. We love our villages, which is why we prioritize local investments and purchases", Trine says.
- "What we want is to build thriving communities. That was one of the main reasons we started and remains our motivation. Our goal is to ensure it's possible to live and thrive in this region for the next hundred years", Tore concludes.

In summary, Gratanglaks has transformed over 40 years from using homemade equipment to becoming a high-tech group with a turnover of NOK 700 million. Across its value chain and affiliated companies, there are 250 employees producing approximately 10,000 tons of salmon − equivalent to 41 million meals. ■

#### Licenses:

- 1 demonstration license
- 2 green licenses
- 2 standard licenses
- 3 research licenses linked to Seacalx

### A Complete Value Chain

### - Creating More Value for Local Communities

### Ripple Effects in 2023









1984 1986 1990

• Establishment of Gratanglaks First license with a capacity of 10–20 tonn. • Establishment of Astafjord Slaughterhouse Expansion in 2008 using local suppliers • Establishment of Astafjord Smolt Expansion in 2016 using local suppliers.

 Establishment of Håløy Havservice

2001









2018

2020

2020

2022

 Construction of Kasseriet Local suppliers used. Acquisition of Seacalx
 Awarded 3 research
 licenses to study sea lice reduction.

First apprentice hired

· First site certified by ASC

For 40 years, Gratanglaks has been a central player in the small community of Gratangen, creating significant ripple effects through our operations. Our commitment has always been to contribute to the local environment and the people who live here.









2014

2015

2015

2016

 First site certified by Global G.A.P  Establishment of Brønnbåt Nord Awarded green licenses

 Awarded demonstration license
 Launch of the Blue Vision visitor center in 2018.

### **Total Ripple Effects in 2023**

8

licenses with a total capacity of 17,220 tons of salmon

55

employees at Håløy Havservice 8 160

visitors to our Blue Vision visitor center

4–5

employees working internally and externally with Seacalx

60

jobs and a filleting line at **Astafjord Slaughterhouse** 

SLOBALG A.F

FARMED RESPONSIBLY ASC CERTIFIED ASC-AGUA AFRO

**All sites certified** by Global G.A.P and **2 sites** by ASC

14

employees at Kasseriet

2

apprentices

17

employees at Astafjord Smolt 48

employees at **Brønnbåt Nord**, operating three vessels with one more under construction

166 tonn

tons produced under research licenses

3C

potential new jobs connected to the development license for Øymerd

### Words from Our Partners

"Medkila IL and Gratanglaks have collaborated for over 10 years. We are impressed by the community engagement that Gratanglaks demonstrates both in their own municipality and throughout the region. At Medkila, we are proud to partner with Gratanglaks."

Ole Martin Linaker Sports Director, Medkila IL





"Gratanglaks has supported us for many years, not only financially but also with people and equipment. They are a major contributor to the success of the Foldvik market year after year."

#### Jonas Strand Chairperson, Gratangen Coastal

Association



### Materiality Analysis, UN Sustainable Development Goals, and Certifications

### Materiality Analysis

In 2023, we revised our materiality analysis, building on the initial assessment from 2021. With increased expertise and a deeper understanding of our potential impacts, we refined our focus areas. We conducted a double materiality analysis in accordance with the CSRD standard, including an evaluation of financial risks and stakeholder input. To ensure a thorough review, we distributed surveys and conducted interviews with stakeholders to integrate their perspectives into our sustainability strategy.

#### **UN Sustainable Development Goals**

The UN Sustainable Development Goals (SDGs) are a global action plan to eradicate poverty, combat inequality, and stop climate change by 2030. Based on the results of the materiality analysis conducted in 2021, SDGs 3, 8, 11, 14, and 17 emerged as the highest priorities. Therefore, we are focusing our efforts on these five goals.

