Task force on Climate-related Financial Disclosures (TCFD)

April 2025

Contents

TCFD Introduction 3

Company Introduction 4

1. Governance 5

1.1 The Governance Body(s) and Management Oversight 5

2. Strategy 7

2.1 Climate-related risks and opportunities 7

2.2 Strategy and decision-making 10

2.3 Financial position, financial performance and cash flows 12

2.4 Climate Risks – Current and Anticipated Financial Effects 13

2.5 Climate-related Opportunities – Current and Anticipated Financial Effects 15

2.6 Climate Resilience 17

3. Risk Management 22

3.1 Risk Process 22

3.2 Opportunity Process 23

4. Metrics and Targets 24

4.1 Climate-related metrics 24

4.2 Climate-related Targets 25

TCFD Introduction

Climate change and food security remain the biggest challenges facing humanity. We recognise the growing significance of climate change on our business and the increasing role of producing food from the ocean as a solution to climate change. As a climate-friendly food producer, we disclose climate-related risks and opportunities by adopting the Task Force on Climate-related Financial Disclosures (TCFD) recommendations (aligned with IFRS S2).

Mowi had adopted a global approach to climate change which is aligned with climate science (our targets are approved by the SBTi) and the Paris Agreement to limit the increase in the global average temperature to well below 2°C, and ideally no more than 1.5°C, above pre-industrial levels by the end of the century.

Mowi integrates climate-related disclosures in this Annual report (see our Planet and ESRS E1 sections) and in addition, we have also summarised the risks and opportunities arising from climate change, our strategic approach towards a low carbon economy and our corporate targets in this TCFD report. For a more extensive description of our GHG emissions and climate strategy please see our CDP report.

Company Introduction

Mowi is one of the world's leading seafood companies, ranked number one on both market capitalisation and sustainability. Mowi is also the world's largest Atlantic salmon farmer with harvest volumes of 501,530 tonnes in 2024, equivalent to a global market share of approximately 20%.

Mowi is ranked #1 in the Coller FAIRR sustainability rating for the sixth consecutive year, reaffirming our sustainability leadership among the 60 largest listed global meat, dairy, and aquaculture companies. The company has a fully integrated value chain from roe to plate and produces its own environmentally certified feed specifically designed for the Mowi salmon strain.

At every stage of the value chain, we all work towards one shared aim: To provide a growing world population with delicious, healthy and nutritious food from the ocean, in a way that respects our planet and allows local communities to flourish. A product everyone at Mowi is proud of, every day.

Our investments in areas such as genetics, feed, value-added processing and smart technology have transformed our business and now place us in a leading position that few food-producing companies can match. We offer seafood products to more than 70 countries, are represented in 26 countries and employ 14,095 people. Mowi is organised in three business areas: Feed, Farming and Sales & Marketing.

1. Governance

1.1 The Governance Body(s) and Management Oversight

The roles and responsibilities of our administrative, management, and supervisory bodies have been updated and improved for many years to ensure effective oversight of sustainability matters. The Board of Directors is the highest governance body and holds the overarching responsibility for overseeing the impacts, risks, and opportunities associated with our operations. They are instrumental in setting targets and monitoring the progress of our sustainability initiatives. The Board and the Audit Committee together with Mowi's executive team (Group Management Team, GMT) develop, approve and update Mowi's vision, values, guiding principles, leadership principles, materiality analysis, strategies, policies and targets related to sustainable development.

The responsibility of the Audit Committee is to monitor the company’s financial & sustainability reporting processes and the effectiveness of its systems for internal control and risk management. The Audit Committee shall also keep in regular contact with the company’s auditor regarding the auditing of the annual accounts and sustainability reporting and shall evaluate and oversee the auditor’s independence. The Audit Committee reviews ethical and compliance issues. Supporting the Board of Directors and the Audit Committee is the Sustainability Committee, tasked with developing and implementing sustainability strategies. The Sustainability Committee consists of members of Mowi's Group Management Team and internal representatives of areas, such as investor relations, communication, procurement and branding. This Sustainability Committee is monitoring and managing the impacts, risks, and opportunities associated with our business operations. Part of this committee is our CFO, Kristian Ellingsen, who works closely with the Chief Sustainability Officer, Catarina Martins, who leads our sustainability initiatives, and reports to the Board/Audit Committee on sustainability matters.

These roles and responsibilities are outlined in our company's governance documents and sustainability policies, providing a structured approach to managing our sustainability initiatives. The Chief Sustainability Officer report regularly to the Board on the progress and developments in our sustainability initiatives. Dedicated controls and procedures are in place for managing impacts, risks, and opportunities, integrated with other internal functions. These include our yearly budget process, our long-term plan which is updated every year and our sustainability committee meetings. All of the above include considerations of impact, risks and opportunities in Mowi's own operations and supply chain.

To manage risk, the COSO (Committee of Sponsoring Organisations) enterprise risk framework is applied, dividing risk into four categories:

1. Operational risk
2. Strategic risk
3. Reporting risk
4. Compliance risk.

Furthermore, the Board of Directors and Group Management Team oversee the setting of targets related to material impacts, risks, and opportunities, monitoring the progress towards these targets on a quarterly basis, ensuring a systematic and structured approach to achieving our sustainability goals.

The Board oversee all management impact, on management level the social impacts are delegated to the Chief Human Resources Officer and the environmental impacts to the Chief Sustainability Officer.

Delegation is done in alignment with Mowi's long-term plan (time horizon of five years), reviewed annually together with the board and the group management team. Mowi's sustainability strategy and policies are implemented throughout the group and influences all business areas and business units. Mowi's ESG governance includes how all bodies relates to Mowi's sustainability strategy and how to relate to impact, risk and opportunities within each entity and business area in the group.

