Pioneering a better future

Integrated Annual Report 2024

AKVA group ASA

Pioneering a better future

Guided by our vision, *Pioneering a better future*, we aim to lead the way in the aquaculture industry.

AKVA group was founded with a dedication of creating solutions that meets today's needs and solves tomorrow's challenges. Our journey began some 50 years ago when young Norwegian innovators saw the potential in the aquaculture industry to farm salmon to provide healthy food to people, and at the same time, create new jobs and strengthen communities across the country.

We have since then marked our way by continuous innovation, collaboration, and a belief that we can make a difference.

We have developed cutting-edge technologies, from advanced waterborne fish feeding systems that improve fish health, increase efficiency, and reduce environmental impact, to deep farming solutions that reduce salmon lice, recirculating aquaculture systems needed to re-use water in land based fish farming, as well as intelligent digital monitoring solutions that provide real-time data about the fish and better decision-making for our customers.

Pioneering a better future means pushing boundaries, taking a leap of faith in new technological advances, partnering with customers, suppliers and local communities, and promoting more sustainable practises.

This integrated annual report is issued by AKVA group ASA for the financial year 2024. This is the first year where our sustainability statement is prepared in accordance with the EU's Corporate Sustainability Reporting Directive (CSRD).

Throughout the report, AKVA group ASA together with its consolidated subsidiaries are referred to as the Group or AKVA group. AKVA group ASA is referred to as AKVA group ASA or the company.

Content

AKVA GROUP™

This is AKVA group

Message from the CEO

2024 has been a year of strategic progress and operational adaptation for AKVA group. Despite global market challenges, we achieved significant milestones across all business areas, driven by our commitment to innovation, sustainability, and operational excellence.

These efforts delivered strong results, contributing to an annual revenue and other income of MNOK 3,602, and substantially improved profitability compared to 2023. This improvement reflect our ability to adapt and create value in a complex market environment while delivering key advancements in deep farming, sustainability initiatives, and operational improvements.

Navigating challenges with strategic solutions

Navigating the uncertainty caused by the resource tax in Norway required tough but necessary decisions to align our operations with market conditions and ensure future growth.

One of the highlights of 2024 was the further development of our Nautilus deep farming concept, which continues to reduce sea lice pressure and improve fish welfare, cementing its position as a cornerstone of sustainable aquaculture. Similarly, the delivery of the first phase of the Nordic Aqua Partners grow-out facility in China, utilizing our RAS concept, underscored our ability to provide sustainable land based solutions.

Strengthening market position through innovation

Strategic achievements in 2024 have further strengthened our market position. The acquisition of Observe Technologies Ltd expanded our capabilities in advanced biomass monitoring and automation, enhancing the digital tools available to our customers.

Meanwhile, a signed contract from Cermaq for a recirculating aquaculture system (RAS) project in Chile, valued at approximately MEUR 30 in February 2025, showcased our leadership in land based aquaculture. In sea based operations, the awarding of contracts for five feed barges reinforced our position in delivering innovative and reliable solutions.

Driving sustainability and operational excellence

Sustainability remains at the core of our strategy, and this year we made progress on several initiatives, including circular farming nets and hybrid energy systems, which align with our long-term environmental and operational goals.

Through our efforts to align with the UN Sustainable Development Goals, we continue to advance responsible business practices. This includes initiatives to strengthen labour rights across our value chain, ensure ethical sourcing, and reduce our greenhouse gas emissions within 2030. Our commitment to sustainability principles is reflected in every aspect of our operations, positioning AKVA group as a trusted partner in the global seafood industry.

Operational excellence has been another key focus in 2024. The rollout of a global ERP system has streamlined processes across the organization, improved resource management, and enhanced customer satisfaction. These advancements, combined with targeted training programs, have strengthened our culture of performance and created a solid foundation for delivering on our ambitions.

A future shaped by innovation

As we look ahead, the outlook for sustainable aquaculture remains promising, with strong salmon prices and rising global demand driving growth opportunities. With these market dynamics in mind, we are confident in achieving our medium-term targets of BNOK 4.0 in revenue and an EBIT margin of 6% in 2025.

By continuing to prioritize innovation, sustainability, and operational efficiency, we are not only adapting to the future of aquaculture but actively shaping it. AKVA group's progress in pioneering a better future is made possible by the dedication of our employees, who drive innovation, deliver sustainable solutions, and meet the complex needs of our customers and the aquaculture industry.

Knut Nesse
Chief Executive Officer

Key events 2024

AKVA group nominated for Aquaculture Awards for the development of circular fish farming nets.

Delivery of advanced feed barges with centralised fish feeding systems

Celebration of 50 years of development of plastic pens.

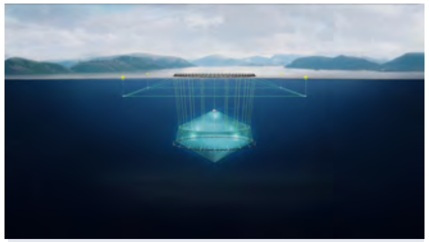
AKVA group's new air dome enhances deep farming efficiency.

Introducing low-emission farming.

AKVA group announces contract with Laxey for land based aquaculture in Iceland.

Successful first harvest in China at our customer Nordic Aqua's land based facility.

Unveiling the world's first boat hull made with climate-neutral raw materials.



Reduction of lice treatments with submersible pens.

AKVA group hosts the first annual social run, AKVA milå, in Klepp.

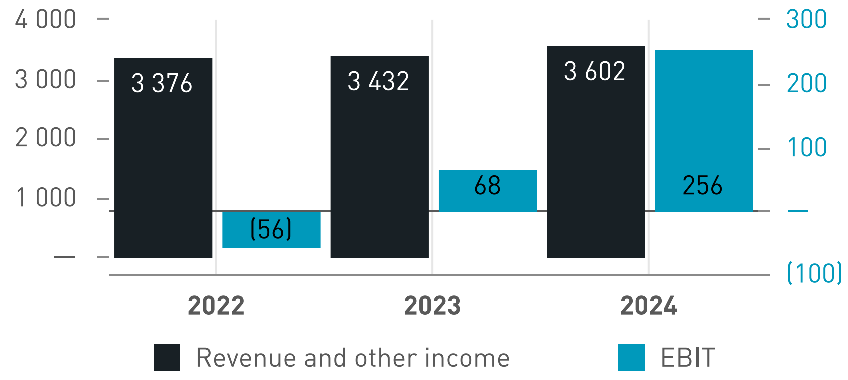
Successful handover of Mowi Nordheim RAS 4-6 - one of the largest post-smolt facilities globally.

Full ownership of Observe Technologies Ltd, enhancing our digital offerings.

Financial highlights

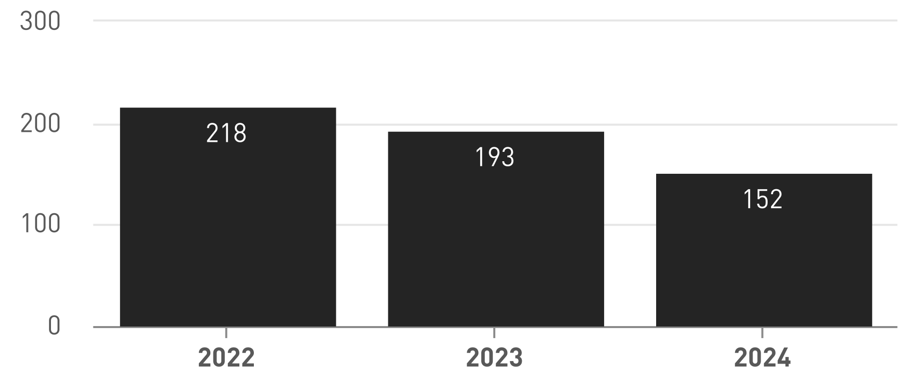
Revenue and other income and EBIT

NOK millions



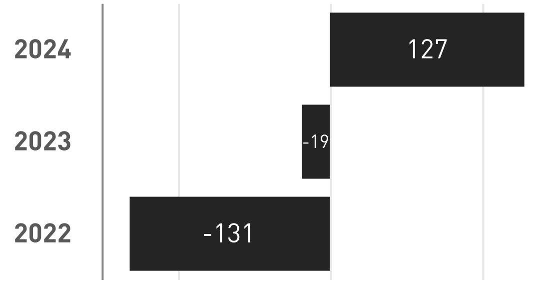
Cash flow from operating activities

NOK millions



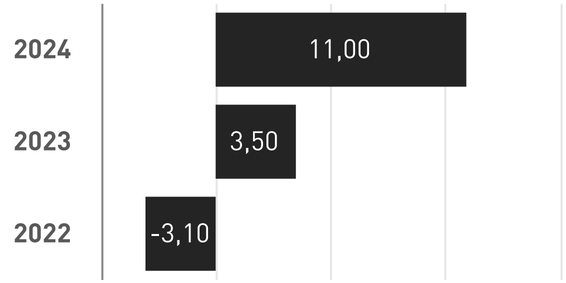
Net profit

NOK millions



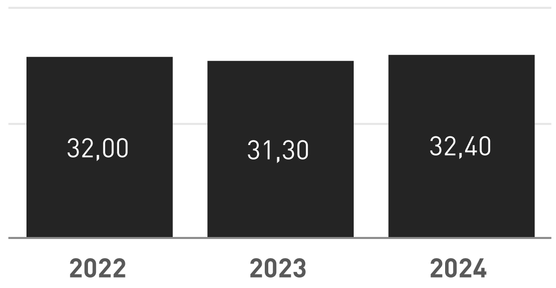
ROACE

Percent (%)



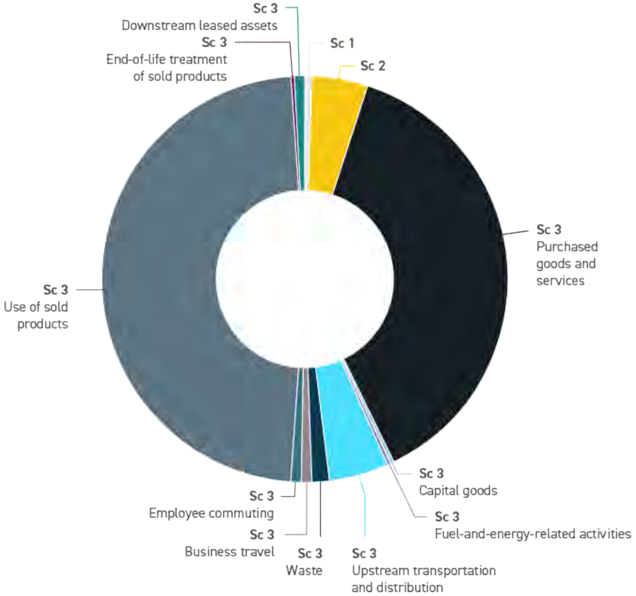
Equity ratio

Percent (%)



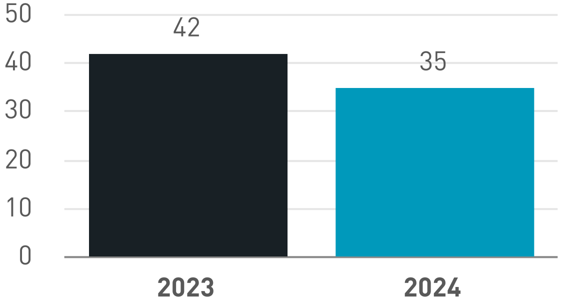
Non-financial highlights

Greenhouse gas emissions



First climate accounts (measured in tCO_2eq) prepared in 2024.

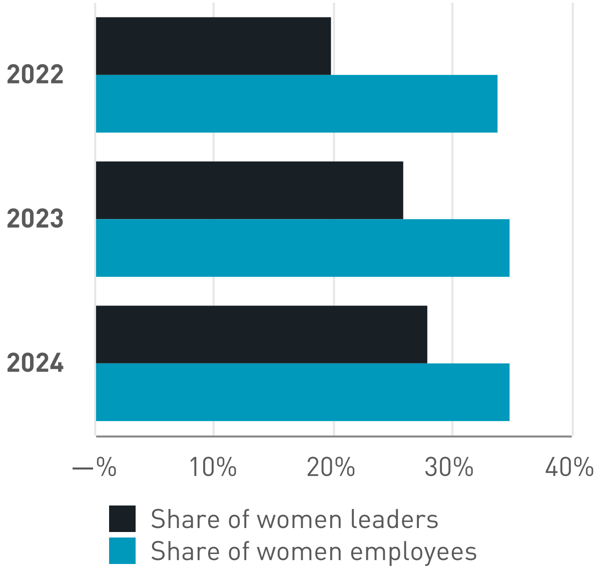
Work accidents



Safety efforts reduced number of work related accidents from 42 incidents in 2023 to 35 in 2024.

Women in AKVA group

Permanent employees



Employee satisfaction

74%

Ranking in the top 20 percentile against supplier benchmark.

Financial key figures

(in NOK 1 000)	2024	2023	2022
KEY FIGURES			
EBITDA	452 744	263 407	158 270
EBITDA margin	12,6 %	7,7 %	4,7 %
EBIT	255 797	67 603	-56 493
EBIT margin	7,1 %	2,0 %	-1,7 %
Profit before tax	125 963	-29 309	-151 864
Net profit	**127 180**	**-18 527**	**-131 075**
Cash flow from operations	152 122	258 223	218 163
Return on capital employed	10,0 %	3,5 %	-3,3 %
Return on equity	9,7 %	-1,6 %	-11,5 %
FINANCIAL POSITION			
Non-current assets	2 639 027	2 214 341	1 983 547
Current assets	1 414 898	1 469 591	1 596 899
Total assets	**4 053 925**	**3 683 933**	**3 580 446**
Equity attributable to equity holders of AKVA group ASA	1 305 978	1 142 451	1 144 000
Non-controlling interests	7 248	10 225	336
Total equity	**1 313 226**	**1 152 676**	**1 144 337**
Long-term debt	1 623 622	1 358 554	1 160 700
Short-term debt	1 117 077	1 172 701	1 275 410
Total equity and liabilities	**4 053 925**	**3 683 933**	**3 580 446**
Gross interest-bearing debt	1 603 587	1 395 843	1 265 540
Cash and cash equivalents	161 190	219 394	277 988
Net interest-bearing debt	**1 442 397**	**1 176 449**	**987 552**
Working capital	339 823	205 556	203 221
Equity ratio	32,4 %	31,3 %	32,0 %
Debt to equity ratio	122,1 %	121,1 %	110,6 %

(in NOK)	2024	2023	2022
SHARE DATA			
Earnings per share	3,58	-0,49	-3,61
Diluted earnings per share	3,58	-0,49	-3,61
Net free cash flow per share	-1,59	-1,60	-0,78
Dividend per share	0,00	0,00	1,00
Shareholders´equity per share at year-end	35,62	31,16	31,20
Share price at year-end	68,00	58,00	57,00
Market capitalization at year-end	2 493 406	2 126 729	2 090 061
Number of shares outstanding at year-end	36 667 733	36 667 733	36 667 733
Weighted average number of ordinary shares	36 363 223	36 415 864	36 369 400

About us

AKVA group is the world's largest supplier of solutions and services to the aquaculture industry. With over 50 years of history, we keep pioneering advancements in land based and sea based fish farming.

Our solutions range from single components to fully integrated production systems, all designed to optimise fish performance and fish welfare, while improving customer profitability and ensuring sustainability is maintained.

Global presence

With offices in Norway, Denmark, United Kingdom, Lithuania, Spain, Greece, Turkey, Chile, Canada, China, and Australia, we have a truly global presence.

Our team of over 1,400 employees world-wide, representing 39 nationalities, brings together expertise in technology, data, biology, and aquaculture, enabling us to meet the most complex challenges of the industry.

Market and strategic position

AKVA group is known for delivering innovative and sustainable solutions. With a significant share in key markets, we maintain a competitive edge through our focus on cutting-edge technology, customer-centric approaches, and commitment to environmental sustainability.

Financial highlights

In 2024, AKVA group achieved a revenue and other income of MNOK 3,602, a increase from MNOK 3,432 in 2023, demonstrating growth and robust market performance.

Our values

Customer focus: We build long-term partnerships and customer value through understanding needs and providing honest advises.

Aquaculture knowledge: We are continuously developing our knowledge, skills and abilities, to create and deliver leading solutions and services.

Reliability: To be a trusted, partner, we plan carefully, avoid assumptions, and are committed to deliver on what is promised.

Enthusiasm: Enthusiasm is about being inspired and optimistic about what we are doing; it unites us in pioneering a better future.

Innovation is in our DNA

As a leading technology provider, we allocate significant resources to developing solutions that enhance fish welfare, reduce environmental impacts, and address the complex demands of a global food system.

Our spirit of innovation is fuelled by passion, dedication, and a belief in progress. By embracing change and working as a team, we turn opportunities into sustainable solutions.

Some of our key innovations are:

- **Deep farming solutions:** Reduce the need for sea lice treatments and increase fish welfare
- **Hybrid energy solutions:** Cutting diesel consumption on barges with hybrid systems, significantly reducing CO_2 emissions.
- **Waterborne feeding technology:** A gentler, more sustainable feeding solution that reduces noise, microplastics, and energy consumption.
- **Circular economy initiatives:** From eliminating polystyrene in pen piping to developing recycled materials for walkways and pens, we prioritize reducing plastic waste and creating sustainable products.

Sustainability commitments

AKVA group's sustainability principles guide every aspect of our operations. Sustainability is not just a goal, but a fundamental part of our corporate culture, solutions, and innovation efforts.

We align our efforts with the UN's Sustainable Development Goals, striving to meet the needs of today without compromising the future.

Our five strategic sustainability objectives:

- Work to reduce climate change and meet the need for a circular economy
- Innovation set towards sustainable aquaculture
- Work for good working conditions for all employees
- Ensure responsible business conduct in all parts of our value chains
- Contribute to local communities and the global seafood industry

Our business areas

Sea Based

Advanced, tailored marine infrastructure, equipment and technology such as fish pens, feeding barges, lights, sensors, and camera systems. Our solutions are designed to enhance fish welfare, operational efficiency, and sustainability in marine farming environments. Read more.

Land Based

Design and installation of sustainable land based aquaculture facilities. Our team of experts specializes in recirculating aquaculture systems (RAS) and hybrid systems, ensuring optimal water quality for both freshwater and saltwater operations. We have delivered systems worldwide, providing reliable and efficient solutions tailored to customer needs. Read more.

Digital

AKVA group is at the forefront of digitalization in aquaculture, providing comprehensive monitoring and reporting solutions. Our advanced technology delivers precise measurements and actionable insights, improving operations, fish health, and sustainability. These tools revolutionize the way aquaculture is managed, enabling smarter and more efficient farming practices. Read more.

Group management

Johan Fredrik Gjesdal
Chief Operating Officer
Land Based

Glenn Mo
Chief Operating Officer
Egersund Net

Kristian Botnen
Chief Operating Officer
Sea Based Nordic

Ronny Meinkøhn
Chief Financial Officer

Asle Kjetil Bratteli
Chief Digital Officer

Knut Nesse
Chief Executive Officer

Maren Hognestad Sunde
Chief Human Resource
Officer

Ståle Økland
Chief Commercial Officer

Board of Directors report

About the Board of Directors report

This Board of Directors report consists of a general statement and a sustainability statement.

The general statement has been prepared in accordance with section 2-2 of the Norwegian Accounting Act.

The sustainability statement has been prepared in accordance with sections 2-3 and 2-4 of the Norwegian Accounting Act, the European sustainability reporting standards (ESRS) pursuant to section 2-6 of the Norwegian Accounting Act, and in accordance with rules laid down pursuant to Article 8 of the Taxonomy Regulation.

General statement

AKVA GROUP™

AKVA group had a revenue and other income of MNOK 3,602 in 2024 and a strong order intake of MNOK 3,689. The order backlog increased by 10.9% compared to 2023 and ended at MNOK 2,658. AKVA group is positioned for profitable growth with a solid order backlog and a sound financial position.

2024 in brief

Total revenue and other income for AKVA group in 2024 was MNOK 3,602, an increase of 4.9% from 2023. The revenue and other income in 2024 was positive impact by MNOK 76 related to the acquisition of Observe Technologies completed in Q3 2024. Earnings before interest, tax, depreciation, and amortization (EBITDA) was MNOK 453, compared to MNOK 263 in 2023. EBITDA in 2024 was positive impacted by MNOK 71 related to the acquisition of Observe Technologies. Net profit was MNOK 127, an increase from MNOK -19 in 2023.

The revenue and other income in 2024, adjusted for the impact from the acquisition of Observe Technologies, was approximately at the same level as in 2023.

Profitability improved significantly in 2024 compared to 2023. Sea Based delivered strong profitability supported by a healthy product and strong momentum in sale of deep farming concepts. The profitability in Land Based improved during the year due to higher project margins and a sound project portfolio. The momentum in Digital is positive but the current cost base is still high compared to the revenue level resulting in soft profit margins.

Business areas

AKVA group is a leading supplier of solutions and services to the global aquaculture industry. Our activities include design, purchase, manufacturing, assembly, sale and installation of technology products, as well as rental, service, and consulting services. The Group's main customer base is the global salmon farming industry. The Group divides its operations into three business areas: Sea Based, Land Based and Digital.

Main products in Sea Based are feed barges, fish farming pens, feed systems, nets, boats, sensors, cameras, light systems, net cleaning systems, and remotely operating vehicles (ROV's). While, polyethylene (PE) pens and boats are produced at our facility in Mo i Rana, Norway, our production facility for steel pens is in Puerto Montt, Chile.

The feed barges hold a strong international position in the salmon market and are supplied with centralised feeding systems as well as other technologies from AKVA group. Most of our feed barges are constructed by long-term subcontractors in Estonia and Vietnam, following our design and equipped with our technology. Sperre AS, a subsidiary located at Notodden, Norway, has extensive experience in developing and producing a range of advanced ROV solutions, with applications in aquaculture, as well as the oil service and marine industries.

Egersund Net AS offers nets and moorings, and has an extensive net service network. Using filaments, Egersund Net AS produces its own netting in Norway, which is used in the manufacturing of a variety of standard and specialised fish net designs, all optimized for quality, sustainability and user-friendliness.

Digital provides market-leading digital solutions for the aquaculture industry. Acquisition of the remaining 66% shares in Observe Technologies Ltd was completed in Q3 2024. Our current digital solutions are AKVA connect, AKVA observe, AKVA fishtalk, and AKVA submerged.

Our Land Based business area designs and deliver recirculation systems for land based fish farming operations. The systems ensure optimal water quality conditions for both freshwater and seawater operations. AKVA group designs these systems in both Norway and Denmark and operates a manufacturing facility for breeding tanks in Sømna, Norway. Our delivery capabilities include design, engineering, tanks, piping, feeding systems, software, cameras, sensors and more. AKVA group has a broad portfolio of systems and holds a strong position in the land based aquaculture industry.

AKVA group's registered company address is in Egersund city in Norway. The Group has offices and service stations along the Norwegian coast as well as company and offices in Chile, China, United Kingdom, Lithuania, Canada, Turkey, Denmark, Australia, Spain, and Greece.

Market situation and operations through 2024 (2023 figures in brackets)

The order intake decreased by 14.8%, from MNOK 4,328 in 2023 to MNOK 3,689 in 2024 while the order backlog increased by 10.9% and ended at BNOK 2,7.

The Sea Based business area experienced an increase in revenue and order intake compared to 2023 of 3,9% and 21%, respectively. The increase was driven by high sale of deep farming concepts in the Nordic market.

The Digital business area experienced an increase in revenue of 61,2% and order intake decreased by -31,4%, respectively. Adjusted for the impact from the acquisition of Observe the revenue increased by 4,1%. Order backlog was MNOK 136 end of 2024 compared to MNOK 150 in 2023.

For the Land Based business area the order intake decreased by -70,3% in 2024 and ended at MNOK 473. Order backlog was MNOK 1,408 end of 2024 compared to MNOK 1,454 in 2023.

Revenue in the Americas region increased by 8.6% in 2024 compared to 2023. The order intake decreased by -10.2% and the order backlog was MNOK 253 at the end of the year.

The order intake in the Nordic region increased by 37.9% while the revenues increased by 9.5% in 2024 compared to 2023. The order backlog for the region was increased by MNOK 201 from MNOK 373 in 2023 to MNOK 574 in 2024.

Europe and Middle East (EME) experienced an decrease in revenue and order intake compared to 2023 of -29.5% and -0.8%, respectively. The reduction was related to low activity in Turkey The order backlog was MNOK 243 at the end of the year.

Profit and loss AKVA group

Total revenue and other income for AKVA group in 2024 was MNOK 3,602 (3,432) – an increase of 4.9% compared to 2023. The revenue and other income in 2024 was impacted by MNOK 76 related to the acquisition of Observe Technologies completed in Q3. EBITDA for 2024 was MNOK 453 (263). EBIT in 2024 ended at MNOK 256 (68). EBITDA and EBIT in 2024 was positive impacted by MNOK 71 related to the acquisition of Observe Technologies. EBIT in 2023 was negative impacted by restructuring costs of MNOK 98.

Depreciation and amortization in 2024 were MNOK 197 (196). Impairment were MNOK 0 (0) . Net financial expenses were MNOK -130 (-97) and is impacted by increased interest rates and currency effects. Profit before tax was MNOK 126 (-29). The calculated tax for 2024 is MNOK -1 (-11). Net profit for the year was MNOK 127 (-19).

Sea Based had operating revenues in 2024 of MNOK 2,770 (2,666), an increase of 3.9% compared to 2023. EBITDA was MNOK 330 (271), an increase of 21.8% compared to 2023.

Digital had operating revenues in 2024 of MNOK 213 (132) with an EBITDA of MNOK 101 (25). The increase in EBITDA is related to higher activity level. Land Based had operating revenues in 2024 of MNOK 618 (632), a decrease of -2.3% compared to 2023. EBITDA was MNOK 22 (-33). EBITDA in 2023 was impacted by high costs related to restructuring. EBITDA improved in 2024 but was still impacted by a high cost base compared to the activity level, and low profit margins in parts of the project portfolio.

Earnings per share were NOK 3,58 in 2024 versus NOK -0,49 in 2023. The average total number of outstanding shares has been 36,363,223 in 2024 and 36,415,864 in 2023.

Profit and loss AKVA group ASA

Operating revenues and other income for AKVA group ASA in 2024 was MNOK 1,180 (1,209). EBITDA for 2024 was MNOK -93 (-127). Depreciation and amortization in 2024 were MNOK 39 (39). EBIT for 2024 was MNOK -98 (-166). Net financial income was MNOK 121 (162) and profit before tax was MNOK 23 (-4). The calculated tax for 2024 was MNOK -9 (-24). Net profit for the year was MNOK 31(20).

Statement of financial position and cash flow AKVA group

Total assets at the end of 2024 were MNOK 4,054 (3,684). Total liabilities amounted to MNOK 2,741 (2,531) and equity totalled MNOK 1,313 (1,153) giving an equity ratio of 32% (31%).

Working capital in the consolidated balance sheet, defined as non-interest-bearing current assets less non-interest-bearing short-term debt, was MNOK 340 at the end of 2024, compared to MNOK 212 at the end of 2023. Working capital in percentage of 12 months rolling revenue was 9.3% at the end of 2024 compared to 8.6% at the end of 2023. Equity was positively affected during 2024 by this year's result of MNOK 127 (-19). Translation differences and cash flow hedges had positive impact on equity of MNOK 10 (8).

At the end of 2024 gross interest-bearing debt amounted to MNOK 1,604 (1,396). The Company complied with all financial covenants during 2024. Cash and unused credit facilities amounted to MNOK 433 (519). The operating activities gave a net cash contribution of MNOK 152 (258).

Statement of financial position AKVA group ASA

Total assets at the end of 2024 were MNOK 3,111 (2,773). Total liabilities amounted to MNOK 1,859 (1,552) and equity totaled MNOK 1,252 (1,221) giving an equity ratio of 40% (44%).

Risk factors

AKVA group categorize risk factors into five categories:

1 Market/operational risk
2 Reporting risk
3 Financial risk
4 Climate risk
5 Regulatory risk

Market/operational risk

The aquaculture industry is associated with biological and market risk and has historically been subject to cyclicality. AKVA group aims to reduce the risks related to these factors through diversification of its products and technologies to various geographical regions and by increasing revenues from recurring service and after sales. AKVA group is exposed to fluctuations in prices of certain raw materials used for some of the main products. Reduction of this risk is sought through continuous general awareness and specific attention during major contract negotiation, as well as by securing the pricing of raw materials immediately after signing contracts when applicable. The inflation rates have also been high in 2023 and in 2024 which is partly related to the outbreak of the war in Ukraine.

AKVA group strives to have updated cost calculations for the various products and services on a continuous basis to ensure updated and correct market prices. Larger contracts, especially for the Land Based business, have mechanisms for price escalations to reflect any price changes in the cost base.

Reporting risk

AKVA group ASA is subject to the rules of the Euronext Oslo Stock Exchange and other Norwegian and European Union financial market regulations. As such, there is a risk that the performed risk assessment process and internal controls related to financial reporting does not carry the expected results, which could imply that there is a risk of material misstatements in AKVA group's financial figures. AKVA group has implemented internal controls to address this risk, which is considered effective as of 31 December 2024.

However, there can be no assurance that, going forward, the implemented internal controls will effectively prevent material misstatements in our financial statements. Hence, AKVA group will continue to focus on the design and implementation of internal controls to have sufficient assurance that the reporting risk is kept to a minimum.

Financial risk

For AKVA group the financial risks are mainly related to currency risks, interest rate risks, credit risks and liquidity risks. A reduction in currency risks is sought through matching revenues and costs in the same currency, in combination with forward contracts. The Group has a defined currency hedging strategy for all operating companies. The Group is also exposed to fluctuations in foreign exchange rates when calculating the equity of foreign subsidiaries into NOK.

The net interest bearing debt was approx. BNOK 1.4 at the end of 2024. Interest rates increased significantly during 2023 which had a negative impact on the profitability in AKVA group with increased interest costs. In January 2024 AKVA group decided to hedge part of the interest risk by swapping MNOK 500 of the total interest bearing debt from floating to a fixed interest rate. The interest rate of the MNOK 500 has been fixed for close to three years ending in November 2026. For the borrowings which is based on floating interest rate (NIBOR), the net interest costs will consequently increase and decrease according to fluctuations in the interest rate level.

The Group is exposed to the risk of losses if one or more customers fail to meet their obligations. To mitigate this risk the Group trades only with recognised, credit worthy third parties. Historically the Group has had low losses from customer receivables. For larger projects, the Group generally receives partial pre-payments and payments according to the progress of the projects. In addition, the Group monitors its exposure to individual customers closely. The credit risk is thereby reduced.

AKVA group continuously monitors its liquidity, and estimates expected liquidity developments based on budgets and monthly updated forecasts from the operating companies. Any negative development in key liquidity ratios are followed up and analysed. Liquidity improvement measures are implemented, to ensure that the liquidity risk is kept at a minimum.

Climate risk

Climate change affects us all and we have a responsibility to act. The Group have impacts, risks and opportunities related to climate change. These are described in detail under Climate change in the sustainability statement, and in the taxonomy report.

Regulatory risk

The aquaculture industry is exposed to changes in laws and regulations that can have materially impact on the market and business. Currently there are political risks both in Chile and in Canada (British Columbia) with regards to existing and future fish farming licenses while there is still uncertainty in Norway with regards to the effects on the industry following the implementation of resource tax on fish farmers in 2023. AKVA group continuously monitors the development and give input to relevant committees and hearings.

Product development

In 2024 the Group invested MNOK 201 (195) in product research and development, of which MNOK 135 (102) were capitalized and MNOK 66 (93) expensed. The investments were used to further improve existing products and to develop new products and solutions in all three business areas.

Intangible assets

An overview of the Group's intangible assets, as included in the balance sheet, is provided in note 7 in the Group consolidated financial statement. The Group's current business model is not fundamentally dependent on key intangible resources, cf. section 2-2 (7) of the Norwegian Accounting Act.

Organisation and work environment

By end of 2024 AKVA group had 1409 (1425) employees, a reduction of 1% compared with 2023. The Group aims at having a gender balance across the different levels of the organization. The aquaculture industry has historically been male-dominated, and the Group realize that it will take time before an equal gender balance is reached. In 2024, the Group increased the proportion of women in people manager roles to 28% (26%), and maintained an overall gender balance of 35% women. Group Management continue to consist of 1 woman and 7 men (12.5% women). AKVA group ASA's Board of Directors are 40% women, out of ten members.

The Group has employees with 39 different nationalities, which brings different perspectives, a more innovative workforce, and a need for cultural awareness. At the head office in Norway, the primary office language is set to English to allow for greater diversity and inclusion.

The Group works actively to encourage and promote the objective of the Norwegian Equality and Anti-Discrimination Act within our business. We focus on promoting gender equality, ensuring equal opportunities and rights, and preventing discrimination based on ethnicity, national origin, descent, skin colour, language, religion, or belief. This principle is also included in the Group's Code of Conduct. Our efforts include activities related to recruitment, salary and working conditions, promotion, development opportunities and protection against harassment. This principle is also included in the Group's Code of Conduct.

Key statistics on discrimination and gender equality is presented separately in the sustainability statement of the Board of Directors report. The Group target to be a workplace with no discrimination due to reduced functional ability and is working actively to design and implement physical working conditions to fit all employees. For employees or new applicants with reduced functional ability, individual arrangements of workplace and responsibility are made.

The Group aims to continuously strengthen the competence of its employees to maintain a position as a leading supplier of solutions and service to the global aquaculture industry. In 2024 99% (98%) of all office, leading and client facing employees had individual employee appraisal with focus on well-being, development, and performance.

Through recruitment, the company seeks to employ people with the right knowledge, skills, and abilities to ensure a good long-term fit with the role, and the company values. Successful recruitment and retention of employees is considered vital to keep strengthening competence and corporate culture. In 2024 the Group had voluntary turnover rate at 8.4% (12%).

The Group values and aims to provide safe and health promoting work. In 2024 targeted improvement plans were initiated to improve sick leave and reduce accidents, and a global employee engagement survey was implemented. Total sick leave in the Group during 2024 amounted to 5.1%, down from 6.3% in 2023. The Group has registered 35 (42) incidents causing sick leave exceeding the day the incident occurred during 2024. All accidents have been investigated, and corrective actions taken.

AKVA group has a global director and officer's (D&O) insurance through QBE covering potential liabilities of the Board of Directors and CEO towards third parties.

The Board considers the working environment in the company to be satisfactory.

Environmental, social and governance (ESG) responsibility

Documenting and improving environmental, social and governance matters is important for AKVA group. This is our first year where our sustainability statement is prepared in accordance with the EU's Corporate Sustainability Reporting Directive (CSRD) as implemented into Norwegian legislation. For AKVA group, compliance with CSRD reporting was mandatory from 2024.

The Board of Directors report in relation to the Norwegian Code of Practice for Corporate Governance is included in the Reports and statements part of the annual report, and comprise of information that the company is required to provide pursuant to section 3-3b of the Norwegian Accounting Act and section 4.4 of the Oslo Stock Exchange's Oslo Rule Book II – Issuer Rules.

An account of our due diligence assessments in 2024 carried out in accordance with the Norwegian Transparency Act will be published on our webpage within 30 June 2025.

Future outlook and going concern

AKVA group is well positioned for future profitable growth.The order backlog is sound and there is a solid pipeline of new projects which forms a good foundation to execute the organic growth strategy.

Salmon prices are expected to remain strong driven by supply constraints. The high demand for salmon will push for new technological advances to improve utilization of existing licenses in the sea but will also require scale-up of new farming technologies.

AKVA group is aiming of revenue of minimum BNOK 4.0 and EBIT of 6% in 2025.

AKVA group will continue to invest and improve our services and technical solutions across all our business areas.

The Board confirms that the financial statements have been prepared on the assumption of going concern, in accordance with section 3-3a of the Norwegian Accounting Act, and that such an assumption is justified. This confirmation is based on the Group's reported results, financial situation, and established budgets.

Allocation of profit

The board propose the following allocation of the 2024 loss for AKVA group ASA:

Proposed dividend	TNOK	0
Dividends paid during the year	TNOK	0
Transferred to other equity	TNOK	31,496
Total allocation	TNOK	31,496

At the end of 2024, AKVA group ASA had an equity of MNOK 1,252 (1,221), comprising of MNOK 36 (36) in share capital, MNOK 1,172 (1,172) in share premium, MNOK 14,2 (14,5) in other paid in capital and MNOK 30 (-2) in other equity.

Sustainability statement

AKVA GROUP™

General information

Basis for preparation

General basis for preparation of the sustainability statement (BP-1)

This sustainability statement has been prepared in accordance with the requirements of the Norwegian Accounting Act and provides information applicable to and aligned with the European Sustainability Reporting Standards (ESRS) issued by the European Financial Reporting Advisory Group (EFRAG), and the Taxonomy Regulation (EU) 2020/852 and supplementing delegated acts. The statement is issued by AKVA group ASA for the financial year 2024, and provides consolidated information relating to the Group's progress on material environmental, social and governance (ESG) matters.

The scope of consolidation for the sustainability statement is the same as the financial statements. A list of subsidiaries included in the sustainability statement is included in note 9 to the consolidated financial statements. The Group does not have operational control of any of its equity accounted investees or other assets or investments. In addition to own operations, the sustainability statement covers the Group's upstream and downstream value chains.

AKVA group has not omitted information on the basis of intellectual property, know-how or the results of innovation in the sustainability statement, other than detailed information of the content of our innovation agenda and programmes as specified in the Pollution, Water, Fish welfare and Escaped farmed fish chapters.

Disclosures in relation to specific circumstances (BP-2)

Time Horizons

AKVA group has applied the definition of short (0-1 year), medium (2-5 years) and long (5+ years) term time horizons as defined in ESRS unless otherwise stated elsewhere in the sustainability statement.

Value chain estimation

Most of the metrics presented in this report is based on metrics using direct sources from the Group itself or partners in the value chain. Indirect sources such as sector-average data has been used to put our own metrics into context.

For instance, in the Climate change chapter we describe important GHG emissions in the aquaculture value chain. This is based on scientific reports from research institutions such as SINTEF Ocean and consultant companies such as Asplan Viak – both well known institutions for their research about climate emissions from aquaculture.

Similarly for the other chapters; best available knowledge and best available degree of accuracy.

Other sources are based on statistics from the Directorate of Fisheries in Norway and their extensive database about Norwegian aquaculture (based on reports from the farming companies).

Similar scientific based sources are also used in other chapters, such as:

- Escaped farmed fish; Statistics from the Directorate of Fisheries
- Fish welfare: Loss in production in number of salmon and trout from the Fish health report 2023 (Veterinary Institute in Norway)
- Value creation from the seafood industry: Ripple effects of the Norwegian seafood industry – Value creation and employment in 2023 (Nofima)

Use of indirect sources is done by care, and status in the aquaculture industry is in this report mainly described by examples from accessible, official statistics from Norway. Other countries are not that different in terms of sustainability challenges, although there might be local variations and difference in scale. We will collect more accurate information from other important markets for our products and service when and if official statistics become available for such markets.

Sources of estimation and outcome uncertainty

There are relatively few quantitative metrics and monetary amounts with a high level of measurement uncertainty in the sustainability statement. In general, the uncertainty is larger when the data is collected from the value chain compared to data collected directly from the Group.

The highest level of uncertainty is connected to Scope 3 GHG emissions reported in the Climate change chapter, which is partly based on information from the Group's upstream and downstream value chain. We expect that the numbers will be more accurate in the years to come. The following is estimates that is considered to have a high level of measurement uncertainty. Details of the assumptions, judgements and source of measurement uncertainty is included as part of E1-6 Gross Scopes 1, 2, 3 and total GHG emissions.

- Category 1. Purchased goods and services.
- Category 4. Upstream transportation.
- Category 11. Use of sold goods.

Related to own workforce, there is a high estimation uncertainty related to the number of accidents in the Group. See chapter on Own workforce for more information.

Incorporation by reference

No disclosure requirements or data points have been incorporated by reference.

Use of phase-in provisions in accordance with Appendix C of ESRS 1

Phase-in provisions under ESRS 2

- Strategy, business model and value chain - breakdown of total revenue by significant ESRS sector and list of additional significant ESRS sectors
- Material impacts, risks and opportunities and their interaction with strategy and business model - anticipated financial effects of material risks and opportunities on financial position.

Phase in provision under ESRS E1

- Anticipated financial effects from material physical and transition risks and potential climate-related opportunities.

Phase in provision under ESRS E5

- Anticipated financial effects from material resource use and circular economy-related risks and opportunities.

Phase-in provisions under ESRS S1

- Characteristics of non-employee workers in own workforce - all data points.
- Health and safety - the data points on cases of work-related ill-health and on number of days lost to injuries, accidents, fatalities and work-related ill health.

Governance (GOV)

The role of the administrative, management and supervisory bodies (GOV-1)

Sustainability is a top-level commitment in AKVA group. The administrative, management and supervisory bodies in the Group comprise of the Board of Directors in AKVA group ASA, with its Remuneration Committee and Audit Committee, and the Group Management Team including the Group CEO.

Roles and responsibilities of the Board of Directors

The Board has the ultimate responsibility to oversee the Group's sustainability matters, and to ensure correct and timely reporting of the AKVA group ASA's integrated annual report. The Board reviews regular updates on material sustainability matters within the Group, including material impacts, risks and opportunities, the implementation of due diligence, and the results and effectiveness of policies, actions, metrics and targets adopted to address them.

The Board's Audit Committee is responsible for overseeing and informing the Board of sustainability matters, including the sustainability statement, within AKVA group ASA and the Group.

The Board's Remuneration Committee is responsible for preparation of the guidelines for remuneration of the Group Management Team, including how the remuneration is linked to sustainability targets within the Group. The Remuneration Committee consists of two representatives from the Board of Directors.

The rules of procedures for the Board of Directors were last updated in November 2023, and this update included the Board's responsibility for sustainability matters in line with the introduction of new legislation and expectations on governance of sustainability matters.

Roles and responsibilities of the Group CEO and Group Management Team

The Group CEO reports directly to the Board of Directors and has the top responsibility towards the Board on the Group's performance and management of sustainability matters and regularly provide the Board and its committees with updates. Other representatives from the Group Management Team or other employees of the Group may also present details of specific areas related to sustainability matters to the Board.

Within the Group Management Team, compliance with sustainability legislation and the Group's own sustainability targets, management of material impacts, risks and opportunities, and processes are allocated the representatives based on roles and functions within the Group as required from time to time. The Group Chief Commercial Officer has an overall responsibility for overseeing the Group's sustainability reporting and targets, with a focus on environmental matters and social matters in the value chain. The Group CFO has an overall responsibility for overseeing governance matters and the Chief Human Resource Officer for social matters in own workforce. The COOs within the business areas are responsible for ensuring that the Group's sustainability processes, and management are carried out in their respective business areas of responsibility. There are no formal policy describing such roles and allocation of responsibilities between the Group Management Team, but the Group Management Team has implemented such roles and responsibilities in their processes and procedures.

Expertise and skills

The shareholder elected members have diverse backgrounds and education, and considerable experience in board participation and governance necessary for overseeing the Group's sustainability matters, including responsible business conduct.

The employee elected members contribute with the important perspectives of the employees within the Group needed for the Board to make well founded decisions on how to address and oversee processes within the business operations. All new employee elected members also receive training in board governance and specific topics as necessary.

The Group Management and its administration regularly provide the Board and its committees with information on new legislation, such as the CSRD, and how the Group can reach the sustainability targets.

The Group Management bring with them considerable experience within their respective subject fields from before joining the Group and have developed specific experience during their term in the Group within the sectors, products and geographic locations within their responsibilities. The Group Management Team receives training in sustainability-related matters as needed.

In addition, the Board and the Group Management Team have access to other qualified employees within the Group, such as environmental specialists, finance, HR, legal and procurement, as well as the Group's external auditor and seek external specialist sustainability-related advise as necessary.

The Board with its committees, and Group Management Team commenced with preparation of compliance of the new requirements of sustainability reporting in 2023. With the process of the double materiality assessment, climate gas reporting and setting sustainability targets on reduction of our carbon footprint, they have during 2023 and 2024 developed new skills on sustainability matters related to our material impacts, risks and opportunities.

Composition of the Board of Directors and Group Management

The Board of Directors comprise of representatives with different backgrounds and expertise. The Board consists of 10 representatives, of which 7 are shareholder elected members and 3 are employee elected members. The Board has a gender diversity of 40% women and 60% men, thus a gender ratio of 4:6.

All of the Board members are non-executive members. Three of the shareholder elected members of the Board represents the two largest shareholders of AKVA group ASA providing a ratio of 70% independent members and 30% dependent members.

The Group Management Team comprise of 7 representatives, namely the Group CEO, Group CFO, Chief Human Resource Officer and Chief Commercial Officer (CCO), in addition to the Chief Operating Officers (COO) from each of the Group's business areas, COO Sea Based, COO Sea Based Egersund Net, COO Land Based and COO Digital respectively. The Group Management Team has a gender diversity of 12.5 % women and 87.5 % men.

A presentation of the members of the Board of Directors is provided in the chapter on Corporate governance, and a presentation of the Group Management Team is provided in the chapter This is AKVA group. Further details about our Board and Group Management Team are available on our webpages.

Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2)

Body of governance	Material matters addressed in the reporting period
Board of Directors	• Review and approval of annual report and sustainability report for 2023. • Review and approval of the double materiality assessment for 2024.
Audit Committee	• Review of the double materiality assessment for 2024 with review of all identified material impacts, risks and opportunities. • Tracking and receiving reports from the Group CEO and CFO and progress on sustainability statement for 2024. • Review of annual cycle of sustainability compliance.
Remuneration Committee	• Review of sustainability linked KPI's for the remuneration of the Group Management Team.
Group Management Team	• Review and approval of the double materiality assessment for 2024 with review of all identified material impacts, risks and opportunities. • Monitoring of progress of sustainability statement 2024. • Review of status of sustainability matters in the Group

Integration of sustainability-related performance in incentive schemes (GOV-3)

In the reporting year, the remuneration of the Group Management was linked to the Group's achievement of preparation of a complete set of climate accounts, including scope 3 emissions. This sustainability related KPI is one of the KPI's included in the Group Management's Strategic KPI's. Achievement of the Strategic KPI's has an allocated weight of 40% in the executive short-term incentive plan with the sustainability related KPI weighted 7.5%. There were no incentives related to our GHG emission reduction targets in 2024.

Sustainability related KPIs for 2025 will be determined by the Board's Remuneration Committee during 2025.

The Group's report of executive remuneration with guidelines are available on the Group's webpage.

Statement on due diligence (GOV-4)

Core elements of due diligence	Paragraphs in the sustainability statement
Embedding due diligence in governance, strategy and business model	■ GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies ■ GOV-3 Integration of sustainability-related performance in incentive schemes ■ SMB-3 Material impacts, risks and opportunities and their interaction with strategy and business model, in relevant topic chapters
Engaging with affected stakeholders in all key steps of the due diligence	■ GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies ■ SBM-2 Interests and views of stakeholders ■ IRO-1 Description of the process to identify and assess material impacts, risks and opportunities ■ S1-2 Processes for engaging with own workforce and workers' representatives about impacts ■ S2-2 Processes for engaging with value chain workers about impacts ■ S3-2 Processes for engaging with affected communities about impacts
Identifying and assessing adverse impacts	■ IRO-1 Description of the process to identify and assess material impacts, risks and opportunities ■ SMB-3 Material impacts, risks and opportunities and their interaction with strategy and business model, in relevant topic chapters
Taking actions to address those adverse impacts	■ Actions under relevant topic chapters (MDR-A)
Tracking the effectiveness of these efforts and communicating	■ Actions under relevant topic chapters (MDR-A and MDR-T)

Risk management and internal controls over sustainability reporting (GOV-5)

AKVA group regularly assesses risk and controls over its sustainability reporting process. The risks are reviewed with the Board's Audit Committee and discussed with our external auditors who provide limited assurance over the sustainability statement.