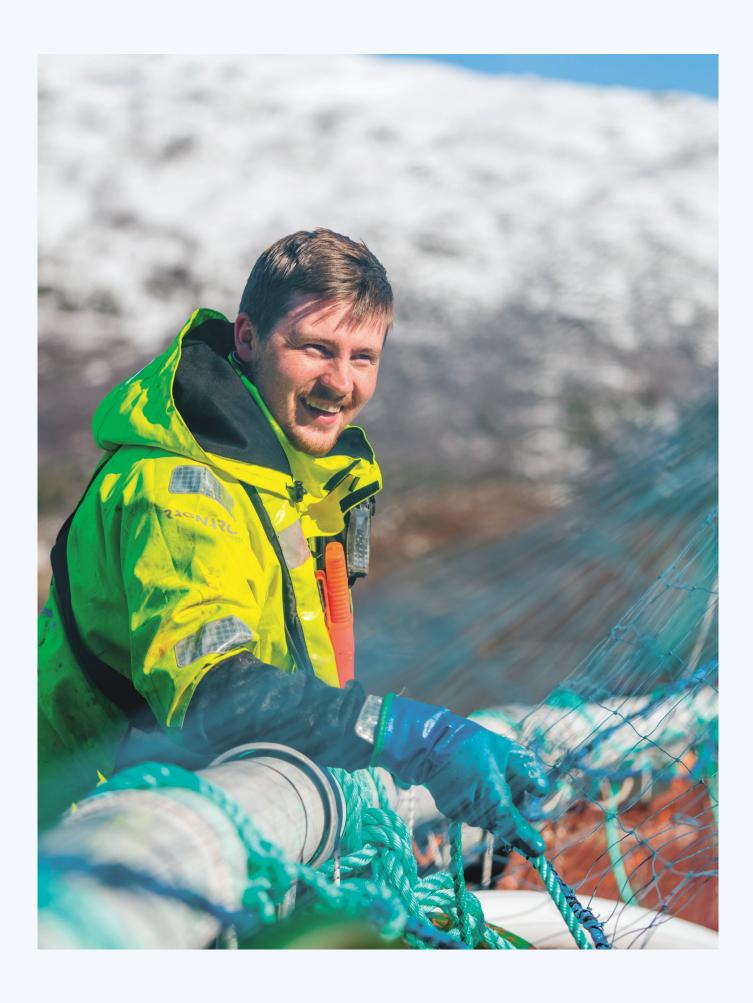
#### Certifications

"All our sites are Global G.A.P certified, and this year, two are also ASC certified."

Meeting the requirements for Global G.A.P and ASC certifications requires significant effort, but the benefits for both the environment and the economy are well worth it. These certifications demonstrate that our production is sustainable and complies with all legal requirements. ASC certification, in particular, sets the strictest standards for minimizing negative environmental and social impacts.

By achieving these certifications, we ensure responsible aquaculture and enhance our reputation in the market.

Our goal is to have all our sites ASC certified.



### Our Salmon

The health and welfare of our salmon are very important to us. We carefully monitor many factors that can impact their well-being, such as diseases, the environment they live in, and the food they eat.

To keep our salmon healthy, we ensure they have optimal living conditions and provide them with the necessary vaccinations to prevent common diseases. We closely track mortality rates and overall fish health. Additionally, we use innovative technology, such as underwater cameras, to detect health issues early.

One of the industry's greatest challenges is sea lice. We work hard to prevent our salmon from being infested.
When treatment for sea lice is necessary, we use a combination of mechanical and chemical methods, choosing the approach that best suits the fish's health to minimize stress. These measures are crucial for protecting our salmon and the environment around our farming facilities.

### 2023 Results:

100%

Of our salmon were vaccinated

0,17

Adult female lice per fish

7,09%

Mortality rate (including Seacalx)



### Sea Lice

In 2023, we conducted 206 sea lice counts, an increase from previous years. The average number of adult female lice per fish was 0.17, consistent with 2022. Despite significant challenges with sea lice, we had fewer weeks exceeding the lice limit set by authorities.

### Mortality

In 2023, our mortality rate was 7.09%, higher than in recent years. Unfortunately, a single site experienced high mortality early in the year.