2. Strategy

2.1 Climate-related risks and opportunities

Risk Area		Risk Type	Description	Time Horizon	Potential Financial Impact
Physical Risks	Chronic	Sea surface temperature changes	Fish stock survival, health, growth and welfare may be affected by environmental factors such as plankton, low oxygen levels and fluctuating seawater temperatures. Increased seawater temperatures can influence the onset of Harmful Algae Blooms (HAB) leading to fish mortality.	Short	Low
	Acute	Increased extreme weather-events	Extreme weather events in a changing climate has the potential to affect the growth and harvest of raw materials needed for fish feed, leading to higher operating costs.	Short	Medium
			Natural disasters and catastrophes, e.g. storms, flooding and landslides, may cause disruptions in own operations and the supply chain.	Medium	Medium

Transition Risks	**Policy & Legal**	**Emerging Regulation**	Increased carbon taxation on GHG emissions is becoming common practice in several countries where we operate. These prices have the potential to increase resulting in increased operational costs.	Medium	Medium
	Technological	**Fish farming technologies**	Farming technologies such as Recirculating Aquaculture Systems (RAS) and close-containment systems at sea, that could be advantageous in mitigating certain environmental impacts, could potentially increase the energy-intensity of farming operations, affecting the climate change mitigation.	Medium	Medium
	Market and Reputation	**Market changes**	Increased costs of raw materials linked with climate conditions such as droughts or El Nino/El Nina could contribute to increased operational costs.	Short	Medium

		Reputational risk	Salmon escapes due to extreme weather events or equipment failures have the potential to impact wild salmon stocks resulting in negative publicity and damage to our reputation.	Short	Low
Opportunities		Markets	Increased revenue streams as more people exhibit dietary shifts towards aquatic food as the world moves toward a low-carbon economy.	Medium	Medium
		Resource Efficiency	Use of renewable energy sources and hybrid energy management systems can reduce operating costs as well as emissions, that may be needed to comply with future regulations.	Short	Medium
			Deployment of large post-smolts into warmer waters caused by rising sea surface temperatures, allowing them to grow more rapidly while avoiding the pick periods of increased biological risk, may contribute to boost productivity and revenue.	Medium	High

2.2 Strategy and decision-making

Mowi's Sustainability Strategy, Leading the Blue Revolution Plan, outlines the company's sustainability strategy, including its commitments and actions. Mowi's primary goal is to produce more food from the ocean for a growing global population, respecting the ocean’s capacity, supporting local communities, and offering consumers tasty, healthy, high-quality products. This approach ensures long-term profitability. Mowi's Sustainability Strategy, focused on the principles of Planet and People, supports the company's social and environmental performance throughout the value chain. These commitments are designed to future-proof the business and align with the UN Sustainable Development Goals.

Recognising climate change as one of the world's most pressing challenges, Mowi has identified material risks and opportunities related to climate. These insights have driven the development of Mowi's Climate Transition Plan, which is integral to the company's key business strategy and financial planning in its core areas: feed, farming, and sales & marketing.

Mowi aims to leverage seafood as a climate-friendly dietary option and transition to a low-carbon economy by reducing carbon emissions across scopes 1, 2, and 3. The company is committed to achieving its science-based targets to lower total GHG emissions and to making its supply chain more climate-friendly both upstream and downstream. This includes using the best available climate-friendly feed raw materials, reducing diesel usage at farming sites, increasing the share of renewable energy used during farming and processing, and optimising downstream transportation. Mowi's targets include achieving a 50,6% reduction in scopes 1 and 2, 27,5% reduction in non-FLAG scope 3 and a 33.3% reduction in scope 3 FLAG emissions by 2030 using 2019 as a base year. Key performance indicators (KPIs) for these goals are total GHG emissions (scopes 1, 2, and 3) and the percentage of electricity sourced from renewable energy.

Access to raw materials needed for fish feed, along with a number of other factors such as diseases, algae blooms, low oxygen levels and fluctuating sea water temperatures, are all linked to physical changes in the climate and must be considered when evaluating climate-related risks.

Over the medium to long term, the availability of feed has been identified as a potential climate-related risk due to increased extreme weather events, and a lack of alternative feed raw materials with a lower GHG emissions as compared with the feed raw materials available today. Sourcing feed raw materials sustainably is a key component of Mowi's sustainability strategy, to mitigate the risks posed by extreme weather and reduce volatility in Mowi’s raw material supply chain. Mowi's strategy ensures full traceability of feed raw materials and adherence to sustainable sourcing credentials such as MarineTrust and Proterra. Mowi also invests in R&D towards testing and developing novel feed raw materials.

Mowi's targets include achieving 100% traceability of feed raw materials, ensuring 100% of marine raw materials are certified by Marine Trust or an equivalent, and 100% of soy is certified by Proterra or an equivalent, and therefore deforestation-free, and also include achieving 10-15% of ingredients sourced from novel feed raw materials. The company is also committed to reducing feed conversion ratios (FCR*) and the carbon footprint of feed raw materials. Key performance indicators (KPIs) for these targets include the percentage of fishmeal and fish oil certified by Marine Trust or equivalent, the percentage of soy certified by Proterra or equivalent, the fish feed dependency ratio (FFDR) for meal and oil, FCR and % inclusion of emerging feed raw materials.

*The feed conversion rate (FCR) is a ratio that describes the amount of feed used to produce a certain amount of salmon.