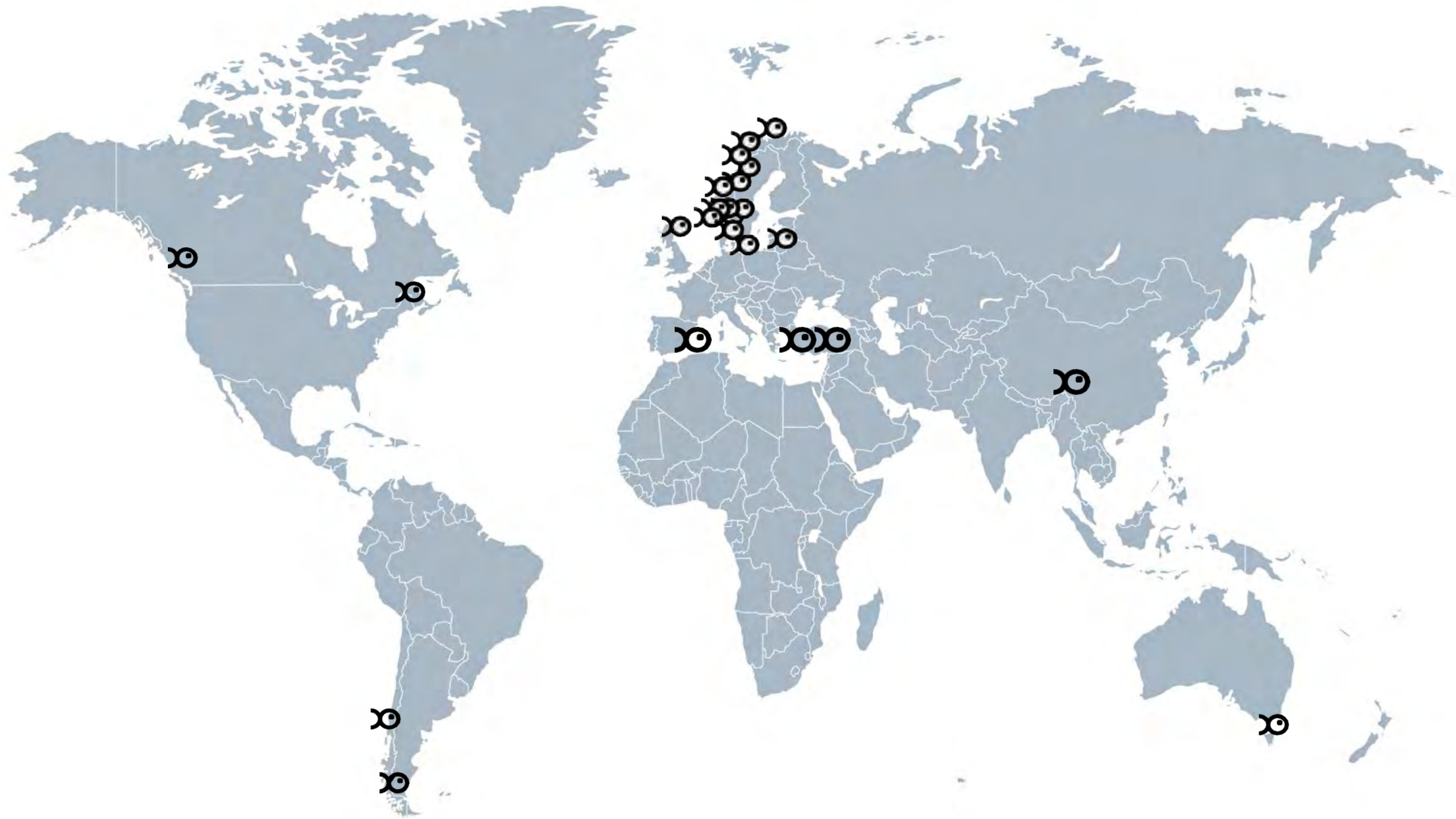
AKVA group is exposed to risks associated with incomplete or inconsistent reporting on sustainability topics, including risks associated with greenwashing. There are also risks related to the accuracy of data inputs and manual errors in the reporting process from aggregating data from multiple systems into the corporate disclosure management system.

The Group is in the process of formalising internal controls related to the sustainability statement. The process of identifying sustainability matters and our impacts, risks and opportunities has been through a formalised process and approved by the Group Management Team and the Board of Directors. Sustainability data included in the report is subject to some controls, but these are generally informal. Going forward we will focus on implementing more formalised controls for sustainability.

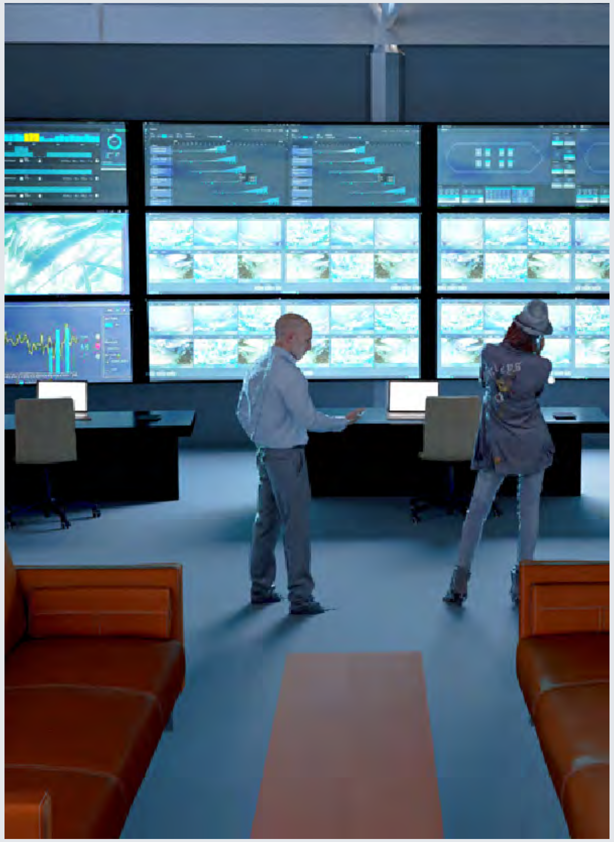
Strategy

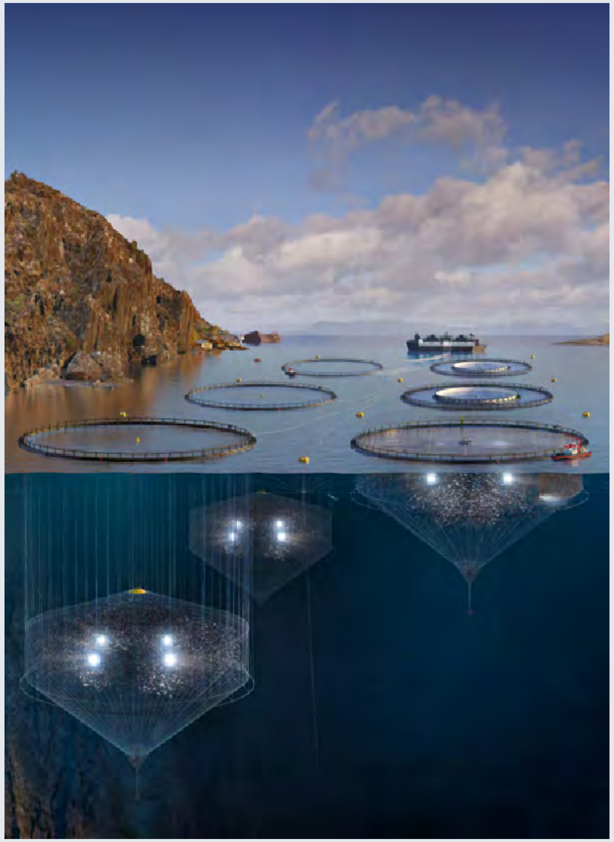
Strategy, business model and value chain (SBM-1)

The Group's largest market is the salmon aquaculture industry, but we also deliver products and solutions to the seabass and seabream market and other species. We are present with companies in 11 countries, but we also sell technology and solutions to other markets. We provide technology and services to sea based and land based aquaculture. Innovation and digital solutions are central to our business.



AKVA group's presence

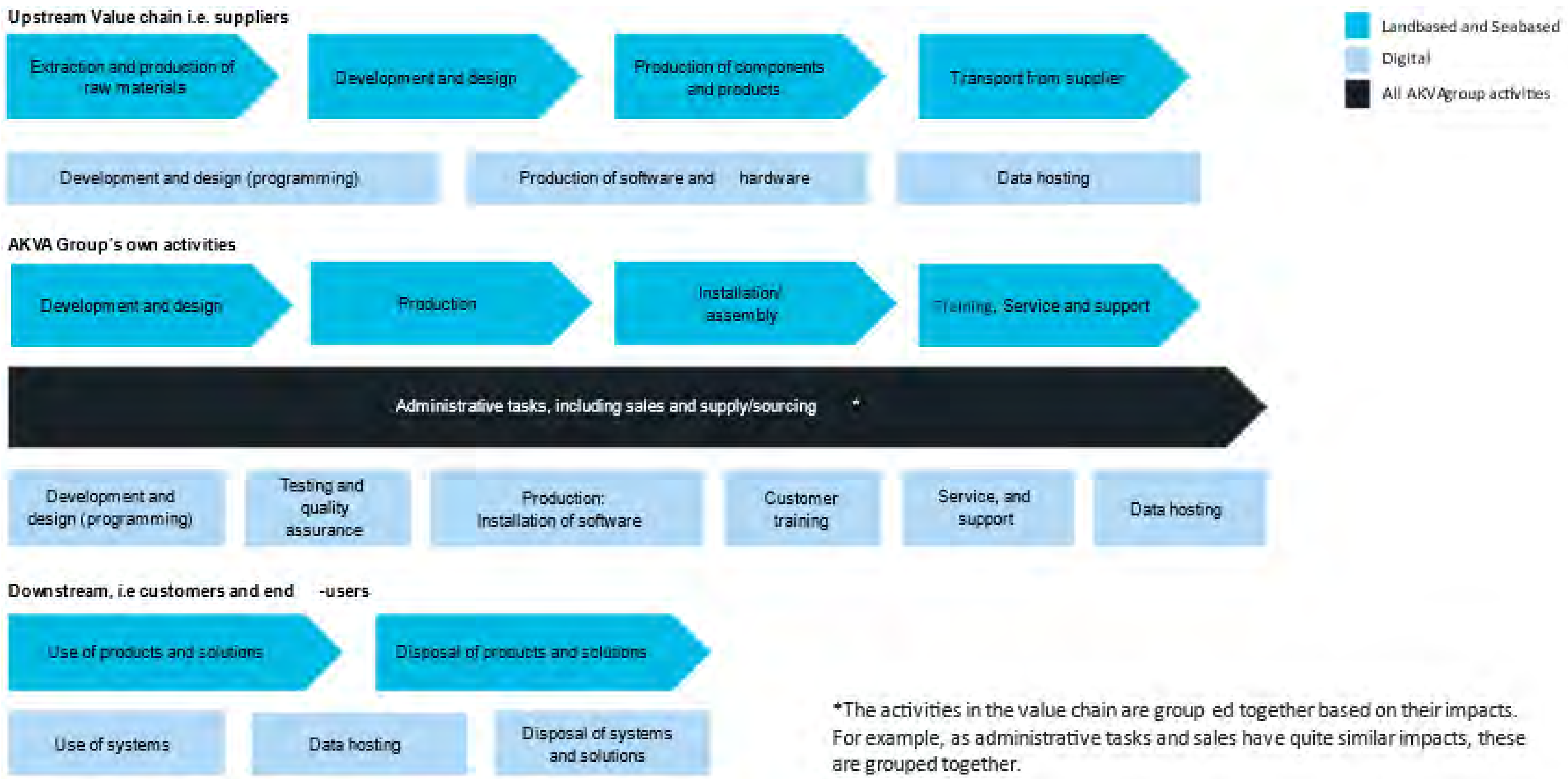




The Group's business areas – Land Based, Digital and Sea Based

Our business model is to develop, produce, and sell or rent out technology and services for land-based and sea-based fish farming globally, focusing on creating value in the short, medium, and long term in alignment with our strategic objectives. Each of the Group's business areas (Land Based, Digital and Sea Based) has their own characteristics and activities, but in more general terms, core activities within the Group include development and design, production, installation/assembly and training, service and support.

Activities at our suppliers and sub-suppliers include extraction and production of raw materials (plastics, steel, electronics), development and design, production of components and products (including software) and transport. Downstream, the fish farmer companies use products and systems developed by us and in the end, the products and systems are disposed and made available for recycling or other methods of handling discarded equipment. The end user for our technology and solutions is the fish farmer.



Value chains of the Group

Our approach to gather, develop and secure the inputs needed to create a comprehensive description of business model and value chain is based on extensive interviews with internal and external stakeholders, as well as workshops and meetings to discuss the proposed value chain and main product categories.

AKVA group is dependent on the input of plastics, steel, and other resources in our production of pens, nets, barges, fish tanks, etc. - all tailor-made for harsh environment both at sea and on land. All plastics used are fossil-based, and the major challenge is that the life cycle of plastics and steel is largely linear based on virgin plastic and steel. We have proven that it is possible to replace virgin material with recycled in for instance pens and nets.

Our working boats based on climate-neutral raw materials were launched in the reporting period. AKVA group has received certification through ISCC PLUS to use raw materials based on bio-based and recycled sourced, such as forest waste and used cooking oil, in the production of both workboats and fish pens.

The Group provides a wide range of solutions, products, and services within the Sea Based business area. We deliver most components needed at a site - from advanced tailor-made marine infrastructure, precision feeding and deep farming systems to single components and products.

Sales of deep farming solutions have increased significantly in the reporting period, and add-on products such as a winch solution for lowering and raising the solutions in the water column were developed and offered to the market in 2024. A new and improved airdome was launched at the end of 2024.

Within the Land Based business area the Group delivers complete systems with Recirculation Aquaculture Systems (RAS) and a Zero Water Concept as key elements.

Within both Sea Based and Land Based business areas, digital solutions and systems are key elements.

Land Based developed new products such as inspection hatches in the biofilter, plate separator, high-flow FTC and vortex braker in 2024. Digital developed a new version of Photofish (for measuring colour and fat in fish filets) and AKVA connect (Version 4.13) our integrated management system for precision fish farming.

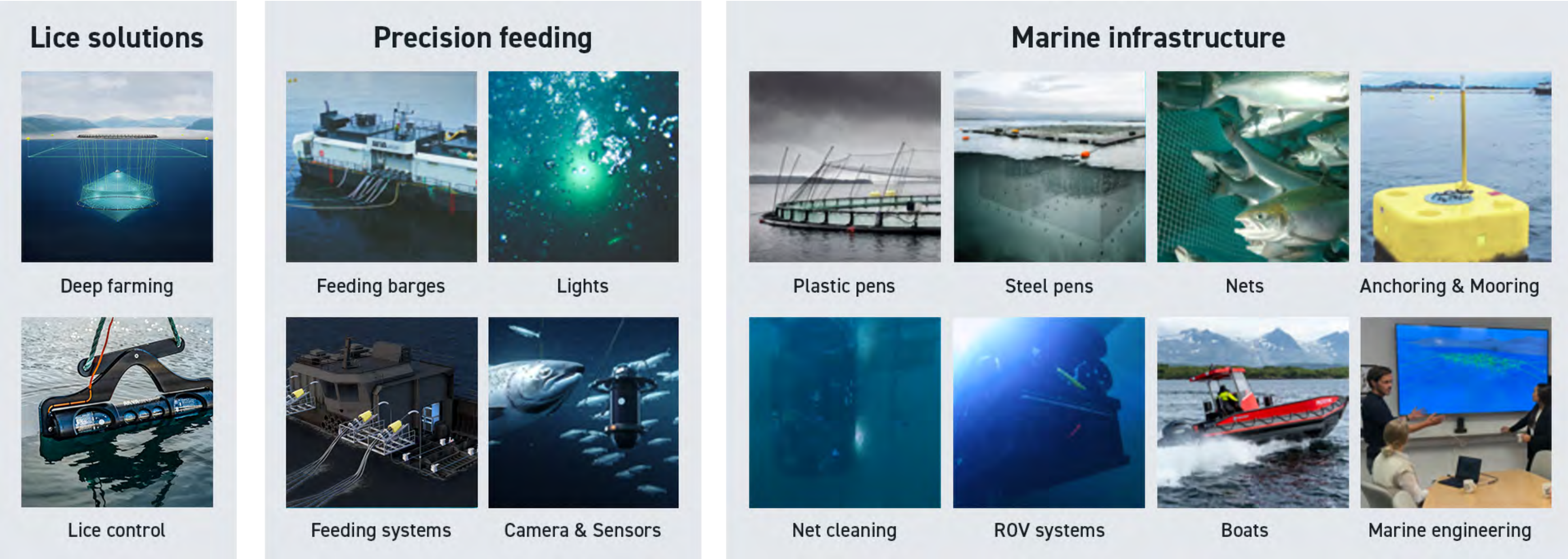


Figure: Sea Based solutions and service

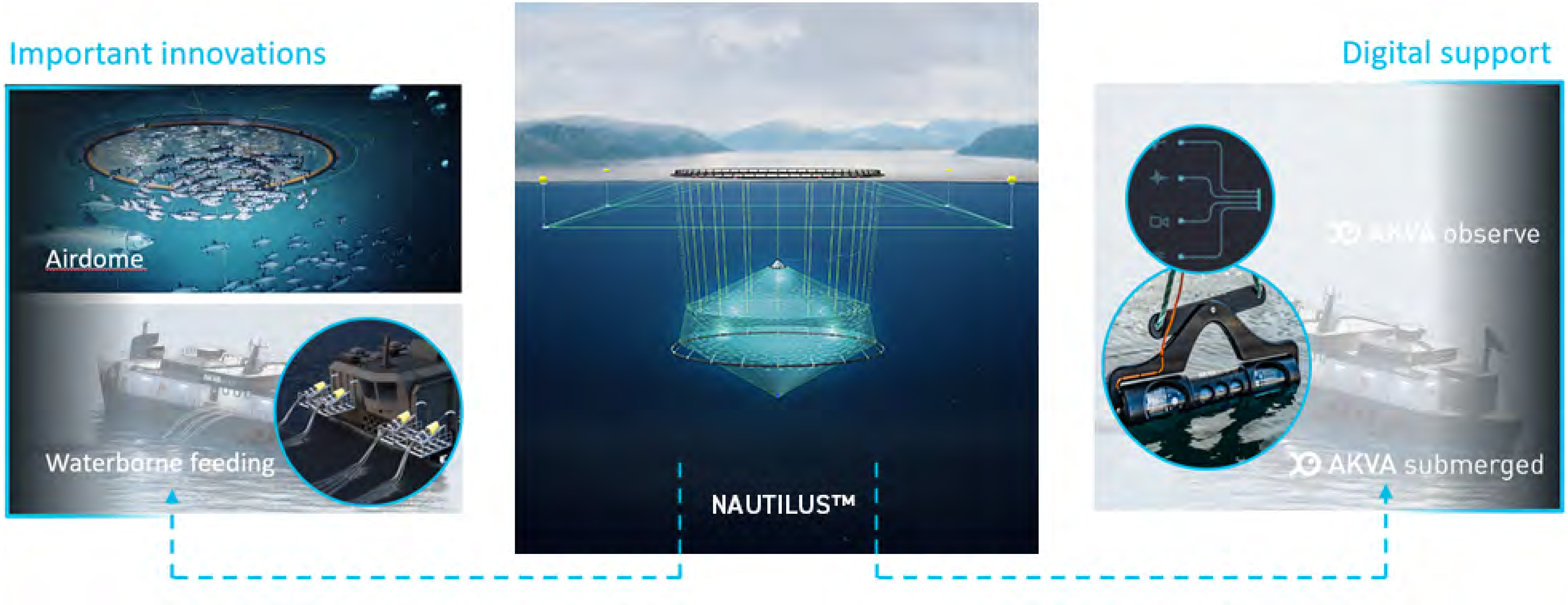


Figure: Illustration of our deep farming solution

Market leading
low water exchange
Concept RAS

– enabling sustainable and cost-effective production

Delivering
complete scope
of fish-farming technology

Feeding
Fish tanks
Fish handling
Camera
Lights
Sensors
Control system

Data driven insight and
intelligent farming
systems

– enabling consistent and optimized production

"Precision Farming"

Production
advisory service

– RAS production competence group helping customers maximize output and reduce costs

Figure: Land Based solutions and services

AKVA observe

Artificial intelligence in feeding

AKVA fishtalk

Production control and planning system

AKVA connect

Management system for fish farming

AKVA submerged

Surveillance of the fish

A complete platform that enables precision farming on the fish farmer's terms

Figure: Digital solutions

The table shows headcount of permanent employees of 1 409 by geographical area and business area per 31.12.2024.

No of employees by geographical areas and business area.

Business Areas	Country	Unit name	No. of employees
Sea Based	Australia	AKVA Group Australasia Pty Ltd	2
Sea Based	Canada	AKVA Group North America Inc	12
Sea Based	Canada	Newfoundland Aqua Service Ltd.	18
Land Based	Chile	AKVA Group Land Based Americas	23
Sea Based	Chile	AKVA Group Chile S.A	251
Land Based	China	AKVA Group Land Based China	15
Land Based	Denmark	AKVA Group Land Based A/S	89
Sea Based	Greece	AKVA Group Hellas SM PEC	3
Sea Based	Lithuania	UAB Egersund Net	281
Digital	Norway	Submerged AS	9
Sea Based, Land Based and Digital	Norway	AKVA group ASA	235
Sea Based	Norway	Egersund Trading AS	15
Sea Based	Norway	Egersund Net AS	170
Sea Based	Norway	Sperre AS	21
Land Based	Norway	AKVA Group Land Based Sømna AS	45
Sea Based	Norway	Helgeland Plast AS	89
Sea Based	Norway	AKVA Group Services AS	0
Sea Based	Norway	Polarcirkel AS	0
Digital	Norway	AKVA Group Software AS	28
Sea Based	United Kingdom	AKVA Group Scotland Ltd	51
Sea Based	United Kingdom	Grading Systems Ltd	4
Sea Based	Spain	AKVA Group Espania S.L	5
Sea Based	Turkey	AKVA Group Turkey Ltd.	30
Digital	United Kingdom	Observe Technologies Ltd.	13

Based on our materiality assessment and our strategic work related to sustainability over the last two years, the Group has identified five strategic sustainability themes for our sustainability work and reporting scheme: climate and circular economy, our innovation, people, society and business ethics.

Within each theme, we have developed sustainability objectives to set direction.

Our sustainability objectives are closely linked to the UN Sustainability Goals (SDGs), which guide us in our collaborative effort towards sustainable development. The SDG goals considered most material for the Group, and where we can contribute the most, are identified below. By far, our most significant contribution to a more sustainable aquaculture production is through our innovations and solutions offered in the market.

The Group's sustainability objectives and their link to the UN SDGs

AKVA group contributes to local communities and the global seafood industry

- We are an important contributor to employment and value creation.
- We contribute to an increased and sustainable seafood production through new solutions and global presence.

AKVA group ensures responsible business conduct in all parts of our value chains

- We commit ourselves and our representatives to our Code of Conduct.
- We commit to cross-industry collaboration for ethical trading and human and workers rights.

AKVA group works for good working conditions for all employees

- We work to improve health and safety for a diverse and inclusive working environment.
- We set clear expectations and facilitate development opportunities.

AKVA group works to reduce climate change and meet the needs of a circular economy

- We work to reduce emissions in our operations and supply chain.
- Our ambition is that all AKVA group's products meet the need of a circular economy.

AKVA groups innovation is set towards sustainable aquaculture

- We develop and deliver solutions for precision fish farming.
- We focus on innovation for improved environmental impact and fish performance.

Our sustainability goals are developed and based on input from our stakeholders. The Group's most important stakeholders are customers, suppliers, own workforce, capital owners, industrial experts, and "silent stakeholders" such as for example nature or farmed fish.

Salmon producing countries, such as Norway with the other Nordic countries, Chile, UK (Scotland), and Canada, are the most important markets for AKVA group in both Land Based and Sea Based business areas. In sea based aquaculture the sustainability challenges are more or less the same: sea lice, escapees, organic matter, predators, etc. Our main focus in recent years has been to develop deep farming at sea, trying to solve the biggest challenge of them all - the sea lice situation. Our deep farming solutions strive to address these challenges and this is described in more detail in the Fish welfare chapter.

Seabass and seabream production in the Mediterranean is a growing market for our solutions in general, and they face some unique sustainability challenges, such as warm surface water during summertime. In this segment, there is also interest in deep farming solutions, this time to avoid overly warm water.

In Norway and some of the other salmon producing countries, customers want to reduce production time at sea by producing larger fish on land. The Group is well positioned within the Land Based business area, and can offer land based facilities for ordinary smolt production, large smolt production, and food fish production. The solutions have been validated through well-known projects like NOAP (food fish) and Tytlandsvik (large smolt). For more details see the Water consumption chapter.

In general, fish health and fish welfare are crucial in all aquaculture production – both for the fish itself and for the economic viability of production. Regulators and customers in various markets require documentation of how solutions impact fish health and fish welfare. Norway is leading in this area with its regulations, but we see similar development in other markets as well.

The Group's innovation agenda is almost exclusively focused on addressing our customers' sustainability challenges. Even though our customers differ in size (small, medium-sized, and large fish farming companies), their challenges are largely the same. Norway has, so far, been the leading market for innovation and development within the salmon industry, but is now experiencing a slowdown– mainly due to restrictions on growth and delays in the development of innovation-oriented regulations, such as the expected white paper on aquaculture in Norway (Havbruksmeldingen).

Globally, there is an increasing awareness of marine littering of plastics from aquaculture activities in the ocean and nearshore areas. The aquaculture industry is being challenged by EU regulations and NGOs to reduce, reuse, handle and recycle plastic products. Many of our products (pens, nets, feed pipes, etc.) are made from various plastics, which are also significant contributors to our climate emissions. Most of these plastics are well-suited for repair and recycling, and in recent years, we demonstrated that it is possible to use recycled nets and pens to produce new nets and pens. The challenge, however, is that customers have a low willingness to invest and pay for such products.

The main challenges ahead and critical solutions or projects to be implemented, when relevant for sustainability reporting are:

- Our dependency on the rest of the industry and its ability to address sustainability issues, making growth and development of aquaculture production possible.
- Our customers'willingness to invest in technology and services on equal terms, ensuring a balanced approach to both risks and opportunities.
- Our ability to reduce our own climate emissions and create circular value chains.
- Our capacity for innovation.
- Our ability to attract talent and build a strong workforce.

Interests and views of stakeholders (SBM-2)

The Group's key stakeholders were identified and mapped to understand the Group's business relations and ESG context as part of the double materiality assessment.

Key stakeholders

- Customers: Land based and sea based fish farmers.
- Suppliers: A wide range of suppliers of purchased goods and services, e.g. raw materials, electronics, others
- Own workforce: Employees from all parts of the Group.
- Capital owners: Owners, investors, banks, and insurance companies.
- Industry experts: Seafood associations and university/research institutions.
- Silent stakeholders: Nature (ecosystems both on land and at sea), farmed fish, wild fish (especially salmon), and marine animals.

Except for the group "Silent stakeholders", there is close engagement and contact with all stakeholder groups. The table below provides an overview of how these stakeholders' interests and views inform the undertaking's strategy and business model.

Key stakeholders and how their interests and views inform the Groups strategy and business model.

	Customers	Suppliers	Own workforce	Capital owners	Industry experts
How engagement is organised	Customer support and guidance KAM program Webinars and workshops Customer surveys Quotation processes and deliveries Websites and social media	Ongoing dialogue Workshops Revisions and audits Contracts Code of Conduct Website and social media	Employee surveys Employee interviews Information meetings Lectures and internal seminars Intranet Social media Whistleblower channel	Quarterly presentations Capital day Board meetings General assembly Capital raising processes	Industry meetings, membership and participating in seafood clusters and seafood associations, input from reports and scientific articles
Purpose of engagements	Building trust, Input to strategic processes, Providing sustainable solutions, enabling customers to achieve their targets	Compliance with our supplier code of conduct, Protecting human and labour rights, Decarbonising our supply chain	Including employee´s perspectives, perceptions and experiences, Contributing to a sustainable workplace and working life, Contribution to sustainable products and solutions	Attracting responsible investors, Enhancing transparency, understanding expectations to sustainability	Developing industry standards on sustainability, Enabling the industry to engage policy makers
Examples of outcome from the engagements	Product/service improvements, Input to our innovation agenda	Supplier expectations, informed selection of suppliers	Internal policy updates, Improvements and action plans, Communications from management	Responses to investor queries, ESG rating improvement plans like climate transition plan	Alignment on sustainability practices, Regulations and Measurements standards.

AKVA group's understanding of the interests and views of its key stakeholders, as they relate to its strategy and business model, was analysed during the Group's double materiality assessment process and can be summarized as follows:

- It is crucial that, through our innovation agenda, we can address our customers' sustainability challenges, such as problems with sea lice, reduction of escapees, emission of organic matter, ensuring good fish welfare, and reducing energy needs. For several years, our innovation agenda has focused on solving these challenges, and going forward, it will become an even more important part of our strategy and business development.

- The handling of plastics and plastic products, as well as our contribution to a more circular economy in general, has been highlighted by both our customers and employees. This impacts both our innovation agenda and our cooperation with other parts of the value chain, both upstream and downstream.

- The Group must reduce its own GHG emissions, with the majority of emissions generated through the purchases of goods and services and use of sold products. To reduce our emissions, we are highly dependent on close cooperation with our suppliers, and this may influence our strategy and business model in the future.

- The development of our own workers and our ability to attract new talents are key elements for the Group's continued growth. Gender equality and health and safety are key elements. This is already an important part of the Group's strategic processes, and in the future, the importance of views and input from our workers will increase.

- It is important that we secure product quality and safety in the end product that we sell to the customer. We already put effort into the development and use of important standards to secure high-quality products, and we expect that this will be an even more important part of our business in the future.

- The Group is reliant on products that are linked to a high risk of indecent working conditions. Thus, there is an inherent risk of human rights abuses in the upstream value chain.

- Political framework conditions within aquaculture are important for AKVA group as a major supplier. Several of our stakeholders have valuable input about our role in both influencing and being influenced by these framework conditions. The introduction of a resource rent tax in Norway is a good example.

- The interest and views of capital owners are important and affects strategy and business model directly. Increased profitability and return on capital are crucial, but also the Group's ability to solve environmental challenges in the aquaculture industry is important to this stakeholder group. The development of local communities is also a key driver for some investors.

AKVA group's strategy and business model is continuously evolving. Key stakeholder interests and views were thoroughly analysed as part of conducting our first complete double materiality assessment in 2024, and we are still outlining the details on how to adjust strategy and/or business model to address their interests and views.

One important milestone is that we in 2025 plan to develop a climate transition plan for reducing GHG emissions. This will address the expectations of many key stakeholders.

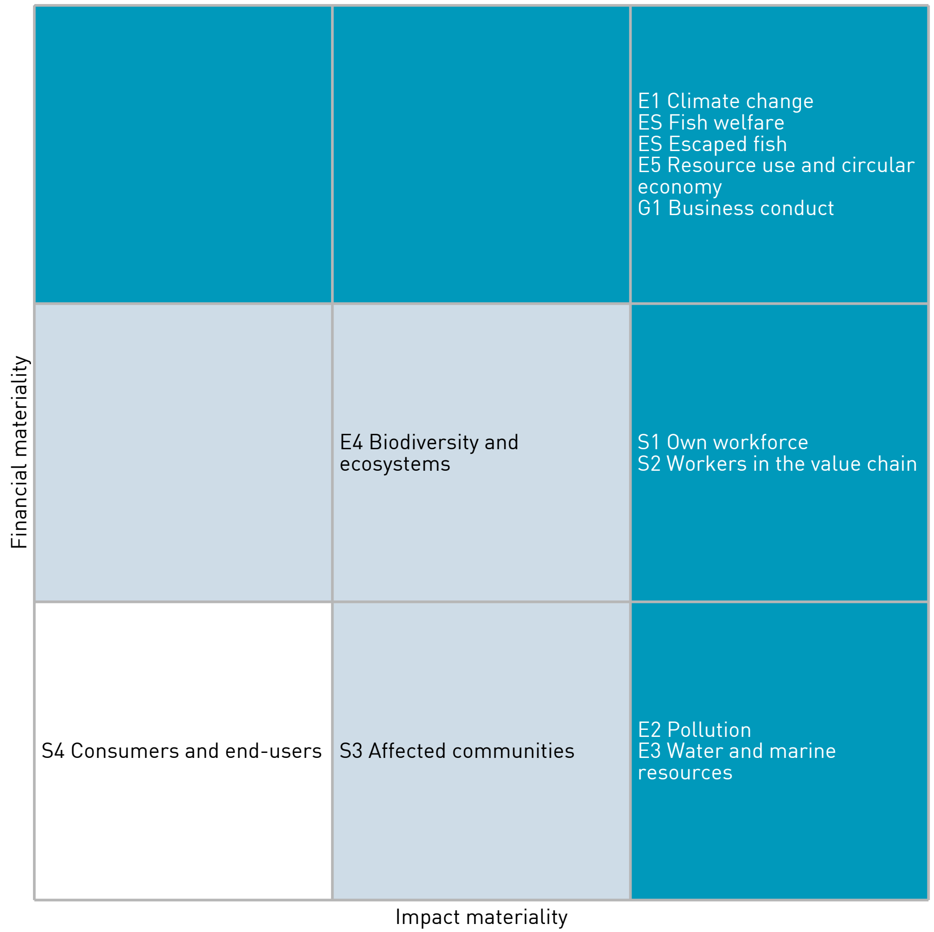
Administrative, management, and supervisory bodies have been well informed about the views and interests of affected stakeholders regarding the Group's sustainability-related impacts through our materiality assessment process. Information has been shared both in workshops and management meetings, and documents detailing the results have been distributed to relevant personnel.

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

Material impacts, risks, and opportunities (IROs) identified through the Group's double materiality assessment are closely linked to our strategy and business model.

This chapter will highlight material IROs, as well as their interaction with strategy and business model. Further details are also included in the various topical chapters. Our assessment of the ESRS topics are illustrated in the double materiality matrix. For each material sustainability topic, we describe the IROs in a table, including the materiality ID, sustainability topic, a description, value chain location, type of impact (negative/positive, actual/potential), and time horizon for risks and opportunities (short/medium/long). We also explain the reasoning for materiality and the interaction on strategy and business model in each topical chapter.

2024 is the first year the Group has reported according to ESRS, and we have as such no changes to material IROs compared to the previous period.



Double materiality matrix 2024
(Entity specific topics referred to as ES)

Environmental impacts

ESRS	SUSTAINABILITY MATTER	IMPACT DESCRIPTION	VALUE CHAIN LOCATION	TYPE
E1: Climate change mitigation				
● (negative)	**Climate change mitigation**	GHG emissions from activities across the value chain: extraction and production of oil as a basis for plastic products, transportation, and use of AKVA group's products and systems based on fossil fuel.	Across	Negative / Actual
E1: Energy				
● (negative)	**Energy Consumption**	Energy consumption in production, data hosting, and use of landbased products and systems	Across	Negative / Actual
E2: Precision feeding				
● (positive)	**Precision feeding**	Reduced pollution to water downstream due to our precision feed technology	Downstream	Positive / Actual
E3: Water consumption				
● (positive)	**Water consumption**	Reduced fresh water consumption in our RAS systems compared to flow through facilities	Downstream	Positive / Actual
E5: Resource inflow, including resource use				
● (negative)	**Virgin raw material use**	Use of virgin raw materials (plastics, steel, and other metals) in production.	Upstream / Own Operations	Negative / Actual
● (positive)	**Use of recycled materials in production**	Use of recycled materials in production, and reducing use of virgin raw materials.	Own Operations	Positive / Actual
E5: Waste				
● (negative)	**Waste**	Waste from all activities, especially production and waste containing copper (net impregnation).	Across	Negative / Actual

● *positive impact* ● *negative impact*

Entity specific topics – environmental impacts

ESRS	MATERIALITY ID	IMPACT DESCRIPTION	VALUE CHAIN LOCATION	TYPE
Entity specific				
● (positive)	**Fish Welfare (entity specific)**	Improved fish health through delivering products and services that reduce lice and diseases.	Downstream	Positive / Actual
● (positive)	**Escaped farmed fish (entity specific)**	Production of safe fish farms according to NS 9415 (Norwegian standard) to prevent escapees of farmed fish and cross-breeding with wild fish species internationally.	Downstream	Positive / Actual

● *positive impact* ● *negative impact*

Environmental risks and opportunities

ESRS MATERIALITY ID	TYPE	IMPACT DESCRIPTION	VALUE CHAIN LOCATION	TIME HORIZON
E1: Climate Change Adaptation				
GHG Emissions	Risk	Customers have a low willingness to pay for sustainable products, which can lower the margins	Downstream	Short term
Climate Change Adaptation	Opportunity	Climate change may increase the demand for production of protein sources with lower GHG emissions, such as fish and salmon. This can increase the production of fish and, therefore, increase the demand for AKVA group's technology and services	Own operations, downstream	Long term
Climate Change Adaptation	Opportunity	Increased turnover from sales of products produced with recycled materials, and reduction of costs and potential carbon taxes related to virgin raw materials	Own operations, downstream	Short term
Climate Change Adaptation	Opportunity	Warmer water because of climate change, resulting in more lice and fish diseases, increasing demand for AKVA group's deep farming solutions	Downstream	Medium term
Climate Change Adaptation	Opportunity	Regulatory changes and higher carbon taxes may increase demand for AKVA group's land based fish farming as the fish is produced closer to the consumer	Downstream	Long term
Climate Change Adaptation	Opportunity	Fulfilling requirements for green financing from financial institutions	Own operations	Medium term
E5: Resource inflow & resource use				
Virgin raw material use	Risk	Increased price of plastics because of increased environmental taxes on oil.	Upstream	Medium term
E5: Resource outflows related to products and services				
Circular economy aligned products	Opportunity	Focus on circular economy increase demand for services related to repairs and high quality circular designed products, which increase turnover for the Group.	Own operations	Short term
Circular economy aligned products	Opportunity	Development and sale of fish cages made of 100% recycled plastics.	Own operations	Medium term
Circular economy aligned products	Opportunity	Develop products using bio-oil / climate-neutral raw materials equivalent to granules. (Pipes for the general pipe market).	Own operations	Medium term

Environmental risks and opportunities - entity specific topics

ESRS MATERIALITY ID	TYPE	IMPACT DESCRIPTION	VALUE CHAIN LOCATION	TIME HORIZON
Entity specific				
Escaped farmed fish (entity specific)	Opportunity	Increase in the number of customers that invest in RAS technology to reduce the potentially harmful effects seabased fish farming has on the environment.	Own operations	Long term
Fish welfare (entity specific)	Opportunity	Increased sale of solutions which improve fish welfare, i.e. deep farming solutions, (cameras, digital systems included)	Own operations	Medium term
Fish welfare (entity specific)	Risk	A reputational risk associated with the aquaculture industries' handling of fish welfare, lice and fish escapes may reduce demand for fish, and therefore reduce demand for AKVA group's products and systems	Downstream	Medium term

positive impact *negative impact*

Social and governance impacts

ESRS	MATERIALITY ID	IMPACT DESCRIPTION	VALUE CHAIN LOCATION	TYPE
S1: Equal treatment and opportunities for all				
●	**Gender diversity among own workers**	AKVA group has a low representation of women in management and executive roles, impacting gender diversity.	Own operations	Negative / Actual
●	**Diversity among own workers**	Having a diverse workforce with many nationalities, AKVA group may encounter challenges such as communication barriers and cultural misunderstandings if not managed effectively.	Own operations	Negative / Actual
S1: Working conditions				
●	**Health and safety among own workers**	Exposure to minor injuries at production sites.	Own operations	Negative / Actual
S2: Other work-related rights				
●	**Violation of human rights in the value chain**	AKVA group relies on raw materials such as oil/plastic, steel, and copper, which is associated with an inherent high risk of violations of fundamental human rights (such as child labour and forced labour) and decent working conditions, according to key human right indicators.	Upstream	Negative / Potential
●	**Violation of human rights in the value chain**	AKVA group relies on upstream production located in Turkey, Vietnam, China, Colombia, and India, which are linked to an inherent risk of child labour, forced labour, low salaries, etc. Minerals and metals, electronics, shipyards, and mooring equipment have been identified as inherent high-risk supply chains in the company's human rights due diligence following the Norwegian Transparency Act.	Upstream	Negative / Potential
G1: Business conduct				
● (positive)	**Social and environmental impact on suppliers**	Positive impact through social and environmental screening criteria when selecting suppliers.	Own operations	Positive / Actual
●	**Corruption and bribery**	Potential negative impact on corruption and bribery in our supply chain as we are reliant on suppliers and third-parties in high risk countries.	Own operations	Negative / Potential

● *positive impact* ● *negative impact*

Governance – risk and opportunities

ESRS MATERIALITY ID	TYPE	IMPACT DESCRIPTION	VALUE CHAIN LOCATION	TIME HORIZON
G1: Political engagement and lobbying activities				
Political engagement and regulatory changes	Opportunity	Political work carried out by AKVA group affects the industry's framework conditions and can help reduce the risk of negative effects from new regulations.	Own operations	Medium term
Political engagement and regulatory changes	Risk	New regulations might pose a risk for AKVA group if we are not able to influence the real process.	Own operations	Medium term

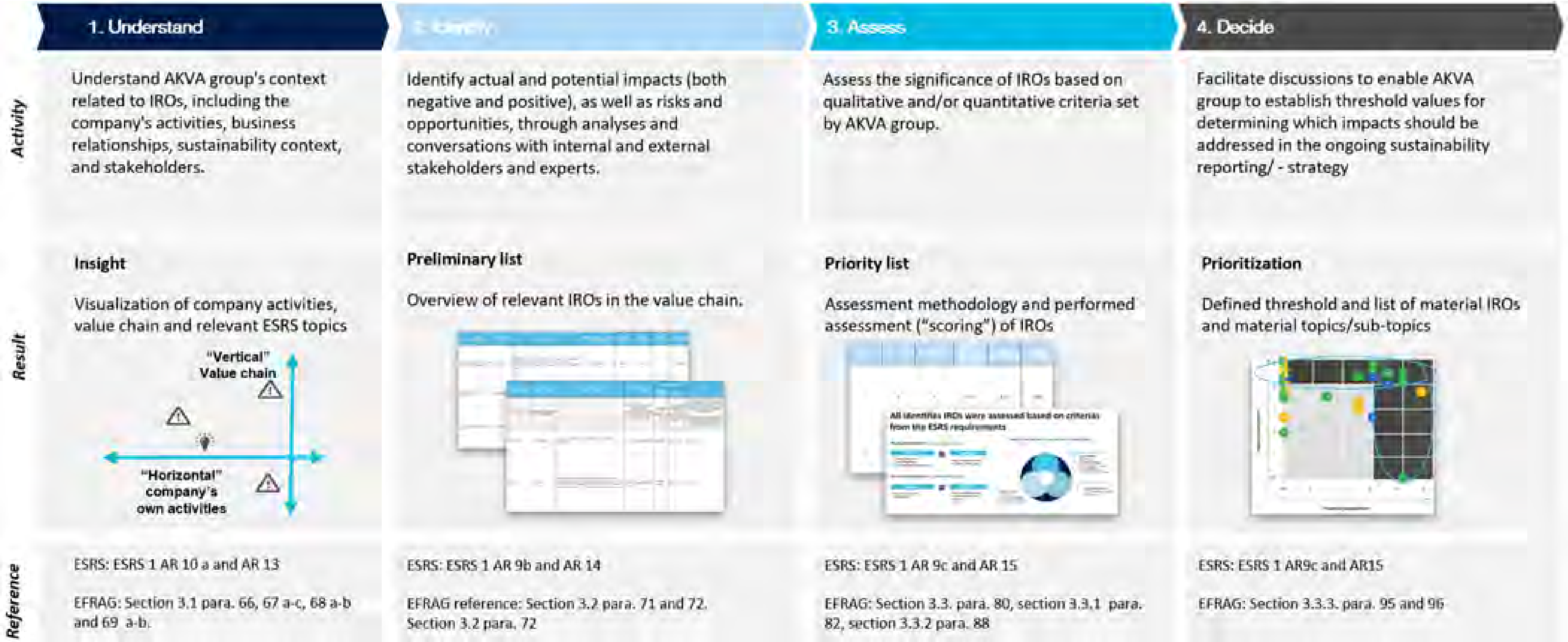
Description of the process to identify and assess impacts, risks and opportunities (IRO-1)

The process by which the Group identified material impacts, risks and opportunities (IROs) forms the basis for the disclosures included in our sustainability statement. The double materiality assessment was conducted at the Group level and reflects the activities of all consolidated entities, and throughout our business relationships, including upstream and downstream value chain.

A double materiality assessment identifies the most significant sustainability topics for an organization, considering impacts (inside-out perspective) and financial risk and opportunities (outside-in perspective).

The results of the process have taken into account the expectations of our internal and external stakeholders related to the various topics. They have also guided us in defining sustainability promises and implementing actions within each focus area.

The process followed a four-phases methodology; understand, identify, assess and decide.



Process to decide material topics

In Phase 1, Understand, activities in the Group's own operations and value chain were identified. The value chain does not include end-users consuming farmed fish, as this lies outside the Group's sphere of influence. Relevant stakeholders were mapped to understand the context related to IROs, including the company's activities, business relationships, and sustainability context. Specific focus was given to the business relationships, geographies and activities that the Group considered to have a heightened risk of adverse impacts.

As part of the identify phase, the Group also mapped business relationships to be able to consider IROs relevant as part of own operations through our business relationships.

In Phase 2, Identify, IROs were identified and mapped against relevant sustainability topics.

Sources for identifying actual and potential
IROs were existing internal information, input from our due diligence processes, insights from external frameworks and reports. Insights were fed into the identification phase through internal stakeholder interviews with subject matter experts, directors from the business areas and representatives from the management team and core functions. Customers and suppliers were also involved and provided input to the process of identifying the IROs.

The identification of impacts followed a top-down approach, where the project group prepared a longlist of impacts inspired by the ESRS topics and input from the first phase. The IROs were linked to an activity in the value chain. The longlist served as the starting point in dialogue with employees from different business areas of the Group. The list was subsequently adjusted based on feedback from the involved stakeholders.

The longlist was consolidated and aggregated to facilitate the next phase of assessing each impact. The gross list combined impacts across different areas (Sea Based, Land Based, and Digital) into single aggregated impacts, such as GHG emissions.

The identification of risks and opportunities followed a bottom-up approach, where we identified relevant risks and opportunities in our various business areas. External documents and industry reports, such as the GRI Standard 13: Agriculture, aquaculture and fishing sector, and internal documents was examined.

The assessed impacts are often closely linked to relevant risks and/or opportunities. All impacts and dependencies were therefore considered for potential financial effect.

The gross list of IROs were presented and discussed by the Group's top management team.

Phase 3, Assess, was carried out by the management, the project group, topic specialists, and segment specialists. All identified IROs were assessed based on ESRS criteria.

Impact materiality: Impacts were assessed according to severity (scale, scope and irremediability) and likelihood.

Financial materiality: Risks and opportunities were considered in terms of potential positive or negative effect on financial performance in terms of the Group's development, financial position, financial performance, cash flows, access to finance or cost of capital. This assessment also included potential reputational risks or opportunities and financial impacts due to dependencies on natural, human and social resources. The potential financial effects were assessed in close collaboration with key stakeholders from finance and other key positions in the Group.

Sustainability-related risks are not considered on a stand-alone basis, they are also seen as a part of the company's overall risk evaluations and context in the aquaculture industry.

For both impact and financial materiality, the actual assessment was performed through engagements with key stakeholders in the organisation and, finally, validated at workshops with cross-functional teams.

Assessment of IROs

Impacts are assessed by the following criteria:

Severity** and **Likelihood**

Severity**

Average of:
- Scope of the impact
- Scale of the impact
- The irremediability of negative impacts

Likelihood

For potential impacts:
What is the likelihood that the impact will take place?

Aggregated scoring for **impacts** were calculated as the average of severity and likelihood.

Risks and opportunities are assessed by the following criteria:

Financial effect and **Likelihood**

Financial effect

Potential magnitude of financial effect

Likelihood

What is the likelihood that the risk/opportunity will take place?

Aggregated scoring for **risks and opportunities** were calculated as the average of financial effect and likelihood.

Assessment criteria impacts

Score	Severity			Likelihood (Potential impacts)
	Scale	Scope	Irre-mediability (Negative impacts)	
1	Negative impact: Compliance with regulations, international agreements, code of conduct or business principles; Signs of negative impact on human welfare or the environment. Positive impact: One place for one company	One location for one company	Relatively easy to reverse	Very low. There is a very low probability that the event will occur (less than once every 10 years). The event is expected to occur under exceptional circumstances. The event has not yet occurred.
2	Buffer score: The impacts that are in between criteria set as 1 or 3.	...	...	...
3	Negative impact: Impacts resulting in non-systemic incidents of non-compliance with intergovernmental instruments and/or international agreements and/or significant breaches of codes of conduct or business principles; Minor human rights violations or environmental damage. Positive impact: Some positive impact on people's human rights (e.g., health, education, favorable working conditions) or restoration of nature beyond the value chain impact	Multiple locations for a few companies	Difficult to reverse	Likely. The event may occur within the next 2-5 years. The event is expected to occur under certain circumstances. The incident has occurred in our industry.
4	Buffer score: The impacts that are in between criteria set as 3 and 5.	...	...	...
5	Negative impacts: Impacts resulting from non-compliance with regulations (environmental, labor, human rights, or business conduct); Significant human rights violations or environmental damage. Positive impacts: Significant positive impact on people's human rights (e.g., health, education, favorable working conditions) or restoration of nature beyond value chain impact.	Global (all of AKVA group)	Irreversible	Very likely. The event can happen within 1 year. The event is expected to happen in most cases. The event happens several times a year in our company.