Learn more about how we work with fish welfare on our website under "Sustainability".



### Our People



Our dedicated colleagues make it possible to deliver millions of meals of safe, healthy, and high-quality seafood.

We prioritize creating an inspiring and motivating work environment that fosters well-being, performance, and great results. This also makes it easier to recruit new team members, and we're proud that more and more people want to work with us.

We highly value our employees, investing in training and development to maintain our expertise in a rapidly evolving industry. Our work region now covers Harstad, Tjeldsund, Narvik, and Gratangen. Thanks to opportunities for shift work, we also attract employees from Øksnes, Senja, and Tromsø. Applications from these areas continue to grow, and the commute is not seen as a barrier.

#### Health, Safety, and Environment (HSE)

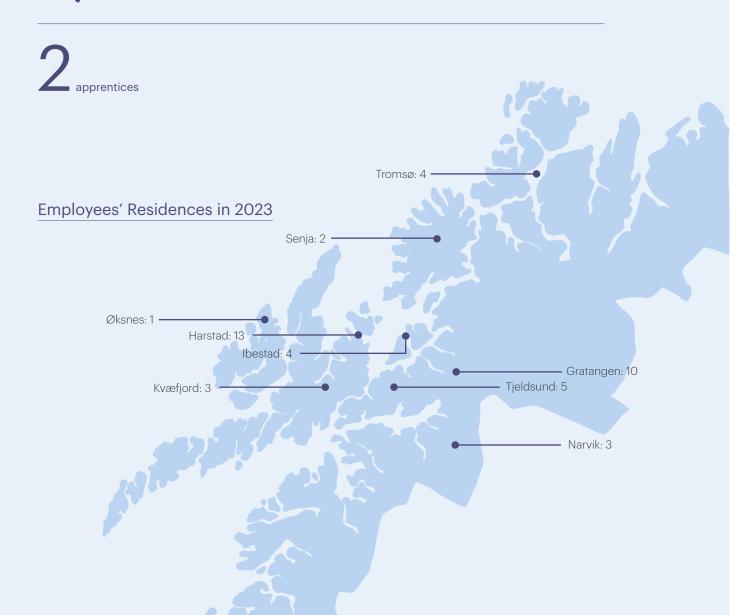
One of our top priorities is the health and safety of our employees. We have zero tolerance for discrimination and harassment and are committed to creating a workplace where everyone feels included and valued. By focusing on HSE (Health, Safety, and Environment) and actively working on attitudes, we ensure everyone returns home safely from work.

Aquaculture is one of Norway's most hazardous industries. Our leadership takes significant responsibility for closely following up on HSE efforts. In 2023, we identified five potentially dangerous situations, which we corrected before any incidents occurred. However, there was one accident where an employee fell from a ladder, resulting in 2–3 months of sick leave.

 $45_{\text{employees}}$ 

### NOK 32.457.488 in salaries paid

2,62 % sick leave rate

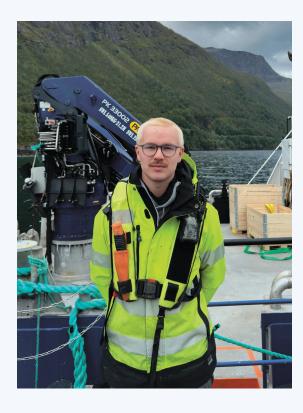


## A Day in the Life of Our Employees

### Family-Friendly Job

- "My job is to take care of the fish, ensuring they thrive and don't escape." **Alexander Olsen** doesn't hesitate when asked about his role. The 32-year-old from Harstad works as an aquaculture technician at the Kjøtta site near Grytøya and thoroughly enjoys his job.
- "It's exciting because no two days are the same. The people are great, and there's good teamwork, so I'll probably stay here for quite a while", he says. With experience in the Coast Guard and Hurtigruten, Alexander appreciates having a more family-friendly job now. And the best part of his job?
- "Being out at sea, especially on a day like today 24 degrees and no wind", he laughs.