Mowi is committed to global training programmes and establishing robust monitoring systems to tackle physical climate related risks. By identifying best practices for plankton management, including training, forecasting, monitoring, and mitigation, Mowi has established a robust management system to minimise the risk and potential impact of HABs on our operations. This approach also helps us meet our fish health and welfare targets. We have developed a global procedure on forecasting, monitoring, and mitigation actions, outlined in our Global Policy, which is mandatory for high-risk sites such as those in Ireland, Chile, and Canada West. Managing HABs involves a combination of staff training, the appointment of contact persons, forecasting through methods like satellite imagery, water sampling for monitoring and species identification, and mitigation strategies such as the deployment of air diffusers.

Opportunities: The growth of salmon is dependent on seawater temperatures, which is a factor affecting the life cycle of farmed salmon. Global warming has already impacted sea surface temperatures, and most climate models agree that these temperatures will continue to rise alongside atmospheric air temperatures. An increase in ocean temperatures is likely to accelerate the salmon lifecycle, provided temperatures remain within the optimal range for growth. Growth optimisation can be achieved by combining optimal seawater temperatures for grow-out with the use of large post-smolts, reducing the time needed to harvest salmon at sea and increasing production per license. In recent years, Mowi has assessed areas where increased temperatures may enhance feeding appetite and growth profiles, utilising large post-smolts to reduce sea time and boost production.

In 2024, Mowi updated its post-smolt plan, communicated during its Capital Markets Day. By 2024, Mowi Norway has achieved nearly 30 million capacity or 50% post-smolt ratio. The next phase of the post-smolt strategy includes 4 post-smolt projects in Norway, leading to a further increase in total post-smolt numbers of 20 million.

The use of fuels is common in aquaculture to operate the generators that power feeding systems. As part of Mowi’s low carbon strategy, the company aims to reduce the increased costs

linked with fossil fuels and the associated carbon emissions (scope 1) from fuel generators. Climate-related opportunities related to fuel usage have been identified, especially since Norway accounts for over 60% of Mowi's production and fuel prices have been rising with the potential for further increases. In Mowi Norway, there is an opportunity to replace diesel generators with hybrid systems or connect sites to land power as an energy source for feeding systems at sea sites. Currently, 19% of Mowi's seawater sites in Norway (25 sites) still use diesel generators. Installing hybrid systems on feed barges can reduce diesel consumption by 30-60%, while connecting to land power can completely eliminate the need for diesel generators for feeding equipment operation.

Climate change offers an opportunity for more production of food from the ocean as farmed salmon has a lower carbon footprint compared to land animal proteins. Dietary shifts from land- to sea-based animal proteins can contribute to reducing the GHG emissions gap needed to achieve the Paris agreement. Mowi has also evaluated protein diversification and concluded that, given the favorable nutrient profile of our sea-based proteins and their comparatively low carbon, land-use, and freshwater footprint (Blue Food Assessment; Science | BFFP), there is currently no climate-related justification for shifting toward greater use of vegetable-based alternative proteins.

Sustainability-linked certifications can be used as a strategy to communicate with consumer and drive behavioral change. In 2024, we have continued with certifying our production volumes according to internationally recognised standards. Our corporate target is to achieve 100% certification against a GSSI-recognised standard every year, and we have achieved a high level of certification with 100% of all harvested volumes in 2024.

2.3 Financial position, financial performance and cash flows

Mowi is committed to aligning its financing with its sustainability strategy. In 2023, Mowi published a new Green and Sustainability-Linked Financing Framework, to govern the allocation of proceeds from future green debt instruments to green projects, and to provide potential targets for future sustainability-linked debt instruments. This initiative underscores Mowi's commitment to linking its financing activities to its sustainability goals. Mowi was the first seafood company in the world to issue a green bond, in 2020. Mowi's most recent senior unsecured green bond issue raised EUR 298 million, with all proceeds allocated and their environmental impact calculated in accordance with the requirements of our Green Financing Framework. Further, Mowi has a EUR 2,000 million sustainability-linked bank facility, and in 2023, Mowi’s Icelandic subsidiary also entered into a EUR 170 million sustainability-linked bank facility. The interest margin on both facilities is tied to performance against sustainability KPIs. As a result, 95% of Mowi’s financing is now labeled green or sustainable, putting the company firmly on track to achieve its target of 100% by 2026. Mowi aims for its entire debt financing to be in a sustainable format, supporting progress towards company-wide climate targets and investments in a low-carbon economy.

See more information note 11 to the group financial statements in the annual report and at the Mowi Company Website.

2.4 Climate Risks – Current and Anticipated Financial Effects

Climate change poses risks to Mowi's operations, influencing both current and future financial outcomes. As a leading player in the seafood industry, Mowi recognises the imperative to assess and address these climate-related risks comprehensively. This section will examine the current and anticipated financial effects of risks that have been substantive to the operation of Mowi.

Emerging Regulation: The Norwegian Climate Act, along with various international climate agreements, has set ambitious goals to reduce GHG emissions and limit global warming to 1.5°C. As the world moves closer to this target, the likelihood of higher carbon taxes on fossil fuels increases, potentially raising Mowi's operational costs. Mowi primarily uses fossil fuels in its farming operations to power the feed distribution systems on feed barges. Mowi's sea farming sites require a reliable energy source and remote locations typically rely on diesel generators. Additionally, external service suppliers, such as well boats, also rely on fossil fuels.

By 2030, in a worst-case scenario where 100% of Mowi's activities are covered by carbon pricing schemes, and assuming the carbon footprint for Mowi group remains at 2024 levels and the price per tonne of CO2e emissions is at 150 EUR/tonne, as published in the Net Zero Roadmap by the International Energy Agency (IEA), carbon costs for scope 1 emissions could reach 15 million EUR for farming, 3 million EUR for fish feed, and 3 million EUR for sales and marketing.