Assessment criteria financial risks and opportunities

Score	Financial Effect - Risks	Financial Effect - Opportunities	Likelihood
1	Minimal negative financial effect.	Minimal negative financial effect.	Very low. There is a very low probability that the event will occur (less than once every 10 years). The event is expected to occur under exceptional circumstances. The event has not yet occurred.
2	Buffer score: The risk and opportunities that are in between criteria set as 1 or 3.	Buffer score: The risk and opportunities that are in between criteria set as 1 or 3.	Buffer score: The risk and opportunities that are in between criteria set as 1 or 3.
3	Medium negative financial effect.	Medium positive financial effect.	Likely. The event may occur within the next 2-5 years. The event is expected to occur under certain circumstances. The incident has occurred in our industry.
4	Buffer score: The risk and opportunities that are in between criteria set as 3 or 5.	Buffer score: The risk and opportunities that are in between criteria set as 3 or 5.	Buffer score: The risk and opportunities that are in between criteria set as 3 or 5.
5	Significant negative financial effect.	Significant negative financial effect.	Very likely. The event can happen within 1 year. The event is expected to happen in most cases. The event happens several times a year in our company.

For IROs related to "Working conditions upstream" and "Violation of human rights" in the value chain the severity of negative impacts or risks took precedence over likelihood, meaning that we did not exclude such IROs based on lower likelihood score than the severity score. The Group relies on products and raw materials that are linked to a high inherent risk of human rights abuses and indecent working conditions. The complexity of the value chain associated with these products and materials further exacerbates the risk.

Phase 4, Decide. After all IROs were assessed, AKVA group established the threshold for materiality. We determined that all impacts scored above 4, and all risks and opportunities scoring 3 or higher, were considered material. Since risks and opportunities generally had a lower aggregated scores than impacts, the threshold was set lower for these categories. The thresholds were determined through a qualitative assessment of each IRO in the double materiality matrix. Additional factors considered in the assessment included the results of the materiality process, stakeholders importance, and well-known sustainability challenges within the aquaculture sector.

Some IROs that scored close to the threshold were re-evaluated and assigned a qualitative justification for being deemed material or not-material. Stakeholders involved in the decision phase included the project group, external experts, topic specialists, and the management group. The result of the double materiality process were presented to and approved by the audit committee.

IROs from an ESG perspective are frequently on the agenda in management meetings. At our yearly global management meeting, the double materiality assessment was presented and discussed.

Our process of identifying, assess and manage impacts, risks and opportunities according to ESRS was done for the first time in 2024, and in the future this will be integrated in our overall risk management process. Political risks, supplier risks and climate risks are thematic areas that are closely linked to the Group's risk profile and processes.

Sustainability risks like governmental risks, social risks (own workers, workers in the value chain) and industrial related risks are already prioritized areas in the total risk assessments in the Group. Climate related risks will be implemented in the total risk assessments in the Group in the years to come.

The materiality assessment was conducted in the beginning of 2024, and minor changes has been done throughout the year. The materiality assessment will be revised in 2025 as needed.

Our assessment of topical specific IROs

Our work to map IROs related to climate change, pollution, water and marine resources, biodiversity, ecosystems, resource use, circularity and business conduct has been done following the same process as outlined for the implementation of our double materiality analysis and includes the entire value chain. Stakeholder engagement on these topics has been done to the same extent as elsewhere in the overall analysis. All our activities in the value chain are covered.

Climate change
An in depth identification of climate-related physical and transitional risks and opportunities was conducted following our double materiality analysis. As a background we applied industry knowledge and scientific knowledge to identify climate-related physical and transitional risks and opportunities with input from employees and other stakeholders. We used specific time horizons for identifying physical and transitional risks and opportunities over a short (<5 yrs), medium (5-10 yrs) and long term (>10 yrs), and evaluated the possible impact on our own operations (business activities and our assets). Politics and regulations are taken into consideration, and in-lock emissions considered. This resilience analysis was conducted by carrying out an overall assessment of the likelihood and magnitude of the hazards to the Group's business (locations and assets). The time horizons are linked to the lifetime of our assets, strategic planning and capital allocations plans.

We used two scenarios from NGFS (Network for Greening the Financial System); "Hot house world, representing high emissions – a 3 degree pathway towards 2080 and "Disorderly", in line with a 1.5 degree ambition for 2050, to inform the identification and assessment of the possible consequences. This covers a wide range of uncertainties well suited to see the extremes of the possible future implications of climate-related risks. The scenarios have not assessed detailed geospatial coordinates specific to our locations except from the assessment undertaken in relation to identifying the Group's taxonomy eligible activities (ref chapter EU Taxonomy).

Pollution
All site locations and business activities have been screened in order to identify actual and potential pollution related IROs in own operations and upstream and downstream value chain using the same methodology as for other topics in our double materiality analysis. We have identified precision feeding as a material topic related to our downstream value chain. We have not conducted consultations with affected communities.

Biodiversity and ecosystems
As part of our double materiality assessment we have mapped and assessed impacts, dependencies including ecosystem services, systemic risk, as well as transitional and physical risks and opportunities in our value chain. This was not rated above threshold for reporting. All our main locations have been in

use for several years and are not located in biodiversity-sensitive areas. We have not conducted consultations with affected communities.

Our biggest impacts are downstream in the value chain and how our products and solutions affect our customers' effect on biodiversity and ecosystems. Also our dependency on raw materials and sourcing of resources might affect biodiversity and ecosystems.

Water and marine resources
We assessed all of our activities, assets and value chain as part of the double materiality assessment for water related IROs. Our material impacts are downstream in the value chain and how our products and solutions affect our customers' effect on water and marine resources. We have not conducted consultations with affected communities.

Resource use and circular economy
Our material IROs within resource use and circular economy are connected to our use of virgin raw material, use of recycled material in our production, circular aligned products and waste. Several of our stakeholders, like for instance customers, have emphasized that our plastic based products are of special concern. We assessed all of our activities, assets and value chain as part of the double materiality assessment when considering resource inflows and outflows and waste. We have not conducted consultations with affected communities.

Business conduct
We assessed our activities, locations, and transactions and relevant sectors to identify potential IROs.

Disclosure requirements in ESRS covered by the AKVA Group's sustainability statement (IRO-2)

The following tables list all the ESRS disclosure requirements in ESRS 2 and the topical standards which are material to the Group. We have omitted all the disclosure requirements in the topical standards ESRS E4 and S3 and S4 as these are not material for the Group. In addition, we have included the material topics for Fish welfare and Escaped farmed fish as separate entity specific disclosures included in separate chapters in the Environmental section of the sustainability statement.

The tables can be used to navigate to information relating to a specific disclosure requirement in the sustainability statements.

The tables also include an overview of all the data points that derive from other EU legislation.

The tables show where we have placed information relating to a specific disclosure requirement that lies outside of the sustainability statements and is 'incorporated by reference' to either the management's review or the financial statements within this annual report, or to the remuneration report published as a separate report.

In cases where we do not yet have any information related to a disclosure requirement, no references are made.

Content index

ESRS standard	DR	Description	Page number
S1	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	126
	S1-1	Policies related to own workforce	125 128 129
	S1-2	Process for engaging with own workforce and workers' representatives about impacts	127 128 129
	S1-3	Process to remediate negative impacts and channels for own workforce to raise concerns	153
	S1-4	Taking action on material impacts on own workforce and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	127 128 130
	S1-5	Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities	128 130
	S1-6	Characteristics of the undertaking's employees	128
	S1-9	Diversity metrics	133
	S1-14	Health and safety metrics	132
	S1-17	Incidents, complaints and severe human rights impacts	133
S2	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	131
	S2-1	Policies to manage material impacts, risks and opportunities related to value chain workers	132
	S2-2	Processes for engaging with value chain workers about impacts	133
	S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	134
	S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	135
	S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	135
G1	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	137
	G1-1	Corporate culture and business conduct policies	139
	G1-2	Management of relationships with suppliers	141
	G1-3	Prevention and detection of corruption and bribery	143
	G1-4	Incidents of corruption or bribery	144
	G1-5	Political influence and lobbying activities	144

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material / not material
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (27) , Annex II		Material
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Material
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				Material
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (28) Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Material
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Material
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 (29) , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Material
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Material
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Material
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		Not material
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Material

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material / not material
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Material
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Material
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Material
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Material
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Material
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Material
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Not material
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Not material

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material / not material
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Not material
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Not material
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Material
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				Not material
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Material
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Not material
ESRS E3-4 Total water consumption in m 3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Not material
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Not material
ESRS 2- SBM 3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Not material
ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Not material
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Not material
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not material
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Not material
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Material
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				Material
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				Material
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				Material
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Material

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material / not material
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Material
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				Material
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				Material
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				Material
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Material
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Material
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				Material
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Material
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				Material
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Material
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				Material
ESRS S2-1Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Material
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Material
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				Material

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material / not material
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Material
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Material
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				Material
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Not material
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				Not material
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				Material
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				Material
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		Material
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				Material

Environment

Climate change (E1)

Why it matters

In a world with the demand for protein - particularly seafood - is rising, while wild fisheries are declining, responsible aquaculture can play a crucial role in promoting a more sustainable future and a healthier diet for a growing population. The Food and Agriculture Organization of the United Nations (FAO) highlights aquatic foods as important contributors to the world's need of nutritious food, and during COP28 UAE, climate-friendly food production was emphasised, along with the need for increased aquaculture production.

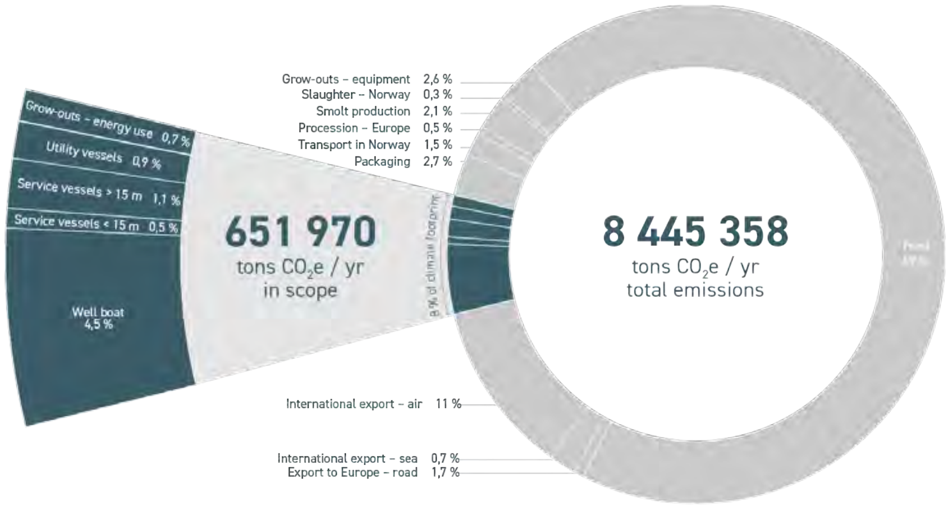
Salmon production is an efficient way of producing protein with a low climate footprint compared to other protein sources. However, the aquaculture industry must continue striving to reduce its carbon footprint at every stage of the value chain. Air freight of products from Norway or other production sites to international markets significantly increases carbon emissions and could potentially be reduced by developing supplementary land based aquaculture closer to consumers.

AKVA group is currently constructing a land based salmon production facility in Ningbo, China, for our customer Nordic Aqua Partners for grow out of salmon. The facility, located near Shanghai, is planned to produce about approximately 20 000 tonnes of salmon annually. If this salmon were to be transported by air from Norway, emissions would increase by 19.4 kg CO_2eq per kg edible product delivered to wholesalers.

In addition to air freight (export), feed is the main source of CO_2 emissions from salmon and trout production in Norway. The Group's contribution to total greenhouse gas (GHG) emissions falls under the categories of Equipment (2.6%), Smolt Production (2.1%), and Farming–energy use (0.7%) in the figure on the previous page.

The Group's potential to reduce GHG emissions in the seafood industry is focused on; constructing solutions with high energy efficiency, such as waterborne feeding systems and hybrid solutions in feed barges; increasing the use of recycled material; reducing transport; and designing products with a long lifespan and recyclability.

GHG emissions in Norwegian aquaculture production (salmon and trout) in 2019. Source: Enova, 2021



Transition plan for climate change mitigation (E1-1)

With the completion of our first complete Scope 1, 2 and 3 GHG emissions accounts, finalised at the end of 2024, the necessary tool for development of our climate transition plan is now in place. The work on and development of the plan has begun, and the overall ambitions and targets have been set for Scope 1 and 2. A complete plan, including Scope 3, will be considered developed in 2025, due to need of better understanding of regulations and framework.

As a technology supplier to the aquaculture industry, AKVA group's major impacts are indirect (Scope 3) through our upstream and downstream value chain. The purchase of goods and services, upstream transportation, and the use of sold products are the most significant Scope 3 categories.

With about 1 400 employees in 11 countries, we also remain focused on emissions from our own operations. Scope 1 and 2 represents around 5% of our total GHG emissions. The relatively low share is mainly due to most of our production being located in Norway, where use of energy is predominantly based on renewable energy sources. Still, it is important to focus on energy efficiency and reducing emissions from transportation, which are the main contributors to Scope 1 and 2 emissions.

The Group has worked to define its near-term targets in Scope 1 and 2 in line with the Paris Agreement's 1.5°C scenario. The target is set based on externally available guidance from the GHG Protocol and by following the Absolute Contraction Approach (ACA) method as outlined in the SBTi Corporate Near-Term Tool.

Our overall target is to reduce our Scope 1 and 2 GHG emissions with 42% by 2030, with 2024 as the base year. Scope 3 targets will be considered determined in 2025. Since the Group has not set targets for Scope 3, our targets are not in line with the Paris Agreement's 1.5°C goal.

The most important decarbonization levers for the Group are energy efficiency (Scope 1, 2 and 3) and circular economy practices (Scope 3). We have begun outlining our decarbonisation levers, which will be planned with different time horizons. These levers will be further detailed as we finalise our transition plan. Our planned decarbonisation levers are as follows:

Reduction of emissions in own operations (Scope 1 and 2)
- Increased energy efficiency in own operations
- Transition to renewable energy

Reduction of emissions in the value chain (Scope 3)
- Improve product design and lifespan
- Explore circular economy practices and material selection working with suppliers
- Reduce transport emissions in the value chain
- Supplier cooperation on emission reductions
- Increased energy efficiency in suppliers' production
- Environmental certification and documentation

The CEO is responsible for developing the plan and, once it is in place, for regularly reporting to the Board of Directors on progress towards achieving the plan's ambitions. The COOs within the business areas are responsible for implementation and management of the plan into daily operations in their respective business areas of responsibility.

The Board of Directors will be responsible for following up on implementation, progress, and results.

The Group's investments and funding supporting the implementation of the transition plan (OpEx and CapEx) will be included in the transition plan, which will be considered developed during 2025 and if so, communicated in the 2025 annual report. As of now, we have no plans of aligning economic activities in relation to the EU taxonomy.

The Group is not excluded from the EU Paris-aligned Benchmarks.

Locked-in emissions

Locked-in GHG emissions refer to the emissions that are expected to occur in the future due to existing infrastructure and investments in high-emission technologies. This concept, also known as "carbon lock-in," highlights how current decisions about infrastructure, such as power plants, buildings, and transportation systems, can commit us to a certain level of emissions for many years to come. Our emissions from use and dependency of raw materials, such as plastics and steel, are potential locked in GHG emissions. The same is our dependency of transport. The last group of locked-in emissions is connected to use of sold goods at our customer sites. Use of sold products is by far the largest and most important category in our Scope 3, due to long lifetime of the products and a dependency of the type of electric power available in different countries.

All three groups of emissions are possible to reduce and will be addressed in the Group's climate transition plan. Still it will be challenging to reach our targets in the expected time. The Group has few locked in GHG emissions associated with key assets.

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

GHG emissions from activities across the value chain are material to the Group and closely linked to our strategy, business model, value chain and decision-making. Our carbon footprint is a contributor to climate change in the short, medium and long term, with negative effects on people and the environment. Emissions are directly related to purchased goods and service, use of raw material, energy consumption in our own production, and the use of sold products at our customers' locations. Our GHG emissions is also closely tied to how we manage resource inflow (e.g. plastics and steel) and outflow (e.g. waste) related to products and services. The complete climate account established in 2024 enabled the development of a strategy to reduce our negative and actual impacts – both in terms of GHG emissions, the use of virgin raw materials, and waste reduction.

Our innovation agenda is key to reducing emissions and contributing to a circular economy. We are actively working to replace virgin materials such as plastics and steel with recycled alternatives and to develop products with long lifespan and that are easy to repair. To succeed, extensive collaboration with other actors in the value chain is essential. All innovation projects are anchored in the management group.

Our technology solutions reduce negative impact on the environment when used by our customers. RAS, deep farming, and digital solutions also have a positive impact on fish health by reducing the farmed fish's exposure to harmful conditions such as sea lice and diseases. Increased sales as a result of smolt produced on land using RAS technology and deep farming at sea is a key part of the Group's strategy in the coming years and represent a material opportunity for us.

Furthermore, our solutions might boost turnover from more climate friendly solutions, such as repairing existing facilities or acquiring solutions based on recycled material, both solutions where the Group has a proven track record.

On the other hand, we have also experienced that customers' willingness to pay for more sustainable solutions might not always provide the same margins, which provides a risk for the Group.

2024 is the first year the Group has reported according to ESRS, and we have therefore no changes to material IROs compared to the previous period.

Presented in the tables below are the relevant climate-related IROs identified in the double materiality assessment.

Environmental impacts

ESRS MATERIALITY ID	IMPACT DESCRIPTION	VALUE CHAIN LOCATION	TYPE
E1: Climate change mitigation			
Climate change mitigation	GHG emissions from activities across the value chain: extraction and production of oil as a basis for plastic products, transportation, and use of AKVA group's products and systems based on fossil fuel	Across	Negative / Actual
E1: Energy			
Energy Consumption	Energy consumption in production, data hosting, and use of land based products and systems	Across	Negative / Actual

positive impact *negative impact*

Environmental risks and opportunities

ESRS MATERIALITY ID	TYPE	IMPACT DESCRIPTION	VALUE CHAIN LOCATION	TIME HORIZON
Climate Change Adaptation				
Climate change mitigation	Risk	Customers have a low willingness to pay for sustainable products, which can lower the margins	Downstream	Short term
Climate Change Adaptation	Opportunity	Climate change may increase the demand for production of protein sources with lower GHG emissions, such as salmon. This can increase the production of fish and, therefore, increase the demand for AKVA group's technology and services	Own operations, downstream	Long term
Climate Change Adaptation	Opportunity	Increased turnover from sales of products produced with recycled materials, and reduction of costs and potential carbon taxes related to virgin raw materials	Own operations, downstream	Short term
Climate Change Adaptation	Opportunity	Warmer water because of climate change, resulting in more lice and fish diseases, increasing demand for AKVA group's deep farming solutions	Downstream	Medium term
Climate Change Adaptation	Opportunity	Regulatory changes and higher carbon taxes may increase demand for AKVA group's land based fish farming as the fish is produced closer to the consumer	Downstream	Long term
Climate Change Adaptation	Opportunity	Fulfilling requirements for green financing from financial institutions.	Own operations	Medium term

The climate-related risks and opportunities from the double materiality assessment have been supplemented with a more in depth climate-related risks and opportunities identification when conducting a resilience analysis. In the following we present a summary of the most important physical and transitional risks and opportunities related to climate for the Group.

Description of climate-related risks and opportunities identified over a short, medium and long term

PHYSICAL	
Acute risks related to increased frequency of extreme weather events as storms and floodings	*Risks:* ■ We have operations in 11 countries and many of them are close to sea. Acute physical risks such as hurricanes, floods, and wildfires, are possible risks on a short, medium and long term. Each country will be affected differently. ■ Storm and extreme weather can cause higher risk of damage to fish farms and escape incidents. This implies a higher risk of failure to the products we provide to sea based sites (such as nets, mooring, pens, barges).
	Opportunity: ■ Increased need for products and services for harsh weather conditions.
Chronic hazards related to higher water temperature and ocean acidification	■ *Risks:* Smaller market as increased sea temperatures mean that fewer sites are usable for aquaculture
	Opportunity: ■ Warmer water resulting in more lice and fish diseases, increasing demand for new technology as in eg. AKVA group's deep farming solutions.

TRANSITIONAL	
Policy and legal	*Risks:* ■ New climate regulations in eg. Plastic Directive (Norway and EU), with an extended producer responsibility scheme. ■ Increased cost of raw materials due to implementation of new regulations imposing overall caps or tax on greenhouse gas emissions (in eg. tax on plastic raw materials).
	Opportunity: ■ New aquaculture regulations (could also be a risk). ■ New rules and regulations giving incentives to buy products made out of bio-oil or another climate-neutral raw materials.
Technology	*Risk:* ■ Introduction of recycled plastic materials. Lack of interest from the market or lack of willingness to split cost in the value chain could make us unable to reap the benefits from our R&D investments.
	Opportunity: ■ Technological breakthroughs and disruptions.
Market	*Risk:* ■ Customers have a low willingness to buy products which can solve environmental challenges, which can lower the margins. In eg. introduction of recycled plastic materials.
	Opportunity: ■ Customers may demand more sustainable and low-emission products and systems because of regulatory changes, stakeholder pressure, etc. ■ Climate change may increase the demand for production of protein sources with lower GHG emissions, such as fish and salmon. This can increase the production of fish and, therefore, increase the demand for AKVA group's technology and services. ■ Fulfilling requirements for green financing from financial institutions.

Climate – risks and opportunities

Climate changes pose several physical risks to aquaculture production, for instance from shifts in water temperature, sea-level rise, ocean acidification, harmful algal blooms, extreme weather events, and alterations in ecological dynamics. Our customers are heavily affected by this, but also from transitional risks like changes in regulations, resource tax, etc. In Canada for instance, the government has announced a plan to ban open net-pen salmon aquaculture in the coastal waters of British Columbia by medio 2029. Our customers are also exposed to transitional market risks; if consumers prefer vegetables or chicken over fish, they will be affected and this could also affect AKVA group. So far, fish food is "climate competitive" compared to other food sources, but this might change.

Fish feed sources are key to low emission aquaculture products. The largest transitional and reputational risks for the industry is about fish welfare and our customer's ability to safeguard health and welfare of the fish. All these risks also affect our business – directly. On the other hand, this also provides opportunities as we are in a position to offer solutions to these problems.

AKVA group operates onshore, mostly in coastal areas, in many different geographies, but with most of our production placed in Norway. Severe physical risks such as hurricanes, floods, heatwaves are possible risks in a short, medium and long term. Each country could be affected differently.

According to the ND-GAIN Matrix, and our own assessments of our own production sites, we have limited risk in short and medium term. However the main threat from floods and extreme weather is in the supply chain and at our customers' fish farm sites. This poses low direct financial implication on our own operations, but our products need to meet the future challenges to withstand more wear and tear. This creates an opportunity in the short and medium term as our customers need products and services suitable for the harsher climate.

Higher ambient sea water temperature (chronic risk) could in a long term alter the geographical placement of our customers' sea sites and may affect the number of sites suitable for aquaculture (as an example higher temperature means higher risk of sea lice infection). This can also be an opportunity for us as a we provide technology to accommodate such changes. AKVA group already invest heavily in sustainable solutions and products such as deep farming solutions, recycled products, energy optimization and other sustainability related solutions. If the customers are unwilling or unable to pay for more sustainable products this might have a material impact on the Group's margins. We already see this in some segments, and it poses a threat in both short, medium and long term. AKVA group's current sales of deep farming solutions consist primarily of single-part sales. If, due to warmer water, there is an increasing demand for complete farming solutions, this provides AKVA group significantly opportunities.

To summarise, the climate related physical risk is low in our own operations in a short and medium term and existing risks can be mitigated by following industry safety margin and constantly developing our product portfolio.

Transitional risks identified are related to new climate regulations and possible increased cost of raw materials due to caps or tax on greenhouse emissions.Transitional risks are higher if climate politics are delayed. In a short term it could impose a risk of higher operational costs, e.g. a possible tax on plastic raw materials. Lower willingness to invest in more environmentally friendly products may impose a risk of not obtaining sufficient margins to finance our R&D activities. The need for such products are also our main financial opportunity. AKVA group has given circular economy considerable attention in our innovation, design and production. The competitive advantage could have a considerable impact on our financial results on a medium term horizon.

An important part of the company's strategy is to be a key supplier of land based aquaculture technology globally. The Land Based business area has demonstrated their ability to deliver RAS facilities for farming food fish close to major markets, which reduces emissions and costs from transportation of fish, for instance from Norway to China.

New rules and regulations provides incentives to the public sector to buy products made out of bio-oil or another climate-neutral raw materials and would open a new market for AKVA group.

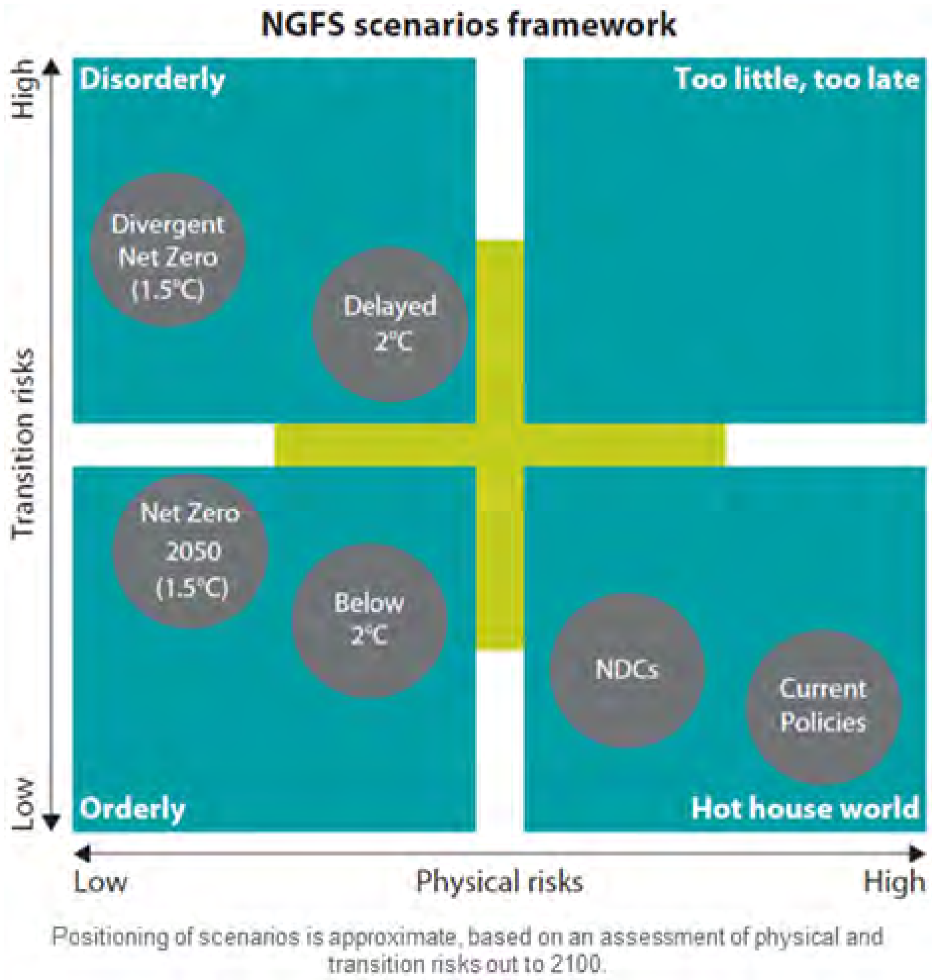
Fish and salmon is a protein source with relatively low carbon footprint and climate change might increase the need for this protein. In the long term this could have a substantial positive effect on AKVA group's results as it increases the demand for products and solutions in the aquaculture sector. The likelihood is affected by two trends: The global trend pushing for food sovereignty and food security, and the national trend of push back for aquaculture. This could have an effect on a medium and long-term horizon. The way AKVA group operates make us eligible for green financing. Such opportunities may lead to reduced costs.

Results of the resilience analysis

AKVA group conducted a resilience analysis in Q4 24. The resilience analysis was conducted through a meeting series with internal participants. The scope of the analysis encompassed the Groups own operations and complete value chain by including all locations within the Group and our major suppliers and their locations in the value chain in the analysis. Through an assessment of the impact of 1.5 degree ("Disorderly- Divergent Net-Zero") and 3 degrees global warming ("Hot-house world- Current Policies") scenarios[1] we have examined the impact on our business.

Scenario	Global Mean Temp. Increase 2100 from pre-industrial baseline	Level of mitigation	Description
Disorderly	Divergent Net-Zero – limit to 1,5 degrees	High	High transition risks
Orderly	Net Zero 2050 – limit to 1.5 degrees		
Hot House world	Current policies - 3 degrees by 2100	Low	High physical risks

A scenario, as the Hot-house world, with large degree of physical hazards could pose a threat to AKVA group's business viability in the long term which we need to collaborate with decision-makers to ensure that climate actions are taken for the aquaculture industry. This scenario also gives possibilities in the short, medium term as it opens the need for new technology for our customers. Our business model is adapting to these opportunities by continuously developing and directing our innovation agenda to meet the market needs caused by the climate changes.



Scenario from NGFS used to broaden perspectives in the resilience analysis.

[1] https://www.ngfs.net/ngfs-scenarios-portal/

The 1.5 degree scenario leads to higher transition risks due to abrupt and uncoordinated policy changes, risks of higher carbon pricing and different regions adopting varying levels of climate actions. The main impact is the uncertainty around regulations for the aquaculture sector, the carbon pricing and possible regulations or taxes on specific raw materials (eg. plastics and steel). In the short run our customers willingness to pay for products, can pose a risk of low payback on our innovation cost and their willingness to invest in introduced recycled materials affects the pace we can reduce our Scope 3 emissions. Our business models is adapting to these risks by working even closer with our customers when we set our innovation agenda.

The 1.5 degree scenario brings an initial costs to drive technology and sustainability but considering AKVA group's financial situation, and that we have already begun our transition, it may not pose a significant threat to AKVA group's business viability. We will fully understand this when our transition plan is in place next year.

The scenarios will be further developed in 2025 and scenario analysis included in the Group risk management in 2025, evaluating the potential resiliency of their strategic transition plan to the range of scenarios.

Policies (E1-2)

Our policy to manage impacts, address risk, and pursue opportunities related to climate mitigation and adaption, will be based on our climate transition plan. Our first climate account was in place in the end of 2024 and we are in the middle of a process to develop our climate transition plan. With the plan in place, the policy will be developed and implemented during 2025/2026.

The policy will focus on our negative and actual climate change mitigation effects, our climate risks, energy efficiency, and our positive and actual climate change impacts identified in our DMA.

Our general objectives established two years ago, was to reduce climate change and meet the needs of a circular economy, and in our upcoming policy they are still valid:

- We shall reduce emissions in our operations and supply chain
- Our ambition is that all AKVA products meet the need of a circular economy

AKVA group work to reduce climate change and meet the needs of a circular economy

- We shall reduce emissions in our operations and supply chain
- Our ambition is that all AKVA products meet the need of a circular economy

Actions and resources (E1-3)

In 2024, the Group established a complete set of climate accounts, including scope 3 GHG emissions. We have previously reported on Scope 1 and 2, and could thus report on the development from 2023 to 2024. However, even if these scopes have become more complete, they are only representing around 5% of our total GHG emissions and we therefore use 2024 as the base year for Scope 1, 2 and 3. As a consequence of 2024 as a base year, there are no achieved GHG emission reductions for 2024 to report.

The Group is in the middle of a process to develop a detailed transition plan and a policy. The plan will entail the suitable actions and resources in relation to the climate change policies.

Still we want to disclose our planned actions by decarbonisation levers.

Emissions reduction in own operations (Scope 1 and 2):

- Replace own vehicles using fossil fuel with electric vehicles. In Norway, this will be possible to achieve in the medium term, but in the other countries where AKVA group is active, it may take longer time.
- Improve energy efficiency in our production facilities by investing in new technology. This is a medium-term action.
- Replace use of heavy fuel oil in own production to renewable sources. Heavy fuel oil is used for heating of main buildings in Chile and other sources for stationary combustion will be investigated. This is a medium-term action.
- Transition from purchasing non-renewable energy to renewable energy, for instance solar and wind power and Guarantees of Origin (GO's). This is a long-term action and will include actions in our operations in Chile, Canada, Lithuania and Turkey.

Emissions reduction in the value chain (Scope 3):

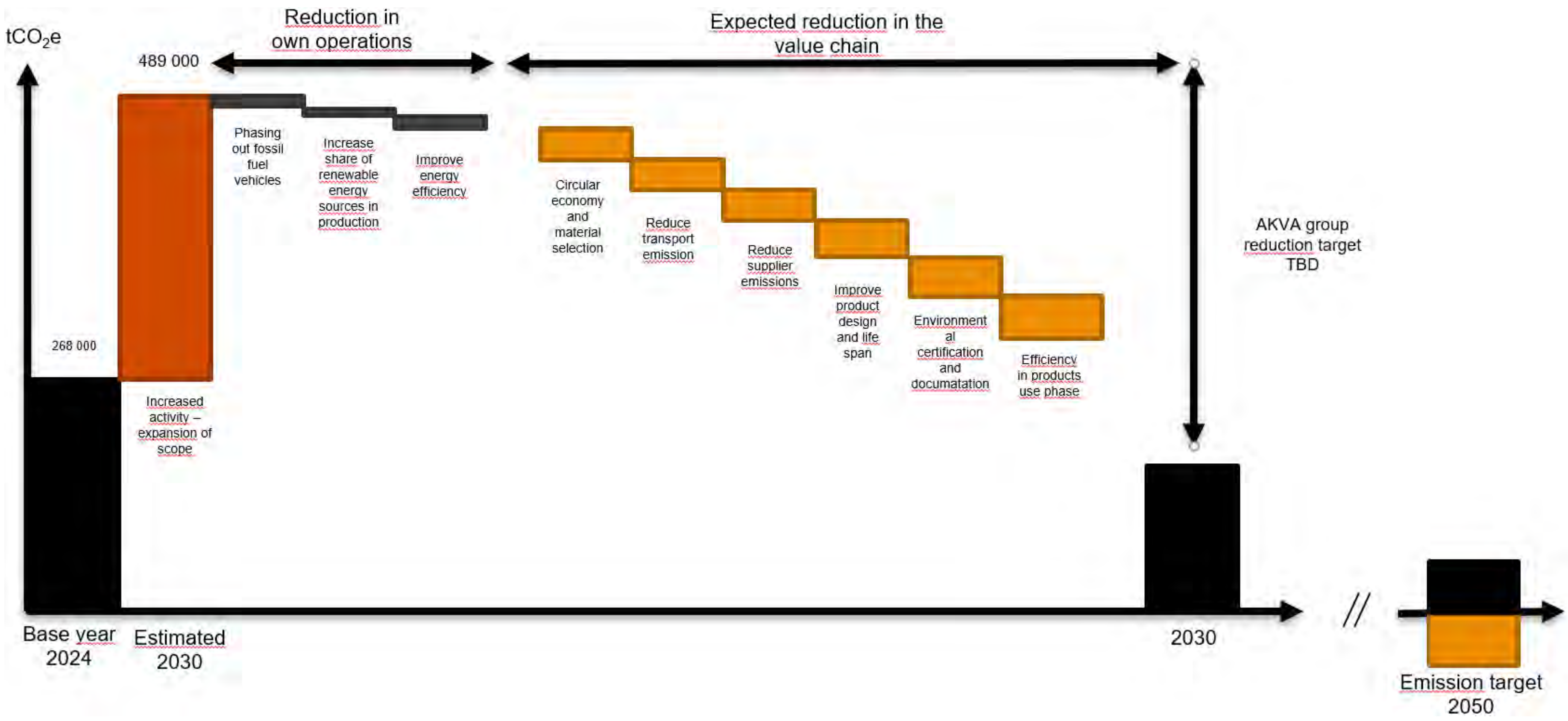
- Design low emission products to reduce GHG emissions from our customers use of our products
- Work with the product team to explore design changes that reduce material use or facilitate disassembly and recycling.
- Consider products that can have a longer life cycle or easier maintenance, which can reduce the need for frequent new purchases.
- Explore the possibilities for circular purchasing agreements where products are returned for reuse or recycling.
- Increase the use of certified recycled steel and plastic to reduce emissions related to the extraction of new raw materials.
- Optimize the supplier network by collaborating with regional suppliers, which can reduce transport distances.
- Set requirements for use of low- or zero-emission logistics, especially for the largest deliveries.
- Include climate indicators in supplier agreements and consider bonuses or discounts for documented climate efforts.
- Arrange annual workshops with suppliers to explore emission reductions in joint projects.
- Request that suppliers map and reduce energy consumption, for example by implementing renewable energy sources as part of production.
- Include energy efficiency requirements as an assessment criterion when selecting suppliers.
- Prioritize suppliers that have certified science based targets for GHG emissions or suppliers that are certified with ISO 14001 (environmental management systems) or other relevant environmental standards.
- Ask suppliers to provide documentation that their products meet specific climate criteria, such as low carbon footprint or sustainable production.
- Continue as a player in the development of PCR and EPDs. The Group has been an important player in development of Product Category Rules (PCR) and Environmental Product Declarations (EPDs) together with farming companies and other supplier in the Norwegian Seafood Federation. In 2024, the Group developed and launched an EPD on extruded PE 100 pipe and pipe systems . This gives us and our customers detailed information of the climate aspects of the products.

The climate change mitigation actions by decarbonisation lever will for instance be circular economy practices and increased energy efficiency in own production and our products and reduction of emissions in the supply chain.

Targets (E1-4)

How the Group has set GHG emissions reduction targets to manage material climate-related IROs, will be described when our complete transition plan is in place..

Targets set for the Group are gross targets, meaning that the targets do not include GHG removals, carbon credits or avoided emissions as a means of achieving the GHG emission reduction targets.



The Group's GHG emission reduction targets and the likely climate change mitigation actions and decarbonisation levers

Targets for Scope 1 and 2

AKVA group have committed to reduce absolute Scope 1 and 2 GHG emissions 42% by 2030 from a 2024 base year. This equates to a reduction of 5860 tCO_2e from our base year of 2024.

Targets for Scope 3 by 2030 will be considered set in 2025. Targets for Scope 1, 2 and 3 by 2050 are not set.

In 2025, a detailed plan will be made for how much reduction it is possible to achieve within each mitigation action.

Use of sold products is going to be a challenging category to reduce because of long lifetime of many of our products and that we sell to countries without renewable sources in their electricity mix. In this category we will define a target that we are in position to affect positively and which is within our control, for instance energy efficiency in our products. The detailed plan will investigate this further.

Since we have not set all GHG emission targets, we are not compatible with limiting global warming to 1.5°C. Target in scope 1 and 2 are not set as science-based targets assured by a third party like SBTi (Science Based Targets Initiative). Still we have consulted the SBTi protocol in setting Scope 1 and 2 targets. During 2025 we will decide if we are going to apply SBTi to qualify our targets.

Framework and methodology used to determine these targets are not derived using a sectoral decarbonisation pathway because it does not exist for our sector yet. The underlying climate scenarios and analysis are described in chapter on Climate risk and opportunities

Energy consumption and mix (E1-5)

Most of the energy consumption in Scope 1 is from vehicles owned or leased by the Group, and in Scope 2 electricity used by our productions sites based in Norway, with a few exceptions such as steel pen production in Chile.

None of our electricity consumption is covered by Guarantees of Origin. We have adopted a conservative approach when splitting the electricity, steam, heat or cooling between renewable and non-renewable sources. The calculation of the Group's share of renewable energy in the consumption of purchased or acquired electricity and district heating is based on market-based emission factors. The table below disclose the Group's energy consumption from non-renewable and renewable sources.

The Group's energy intensity associated with its activities in high climate impact sectors is provided in the table below. The high climate impact sectors used to determine the energy intensity is the Group's activities falling within NACE section C. The Group has a small amount of production of self-generated energy.

Energy consumption from non-renewable and renewable sources

Energy consumption from non-renewable sources	Unit	
Fuel consumption from coal and coal products	MWh	0
Fuel consumption from crude oil and petroleum products	MWh	6,452
Fuel consumption from natural gas	MWh	823
Fuel consumption from other fossil sources	MWh	N/A
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	21,539
Total fossil energy consumption	**MWh**	**28,814**
Share of fossil sources in total energy consumption	%	99
Consumption from nuclear sources	MWh	73
Share of consumption from nuclear sources in total energy consumption	%	0.25
Energy consumption from renewable sources		
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh	26
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	0
The consumption of self-generated non-fuel renewable energy	MWh	187
Total renewable energy consumption	**MWh**	**231**
Share of renewable sources in total energy consumption	%	1
Total energy consumption	**MWh**	**29,100**

Methodology

Energy consumption and mix: The figures for own operations are based on utility activity data based on documentation from suppliers.

Total fossil energy consumption: Energy consumption from fossil fuel comes from two sources.

1. Company cars: All transportation in fossil fuel company vehicles, owned or leased
2. Stationary combustion: Includes natural gas based on documentation from suppliers

Total energy consumption from nuclear sources: The Group's energy consumption consists of
an energy mix based on the Nordic energy co-operation for our Norwegian based operations, which consists of among other sources, nuclear (Based on AIB, published in 2024).

Energy intensity from activities in high climate impact sectors	MWh/MNOK
Energy intensity from activities in high climate impact sectors (total energy consumption per net revenue)	11.03
Total energy consumption from activities in high climate impact sectors [MWh]	27,339

Net revenue and other income from activities in high climate impact sectors	MNOK
Net revenue from activities in high climate impact sectors used to calculate energy intensity	2,478 a)
Net revenue (other)	1,124
Total net revenue and other income	**3,602**

Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)

AKVA group's carbon footprint provides a general overview of greenhouse gas emissions in tonnes of CO_2-equivalents (tCO_2eq). It is based on reported data from internal and external systems.

The Group has prepared its greenhouse gas (GHG) inventory in line with ESRS. The GHG inventory takes into consideration the greenhouse gases CO_2 (Carbon dioxide), CH_4 (methane), N_2O (Nitrous oxide), SF_6 (Sulphur hexafluoride), HFCs (Hydrofluorocarbons) and PFCs (Perfluorocarbons) and NF_3 (Nitrogen trifluoride) when converting consumption data into emissions.

The Global Warming Potential (GWP) factors used in the conversion of non-CO_2 greenhouse gases into CO_2eq are based on the fourth, fifth and sixth assessment report (Assessment Report; AR4, AR5 and AR6) over a 100-year period from the Intergovernmental Panel on Climate Change (IPCC). The GWP source for each emission factor has been determined based on the accessibility of updated and comparable data. The Group's GHG inventory has been prepared using emission factors from well-known, internationally recognized sources, including DEFRA, IEA and Ecoinvent. In order to collect, calculate and consolidate all emissions, the Group has used software from CEMAsys.

The consolidation of GHG emissions data is based on financial control. AKVA group accounts for 100 percent of emissions from operations over which it has operational control.

Scope 1

Scope 1 includes emissions from owned or controlled sources covering all direct emissions. Stationary sources are natural gas and propane, consumed in buildings that are leased, rented or owned by AKVA group. Mobile sources include diesel and petrol consumed by company cars. Emissions data is based on reported consumption of diesel, petrol, natural gas etc. multiplied with applicable emission factors from DEFRA (2024).

Scope 2

Scope 2 data is disclosed in both the location-based and market-based approach. Scope 2 emissions mainly arise from purchased electricity for heating buildings owned or leased by the group. Emissions data is based on reported consumption of purchased electricity, heating, cooling etc. multiplied with applicable emission factors from DEFRA (2024) and IEA (2024). Nuclear emission factor is based on AIB (2024)

Scope 3

In 2024, the Group conducted a Scope 3 screening and concluded that the following categories are significant:

Category 1 Purchased goods and services, Category 2 Capital goods, Category 3 Fuel-and-energy-related activities, Category 4 Upstream transportation and distribution, Category 5 Waste generated in operations, Category 6 Business travel, Category 7 Employee commuting, Category 11 Use of sold products, Category 12 End-of-life treatment and Category 13 Downstream leased assets. The Group has used a combination of data calculation methods for Scope 3 categories throughout the inventory. The most important data methods used in each category are listed in Climate account methodology - overview . We use practical approaches to reduce costs and complexity without compromising quality. These include:

- More accurate data/calculations for large contributors
- Less accurate data/calculations for small contributors
- Grouping or combining similar activity data (e.g., goods and services)
- Obtaining data from representative samples and extrapolating the results.

The Group's most significant Scope 3 category is Category 11 Use of sold products accounting for 48% of total emissions followed by Category 1 Purchased goods and services which account for 38% of total emissions. Together these two categories account for 86% of the Group's total emissions. The table below presents emissions from each category with relevant metrics on methodology.

Significant emissions arise from downstream business activities and the products sold by the Group.

Climate account methodology - overview

Scope	Category	Calculation method	Threshold - % of total included	% Primary data	Magnitude (Low/ medium/high)	Strategic importance (low/ medium/high)*
1	Stationary combustion	Activity data	100 %	100 %	Low	Low
1	Transportation	Activity data	100 %	100 %	Low	Low
2	Electricity	Activity data	100 %	100 %	Low	Medium
2	District heating/cooling	Activity data	100 %	100 %	Low	Medium
2	Renewable energy	Activity data	100 %	100 %	Low	Medium
3-1	Purchased goods and services	Hybrid	100 %	78 %	High	High
3-2	Capital Goods	Spend-based	100 %	100 %	Low	Medium
3-3	Fuel-and-energy related activities	Activity data	100 %	100%	Low	Medium
3-4	Upstream transportation and distribution	Hybrid	100 %	87 %	High	High
3-5	Waste	Hybrid	100 %	94 %	Medium	Medium
3-6	Business travels	Spend	100 %	100 %	Low	Low
3-7	Employee commuting	Estimation	100 %	0%	Low	Low
3-11	Use-of-sold products	Activity data	100 %	0%	High	High
3-12	End-of-life treatment	Activity data	100 %	0%	Medium	Medium
3-13	Downstream leased assets	Activity data	100 %	100%	Low	Low

The following Scope 3 categories are excluded from the GHG inventory:

- Category 8. Upstream Leased Assets: Leased assets such as cars and production assets are reported in Scope 1.
- Category 9. Downstream Transportation and Distribution: Downstream transportation is mainly organized and payed for by the company and reported in Category 4 Upstream transportation and distribution.
- Category 10. Processing of Sold Products: AKVA group does not sell products that are part of other companies' production of goods and/or services.
- Category 14. Franchises: AKVA group does not operate any franchises.
- Category 15 Investments: AKVA group consider GHG emissions from the investments in Abyss Group AS (21,5%), NOFI Oppdrettsservice AS (50%) and Emel Balik (50%) to be immaterial in group perspective as the estimated emissions are low compared to the rest of the group.

AKVA group does not have any biogenic emissions and do not purchase carbon credits. We have not invested in any projects about GHG removals and storage in own operations or in the value chain. AKVA group does not apply internal carbon pricing schemes. The consistency of our targets with our GHG inventory boundaries is ensured by adhering to established protocols and methodologies. We follow the ESRS E1 and GHG Protocol's guidelines for setting both organizational and operational boundaries.