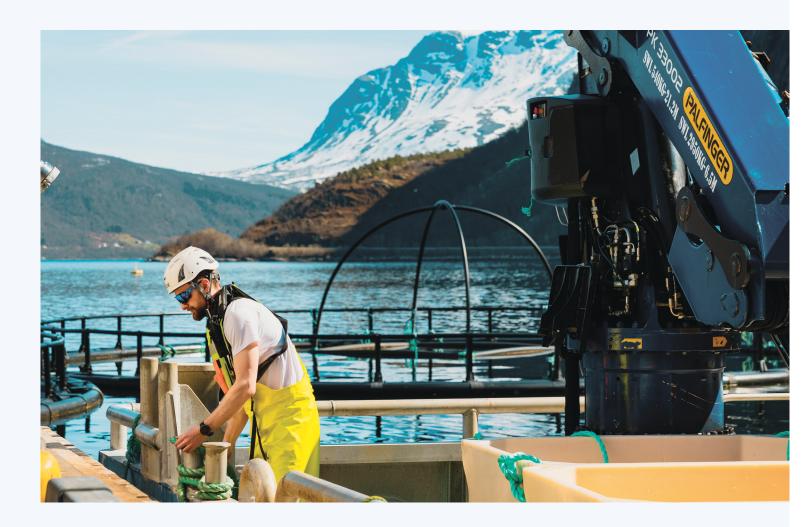


### "The People Are the Best"

Eighteen-year-old **Mathias Henriksen** from Bjerkvik is a first-year apprentice at the Skjærvika site near Hilleshamn. He spent two years studying aquaculture at Sortland Upper Secondary School, Kleiva. A bit of serendipity led him to aquaculture.

- "During the pandemic, I watched a series about salmon farming and thought it looked really exciting and fun. They worked with fish and drove boats that's what I wanted to do too!" Mathias is happy with his choice and enjoys the practical aspects of the job. These days, he's focusing on maintenance work.
- "The best thing about working at Gratanglaks is the people - they're fantastic", he says. His goal is to earn his certificate after two years as an apprentice and continue in his dream job.

Key Figures Gratanglaks 17





### A Short Distance from the Pens to the Office

- "At Gratanglaks, it's a short distance from the pens to the office we have an open-door policy!" says **Håvard Nilsen**, (52) who is very satisfied with both his workplace and the management. He has transitioned from site manager to production coordinator and is adamant about how great his workplace is, with many opportunities for growth.
- "There are exciting challenges every day, and I'm constantly learning something new. The industry isn't just about being at the pens it involves challenges related to technology, biology, fish welfare, the environment, and more. That's why it's great that management supports those who want to develop", he explains. Håvard holds a bachelor's degree in logistics and supply chain management and enjoys planning and anticipating potential issues.
- "Bad weather is coming, and you have to account for that", he notes. In practice, he serves as a support function for feed operators and the team at the pens.
- "If the team at the pens has suggestions for improvements, it's easy to contact management. They really ensure that we enjoy and grow in our roles. I love my job it's my dream job!"

### The Local Community

For Gratanglaks, a thriving local community is essential. We want our home municipalities to remain attractive both now and in the future. That's why we consciously choose local solutions that promote social sustainability.

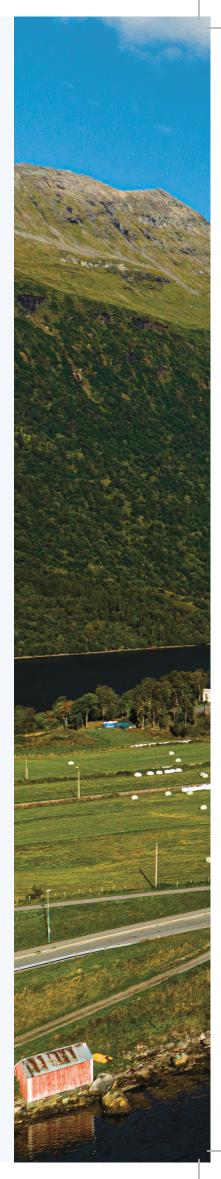
In 2023:

NOK 415.590

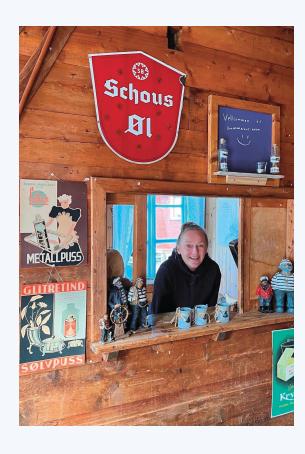
contributed to local events, sports, and advertisements.

NOK 7.749.439

paid in total to the municipalities of Gratangen, Harstad, and Kvæfjord for our licenses.







### Foldvik Pier

Foldvik Pier is more than a historic building to us – it is a symbol of unity, culture, and local value creation. This pier has been a central gathering place for fishing and coastal culture and now serves as a restaurant and pub that welcomes both locals and visitors.

#### New Life in an Old Pier

Local traditions and a sense of belonging are at the heart of Foldvik Pier's operations. Nestled between majestic mountains and a rich fjord, the pier has been restored with respect for its history and local culture. Its ties to the present are just as strong, with Gratanglaks' pens in the fjord and the slaughter and smolt facilities nearby.

This connection between history and the modern world ensures that Foldvik remains vibrant and ready for the future. While some may see Foldvik in Gratangen as remote, for the people who live and work there, it's the center of the world.

Gratangen Coastal Association owns Foldvik Pier, with Veronica Dinessen energetically leading the restaurant, pub, and the "Old Store", a cozy café open during the summer. Veronica grew up in Foldvik and became involved in activities at the pier early on.

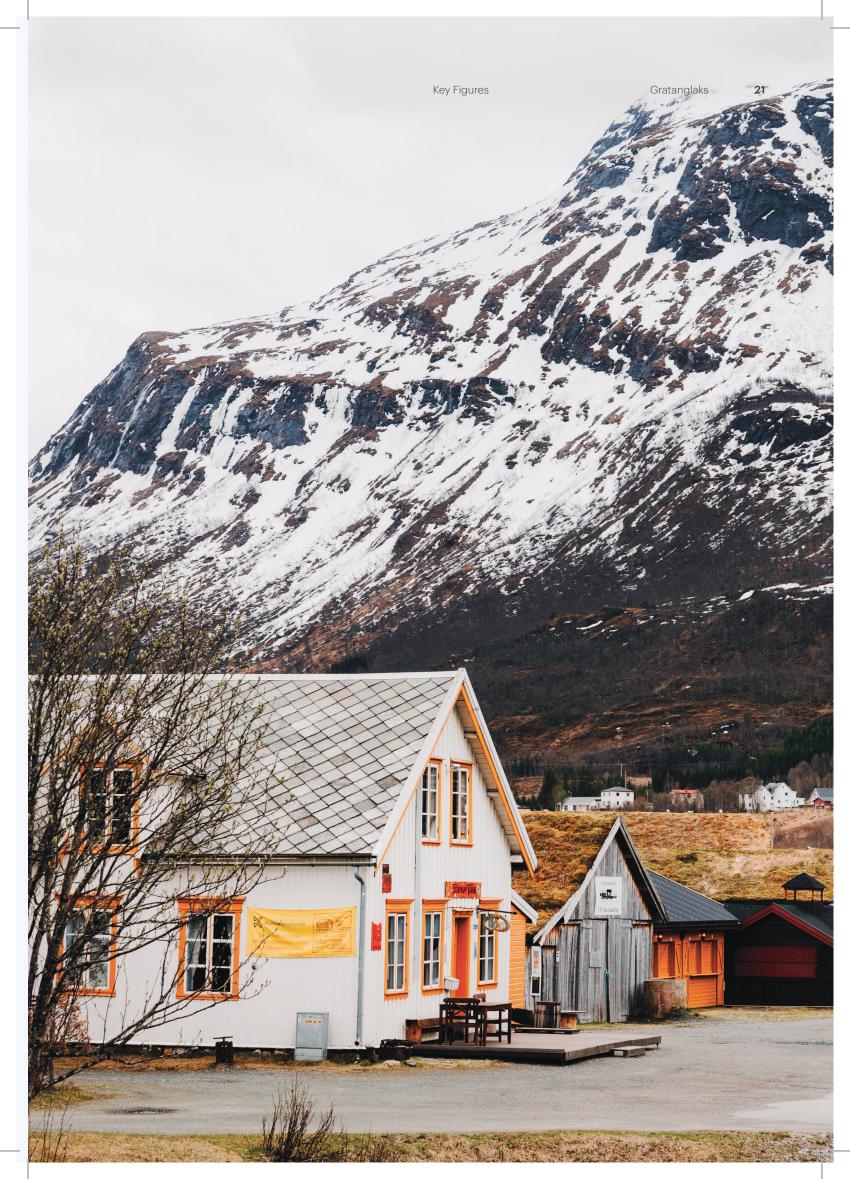
In the past, one of the main buildings at Foldvik Pier housed a store, post office, doctor's office, and telegraph. Boats were hauled into the nearby boathouse, and the attic was used for net mending. Today, the three net drying racks are unique, protected cultural landmarks.