To mitigate this risk, Mowi plans to connect sea sites to land power and hybrid energy management systems, reducing its dependency on diesel generators. Mowi has identified which sites in Norway have the lowest ROI for implementing hybrid systems to reduce diesel consumption. Currently, 22 hybrid systems have been installed and 86 sites have been connected to land power in Norway, with the short-term objective being to connect all sites in Norway to either land power or hybrid systems.

Physical - Acute: Increased global temperatures, driven by climate change, have a direct impact on the frequency and intensity of acute physical risks such as extreme weather events. Higher global temperatures lead to warmer ocean temperatures, which can result in more intense and frequent storms. These severe weather events bring strong winds, heavy rainfall, and storm surges, which can affect Mowi's aquaculture infrastructure and increase the risk of escapes.

The financial impact of an escape incident is determined by the potential number of escaped fish. The majority of our seawater sites are located in sheltered areas and the number of exposed sites is limited. From experience with previous escape incidents

some pens are affected while others are not, dependent on the exposure to the environmental conditions and how quickly site personnel can reach the site.

To calculate the financial impact of escape incidents, we considered a scenario where 25% of the fish escaped from 1 pen after being affected by an extreme storm event. The calculated value of the escaped fish per pen, based on 200,000 fish per pen and a realised blended farming cost of 5.69 EUR/kg, would be 1.3 million EUR. Mowi is insured for storm damage, so a proportion of the potential financial impact would be claimed for. With a scenario where 1 pen is affected, the total financial impact including insurance claim would be 1 million EUR.

The increased frequency and severity of these extreme weather events, underscores the focus on robust infrastructure and enhanced risk management strategies. Our strategic initiative to research and define best practices for farming in more exposed locations is a continuous focus, with sustained emphasis on selecting the objectively best suited equipment (mooring system, pen and net) for high-energy sites.

In Norway we have initiated activities at the Blue Revolution Center (BRC); a collaboration between Mowi, Sintef and NMBU focusing on optimising the interaction between technology, operations and biology on sites with high exposure to waves and/or ocean currents. The first projects at BRC have started and focus on gentler, less weather-dependent and automatic handling of fish. Furthermore, the projects aim to develop safe and robust infrastructure connecting barge and pens, tailored to high energy sites.To further mitigate the risk associated with fish escapes Mowi has also established an Escape Prevention Action Group. This group meets quarterly to define key improvement priorities, track progress, and share experiences. A dedicated subgroup focuses solely on identifying equipment needs for exposed sites, collaborating closely with suppliers.

We have already moved to more robust infrastructure at exposed sites in Scotland and Norway. In Norway, a risk matrix has been developed to evaluate existing sites, ensuring they meet stringent standards. This risk matrix is also used to determine the best pen designs for new sites, optimising safety and performance. Keeping up to standards and in compliance with all regulatory requirements is part of our normal course of business.

Physical - Chronic: The long-term shift of climate patterns such as atmospheric temperature, and more importantly, sea surface temperature poses a risk to Mowi. Increased seawater temperatures can lead to increased severity and frequency of harmful algae blooms (HAB). These events can lead to increased mortality, a loss of revenue, and increased operational costs in Mowi's farming operations. The potential costs of increased Harmful Algal Blooms (HABs) for Mowi could vary from partial mortality at a single pen to mass mortalities across an entire site. The number of affected sites could also vary depending on the size of the impacted area. In an impact scenario of HAB using Chile's exposure to to algae blooms, we estimate that on average 400 tonnes of biomass may be affected on a yearly basis.

Short-Term (0-1 Years): In the immediate term, Mowi faces costs associated with managing Harmful Algal Blooms (HABs). The operational cost of implementing mitigation systems per site is approximately 0.1 million EUR per year. Additionally, Mowi is undertaking transition from diesel generators to hybrid systems and land power, with an estimated investment of 5.8 million EUR for upgrading about 25 sites in Norway. These costs are important for maintaining operational efficiency and environmental responsibility in the short term.

Medium-Term (1-5 Years): As global temperatures continue to rise, the medium-term outlook suggests increased frequency and severity of extreme weather events. This escalation could increase the risk of escape incidents and lead to higher investments in aquaculture infrastructure. Moreover, the financial impact of rising carbon taxes may become more pronounced, further increasing operational expenses. Costs related to monitoring and managing HABs and investments in advanced mitigation technologies and resilient infrastructure could also increase if these events become more frequent. The investment required to cover all sites with mitigation systems in Chile is approximately 1.5 million EUR.

Long-Term (5+ Years): Looking further ahead, the long-term effects of global warming could impact Mowi's financial landscape. The increased frequency and intensity of extreme weather events may require infrastructure upgrades and enhanced escape prevention measures. Long-term projections indicate that carbon pricing schemes could increase operational costs, potentially reaching 15 million EUR in our farming business areas. Additionally, the frequency and intensity of HABs can increase.

2.5 Climate-related Opportunities – Current and Anticipated Financial Effects

As Mowi navigates the evolving landscape of climate change, there are opportunities for the company to enhance its sustainability and financial performance. Specifically, climate-related opportunities lie in optimising resource efficiency, leveraging new technologies and dietary shifts from land- to sea-based animal proteins. By adopting advanced practices and innovative solutions, Mowi can drive increased revenues through improved operational efficiencies and reduced environmental impact.

Resource Efficiency: Salmon growth is linked to seawater temperatures, which play a role in determining the overall health and productivity of the fish. Sudden drops in temperature can act as a major limiting factor, slowing salmon growth and impacting the efficiency of production processes. Conversely, a gradual increase in ocean temperatures, as long as they remain within the optimal growth range, has the potential to accelerate the lifecycle of salmon. This is due to the fact that warmer temperatures can enhance metabolic rates and feeding efficiency, leading to faster growth and shorter time to market.