Total GHG emissions disaggregated by Scopes 1 and 2 and significant Scope 3

	Retrospective				Milestone and targets			
	Base year 2024 tCO2e	Comparative N/A	Reporting year 2024, tCO2e	Index % N / N-1	2030 in %	2030 in tCO2e	2050 tCO2e	Annual % Target/ Base year
Scope 1 GHG Emissions								
Gross Scope 1 GHG emissions (tCO2eq)	1 893		1 893		42 a)	5 860		N/A
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	-		-					
Scope 2 GHG Emissions								
Gross location-based Scope 2 GHG emissions (tCO2eq)[e]	422		422					
Gross market-based Scope 2 GHG emissions (tCO2eq)[f]	12 059		12 059					
Significant scope 3 GHG emissions								
Total Gross indirect (Scope 3) GHG emissions (tCO2eq)	253 740		253 740		TBD b)	TBD		
1 Purchased goods and services c)	101 059		101 059					
2 Capital goods	726		726					
3 Fuel and energy-related Activities (not included in Scope1 or Scope 2)	664		664					
4 Upstream transportation and distribution	12 750		12 750					
5 Waste generated in operations	3 262		3 262					
6 Business travelling	2 475		2 475					
7 Employee commuting	2 269		2 269					
11 Use of sold products d)	128 108		128 108					
12 End-of-life treatment of sold products	304		304					
13 Downstream leased asset	2 125		2 125					
Total GHG emissions location-based (tCO2eq)	256 055		256 055					
Total GHG emissions market-based (tCO2eq)	267 692		267 692					

a) Our targets is to reduce Scope 1 and 2 emissions 42% by 2030 from a 2024 base year (market-based Scope 2, measured in tCO_2)

b) Our target for scope 3 will be decided in 2025

c) and d) Two examples of emissions factors used from our two highest emitting categories are, respectively, stainless steel (4.954 kg CO_2eq/kg, ecoinvent 3.11) and diesel (2.6616 kg CO_2eq/liter, DEFRA 2024)

e) and f) Emissions factors used for calculating the carbon footprint of electricity make use of last available updates of emissions factors

GHG emissions (Scope 1, 2 and 3) per country in tons of CO_2eq

Country	Scope 1	Scope 2	Scope 3
Australia	12	3	404
Canada	617	70	1 482
Chile	264	118	34 851
China [a]	-	-	3 039
Denmark [b]	-	10	121 858
Greece	5	2	42
Lithuania	246	225	1 309
Norway	433	11 543	82 608
United Kingdom	199	73	2 674
Spain	18	1	210
Turkey	100	15	5 265

c) and d) Two examples of emissions factors used from our two highest emitting categories are, respectively, stainless steel (4.954 kg CO_2eq/kg, ecoinvent 3.11) and diesel (2.6616 kg CO_2eq/liter, DEFRA 2024)

b) Most of our Land Based business area report on entities based in Denmark for 2024, in 2025 this will be reported in Norway. Use of sold products in this business area is a substantial category

GHG intensity measured in total GHG emissions per net revenue

	Comparative N/A	Reporting year 2024	%N / N-1
Total GHG emissions (location-based) per net revenue (tCO2eq/MNOK)		71,1	
Total GHG emissions (market-based) per net revenue (tCO2eq/MNOK)		74,3	

Net revenue used to calculate GHG intensity, 2024

	MNOK
Net revenue used to calculate GHG intensity	3 518
Net revenue (other)	84
Total net revenue in MNOK (in financial statements)	3 602

Pollution (Precision feeding) (E2)

Why it matters

In sea based aquaculture, the discharge of organic compounds (fish faeces and uneaten feed) and nutrient salts is monitored. The impact is typically greatest directly below the site and diminishes with distance. To monitor this, environmental surveys of the impact on the seabed under the sea sites is a legal obligation in Norway and other salmon-producing countries. Another aspect is that discharges of organic compounds (faeces and feed residuals) are a resource of phosphorous and nitrogen that potentially ought to be utilized for other purposes, for instance fertilizers.

An optimal feeding process insures that the feed is consumed by the fish rather than ending up as discharge beneath the pen. For the Group, precision feeding is a suite of tools, when used together, provides the fish farmers a solution to feed their fish optimally, improving growth and reduce feed loss.

Impacts, risks and opportunities and the impact on strategy and business model (SBM-3)

Our feeding- and digital technology, developed to control feeding, has a positive and tangible impact in reducing possible discharges to water at our customers' sites. Our digital technology for feeding systems reduces pollution in water, and we create secure fish farms to prevent escapees both from sea-based and land-based aquaculture. Reducing environmental impact through our solutions is closely connected to the undertaking's strategy.

The precision feeding solutions consist of several standalone products that work together to achieve this goal. We consistently, introduce new innovations and improvements to these products, including feed systems, cameras, winch solutions and software such as AKVA fishtalk, AKVA connect, and our artificial intelligence solution, AKVA observe.

Our waterborne feeding system is further developed in 2024 after a commercial breakthrough in the market the year before. Waterborne feeding is a necessity for feeding in the deep. In 2024 we continued to adapt waterborne feeding to existing barges. Waterborne feeding is gentler than air-based feeding systems on both the pellets and the feeding pipe, and noise and microplastic discharge are reduced. By replacing air with water the energy consumption is also reduced. Combined with Flexible Feeding – a system that enables you to distribute feed from all silos to all pens on the site – energy consumption is reduced and the feed is handled with care. Less breakage minimizes organic waste underneath the pens.

The fish farmer is in control of the process to minimize feed waste and utilization of the feed for growth and health of the fish, minimizing feed and faeces beneath the cages. In addition to reduced pollution, the fish farmer has strong economic incentives to do so. Our contribution is to deliver technological solutions within feeding systems, spreaders, cameras and AI-based software.

For 2024 we have significant financial revenues from our sales precision farming technology. Especially the waterborne feeding system sales increased in the reporting period, due to increased interest in deep farming in the Norwegian markets.

The reasonable expected time horizon for our impacts is medium term.

Pollution – impacts

ESRS	MATERIALITY ID	DESCRIPTION	VALUE CHAIN LOCATION	TYPE
Entity specific				
	Precision feeding	Reduced pollution to water downstream due to our precision feed technology	Downstream	Positive / Actual

Policies (E2-1)

Across all three business areas (Land Based, Sea Based, and Digital) the Group has established innovation agendas, led by the Group management team and organized in innovation departments with clear structure and responsibilities. The CEO is responsible for implementing our policy. There are no formal policy describing such roles and allocation of responsibilities, but the Group management team has implemented such roles and responsibilities in their processes and procedures.

All innovation projects are evaluated based on their contribution to improving sustainability within the industry, for instance optimal use of feed resources and reduction of feed loss. This evaluation occurs before the business case is approved by the Group management team and serves as a key input to the overall assessment of the project.

Our innovation work related to impacts to reduce pollution of water in our downstream value chain (feed and faeces) from fish farms is set out in Sea Based and Digital's innovation agenda.The innovation agenda is set towards sustainable aquaculture and our promise is to develop and deliver solutions for precision fish farming.

AKVA group works to reduce climate change and meet the needs of a circular economy

- We shall reduce emissions in our operations and supply chain
- Our ambition is that all AKVA products meet the need of a circular economy

Actions and progress (E2-2)

Key actions in the reporting year

AKVA observe: Observe Technologies helped advance precision feeding by providing new automated tools to assist farmers in optimising their feeding process - helping reduce FCR and increase growth and sustainability.

AKVA connect - control system designed to enhance feeding performance: a new version (4.13) was launched.

Waterborne feeding system: We've released more products within waterborne feeding, increasing solution integrity. An example is a newly patented deep-farming feed distribution solution. In late 2024, a pre-project with research partners was established to assess various ESG factors across air transport and two different water transport methods.

Cameras: Focusing on simplifying product design to reduce electronic components, we optimized hardware and firmware to lower energy consumption. We released the SmartEye Modular Camera System, which integrates sensors and built-in light.

Future action plans and actions

1. All our relevant innovation projects will be evaluated against their effectiveness for precision farming and reduction of feed loss
2. Further develop precision farming solutions with a focus on technical performance improvements, for instance a further development of modular camera systems.

The expected outcome of our future action plans and actions is to set the Group in a position to, through our innovations and solutions, contribute to less pollution from feed and faeces at our customer sites.

Our innovation practices are mainly related to own operations within our research and development departments in close cooperation with our production facilities in Norway and in the UK.

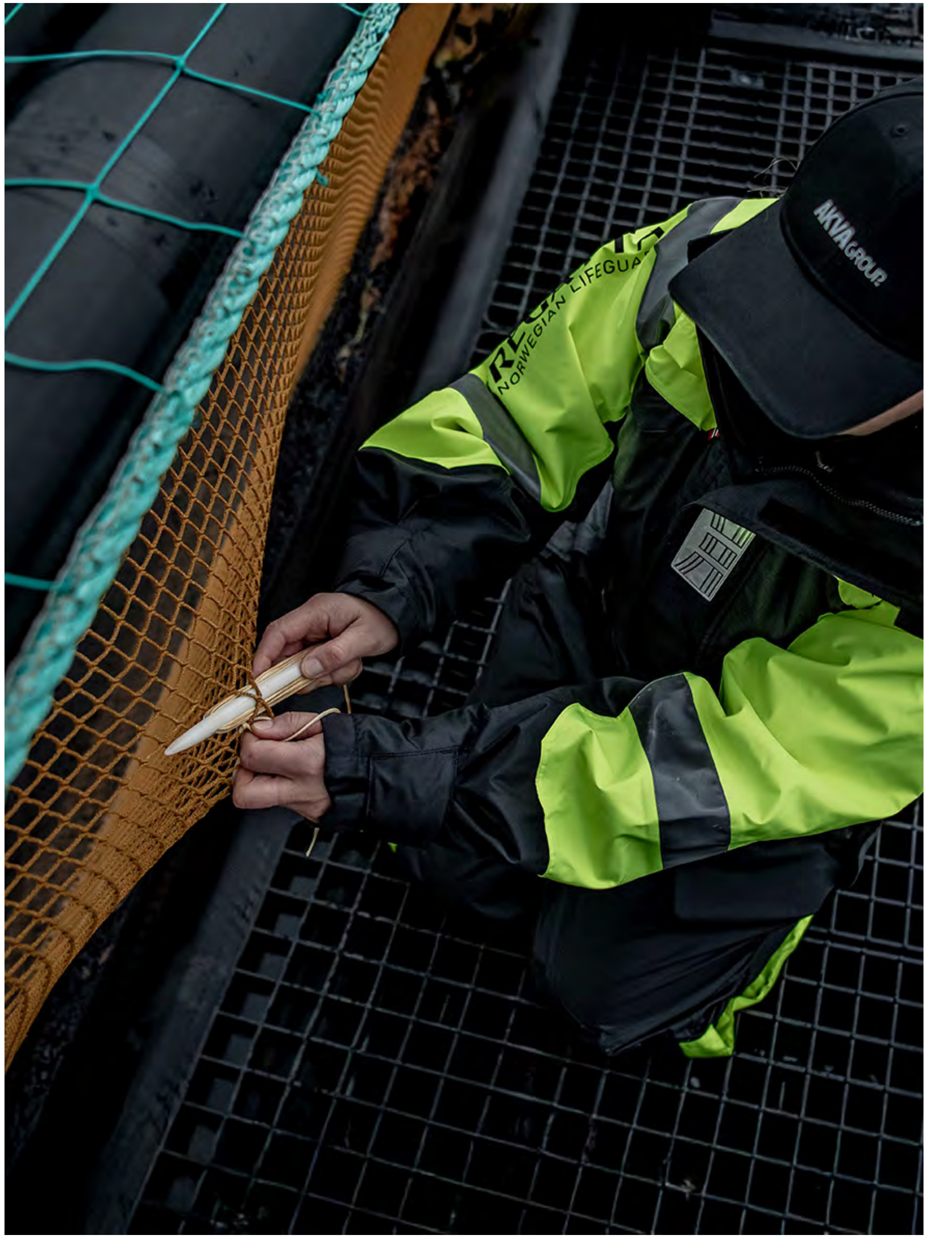
Future actions is a part of our innovation agenda with a project portfolio, timeframes and budgets. Details of our innovation agenda are confidential and therefore only limited information may be provided.

Target and metrics (E2-3)

The Group has not yet set any measurable outcome-oriented targets related to contribution from precision farming to reduce pollution at our customers sites, due to difficulties to identify relevant metrics to measure performance and effectiveness in relation to our material impact. We will consider to set targets connected to our innovation agenda during 2025.

We track the effectiveness of our policies and actions in relation to the material sustainability-related impact, risk and opportunity through our innovation agenda and in relation to how much the Group invested in research and development with base year 2024.

In 2024, we invested MNOK 201 in our innovation agenda, distributed across the various business areas. This metric is not validated by an external body other than the assurance provider.



Water (Water consumption in RAS) (E3)

Why it matters

Land based aquaculture, like smolt production of salmon in Norway, has traditionally relied on extensive freshwater use through flow-through systems sourced from lakes and rivers. Recirculating Aquaculture Systems (RAS) were developed many years ago due to freshwater scarcity. The water treatment technology works by continuously removing feed residues and faeces, ensuring the water remains suitable for fish production. With RAS, only minimal amounts of new water are needed, making it possible to farm species that require high-quality freshwater even in regions facing water scarcity.

Impacts, risks and opportunities and the impact on strategy and business model (SBM-3)

The Group develops and sells Recirculating Aquaculture Solutions (RAS) facilities that can reuse up to 99.9% of the water needed in land based facilities. This is particularly important when production of fish on land is happening in areas with water scarcity. In Norway, producing fish with minimal water usage is also key to the development of land based fish farming. Furthermore, the scale of fish farming makes it necessary to use RAS technology to reduce freshwater withdrawals from lakes and rivers.

RAS facilities is a financial opportunity to the Group and this is also an important part of the Group's strategy.

Water treatment systems from the Group are based on RAS with a low water exchange concept, recycling most of the system water and discharging fewer nutrients. The low water exchange concept makes it possible for land based aquaculture to have even less impact on the environment than standard RAS solutions. The concept also increases location flexibility, as it minimises water requirements and reduces environmental impact. Our RAS system has recently been further developed and adapted to the production of large market-size fish. This makes it possible to produce a large number of fish, such as salmon, close to market, thereby reducing climate emissions associated with the transport of fish to the market.

Through 2024, we delivered RAS facilities using the low exchange concept, such as the Hiddenfjord RAS facility, ready to produce large smolt up to 700 grams and Sealand Aquaculture, which is set to produce smolt up to 400 grams.

During 2024, our customer Nordic Aqua Partner (NOAP) continued to build and develop their food fish facility based on our RAS technology. NOAP is located in Ningbo, near Shanghai in China.

All projects have contributed significantly to our results within our Land Based business area in 2024. In 2024, revenues were MNOK 618, and EBIT ended at MNOK 12.

Our innovation agenda is crucial for the continued delivery and development of our RAS systems, and a research department has been established the past two years. Highly qualified personnel have been recruited and an innovation agenda has been developed.

Water (water consumption in RAS) – opportunity (E3)

ESRS MATERIALITY ID	DESCRIPTION	VALUE CHAIN LOCATION	TYPE
Entity specific			
Water consumption	Reduced fresh water consumption in our RAS systems compared to flow through facilities	Downstream	Positive / Actual

The reasonable expected time horizon for our impacts is medium term.

Policies (E3-1)

Our RAS facilities are already very effective in term of use of new water into the system, and it is difficult to reduce use of new water even more within this technology. No policy for further reduction of use of water is therefore in place for existing systems. We will continue to inform the market and work with regulators to make available our RAS technology so that more customers take this technology in use.

Actions and resources (E3-2)

Key actions taken in the reporting year

Our actions in 2024 is closely connected to our innovations and how we build capacity and competence within research and innovation.

- Development of new solutions: Inspection hatches in the biofilter, high flow fish tank cleaner, a Vortex braker that reduce air accumulated in water and a plate separator in treatment of wastewater.
- Investigation and understand the contribution by RAS to environmental plastic contamination and create applicable solutions from material selection to technological remediation and recycling.

Future action plans and actions

1. All our innovation projects within RAS will be evaluated against environmental topics in general, use of water.
2. Further develop our RAS technology with a focus on technical performance like use of water, and documenting how our solutions affect fish welfare.

The expected outcome of our future action plans and actions is to set the Group in a position to, through our innovations and solutions, sell more RAS facilities to countries and areas with fresh water scarcity.

Our innovations are related to own operations in the research department within the Land Based business area.

Future actions is a part of our innovation agenda with a project portfolio, timeframes and budgets. Details of our innovation agenda is confidential and therefore only limited information may be provided.

Targets (E3-3)

The Group has not set any measurable outcome-oriented targets related to reduction of water consumption by the use of our RAS technology and we do not track the effectiveness of our policies or actions. We will consider setting such targets during 2025.

Fish welfare (Entity specific)

Why it matters

Fish health and fish welfare are prerequisites for optimal performance and production in fish farming. Disease control, whether caused by virus, bacteria, or parasites, is a key element, making preventive healthcare crucial. In Norway and many other salmon-producing countries, the aquaculture industry has successfully minimized the use of antibiotics. However, pharmaceuticals are still required to combat salmon lice.

Salmon lice are parasites that naturally occur in the sea. In salmon production, it is crucial to control these parasites to avoid negative impacts on wild salmon, ensure the welfare of farmed salmon, and prevent increasing costs for fish farmers. Due to genetic resistance and the environmental impact of medicine residues, mechanical sea lice treatments have partially replaced medical treatments. Mechanical treatments involve the use of brushes, flushing, and/or tempered water, which kill the lice without harming the fish. However, such treatments can negatively affect fish welfare and production, prompting fish farmers to seek preventive methods that avoid handling.

According to the Norwegian Veterinary Institute, 37.7 million salmon and 2.4 million rainbow trout over 3 grams died during land based hatchery production in 2023.

Additionally, 62.8 million salmon (16.7 percent) and 2.5 million rainbow trout (14 percent) died during the sea phase of production. For salmon in the sea phase, the mortality figures in 2023, both in number and percentage, are the highest recorded to date. The numbers from 2024 was published by the Veterinary institute in February -25 and the losses decreased to 15.4% in 2024.

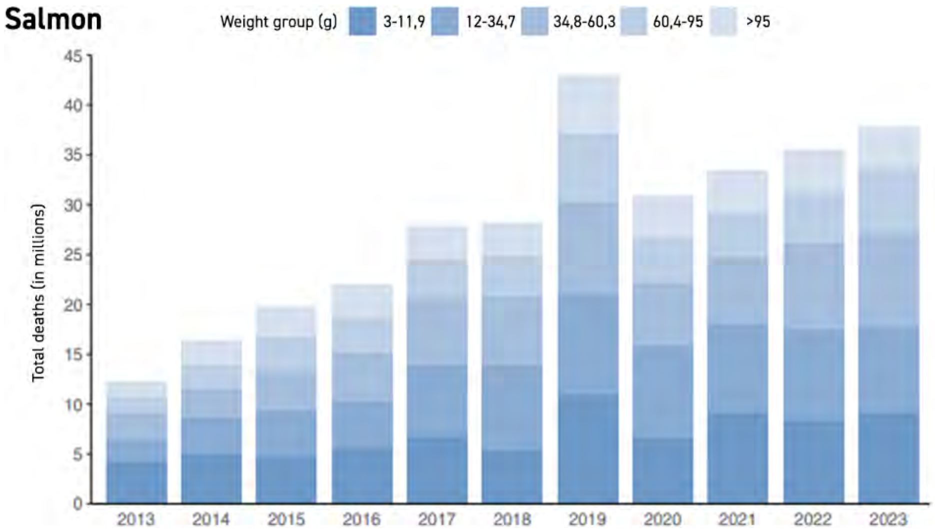


Figure 20: Loss in production in number of salmon in millions from 2013 to 2023 in Norway. Source: The Fish Health report 2023, Norwegian Veterinary Institute.

The losses are primarily attributed to rough handling during delousing operations, gill diseases, and attacks by string jellyfish. Reducing losses is critical for several reasons: fish welfare, fish health, production efficiency, economic viability, and public acceptance of industrial development. This remains a primary focus for the industry.

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

Fish welfare is a material topic to the Group and it is closely linked to our solutions offered that reduce the lice problem in the industry.

As the world's largest supplier of equipment and technology to the aquaculture industry, we see ourselves as a key contributor to improving fish welfare within the industry. Over a three-year perspective, our ability to develop and sell deep farming solutions, RAS technology for post-smolt production, and digital solutions could significantly enhance fish welfare. The continued development of our innovation agenda is essential for achieving these targets.

More sales of deep farming solutions and RAS represent a material financial opportunity for the Group and could contribute significantly to increased EBIT on a medium term horizon.

There is also a reputational risk associated with the aquaculture industries handling of fish welfare which could lead to less demand for fish in the market and indirectly reduce demand for AKVA group's products compared to plans in the medium term.

Deep farming provides solutions to several of the industry's sustainability challenges. The deep farming principle is to separate salmon and lice by lowering the biomass below the upper sea layers where salmon lice are typically found. Less lice treatments improve fish welfare and reduce mortality rates. Deep farming also provides fish with a suitable production environment.

For 2024 we have significant financial revenues from our focus on fish welfare. Deep farming solutions sales increased in the reporting period, and add-on products, such as a winch solution for lowering and raising the solutions in the water column were developed and offered to the market in 2024. A new and improved airdome was launched at the end of 2024.

Entity-specific topics – impacts

ESRS	MATERIALITY ID	DESCRIPTION	VALUE CHAIN LOCATION	TYPE
Entity specific				
●	**Fish Welfare**	Improved fish health through delivering products and services that reduce lice and diseases.	Downstream	Positive / Actual

● *positive impact* ● *negative impact*

Entity-specific topics – risks and opportunities

ESRS MATERIALITY ID	TYPE	DESCRIPTION	VALUE CHAIN LOCATION	TIME HORIZON
Entity specific				
Fish Welfare	Opportunity	Increased sale of solutions which improve fish welfare, i.e. deep farming solutions, (cameras, digital systems included)	Own operations	Medium term
Fish Welfare	Risk	A reputational risk associated with the aquaculture industries' handling of fish welfare, lice and fish escapes may reduce demand for fish, and therefore reduce demand for AKVA group's products and systems	Downstream	Medium term

Policies (MDR-P)

Across all three business areas (Land Based, Sea Based, and Digital) the Group has established innovation agendas, led by the Group management team and organized in innovation departments with clear structure and responsibilities. The CEO is responsible for implementing our policy. There are no formal policy describing such roles and allocation of responsibilities, but the Group management team has implemented such roles and responsibilities in their processes and procedures.

All innovation projects are evaluated based on their contribution to improving sustainability within the industry, for instance fish welfare, escapes of fish, energy efficiency etc. This evaluation occurs before the business case is approved by the management group and serves as a key input to the overall assessment of the project.

Our innovation work related to impacts, risks and opportunities within fish welfare is set out in our innovation agenda. The innovation agenda is set towards sustainable aquaculture and increased fish performance, fish welfare included. Our sustainability focus in our innovation agenda is based on inputs from customers in various processes (workshops, etc). Our innovation activities is mainly focused in our Norwegian based entities.

We are also obliged to evaluate all our solutions against fish welfare according to Norwegian law: All methods, installations, and equipment used for fish must be suitable with regard to fish welfare.

AKVA group innovation agenda is set towards sustainable aquaculture

- We develop and deliver solutions for precision Fish Farming
- We focus on innovation for improved environmental impact and fish performance

Actions and progress (MDR-A)

Key actions taken in the reporting year

Our actions in 2024 is closely connected to our innovations and how we build capacity and competence within research and innovation.

Deep farming innovations

At the end of 2024, we launched a new and improved version of our airdome (a construction giving the fish access to air in the deep and a prerequisite for deep farming), which has been well received by the market. Additionally a new winch for lowering and raising the pen in the water column was developed and offered to the market.

Waterborne feeding is a necessity for feeding in the deep. In 2024 we continued to develop our waterborne feeding systems by technological improvements and integrated them into existing barges.

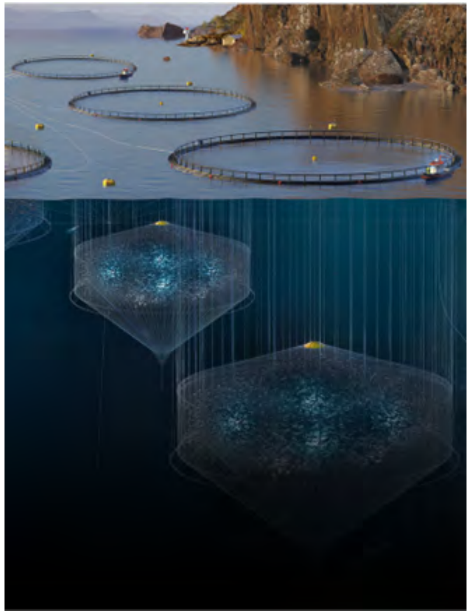


Illustration of Nautilus – a deep farming concept

Development of our RAS technology in 2024

Our Land Based developed new products such as inspection hatches in the biofilter, plate separator, high-flow FTC and vortex braker in 2024.

Future action plans and actions

1. All our innovation projects will be evaluated against sustainability in general, and for relevant products and product groups for fish welfare especially.
2. Further develop deep farming solutions and RAS with a focus on:
   a. technical performance improvements, and
   b. documenting how our solutions affect fish welfare in projects.

The expected outcome of our future action plans and actions is to set the Group in a position to, through our innovations and solutions, contribute to better fish welfare in production of fish downstream at our customer sites.

Our innovation practices is mainly related to own operations within our research and development departments in close cooperation with our production sites in Norway and Chile.

Future actions is a part of our innovation agenda with a project portfolio, timeframes and budgets. Details of our innovation agenda is confidential and therefore only limited information may be provided.

Targets (MDR-T)

The Group has not yet set any measurable outcome-oriented targets related to fish welfare due to complexity of finding a well suited goal. We will consider to set targets connected to our innovation agenda during 2025.

We track the effectiveness of our policies and actions in relation to the material sustainability-related impact, risk and opportunity through our innovation agenda and in relation to how much the Group invested in research and development with base year 2024.

In 2024, we invested MNOK 201 in our innovation agenda, distributed across the various business areas. This metric is not validated by an external body other than the assurance provider.

Escaped farmed fish (Entity specific)

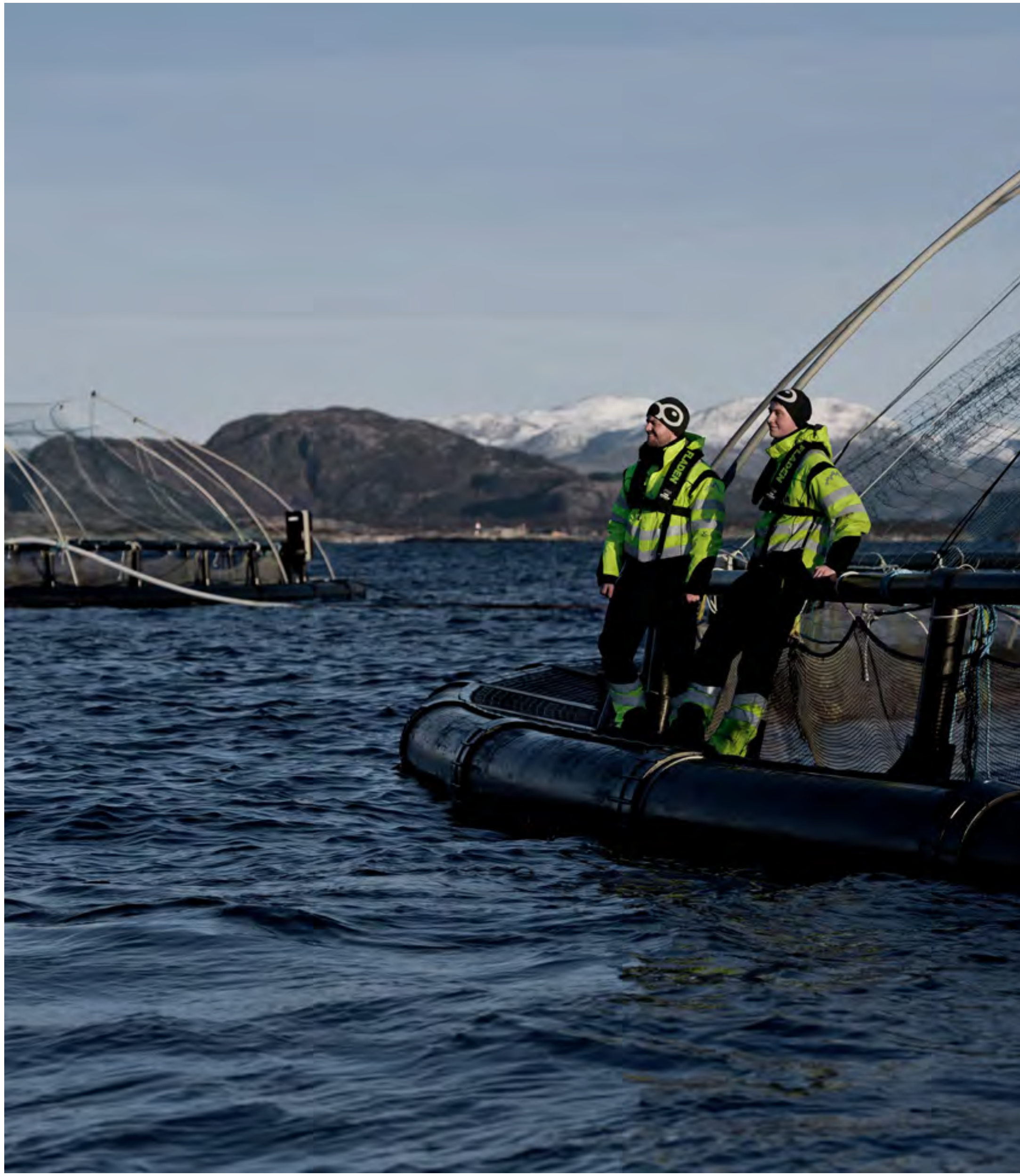
Why it matters

Farmed fish can escape from both land based and sea based aquaculture production and potentially cross-breed with wild fish. The causes are varied, and escapes can, for instance, occur during operations such as sea lice treatment, fish transport, and general handling of nets. Escapes are also caused by extreme weather conditions, technical faults, wear and tear from weights, or collisions with boats, among others.

Escaped farmed salmon may enter rivers to spawn, influencing wild salmon genetically or spreading infectious diseases.

It is challenging to report accurately on the number of escaped fish, and preliminary escaped farmed fish statistics for 2024 from the Directorate of Fisheries show that the number of reported escaped fish in 2024 was 95,591, which is an increase from 2023.

The most important measure to prevent escapes is the implementation of the requirements for the design of safe fish farms and operations, as outlined in industry best practice standards and national regulations in the countries we operate. In Norway, the introduction of these standards, such as NS 9415:2021, has been the most significant tool in reducing escape incidents. In other salmon-producing countries, NS 9415:2021 remains a voluntary standard.



Impacts, risks and opportunities and the impact on strategy and business model

(SBM-3)

Escaped farmed fish is a material topic to the Group and it is closely linked to our solutions offered such as nets, pens and equipment for sea based fish farming. Especially construction and repair of pens and nets are important in order to prevent escapes of fish downstream in the value chain at our customers' sites. We have 7 service stations for nets along the Norwegian coastline focused on reducing the risk of escapes of farmed fish. To improve our solutions and minimise the risks of escapes, we have also invested heavily in engineering capacity the last years, and hired skilled and trained people within marine constructions.

Together with other suppliers and fish farmers, AKVA group has been working actively with development of both standards and regulations. Through the Norwegian Seafood Federation and Standard Norge, the Group has contributed to establish and develop these sets of rules, which reduce escapes and enhance the safety of fish farms.

The most important aspect of our daily work is our extensive knowledge and experience with making safe constructions of nets, pens, moorings, and barges for use at sea.

The reasons why farmed fish escape are complex: The underlying causes are human and organizational, while the direct causes are technical, such as unwanted events that create holes in the net. SINTEF Ocean have found that holes in the net are the most important direct cause of fish escapes in 2010-2018. Our efforts to develop and produce safe nets that hinder escapes are therefore an essential part of our strategy to reduce escapes.

Our engineers, production teams, and service personnel are key to the continuous development of products that can withstand increasingly demanding conditions at sea.

Entity-specific topics – impacts

ESRS	MATERIALITY ID	DESCRIPTION	VALUE CHAIN LOCATION	TYPE
Entity specific				
●	**Escaped farmed fish**	Production of safe fish farms according to NS 9415 (Norwegian standard) to prevent escapees of farmed fish and cross-breeding with wild fish species internationally.	Downstream	Positive / Actual

● *positive impact* ● *negative impact*

Entity-specific topics – risks and opportunities

ESRS MATERIALITY ID	TYPE	DESCRIPTION	VALUE CHAIN LOCATION	TIME HORIZON
Entity specific				
Escaped farmed fish (impact on the state of species	Opportunity	Increase in the number of customers that invest in RAS technology to reduce the potentially harmful effects seabased fish farming has on the environment.	Own operations	Long term

A trend, especially within salmon farming, is to reduce time at sea in order to minimize negative effects like reduced fish welfare, losses and escapees. This can potentially increase the number of customers that invest in RAS technology for more land based production, which in turn could result in increased revenues for the Group within Land Based. We see this as a long term opportunity. Our double materiality assessment has revealed this opportunity as material, and this is in line with our business model and ambitions in the year to come. In general we plan with minimum 30% growth in our Land Based business area from 2025 and onwards.

Predators such as sea lions, otters, dogfish sharks, and others, can be a problem in many aquaculture areas by causing holes in the nets. Predators can impact fish farming in various ways: they eat the fish feed, transmit parasites and infections, scare the fish, and cause physical injury, among other effects. We adapt our knowledge of safe constructions to develop concepts that protect pens from predators, such as in Chile, where sea lions pose a significant challenge.

Policies (MDR-P)

Across all three business areas (Land Based, Sea Based, and Digital) the Group has established innovation agendas, led by the Group management team and organized in innovation departments with clear structure and responsibilities. The CEO is responsible for implementing our policy. There are no formal policy describing such roles and allocation of responsibilities, but the Group management team has implemented such roles and responsibilities in their processes and procedures.

All innovation projects are evaluated based on their contribution to improving sustainability within the industry, for instance escapes of fish. This evaluation occurs before the business case is approved by the management group and serves as a key input to the overall assessment of the project.

Our innovation work related to impacts, risks and opportunities within escapes of fish is set in our innovation agenda. The innovation agenda is set towards sustainable aquaculture and reduction of escapes.

According to Norwegian regulations, we as a producer of products and services to the aquaculture industry, have a duty to notify and implement measures in case of deviation in our product that may lead to escape of fish. Our internal procedures and work descriptions are designed to uphold our responsibility to prevent fish escapes.

Actions and progress (MDR-A)

Key actions taken in the reporting year

Our actions is closely connected to our innovations for making new products compliant with NS9415:2021 and NS9416:2013 in order to prevent escapes.

In 2024, significant efforts were made to revise NS9416:2013 in collaboration with other companies in the industry.

Future action plans and actions

1. All our relevant innovation projects (improvements on existing products or new) will be evaluated for preventing escapes.
2. Our internal procedures and work descriptions in the relevant production facilities, are key to prevent defects in our product. This work will be strengthened in order to reduce complaints from customers related to unwanted events that can lead to escapes.
3. Continue to contribute to revisions and other processes in connection with the relevant standards and regulations.

The expected outcome of our future action plans and actions is to set the Group in a position to, through our innovations and solutions, contribute to reduced number of escaped fish from our customers fish farms on land and at sea.

Our innovation practices are mainly related to own operations within our research and development departments in close cooperation with our production sites in Norway and Chile. Future actions are a part of our innovation agenda with a project portfolio, timeframes and budgets. Details of our innovation agenda are confidential and therefore only limited information may be provided.

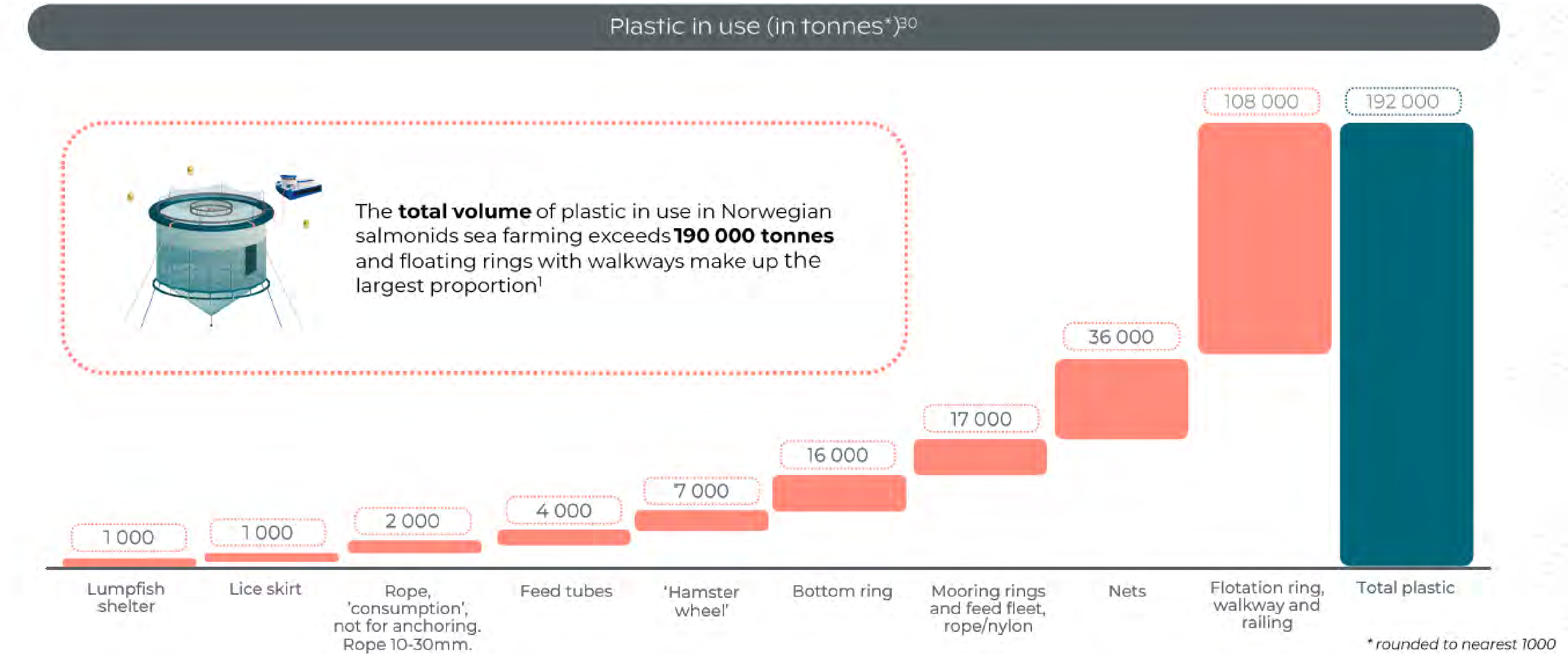
Target and metrics (MDR-T and MDR-M)

The Group has not yet set any measurable outcome-oriented targets related to escaped farmed fish due to the complexity of finding a well suited goal. Going forward we will review how measurable metrics and targets can be determined.

Resource use and circular economy (E5)

Why it matters

The aquaculture industry is fully dependent on the input of plastics, steel, and other resources in products such as pens, nets, barges, fish tanks, all tailor-made for harsh environment both at sea and on land. Today, all plastics used are fossil-based, and the major challenge is that the life cycle of plastics and steel in the industry is largely linear.



Plastics volumes and distribution in Norwegian sea based aquaculture, Source: NCE Seafood Innovation, 2023.

Globally, there is an increasing awareness of marine littering caused by plastics from aquaculture activities in the ocean and nearshore areas. The aquaculture industry faces challenges from EU regulations and NGOs regarding how to reduce, use, handle, and recycle plastic products. The EU's directive on single-use plastics (EU 2019/904), adopted in 2019, sets a clear requirement for an extended producer responsibility scheme for certain plastic products, including equipment from fishing, aquaculture, and recreational fishing. Norwegian authorities are in process of developing national regulations to comply with the EU directive, and other countries, such as Iceland, will also look to the EU for guidance. Additionally, many of the UN's sustainability goals highlight the need for an increased focus on the circular economy in general.

In Norway, fish farming companies have routines and systems for handling discarded products, but there is a lack of documentation on volumes and further use of discarded equipment. A system for better documentation and traceability is needed.

Most of the equipment used in a fish farm on land or at sea, has a long lifetime and is suited for repairs, reuse, and recycling. In industrial and professional fish farming, systems are in place to manage resource inflow and outflow effectively, but differences exists between regions and countries.

In an Industry Insight on plastics from the Norwegian aquaculture industry, NCE Seafood Innovation pointed out that equipment suppliers, such as AKVA group, can contribute to the necessary transition to a circular economy by extending product lifetime, designing equipment for recycling, establishing traceability, providing information about materials, and working with new business models.

Repair, recycling, and reuse of all types of raw materials are important in the aquaculture industry, but in recent years, plastic has been particularly in focus, as it has in all other industries.

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

The Group's traditional business model is mainly linear, but parts of the business operate under a hybrid circular business model, focusing on strategies like R4 (Repair) and R5 (Refurbish). The linear model requires new virgin materials, such as plastics and steel, which has an impact on the environment, both upstream and in our own operations.

We are actively working to replace virgin materials, such as plastics, with recycled alternatives in our products and to develop products with a long lifespan that are easy to repair - all to move towards a more circular business model. To succeed, extensive collaboration with other actors in the value chain is needed.

Our Service & Aftersales division and our Sea Based net service activities are fully focused on preserving and extending the lifespan of our products. Today, AKVA group gives considerable attention to the use of recycled material in innovation, design, and production. This competitive advantage could have a positive impact on the Group's EBIT in the future if sales of recycled pens and nets increases. Combined with potentially larger margins, this could have a significant financial impact, especially considering that pens constitute a large part of the Group's sales within Sea Based.

Even though we strive for greater use of recycled raw materials, we will remain dependent on virgin raw material – at least in the medium term. If oil prices increase due to higher environmental taxes, this represents an underlying risk when working with materials such as plastics. AKVA group use 9,000-10,000 tons of plastic granulate annually. For this reason, a new tax regime could have a significant impact on EBIT.

Sea Based already uses bio-oil and climate-neutral raw material in boats, and this usage is expected to increase in the coming years. New rules and regulations incentivising the public sector to purchase products made from bio-oil or other climate-neutral raw materials could open a new market for AKVA group.

The use of recycled pens, nets, and ropes could create a positive environmental impact downstream in the value chain at our customers' sites.

We expect interest in buying recycled pens and nets to increase within a medium-term horizon, which could create a financial opportunity for the Group. Nets and pens are important product groups for the Sea Based business area.

With our diversified product portfolio, we need to work with many different approaches for a more circular economy, and we use the R-strategies as a guide in our work, as illustrated in the table.

	Strategies	Examples from AKVA group activities in the different strategies	
Circular Economy	**R0 Refuse**	**Avoid unnecessary resource consumption;** AKVA group seeks to design products that are durable and long-lasting, with a focus on creating high-quality products.	Short loops
	R1 Rethink	**Innovate product design and business models**; We innovate new solutions, like recycled pens. According to the customers' needs and business opportunity, we rethink our business models such as sales and rental of products.	
	R2 Reduce	**Minimise resource use in production**; AKVA group strives to optimize manufacturing processes at our production sites.	
	R3 Reuse	**Extend product lifecycles**. AKVA group has developed modular products, in eg. a modular camera that can be easily upgraded or repaired.	Medium loops
	R4 Repair	**Maintain product value through repair**; Our Service & Aftersale do extensive repair and maintenance of existing products at our customers site and in our production.	
	R5 Refurbish	**Restore and improve products to a satisfactory condition for external use**; Egersund Net's service stations check, repairs and recertifise nets, Cameras and lights are refurbished.	
	R6 Remanufacture	**Restore products to like-new condition**; Cameras and lights are restored and hired out to new customers.	
	R7 Repurpose	**Find new uses for old materials;** Scrapped plastic materials from our pen production are collected, shredded and reused.	
	R8 Recycle	**Transform waste into new materials**; In our collaboration with Nofir, Aquafil and Oceanize we ensure that nets and pens are reused in new products.	Long loops
	R9 Recover	**Extract energy from non-recyclable waste;** AKVA group delivers non -recycable waste to partners who extracts energy through waste-to-energy processes. 72% of our waste goes to energy recovery.	
Linear Economy	**Landfill or incineration**	**Not utilising end - of life material in any way;** Only 0,3% of our waste is going to landfill.	

The 10 R strategies for Circular Economy with examples from AKVA group (Source methodology: Circularise)

Impacts within circular economy

ESRS MATERIALITY ID	IMPACT DESCRIPTION	VALUE CHAIN LOCATION	TYPE
E5: Resource inflow, including resource use			
Virgin raw material use	Use of virgin raw materials (plastic, steel, other metals, in production.	Upstream / Own operations	Negative / Actual
E5: Waste			
Waste	Waste from all activities, especially production and waste containing copper (net impregnation).	Across	Negative / Actual

positive impact *negative impact*

Risks and opportunities within circular economy

ESRS MATERIALITY ID	TYPE	DESCRIPTION	VALUE CHAIN LOCATION	TIME HORIZON
Resource inflow & resource use				
Virgin raw material use	Risk	Increased price of plastic because of increased environmental taxes on oil.	Upstream	Medium term
E5: Resource outflows related to products and services				
Circular economy aligned products	Opportunity	Focus on circular economy increase demand for services related to repairs and high quality circular designed products, which increase turnover for the Group.	Own operations	Short term
Circular economy aligned products	Opportunity	Development and sale of fish cages made of 100% recycled plastics.	Own operations	Medium term
Circular economy aligned products	Opportunity	Develop products using bio-oil / climate-neutral raw materials equivalent to granules. (Pipes for the general pipe market).	Own operations	Medium term

Policies (E5-1)

Our policy to manage impacts, address risk, and pursue opportunities related to resource use and the circular economy has not yet been developed or adopted. The policy will be closely connected to our climate transition plan and is therefore scheduled for development in 2025. Please refer to the Policy section in the Climate Change chapter for more information.

Our policy will likely encompass three main areas:
1. How we produce, handle, repair, and recycle our products, with a special focus on raw materials and plastic-based solutions.
2. Our innovation agenda for closing the loop.
3. Reduction of waste.

Actions and resources (E5-2)

Actions related to the specific sustainability matter concerned are not yet fully developed. During 2025, we will further develop these actions in close connection with the development of policies.

However, we will disclose some relevant actions from 2024, along with key elements for the future that we plan to included in the action plan.

Key Actions

How we treat our waste
Striving to reduce the waste from AKVA group's operations, as well as handling it more efficiently, is important both economically, in relation to climate change, and for facilitating the transition towards a circular economy.

Our production facilities are the dominant source of waste, and the main focus is on increasing sorting and reducing waste in our subsidiaries and their respective facilities. Site management at our production facilities has the main responsibility for waste handling and monitoring. In 2024, we sorted waste at the following subsidiaries: Egersund Net (all the net service stations), Helgeland Plast (pen production, etc.), Sperre (ROV production, etc.), and Land Based (Sømna depot - fish tanks, etc.) all located in Norway. Other examples include our service station for cameras and lights at Sandstad in Norway. The registered fractions and the total waste amounts form the foundation for calculating our carbon footprint from waste.

In general, increased source separation across the Group will enable us to improve the repurposing and recycling rate of waste. It is also important for us to treat hazardous waste generated from the process of cleaning nets in accordance with laws and regulations and to encourage source separation and recycling, for instance, of copper from antifouling substances. For more details, see chapter on Waste.

How we produce and repair our products
An important part of the Groups business model is to repair, upgrade, and offer product-service systems in collaboration with partners in the value chain. An overview of our production system for pens, pipes, and boats, along with the different parties involved, can be seen in the figures on our production systems for pens and nets.
We also repair cameras and lights at our service station in Sandstad. In 2024 we repaired 1900 cameras and 35 lights.

At our net service stations, where we inspect, repair, and extend the lifespan of nets and net products, we repaired 1 730 nets in 2024.

Boats produced in our operations in Helgeland Plast in Mo i Rana are mainly made from HDPE, which ispossible to recycle. Production waste from boat, pipe, and pen manufacturing is sorted and delivered to approved companies for recycling. About 60% (289 tons) of the scrap generated at Helgeland Plast is reintegrated into pipe production.

We have a well-established system for recycling and repurposing nets and ropes through cooperative partners in the recycling industry, such as Nofir and Aquafil. Today, nearly all discarded nets, ropes, and various plastic fractions (2071 tons) are either recycled into carpets or other products, or they are incinerated. A small amount is sent to landfill. In 2024, 1538 tons of nets were collected and regenerated into nylon filaments, which are reused in new products in other industries. This represents an 8% increase from 2023. In addition, 198 tons of discarded nets were sent for energy recovery, a decrease of 42%.

Traditionally, polystyrene (EPS) has been the floating element in steel pens. In Chile, the use of EPS was reduced from 417 tons in 2018 to 8,9 tons in 2023, where EPS was replaced by floating elements made from recycled HDPE plastics. In 2024, we used no polystyrene.

How we innovate
Innovation is a fundamental and continuous activity in AKVA group. Our innovation efforts encompass a range of activities, from improving current products and developing new ones to participating in various research and innovation initiatives. Our production of plastic-based products, such as pens, feed pipes, nets, boats, tanks, and pipes, puts us in a position to develop products based on recycled or climate-neutral material with a long lifespan. Our subsidiary Helgeland Plast is certified according to International Sustainability and Carbon Certification (ISCC) for the use of climate-neutral PE 100.

Through our innovation efforts over the past two years, we have proven that it is possible to replace virgin raw material with recycled ones without reducing product quality and strength. This has encouraged us to continue exploring new possibilities within our product offerings.

Floating rings and nets have great potential for recycling. During 2024, we tested our first fully recycled pen made from HDPE sourced from discarded pens. Our testing over one year at sea has proven that the pen maintains the same strength and functionality as a pen made from virgin material, fully matching our expectations.