#### **Community and Collaboration**

Veronica Dinessen shares that Foldvik Pier has strong partnerships with local businesses, including Gratanglaks.

"When they host guests and meetings, they often book tables with us. We also provide catering. Our menu is based on local ingredients, and we have so much to offer from the sea. The people in the village are great at supporting us, and we really appreciate that", says Dinessen.

Before Christmas, the pier hosts a Christmas market where local producers showcase their goods and services. In August, the Foldvik Market and Coastal Culture Festival bring the village to life, attracting many visitors who enjoy the vibrant seaside community.



### The Ocean and the Planet

We aim to reduce our environmental footprint through sustainable food production, minimizing the impact on the natural surroundings. To protect marine ecosystems and preserve wild salmon populations, we continuously work to prevent escapes from our farming facilities and optimize feeding practices to reduce feed waste. Additionally, we participate in a project aimed at conserving wild salmon in local rivers, contributing to the preservation of marine biodiversity.

Our ASC-certified sites adhere to strict environmental standards throughout the production process. We continually implement new measures to improve our production methods. This includes necessary fallowing periods and environmental surveys of the seabed to monitor the conditions under and around our farming sites. After the fish are harvested, we allow the ocean to rest and recover to its natural state, contributing to even more sustainable salmon production.

#### **Zero Escapes**

Norway's aquaculture industry has a zero-escape vision, and over the past 25 years, the industry has systematically worked to reduce the risk of fish escaping. Escapes can lead to genetic impacts on wild salmon, the spread of diseases, economic losses, and damage to reputations. This is why prevention measures, control systems, and training in escape prevention are essential. We have procedures in place to recapture fish in the event of an escape. In 2023, we recorded zero escaped fish, a result we are very proud of.



23

In 2023:

1,15 biological feed conversion ratio (including Seacalx)

seabed surveys conducted, with 4 rated as excellent



Land Use:

2 decares

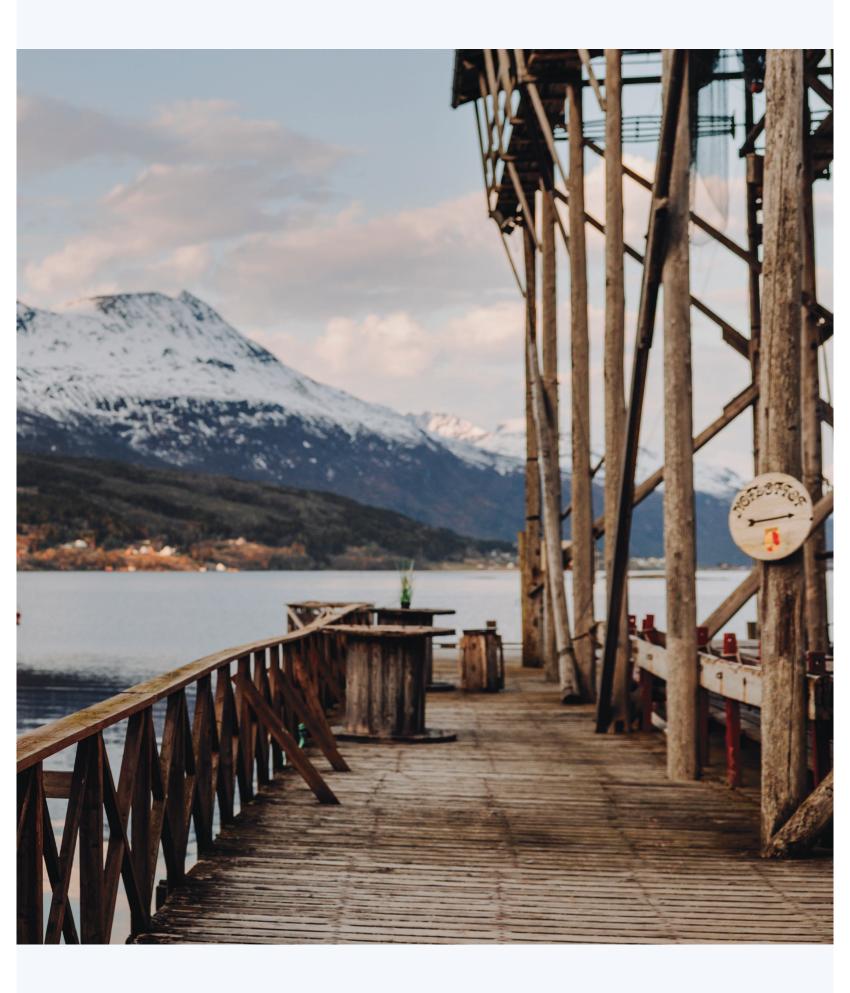
total area for land facilities

528 decares

total area for sea facilities



Key Figures Gratanglaks 25



### Greenhouse Gas Emissions

In 2023, the Skøyen facility operated exclusively on shore power, and the Skjærvika facility also relied heavily on shore power. Additionally, shore power was installed at the Sortevika and Skardbergvika sites in 2023. These measures contributed to an increase in electricity consumption for the year.

Our energy consumption varies from year to year, depending on which sites are operational and how long they are in use. In 2023, we had five sites in

operation simultaneously, compared to four in 2022. One of these sites is located farther away, leading to an increased need for fuel.

Feed production, smolt production, processing, box production, and well boats are the most significant contributors in our value chain. Our calculations are based on energy consumption data provided by suppliers.

Emission Intensity 2023

8,444

Tons of salmon produced (round weight)

25,248

tons of total CO<sub>2</sub>e emissions

2.99

Tons of CO<sub>2</sub>e per ton of salmon produced

\*Market-based method

Read the full climate report and methodology on our website under "Sustainability".

Key Figures Gratanglaks 27





### **Economic Sustainability**

"Economic sustainability is the foundation of our ability to move forward – not only for our business but also to ensure a thriving local community."

In 2023, we faced several challenges that impacted our economy. Sales volumes decreased, which naturally affected revenue compared to 2022. This reminds us of the importance of maintaining and increasing production to ensure continued growth. Additionally, the resource rent tax significantly affected our financial situation, increasing our total tax expenses.

Despite these challenges, we achieved strong results and high revenues.

Economic sustainability, however, is about more than numbers and results. We are part of a larger ecosystem where our success directly influences jobs, local value creation, and community well-being.