To capitalise on this potential, deploying large post-smolts is an opportunity. This strategic approach not only holds the potential to increase productivity and revenue but also enhances the sustainability of Mowi's operations. Post-smolt improves survival, welfare and productivity through effects which are generic such as reduction of production time and risk in sea, reduction in treatment needs, strategic stocking and adaptation to biological risks, increased site-capacity and increased survival.

Mowi plans to expand production in regions where these conditions may enhance feeding and growth rates. The strategy involves deploying large post-smolts to optimise growth and reduce the time salmon spend at sea, thereby increasing production efficiency. This approach is integrated into Mowi's long-term planning, extending through 2030. Specifically, Mowi's post-smolt plan includes expanding freshwater capacity by 14,000 tonnes across 4 sites in southern and central Norway, leading to approximately 21,700 additional tonnes of harvest volume. Based on an estimated sales price of 7.57 EUR/kg, this could potentially increase revenue by 164 million EUR.

Energy Source: With fuel costs projected to increase in Norway, there is a substantive opportunity for Mowi to move away from diesel generators and to combine or replace them completely with hybrid energy systems. By investing in hybrid energy systems for our feed barges, we can capture excess energy that was previously wasted and store it in batteries. These batteries then power the feeding system, allowing the diesel generators to run only when recharging the batteries is necessary. An investment of 0.23 million EUR per site is needed. With about 25 sites using diesel generators, a total investment of 5.8 million EUR is required to achieve an average 50% reduction in diesel consumption at these farming sites in Norway.

The potential financial impact of reducing diesel consumption by 50% at 25 sea sites in Norway is notable. Each site is estimated to use 100,000 litres of diesel per year, at a cost of 1 EUR per litre. This results in an annual diesel cost of 100,000 EUR per site. For 25 sites, the total yearly cost is 2.5 million EUR. By reducing diesel consumption by 50%, Mowi could save 1.25 million EUR annually across these sites. This demonstrates the financial benefits of transitioning to more efficient hybrid energy systems.

Dietary shift: Climate change has become the most recognised sustainability issue, especially for European consumers. Studies point out that changing consumption patterns to include more lower carbon footprint food such as sea-based food can have a substantial impact on climate change. Consumer labelling standards which provide information on sustainability, including climate change, can therefore facilitate consumer's decision to opt for lower carbon footprint options. With our 100% sustainability certified harvest volumes, and an assumption of 1% increase in sales volumes due to the realisation of this opportunity, the additional sales volumes could result in increased revenue of approximately 36 million EUR.

2.6 Climate Resilience

Scenario Analysis: As a leading aquaculture company, Mowi recognises the importance of understanding and addressing climate-related risks and opportunities. Climate scenario analysis is a vital tool that enables Mowi to anticipate potential future conditions, assess the resilience of our business strategies, and make informed decisions. By examining a range of possible climate futures, Mowi can identify vulnerabilities, adapt our operations to mitigate risks, and seize opportunities for growth and sustainability. This proactive approach not only supports our commitment to environmental stewardship but also enhances our long-term financial performance and strategic planning.

Background: Mowi's climate scenario analysis focuses on two questions: "What impact will extreme weather events and rising sea surface temperatures have on our farming operations?" and "What effect will a transition to a net zero economy have on carbon taxes in Norway?"

To identify risks, Mowi conducted a risk assessment, evaluating physical risks such as the increased frequency and intensity of extreme weather events, rising sea temperatures, and harmful algal blooms. These factors can affect farming operations, fish health, and potentially increase mortality rates. Additionally, we assessed transition risks associated with policy changes, particularly the potential introduction of higher carbon taxes as economies shift towards net zero emissions. Such changes could increase our operational costs, especially in areas reliant on fossil fuels for energy.

Complementing the risk assessment, a financial analysis was conducted to quantify the potential impacts on Mowi's revenue, costs, and overall financial performance. Through this analysis, Mowi aims to develop strategies that mitigate risks, capitalise on opportunities, and ensure the resilience of our operations.

Scenarios: The scenarios chosen for the analysis were selected based on examining two different categories of risk; physical and transition.

1. **SSP1-2.6**
   The SSP1-2.6 scenario is aligned with limiting global warming to around 1.5°C above pre-industrial levels. This pathway covers a time horizon up to 2100 and is based on the Shared Socioeconomic Pathways (SSP) framework developed by the International Institute for Applied Systems Analysis (IIASA) and other research institutions. It represents a scenario characterized by strong climate policies and substantial progress in sustainable development.

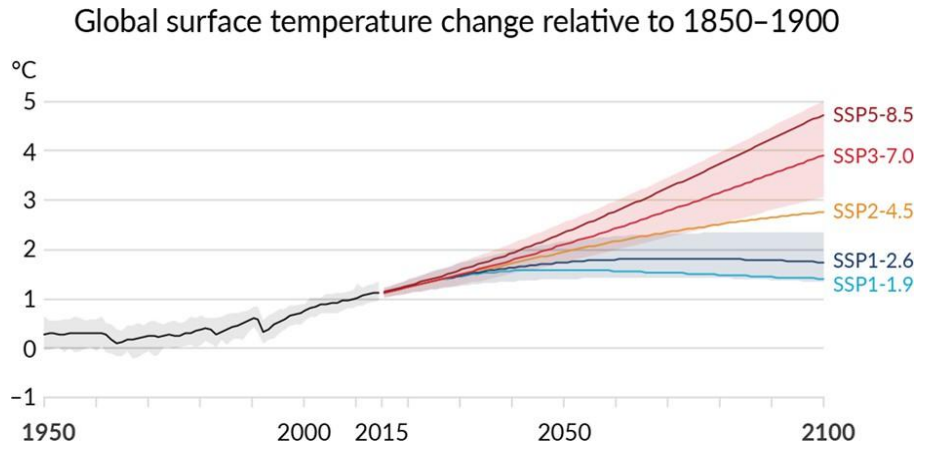
2. **SSP5-8.5**
   The SSP5-8.5 scenario corresponds to a significant temperature increase, projected to be around 3.5°C to 4.5°C above pre-industrial levels. This scenario extends to 2100 and is also part of the SSP framework. It reflects a future with high greenhouse gas emissions and minimal mitigation efforts, highlighting a

trajectory of continued reliance on fossil fuels and high energy consumption.