Nets are another product category with significant potential for closing the loop, meaning using discarded nylon nets to produce filaments that can be reused in net production. As mentioned, almost all discarded nets are decomposed and regenerated into nylon filaments used for carpet production or other products. Together with our partners Nofir and Aquafil, we have been doing this for years.

In 2024, we joined the "Circular Net Construction" project, which aimed at develop the first circular farming nets using recycled nylon from used nets (netting and ropes), fishing gear, and other nylon products. Together with Nofir, Aquafil, Grieg Seafood, and Hampidjan, we sucessfully produced the first recycled net. During spring 2025, the net will be tested at sea. The two-year project is supported by the Norwegian Trade's Environmental Fund and SkatteFUNN.

The Group also participated in other R&D projects during 2024. The MICRORED project aims to generate new knowledge about microplastics from feeding pipes. In the pre-project MiRA, the Group is working with SINTEF Ocean to examine microplastic emissions in RAS. We also joined the SMARTER project, which is surveying microplastic release from aquaculture nets and ropes using different technologies for emission reduction. This project is led by SINTEF Ocean and financed by the Norwegian Seafood Research Fund.

The recycled pen launched at sea by the Group in Mo i Rana.

Our production of nylon nets at Egersund Net in Egersund.

Polyetylen production
- Granulate
- Based on gas
- Borealis, Stenungsund
- Train transport to Mo i Rana

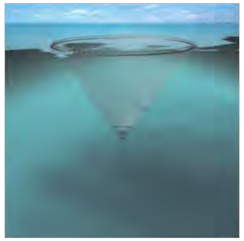
AKVA group (Helgeland Plast)
- Pens, feed pipes, pipes, boats
- ISO 14001 sertified
- Reuse of residuals from own production
- Plasto as a sub supplier

Pens in use at fish farming sites

Recycling
- Oceanize
- Collect, clean, granulate

Potential for recycling

Production system for pens



Nofir BRINGING VALUE TO MARINE WASTE

Egersund Group 34% ownership

ECONYL®

AQUAFIL synthetic fibres and polymers

From filament to notlin → Production of nets → Service, every 6-8 month Lifetime 3-6 year → Discarded nets **2 071 tons (2024)** → Regeneration of nylonfilaments to clothing and carpets

Egersund Net	UAB Egersund Net	Egersund Net	UAB Egersund Net NOFIR	Aquafil

Production system for nets and net products

Targets (E5-3)

Increase use of recycled and climate neutral raw materials (inflows)

Our targets to manage material resource use-related IROs will be considered set in 2025. Targets related to inflows are closely connected to our transition plan, which will be established during 2025 (see the Climate change chapter).

Together with cooperative partners, AKVA group is actively working on reducing its resource inflow. Our innovation agenda is key to reducing the use of raw materials without compromising the strength and quality of our products. Both within our plastics- and steel-based products, the substitution of virgin material with recycled or bio-oil/climate-neutral raw materials presents financial opportunities and will reduce our climate emissions. Increased sales of recycled pens and nets, could have a material financial effect, especially given that pens represent a significant portion of AKVA group's sales within Sea Based.

Increased sorting of waste and less incineration (outflows)

Even though the company has procedures for reducing waste, it is possible to increase recycling and reduce the amount of waste sent to incineration. Hazardous waste from our net service stations is treated in accordance with laws and regulations.

Targets related to outflows have not yet been set, due to the need for more time to define precise targets that are well anchored in each entity within the Group.

We have set an ambition: Through increased waste sorting, we will strive to increase material recycling of waste diverted from disposal.

This is the third step in the waste hierarchy, but we also expect to reduce the total amount of waste (step 1 in the hierarchy), relative to our growth in activities.

Waste hierarchy. Diagram: Mildred Williams | Viable AlternativEnergy.

Methodologies used in waste reporting are based on data directly from our production facilities. Each production site has reported its waste directly into the software used, CEMAsys.

In the coming years, we will strive to reduce our total waste (relative to growth) and increase the recycling share, thereby reducing incineration.

Resource inflows (E5-4)

Our resource inflow is disclosed in terms of raw materials used to manufacture our products and services during the reporting period.

Our main raw materials relevant are plastics and steel. In 2024, the Group used approximately 9,214 tons of plastic raw materials at our production sites, representing a 15% increase from 2023 mainly due to higher sales. For the production of feed barges and steel pens, we used approximately 7,440 tons of steel. The increase in pen production was due to higher sales and the inclusion of purchased steel in bottom rings from 2024. Steel usage in barges decreased due to lower production and sales.

The most important important productions facilities relevant for resource inflows are the net production facility owned by our subsidiary Egersund Net in Egersund, our pen-, pipe- and boat production facilities at Helgeland Plast in Mo i Rana and our production site for steel cages in Chile, owned by AKVA group Chile. The company invested in new machinery, including a cutting machine (AKVA group Chile), a mooring machine (AKVA group ASA), a welding machine (Helgeland Plast), and a variety of machines and equipment at our service stations along the coast (Egersund Net). In 2024 we used climate-neutral raw material based on bio oil (29 tons) to produce a few working boats. Otherwise, no biological material (sustainably sourced) is used to produce our products and services (including packaging).

Resource inflows

Overall total weight of products and technical and biological materials used during the reporting period	17,805 tons
Percentage of biological materials (and biofuels used for non-energy purposes)	0,2%
The absolute weight of secondary reused or recycled components, secondary intermediary products and secondary materials used to manufacture the undertaking's products and services (including packaging)	2128 tons
Percentage of secondary reused or recycled components, secondary intermediary products and secondary materials	12%

Methodology:

- Overall total weight of products and technical and biological materials used during the reporting period: AKVA group has no critical raw materials or rare earth elements according to the definition in the European Critical Raw Materials Act, which maintains a list of Critical and Strategic Raw Materials (CRM). Resource inflows are limited to the two main raw material used at our production sites - plastics and steel. Data is collected directly from the relevant production sites and subsidiaries: AKVA group ASA (barges), Helgeland Plast, AKVA group Landbased (Sømna depot), AKVA group Chile, and Egersund Net.
- Percentage of biological materials (and biofuels used for non-energy purposes): We used climate-neutral HDPE to produce boats at Helgeland Plast. We are certified according to International Sustainability & Carbon Certification (ISCC Plus).
- Absolute weight of secondary reused or recycled components, secondary intermediary products, and secondary materials used to manufacture the undertaking's products and services (including packaging): This includes secondary reused and recycled plastic and steel.
- Percentage of secondary reused or recycled components, secondary intermediary products, and secondary materials: This includes secondary reused and recycled plastic and steel.

Resource outflows (E5-5)

Key products

Our key products are described in the General information chapter, and in the table lists the most important product categories and their expected durability compared to the industry average.

In our climate account, the relevant information about our products in the table on the next page is collected under Scope 3, Category 11 (Use of sold products -lifespan) and Category 12 (End-of-life treatment of sold products - recycling assumption). In addition, our extensive knowledge of our own practices and experiences supports the information.

*Expected durability of our products compared to industry average**

Business area	Product/product group	Lifetime years	Industry average
Sea Based	Pens, pens accessories	15	10-20
	Nets, net accessories	6	5 -6
	Airdome	10	10
	Boats	>20	>20
	Pipes	100	100
	ROV	15	10-15
	High pressure pumps	10	10-15
	Netcleaner	10	5-10
	Barges	15-25	15-25
	Cameras and sensors	7	5-10
	Lights	7	5-10
	Feed systems, water	5	5
	Feed system, air	10	10
	Winch	7	5-10
	Anchoring and moorings	10 el 15	8-15
	Steel pens	10	8-12
Land Based (core RAS products)	Mechanical filter	15	5-10
	Fixed bed biofilter	20	10-15
	Ozon disinfection	20	5-10
	Degassing	20	10-15
	Low pressure oxygen cones	20	10-15
	Fish tanks	20-30	20-30
	Pipes	20	10-20
	Self- cleaning hydraulics	20	10-20
	Inlet and outlet systems	20	10-20
	System for phosphurs removal	20	10-20
	System for de-nitrification	20	10-20
	Pumps	8	10-15

- *Industry average in collected from Industry insights NCE Seafood, scientific based literature and other reports.*

As far as we know, there is no widely recognized, standardized repairability rating system specifically for technical products in the aquaculture industry, similar to those found for consumer electronics.

Still, repairability is an important part of our business, especially for products such as cameras, lights, nets, and net accessories.

For instance, control and repair of nets is a core activity at our net service stations.

For years, we have cooperated with the recycling industry, and our knowledge of recycling properties is strong.

The rate of recyclable content in products is currently close to zero. Through our innovation projects, we have proven that it is possible to use recycled plastics in pens and nets, but so far, recycled material is not a part of the products we sell in the market.

We have not investigated whether there is any recyclable content in our packaging.

Waste

The amount of waste reported is waste from the production companies in the group, which accounts for more than 90% of the total waste. The rest is waste from office activities and this will be included in the total numbers from 2025. .

Most of the waste undergo recovery operations (72% incineration with energy recovery, 16% other treatment), while 12% goes to material recycling and only 0,3% is directed to disposal (landfill). This means that 88% of the waste is non-recycled waste. The landfill portion includes discarded nets and ropes that are not suitable for recycling, as well as eternit plates from a one-time clean-up of old materials at one of the net service stations.

About 27 % of the waste generated by AKVA group is classified as hazardous, with the majority originating from wastewater treatment at our net service stations. The waste is divided into two fractions: fine sludge and coarse waste – both of which contain copper residues or residues from other antifouling coatings. Both types of waste are sent for energy recovery at a facility in Sweden. In recent years, we have sought to find an energy recovery partner within Norway. Ragn Sells (Bergen) and Forus Energigjenvinning (Stavanger) have tested the waste and approved it according to their certifications. Consequently, the service station in Austevoll began delivering waste to Ragn Sells in Bergen in 2024.

The use of antifouling and coatings containing tralopyril and zinc pyrithione biocides is increasing. The primary purpose is to prevent fouling and protect textiles. Additionally, the use of biocide-free coatings purely for textile and rope is also raising. All coatings comply with legal requirements for net constructions.

Copper-based antifouling has been the preferred choice for many years to prevent biofouling on nets. However, antifouling must be handled and used properly to minimise potential environmental release. The industry, including the Group, is working alongside suppliers to optimise and reduce the use of copper-based antifouling. Over the past four years, the Group's use of copper oxide (Cu_2O- the active component) has been reduced by 79%. The Institute of Marine Research confirms that the use of copper-based antifouling has declined over the past 2-3 year in the Norwegian Fish farming industry.

The most important non-hazardous waste includes plastics (primarily HDPE and nylon), steel, impregnated wood waste, ordinary wood waste, and cardboard waste. Small amounts of electronic waste (EE waste) and battery waste, which contain rare earth elements, are also generated - both of which are recycled.

Treatment type - waste diversion	Hazardous waste diverted from disposal in kg	Non-hazardous waste diverted from disposal in kg
Preparation for reuse	0	7 790
Recycling	3 404	439 424
Other recovery operations	987 531	2 275 918

Treatment type - waste disposal	Hazardous waste directed to disposal in kg	Non-hazardous waste directed to disposal in kg
Incineration	0	0

Landfill	2 480	7 260
Other disposal operations	0	0

Waste type	Amount (kgs)
Hazardous waste	993 415
Radioactive waste	0

Waste type	Amount (kgs)
Organic waste	588 276
Metals	208 471
Plastics	210 619
Cardboards, wood waste and paper waste	138 218
Refinery sludge waste, other hazardous waste	960 184
Residual waste	1 525 985
Impregnated wood waste	34 850
EE waste, recycled, EE batteries	2 450
Glass waste, recycled	2 155
Mineral oil waste, oil waste	3 905
Industrial waste	43 580
Misc.	5 114
	3 723 807

Methodology

- Waste data from our production sites has been collected for the first nine months using waste transfer notes from contracted waste collectors and registered in our waste software, CEMAsys.
- Data for the last three months is estimated based on the previous period.
- Waste data from offices have been estimated based on headcount in each office.

EU taxonomy reporting

Overview

In this part of the annual report, AKVA group ASA (or the company, and together with its controlled subsidiaries, the Group) as a non-financial company, presents the Group's taxonomy report in accordance with article 8 of Regulation (EU) 2020/852 with delegated acts (the EU taxonomy), as required pursuant to section 2-4 (11) of the Norwegian Accounting Act.

The company has identified nine taxonomy eligible activities and one taxonomy aligned activity within the Group. The following table highlights the economic activities identified as taxonomy eligible and taxonomy aligned in 2024.

Taxonomy ID	Taxonomy eligible activity	Aligned
CE1.2	Manufacture of electrical and electronic equipment	No
CCM/CCA 4.25	Production of heat/cool using waste heat	No
CCM/CCA6.5	Transport by motorbikes, passenger cars and light commercial vehicles	No
CCM/CCA7.2 / CE3.2	Renovation of existing buildings	No
CCM/CCA7.6	Installation, maintenance and repair of renewable energy technologies	Yes
CCM/CCA7.7	Acquisition and ownership of buildings	No
CCA 8.2	Computer programming, consultancy and related activities	No
CE 5.1	Repair, refurbishment and remanufacturing	No
CE 5.2	Sale of spare parts	No

Table 1 – Taxonomy eligible and taxonomy aligned activities. Taxonomy ID refers to taxonomy activity reference number and environmental objectives (1. Climate Change Mitigation (CCM), 2. Climate Change Adaptation (CCA) and 4. Transition to a circular economy (CE)).

The company has applied the three taxonomy KPI's to determine the proportion of turnover, CapEx, and OpEx attributed to taxonomy aligned economic activities. Many of the economic activities within the aquaculture industry are not covered by the EU taxonomy and a large proportion of the Group's income generating core activities are therefore not taxonomy eligible. In 2023, this resulted in the entire turnover being classified as not taxonomy eligible. In 2024 parts of it are classified as eligible according to the taxonomy.

Similar effect is seen in the two other taxonomy KPI's where only minor proportions of the CapEx and OpEx are attributed to taxonomy eligible activities.

For further details regarding our accounting policies for the taxonomy KPI's are provided in the section on Key Performance Indexes.

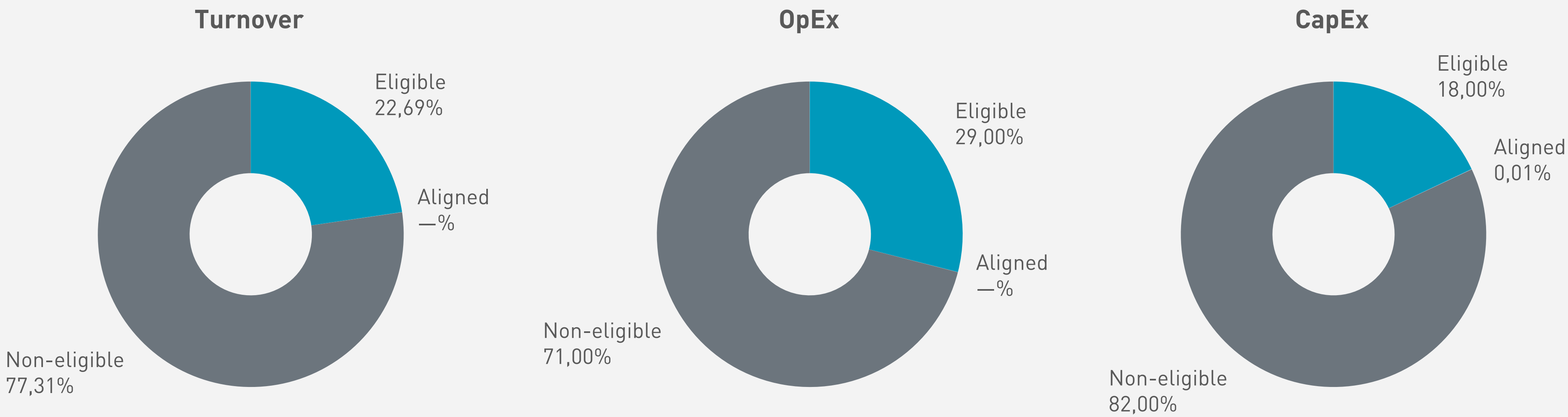


Figure 1 - Taxonomy KPI's

Background and process

(Disclosure Delegated Act References: Annex I 1.2.2, , 1.2.2.1 (c))

We have examined our economic activities across the Group to identify which activities are covered by the EU taxonomy (taxonomy eligible) and determined which of these activities also meet the relevant technical screening criteria and are carried out in compliance with the minimum safeguards, and therefore are considered environmentally sustainable (taxonomy aligned).

To meet the technical screening criteria an activity must substantially contribute to one or more of the six environmental objectives under the EU Environmental Delegated Act (EDA) and the EU Climate Delegated Act (CDA) while not doing significant harm (DNSH criteria) to any of the other environmental objectives. We assessed taxonomy alignment for the Group's activities falling within all six environmental objectives for the purpose of our taxonomy report for 2024.

We have identified nine taxonomy eligible activities of which one activity is taxonomy aligned. We did not identify any activities that contributed to more than one environmental objective. See section Taxonomy relevant activities for a description of our taxonomy eligible and taxonomy aligned activities, and how the relevant activities align with the technical screening criteria. The climate risk and vulnerability assessment were carried out by the company using a third-party database provider.

The section Climate risk and vulnerability assessment provides a review of our climate risk and vulnerability assessment (DNSH-criteria) for the Group's taxonomy aligned and partly aligned activities. A review of compliance with minimum safeguards is provided in section Minimum social safeguards.

The three taxonomy key performance indicators (KPIs) were used to determine the proportion of turnover, capital expenditure (CapEx), and operational expenditure (OpEx) to be attributed to our different economic activities. The determination of our OpEx has presented challenges due to its narrow definition in the EU taxonomy, which is different from our general accounting principles. See section Key Performance Indicators for more details.

Taxonomy relevant activities

(Disclosure Delegated Act References: Annex I1.2.2.1 (a), Annex I 1.2.2.1 (b))

Manufacture of electrical and electronic equipment (CE1.2)

The Group manufactures an extensive selection of products designed for the Atlantic salmon, sea bream, and other fish farming industries. We purchase electrical components from suppliers which are then assembled in our manufacturing facilities.

The manufacture of underwater camera systems, sensors, ROVs and FNC systems and winches for pens were identified as taxonomy eligible.
AKVA group is not currently in a position where we are able to meet all the technical screening criteria, and to document this, for our electronic products. We do not have Eco Label on our electronic products or other products. Some of our products could be candidates to apply for an Eco Label, but we have not yet done so. The activity is therefore assessed to be non-aligned for the Group.

Production of heat/cool using waste heat (CCM/CCA 4.25)

As part of the process of repair and refurbishment of aquaculture fish nets, Egersund Net AS (Norway) is developing a new production process for drying of nets. The nets need to be dried when they come in from the customer sites before further work is performed, either related to reuse or recycling. The goal is to get an efficient solution that recovers waste heat from the drying process. It is expected to significantly reduce energy consumption, minimize the load on the power grid and use CO2 as a refrigerant.

Production of heat/cool using waste heat will substantially contribute to the environmental objective *climate change mitigation* if all the technical screening criteria and criteria related to DNSH are met. Our assessment is that we meet the former, as the activity produces heat/cool from waste heat. Further, our conclusion is that it will be difficult and time consuming to meet all the DNSH requirements, such as "Pumps and the kind of equipment used, which is covered by Ecodesign and Energy labelling comply, where relevant, with the top class requirements of the energy label laid down in Regulation (EU) 2017/1369, and with implementing regulations under Directive 2009/125/EC and represent the best available technology". As previously mentioned, we have not applied for Eco Label on our products. Our impression and assumption are that the effort needed to meet this and the other DNSH criteria to get this taxonomy activity aligned will not be proportional to the potential benefits.

Further, the production of heat/cool using waste heat will substantially contribute to the environmental objective *climate change adaption* if the economic activity has implemented physical and non-physical solutions ('adaptation solutions') that substantially reduce the most important physical climate risks that are material to that activity. We have not performed a Climate risk and vulnerability assessment, and no adaption solutions are implemented.

The development of a new production process for drying nets is therefore defined as non-aligned.

Transport by motorbikes, passenger cars and light commercial vehicles (CCM/CCA6.5)

Our business activities, including service, repair, installation, and delivery, require that we visit our customers and their fish farms. The Group maintains a fleet of leased passenger cars and leased light commercial vehicles for this purpose.

The lease and operation of vehicles will substantially contribute to the environmental objective climate change mitigation if the vehicles are low or zero emission vehicles. Most of the Group's new leases in 2024 are outside of Norway and are not low or zero emission vehicles and do not meet the substantial contribution criteria. We have therefore not proceeded in assessing the other alignment criterias.

The Group's maintenance of the fleet of leased passenger cars and leased light commercial vehicles were identified as taxonomy eligible. None one of the vehicles have been assessed as taxonomy aligned.

Renovation of existing buildings (CCM/CCA7.2/CE3.2)

The Group undertook multiple renovation projects in 2024, including renovation of canteen facilities and set up of a new workshop.

The renovation of existing buildings will substantially contribute to the environmental objective *climate change mitigation* if the renovation meets the requirements for major renovations or if the renovation leads to a reduction of primary energy demand (PED) of at least 30%. The Group's renovation of canteen in 2024 was not a major renovation considering the nature and size of the renovation, and it did not lead to a reduction of primary energy demand (PED) of at least 30%.

Further, the renovation will substantially contribute to the environmental objective *climate change adaption* if the economic activity has implemented physical and non-physical solutions ('adaptation solutions') that substantially reduce the most important physical climate risks that are material to that activity. We have performed a Climate risk and vulnerability assessment, but no adaption solutions are implemented.

Not all the screening criterias relevant for assessing whether the activity contributes to the environmental objective *Transition to a circular economy* are met. An example is that the life cycle Global Warming Potential (GWP) of the building's renovation works has not been calculated for each stage in the life cycle, from the point of renovation, and is disclosed to investors and clients on demand.

For the workshop which was set up in a building in China the Group lacks sufficient documentation to verify that the technical screening criterias are met. China does not have the same regulations as Norway and EU when it comes to construction and real estate.

None of the renovation projects in 2024 are therefore assessed as taxonomy aligned.

Installation, maintenance and repair of renewable energy technologies (CCM/CCA7.6)

Two entities in the Group has purchased heat pumps in 2024. This will substantially contribute to the environmental objective *climate change mitigation* if the installation has taken place in 2024, and if a Climate risk and vulnerability assessment for the building have been carried out. We have performed such assessments for the relevant buildings. These show low risk, and no adaption solutions are therefore implemented.

Further, the installation of heat pumps will substantially contribute to the environmental objective *climate change adaption* if the economic activity has implemented physical and non-physical solutions ('adaptation solutions') that substantially reduce the most important physical climate risks that are material to that activity. As already mentioned, we have performed Climate risk and vulnerability assessments, but as these show low risk no adaption solutions are implemented.

The purchase and installation of heat pumps in buildings in 2024 are assessed to be taxonomy aligned under environmental objective *climate change mitigation.*

Acquisition and ownership of buildings (CCM/CCA7.7)

The Group has leased a building for workshop in China in 2024. For the eligibility assessment, we have considered leased buildings as relevant under activity 7.7 "Acquisition and ownership of buildings" based on the definition of CapEx by the EU Disclosure Delegated Act, as well as guidance from the European Commission.

The Group lacks sufficient documentation to verify that the alignment screening criteria defined by EU are met for the new building in China. This country does not have the same regulations as Norway and EU when it comes to construction and real estate. The Group's additional lease in 2024 was identified as taxonomy eligible, but not taxonomy aligned.

Computer programming, consultancy and related activities (CCA 8.2)

The Group is providing various professional and technical computer-related activities, such as programming and support. These activities will substantially contribute to the environmental objective *climate change adaption* if the economic activity has implemented physical and non-physical solutions ('adaptation solutions') that substantially reduce the most important physical climate risks that are material to that activity. We have performed Climate risk and vulnerability assessments for some of the related buildings. No adaption solutions are implemented, and we have no specific plans for implementation of such.

The Group's *Computer programming, consultancy and related activities* in 2024 was identified as taxonomy eligible, but not taxonomy aligned.

Repair, refurbishment and remanufacturing (CE5.1)

Modern fish farming technology has become increasingly advanced and requires the need for professional services. Underwater lights and cameras sold by the Group generally include a service plan, where we take return of the equipment, and perform repair and service before the equipment is returned to the same customer or resold to another customer.

Repair and refurbishment of aquaculture fish nets are also a part of the Group's services and is mainly performed by Egersund Net AS (Norway) and Newfoundland Aqua Services Ltd., (Canada). Such services include cleaning, strength testing, net repairs and anti-foulant treatment. Use and reuse of nets are subject to strict regulatory requirements to prevent escape of fish from the fish farms. In Norway, for instance, the main regulation is NYTEK23 with the referenced technical standard (NS9515:2021). Discarded nets owned by customers are returned from fish farms to our service stations and from there sold to the recycling industry for production of textiles and for combustion (a smaller amount not suitable for recycling).

Service and repair of underwater lights, cameras and feed systems, as well as repair and refurbishment of aquaculture fish nets were identified as taxonomy eligible.

Currently, the Group is not able to meet, and document that we meet, all the technical screening criteria that are listed in the taxonomy. We have for example not implemented a waste management plan that meet the relevant requirements. Therefore, we have decided to define the activity as non-aligned.

Sale of spare parts (CE5.2)

The Group offers a wide range of spare parts for sale to its customers.

Spare parts and consumables for cameras, sensors, feeding systems, ROVs, and winches were identified as taxonomy eligible.

At this time, we are not able to meet all the technical screening criterias that are listed in the taxonomy. We have for example not implemented guidelines related to packaging that meet the relevant requirements. Therefore, we have decided to define the activity as non-aligned.

Climate risk and vulnerability assessment

(Disclosure Delegated Act References: Annex I 1.2.2.1 (a), 1.2.2.2, 1.2.2.3)

The Group has carried out a climate risk and vulnerability assessment to identify physical climate risks, assess their materiality for the Group's taxonomy aligned or partly aligned activities, and evaluated potential adaptation solutions.

The company identified relevant climate risks for activity 7.7 Acquisition and ownership of buildings based on geographical location using a database of geospatial data, resulting in an outline of material risks. No material risks were identified, and any adaptation measures were not considered necessary.

Minimum social safeguards

(Disclosure Delegated Act References: Annex I 1.2.2.1 (b))

In order for the Group to align with the EU taxonomy, the Group must ensure compliance with the minimum safeguards. The purpose of these minimum safeguards is to ensure that activities are not considered sustainable and taxonomy aligned unless the activities are also carried out in line with responsible business conduct.

For guidance on the process on ensuring Group compliance with the minimum safeguards, the Group has relied on the Commission Notice on the interpretation and implementation of minimum safeguards1 and the final report advice presented by the Platform on Sustainable Finance on the application of Minimum safeguards2.

Pursuant to the Commission advice, minimum safeguards are assessed through the following methodology:

1. Due diligence and procedural alignment on four areas highlighted in the Platform Report: Human Rights, Corruption, Taxation, and Fair Competition.
2. Alignment with the Do No Significant Harm-principle as defined in the SFDR 3, and disclosure of our process ensuring compliance with the linked principal adverse impacts indicators (PAI-indicators).

Compliance with the minimum safeguards is assessed on group consolidated level as all of our procedures and guidelines are designed and implemented on group level.

In our business activities, the Group is committed to act in an ethical, sustainable, and socially responsible manner, comply with applicable laws and regulations, and practice good corporate governance and respect internationally recognized standards on responsible business conduct.

Our Code of Conduct reflects our continued work and contribution towards a responsible business conduct in our global activities. The Code of Conduct provides a framework for what we consider responsible business conduct, considering the Group's values, policies and procedures, and applicable laws and regulations, including the OECD Guidelines for Multinational Enterprises (the OECD Guidelines) and the UN Guiding Principles on Business and Human Rights (UNGP).

Human rights

The Group strives to ensure that fundamental human rights and decent working conditions, as amongst others enshrined in internationally recognized instruments such as the Universal
Declaration of Human Rights and the core conventions of the ILO, are respected both in our own operations and in our supply chain and by our business partners. In order to ensure that the Group, through the Group's operations, is not complicit in and does not contribute to human rights abuses of any kind, we shall, within our sphere of influence, do our outmost to support, respect and commit to the principles set out in the internationally recognized standards for responsible business practices, such as the OECD

Guidelines. These principles are reflected in our Code of Conduct and Supplier Code of Conduct and are operationalized through more detailed Group procedures.

The Group works actively and continuously to conduct human rights due diligence and to publicly report on our efforts in this regard. Our human rights due diligence is carried out in accordance with the OECD Guidelines and the UNGP. Compliance with the OECD Guidelines and UNGP is also one of the alignment criteria set out in the Platform Report. Our human rights due diligence of the value chain, also includes the PAI-indicator relating to exposure to controversial weapons.

The Group also adheres to the Norwegian Transparency Act. Please refer to our report on the Norwegian Transparency Act for further reference on our human rights due diligence.

In addition to having in place processes relating to human rights and decent working conditions, the Group has not finally been held liable or found to be in breach of labour law or human rights by a court in the financial year of 2024. Furthermore, the Group has not been implicated in any cases handled by an OECD National Contact Point, and the Business and Human Rights Resource Center (BHRRC) has not pursued any allegations against the Group.

The company considers that the Group is in compliance with the alignment criteria for minimum social safeguards within human rights and labour rights.

Corruption

As a Group with international presence, we take active steps to ensure that corruption does not occur in or in relation to our business activities.

Our anti-corruption program is founded in our Code of Conduct. We do not tolerate bribery or corruption in any form whether in the public and private sectors. Corruption includes bribery, facilitation payments and trading in influence, and the prohibition applies irrespective of whether such activity takes place directly or through third parties.

The Group regularly carries out training of the Group management team and other employees in risk exposed positions to ensure awareness of the risks of corruption and to ensure that we take active steps to mitigate the risks. Overall, the objective is to make sure that we carry out our business activities in accordance with applicable anti-corruption laws and regulations in the countries where we operate.

Our Supplier Code of Conduct requires that our suppliers commit to the same principles in their own operations.

Our assessments of corruption risks are based on a number of external and internal sources, including Transparency International's Corruption Perception Index, the OECD Guidelines, as well as any inherent industry specific or actual identified risks. We also monitor local legislation and developments and seek external advice when required.

The company considers that the Group is in compliance with the alignment criteria for minimum safeguards within anti-corruption. In this respect we also note that the Group or its senior management, including the senior management of its subsidiaries, has not been finally convicted in court of bribery and corruption in the financial year of 2024.

Taxation

Taxation is an important part of our contribution to build a sustainable society. Our tax principles entail that tax governance and tax compliance are important elements of the Group's overall risk management systems to ensure responsible business conduct.

We are committed to comply with both the letter and spirit of the applicable tax and duty laws and regulations in the country of residency of the Group and its subsidiaries, and in other countries where we perform work. In our global activities, we take steps to respect source taxation and accept the benefits and obligations of applicable national legislation and tax conventions on the avoidance of double taxation.

Our intercompany transactions are carried out in accordance with our transfer pricing policy which follows the arm's length principle and OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations.

We review and monitor tax and VAT legislation to ensure correct and timely filing and payment of corporate tax and VAT, and payroll withholding and reporting. We value tax transparency and work to ensure co-operation with the relevant tax authorities when filing our tax returns or otherwise. Our tax principles are based on the OECD Guidelines, including also other OECD tax policies or guidelines, as well as guidelines and legislation from the different tax authorities and countries where we operate.

The Group's overall tax management and governance is handled by the Group's finance department, that sets out our strategies to ensure tax compliance with both the letter and spirit of applicable legislation. This includes strategic and commercial tax management within the framework of applicable legislation and for the avoidance of double taxation, while at the same time, ensuring shareholder values. We do not engage in aggressive tax planning.

The core elements of our tax principles are also included in our Supplier Code of Conduct.

The Group's finance department is also responsible for the correct and timely filing of corporate tax and VAT returns and payroll reporting, as well as payment of corporate taxes and VAT and employee tax withholding for our controlled Norwegian subsidiaries. The general managers of our controlled non-Norwegian subsidiaries are responsible for ensuring correct and timely filing of tax and VAT returns, as well as payment of tax and VAT, in relation to their relevant subsidiary.

The Group's tax potential or any identified tax risks are regularly reported to the Group's management team and the audit committee of AKVA group ASA.

The company considers that the Group is in compliance with the alignment criteria for minimum safeguards within taxation. In this respect we also note that the Group has not been found guilty of tax evasion in the financial year of 2024.

Fair competition

As one of the larger suppliers within the seafood industry, we have a particular responsibility to ensure fair and free competition in relation to our business activities and to contribute to economic growth under competitive market conditions.

Our Code of Conduct sets out the framework policy for our compliance with applicable competition laws and regulations. All Group employees, suppliers or other representatives are expected to conduct themselves in a manner designed to promote the Group's compliance with applicable antitrust and competition laws. Our Code of Conduct specifically sets out elements that should not be discussed with any competitors, and includes, terms of sale, division of territories or markets, allocation of customers, or boycotts of customers or suppliers.

Our Supplier Code of Conduct requires that our suppliers commit to the same principles in their own operations.

All Group employees are required to adhere to our Code of Conduct and carry out training modules. Our Group management team and other employees as needed, regularly carry out awareness and dilemma training to ensure that we carry out our business activities in a manner consistent with applicable anti-trust legislation and regulations.

The company considers that the Group is in compliance with the alignment criteria for minimum safeguards within fair competition. In this respect we also note that the Group or its senior management, including the senior management of its subsidiaries, has not been found in breach of competition laws in the financial year of 2024.

Principle adverse impact

The company acknowledges and complies with the additional requirements under Article 18 (2) of the SFDR considering principal adverse impacts in social, employee, human rights, anti-corruption, and anti-bribery matters. The Group has no direct link to the production of controversial weapons. Due diligence is carried out throughout our value chain.

KEY PERFORMANCE INDICATORS

(Disclosure Delegated Act References: Annex I 1.2.3)

Accounting policy

The key performance indicators (KPIs) include turnover, capital expenditure (CapEx), and operational expenditure (OpEx), and comply with the specifications set out in Annex I of the Disclosures Delegated Act. The taxonomy KPIs are disclosed using the obligatory templates provided in Annex II of the same Act.

Turnover

(Disclosure Delegated Act References: Annex I 1.2.1, 1.2.3, 1.2.3.1)

The turnover KPI is defined as taxonomy aligned turnover (numerator) divided by the Group's total turnover (denominator). Total turnover (denominator) equals the financial statement line item (FSLI) "Revenue", which is presented in accordance with IAS 1.82 (a).

The numerator is revenue relating to economic activities assessed as taxonomy aligned. For 2023, there was no revenue related to any of our taxonomy aligned activities, but in 2024 there is.

CapEx

(Disclosure Delegated Act References: Annex I 1.2.1, 1.2.3, 1.2.3.2)

The CapEx KPI is defined as taxonomy aligned CapEx (numerator) divided by our total CapEx (denominator).

Total CapEx is calculated as the sum of additions to Property, Plant and Equipment (IAS 16), Intangible assets (IAS 38) and Leases (IFRS 16), throughout 2024. Total CapEx equals the sum of "additions" in the following Notes to the Consolidated Financial Statements – Group:

- 07 Intangible assets
- 08 Tangible fixed assets

In 2024, there have been no additions relating to IAS 40 Investment Property or IAS 41 Agriculture.

The numerator includes the capitalised value of above mentioned assets relating to taxonomy aligned economic activities during the reporting period.

Additions to right of use-assets in accordance with IFRS 16 relating to buildings, has been reported as part of activity 7.2 Renovation of existing buildings and 7.7 Acquisition and Ownership of buildings.

CapEx Plan

(Disclosure Delegated Act References: Annex I 1.1.2.2 (b), 1.1.2.2 (2.-4. ledd), 1.2.1 (4. ledd), 1.2.3.2 (2. ledd))

All the assets relating to taxonomy aligned CapEx for 2024 were acquired during the reporting year, and thus not subject to a CapEx plan. The company has not adopted or implemented any CapEx-plans in accordance with the taxonomy requirements during this reporting period.

OpEx

(Disclosure Delegated Act References: Annex I 1.2.1, 1.2.3, 1.2.3.3, 1.1.3.2)

The OpEx KPI is calculated by dividing taxonomy aligned OpEx (the numerator) by total OpEx (the denominator). Total OpEx includes direct non-capitalised costs associated with research and development, building renovation measures, short-term leases, and all types of maintenance and repair. This includes the following:

- Research and development costs recognised as expense during the reporting year, including related payroll costs. Administrative costs relating to research and development are not included.
- Non-capitalised building renovation costs and maintenance and repair. Most day-to-day servicing of assets is done by third parties and has been included in the costs for maintenance and repair. Payroll costs for own employees relating to day-to-day servicing of assets has not been included, as this is assessed as being immaterial.
- Service and repair cost of vehicles are included in those circumstances that this is not covered by leasing agreements.
- Non-capitalised short-term leases are assessed as being of limited or no value, and has therefore not been included.

ANNEX II Proportion of turnover from products or services associated with taxonomy aligned economic activities

Financial Year 2024	2024			Substantial Contribution Criteria						DNSH criteria (Does Not Significantly Harm) (h)									
Economic Activities (1)	Code (2) (a)	Turnover (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) Turnover, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		NOK 1000	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally		0	0 %	**0 %**	**0 %**	**0 %**	**0 %**	**0 %**	**0 %**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	0 %		
Of which Enabling		0	0 %	**0 %**	**0 %**	**0 %**	**0 %**	**0 %**	**0 %**	Y	Y	Y	Y	Y	Y	Y	0 %	E	
Of which Transitional		**0**	**0 %**	**0 %**						Y	Y	Y	Y	Y	Y	Y	0 %		T
A.2 Taxonomy Eligible but not environmentally sustainable activities (not Taconomy-aligned activities) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
Manufacture of electrical and electronic equipment	CE 1.2	82 016	2,3 %	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0 %		
Computer programming, consultancy and related activities	CCA 8.2	25 384	0,7 %	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0 %		
Repair, refurbishment and remanufacturing	CE 5.1	551 833	15,7 %	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0 %		
Sale of spare parts	CE 5.2	158 096	4,5 %	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0 %		
Turnover of Taxonomy eligible but not		**817 329**	**23,2 %**	**0,0 %**	**0,7 %**	**0,0 %**	**0,0 %**	**22,5 %**	**0,0 %**								0 %		
Turnover of Taxonomy eligible		**817 329**	**23,2 %**	**0,0 %**	**0,7 %**	**0,0 %**	**0,0 %**	**22,5 %**	**0,0 %**										
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy non-eligible		2 699 649	76,8 %																
TOTAL		**3 516 978**	**100,0 %**																

ANNEX II Proportion of CapEx from products or services associated with taxonomy aligned economic activities

Financial Year 2024		2024		Substantial Contribution Criteria						DNSH criteria (Does Not Significantly Harm) (h)									
Economic Activities (1)	Code (2) (a)	CapEx (3)	Proportion of CapEx, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		NOK 1000	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0,00	0,00 %	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,04 %		T
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	39,84	0,01 %	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,00 %	E	
Acquisition and ownership of buildings	CCM 7.7	0,00	0,00 %	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1,26 %	E	
CapEx of environmentally sustainable		**39,84**	**0,01 %**	**100 %**	**0 %**	**0 %**	**0 %**	**0 %**	**0 %**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**1,30 %**		
Of which Enabling		39,84	0,01 %	0 %	0 %	0 %	0 %	0 %	0 %	Y	Y	Y	Y	Y	Y	Y	0,00 %	E	
Of which Transitional		0,00	0,00 %	0 %						Y	Y	Y	Y	Y	Y	Y	0,00 %		T
A.2 Taxonomy Eligible but not environmentally sustainable activities (not Taconomy-aligned activities) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
Production of heat/cool using waste heat	CCM 4.25	481	0,15 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0 %		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	5 346	1,69 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1,57 %		
Renovation of existing buildings	CCM 7.2	1 172	0,37 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,44 %		
Acquisition and ownership of buildings	CCM 7.7	214	0,07 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								15,17 %		
Computer programming, consultancy and related activities	CCA 8.2	50 475	15,95 %	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0 %		
CapEx of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**57 688**	**18,23 %**	**11 %**	**89 %**	**0 %**	**0 %**	**0 %**	**0 %**								**17,18 %**		
A. CapEx of Taxonomy eligible activities		**57 728**	**18,24 %**	**0 %**	**0 %**	**0 %**	**0 %**	**0 %**	**0 %**								**18,48 %**		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy non-eligible activities		258 697	81,75 %																
TOTAL		**316 465**	**100 %**																

ANNEX II Proportion of OpEx from products or services associated with taxonomy aligned economic activities

Financial Year 2024	2024			Substantial Contribution Criteria						DNSH criteria (Does Not Significantly Harm) (h)									
Economic Activities (1)	Code (2) (a)	Opex (3)	Proportion of Opex, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) Opex, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		NOK 1000	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0,00	0,00 %	0 %	0 %	0 %	0 %	0 %	0 %	Y	Y	Y	Y	Y	Y	Y	0,03 %		T
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0,00**	**0,00 %**	0 %	0 %	0 %	0 %	0 %	0 %	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0,03 %**		
Of which Enabling		0,00	0,00 %	0 %	0 %	0 %	0 %	0 %	0 %	Y	Y	Y	Y	Y	Y	Y	%	E	
Of which Transitional		0,00	0,00 %	0 %						Y	Y	Y	Y	Y	Y	Y	%		T
A.2 Taxonomy Eligible but not environmentally sustainable activities (not Taconomy-aligned activities) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0	0 %														0,37 %		
Repair, refurbishment and remanufacturing	CE 5.1	39 441	29 %	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0,00 %		
Opex of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**39 441**	**29 %**	**0 %**	**0 %**	**0 %**	**0 %**	**29 %**	**0 %**								**0,37 %**		
A. Opex of Taxonomy eligible		**39 441**	**29 %**	**0 %**	**0 %**	**0 %**	**0 %**	**29 %**	**0 %**								**0,40 %**		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Opex of Taxonomy non-eligible		98 386	71 %																
TOTAL		**137 826**	**100 %**																

ANNEX XII Template 1 Nuclear and fossil gas related activities

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

Social

Own workforce (S1)

Why it matters

AKVA group is not only a major supplier to the aquaculture industry, we are also a major employer. Our employees are our most important resource. The Group is a global company with locations in 11 countries and a workforce that represents a wide diversity of nationalities. In 2024 the Group had a workforce of 1409 permanent employees, 57 temporary employees. AKVA group is committed to an inclusive work culture and appreciates and recognizes that all people are unique and valuable, and that they should be respected for their individual abilities.

Further, health and safety are paramount in our operations and AKVA group is committed to providing all employees with a safe and healthy work environment and aims to prevent accidents and occupational illnesses.

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

Own workforce impacts

ESRS	MATERIALITY ID	IMPACT DESCRIPTION	VALUE CHAIN LOCATION	TYPE
S1: Equal treatment and opportunities for all				
●	**Gender diversity among own workers**	AKVA group has a low representation of women in management and executive roles, impacting gender diversity.	Own operations	Negative / Actual
●	**Diversity among own workers**	Having a diverse workforce with many nationalities, AKVA group may encounter challenges such as communication barriers and cultural misunderstandings if not managed effectively.	Own operations	Negative / Actual
S1: Working conditions				
●	**Health and safety among own workers**	Exposure to injuries at production sites.	Own operations	Negative / Actual

● positive impact ● negative impact

Our impacts on our employees originate from our business model and our need for human resources in production and operations. We have not identified any risk or opportunities related to own employees. Our Own workforce consist of our permanent and temporary employees and contractors. Our impacts related to diversity are systemic in the sector we operate and our impact related to health and safety are related to the individual incidents. None of these impacts arise from transition plans for reducing negative impacts on the environment and achieving greener and climate- neutral operations. We have not identified any impacts related to our own workforce associated with significant risk of forced or compulsory labour, child labour. The reasonable expected time horizon for all our impacts is short term.

We conducted interview with key stakeholder groups within our different business areas to develop an understanding of our employees working in particular contexts.

The aquaculture industry is generally male-dominated, and the leadership within the Group in no exception. There is a plan established to increase the number of women in leadership roles. This is integrated into AKVA group's strategy, and is a key focus within the organization.

In our own operations, some production sites are exposed to injuries. Aquaculture is generally known to be a high-risk industry for injuries, and we have integrated our work to reduce the number of incidents into our business model.

Policies (S1-1)

Our Code of Conduct and People Policy include the policies related to our material topics, Gender Equality, Diversity and Health & Safety, and applies to all employees and contractors. The policies are described in further detail in the Health and safety at AKVA group, and the Gender equality and diversity sections below. Where there are stricter local legal requirements, or need for more specifications, local policies and Employee Handbooks are established in addition to the Group People Policy. Local Employee Handbooks are owned by the General Manager or local HR representative. There are no formal policy describing the practices for engaging with workers and worker's representatives, but we have implemented such engagement in our processes and procedures.

Human Rights

Through our Code of Conduct the Group is committed to ensure that fundamental human rights and decent working conditions, including prohibition of compulsory or forced labour, child labour and trafficking in human beings. The code of conduct is developed in accordance with internationally recognized instruments such as the Universal Declaration of Human Rights and the core conventions of the ILO. We expect our own workforce to respect these principles. In order to ensure that the Group, through our operations, is not complicit in and does not contribute to human rights abuses of any kind, we shall, within our sphere of influence, do our utmost to support, respect and commit to the principles.
Our Supplier Code of Conduct outlines these same principles to prevent or mitigate the risk of our workforce being linked to human rights breaches throughout our value chain. For more information, please refer to the chapter on Workers in the value chain.

Our measures to provide and enable remedy for human rights impacts are also set out in our Code of Conduct. If we discover incidents where we have caused or contributed to human rights breaches, we will, where relevant, make necessary corrections and take remedial action to prevent recurrence.

The Code of Conduct covers all people acting on behalf of AKVA group, and the CEO, CFO, CCO, Group HR, and COOs within the business areas are responsible for ensuring the implementation of the Code of Conduct.

About our workforce (S1-6)

In 2024 the Group had a workforce of 1,409 permanent employees and 57 temporary employees. We are represented in 11 different countries.

There has not been any major lay-off process' during 2024, and the turnover in head count is primarily related to increased operational efficiency. In 2024, 236 employees left the Group, corresponding to a 16% turnover rate.

All numbers are reported in headcount and from the end of the reporting year, including part-time positions as we have very few part-time employees. The total turnover rate is calculated by dividing the number of employees who left the company during the year by the total number of employees by year end.

Employee data is gathered from the Group Monthly HR/HSE reporting, supported with gender information from the Group HRM system.

None of the metrics are validated by an external body other than the assurance provider. Own workforce only includes employees. Non-employees will be incorporated in 2025.

Gender	Number of employees (head count)
Male	962
Female	504
Total employees	1466

Refer to note 3 in the financial statements for most representative number of employees.

Country	Numbers of employees (head count)
Norway	632
Chile	274
Lithuania	288
Other*	272

*Other countries include Denmark, UK, Canada, China, Turkey, Australia, Greece and Spain

2024	Female	Male	Total
Number of employees (head count)	504	962	1466
Number of permanent employees (head count)	489	920	1409
Number of temporary employees (head count)	15	42	57
Number of non-guaranteed hours employees (head count)	0	0	0

2024	Norway	Chile	Lithuania	Other*	Total
Number of employees (head count)	632	274	288	272	1466
Number of permanent employees (head count)	597	269	288	255	1409
Number of temporary employees (head count)	35	5	0	20	57
Number of non-guaranteed hours employees (head count)	0	0	0	0	0

* Other countries include Denmark, UK, Canada, China, Turkey, Australia, Greece and Spain

Processes for engaging with our employees (S1-2)

The Group Board of Directors consist of three employee elected board members, that are involved in setting the People strategy and action plans, including our potential negative material impacts on Health & Safety and Gender Equality.

Employees in the Group are free to join trade unions of their choice. Management in all companies shall facilitate a good working relationship with staff and trade unions, and where Health & Safety, Gender Equality & Diversity are discussed.

- In 2024 a new Trade Union quarterly meeting was established by the HR Director Norway, where all trade union representatives from Norwegian companies attend.

The employee survey, AKVA pulse, has specific questions related to our material impacts regarding Health & Safety, Gender Equality and Diversity. More detailed information for the three areas are given in the subsequent sub-sections. The AKVA pulse survey response is broken down by gender and is a way for us to gain insight into these groups within our own workforce who may be particularly vulnerable to impacts. In 2024:

- 96% of employees and non-employees responded to the survey, providing highly representative results.

In the annual appraisal process (AKVAppraisal) all employees are asked questions related to inclusion, collaboration, and job satisfaction. Identification of development needs and training are also a part of the process, and relevant for prevention of accidents.

- 99% of all office, leading and client facing employees conducted AKVAppraisal in 2024.