Key Figures Gratanglaks 29

### 2023 Financial Highlights:

### 7,585 tons of salmon

Sold (\*round weight, including Seacalx)

NOK 521,345,000

Total revenue

NOK 102,059,000

Net income

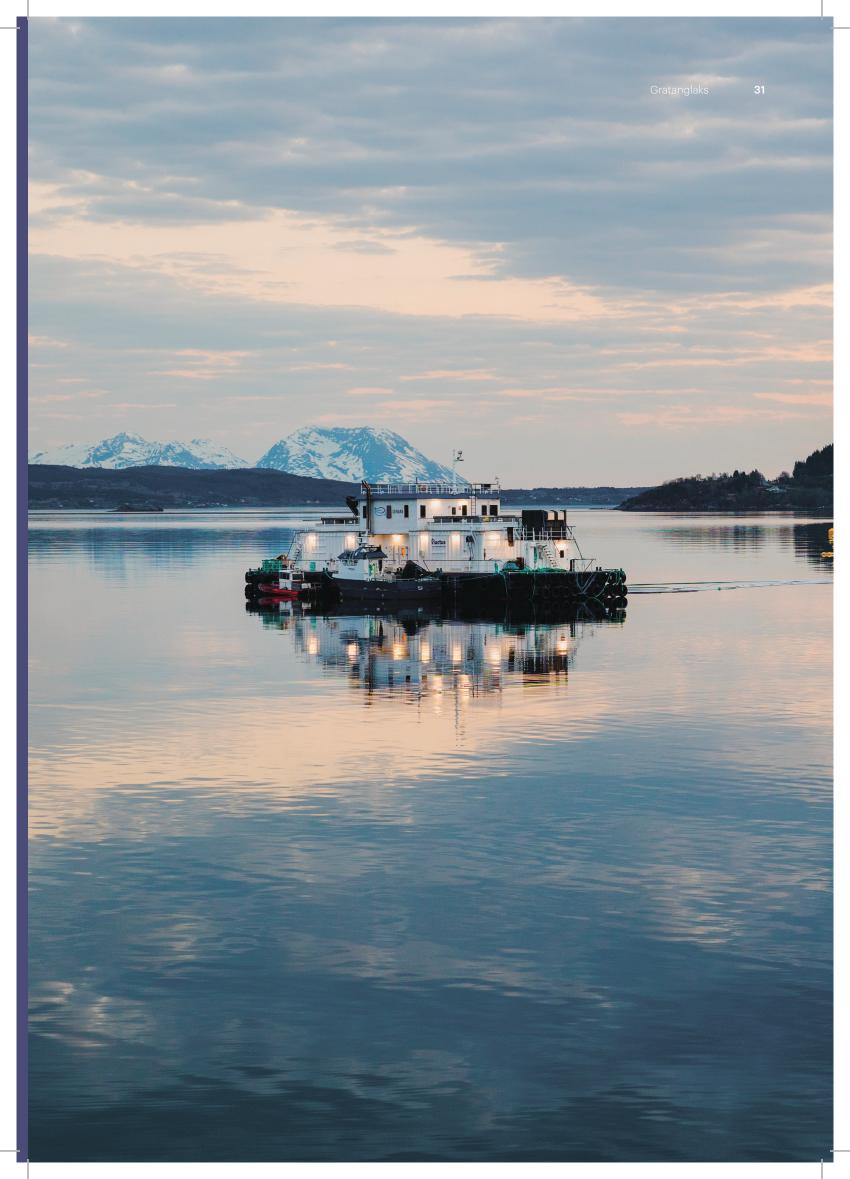
>NOK 50,000,000

In tax contributions

### **GRI** Reporting

We have chosen to follow the Global Reporting Initiative (GRI) framework for our sustainability reporting because it is a comprehensive and recognized standard. The GRI framework helps us systematically measure and communicate our impact on the economy, environment, and society.

By using GRI, we ensure transparency, comparability, and credibility in our sustainability reports – essential for our stakeholders and achieving our sustainability goals.





Moloen Sustainability AS Skanckesmuget 1A