3. IEA NZE (Net Zero Emissions)

The IEA NZE (Net Zero Emissions) scenario is designed to achieve net-zero greenhouse gas emissions by 2050, aiming to limit global temperature rise to well below 2°C, ideally around 1.5°C. This scenario covers the period up to 2100 and is developed by the International Energy Agency (IEA). It focuses on a comprehensive transition to clean energy and substantial reductions in emissions to meet long-term climate targets.

Global surface temperature change 1950-2100 is as compared to the reference period 1850-1900. When selecting climate scenarios for analysis, Mowi has chosen three scenarios that each offer a distinct perspective on future climate conditions and their potential impacts on the aquaculture industry. The SSP1-2.6 scenario aligns with the goal of limiting global warming to around 1.5°C. This scenario represents a future with significant climate action, providing insights into the implications of stringent climate policies, enhanced environmental regulations, and shifts towards sustainability. Analysing SSP1-2.6, will help prepare for a landscape where rigorous emissions reductions and sustainability practices are the norm. It enables the company to develop strategies that address potential regulatory changes and competitive pressures driven by a focus on sustainability.



Global surface temperature change 1950-2100 compared to the reference period 1850-1900.

In contrast, the SSP5-8.5 scenario reflects a high-emissions future with temperature increases potentially reaching 3.5°C to 4.5°C above pre-industrial levels. This scenario allows Mowi to evaluate the impacts of a future with minimal climate action, including increased extreme weather events and disruptions to marine ecosystems. By considering SSP5-8.5, Mowi can assess risks associated with high-emissions pathways and prepare for challenges related to fish health and operational stability under adverse climate conditions.

Additionally, the IEA NZE (Net Zero Emissions) scenario focuses on achieving net-zero emissions by 2050, aiming to limit global temperature rise to well below 2°C. Analyzing the IEA NZE scenario helps Mowi explore the implications of rapid decarbonisation on energy use, operational costs, and supply chain dynamics. It

supports the company's planning for a future where clean energy and substantial emissions reductions are required, offering opportunities to innovate and adapt to new regulatory environments.

Analysis: Physical Risks

Understanding the potential impacts of climate change on aquaculture operations is important. Physical climate scenarios, such as those projected by SSP1-2.6 and SSP5-8.5, offer valuable insights into how varying levels of global warming could influence operations across different regions. These scenarios provide a framework to analyse potential temperature increases and their associated effects, including extreme weather events, sea surface temperature changes, and the heightened risk of harmful algal blooms. By examining these scenarios in detail, Mowi can better anticipate and prepare for the diverse challenges posed by climate change, allowing for more informed strategic planning and risk management tailored to the specific conditions of Northern Europe, Canada, and Chile.

Examining the impact of climate scenarios on the farming operations of Mowi across Northern Europe, Canada, and Chile involves understanding not only temperature projections and extreme weather events but also how increased sea surface temperatures contribute to more frequent and severe weather patterns. Under the SSP1-2.6 scenario, which envisions a moderate warming pathway, Northern Europe is projected to experience a rise in sea surface temperatures of about 1.0°C by 2030 and 1.5°C by 2050, with a likelihood of 50-70% based on current climate projections. Canada is expected to see temperatures increase by approximately 1.2°C by 2030 and 1.8°C by 2050, with similar probabilities. Chile's sea surface temperatures are forecasted to rise by about 0.8°C by 2030 and 1.2°C by 2050 on average, also with a likelihood in this range. These moderate increases will necessitate operational adjustments, including enhanced monitoring for algal blooms and adaptation to slightly warmer waters. For instance, a 1.5°C increase in Northern Europe could lead to more frequent algal blooms, with a 40-60% chance of these events impacting farming operations.

In contrast, the SSP5-8.5 scenario, representing a high-emissions pathway, predicts a more pronounced rise in temperatures. Northern Europe could experience a sea surface temperature increase of 2.0°C by 2030 and up to 3.5°C by 2050, with a 70-90% likelihood based on current projections. Canada is expected to see temperatures rise by approximately 2.5°C by 2030 and 4.0°C by 2050, with a 70-90% likelihood of these changes. Chile faces a 1.8°C increase by 2030 and 3.0°C by 2050, with similar probabilities. The significant warming under the SSP5-8.5 scenario will likely lead to more frequent and intense extreme weather events. Increased sea surface temperatures elevate the energy available for storm formation, leading to more powerful and frequent storms. For example, a 3.5°C rise in Northern Europe could enhance the likelihood of severe storms and infrastructure damage to about 60-80%. These extreme weather events can cause damage to aquaculture infrastructure, such as fish pens,

increasing the risk of escapes. Such escapes can result in financial losses from lost stock and higher recapture and regulatory compliance costs.

Under the SSP5-8.5 scenario, where sea temperatures rise significantly, the risk of harmful algal blooms (HABs) increases across various regions. In Northern Europe, with a projected 3.5°C increase in sea temperatures by 2050, the likelihood of severe algal blooms could rise to 60-80%. Warmer waters create favorable conditions for algal growth, leading to more frequent and intense blooms that disrupt aquaculture operations by affecting fish health and water quality. Similarly, in Canada, a 4.0°C temperature rise could result in a 60-80% chance of algal bloom disruptions.