Our function HR has the overall responsibility for engagement with employees. The COOs within the business areas has the operational responsibility to ensure engagement happens and that the results inform the AKVA group's approach on human rights, gender equality and diversity within our own workforce. This is true for all the engagement with our employees described throughout this chapter.

Processes to remediate negative impacts and channels for own workforce to raise concerns (S1-3)

AKVA group has established processes for addressing and remedying material negative impacts on its workforce, which are further detailed in the Governance chapter. These processes includes handling mechanisms for complaints related to human rights, health and safety and gender equality and diversity.

Taking action on material impacts on own workforce (S1-4)

Our main action related to own workforce in 2024 was the implementation of our employee survey process, AKVA pulse. Going forward the survey will be carried out twice a year. The survey aims to provide employee feedback on issues related to enthusiasm, autonomy, balance, clarity, development, efficiency, inclusion, psychological safety, recognition, value and Physical safety. AKVA pulse was implemented to better monitor our impacts on own workforce and improve our ability to prevent and mitigate negative impacts.

Based on the results from the AKVA pulse we identify which actions are needed.

The effectiveness of our actions are monitored in the subsequent AKVA pulse survey where we compare results to ensure our actions are delivering positive outcomes for our workforce. This approach also allows us to ensure that our practices do not cause or contribute to negative impacts on our employees through looking at trends and development throughout the year.

In relation to health and safety we have identified two areas where mitigating actions where needed. See Health and Safety section for further information. We have not identified any areas in need of delivering primarily positive impacts, beyond positive improvements through mitigating actions.

We have not had any incidents where we have needed to take action to provide or enable remedy in 2024.

Health and safety at AKVA group

Our approach and policies (S1-1)

Our Code of Conduct commits us to providing all employees with a safe and healthy work environment and aims to prevent accidents and occupational illnesses. We conduct our business in compliance with applicable international Health, Safety and Environment (HSE) standards and local law requirements, and continuously strive to implement best practices relating to HSE. Each company is accountable for complying with the policy, and work systematically to improve HSE.

To achieve good HSE, we continuously focus on improving our routines and processes. We train our employees and demand our suppliers to focus on HSE. Risk assessments and safe job analysis are important instruments for maintaining the HSE focus on our deliverables and service assignments. Accidents are reported monthly to the group management team, where improvement plans are requested if considered necessary. We have two health and safety management systems which collectively covers all our employees.

Processes for engaging with own workforce and workers’ representatives about health and safety (S1-2)

Our primary method of engaging directly with our workforce is through the twice a year AKVA Pulse Survey. This survey includes a question on physical safety: "I trust that appropriate action will be taken if I raise a safety concern." The insights gained from this survey inform our decisions and actions, ensuring that we address any safety concerns effectively. All employees, including consultants, are asked to participate in the AKVA pulse survey. The COOs within the business areas are responsible for overseeing this engagement, ensuring that the feedback is integrated into our strategic planning. We assess the effectiveness of this engagement by analysing survey results and implementing necessary actions based on the feedback received.

In addition, Safety delegates are involved at all companies, according to legal requirements. Involvement includes participation in regular meetings, at least quarterly, and based on need. It is the General Managers who are responsible for Safety delegates engagement.

Actions (S1-4)

We mainly identify our key actions through closely monitoring our health and safety key performance indicator. Where we identify outliers we will implement improvement plans. In 2024 we implemented two such plans.

Through monitoring the number of accidents in our operations we identified a higher frequency in our Sea Based business area in 2023. Based on these observations an improvement plan was put in place in 2024, with a 0 accident long term ambition through focusing on reducing the top two causes of accidents; “cut by sharp object” and “slip, trips, and falls”. As part of this plan new personal protective equipment was acquired, HSE included in monthly meetings, and manager training was conducted. Number of accidents causing sick-leave absence was reduced by 48% from 2023 to 2024.

In 2023 we identified the two subsidiaries in the Group with the highest sick-leave. To reduce sick-leave we implemented improvement plans which included training of managers, revision of follow-up routines, temporary workplace adjustments, and more resources allocated. As a result the two subsidiaries reduced their sick-leave from 12% to 7.8%, and from 8% to 5.5%.

The improvement plans have been initiated and agreed in the Group Management Team, with the respective General Managers as accountable for execution.

We will continue this approach to taking action in 2025.

Metrics and targets (S1-5, S1-14)

We did not have a measurable outcome-oriented target related to health and safety in 2024. For 2025 we have established a target in line with our policy commitments to provide all employees with a safe and healthy work environment and aim to prevent accidents and occupational illnesses. From 2025 we shall reduce our accidents causing sick-leave absence with 10% from year to year until 2027, using 2024 as the base year.

In 2024 we operated according to our long term ambition of zero work related accidents and injuries in line with our policy commitment. We have monitored this ambition through monitoring accidents causing sick-leave absences.

Health and safety	Unit	Total
People in our workforce covered by our health and safety management system	%	100
Fatalities	Number	0
Number of work related accidents	Number	80
Rate of work related accidents	Number of work-related injuries per 500 full time employee	30

The data is gathered from the monthly HSE/HR report, by the Chief Human Resource Officer.

We do not have an exact number of work-related accidents for the Group. These numbers have been estimated based on our operations in Chile. Chile was chosen as it represents the variety of the Group's operations well, being both an office and production unit. The number was estimated by calculating the average of accidents per hour worked in Chile and multiplying this by the total number of employees in the Group. There is a high uncertainty related to the numbers. However, choosing Chile as the source for estimation reduces the chance of over and underestimating. As a consequence, the rate of accidents are based on the numbers from Chile. Throughout 2025, we will implement a process streamlining all recorded accidents to AKVA group ASA.

None of the metrics are validated by an external body other than the assurance provider.

Gender equality and diversity

Our approach and policies (S1-1)

Our commitments to a diverse and inclusive workplace are set out in our Code of Conduct. AKVA group shall provide equal opportunities and treat all employees fairly and is committed to creating an inclusive work environment. All people are unique and valuable and should be respected for their individual abilities. We do not accept any form of harassment or discrimination based on gender identity, sex, religion, national or ethnic origin including colour, cultural or social background, disability, sexual orientation, marital status, age, or political opinion. AKVA group shall also show commitment to developing programs and actions to encourage a diverse organization based on the principle of equal opportunity. We have not committed to any positive discrimination actions (positive action) in our policy.

AKVA group representatives are expected to conduct business and generally behave impeccably towards business associates, colleagues, and others. This includes implementing our policy commitments of being sensitive to and respecting other cultures and customs. If cases are detected they are acted upon in accordance with our general approach to handling complaints, see Governance chapter for further information.

Processes for engaging with own workforce and workers' representatives about gender equality and diversity (S1-2)

We use our twice a year AKVA pulse survey to engage with our workforce in relation to gender equality and diversity.

Related to diversity, we ask our employees if they feel a sense of belonging at work, fostering discussions on diversity. All of the questions asked in the AKVA pulse survey are broken down by sex. This allows us to gain an insight into disparities between monitoring if there are differences between the responses of women and men.

Additionally, employees can raise concerns about diversity through our whistleblower channels, as outlined in our policies or directly with its line manager, the CEO, employees within the HR department or our in-house legal team.

Actions & progress (S1-4)

To ensure we are living according to our values, all employees should complete the annual appraisal process which evaluate to what degree they are living according to our values. Managers have also been evaluated on our leadership principles and received training on how to practice their leadership accordingly.

To increase awareness around cultural differences and respectful behaviour, cultural diversity training has been conducted and made available to all employees. In 2025 we will add functionality to sort AKVA pulse results by nationalities.

To increase amount of women applicants in recruitment we have in our job postings used pictures with women, gender-neutral language in job postings, and promoted female role models as ambassadors. We have seen an increase from 18% to 20% female applicants in 2024.

In 2025 specific actions will be carried out to support attracting more women and increase cultural diversity in external recruitment and in internal succession planning.

Targets and metrics (S1-5, S1-9, S1-17)

We have not set any measurable outcome-oriented targets related to gender equality and diversity, as we have not identified any targets that are likely to result in changes for our workforce.

However our overall ambition for gender diversity is to improve year-on-year, with primary focus on people leader roles. We monitor our performance towards our policy commitment through our AKVA pulse survey.

Gender distribution	Unit	Female	Male
Top management	% (number)	12,5% (1)	87,5% (7)

Top management level is defined as the group management consisting of 8 members.

Age Distribution	Unit	Distribution
Employees <30 years	%	15 %
Employees between 30-50 years	%	62 %
Employees >50 years	%	24 %

The data is gathered from the HR system and annual HR report, by the Chief Human Resource Officer. Age is determined based on the reported date of birth of the employees.

None of the metrics are validated by an external body other than the assurance provider.

We have recorded 2 incidents through our channels to raise concerns during 2024. The incidents were deemed to be minor and have been handled according to policies and procedures.

We had no reported incidents of discrimination, including harassment during 2024. During 2024 we had no fines, penalties or compensation for damages as a result of discrimination or harassment incidents. There has not been reported any severe human rights incidents during 2024 and correspondingly no fines, penalties or compensation claims for such incidents.

Workers in the value chain (S2)

Why it matters

Value chain workers are essential participants in the production and delivery of goods and services. AKVA group has identified material potential negative impacts related to two groups within our value chain workers. The first group includes workers employed by suppliers in countries associated with high risks of human rights violations. The second group consists of workers involved in the extraction and refinement of raw materials, primarily plastic, steel, and copper, associated with high risks of human rights violations. Such human rights breaches could include child labour, forced or compulsory labour as well as poor working conditions. Consequently, AKVA group has a potential of negatively impacting our workers in the value chain through our suppliers and resource dependency.

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

We have identified two material impacts on value chain workers in our upstream value chain related to a potential impact of violations of human rights and decent working conditions connected with the products we buy and their country of production. These inherent risks in the aquaculture industry generally include risks of child labour and forced labour, as well as human trafficking, notably because of widespread use of migrant and low-wage labour. Other labour rights violations are also widespread and closely linked to operations in and/or sourcing from countries with weak protections for workers, in combination with the vulnerability of many of those workers. Mitigation of these potential negative impacts are integrated into our strategy and guide our decision-making in procurement processes.

Workers in the value chain impacts

ESRS	MATERIALITY ID	IMPACT DESCRIPTION	VALUE CHAIN LOCATION	TYPE
S2: Other work-related rights				
●	**Violation of human rights in the value chain**	AKVA group relies on raw materials such as oil/plastic, steel, and copper, which is associated with an inherent high risk of violations of fundamental human rights (such as child labour and forced labour) and decent working conditions, according to key human right indicators.	Upstream	Negative Potential
●	**Violation of human rights in the value chain**	AKVA group relies on upstream production located in Turkey, Vietnam, China, Colombia, and India, which are linked to an inherent risk of child labour, forced labour, low salaries, etc. Minerals and metals, electronics, shipyards, and mooring equipment have been identified as inherent high-risk supply chains in the company's human rights due diligence following the Norwegian Transparency Act.	Upstream	Negative Potential

● *positive impact* ● *negative impact*

The reasonable expected time horizon for both impacts is short term.

Policies (S2-1)

The Group's Code of Conduct and Supplier Code of Conduct establish the framework for our policies to manage our potential negative impacts of adverse human rights and decent working conditions impacts in the aquaculture industry. The Code of Conduct establishes our continued work and contribution towards a responsible business conduct in our global activities, see the chapter on Governance for further information.

In alignment with our Code of Conduct, we have established our Supplier Code of Conduct to formally extend our expectations to suppliers, sub-suppliers, and other business partners, including respect for our human rights commitments. These expectations are developed in accordance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the eight core ILO conventions, and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.

This includes commitments to prohibit the use of child or forced labour and to take reasonable measures to ensure that their own suppliers do not engage in such practices. While we did not identify any impact, risks or opportunities on our downstream value chain workers, our Supplier Code of Conduct also sets out our expectation towards our customers and we are committed to follow up on any concerns related to also this group of workers in our value chain.

The COOs within the business areas are responsible for ensuring the implementation of the supplier Code of Conduct.

These policies are supplemented by our supply chain human rights due diligence, including prequalification of our suppliers, risk assessment and audits, see the section on S2-4 for further information about actions.

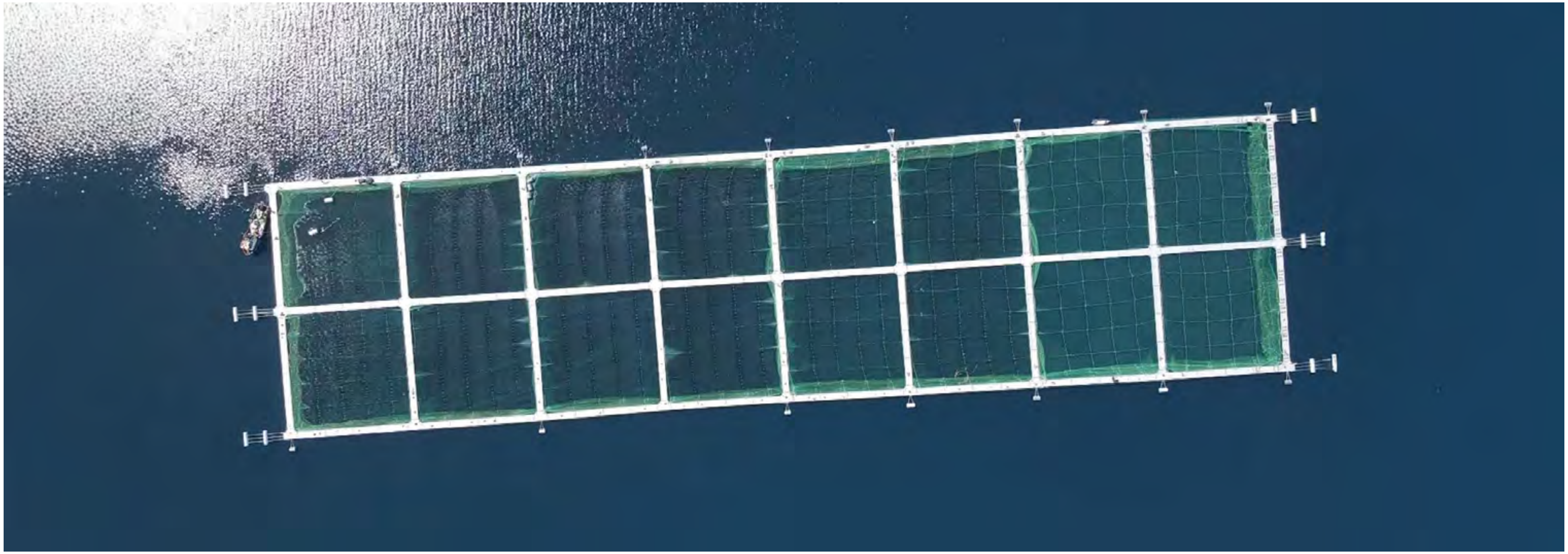
During the financial year 2024, we have not received any reports of cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises on Responsible Business Conduct that involve value chain workers in our upstream and downstream value chain.

Processes for engaging with value chain workers about impacts (S2-2)

Engaging with value chain workers is crucial for understanding and managing our potential impacts on them. Engagement with value chain workers take place during on-site work alongside our employees, in business meetings or visits, and during physical audits. On-site work, meetings and visits occurs regularly through out the course of our business operations. Physical audits with interviews of workers in our upstream value chain and any follow-up activities such as engagement with their trade union representatives are carried out as required based on our risk assessments, which take into account the rights and needs of vulnerable individuals and groups.

Our supply chain managers have the operational responsibility for ensuring that engagement happens as part of our supply chain due diligence. While our project managers are responsible for on-site engagement.

We consider training of our own employees in our expectations of human rights and decent working conditions as key to managing material risks on human rights and decent working conditions. Our employees are expected to speak up if they have concerns about our value chain workers. For instance, our employees are required to register any concerns about workplace safety, including HSE (health, safety and environment) incidents, on-site for our employees and workers in our value chain, in our own quality system. Any reports of such will trigger an inquiry to determine the root cause, followed by implementation of corrective actions and/or training to reduce the likelihood of recurrence.



The effectiveness of our engagement is measured by an evaluation of the suppliers and any improvements carried out. We will consider the perspectives of value chain workers when making informed decisions about the commercial relationship with the suppliers. We are continuously reviewing our process for engaging with workers in the value chain.

Processes to remediate negative impacts and channels for value chain workers to raise concerns (S2-3)

Our supply chain due diligence is our principal process to remediate negative impacts, along side our Supplier Code of Conduct and regulations of human rights and decent working conditions in our commercial contracts.

We believe this contributes to an awareness in our value chain and sets clear expectation to suppliers wanting to work with us. We strive to use our commercial influence to mitigate the inherent or actual negative risks which suppliers wanting to work with us need to comply with.

Our value chain workers may raise any concerns or needs directly to our whistleblowing channel or directly to any one of our employees who will be required to ensure correct forwarding internally. The Group's Whistleblowing Policy has policies to protect individuals that have made a report, whether directly to an employee or via our whistleblowing channel. Our Supplier Code of Conduct provides information to value chain workers on how to raise concerns to AKVA group. Our Supplier Code of Conduct and our whistleblowing channel are available on our external webpages for easy access by value chain workers. For more information on our whistleblowing policy and procedures see chapter on Governance.

The effectiveness of these channels are sought ensured by increasing our own employees awareness about them for ease of sharing as necessary with value chain workers, making the whistleblowing channel available on our website, and our Supplier Code of Conduct (section 15) also provides a reference to the channel. We currently do not have a method of assessing whether the value chain workers are aware of and trust these channels. From time to time, we do receive concerns that can by their nature be identified as related to value chain workers, which in turn implies that value chain workers are aware of the channels.

If we discover incidents where we have caused or contributed to negative impacts on value chain workers, we will, where relevant, provide or collaborate in establishing grievance mechanisms and engage with the affected parties to ensure the remedy is effective. We are committed to make necessary corrections and take remedial actions towards any suppliers that does not comply with our expectations. The remedial actions for our suppliers may include termination of our business relationship or contract, and reporting to relevant authorities.

Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions (S2-4)

We recognize the importance of taking action to prevent and mitigate adverse impacts on human rights and decent working conditions on value chain workers. We work actively to make our human rights policies known to our current and future suppliers, setting clear expectations and to the extent possible, using our commercial leverage to influence the entity causing the adverse impact to prevent or mitigate the impact.

Our key action to prevent and mitigate adverse impacts on human rights and working conditions in the financial year 2024 were our supplier due diligence process. The process is based on a risk assessment in accordance with the principles of the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, the OECD Due Diligence Guidance for Responsible Business Conduct and the United Nations Guiding Principles on Business and Human Rights.

The due diligence process begins with a comprehensive risk assessment, evaluating direct suppliers and business partners based on sector, product, its suppliers and geographical risks. Each supplier receives a risk score, which informs the subsequent steps.

Potential new suppliers of externally supplied processes, products and services shall go through an internal qualification and evaluation process before becoming an approved supplier to AKVA group. See the Governance chapter for more information about the qualification process.

In addition new suppliers with medium and high risk assessment are asked to answer a questionnaire which includes questions relating to human rights. Where areas of improvements are identified, we enter into a dialogue with the relevant supplier and determine relevant actions. The implementation of actions and improvements carried our are monitored and followed up by the supply chain managers within the relevant business area.

For existing suppliers and business partners with high and moderately high risk scores, we hold quarterly meetings across all business areas to review and help identify follow-up measures, ensure effective monitoring, and facilitate discussions on best practices and lessons learned.

For selected suppliers, particularly in high-risk geographic areas, we conduct on-site visits and audits, including assessments of working conditions and human rights. These audits involve employee dialogues and on-site inspections. In 2024, no significant issues were found during these audits.

Additionally, in 2024 we started to work on a standardised process for conducting interviews of the value chain workers during on-site audits in our supply chain. This will be further developed in 2025.

During the financial year, we have identified a need to enhance our internal competence regarding human rights considerations in procurement processes throughout our subsidiaries to ensure we do not cause or contribute to negative impacts in our own operations. In 2025, we will focus on developing training and capacity-building initiatives related to human rights considerations during purchasing and internal practices.

As of now we do not have any processes to track or assess the effectiveness of our actions. However, in 2024, no severe human rights issues or incidents which required us to provide or enable remedy has been reported, indicating the effectiveness of our preventative and mitigating actions. We will continue to evaluate of our suppliers and any improvements carried out as part of our supply chain due diligence.

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S2-5)

We currently do not have sufficient numerical data to set targets, such as key performance indicators, related to managing our potential negative impacts related to value chain workers, and we do not track the effectiveness of our policies and actions other than described above. We are reviewing how we can collect necessary data and expect to have targets in place in 2025.

Governance

Business conduct (G1)

Why it matters

We are committed to act in an ethical, sustainable, and socially responsible manner, comply with applicable laws and regulations in the countries where we operate, and respect internationally recognized standards on responsible business conduct. We expect our employees to promote our core values by acting responsibly towards colleagues, business relationships and the communities and societies where we operate, and we expect our suppliers in our value chain and other business partner to commit to the same principles when working with us.

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

Governance impacts

ESRS	MATERIALITY ID	IMPACT DESCRIPTION	VALUE CHAIN LOCATION	TYPE
G1: Business conduct				
●	**Social and environmental impact on suppliers**	Positive impact through social and environmental screening criteria when selecting suppliers.	Own operations	Positive / Actual
●	**Corruption and bribery**	Potential negative impact on corruption and bribery in our supply chain as we are reliant on suppliers and third-parties in high risk countries.	Own operations	Negative / Potential

positive impact *negative impact*

ESRS G1 Governance – risk and opportunities

MATERIALITY ID	TYPE	IMPACT DESCRIPTION	VALUE CHAIN LOCATION	TIME HORIZON
G1: Political engagement and lobbying activities				
Political engagement and regulatory changes	Opportunity	Political work carried out by AKVA group affects the industry's framework conditions and can help reduce the risk of negative effects from new regulations.	Own operations	Medium term
Political engagement and regulatory changes	Risk	New regulations might pose a risk for AKVA group if we are not able to influence the real process.	Own operations	Medium term

During 2024, AKVA group did not have any material financial effects due to our governance related risks or opportunities. We have implemented governance structures to mitigate our material negative impacts and risk, and optimise our positive impacts and opportunities. No significant adjustment to our business model has been made in response to our material impacts, risk or opportunities in 2024.

All material topics are connected to key activities related to our business model. Our potential negative impact on corruption and bribery arise due to our business relationships and reliance on material and process in inherent high risk geographies. Whereas our positive impact on suppliers and our risk and opportunity related to political engagement and regulatory changes arises from our activities. The reasonable expected time horizon for both impacts is short term.

Business conduct policies and corporate culture (G1-1)

Business conduct policies and fostering of corporate culture

Our main policy on business conduct is our Code of Conduct. Our other policies, guidelines and procedures on business conduct are based on the principles in the Code of Conduct. This policy includes our Supplier Code of Conduct and procurement procedures, policy on whistleblowing and procedures and reporting related to impact on corruption and bribery.

Our Code of Conduct sets the framework of our corporate culture considering our CARE values (Customer focus, Aquaculture knowledge, Reliability and Enthusiasm) and reflects our continued work and contribution towards responsible business conduct in all our global activities.

The main purpose of our Code of Conduct is to ensure that all persons acting on behalf of the Group comply with all applicable laws and regulations, respect internationally recognized standards on responsible business conduct such as the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, and perform their activities in accordance with the standards the Group sets through our policies and guidelines. Our Code of Conduct is therefore an important measure in our efforts of ensuring responsible business conduct throughout our own operation and value chain.

The Code of Conduct applies to all the Group's employees and temporary personnel, hired contractors, the members of the Board of Directors and other business partners who have undertaken to comply with the Code.

The key contents of the Code are our policy on ensuring equal opportunities, safeguarding the environment, ensuring fundamental human rights and decent working conditions, compliance with business ethics, including anti-corruption, anti-bribery, and conflicts of interest, and prohibition of political contributions. The Code's provisions of anti-corruption and anti-bribery are consistent with the United Nations Convention against Corruption.

Our potential negative impact on corruption and bribery, and material risk and opportunity on political engagement are therefore covered directly by the Code. The material positive impact on social and environment are also addressed setting out our commitment to take a precautionary approach to environmental matters and continuously strive to limit any adverse impact we may have on the environment and strengthened by the Code's expectations to suppliers in our value chain, Supplier Code of Conduct and our own procurement procedures.

We expect our business partners, including our suppliers, to abide by the same or similar principles in their own operations as those outlined in Code of Conduct. The Code of Conduct's core principles are also included in our Supplier Code of Conduct of December 2023, setting our expectations towards our suppliers and business partners. For more information see chapter on Workers in the value chain.

Our current Code of Conduct was last approved by the Board of Directors of AKVA group ASA in June 2023 and acceded by the Group Management Team same year. The CEO is overall responsible for implementation and management of the Code of Conduct, with the Group HR, CFO, CCO and the COOs within the business areas are responsible for implementation and management of the Code into daily operations in their respective areas of responsibility.

Our Code of Conduct is published on the Group's intranet, website and enclosed as part of new employment contracts.

Establishment, development, promoting and evaluating corporate culture

Our corporate culture is fostered throughout the Group by increasing employee awareness and training about the principles of the Code of Conduct and inviting openness and communication among our employees. Including encouragement of speaking up in case of questions or concerns of breach. The Group takes a top-level approach to our corporate culture. The Group Management Team is responsible to establish, develop, promote and evaluate corporate culture within their business areas and responsibilities, with the Group's CEO at the top reporting level who in turn reports to the Board of Directors.

All managers in the Group are responsible for making the Code of Conduct known, and to promote and monitor its compliance in their respective business areas of responsibility.

Our corporate culture is evaluated through employee surveys and feedback, any received reports on concerns about breaches and in the event of actual breach of our Code of Conduct or other policies or guidelines.

The Group Management Team and the CEO regularly evaluate matters of corporate culture during their management meetings

Training on business conduct

In 2024 we implemented mandatory online training course for employees aimed at practical issues and problems solving around the key principles of the Code of Conduct such as our material impact related to corruption and bribery, political engagement, as well as whistleblowing and accountability. All employees are obligated to carry out this online training on a yearly basis.

The managers in the Group regularly receive specific training in the Code of Conduct and general training in handling concerns. These roles within sales, procurement and finance are the functions considered most at risk in respect of corruption and bribery.

The Code of Conduct and our employee online training course are made easily available in English, Spanish and Norwegian languages to provide accessibility for our diverse employees.

Protection of whistleblowers, reporting channels and training

The Group operates an internal whistleblowing channel for raising concerns. Our whistleblowing channel accommodates anonymous reporting and reporting from internal and/or external stakeholders. The whistleblowing channel is available on our website and on our intranet. The whistleblowing channel is handled internally using a third party software to ensure anonymity.

Protection of whistleblowers and handling of reports are governed by the Group's Code of Conduct and a separate whistleblowing policy.

Our whistleblower policy sets out how employees and others can report concerns, and how the Group should receive, process and follow up the report and the whistleblower. This includes our procedures to investigate business conduct incidents, including incidents of corruption and bribery, promptly, independently and objectively. Any reported incidents of suspected breaches are handled and investigated in accordance with our whistleblowing policy.

Our Code of Conduct sets out a general principle that the whistleblower shall be protected against any sanctions from the Group or its representatives, as well as, as a general prohibition against retaliation from employees. The whistleblower policy provides further details on protection of whistleblowers against retaliation and provides guidance of what actions or non-actions are considered as retaliation.

The Group's measures to protect against retaliation includes an initial assessment of the report by the HR director and legal who is responsible to take actions to ensure the policy is followed up. This includes a risk assessment of the report and an early interview of the whistleblower. The interview will form the basis of necessary steps of investigation and any further measures to be carried out to protect the whistleblower against retaliation. If the report is made anonymously, steps will also be taken to protect against retaliation by interviews and care of affected personnel.

The effectiveness of the whistleblower channels are sought ensured by increasing our own employees awareness about them and ease of sharing as necessary with value chain workers, making the whistleblowing channel available on our website, our Code of Conduct and Supplier Code of Conduct We currently do not have a method of assessing whether our key stakeholders, including own employees and value chain workers, are aware of and trust these channels.However, we assess the fact that we do from time to time receive compliant from key stakeholders as a good indication that own employees, value chain workers and affected communities are aware of these channels.

If we discover incidents where we have caused or contributed to negative impacts, we will, where relevant, provide or collaborate in establishing grievance mechanisms and engage with the affected parties to ensure the remedy is effective. We are committed to make necessary corrections and take remedial actions towards any suppliers that does not comply with our expectations.

Our whistleblower policy is a global policy and applies to all employees and the companies in the Group across different jurisdictions, and the prohibition of retaliation and employer's duty to carry out measures to protect against retaliation is therefore supplemented by national mandatory law in the relevant countries.

The policy is approved by the Group Management and last updated in 2024. The Group HR, CFO, CCO and the COOs within the business areas are responsible for implementation and management of the policy into daily operations in their respective areas of responsibility.

Animal welfare

Refer to the Fish welfare chapter in the environmental section of the sustainability statement.

Management of relationships with suppliers (G1-2)

Our supply chain involves many different suppliers across the world. We procure goods and materials for our production of aquaculture technology, infrastructure and systems mainly from suppliers in Europe, but also suppliers in Asia and the Americas. The main raw materials AKVA group procures through its supply chain for use across our production sites are mainly plastic, textiles and steel. These raw materials and suppliers are subject to an inherent risk of violations within environment, social and governance matters based on internationally recognized references.

Supply chain management has been identified as material in our approach to preventing adverse impacts on the environment and the employees throughout our value chain, and to managing the inherent risks associated with the products and geographical areas we source goods from. Our Supplier Code of Conduct sets out expectations towards our suppliers and reflects our continued work and contribution towards responsible business conduct in our supply chain in recognition of different cultures and legislation.

Management of procurement processes and fair treatment of suppliers

We work systematically to promote good working conditions in our supply chains and perform supply chain due diligence on new and existing suppliers. This is done in close cooperation with and in dialogue with our suppliers, partners, and other stakeholders. With the introduction of the Norwegian Transparency Act in 2023, the Group has introduced new specific policies on supply chain due diligence which includes human rights and working conditions, as well as, anti-corruption as an indicator of inherent risks of human rights violations.

In our management of suppliers, we value fair contractual terms and fair payment terms in consideration of the commercial aspects. We do not have a formal policy commitment to prevent late payments, but have integrated this into our processes and procedures. Our supply chain teams work together with our financial teams to reduce the risk of late payments particular to suppliers in the small and medium sized categories and also follow up on any late payments to mitigate the adverse effects on these suppliers.

Social and environmental criteria for supplier qualification

We require our suppliers, sub-suppliers and business partners to comply with our ethical guidelines and expectations. Our Supplier Code of Conduct requires that our suppliers, who have undertaken to comply with it, act in accordance with applicable laws and regulations in the countries where they perform work for us, respect fundamental human rights and decent working conditions in their own business in accordance with the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, the principles of the eight core conventions of the ILO and the ILO Declaration on Fundamental Principles and Rights at Work, and have an environmental policy supporting the implementation of the United Nations Sustainability Goals.

All suppliers of externally supplied processes, products and services go through an internal qualification and evaluation process before becoming an approved supplier to AKVA group, which includes selection based on social and environmental criteria. During this process we review the suppliers on the following main topics:

- Financials, competency, and capacity
- Quality management system
- Environmental management system
- Health and safety management system
- Business ethics and human rights

Our suppliers must be able to document how they are working to ensure compliance with our guidelines, accept audits and work with us to take remedial actions towards any identified breaches or risks. Any breaches of our Supplier Code of Conduct or applicable legislation is tolerated. Should a Supplier demonstrate improper practice or irregularity when working for us, we are committed to make necessary corrections and take remedial action to prevent recurrence. The remedial actions may include termination of our business relationship or contract, and reporting to relevant authorities.

Prevention and detection of corruption and bribery (G1-3)

As a Group with international presence, we take active steps to mitigate the risks of corruption in our business activities and to ensure we act in accordance with applicable anti-corruption and anti-bribery laws and regulations in the countries where we operate. Our anti-corruption program is founded in our Code of Conduct with related policies, accountabilities and reporting expectations.

We have suppliers and third parties located in geographies considered to have an inherent high risk for corruption and bribery and as such have identified a potential material negative impact through our inherent risk of exposure to corruption and bribery in our supply chain.

Prevention, detection, investigation and responding to allegations or incidents

We believe that increasing awareness about the risks of corruption in the form of training of our employees and encouraging employees or others to speak up in case of questions or concerns are key steps towards mitigating the risks. This applies both within our own operations and in our value chain. For instance, our Supplier Code of Conduct requires that our suppliers or other business partners have a zero-tolerance policy for acts of corruption and that they take steps to detect and mitigate risks of corruption and bribery.

Our assessments of corruption risks in our own operation and supply chain are based on a number of external and internal sources, including Transparency International's Corruption Perception Index, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, as well as any inherent industry specific or actual identified risks. We also monitor local legislation and developments and seek external advice when required.

Our authority matrices requiring manager approval on certain transactions are tools to mitigate the risks of corruption. For instance, employee expenses and invoices, including invoices from suppliers, have a two-step authority matrix.

Any reports of suspected incidents of corruption will be processed and investigated in accordance with our Whistleblowing Policy. In the first instance, reports will be reviewed and investigated by Group HR with support from Legal or others as required. Our policy sets out that that our internal investigating committee must be impartial, and as such, separate from the people involved in the matter. External investigation will be reviewed on a case-by-case basis considering the people involved and the nature of the suspected incident. Outcomes of reports of suspected corruption will be reported to the Group CEO. In the event of any breaches of the Code of Conduct, including incidents of corruption, we are committed to make necessary corrections and take remedial action to prevent recurrence.

Our whistleblowing policy is easily accessible on our intranet, in our people policy and our quality & assurance systems, and included in our mandatory online training in our Code of Conduct.

Training programmes in combating corruption and bribery

All our employees are subject to an annual online training program in the Code of Conduct, which also covers the topic on anti-corruption and bribery, refer also to G1-1. In addition, the managers in the Group regularly receive specific training in the Code of Conduct and general training in handling concerns as part of their leadership training.

During the reporting year, our global management team, including the Group Management, received training in combating corruption and bribery in our own operation and our supply chain during our global management forum in March of 2024.

Functions at risk

Our global management team consists of mid and top-level managers from all companies in the Group and within our business areas, including people with financial roles. These are the people and roles that we consider are at the most risk in respect of corruption and bribery. All employees (100%) with functions-at-risk are covered by our training programmes.

Training programme coverage	Unit	2024
Percentage of functions-at-risk covered by training programmes	%	100

Incidents of corruption or bribery (G1-4)

The Group has neither had any confirmed incidents of corruption or bribery, nor any convictions or fines for violation of anti-corruption and anti-bribery laws, during the reporting period.

During the reporting year, we updated our Whistleblowing Policy which also includes the handling of reports of concerns on breaches in procedures and standards of anti-corruption and anti-bribery.

Convictions and fines	Unit	2024
The number of convictions and the amount of fines for violation of anti-corruption and anti-bribery laws	Number	0

Political influence and lobbying activities (G1-5)

The aquaculture industry is a heavily regulated industry with complex regulations governed by different authorities and with increasing new regulations and developments. Regulations extend to us as a supplier, for instance, obligations of equipment testing with live fish to ensure safe equipment and rigours testing to limit escape of fish.

Exertion of political influence and lobbying activities

Our approach to our political influence springs out of our vision to pioneering a better future for the aquaculture industry and society.

As a step towards this, our key focus areas in 2024 have been to increase awareness in the political communities and non governmental organizations (NGOs) in Norway, Scotland and Chile of the potential to better fish health with deep farming solutions to reduce lice and low emission farming solutions such as recycled plastic pens to reduce the industry's carbon footprint, to promote regulatory frameworks needed to further develop sustainable solutions and the possibility for suppliers to test their technology to document fish welfare together with fish farmers. Increasing awareness and providing inputs to proposals, are primary measures we take to approach our identified material risk and opportunity in terms of political influence and lobbying activities.

We also regularly provide inputs to proposals of new frameworks. In 2024 we provided input to the Norwegian Environment Agency's (Miljødirektoratet) proposal to implement EU's directive on single-use plastics into Norwegian law. The directive sets a clear requirement for an extended producer responsibility scheme for certain plastic products, including equipment from fishing, aquaculture, and recreational fishing. While we highly support recycling of used plastic products in the industry, and have ourselves also produced a fish pen made out of recycled plastics, the proposal by the Norwegian Environment Agency places a new financial burden on the producers, such as the Group, of plastic products which we believe is disproportionate considering today's value chain and which may have a negative impact on our operations if adopted unchanged.

AKVA group ASA is a member of the Norwegian Seafood Federation (Sjømat Norge) through which we also contribute to the promotion of policies and legislation that will benefit its members. The different companies in the Group have memberships in similar industry organizations.

During the reporting year, we have not carried out any other lobbying activities directed at specific legislation or regulations.

Responsible representatives

The Group’s political activities are overseen by the Group’s Management Team and lead by the Chief Commercial Officer. The top management of the companies in the Group regularly report any political or lobbying activities to the Group’s management team. No member of the administrative, management and supervisory bodies has held a comparable position in public administration (including regulators) in the 2 years preceding such appointment in the current reporting period.

Disclosure on political contribution

Our activities related to exerting our political influence are aimed at awareness only and our Code of Conduct prohibits any political contributions. During the financial year 2024 we have not made any political contributions.

Political contributions	Unit	2024
Total monetary value of financial and in-kind political contributions made directly and indirectly.	Number	0

Board of Directors and CEO
AKVA group ASA

Klepp, Norway, 7 April 2025

Hans Kristian Mong
Chair

Heidi Nag Flikka
Board member

Odd Jan Håland
Board member

Frode Teigen
Board member

Kristin Reitan Husebø
Deputy chair

Irene Heng Lauvsnes
Board member

John Morten Kristiansen
Board member

Yoav Doppelt
Board member

Tore Rasmussen
Board member

Knut Nesse
CEO

Mona Skåtøy Skadberg
Board member

Annual Accounts

AKVA GROUP

Consolidated Financial Statements

Consolidated Statement of Income 01.01-31.12.

(in NOK 1 000)

Group	Note	2024	2023
OPERATING REVENUES AND OTHER INCOME			
Revenues		3 517 542	3 414 996
Share of results of associates	9	7 438	10 256
Other income	15	76 810	7 010
Total revenues and other income	2,17,20	**3 601 789**	**3 432 262**
OPERATING EXPENSES			
Cost of materials	10,23	1 934 003	1 996 252
Payroll expenses	3	976 367	953 853
Depreciation and amortization	2,7,8	196 946	195 805
Impairment	2,7,8	—	—
Other operating expenses	3,7,11,15,18,23,24	238 676	218 750
Total operating expenses	2,20	**3 345 992**	**3 364 660**
OPERATING PROFIT		**255 797**	**67 603**
FINANCIAL INCOME AND EXPENSES			
Financial income	15,16	5 662	20 990
Financial expenses	15,16,18	-135 496	-117 902
Net financial income (expense)		**-129 834**	**-96 912**
PROFIT BEFORE TAX		**125 963**	**-29 309**
Taxes	5	-1 217	-10 782
NET PROFIT FOR THE YEAR		**127 180**	**-18 527**
NET PROFIT (LOSS) ATTRIBUTABLE TO:			
Non-controlling interests		-2 977	-692
Equity holders of AKVA group ASA		**130 157**	**-17 835**
Earnings per share (NOK)	6	**3,58**	**-0,49**
Diluted earnings per share (NOK)	6	**3,58**	**-0,49**

Consolidated Statement of Comprehensive Income 01.01-31.12.

(in NOK 1 000)

Group	Note	2024	2023
NET PROFIT FOR THE YEAR		**127 180**	**-18 527**
Other comprehensive income			
Items that may be reclassified subsequently to income statement:			
Translation differences on foreign operations		25 438	-4 726
Income tax effect		-	-
Total		**25 438**	**-4 726**
Gains (+) / losses (-) on cash flow hedges		9 830	7 681
Income tax effect	5	-2 163	-1 690
Total	**16**	**7 667**	**5 991**
Total other comprehensive income, net of tax		**33 105**	**1 265**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		**160 285**	**-17 262**
Attributable to:			
Non-controlling interests		-2 977	-692
Equity holders of AKVA group ASA		**163 262**	**-16 570**

Consolidated Balance Sheet 31.12.

(in NOK 1 000)

Group	Note	2024	2023
NON-CURRENT ASSETS			
Deferred tax asset	5	85 999	72 464
Intangible assets and goodwill			
Goodwill	7	1 104 341	783 300
Other intangible assets	7	517 228	373 966
Total intangible assets and goodwill		**1 621 569**	**1 157 266**
TANGIBLE FIXED ASSETS			
Land and building	8,14	41 799	42 037
Right-of-use asset	8,14,18	430 657	475 141
Machinery and equipment	8,14	167 991	154 654
Total tangible fixed assets		**640 446**	**671 833**
LONG-TERM FINANCIAL ASSETS			
Investments in associated companies	9	229 608	265 882
Other long-term financial assets	9,11,16	61 404	46 895
Total long-term financial assets		**291 012**	**312 778**
Total non-current assets		**2 639 027**	**2 214 341**
CURRENT ASSETS			
Inventory	10,14,23	649 367	628 614
RECEIVABLES			
Accounts receivables	11,14,16,20,23	397 552	367 133
Contract assets	16,17	117 460	186 441
Other receivables	4,15,16	89 328	68 010
Total receivables		**604 341**	**621 584**
Cash and cash equivalents	12,16	161 190	219 394
Total current assets		**1 414 898**	**1 469 591**
TOTAL ASSETS	2	**4 053 925**	**3 683 933**

Consolidated Balance Sheet 31.12.

(in NOK 1 000)

Group	Note	2024	2023
EQUITY			
Equity attributable to equity holders of AKVA group ASA		1 305 978	1 142 451
Non-controlling interests		7 248	10 225
Total equity	13,14,19,21,22	**1 313 226**	**1 152 676**
LIABILITIES			
Non-current liabilitites			
Deferred tax liabilities	5	26 921	30 995
Liabilities to financial institutions	14, 16	1 043 950	862 317
Lease Liability	16, 18	356 445	405 466
Other non-current liabilities	14,15,16,19	196 306	59 777
Total non-current liabilities		**1 623 622**	**1 358 554**
CURRENT LIABILITIES			
Lease Liability	16, 18	95 065	90 560
Liabilities to financial institutions	14, 16	108 127	37 500
Trade payables	16, 20	307 546	328 421
Current tax payables	5	21 230	2 876
Public duties payable	16	98 771	133 467
Contract liabilities	16, 17	205 492	330 087
Other current liabilities	14,15,19,23	280 846	249 790
Total current liabilities		**1 117 077**	**1 172 701**
Total Liabilities	2	**2 740 699**	**2 531 256**
TOTAL EQUITY AND LIABILITIES		**4 053 925**	**3 683 933**

Klepp, Norway, 7 April 2025

Hans Kristian Mong
Chair

Heidi Nag Flikka
Board member

Odd Jan Håland
Board member

Frode Teigen
Board member

Kristin Reitan Husebø
Deputy chair

Irene Heng Lauvsnes
Board member

John Morten Kristiansen
Board member

Yoav Doppelt
Board member

Tore Rasmussen
Board member

Knut Nesse
CEO

Mona Skåtøy Skadberg
Board member

Consolidated Statement of Cash flow 01.01-31.12. (in NOK 1 000)

Group	Note	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxes		125 963	-29 309
Taxes paid		-5 967	-12 399
Share of profit from associates	9	-7 438	-10 256
Net interest cost	15	97 284	85 898
Share-based payments	14,22	4 867	—
Gain from acquisition from subsidiary	19	-75 552	—
Gain(-)/loss(+) on disposal of fixed assets		74	-1 339
Gain(-)/loss(+) on financial fixed assets	8	9 496	-10 953
Depreciation, amortization and impairment	7,8	196 946	195 805
Changes in stock, accounts receivable and trade payables		-18 928	114 568
Changes in other receivables and payables		-134 844	-97 747
Net foreign exchange difference		(39 779)	23 955
Net cash flow from operating activities		**152 122**	**258 223**
CASH FLOW FROM INVESTMENT ACTIVITIES			
Investments in fixed assets	7,8	-189 180	-221 359
Proceeds from sale of fixed assets	7,8	395	2 218
Equity issued in associates and group companies		-12 411	—
Dividents payment from NCI		5 264	8 052
Acquisition of subsidiary net of cash acquired[1]	19	-73 813	-35 648
Net cash flow from investment activities		**-269 745**	**-246 737**
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of borrowings	14	-39 624	-95 343
Proceeds from borrowings	14	290 627	195 833
Repayment of lease liabilities	14	-81 058	-84 671
IFRS 16 interest	18	-23 018	-22 481
Net interest paid	15	-74 266	-63 417
Sale/(purchase) own shares	14,22	-13 241	—
Net cash flow from financing activities		**59 419**	**-70 080**
Net change in cash and cash equivalents		-58 204	-58 594
Cash and cash equivalents at 01.01	12	219 394	277 988
Cash and cash equivalents at 31.12	**12**	**161 190**	**219 394**

[1]Acquisition of subsidiary net of cash required in 2024 relates to the acquisition of Observe Technology Ltd (33,67%). Acquisition of subsidiary net of cash required in 2023 relates to the acquisition of Submerged AS (51%) and put/call option of Newfoundland Aqua Service Ltd.

Consolidated Statement of changes in equity

(in NOK 1 000)

Group	Note	Share capital	Share premium	Other paid-in capital	Total paid in capital	Translation differences	Cash flow hedges	Other equity	Total other equity	Retained earnings	Total equity	Non-controlling interest	Equity shareholders AKVA group
Equity as at 01.01.2023		**36 373**	**1 171 772**	**1 116**	**1 209 261**	**-8 443**	**-6 168**	**-41 952**	**-56 564**	**-8 363**	**1 144 337**	**336**	**1 144 000**
Net movement in cash flow hedges	16	—	—	—	—	—	5 991	—	5 991	—	5 991	—	5 991
Translation difference		—	—	—	—	-4 726	—	—	-4 726	—	-4 726	—	-4 726
Total other comprehensive income		**—**	**—**	**—**	**—**	**-4 726**	**5 991**	**—**	**1 265**	**—**	**1 265**	**—**	**1 265**
Profit (loss) for the period		—	—	—	—	—	—	—	—	-18 527	-18 527	-692	-17 835
Total comprehensive income		**—**	**—**	**—**	**—**	**-4 726**	**5 991**	**—**	**1 265**	**-18 527**	**-17 262**	**-692**	**-16 570**
Adjustments related to prior periods			—	7 716	7 716	—	—	—	—	—	7 716		7 716
Dividend	21	—	—	—	—	—	—	—	—	—	—	—	—
Non-controlling interests arising on a business combinations	19	—	—	—	—	—	—	10 581	10 581	—	10 581	10 581	—
Share-based payments	3	63	—	6 768	6 831	—	—	-63	-63	—	6 768	—	6 768
Other adjustments		—	—	-1 116	-1 116	—	—	1 654	1 654	—	538	—	538
Equity as at 31.12.2023	**13**	**36 437**	**1 171 772**	**14 483**	**1 222 692**	**-13 169**	**-177**	**-29 781**	**-43 127**	**-26 891**	**1 152 676**	**10 225**	**1 142 451**
Equity as at 01.01.2024		**36 437**	**1 171 772**	**14 483**	**1 222 692**	**-13 169**	**-177**	**-29 781**	**-43 127**	**-26 891**	**1 152 676**	**10 225**	**1 142 451**
Net movement in cash flow hedges	16	—	—	—	—	—	7 667	—	7 667	—	7 667	—	7 667
Translation difference		—	—	—	—	25 438	—	—	25 438	—	25 438	—	25 438
Total other comprehensive income		**—**	**—**	**—**	**—**	**25 438**	**7 667**	**—**	**33 105**	**—**	**33 105**	**—**	**33 105**
Profit (loss) for the period		—	—	—	—	—	—	—	—	127 180	127 180	-2 977	130 157
Total comprehensive income		**—**	**—**	**—**	**—**	**25 438**	**7 667**	**—**	**33 105**	**127 180**	**160 285**	**-2 977**	**163 262**
Adjustments related to prior periods		—	—	—	—	—	—	-5 840	-5 840	—	-5 840	—	-5 840
Dividend	21	—	—	—	—	—	—	—	—	—	—	—	—
Buyback of own shares	3	-128	—	—	-128	—	—	-13 112	-13 112	—	-13 241	—	-13 241
Share-based payments	3	—	—	-316	-316	—	—	5 184	5 184	—	4 868	—	4 868
Other adjustments		—	—	—	—	—		14 478	14 478	—	14 478	—	14 478
Equity as at 31.12.2024	**13**	**36 309**	**1 171 772**	**14 167**	**1 222 248**	**12 269**	**7 490**	**-29 071**	**-9 313**	**100 289**	**1 313 226**	**7 248**	**1 305 978**

AKVA group
Notes to the Consolidated Financial Statements

Notes

Note 1

REPORTING ENTITY

AKVA group ASA is a public limited liability company registered in Norway. The company is subject to the provisions of the Norwegian Act relating to Public Limited Liability Companies. The company's registered office is at Svanavågveien 30, N-4374 Egersund, Norway. The Group is primarily involved in delivery of technology and services to the fish farming industry.