In Chile, although the temperature increase is somewhat lower at around 3.0°C by 2050, the risk of problematic algal blooms remains notable, with a likelihood of approximately 50-70%. Even with less extreme temperature changes, elevated sea temperatures still enhance algal growth, leading to potential disruptions in aquaculture operations.

Analysis: Transition Risks

Under the IEA Net Zero Emissions (NZE) scenario, carbon pricing in Norway could rise as part of a global strategy to achieve net-zero emissions by 2050. This scenario involves policy shifts and increasing carbon prices to drive reductions in greenhouse gas emissions across various sectors. Currently, Norway's carbon pricing mechanisms include both the European Union Emissions Trading System (EU ETS) and national carbon taxes, which are expected to see adjustments under the IEA NZE framework.

By 2030, the IEA NZE scenario projects that the carbon price in Norway will reach approximately 150 EUR per tonne of CO_2. This anticipated rise is driven by the need to intensify efforts to meet intermediate climate targets and push for deeper emissions reductions. The increase in carbon pricing can impact the cost of diesel, a fuel used by Mowi for powering feed barges and other operational equipment. Currently, with diesel prices in Norway around 1 EUR per litre and a carbon price of 100 EUR per tonne, the carbon component of diesel costs about 0.10 EUR per litre. If the carbon price increases to 150 EUR per tonne by 2030, the carbon-related cost component will rise to approximately 0.15 EUR per litre.

Higher carbon prices under the IEA NZE also have the potential to impact Mowi’s supply chain costs and logistics as suppliers could potentially pass on the increased costs associated with their own carbon emissions. Increased carbon costs are expected to elevate raw material and transportation expenses, as suppliers and logistics providers face higher operational costs. This will likely lead to increased costs for feed, equipment, and fuel, affecting Mowi's overall operational budget. Additionally, potential disruptions in supply chain stability may arise if suppliers experience financial strain, impacting Mowi’s ability to secure essential materials and services on time.

To adapt to increased carbon taxes, Mowi plans to continue connecting sea sites to land power and hybrid energy management systems, reducing its dependency on diesel. Additionally, Mowi has developed a climate transition plan aligned with the CSRD. (see our Annual report: Reports - Mowi Company Website). By proactively adjusting its financial strategies and resources, Mowi can better manage the transition towards a low-carbon economy and maintain operational resilience under the IEA NZE scenario.

Assumptions/Uncertainties:

The SSP1-2.6 scenario envisions a world characterised by strong global cooperation and ambitious climate policies, aiming to limit global warming to 2°C or lower. It assumes widespread carbon pricing, investments in renewable energy, and substantial improvements in energy efficiency. Economic growth is driven by green investments and resilient systems, with high levels of human development and reduced inequality. However, uncertainties remain about geopolitical tensions, national commitment levels, the pace of renewables adoption, and the scalability of new technologies. Socioeconomic development focuses on global cooperation and equity, but regional variability and potential social unrest from climate policies are notable challenges.

The SSP5-8.5 scenario depicts a future with minimal climate policies and a strong focus on economic growth, leading to significant increases in greenhouse gas emissions. This scenario relies heavily on fossil fuels, with slow adoption of renewable energy and moderate technological advancements in CCS. Economic growth is rapid but marked by high consumption and minimal environmental considerations, raising uncertainties about resource scarcity, public opinion shifts, and economic volatility from climate impacts. Socioeconomic development features high inequality and limited social safety nets, with substantial risks from environmental degradation, public health impacts, and climate-driven migration.

The IEA NZE Scenario scenario envisions a comprehensive approach to achieving net-zero emissions by 2050, with aggressive climate policies, widespread carbon pricing, and international collaboration. It predicts a rapid decline in fossil fuel use, extensive deployment of renewable energy, and significant improvements in energy efficiency, driven by strong economic growth from green technologies and sustainable infrastructure. While the outlook includes equitable development and reduced poverty, uncertainties about transition costs, regional disparities, and social acceptance of climate policies remain. The scenario's success hinges on technological breakthroughs, scalable renewable infrastructure, and sustained political commitment to enforce stringent climate policies.

3. Risk Management

3.1 Risk Process

To identify, assess, prioritise and monitor climate-related risks, Mowi carries out a double materiality assessment aligned with CSRD. The Board together with Mowi's executive team (Group Management Team, GMT) approve and update the materiality analysis. The materiality analysis allows us to take a close and considered look at the sustainability and climate change related issues that are deemed critical for Mowi and our stakeholders, in that they could affect our ability to execute our business strategy and operations.

Our stakeholders include a wide range of groups and individuals that affect our operations and that are affected by our actions. In our assessment we have evaluated how our business affects the different stakeholder groups, which issues are of importance to them and to what extent these stakeholders have a interest in the development of Mowi.

In 2024, we updated the materiality analysis according to CSRD requirements. Throughout 2024, we reviewed our materiality analysis in our global sustainability networks, in the Group Management Team and in the Board of directors. This analysis included impacts on human rights both in our own operations and across our value chain.

Mowi has developed its own materiality assessment tool, grounded in the CSRD requirements, to run a double materiality assessment based on three steps. Step 1 is to understand the context and identify which ESRS topics could be relevant for Mowi. Step 2 is to assess the most material topics for our own operations and supply chain taking into consideration impact and financial materiality. Step 2 is further split into two main sub-steps: 2.1. impact materiality of selected topics from step 1, in our own operations as well as the value chain, and step 2.2. financial materiality of selected topics from step 1, in our own operations. Lastly, step 3 is a final assessment and determination of the material IROs related to sustainability matters.

The materiality analysis highlights areas of both climate-related risk and opportunity. The results of the analysis define our priority areas and direct our R&D efforts, both at group-wide and asset level. In conducting our materiality analysis, we evaluate stakeholder concerns related to climate change, including risks and opportunities. For example, we evaluate reputational risks on a global level and physical and regulatory risks on an asset level. All risks (transition and physical) are assessed based on a combination of likelihood of occurrence and potential impact.

Mowi’s process to respond to climate-related risks and opportunities that have been identified is centered in Global Networks. This network includes one representative from each business unit throughout Mowi and has the responsibility to bring

forward climate-related risks and opportunities within their own business unit. When these identified risks are brought forward, they are discussed with the managing directors and several of the C-suite officers, including the Chief Sustainability Officer, and the CEO.

Technical reports produced every month are used to support the decision-making process as well as the outcome of stakeholder engagement. The criteria for determining priorities are based on likelihood and impact of the potential risk or opportunity.

3.2 Opportunity Process

Overall Risk Management Process Integration

The most widely used risk framework in operation at Mowi is the COSO enterprise risk framework. Risks are divided into four categories:

1. Operational Risk
2. Strategic
3. Reporting
4. Compliance

Within these categories we have sub divided operational risk further as it is considered that these risks have a high importance to Mowi. Climate-related risks and opportunities would fall under one such sub divided risk category. The sub-categories are as follows:

a. Risks related to the sale/supply of our products
b. Risks related to governmental regulations
c. Risks related to our fish farming operations
d. Risks related to our supply of fish feed and feed operations
e. Risks related to our industry
f. Risks related to our business
g. Risks related to our financial arrangements
h. Risks related to tax and legal matters
i. Risks related to climate change
j. Risk related to cyber security and technological innovation

Each risk category includes one or more identified risks factors that individually and/or in combination with others could significantly affect our performance. We are continuously working to mitigate identified risks and capitalise on opportunities by tracking and following up key performance indicators within the framework of our four guiding principles.

4. Metrics and Targets

4.1 Climate-related metrics

GHG Emissions 2024: Mowi's greenhouse gas emissions are reported in accordance with the GHG Protocol: Corporate Accounting and Reporting Standard. The Group uses the operational control approach for consolidating GHG emission accounting. Emissions from operations, over which the Group has operational control, are included in Scope 1 and 2 reporting. Indirect upstream and downstream emissions relating to the Group's operations are accounted for in Scope 3 reporting. The Company has reported its Scope 1, 2 and 3 emissions since 2019.

In 2024, Mowi's total greenhouse gas (GHG) emissions across Scopes 1, 2, and 3 amounted to 2,477,798 tonnes CO2e, marking a -4.37% reduction compared to the reference year of 2019, which had total emissions of 2,590,994 tonnes CO2e.

Compared to 2023, total group emissions (Scope 1, 2, and 3; market-based) increased by 5%. This rise is primarily attributed to a 15% increase in Scope 1 emissions due to increase in mitigation measures for harmful algae blooms and power-out at one of our feed plants requiring the use of diesel generators. In contrast, Scope 1 and 2 emissions (market-based) decreased by -5% from 2023 levels and by -39% compared to 2019. This decrease was driven by the -27% reduction in market-based scope 2 emissions supported by increased purchases of renewable electricity, including Guarantees of Origin (GoO) and green contracts with electricity suppliers, as well as energy efficiency projects. In 2024, renewable electricity constituted 62% of total electricity use (market-based) and 59% (location-based) for Mowi Group. Additionally, Mowi utilised 6 TJ of fuel from a renewable energy source, specifically wood chips, during the year.

The breakdown of scope 1 and 2 emissions is as follows: Feed accounted for 20,581 tonnes CO2e, Farming for 168,069 tonnes CO2e, and Sales & Marketing for 33,330 tonnes CO2e.

GHG emissions (tCO_2e)	2019 (Base Year)	2023	2024
Scope 1	158,277	121,589	139,739
Scope 2 (market-based)	203,845	112,074	82,241
Scope 3 – Energy/Industry	1,409,643	1,540,601	1,742,469
Scope 3 - FLAG	819,229	594,608	513,349
Total	**2,590,994**	**2,368,872**	**2,477,798**

Absolute gross GHG emissions

GHG emissions %	% change from BY	Target
Scope 1 + 2 (market based)	-39%	-50.6%
Scope 3 – Energy/Industry	24%	-27.5%
Scope 3 - FLAG	-37%	-33.3%

Progress made on emissions targets from 2019 BY

4.2 Climate-related Targets

Science Based Targets: A notable development in climate-related targets is Mowi's adoption of FLAG (Forest, Land, and Agriculture) accounting principles, in line with the latest draft of the GHG Protocol Land Sector and Removals guidance. FLAG-related emissions for Mowi primarily stem from the agricultural ingredients used in fish feed.

Additionally, Mowi has approved Science Based Targets initiative (SBTi), aligned with the 1.5°C pathway. This updated target increases the company's scope 1 and 2 reduction ambition for 2030 from 35% (based on the 2016 baseline) to 50.6% (based on the 2019 baseline). Furthermore, Mowi is introducing a new target specifically focused on reducing FLAG emissions within Scope 3.

Approved FLAG and SBTi 1.5°C aligned targets

- reduce absolute Scope 1 and 2 GHG emissions 50.6% by 2030 from a 2019 base year
- reduce absolute Scope 3 non-FLAG (Energy/Industry) GHG emissions 27.5% by 2030 from a 2019 base year
- reduce absolute Scope 3 FLAG (Forest, Land & Agriculture) GHG emissions 33.33% by 2030 from a 2019 base year