These consolidated Financial Statements have been approved for issuance by the Board of Directors on 7th of April and are subject for approval by the Annual General Meeting on 22 May 2025.

BASIS OF ACCOUNTING

The consolidated financial statements of the AKVA group have been prepared in accordance with the international accounting standards published by the International Accounting Standards Board and the International Financial Reporting Standards (IFRS®) as adopted by the European Union (EU) as per 31 December 2024.

The consolidated financial statements have been prepared on a historical cost basis, except for derivatives, listed equity investment and contingent considerations measured at fair value, and financial liabilities recognized due to anticipated acquisitions at the present value of the expected redemption amount.

All amounts have been rounded to the nearest thousand unless otherwise stated. As a result of rounding adjustments, the figures in one or more rows or columns included in the financial statements and notes may not add up to the total of that row or column.

ESEF/IXBRL REPORTING

AKVA group is required to prepare and file the annual report in the European Single Electronic Format (ESEF), and the annual report for 2024 is therefore prepared in the XHTML format that can be displayed in a standard browser. The primary statements and notes in the consolidated financial statements are tagged using inline eXtensible Business Reporting Language (iXBRL). The iXBRL tags comply with the ESEF taxonomy, which is included in the ESEF Regulation and developed based on the IFRS taxonomy published by the IFRS Foundation. Where a financial statement line item is not defined in the ESEF taxonomy, an extension to the taxonomy has been created. Extensions are anchored to elements in the ESEF taxonomy, except for extensions which are subtotals.

CLIMATE-RELATED RISKS

When preparing the consolidated financial statements, management considers climate-related risks, where these potentially could impact reported amounts materially. The areas in which AKVA group has assessed climate related risks at the end of 2024 are included within the individual notes outlined below:

- Note 7 - Intangible assets: whether/how climate risks affect future cash flows when estimating value-in-use of intangible assets
- Note 8 - Tangible fixed assets: whether climate risks are an impairment indicator for the Group's tangible fixed assets

A more general description of climate-related risks is provided in the Board of Directors general statement, note 16 and in the sustainability statement in chapter 1.4.

FAIR VALUE MEASUREMENT

"Fair value" is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. If there is no quoted price in an active market, then the Group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would consider in pricing a transaction.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly

- Level 3: inputs for the asset or liability that are not based on observable market data

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 3 - Wages, remunerations, and pensions
- Note 9 - Subsidiaries and other long-term investments
- Note 16 - Financial instruments and risk management
- Note 19 - Business combinations

FUNCTIONAL AND PRESENTATION CURRENCY

The Group presents its financial statements in NOK. This is also the parent company's functional currency. For consolidation purposes, the statements of financial position of subsidiaries with a different functional currency are translated at the rate applicable at the end of the reporting period, and the income statements have been translated at monthly average rates. Translation differences are recognized in other comprehensive income. When foreign subsidiaries are sold, the accumulated translation differences relating to the subsidiary are recognized as agio gain or loss in the statement of profit or loss.

USE OF JUDGEMENTS AND ESTIMATES WHEN PREPARING THE ANNUAL FINANCIAL STATEMENTS

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income, and expense. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- Note 17 - Revenue and contract balances: whether revenue is recognized over time or at a point in time
- Note 9 - Subsidiaries and other long-term investments: whether the Group has significant influence over an investee based on relevant facts and circumstances

Estimates and assumption uncertainties

Information about estimates and assumption uncertainties on 31 December 2024 that have the most significant effect on the amounts recognized in the financial statement, is given in the following notes:

- Note 5 - Taxes: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized
- Note 7 - Intangible assets: key assumptions underlying recoverable amounts, including the recoverability of development costs
- Note 11 - Receivables: key assumptions in determining the average loss rate
- Note 18 - Leasing: basis for applied discount rates and if renewal options are expected to be exercised
- Note 19 - Business combinations: fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired, and liabilities assumed, measured on a provisional basis

SIGNIFICANT ACCOUNTING POLICIES

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, unless otherwise disclosed. Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, unless otherwise disclosed.

Subsidiaries

The consolidated financial statements incorporate AKVA group ASA and companies that AKVA group ASA (directly or indirectly) controls (the Group). Control is achieved when the Group is exposed or has right to variable returns from its involvement with a company in which it has invested and has the ability to use its power to affect its returns from this company. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling Interests (NCI)

NCI in subsidiaries are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition and presented within equity separately from the equity attributable to the owners of the parent. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary and any related NCI and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates.Investments in associates are those entities that the Group exercises a significant influence, but not control or joint control, over the financial and operating policies (normally investments of between 20% and 50% of the companies' equity). These investments are accounted for using the equity method. They are initially recognized at cost, which includes transaction costs. After initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

In cases where the Group loses control of a subsidiary, but retains an ownership interest reflecting an equity-accounted investment, the Group will:

i. Derecognize the assets and liabilities of the former subsidiary from the consolidated statement of financial position in full and measures any investment retained in the former subsidiary at its fair value.

ii. Recognize a remeasurement gain or loss that forms part of the total gain or loss on the disposal of the subsidiary in profit or loss.

iii. Recognize the gain or loss associated with the loss of control attributable to the former controlling interest.

When the Group's share of the loss exceeds the investment in associates, the investment, and any long-term interests that in substance is a part of the net investment is carried at zero value. If the Group's share of the loss exceeds the investment, this will be recognized to the extent that the Group has obligations to cover this loss. If the accumulated profit of the associate in the ownership period at a later date exceeds zero again, the accounting continues in accordance with the principles described above.

Eliminations in consolidated accounts

Inter-company transactions and balances, including internal profits and unrealized gains and losses are eliminated in full. Unrealized gains that have arisen due to transactions with associates are eliminated against the Group's share in the associate. Unrealized losses are correspondingly eliminated, but only to the extent that there are no indications of a decline in the value of the asset that has been sold internally.

BUSINESS COMBINATIONS

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a “concentration test” that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The acquirer’s identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognized at their fair values at the acquisition date.

Goodwill arising on acquisition is recognized as an asset measured at the excess of the sum of the consideration transferred, the fair value of any previously held equity interests and the amount of any non-controlling interests in the acquire over the net amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the Group’s interest in the net fair value of the acquirer’s identifiable assets, liabilities and contingent liabilities exceeds the total consideration of the business combination, the excess is recognized in the income statement immediately. Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognized in the income statement as financial income or expense. If the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

Purchase Price Allocation arising from a business combination is finalized within twelve months of completed acquisition.

If the business combination is achieved in stages, the fair value of the Group’s previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through the income statement.

BUSINESS AREAS

For management purposes, the Group is organized into three business areas according to their range of products/services. The Chief Operating Decision Maker is the Group's Chief Executive Officer who delegates responsibility to the Chief Operating Officers (COO’s) in the business area they are responsible. These business areas comprise the basis for primary segment reporting. Financial information relating to segments and geographical divisions is presented in note 2.

In the segment reporting, the internal gain on sales between the various segments is eliminated.

FOREIGN CURRENCY

Foreign currency transactions

Transactions in foreign currencies are initially recognized in the functional currency at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency using the exchange rate at the reporting date. All exchange differences are recognized in the income statement with the exception of exchange differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity, or monetary items that are regarded as part of the net investments. These exchange differences are recognized as a separate component of other comprehensive income until the disposal of the net investment or settlement of the monetary item, at which time they are recognized in the income statement. Tax charges and credits attributable to exchange differences on those borrowings or monetary items as part of the net investments are also recognized in other comprehensive income. Non-monetary items that are measured at historical cost in foreign currency are translated using the exchange rates at the dates of the initial transactions.

Foreign operations

The assets and liabilities of foreign subsidiaries, including goodwill and fair value adjustments included in the consolidation are translated into NOK at the exchange rates at the balance sheet date. The income and expenses of foreign operations are translated into NOK using the monthly average exchange rate. Foreign currency differences are recognized in other comprehensive income and accumulated in the translation reserve.

The Group uses the mid-rate on the balance sheet date listed by Norges Bank, the Central Bank of Norway, when translating foreign currencies into NOK. Norges Bank does not quote the exchange rate between NOK and CLP. This exchange rate is calculated based on the quoted rates of NOK per USD and CLP per USD by Norges Bank and the Central Bank of Chile, respectively.

REVENUE RECOGNITION

Revenues are recognized either at the point of transfer of control of goods and services or recognized over time on an activity basis. Contracts are reviewed to identify each performance obligation relating to a distinct good or service and the associated consideration. The Group allocates revenue to multiple element arrangements based on the identified performance obligations within the contracts in line with the policies below.

A performance obligation is identified if the customer can benefit from the good or service on its own or together with other readily available resources, and it can be separately identified within the contract. This review is performed by reference to the specific contract terms.

Construction contracts

This revenue stream accounts for the majority of Group sales. Contracts related to construction of barges, cages and boats within the Sea Based business area, together with contracts for construction of equipment within Land Based, operates almost exclusively on this basis.

Where multiple performance obligations are identified, revenue is recognized as each performance obligation is met. This requires an assessment of total revenue to identify the allocation across the performance obligations, based on the standalone selling price for each obligation.

AKVA group recognizes revenue over time if one of the following criteria is met:

- The customer simultaneously receives and consumes all of the benefits provided by entity as the entity performs;
- The entity's performance creates or enhances an asset the customer controls as the asset is created; or
- The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

There are two methods used by AKVA group to measure progress of a project recognized over time, either the input or the output method.

Input method

The input method measures performance based on efforts or inputs towards satisfying the performance obligation relative to the total expected inputs. Such inputs are for example resources consumed, cost incurred, time elapsed, labour hour expended, and machine hours used.
The input method is done by the basis of AKVA group's efforts/inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation.

The input method is used for all construction contracts that is not accounted for by the output method, refer the next section.

Output method

The output method measures performance based on the value created relative to the total value of the contract/ delivery. The control of the good is gradually transferred to the customer, and for construction contracts AKVA group uses milestones for guiding purposes. The output method is applied for three specific standard customer contracts within the sea based segment; barges, plastic cages and Polarcirkel boats. To measure the output, AKVA uses methods such as surveys of performance completed to date, appraisals of results achieved, and milestones reached. The usage of milestones reached are not used to determine if goods or services is transferred at a discrete point in time, but more as a guideline ("rule of thumb") for evaluation the stage of completion of a project. As long as the progress can be reliably measured, AKVA believes that the above mentioned output methods are considered to be the best way of reflecting satisfaction of performance obligations.

As a result of contracts that meet the requirements for revenue recognition over time, AKVA group will have associated contract assets and contract liabilities on the balance sheet. The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract liabilities primarily relate to the advance consideration received from customers for work performed after the reporting date.

Service, spare parts and software

Invoices for goods are raised and revenue is recognized when control of the goods is transferred to the customer. Dependent upon contractual terms this may be at the point of dispatch, acceptance by the customer or certification by the customer. The revenue recognized is the transaction price as it is the observable selling price.

For service contracts the benefit is considered to be consumed simultaneously by the customer as it is received from AKVA. Therefore, the service contracts are recognized over a straight line for the period the service is performed.

Cash discounts, volume rebates and other customer incentive programs are allocated to performance obligations and recorded as a reduction in revenue at the point of sale based on the estimated future outcome.

Variable considerations, such as penalties or prices that depend on uncertain future outcomes, are estimated upfront and considered in the calculation of transaction price by using either the expected value approach or the most likely amount. Before it may be concluded that any amount of variable consideration can be included in the transaction price, AKVA group considers whether the amount of variable consideration is constrained. This means that variable consideration estimated can only be included in the transaction price to the extent that it is highly probable that a significant reversal in the amount of revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

EMPLOYEE BENEFITS

Defined contribution plan

All Group companies have pension schemes based on contributions from the company to the employees. The companies' payments are recognized in the income statements for the year to which the contribution applies.

The companies have no further commitments towards pensions when the agreed contributions are paid.

Severance pay

In some countries, the companies are obliged by law to provide severance pay for redundancies due to reductions in the workforce. The costs relating to severance pay are set aside once the management have decided on a plan that will lead to reductions in the workforce and the work of restructuring has started or the reduction in the workforce has been communicated to the employees.

Share options & LTI-shares (share-based payments)

The company has a long term incentive (LTI) program and a option program. The programs are accounted for as equity-settled share-based payments.

Awarded instruments are valued at fair value at grant date with no subsequent remeasurement of granted instruments other than a revision of number of vesting instruments only. The fair value of the share options and LTI shares is measured at the grant date and the cost is recognized in the income statement, together with a corresponding increase in other paid-in capital, over the period in which the performance and/or service conditions are fulfilled. The fair value is calculated using a Black & Scholes model.

The fair value determined at the grant date of the equity settled share-based payments is expensed as salary cost on a straight-line basis over the vesting period, based on the group's estimate of the number of equity instruments that will eventually vest. At each reporting date, the group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to reserves.

FINANCE INCOME AND FINANCE COSTS

The Group's finance income and finance costs include:

- Interest income
- Interest expense
- The foreign currency gain or loss on financial assets and financial liabilities
- Hedge ineffectiveness recognized in profit or loss

Interest income or expense is recognized using the effective interest method.

INCOME TAX

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income tax, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising on dividends.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is calculated on all taxable temporary differences, except for:

- Temporary differences relating to investments in subsidiaries, associates, or joint ventures when the Group decides when the temporary differences are to be reversed and this is not expected to take place in the foreseeable future
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized in the balance sheet when it is probable that the company will have a sufficient profit for tax purposes to utilize the tax asset. At each balance sheet date, the Group carries out a review of its unrecognized deferred tax assets and the value it has recognized. The companies recognize formerly unrecognized deferred tax assets to the extent that it has become probable that the company can utilize the deferred tax asset. Similarly, the company will reduce its deferred tax assets to the extent that it can no longer utilize these.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

Deferred tax assets (tax liabilities) are recognized at their nominal value and classified as non-current asset (longterm liabilities) in the balance sheet.

INTANGIBLE ASSETS AND GOODWILL

Intangible assets are recognized in the balance sheet if it is probable that there are future economic benefits that can be attributed to the asset which is owned by the company, and the asset's cost price can be reliably estimated. Intangible assets are recognized at cost price.

Research & development costs

Expenses relating to research are recognized in the income statement when they are incurred. Expenses relating to development are recognized in the income statement when they are incurred unless the following criterions are met in full:

- The product or process is clearly defined, and the cost elements can be identified and measured reliably
- The technical solution for the product has been demonstrated
- The product or process will be sold or used in the company's operations
- The asset will generate future economic benefits
- Sufficient technical, financial, and other resources for completing the project are present.

When all the above criterions are met, the associated development costs will be recognized in the balance sheet. Costs that have been charged as expenses in previous accounting periods are not recognized in the balance sheet.

Amortization of the asset begins when development is complete, and the asset is available for use. During the period of development, the asset is tested for impairment annually.

Other intangible assets

Other intangible assets, including customer relationship, product rights, patents, trademarks and ERP system, that are acquired by the Group, are measured at cost less accumulated amortization and any accumulated impairment losses.

Goodwill

Additional value on the purchase of a business that cannot be allocated to assets or liabilities on the acquisition date is classified in the balance sheet as goodwill. In the case of investments in associates, goodwill is included in the cost price of the investment.

Amortization

Intangible assets with a finite useful life are amortized and any need for impairment losses to be recognized is considered. Amortization is calculated using the straightline method over the asset's estimated useful life and is recognized in profit and loss. Intangible assets with indefinite useful lives and goodwill are not amortized, but impairment losses are recognized if the recoverable amount is less than the carrying amount.

The estimated useful lives for current and comparative periods are as follows:

- Development costs: 3-8 years
- Patents (included in other intangible assets): 20 years
- Trademarks (included in other intangible assets): 5 years
- Product rights (included in other intangible assets): 5-10 years
- Internal systems (included in other intangible assets): 5-12 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

In accordance with IAS 38 and IAS 8, AKVA has in 2024 evaluated and changed the useful life for development cost related to intangible assets "AKVA Connect" and "AKVA Fishtalk", presented as research and development cost. The company has identified that several features and modules capitalized and released have useful life exceeding prior estimate of 5 years. The best estimate of the intangible assets is 8 years with relevant use cases for the company in future and in accordance with group policy. The change in estimate is treated prospectively with reference to note 7.

Amortization of the capitalization of new ERP system has started in 2024, with useful life of 12 years. The useful life is set based on license period plus option period, in accordance with IAS 38 and IAS 38.92.

TANGIBLE FIXED ASSETS

Tangible fixed assets are carried at cost less accumulated depreciation and any accumulated impairment losses. When assets are sold or disposed of, the gross carrying amount and accumulated depreciation are derecognized, and any gain or loss on the sale or disposal is recognized in the income statement.

The gross carrying amount of tangible fixed assets is the purchase price, including duties/taxes and direct acquisition costs relating to making the asset ready for use.

Subsequent costs, such as repair and maintenance costs, are normally recognized in profit or loss as incurred. When future economic benefits are increased because of
repair/maintenance work can be proven, such costs will be recognized in the balance sheet as additions to tangible fixed assets. If replacing an asset, the replacement will be recognized in the balance sheet and the replaced asset will be de-recognized.

Depreciation

Depreciation is calculated using the straight-line method over the asset's estimated useful lives and is generally recognized in profit and loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives for current and comparative periods are as follows:

- Buildings: > 20 years
- Right-of-use assets: 3-15 years
- Machinery and equipment: 3-5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted appropriately.

LEASES

The information on leases provided below relates to the Group as a lessee. The Group's transactions as a lessor is immaterial and follows the principles provided above in the section on "Revenue recognition".

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

RECOGNITION OF LEASES AND EXEMPTIONS

At the lease commencement date, the Group recognizes a lease liability and corresponding right-of-use asset for all lease agreements in which it is the lessee, except for the following exemptions applied:

- Short-term leases (defined as 12 months or less)
- Low value assets

For these leases, the Group recognizes the lease payments as other operating expenses in the statement of profit or loss when they incur.

Lease liabilities

The lease liability is recognized at the commencement date of the lease. The Group initially measures the lease liability at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. The incremental borrowing rate is determined for each entity in the Group based on three key inputs:

- Reference rate (government bond in same currency, economic environment, and term)
- Credit risk premium (expected margin the entity would have paid to obtain external financing to buy similar assets)
- Lease specific adjustments (to reflect different risk profiles for different types of leased assets)

The lease term represents the non-cancellable period of the lease, together with periods covered by an option either to extend or to terminate the lease when the Group is reasonably certain to exercise this option. The lease payments included in the measurement comprise of:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect adjustments in lease payments due to an adjustment in an index or rate.

The Group does not include variable lease payments in the lease liability. Instead, the Group recognizes these variable lease expenses in profit or loss.

Right-of-use assets

The Group measures the right-of use asset at cost, less any accumulated depreciation and impairment losses, adjusted for any remeasurement of lease liabilities. The cost of the right-of-use asset comprise:

- The amount of the initial measurement of the lease liability recognized
- Any lease payments made at or before the commencement date, less any incentives received
- Any initial direct costs incurred by the Group.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The Group applies IAS 36 Impairment of Assets to determine whether the right-of-use asset should be impaired and to account for any impairment loss identified.

FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognized in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

The Group´s financial assets are derivatives, trade receivables and cash and cash equivalents.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

The Group classifies its financial assets within 2 categories: financial assets at amortized cost and financial asset at fair value through profit and loss.

Financial assets at amortized cost

The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and,
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified, or impaired.

The Group's financial assets at amortized cost includes trade receivables and other short term deposit. Trade receivables are measured at the transaction price determined under IFRS 15 Revenue from contracts with customers. No significant financing components are identified.

Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss include financial assets held for trading, financial assets designated through profit of loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified held for trading if they are acquired for the purpose of selling or repurchasing in the near terms.

Derivatives, including separately embedded derivatives, are also classified as held for trading unless they are designed as effective hedging instruments or is a financial guarantee contract. Derivatives at fair value are carried in the statement of financial position at fair value with net changes in fair value in profit and loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
- The Group has transferred substantially all the risks and rewards of the asset, or
- The Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortized cost, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognizes lifetime expected credit losses (ECL) for contract assets, accounts receivables and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The amount of the impairment loss is recognized in the income statement. Any reversal of previous impairment losses is recognized when the expected loss change. However, an increase in the carrying amount is only recognized to the extent that it does not exceed what the amortized cost would have been if the impairment loss had not been recognized.

Financial liabilities

Financial liabilities are classified, at initial recognition, as loans and borrowings, payables, or as financial liabilities at fair value through profit and loss (derivatives), as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Derivatives are financial liabilities when the fair value is negative, accounted for similarly as derivatives as assets.

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

Payables are measured at their nominal amount when the effect of discounting is not material.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Hedge accounting

As part of the international activity the Group's assets and liabilities as well as expected cash inflows and cash outflows are exposed to changes in the currency rates. Such risk is sought reduced by using currency forward contracts. The currency risk is managed by the parent company in cooperation with the subsidiaries.

From 2021, AKVA group use the requirements in IFRS 9 to perform and evaluate hedge accounting, as opposed to having previously complied with the requirements in IAS 39.

The Group applies IFRS 9 Financial Instruments to account for hedging. At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument
- The effect of credit risk does not dominate the value changes that result from that economic relationship
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

The Group designates the full change in the fair value of a forward contract (i.e. including the forward elements) as the hedging instrument for all its hedging relationships involving forward contracts.

Fair value hedges

Derivatives designated as hedging instruments are measured at their fair value and changes in the fair value are recognized in the income statement as they arise.

Correspondingly, a change in the fair value of the hedged object which is due to the risk that the object is hedged against is recognized in the income statement.

The hedge accounting is discontinued if:

i. the hedging instrument expires or is terminated, exercised, or sold, or
ii. the hedge does not meet the above mentioned hedge requirements, or
iii. the Group chooses to discontinue hedge accounting for other reasons

If the hedge assessment is terminated, the changes which have been made in the carrying amount of the hedged object are amortized over the remaining economic life using the effective interest rate method if the hedging instrument is a financial instrument that has been recognized according to the effective interest rate method.

Cash-flow hedges

The hedge is done on 1:1 relationship between the hedged item and the hedging instrument.

Changes in the fair value of a hedging instrument that meet the criteria for cash flow hedge accounting are recognized as gains or losses in other comprehensive income.

The ineffective part of the hedging instrument is recognized directly in the income statement. In these hedge relationships, the main source for ineffectiveness is changes in timing of the hedged transaction.

If the hedge of a cash flow results in an asset or liability being recognized, all former gains and losses recognized directly in other comprehensive income are transferred from other comprehensive income and included in the initial measurement of the asset or liability. For other cash-flow hedges, gains and losses recognized directly in other comprehensive income are reclassified to the income statement in the same period as the cash flow which comprises the hedged object is recognized in the income statement.

If the hedge no longer meets the criteria for hedge accounting, the hedge accounting is discontinued. The cumulative gain or loss on the hedging instrument recognized directly in other comprehensive income remains separately recognized in other comprehensive income until the forecast transaction occurs.

If the hedged transaction is no longer expected to occur, any previously accumulated gain or loss on the hedging instrument that has been recognized directly in other comprehensive income will be recognized in profit or loss. See note 16 for further information.

INVENTORIES

Inventories, including work in progress, are measured at the lower of cost and net realizable value. The cost of inventories is based on the first-in, first-out (FIFO) principle. Finished goods and work in progress include variable costs and fixed costs that can be allocated to goods based on normal capacity. The net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and estimated costs necessary to make the sale. Obsolete inventories have been fully recognized as costs of goods sold.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of financial position includes cash in hand and at bank. Cash equivalents are short-term liquid investments that can be converted into cash within three months and to a known amount, and which contain insignificant risk elements.

The cash and cash equivalent amount in the cash flow statement do not include overdraft facilities.

IMPAIRMENT OF ASSETS

Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Goodwill, intangible assets with indefinite lives and intangible assets not yet available for use are tested annually for impairment. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets (cash-generating units, CGU's). Goodwill arising from a business combination is allocated to CGU's that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and its value in use. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

If an asset's carrying amount is higher than the asset's recoverable amount, an impairment loss will be recognized in the income statement. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

Except for goodwill, impairment losses recognized in the income statements for previous periods are reversed when there is information that the need for the impairment loss no longer exists or is not as great as it was. The reversal is recognized in the same line item as the impairment. However, no reversal takes place if the reversal leads to the carrying amount exceeding what the carrying amount would have been if normal depreciation periods had been used.

EQUITY

Share capital

Ordinary shares are classified as equity. Costs directly attributable to the issue of new shares or options, net of tax, are shown in equity as a deduction, net of tax, from the proceeds.

Other equity

Translation differences Translation differences arise in connection with currency differences when foreign entities are consolidated.

Currency differences relating to monetary items (liabilities or receivables), which are part of a company's net investment in foreign entities are treated as translation differences.

When a foreign operation is sold, the accumulated translation differences linked to the entity are reversed and recognized in the income statement in the same period as the gain or loss on the sale is recognized.

Hedge reserve

The hedge reserve includes the effective portion of the total net change in the fair value of the cashflow hedge until the hedged cash flow arises or is no longer expected to arise.

Dividends

Dividends payable to the company's shareholders are recognized as a liability in the Group's financial statements when the dividends are approved by the General Meeting.

PROVISIONS

Provisions are recognized when, and only when, the company has a valid liability (legal or constructive) as a result of events that have taken place and it can be proven probable (more probable than not) that a financial settlement will take place as a result of this liability, and that the size of the amount can be measured reliably. Provisions are reviewed on each balance sheet date and their level reflects the best estimate of the liability. Provided provisions to cover the liability will be equal to fair value if the effect of time is insignificant. When the effect of time is significant, the provisions will be the present value of future payments to cover the liability. Any increase in the provisions due to time is presented as interest costs.

Warranties

A provision for warranties is recognized when the underlying products or services are sold, based on historical warranty data.

Obsolete inventory

A provision for obsolete inventory is recognized when the net realizable value is deemed to be below the carrying value.

Bad debt

A provision for bad debt is recognized for expected credit losses.

CONTINGENT LIABILITIES AND ASSETS

Except for in the event of a business combination, neither contingent liabilities nor contingent assets are recognized A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are disclosed except for contingent liabilities where the probability of the liability having to be settled is remote.

Contingent liabilities acquired upon the purchase of a business are recognized at fair value even if the liability is not probable. The assessment of probability and fair value is subject to constant review. Changes in the fair value are recognized in the income statement.

Contingent assets are possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Information about such contingent assets is provided if inflow of economic benefits is probable.

GOVERNMENT GRANTS

Government grants are recognized when there is reasonable assurance that they will be received, and the Group will comply with conditions associated with the grant.

Grants related to assets are presented in the balance sheet by deducting the grant when arriving at the carrying amount of the asset and recognized in the income statement over the useful life of the depreciable asset as a reduced depreciation expense.

Grants that compensate the Group for expenses incurred are recognized in profit and loss on a systematic basis over the periods in which the expenses are recognized.

EVENTS AFTER THE BALANCE SHEET DATE

Events after the balance sheet date that do not affect the company's position at the balance sheet date, but which will affect the company's position in the future are disclosed if significant.

NEW AND AMENDED IFRS ACCOUNTING STANDARDS THAT ARE EFFECTIVE FOR THE CURRENT YEAR

Amendments to IAS 1 Presentation of Financial Statements — Non current liabilities with covenants and classification of Liabilities as Current or Non-Current.

The group has adopted the amendments to IAS 1, published in November 2022, for the first time in the current year.

The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date

STANDARDS ISSUED BUT NOT YET EFFECTIVE

Amendments to IAS 21 Lack of Exchangeability

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 19 Subsidiaries without public accountability: disclosures

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the group in future periods.

Note 2 - Segment information

(in NOK 1 000)

BUSINESS SEGMENTS

For more detailed description and information about products and services included in the business areas, see our business areas and the Board of Directors report.

Intra segment transactions are immaterial, hence no reconciling items are presented in the tables below.

SEA BASED

Main products in Sea Based are feed barges, fish farming pens, feed systems, nets, sensors, cameras, light systems, net cleaning systems and remotely operating vehicles (ROV's).

Polarcirkel™ polyethylene (PE) pens are produced at our facility in Mo i Rana, Norway, and is one of the world's leading fish pen brands. The Polarcirkel™ brand also includes PE-boats designed for extreme conditions for the fish farming industry, diving and the oil and gas service industry.

Steel pens sold under the Wavemaster™ brand are market leaders in Chile and Canada. Wavemaster™ production facility for steel pens is in Puerto Montt, Chile.

The feed barges hold a strong international position in the salmon market and are supplied with centralised feeding systems as well as other technologies from AKVA group. Most of our feed barges are constructed by long-term subcontractors in Estonia and Vietnam, following our design and equipped with our technology. Sperre AS, a subsidiary located at Notodden, Norway, has extensive experience in developing and producing a range of advanced ROV solutions, with applications in aquaculture, as well as the oil service and marine industries.

Egersund Net AS offers nets and moorings, and has an extensive net service network. Using filaments, Egersund Net AS produces its own netting in Norway, which is used in the manufacturing of a variety of standard and specialised fish net designs, all optimized for quality, sustainability and user-friendliness.

LAND BASED

Our Land Based business area designs and deliver recirculation systems for land based fish farming operations. The systems ensure optimal water quality conditions for both freshwater and seawater operations. AKVA group designs these systems in both Norway and Denmark and operates a manufacturing facility for breeding tanks in Sømna, Norway. Our delivery capabilities include design, engineering, tanks, piping, feeding systems, software, cameras, sensors and more. AKVA group has a broad portfolio of systems and holds a strong position in the land based aquaculture industry.

Subsidiaries in the Group for Land Based are AKVA group ASA, AKVA group Land Based Sømna AS (Norway), AKVA group Land Based Americas S.A (Chile),AKVA group Land Based A/S (Denmark), AKVA group Land Based China Co. Ltd. and AKVA group Services China Co. Ltd.

DIGITAL

Digital provides market-leading digital solutions for the aquaculture industry. Acquisition of the remaining 66% shares in Observe Technologies Ltd was completed in Q3 2024. Our current digital solutions are AKVA connect, AKVA observe, AKVA fishtalk, and AKVA submerged.

The main offices for the software activities are in Norway (Klepp and Trondheim).

Note 2

SEA BASED TECHNOLOGY	2024	2023
Operating revenue and other income	2 770 401	2 667 367
Operating expenses	2 440 391	2 396 489
Operating profit before depreciation and amortization (EBITDA)	**330 010**	**270 878**
Depreciation, amortization and impairment	150 391	147 528
Operating profit (EBIT)	**179 618**	**123 350**
Segment assets	3 735 609	3 456 539
Segment liabilities	2 463 510	2 185 723
Investments in tangible and intangible assets	226 929	220 211

LAND BASED TECHNOLOGY	2024	2023
Operating revenue and other income	617 939	632 444
Operating expenses	596 215	665 004
Operating profit before depreciation and amortization (EBITDA)	**21 724**	**-32 560**
Depreciation, amortization and impairment	9 687	9 208
Operating profit (EBIT)	**12 037**	**-41 768**
Segment assets	172 328	152 320
Segment liabilities	247 550	336 875
Investments in tangible and intangible assets	908	638

DIGITAL	2024	2023
Operating revenue and other income	213 450	132 450
Operating expenses	112 440	107 362
Operating profit before depreciation and amortization (EBITDA)	**101 010**	**25 088**
Depreciation, amortization and impairment	36 869	39 069
Operating profit (EBIT)	**64 141**	**-13 981**
Segment assets	145 988	75 073
Segment liabilities	29 640	8 658
Investments in tangible and intangible assets	336 956	42 860

Note 2

Total (in NOK 1 000)	2024	2023
Operating revenue and other income	3 601 789	3 432 262
Operating expenses	3 149 046	3 168 855
Operating profit before depreciation and amortization (EBITDA)	**452 744**	**263 407**
Depreciation, amortization and impairment	196 946	195 805
Operating profit (EBIT)	**255 797**	**67 603**
Assets	4 053 925	3 683 933
Liabilities	2 740 699	2 531 256
Investments in tangible and intangible assets	564 793	263 709

GEOGRAPHICAL INFORMATION
The figures listed below are based on where the legal entities are located.

Operating revenue	2024	2023
Norway	2 105 496	1 904 069
Chile	493 441	370 027
Canada	157 430	282 387
UK	269 737	164 841
Denmark	24 671	28 784
Other	551 014	682 154
Total	**3 601 789**	**3 432 262**

Non-current assets excluding deferred tax assets and long-term financial assets	2024	2023
Norway	2 068 106	1 682 015
Chile	56 937	54 553
Canada	34 076	33 488
UK	58 900	23 787
Denmark	3 853	5 809
Other	40 144	29 447
Total	**2 262 015**	**1 829 099**

Note 2

Total assets (in NOK 1 000)	2024	2023
Norway	3 116 249	2 490 802
Chile	315 632	339 147
Denmark	83 985	196 608
Canada	139 185	192 152
UK	182 176	137 492
Other	216 698	327 732
Total	**4 053 925**	**3 683 933**

Total liabilities	2024	2023
Norway	2 259 772	1 666 420
Denmark	143 027	260 319
Chile	105 885	160 602
Canada	80 686	141 622
UK	64 726	85 897
Other	86 604	216 396
Total	**2 740 699**	**2 531 256**

Investments in the period	2024	2023
Norway	535 033	234 961
Chile	8 483	4 428
UK	17 499	10 626
Denmark	—	388
Canada	3 289	9 643
Other	490	3 663
Total	**564 793**	**263 709**

Revenues by customer
The revenue from the 5 largest customers within all segments and geographic areas are as follows:

Revenues by customer	2024	2023
Customer A	424 972	442 644
Customer B	293 736	250 837
Customer C	215 002	183 481
Customer D	207 984	174 539
Customer E	141 375	130 624

Revenue from customer A is mainly concentrated around the sea based technology segment.

Note 3 - Wages, remunerations, and pensions

(in NOK 1000)

Payroll expenses	2024	2023
Salaries	834 214	813 502
Payroll tax	71 833	70 870
Pension costs	43 986	41 369
Other benefits	26 332	28 113
Total	**976 367**	**953 853**
The number of employees in full time equivalent in the group at year end is:	1 409	1 425

Remuneration

The following tables specifies renumeration to
Executive Personnel and the Board of Directors for the presented periods:

Remuneration to Executive Personnel 2024	Salary[1]	Pension	Other	Accrued - not paid Bonus
Knut Nesse (CEO)	6 121	99	124	1 500
Ronny Meinkøhn (CFO)	3 777	93	124	1 073
Kristian Botnen (COO Sea Based Nordic)	2 754	92	124	589
Johan Fredrik Gjesdal (COO Land Based)	2 749	92	125	589
Asle Kjetil Bratteli (CDO)	2 886	96	124	627
Stig Domaas Førre (COO Sea Based International)	2 658	96	111	—
Glenn Mo (COO Egersund Net)	2 458	79	177	589
Maren Hognestad Sunde (HR Director)	2 227	94	6	442
Ståle Økland (Director Comm. & Sust.)	2 332	94	9	560

[1] Salary includes the value of LTI shares achieved for the year, and any other payments such as allowances and benefits-in-kind with a meaningful monetary value received in the year, if applicable.

Remuneration to Executive Personnel 2023	Salary	Pension	Other	Accrued - not paid Bonus
Knut Nesse (CEO)	5 848	86	127	—
Ronny Meinkøhn (CFO)	3 610	86	124	—
Kristian Botnen (COO Sea Based Nordic)	2 156	86	124	—
Johan Fredrik Gjesdal (COO Land Based)	2 565	86	141	—
Asle Kjetil Bratteli (CDO)	2 759	86	124	—
Stig Domaas Førre (COO Sea Based International)[2]	1 000	86	75	—
Glenn Mo (COO Egersund Net)	3 450	71	1	—
Maren Hognestad Sunde (HR Director)	2 058	86	5	—
Ståle Økland (Director Comm. & Sust.)	2 174	86	5	—

[2] Stig Førre assumed his position as COO Sea Based International in July 2023.

Note 3 - Wages, remunerations, and pensions

Fees to the Board of Directors (in NOK 1 000)	Position	2024	2023
Hans Kristian Mong	Chairperson of the Board	363	345
Kristin Reitan Husebø	Deputy Chairperson of the Board	241	229
Frode Teigen	Member of the Board	223	210
Heidi Nag Flikka	Member of the Board	223	210
Tore Rasmussen	Member of the Board	223	210
Yoav Doppelt	Member of the Board	223	210
Irene Heng Lauvsnes	Member of the Board	223	210
John Morten Kristiansen	Member of the Board	58	53
Odd Jan Håland	Employee elected Member of the Board	58	53
Siv Irén Nesse[1]	Employee elected Member of the Board	—	53
Mona Skåtøy Skadberg[2]	Employee elected Member of the Board	58	—

[1] Siv Irén Nesse stepped down as member of the Board in December 2023
[2] Mona Skåtøy Skadberg assumed her positions as members of the Board 22. December 2023

Incentive schemes

The incentive scheme for Executive Personnel consists of two components:

i. an annual bonus limited to between 30% and 50% of annual salary dependent upon 60% weight on financial targets based on EBIT and 40% weight on strategic KPI's, payable in cash, and
ii. a deferred bonus dependent upon strategic KPI's and financial performance targets (as set out in item i) above), payable in shares..

In 2022 the CEO was granted a stock option instrument. The option agreement gives him the right to acquire 80 000 shares for NOK 70.00 per share. The option can be exercised in the period from April 1, 2025 to August 31 2025, conditional on the CEO being a member of the board of or employed in AKVA group or in one of its subsidiaries. The options can also be exercised prior to the said period if a takeover offer is made and completed, resulting in a change of control in the Company. The Company can settle the options by issuing new shares, deliver own shares (treasury shares) or paying cash compensation equal to the difference between the strike price and the market price for the Company's shares at the time of exercise.

The CEO has an annual fixed salary of MNOK 3.3 and a monthly car allowance of KNOK 10.

The bonus agreement of the CEO is as described above, limited to 50% of annual salary for the annual plan and deferred part payable in shares for the period 2022-2027 with a maximum annual share allocation of 44,520 shares.

The CEO is entitled to 12-month severance payment if his employment agreement is terminated.

The executive personnel were granted new shares in 2024 in line with the long-term incentive plan. The long-term incentive plan was also extended to 2027 to parts of the management team. No new option instruments were granted in 2024. The long term incentive plan (LTI) grant shares based on certain conditions being fulfilled, including that the employee remains employed by the company, that the Group shows a positive EBIT for the relevant year, and that no breaches of covenants have occurred and is existing under the company's external loans and debt facilities for the relevant year and the time the grant is vesting.

Note 3 - Wages, remunerations, and pensions

Outstanding instruments at year-end	Performance Share Unit instruments	Option instruments
Outstanding 31.12.2023	362 600	80 000
Terminated	-10 000	—
Vested 2024	-136 780	—
Granted	271 300	—
Outstanding 31.12.2024	487 120	80 000
Weighted average remaining contractual life	3,53	0,67
Weighted average strike price	—	70,00

Pensions

The pension schemes in all legal entities are defined contribution plans where agreed contributions are expensed as paid. The companies have no further commitments towards pensions when the agreed contributions are paid. All pension costs are included in payroll expenses in the profit and loss statement.

As of 31 December 2024, the Group has no pension liability. According to Norwegian legislation the entities need to have a pension scheme for the employees. The existing pension schemes meet the requirements in the legislation.

Loan and pledge

The Group has not given any loans or pledges to members of the board or Executive Personnel as of 31 December 2024.

Establishment of salaries and other remuneration to Executive Personnel

The remuneration of the Executive Personnel is based on the principle that the base salary shall promote value creation in the company and contribute to coincident interests between owners and the Executive Personnel.

As the leading aquaculture technology supplier, AKVA group is dependent to offer salaries and remunerations that secure that the most competent management is recruited. It is the policy of the Board of Directors that to recruit the most competent management, the company has to offer salaries and remunerations which are satisfactory to the management and can compete in an international market.

The Board of Directors has established a remuneration committee which shall act as a preliminary organ in relation to the board's role in the establishment of remuneration to the chief executive officer and other members in the Executive Personnel. It is the company's policy that the remuneration of the Executive Personnel principally is based on a fixed monthly salary which reflects the tasks and responsibility of the employment.

The remuneration is established on an individual basis. The fixed monthly salary is determined amongst other of the following factors:

- Experience and competence of the executive manager
- Responsibility
- Competition from the market

The agreed pension plan is the same for the executive Personnel as for the rest of the Norwegian employees.

Salary payments after termination of employment is normally related to confidentiality and restrictive competitor agreements in which these payments shall only compensate for the constraints to the resigned employees' permission to enter into a new employment agreement. AKVA group ASA does not use agreements of salary payments after termination of employment without a distinct reason. Remuneration to key personnel is disclosed in the remuneration report.

Fees to auditor	2024	2023
Audit	7 581	5 217
Tax services	383	1 439
Other services	1 348	308
Total	**9 312**	**6 963**

Note 4 - Government grants and subsidies

(in NOK 1000)

Government grants received	2024	2023
"Skattefunn"	7 168	5 047
Other	3 641	2 568
Total	**10 809**	**7 615**

Grants and subsidies cover the operating expenses recognized for the specific projects that are basis for the application of such grants and subsidies. The grants are treated as cost reduction or reduction of capitalized cost in development cost in intangible assets, ref note 7.

In 2024 the total of "skattefunn" is treated as reduction on additions on development cost.

Note 5 - Taxes

Tax expense reported in profit or loss	2024	2023
Current taxes payable	21 230	2 876
Adjustment related to previous periods	-4 837	1 151
Change in deferred taxes	-17 609	-14 809
Total tax expense reported in profit or loss	**-1 217**	**-10 782**

Tax expense reported in other comprehensive income	2024	2023
Cash flow hedges	-2 163	-1 690
Total tax expense reported in other comprehensive income	**-2 163**	**-1 690**

Calculation of the basis for taxation	2024	2023
Profit before tax	125 963	-29 309
Permanent differences	-27 857	-22 776
Change in temporary differences	53 602	-58 945
Tax base	**151 708**	**-111 031**

Specification of temporary differences	2024	2023
Current assets	50 560	60 641
Fixed assets	185 199	142 763
Provisions	-59 615	-58 772
Losses carried forward	-349 236	-235 870
Capped interest (subject to interest limitation rules)	-135 426	-79 599
Other	45 601	-11 646
Total	**-262 917**	**-182 484**

Specification of deferred tax	2024	2023
Calculated deferred tax assets	85 999	72 464
Deferred tax asset not recognised in balance sheet	—	—
Calculated deferred tax liability	-26 921	-30 995
Deferred tax asset	**85 999**	**72 464**
Deferred tax liability	**26 921**	**30 995**

Effective tax rate	2024	2023
Expected income taxes, statutory tax rate of 22%	11 719	-8 881
Permanent differences (22%)	-4 343	-13 521
Deviation between Norwegian and foreign tax rate	989	2 122
Excess(-)/insufficient(+) provisions in former years	-9 581	9 564
Change in non-recognized deferred tax asset	—	—
Income tax expense reported in profit or loss	**-1 217**	**-10 782**
Income tax expense reported in other comprehensive income	-2 163	-1 690
Total income tax expense reported	**-3 380**	**-12 472**

The nominal tax rate in Norway was 22% in 2024. Business operations outside Norway is subject to local tax rates in their country of operation, and nominal tax rates range from 15% to 30%.

In some periods, tax losses carried forward that are not recognised in the balance sheet have caused variations in the effective tax rate. In periods when such assets have not been recognised, the effective tax rate has been higher than the long-term expectation, whereas it has been lower in periods when tax losses not recognised as assets have been utilised.

The Group has a tax loss carry forward of MNOK 349.2. The total tax loss carried forward is included in the balance sheet as deferred tax asset.

The deferred tax asset recognized in the balance sheet is made probable due to future earnings in the subsidiaries and tax planning. About 70% of the tax loss carried forward is related to AKVA group ASA, whilst about 13% is related to AKVA group Land Based Denmark A/S.

An assessment of the future profit for the entities with tax loss carried forward is done, and for the tax loss carried forward included in the balance sheet as deferred tax asset it is expected that profit before tax in the next couple of years will offset the recognized deferred tax asset. The current market conditions look promising for the salmon industry worldwide.

In the financial year 2024, the Group did not meet the annual threshold of at least MEUR 750 of consolidated revenue for the application of the global minimum tax in accordance with the Norwegian Act of 12 January 2024 No.1 relating to supplemental tax on undertaxed income in groups (implementing EU Pilar 2). The Group does not expect to meet the annual threshold for the financial year 2025.

Note 6 - Earnings per share

(in NOK 1000)

	2024	2023
Profit attributable to ordinary equity holders of the parent (in NOK 1 000)	130 157	-17 835
Number of ordinary shares outstanding as of 31.12.	36 667 733	36 667 733
Weighted average number of ordinary shares	36 363 223	36 415 864
Earnings per share (NOK)	3,58	-0,49
Diluted number of shares	36 363 223	36 415 864
Diluted earnings per share (NOK)	**3,58**	**-0,49**

Note 7 - Intangible assets

(in NOK 1000)

2024	Goodwill	Development costs	Other intangible assets	Total
Acquisition cost at 01.01.	783 756	508 760	398 862	1 691 377
Additions related to acquisitions	—	45 097	1 799	46 897
Additions	304 488	90 342	61 485	456 315
Translation differences	16 561	1 588	28	18 177
Disposals	—	-6 262	—	-6 262
Acquisition cost 31.12.	**1 104 804**	**639 526**	**462 174**	**2 206 504**
Accumulated amortization at 01.01.	456	292 301	227 337	520 094
Amortization	—	38 203	7 694	45 871
Translation differences	8	2 749	373	3 157
Accumulated amortization disposals	—	-2 459	—	-2 459
Accumulated amortization 31.12.	**464**	**334 628**	**235 826**	**570 918**
Accumulated impairment 01.01.	—	3 205	10 813	14 018
Impairment	—	—	—	—
Accumulated impairment 31.12.	**—**	**3 205**	**10 813**	**14 018**
Net book value at 31.12.	**1 104 341**	**301 693**	**215 535**	**1 621 569**

2023	Goodwill	Development costs	Other intangible assets	Total
Acquisition cost at 01.01.	748 105	407 799	316 055	1 471 959
Additions related to acquisitions	—	27 577	442	28 019
Additions	—	74 502	90 352	164 854
Translation differences	35 651	1 234	571	37 455
Disposals	—	-2 351	-8 558	-10 910
Acquisition cost 31.12.	**783 756**	**508 760**	**398 862**	**1 691 377**
Accumulated amortization at 01.01.	445	244 239	224 195	468 879
Amortization	—	49 180	2 810	51 913
Translation differences	11	1 234	335	1 656
Accumulated amortization disposals	—	-2 351	-3	-2 355
Accumulated amortization 31.12.	**456**	**292 301**	**227 337**	**520 094**
Accumulated impairment 01.01.	—	3 205	10 813	14 018
Impairment	—	—	—	—
Accumulated impairment 31.12.	**—**	**3 205**	**10 813**	**14 018**
Net book value at 31.12.	**783 300**	**213 254**	**160 712**	**1 157 266**

Goodwill balances are not amortized. For remaining intangible assets, straight-line amortization over the asset's useful economic life is applied. The useful economic life for the intangible assets is estimated as:

- Development costs: 3-8 years
- Patents (included in other intangible assets): 20 years
- Trademarks (included in other intangible assets): 5 years
- Product rights (included in other intangible assets): 5-10 years
- Internal systems (included in other intangible assets): 5-12 years

During the year, the Group expensed MNOK 66.0 (MNOK 93.5 in 2023) on research and development on new products and technology as well as upgrades on existing products. The amount does not include capitalized development costs according to IAS 38 (see table above in this note).

Goodwill:

Goodwill relates to the acquisitions of Wavemaster, Polarcirkel, Maritech, UNI Aqua, Idema, Plastsveis AS, YesMaritime AS, Aquatec Solutions A/S, Sperre AS, Egersund Net AS, Newfoundland Aqua Service Ltd, Submerged AS and Observe Ltd. See impairment test of goodwill below.

Development Costs:
The Group has capitalized all direct costs that are expected to create economic benefits and meet the requirements for capitalization in IAS 38. The capitalized costs relate to software solutions and modules for integrating equipment on fish farming sites, ERP solutions and upgrades for the fish farming industry and upgrades for traditional ERP solutions. It also relates to improved product solutions to help the fish farming industry in becoming more efficient.

Other intangible assets:
The acquisition cost is mostly related to the acquisitions of Superior Systems AS (2001), Vicass (2002), Cameratech (2004), Ocean Service Log (2004), Polarcirkel/Wavemaster (2006), Maritech/UNI Aqua (2007), Idema Aqua (2008), Plastsveis AS (2013), YesMaritime AS (2014), Aquatec Solutions A/S (2015), Sperre AS (2016), Egersund Net AS (2018), Submerged AS (2023) and capitalization of new ERP system.

Note 7 - Intangible assets

(in NOK 1000)

Impairment test of goodwill and intangible assets with indefinite useful life:
Intangible assets with indefinite useful life and goodwill are not amortized. These assets are tested annually for impairment. The brand of Sperre, AD Offshore and Egersund Net are assessed to have an indefinite lifespan effect due to their strong standing and position already achieved within the markets they operate. The fair value of these three intangible assets are the only ones defined with indefinite useful life. Goodwill and intangible assets acquired through business combinations have been allocated to the following cash-generating units:

Book value of goodwill:	2024	2023
Sea Based Technology	639 211	642 857
Digital Solutions	351 754	31 623
Land Based Technology	113 375	108 820
Total goodwill	**1 104 341**	**783 300**

Book value of intangible assets with indefinite useful lifetime	2024	2023
S&AS Sea Based Technology Norway	9 057	9 057
Sea Based Technology	27 057	27 057
Total intangible assets	**36 114**	**36 114**

Discounted cash flow models are used to determine the recoverable amount based on value in use for the cash-generating units. The Group has projected cash flows based on financial budgets and forecasts approved by the Board of Directors. Beyond the explicit budget and forecast period of five years, the cash flows are extrapolated using a constant nominal growth rate.

KEY ASSUMPTIONS USED FOR CALCULATIONS:

Growth rates

The expected growth rates from the cash-generating units converges from its current level experienced over the last few years to the long-term growth level expected for the aquaculture industry. Cash flows beyond a five-year period are extrapolated using a 2.0% growth rate.

Revenue

Revenue is based on budget for the coming year and strategy figures for the period 2026-2028, assessed through a thorough process for all cash-generating units. Thereafter the outlook and expectations within each cash-generating unit is considered and revenue is estimated with a reasonable, but conservative growth rate.

Gross margin

The gross margins, revenues subtracted for cost of goods sold, are only with immaterial changes based on achieved gross margins during the last three years and is aligned with achievements the last year. It is assumed the gross margin will be stable in the years to come. It is expected that any change in the raw material prices during a reasonable time period will be reflected in product market prices and thus not have any material effect on achieved gross margins.

Market share

The calculations assume that market share will not change significantly from the date of the calculation.

Discount rates

Discount rates are based on Weighted Average Cost of Capital (WACC) derived from the Capital Asset Pricing Model (CAPM) methodology. The cost of a company's equity and debt, weighted to reflect its capital structure of 67|33 respectively, derive its weighted average cost of capital. The discount rates take into account the debt premium, market risk premium and gearing, corporate tax rate and asset beta.

In the recoverable amount assessment, the Group has applied estimated cash flows after tax and a corresponding discount rate after tax of 8.68% for all cash-generating units. The pre-tax discount rate is 9.10%. A variation of +/1% does not materially affect the conclusion of the impairment tests.

Sensitivity to changes in assumptions

With regards to the assessment of value-in-use of the different cash-generating units, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to exceed its recoverable amount.

Impact of climate change related risk

The value-in-use estimates used in the impairment analysis considers climate change risk through applying cash flows based on expected developments in climatic conditions affecting the aquaculture industry. Climate risk is an area that Executive Personnel continuously focuses on, and the group experiences that climate factors are increasingly priced into the group's operations, whether it concerns the price of input factors, requirements for climate accounts from customers, profitability variation within the product portfolio and more.

No direct climate risk premium has been made in the value-in-use estimates, as the group believes that this has already been priced into future cash flows, and that macroeconomic factors have been taken into account in determining the discount rate for calculating value-in-use.

Management recognizes that there is an increased pace of change in the industry and associated political landscape and will continue to work towards incorporating quantification of the financial impact of climate change and related policies within AKVA group's annual filings.

Note 8 - Tangible fixed assets

(in NOK 1000)

2024	Land and building	Right-of-use assets	Machinery and equipment	Total
Acquisition cost at 01.01.	56 298	883 688	635 607	1 575 593
Additions related to acquisitions	—	—	492	492
Additions	1 810	56 159	59 280	117 249
Translation differences	620	3 895	14 837	19 352
Disposals	-193	-3 891	-21 223	-25 307
Acquisition cost 31.12.	**58 535**	**939 852**	**688 992**	**1 687 379**
Accumulated depreciation 01.01.	13 430	385 333	478 595	877 357
Accumulated depreciation related to acquisitions	—	—	385	385
Depreciation	2 374	101 329	47 373	151 076
Translation differences	101	2 001	10 699	12 800
Accumulated depreciation disposals	—	-3 049	-18 404	-21 453
Accumulated depreciation 31.12.	**15 904**	**485 614**	**518 646**	**1 020 164**
Accumulated impairment 01.01.	832	23 214	2 356	26 402
Impairment	—	—	—	—
Translation differences	—	367	—	367
Accumulated impairment 31.12.	**832**	**23 581**	**2 356**	**26 769**
Net book value 31.12.	**41 799**	**430 657**	**167 991**	**640 446**

2023	Land and building	Right-of-use assets	Machinery and equipment	Total
Acquisition cost at 01.01.	46 819	774 677	582 075	1 403 571
Additions related to acquisitions	—	944	775	1 719
Additions	10 317	123 359	58 801	192 477
Translation differences	928	3 735	9 036	13 699
Disposals	-1 766	-19 026	-15 081	-35 873
Acquisition cost 31.12.	**56 298**	**883 688**	**635 607**	**1 575 593**
Accumulated depreciation 01.01.	11 650	300 556	430 190	742 397
Depreciation	1 674	95 240	46 961	143 892
Translation differences	106	1 028	7 058	8 174
Accumulated depreciation disposals	—	-11 491	-5 615	-17 106
Accumulated depreciation 31.12.	**13 430**	**385 333**	**478 595**	**877 357**
Accumulated impairment 01.01.	832	22 742	2 356	25 930
Impairment	—	—	—	—
Translation differences	—	472	—	472
Accumulated impairment 31.12.	**832**	**23 214**	**2 356**	**26 402**
Net book value 31.12.	**42 037**	**475 141**	**154 654**	**671 833**

Land balances are not depreciated. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. For remaining tangible assets, straight-line depreciation over the asset's useful economic life is applied. The useful economic life is estimated as:

- Buildings: > 20 years
- Right-of-use assets: 3-15 years
- Machinery and equipment: 3-5 years

Impact of climate change related risk
Climate change leading to more extreme weather and higher water temperatures can potentially make it harder to farm in the sea and disrupt natural ecosystems. Some parts of the world already see increasing water surface temperatures negatively impacting the farming of fish. In other countries, extreme weather conditions such as storms are increasing, requiring adaptation of the fish farms at sea to make them more weather resistant. These changes may lead to increased costs for us as a supplier and an overall decrease in the fish farming industry, both with potential impacts to the Group's income and result.

In the view of the Group, climate change also creates an opportunity for a market of new technology and solutions mitigating the risks such as deep farming solutions. A global focus on reducing greenhouse gas emissions (GHG) may also lead to an increased demand for farmed fish, and possibly expanding the market for the Group. The Group's review of climate risks and opportunities are further detailed in our sustainability statement and taxonomy report.
AKVA group has assessed that the potential negative effect from this currently is uncertain and that it does not constitute an impairment indicator.

Note 9 - Subsidiaries and other long-term investments

(in NOK 1000 unless stated otherwise)

Subsidiaries (consolidated in group accounts)	Consolidated from	Location	Ownership interest 2024	Ownership interest 2023
AKVA group Australasia Pty Ltd	2013	Australia	100%	100 %
AKVA group North America Inc	1995	Canada	100%	100 %
Newfoundland Aqua Service Ltd	2020	Canada	98,5%	98,5 %
AKVA group Chile S.A	1998	Chile	100%	100 %
AKVA Land Based Americas S.A	2021	Chile	100%	100 %
AKVA group Land Based China[1]	2021	China	100%	100 %
AKVA group Land Based A/S	2015	Denmark	100%	100 %
AKVA group Hellas SM PEC	2017	Greece	100%	100 %
UAB Egersund Net[2]	2018	Lithuania	100%	100 %
AKVA group Software AS	1997	Norway	100%	100 %
AKVA group Services AS	2001	Norway	100%	100 %
Helgeland Plast AS	2006	Norway	100%	100 %
Polarcirkel AS	2010	Norway	100%	100 %
AKVA group Land Based Sømna AS	2013	Norway	100%	100 %
Sperre AS	2016	Norway	100%	100 %
Submerged AS	2023	Norway	51%	51 %
Egersund Net AS	2018	Norway	100%	100 %
Egersund Trading AS[2]	2018	Norway	100%	100 %
AKVA group Scotland Ltd	1997	Scotland	100%	100 %
Grading Systems Ltd[2]	2018	Shetland	100%	100 %
AKVA group Espana S.L	2017	Spain	100%	100 %
AKVA Group Turkey Ltd	2005	Turkey	100%	100 %
Observe Technologies Ltd	2024	UK	100%	33,7 %

[1] Subsidiary of AKVA group Land Based Denmark
[2] Subsidiary of Egersund Net AS

AKVA group ASA increased their ownership in Observe Technologies Ltd from 33,69% to 100% in Q3 2024, refer further information in note 19.

Other long-term investments are accounted for, either:
1. using the equity method (investments where AKVA group owns between 20 and 50%) or
2. as financial assets (investments where AKVA group owns less than 20%).

Associates (equity-accounted investees)	Acquisition year	Location	Ownership interest 2024	Ownership interest 2023	Book value
NOFI Oppdrettservice AS	2018	Norway	50%	50%	64 624
Abyss Group AS	2021	Norway	22%	26%	129 788
Emel Balik[1]	2018	Turkey	50%	50%	35 198
Total					**229 608**

[1] In 2024 the group received a dividend of MNOK 5.2 from Emel Balik.

Note 9 - Subsidiaries and other long-term investments

(in NOK 1000 unless stated otherwise)

The following table provides key financials for the material associates, NOFI Oppdrettservice, Emel Balik AS and Abyss Group AS:

Emel Balik	Total (100 %)		AKVA's share (50 %)	
	2024	2023	2024	2023
Revenue	104 023	166 149	52 011	83 074
Profit or loss	3 144	12 875	1 572	6 437
Current assets	56 544	54 471	28 272	27 236
Non-current assets	5 474	2 611	2 737	1 305
Equity	41 031	29 747	20 515	14 873
Current liabilities	19 946	26 978	9 973	13 489
Non-current liabilities	1 043	357	521	178

NOFI Oppdrettservice AS	Total (100 %)		AKVA's share (50 %)	
	2024	2023	2024	2023
Revenue	114 309	88 487	57 154	44 244
Profit or loss	3 395	293	1 698	146
Current assets	383 308	25 566	191 654	12 783
Non-current assets	136 214	140 323	68 107	70 162
Equity	43 106	39 674	21 553	19 837
Current liabilities	14 728	17 444	7 364	8 722
Non-current liabilities	116 688	108 772	58 344	54 386

Abyss Group AS[1]	Total (100 %)		AKVA's share (21,5 %)	
	2024	2023	2024	2023
Revenue	554 000	450 000	119 276	96 885
Profit or loss	8 613	-22 000	1 854	-4 737
Current assets	130 000	198 000	27 989	42 629
Non-current assets	913 000	941 000	196 569	202 597
Equity	266 000	229 000	57 270	49 304
Current liabilities	140 000	250 000	30 142	53 825
Non-current liabilities	637 000	660 000	137 146	142 098

[1] The annual report of Abyss Group AS is not finalized at the date of the publish of AKVA group's annual report. Hence, the figures for 2024 are based on best estimate.

The following table list the remaining investments in the Group:

Other investments (financial assets)	Acquisition year	Location	Ownership interest 2024	Ownership interest 2023	Book value
Nordic Aqua Partners Holding ApS[1]	2020	Denmark	9%	9%	34 787
Nordic Aqua Partners AS[3]	2024	Norway	1%	—%	10 000
Ecofisk AS	2020	Norway	3%	3%	0
Centre for Aquaculture Competence	2002	Norway	33%	33%	150
Blue Planet AS	2004	Norway	15%	15%	300
Other investments			<5 %	<5 %	427
Total					**45 664**

[1] The purpose of Nordic Aqua Partners Holding ApS is solely to own shares in Nordic Aqua Partners AS, which is a listed entity on Euronext Growth. Hence, the booked value of the shares in Nordic Aqua Partners Holding ApS is continuously adjusted to reflect the underlying share value of Nordic Aqua Partners AS.
[2] Despite the fact that the group owns more than 20% of Centre for Aquaculture Competence AS, this investment is not booked according to the equity method. This is based on the purchase agreement which specifies that AKVA group ASA (owner of the shares) is not entitled to the results earned in the company.
[3] AKVA group ASA was allocated 133,333 shares in a private placement in 2024, corresponding to a total subscription amount of approximately NOK 10 million

Note 10 - Inventory

(in NOK 1000)

Inventory	2024	2023
Raw materials (at cost)	287 980	253 700
Work in progress (at cost)	33 344	50 842
Finished goods (at net realisable value)	328 044	324 076
Total	**649 367**	**628 614**
Write-down of obsolete inventory 01.01.	17 366	18 551
Change in write-down of obsolete inventory during the year	882	-1 185
Write-down of obsolete inventory 31.12.	**18 248**	**17 366**

The write down of obsolete inventory at year-end is related to finished goods.

Note 11 - Receivables
(in NOK 1000)

ACCOUNTS RECEIVABLES

The recorded accounts receivables are shown net of estimated bad debt loss. The estimated bad debt loss is:

Bad dept provisions	2024	2023
Bad debt provision 01.01.	5 330	6 684
Provisions made during the year	—	186
Provisions used during the year	324	-1 540
Bad debt provision 31.12.	**5 655**	**5 330**

Recorded bad debt cost during the year	-41	-1 671
Change in bad debt provision	-284	3 024
Total bad debt cost during the year	**-324**	**1 354**

Actual credit losses experienced over the last 3 years are analysed to assess the credit risk within receivables and expected credit loss (ECL). In the risk assessment, economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables are considered. In the assessment of ECL the Group analyses the ageing of trade receivables and take into consideration segment specific risk factors identified as part of the analysis of actual historical losses. Segment specific factors to be considered may be credit risk characteristics such as geographic region, age of customer relationship and type of product purchased.

Based on the credit risk assessment and expected credit loss, a provision for bad debt is recognized based on the calculation of lifetime expected losses. In addition, specific provisions are recorded if risks of credit losses on specific trade receivable balances are identified.

Reference is made to note 16 for more details of credit and currency risk related to accounts receivables.

As of 31 December, the Group had the following ageing profile of accounts receivables:	2024	2023
Not due	259 582	222 684
Due <30 days	78 932	97 792
Due 31-60 days	16 033	23 416
Due 61-90 days	11 777	4 671
Due >91 days	36 884	23 899
Total	**403 207**	**372 463**
Bad debt provisions	5 655	5 330

OTHER RECEIVABLES

No bad debt provision has been made for other receivables, including contract assets.

Note 12 - Cash and cash equivalents

(in NOK 1000)	2024	2023
Cash	160 907	219 394
Restricted funds	283	—
Total cash and cash equivalents	**161 190**	**219 394**

The group has entered into a tax deduction guarantee agreement for all the Norwegian entities except for the newly acquired Submerged AS. The restricted funds are fully related to Submerged AS.

The group has an overdraft facility of MNOK 300 and a revolving credit line of MNOK 800 in DNB. As of 31 December 2024, MNOK 67.6 of the overdraft facility was utilized, at year-end 2023 MNOK 0 was utilized. As of December 31, 2024 721 MNOK of the revolving credit line was utilized. On 31 December 2023 MNOK 500 of the revolving facility was utilized.

Note 13 - Shareholders

AKVA group ASA

The company's share capital is MNOK 36.7 divided into 36.7 million shares, each with a par value of NOK 1. The company has only one category of shares and all shares entitle shareholders to equal rights in the company.

The Annual General Meeting (AGM) in May 2024 authorized the Board of Directors to acquire shares for up to an amount of NOK 916,693 which equals approximately 2.5 % of the company's share capital. Acquisition of shares pursuant to this authorization may only take place if the company's distributable reserves according to the most recent balance sheet exceed the remuneration for the shares to be acquired. The authorization was valid until the AGM in May 2025, however, not later than until 30 June 2025. This authorization replaces the authorization to the board to purchase own shares, given by the General Meeting on 11 May 2023.

In the same AGM in 2024 the Board of Directors were authorized to increase the company's share capital by up to NOK 3,666,773, through subscription of new shares. The authorization does not authorize the board to waive the pre-emptive right of shareholders pursuant to section 10-4 of the Public Limited Liability Companies Act (the "Act"), nor carry out a capital increase through payments in non-monetary assets, nor incur special obligations on behalf of the company as set out in section 10-2 of the Act, nor decisions on mergers pursuant to section 13-5 of the Act and may not be used in connection with the company's option program. The authorization shall be in force until the earlier of the time of the Annual General Meeting in 2025 and 30 June 2025. This authorization replaces all previous authorizations to the board to increase the company's share capital

Based on the authorisation from AGM on 11 May 2023 and 2 May 2024, the Board of Directors decided to initiate a share buy-back programme for up to 200.000 shares. The programme was initiated 22 March 2024, and terminated on 15 August 2024. Buyback transactions was executed according to the market price on the Oslo Stock Exchange. The maximum number of shares purchased in one day was 3,532 shares corresponding to 25% of the average daily trading volume on the OSE during the month of February, being the month preceding the month of disclosure.

At the start of 2024 AKVA group ASA owned 230.663 own shares. During buyback programme AKVA group ASA initiated buybacks of a total of 200.000 shares., amounting to MNOK 13.2. AKVA group owns a total of 358,716 shares at December 31 2024.

The 20 largest shareholders at 31.12.24	Number of shares	Ownership %
EGERSUND GROUP AS	18 703 105	51,01 %
Israel Corporation Ltd	6 600 192	18,00 %
PARETO AKSJE NORGE VERDIPAPIRFOND	2 194 322	5,98 %
J.P. Morgan SE	1 683 750	4,59 %
SIX SIS AG	892 809	2,43 %
VERDIPAPIRFONDET ALFRED BERG GAMBA	791 167	2,16 %
FORSVARETS PERSONELLSERVICE	539 940	1,47 %
J.P. Morgan SE	400 621	1,09 %
AKVA GROUP ASA	358 716	0,98 %
MP PENSJON PK	314 771	0,86 %
J.P. Morgan SE	289 606	0,79 %
J.P. Morgan SE	256 590	0,70 %
VERDIPAPIRFONDET ALFRED BERG NORGE	221 502	0,60 %
VERDIPAPIRFONDET EQUINOR AKSJER NO	161 279	0,44 %
NESSE & CO AS	130 000	0,35 %
VERDIPAPIRFONDET ALFRED BERG NORGE	128 000	0,35 %
DAHLE	125 795	0,34 %
VERDIPAPIRFONDET ALFRED BERG AKTIV	122 659	0,33 %
JAKOB HATTELAND HOLDING AS	100 800	0,27 %
ASKVIG AS	100 000	0,27 %
Other shareholders	2 552 109	6,96 %
Total	**36 667 733**	**100,00 %**

Shares owned by members of the Board of Directors	Number of shares
Frode Teigen with family and Hans Kristian Mong with family as owners of Egersund Group AS[1]	18 711 605
Kristin Reitan Husebø	1 200
Tore Rasmussen	15 000
Olav Austbø	1 285

[1] Frode Teigen with family, through Kontrazi AS, and Hans Kristian Mong with family, through Hådyr AS, owns 50% each in Egersund Group AS

Shares owned by Executive Personnel	Number of shares
Knut Nesse (CEO)	195 449
Ronny Meinkøhn (CFO)	23 418
Johan Fredrik Gjesdal (COO Land Based)	12 227
Kristian Botnen (COO Sea Based Nordic)	11 679
Glenn Mo (COO Egersund Net)	10 520
Asle Kjetil Bratteli (CDO)	10 520
Maren Hognestad Sunde (HR Director)	10 520
Ståle Økland (Director Comm. & Sust.)	10 520

Note 14 - Interest-bearing debt

(in NOK 1000)

Interest-bearing debt:	Currency	Nominal interest rate	2024	2023
Non-current liabilities to financial institutions	NOK	Nibor + 1.80%	1 043 950	862 317
Non-current lease liabilities	NOK, EUR, DKK, GBP, TRY, CLP, CAD, AUD	IBR	356 445	405 466
Current liabilities to financial institutions	NOK	Nibor + 1.80%	108 127	37 500
Current lease liabilities	NOK, EUR, DKK, GBP, TRY, CLP, CAD, AUD	IBR	95 065	90 560
Total			**1 603 587**	**1 395 843**
Average interest rate			6,44%	7,03%

REPAYMENT OF DEBT

The Group's interest-bearing debt matures as follows:	2024	2023
2024	—	128 060
2025	134 421	944 037
2026	127 236	79 740
2027	1 149 874	69 924
2028	50 863	45 154
2029	41 363	34 654
After 2029	99 824	94 272
Total	**1 603 587**	**1 395 843**

THE TERMS AND CONDITIONS OF OUTSTANDING LOANS TOWARD DNB ARE AS FOLLOWS:

Outstanding bank loans from DNB	Currency	Nominal interest rate	Carrying amount 2024	Carrying amount 2023
Secured bank loan revolving credit facility	NOK	Nibor + 1.80%	355 000	356 251
Secured bank loan	NOK	Nibor + 1.80%	721 250	537 500
Total			**1 076 250**	**893 750**

Liabilities secured:	2024	2023
Liabilities secured with assets	1 152 077	899 817
Bank guarantee liabilitites	139 269	153 102
Parent company guarantee liabilities	11 050	53 410

Assets pledged as security for debt:	2024	2023
Accounts receivable	169 813	134 959
Inventory	436 189	431 997
Shares in subsidiaries[1]	1 291 372	1 280 131
Other assets	481 185	530 852
Total	**2 378 559**	**2 377 939**

[1] In 2024 and 2023 the shares in AKVA group Land Based Sømna AS, AKVA group Services AS, AKVA Group Software AS, Sperre AS, Helgeland Plast AS, Egersund Trading AS, Egersund Net AS, AKVA group Land Based A/S, AKVA group Chile S.A and AKVA group Scotland Ltd. are pledged.

Note 14 - Interest-bearing debt

(in NOK 1000)

Refinancing with DNB

During the year, the company successfully refinanced its existing debt under similar terms and conditions with additional MNOK 150 in revolving facility. The refinancing ensures continued financial stability.

Loan covenants to DNB

The group has adopted the amendments to IAS 1 Presentation of Financial Statements — non current liabilities with covenants, published in November 2022, for the first time in the current year. The amendment state that only covenants that an entity is required to comply with on or before the reporting date affect the classification of liabilities as current or non-current.

In the loan documents from DNB the following financial loan covenants are set:

- The leverage ratio of the net interest-bearing debt over twelve months rolling EBITDA shall not exceed 4,50
- Equity ratio for AKVA group shall not be less than 25%

AKVA group is required to comply with the covenants on the reporting date. The covenants are tested and reported by a compliance certificate to the bank on a quarterly basis. AKVA group has been in compliance with all covenants in 2024 and 2023. AKVA's outlook for 2025 is increased EBITDA in line with financial guiding and management works actively to improve financing obligations. As such, AKVA expects comfortable headroom and compliance with all covenants in 2025.

Following the adaption of the amendments, AKVA group has reassessed the loan agreements and the amendment has no impact on classification. The Group has applied judgment in determining which covenants impact liability classification based on the revised IAS 1 guidance. The refinancing with DNB in 2024 yields stability in the coming years related to the loan covenants, however future changes in the financial covenants could affect the classification of liabilities. The Group continues to closely monitor its financial performance to ensure compliance with financial covenants.

Reconciliation of movements in cash flows arising from financing activities:

The part of the secured bank loan which is subject for repayment within a year is classified as current liability which amounts to MNOK 38. The part of the bank debt that is not subject for repayment in 2025 is classified as long term debt. Refer to the balance sheet and the table on the next page for further details. Other borrowings issued by the group do not contain any covenants.

Net interest-bearing debt over twelve months rolling EBITDA was 3.00 as of 31 December 2024. The equity ratio in AKVA group was 32,4% and equity was MNOK 1.305 as of 31 December 2024.

Loan Covenant	2024
Cash and cash equivalents including other liquid assets	258
Own shares	24
Long term interest bearing debt	1 044
Liabilities to financial institutions	146
Lease Liability	452
Net interest bearing debt	1 358
EBITDA	453
NIBD/EBITDA (12months rolling)	**3,00**

	Note	Bank overdraft	Liabilities to financial institutions	Other long-term liabilities	Lease liabilitites	Other long-term financial assets	Share capital / premium	Reserves (translatio n differences)	Cash flow hedges reserves	Retained earnings	NCI	Total
Balance at 01.01.2024		**—**	**899 817**	**59 777**	**496 026**	**-46 895**	**1 222 693**	**-13 169**	**-177**	**-56 608**	**10 225**	**2 571 690**
CHANGES FROM FINANCING CASH												
Repayment of borrowings		—	-38 367	-1 747	—	490	—	—	—	—	—	-39 624
Proceeds from borrowings		70 627	220 000		—	—	—	—	—	—	—	290 627
Repayment of lease liabilities		—	—	—	-81 058	—	—	—	—	—	—	-81 058
Interest received(+)/paid(-)	15	-14 887	-59 380	—	-23 018	—	—	—	—	—	—	-97 284
Total changes from financing cash flows		**55 740**	**122 254**	**-1 747**	**-104 076**	**490**	**—**	**—**	**—**	**—**	**—**	**72 660**
The effect of changes in foreign exchange		—	—	5 814	—	—	—	25 438	—	—	—	31 252
Changes in fair value		—	—	—	—	—	—	—	—	—	—	—
OTHER CHANGES												
Liability-related												
Adjustments related to prior periods		—	—	—	—	-15 000	—	—	—	-5 904	—	-20 904
Debt related to contingent consideration and fixed seller credit	19	—	—	113 172	—	—	—	—	—	—	—	113 172
Translation differences		—	—	—	—	—	—	—	—	—	—	—
Interest income(-)/expense(+)	15	14 887	59 380	—	23 018	—	—	—	—	—	—	97 284
Debt related to subscription fee ERP		—	—	19 290	—	—	—	—	—	—	—	19 290
New leases		—	—		36 541	—	—	—	—	—	—	36 541
Total liability-related other changes		**14 887**	**59 380**	**132 462**	**59 559**	**-15 000**	**—**	**—**	**—**	**-5 904**	**—**	**245 384**
Total equity-related other changes		—	—	—	—	—	-444	—	7 667	133 730	-2 977	137 976
Balance at 31.12.2024		**70 627**	**1 081 450**	**196 307**	**451 510**	**-61 404**	**1 222 249**	**12 269**	**7 490**	**71 218**	**7 248**	**3 058 964**

Note 15 - Specification of items that are grouped in the financial statement

(in NOK 1000)

Other income	2024	2023
Profit from sale of tangible fixed assets	—	1 340
Gain related to Observe transaction	75 552	—
Other	1 258	5 670
Total other income	**76 810**	**7 010**

Other operating expenses	2024	2023
Accomodation, materials, equipment and maintenance	115 023	109 097
Marketing, travelling and communication	46 642	49 160
Other operating expenses	77 012	60 493
Total other operating expenses	**238 676**	**218 750**

Financial Income	2024	2023
Other interest income	5 662	9 350
Change in fair value of financial assets	—	10 953
Other financial income	—	687
Total financial income	**5 662**	**20 990**

Financial Expenses	2024	2023
Interest expenses	79 935	72 506
Interest on lease liabilities	23 018	22 741
Agio loss	14 824	15 251
Impairment financial assets	5 500	—
Change in fair value of financial assets	3 996	—
Other financial expenses	8 223	7 404
Total financial expenses	**135 496**	**117 902**

Other receivables	2024	2023
Hedging balance	12 284	1 019
Prepaid expenses	38 318	19 296
Other receivables	38 727	47 695
Total other receivables	**89 328**	**68 010**

Other non-current liabilities	2024	2023
Government loans	17 255	26 622
Other non-current liabilities	179 051	33 155
Total other current liabilities	**196 306**	**59 777**

Other current liabilities	2024	2023
Hedging balance	1 635	1 196
Accrued costs	28 414	21 873
Warranty provision	54 053	43 754
Other current liabilities	196 744	182 967
Total other current liabilities	**280 846**	**249 790**

The provisions for warranties relate to projects and products in the Sea Based and Land Based business areas. The provisions have been estimated based on historical warranty data associated with similar projects, products, and services, and are calculated solely on the basis of the expected compensation AKVA group gives. The timeframe for settlement of the warranty provisions varies based on type of product and project.

The acquisition of 100% ownership in Observe which was completed during Q3 2024 resulted in a gain of MNOK 75.5 which is classified as other income. The gain is a result of the step acquisition were AKVA remeasured previously held ownership of 33,7% at fair value in accordance with IFRS 3.

Note 16 - Financial instruments and risk management

(in NOK 1000)

ACCOUNTING CLASSIFICATIONS AND FAIR VALUES

The following table shows the accounting classification, carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		2024		2023	
		Carrying amount	Fair value	Carrying amount	Fair value
FINANCIAL ASSETS					
Cash	Amortized cost	161 190	161 190	219 394	219 394
Trade receivables	Amortized cost	397 552	397 552	367 133	367 133
Other current assets	Amortized cost	89 328	89 328	68 010	68 010
Other long-term receivables	Amortized cost	26 617	26 617	8 113	8 113
Interest rate swap	FVTPL	5 065	5 065	—	—
Other long-term financial assets	FVTPL	34 787	34 787	38 783	38 783
Forward currency contracts[1]	FVTPL	7 219	7 219	1 019	1 019
Total		**721 758**	**721 758**	**702 452**	**702 452**
FINANCIAL LIABILITIES					
Bank overdraft		70 626	70 626	—	—
Trade payables	Amortized cost	307 546	307 546	328 421	328 421
Loans	Amortized cost	1 081 450	1 081 450	899 817	899 817
Lease liabilities	Amortized cost	451 510	451 510	496 026	496 026
Fixed seller credit [3]	Amortized cost	91 628	91 628	—	—
Contingent consideration[3]	FVTPL	56 143	56 143	—	—
Forward currency contracts[2]	FVTPL	1 635	1 635	1 196	1 196
Total		**2 060 539**	**2 060 539**	**1 725 460**	**1 725 460**

[1] The amount is included in other receivables in the Consolidated Statement of Financial Position
[2] The amount is included in other current liabilities in the Consolidated Statement of Financial Position
[3] Related to the business combination. Refer to note 19 for further information

DETERMINATION OF FAIR VALUE

The fair value of forward exchange contracts is determined using the forward exchange rate at the balance sheet date. The fair value of currency swaps is determined by the present value of future cash flows. The fair value of options is determined using option pricing models. For all the above-mentioned derivatives, the fair value is confirmed by the financial institution with which the Group has entered the contracts.

The following of the Group's financial instruments are not measured at fair value: cash and cash equivalents, trade receivables, other current assets, overdraft facilities and long-term debts.

The carrying amount of cash and cash equivalents and overdraft facilities is approximately equal to fair value since these instruments have a short term to maturity. Similarly, the carrying amount of trade receivables and trade payables is approximately equal to fair value since they are entered into on "normal" terms and conditions. Parts of the borrowings are at floating interest rates which implies a book value in accordance with fair value. A portion of the borrowings are hedged using a interest rate swap exchanging variable rate interest for fixed rate interest.

The fair value of financial assets and liabilities recognized at their carrying amount is calculated as the present value of estimated cash flows discounted by the interest rate that applies to corresponding liabilities and assets at the balance sheet date.

Note 16 - Financial instruments and risk management

(in NOK 1000)

FAIR VALUE HIERARCHY

As of 31 December 2024, the Group held financial instruments measured at fair value as mentioned below:

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data

Financial instruments at fair value	31.12.24	Level 1	Level 2	Level 3
Financial assets - Forward currency contracts	7 219	—	7 219	—
Financial assets - Interest rate swap	5 065	—	5 065	—
Financial assets - Investments	34 787	34 787	—	—
Financial liabilities - Contingent consideration	56 143	—	—	56 143
Financial liabilities - Forward currency contracts	1 635	—	1 635	—

Financial instruments at fair value	31.12.23	Level 1	Level 2	Level 3
Financial assets - Forward currency contracts	1 019	—	1 019	—
Financial assets - Investments	38 783	38 783	—	—

There have been no transfers between levels during the period.

Financial risk management

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers.

Part of the sale is credit sales where the Group is exposed to credit risk towards the customer. For larger projects there are normally pre-payments from the customers and milestone payments along the progress of the project which reduces the credit risk towards the customers.

Note 16 - Financial instruments and risk management

(in NOK 1000)

To some extent the Group uses trade finance instruments, such as letter of credit and guarantee letters, to reduce credit risk. The Group has generally had low losses on outstanding receivables despite having old receivables in the balance sheet occasionally. In general, old receivables relates to delays or stop in projects whereas the responsible entity for the delivery of the project has made an agreement with the customer to await payment of the invoice. For details of ageing of accounts receivables, see note 11.

The carrying amounts of financial assets and contract assets represent the maximum credit exposure.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its risk to a shortage of liquid funds using cash flow prognosis. The objective is to maintain a balance in the funding using bank overdrafts, bank loans with different pay back periods, debentures, and finance lease. The Management follows the development of the working capital closely because the development in the working capital has the most important impact on the liquidity situation on short term.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

2024	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Loans and borrowings	9 511	31 407	1 128 031	188	1 169 137
Lease liabilities	21 304	74 016	256 738	99 560	451 618
Trade and other payables	333 061	642	—	—	333 703
Financial derivatives	77 214	23 273	65 262	—	165 749
Total	**441 090**	**129 338**	**1 450 031**	**99 748**	**2 120 208**

2023	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Loans and borrowings	9 375	28 125	874 220	6 185	917 905
Lease liabilities	20 761	72 615	274 312	127 927	495 615
Trade and other payables	375 626	—	—	—	375 626
Financial derivatives	56 004	26 335	7 365	—	89 704
Total	**461 767**	**127 075**	**1 155 897**	**134 112**	**1 878 851**

As disclosed in Note 14, the Group has secured bank loans that contains a loan covenant. A future breach of covenant may require the Group to repay the loan earlier than indicated in the above table. Under the agreement, the covenant is monitored on a regular basis and reported to management to ensure compliance with the agreement.

Market risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Group uses derivatives to manage market risks related to foreign exchange rates. All such transactions are carried out within the guidelines set by the risk management committee. Generally, the Group seeks to apply hedge accounting to manage volatility in profit or loss.

a. Currency risk

As part of the international activity the Group's assets and liabilities as well as expected cash inflows and cash outflows are exposed to changes in the currency rates.

Note 16 - Financial instruments and risk management

(in NOK 1000)

The following significant exchange rates have been applied for the reporting period:

	Average rate		Year-end spot rate	
NOK vs	2024	2023	2024	2023
EUR	11,62	11,42	11,80	11,24
GBP	13,74	13,14	14,22	12,93
USD	10,75	10,56	11,35	10,17
CAD	7,84	7,83	7,89	7,68
AUD	7,09	7,02	7,03	6,91

A reasonably possible strengthening (weakening) of the euro, sterling, or US dollar against all other currencies at 31 December would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

31.12.24	KNOK effect on profit before tax by +10%/-10% change in			KNOK effect on book equity by +10%/-10% change in		
	GBP	EUR	USD	GBP	EUR	USD
10%	1 146	-2 483	693	1 146	-2 734	1 453
(10)%	-1 146	2 483	-693	-1 146	2 734	-1 453

31.12.23	KNOK effect on profit before tax by +10%/-10% change in			KNOK effect on book equity by +10%/-10% change in		
	EUR	CAD	CLP	EUR	CAD	CLP
10%	383	6 739	5 226	11 218	-1 633	5 226
(10)%	-383	-6 739	-5 226	-11 218	1 633	-5 226

The Group's currency risk is sought reduced by using currency forward contracts. The currency risk is managed by the parent company in cooperation with the subsidiaries.

The Group uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date. These contracts are generally designated as cash flow hedges. The Group designates the spot element of forward foreign exchange contracts to hedge its currency risk and applies a hedge ratio of 1:1. The Group's policy is for the critical terms of the forward exchange contracts to align with the hedged item

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount, and timing of their respective cash flows. The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item.

Note 16 - Financial instruments and risk management

(in NOK 1000)

The Group's currency risk is sought reduced by using currency forward contracts. The currency risk is managed by the parent company in cooperation with the subsidiaries.

The Group uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date. These contracts are generally designated as cash flow hedges. The Group designates the spot element of forward foreign exchange contracts to hedge its currency risk and applies a hedge ratio of 1:1. The Group's policy is for the critical terms of the forward exchange contracts to align with the hedged item.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount, and timing of their respective cash flows. The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item.

I. CASH FLOW HEDGES

The Group uses currency forward contracts to reduce the exposure of changes in currency rates due to having revenues and costs denominated in different currencies. The expected cash flows subject to hedging are expected to take place during the 2024 and hence be recognized in the income statement during the same period. At the end of the year the Group had the following positions in forward contracts to hedge expected future cash flow:

Cash flow hedges Currency (in 1 000)	Bought/sold	Net currency amount
Euro	Bought	5 008
Amercian Dollar	Bought	2 092
Norwegian Kroner	Bought	75 222

At the end of the year, it was recorded a gain of MNOK 7.7 directly against other comprehensive income related to hedging of expected future cash flow.

II. FAIR VALUE HEDGES

To hedge the value of the items in the balance sheet denominated in a foreign currency the Group had the following positions in forward contracts at the end of the year:

Fair value hedges Currency (in 1 000)	Bought/sold	Net currency amount
British Pound	Sold	6 618
Norwegian Kroner	Bought	90 527

Profit and loss from the above currency contracts are recorded directly via the income statement under financial items. At the end of the year MNOK 5.5 was recorded as an unrealized gain. The forward contracts are valued at estimated fair value.

Note 16 - Financial instruments and risk management

(in NOK 1000)

2024 Currency	Hedging instruments	Nominal amount (NOK)	Average exchange rate	Carrying amount 31.12 (NOK)		Change in fair value recognized in OCI (NOK)	Change in fair value recognized in profit or loss (NOK)
				Assets	Liabilities		
	Cash flow hedges						
EUR	Sales and receivables	5 213 309	11,67	—	50 824	-97 606	—
	Purchases and payables	58 346 458	11,65	858 103	21 678	1 095 503	—
	Cash flow hedges						
USD	Sales and receivables	—	—	—	—	-145 181	—
	Purchases and payables	22 088 732	10,56	1 639 543	—	2 222 057	—
	Cash flow hedges						
	Sales and receivables	—	—	—	—	—	—
GBP	Fair value hedges						
	Borrowings	-90 527 158	13,68	4 720 916	1 562 834	—	5 454 006
	Cash flow hedges						
CAD	Sales and receivables	—	—	—	—	72 049	—
	Purchases and payables	—	—	—	—	—	—
AUD	**Cash flow hedges**						
	Sales and receivables	—	—	—	—	-545 165	—
NOK	**Cash flow hedges**						
	Interest rate swap	500 000 000	—	5 064 966	—	5 064 966	—
	Cash flow hedges						
	Sales and receivables	5 213 309	N/A	—	50 824	-715 904	—
Total (NOK)	Purchases and payables	80 435 191	N/A	2 497 646	21 678	3 317 560	—
	Fair value hedges						
	Borrowings	-90 527 158	N/A	4 720 916	1 562 834	—	5 454 006

All hedge balances are presented as other receivables or other current liabilities in the balance sheet.

2023 Currency	Hedging instruments	Nominal amount (NOK)	Average exchange rate	Carrying amount 31.12 (NOK) Assets	 Liabilities	Change in fair value recognized in OCI (NOK)	Change in fair value recognized in profit or loss (NOK)
	Cash flow hedges						
EUR	Sales and receivables	2 300 093	11,47	46 782	—	647 950	—
	Purchases and payables	23 726 776	11,34	131 499	390 577	-184 668	—
	Cash flow hedges						
USD	Sales and receivables	2 041 205	10,99	145 181	—	132 296	—
	Purchases and payables	7 364 171	10,99	—	582 514	435 778	—
	Cash flow hedges						
	Sales and receivables	—	—	—	—	1 955	—
GBP	**Fair value hedges**						
	Borrowings	22 024 627	11,75	—	2 295 924	—	-1 789 270
	Cash flow hedges						
CAD	Sales and receivables	17 537 694	7,67	150 461	222 510	3 096 755	—
	Purchases and payables	—	—	—	—	268 483	—
	Cash flow hedges						
DKK	Sales and receivables						
	Purchases and payables	—	—	—	—	1 047 278	—
	Sales and receivables	14 709 878	7,18	545 165	—	545 165	—
	Cash flow hedges						
AUD	Sales and receivables	36 588 869	N/A	887 590	222 510	4 424 123	—
	Fair value hedges						
	Cash flow hedges						
	Sales and receivables	36 588 869	N/A	887 590	222 510	4 424 123	—
Total (NOK)	Purchases and payables	31 090 947	N/A	131 499	973 091	1 566 871	—
	Fair value hedges						
	Borrowings	22 024 627	N/A	—	2 295 924	—	-1 789 270

All hedge balances are presented as other receivables or other current liabilities in the balance sheet.

Note 16 - Financial instruments and risk management

(in NOK 1000)

B. INTEREST RATE RISK

In 2024 AKVA Group ASA entered into an interest rate swap agreement to manage its exposure to fluctuations in interest rates on parts of the floating-rate debt. The interest rate swap effectively converts variable interest payments to fixed interest payments over the duration of the agreement, thereby reducing the risk of variability in cash flows attributable to interest rate changes.

Details of the Interest Rate Swap:

- Notional amount: NOK 500,000,000
- Effective date: January 4, 2024
- Maturity date; November 30, 2026
- Fixed interest rate: 3,57% p.a.
- Floating rate index: 3-month NOK-NIBOR-NIBR

Rest of the Group's interest-bearing debt is based on a floating interest rate which implies that interest payments over time will fluctuate according to the changes in the interest rate level. Most of the interest-bearing debt is in NOK. To reduce the interest rate risk, it is the strategy of the Group to have a balanced mix between equity and debt financing vs the market risk in its industry. With the interest-bearing debt at year end, interest cost would have been MNOK 12.6 higher with a 1% higher average interest rate during the year and MNOK 12.6 lower with a 1 % lower average interest rate during the year.

The group’s sensitivity to interest rates has decreased during the current year mainly due to the reduction in variable rate debt instruments and the increase in interest rate swaps to swap floating rate debt to fixed rate debt.

C. MACROECONOMIC RISK

In 2024 about 95% of the revenues of the company came from customers producing salmon, a increase from a share of 88% in 2023. To decrease the Group’s dependency of the salmon industry the Group works to increase the share of revenues related to the aquaculture of other species than salmon. Due to the market variation in the different salmon markets the revenues can vary between years. Still, the aquaculture industry in general is expected to be a high growth industry in the foreseeable future.

Based on the assumption that a change in sales will not affect the product gross margin and that other operating costs short term only will change 50% of the change in sales a change in the revenues of the Group would have had the following impact on net income (22% tax rate used):

Change in sales	Change in net profit/ equity (in NOK 1 000)
10%	82 701
5%	41 350
2%	16 540
-2%	-16 540
-5%	-41 350
-10%	-82 701

To further evaluate the Group's sensitivity to changes in the different markets see more details in note 2 about market size.

D. CLIMATE RISK

Climate change has been identified as a market risk which can potentially impact AKVA group's business in the short, medium, and long term. The physical related climate risks and opportunities relate to extreme weather events, sea levels and temperatures, the frequency of algae blooms, and the availability of the raw materials for our customer's operations, which in turn directly can impact AKVA group's operations as reduced order intake. In addition, AKVA group is experiencing an increased focus from our customers to be able to provide information about our climate accounts within our products and services. Within a relatively short time, we estimate that the latter will be emphasized by our customers when choosing their supplier, which means that working with our own climate emissions is also a risk and opportunity in this connection.

The Executive Personnel in AKVA group regularly carries out analysis on key sustainability and climate risks, to identify if they could significantly affect the group's ability to execute its business strategy and operations.

The key actions to address these risks are:

- Internal policies and procedures,
- Development and analyzes of relevant KPI's,
- Development of a low carbon transition plan

Refer to the sustainability statement in the Board of Directors report for further information on these matters.

CAPITAL STRUCTURE AND EQUITY

The primary focus of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio to support its business and maximize shareholders value. The Group manages its capital structure and makes adjustment to it, considering changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

Dividends paid	Per share
2020	1,00
2021	1,00
2022	1,00
2023	0,00
2024	0,00

Note 16 - Financial instruments and risk management

(in NOK 1000)

The Group has been compliant with the dividend policy when paying out dividend, see note 21. The Group monitors capital using a gearing ratio, which is net interest-bearing debt divided by total equity plus net debt. The Group includes within net interest-bearing debt, interest bearing loans and borrowings less cash and cash equivalents. Capital includes equity attributable to equity holders of the parent less the net unrealized gains reserve.

	2024	2023
Interest bearing debt	1 603 587	1 395 843
Less cash	161 190	219 394
Net interest bearing debt	**1 442 397**	**1 176 448**
Equity	1 305 978	1 142 451
Total equity and net interest bearing debt	**2 748 375**	**2 318 898**
Debt ratio	52%	51%

The ratio of the equity share attributable to AKVA group ASA's shareholders was 32.40% as of 31 December 2024.

Note 17 - Revenue and contract balances

(in NOK 1000)

In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major revenue lines, timing of revenue recognition and relevant positions on 31 December. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (see note 2).

For the year ended 31 December	Sea Based		Land Based		Digital		Total reportable segments	
Primary geographical markets	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Europe	2 136 920	2 023 621	375 074	418 904	164 833	81 940	2 676 827	2 524 465
Other	633 481	643 746	242 865	213 541	48 616	50 510	924 962	907 798
External revenue as reported in note 2	**2 770 401**	**2 667 367**	**617 939**	**632 444**	**213 450**	**132 450**	**3 601 789**	**3 432 262**
MAJOR REVENUE LINES								
Construction contracts	1 471 541	1 552 157	560 098	590 348	5 025	—	2 036 663	2 142 505
Service & spare parts	1 291 236	1 085 026	57 644	35 462	667	517	1 349 547	1 121 005
Software	210	21 852	—	—	131 122	129 634	131 331	151 486
Other	7 415	8 332	197	6 634	76 636	2 300	84 249	17 266
External revenue as reported in note 2	**2 770 401**	**2 667 367**	**617 939**	**632 444**	**213 450**	**132 450**	**3 601 789**	**3 432 262**
TIMING OF REVENUE RECOGNITION								
Products and services transferred over time according to output method	892 637	993 885	—	—	573	7 578	893 210	1 001 463
Products and services transferred over time according to input method	697 683	612 412	565 264	593 414	31 480	—	1 294 426	1 205 826
Products and services transferred at point in time	1 172 667	1 052 242	52 479	32 397	104 761	122 830	1 329 906	1 207 469
Other revenue	7 415	8 828	196	6 634	76 636	2 042	84 247	17 504
External revenue as reported in note 2	**2 770 401**	**2 667 367**	**617 939**	**632 444**	**213 450**	**132 450**	**3 601 789**	**3 432 262**
POSITIONS AT 31 DECEMBER								
Total sales included from ongoing contracts	485 819	481 962	5 339	120 015	3 759	3 937	494 917	605 914
Contract assets	99 665	116 581	12 315	63 490	5 480	6 370	117 460	186 441
Contract liabilities	104 021	126 519	100 696	201 534	775	2 033	205 492	330 086

Reference is made to note 2 for further details of revenue per segment.

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer according to payment terms in the contracts. The contract liabilities primarily relate to the advance consideration received from customers.

The duration of projects in the group is generally shorter than 12 months. Hence, contract balances at the beginning of the year are recognized in the income statement during the following financial year. No significant revenues in the reporting period relates to performance obligations satisfied in previous periods.

LEASE INCOME

AKVA group has signed rental contracts with customers which is a service bundled with products. In 2024, 44.6 MNOK has been recognized as revenue related to lease income. The future minimum payments related to these rental contracts fall due as follows for the Group's customers:

Lease receivables to be collected	2025	2026	2027	2028	2029	After 2029
Rental agreements	63 025	52 906	37 765	24 929	12 733	1 963

Note 18 - Leasing

(in NOK 1000)

AKVA group leases offices and buildings, machinery and equipment and vehicles. The highest portion of the Group's lease portfolio is for leasing of buildings and offices. Lease terms are negotiated on individual basis. The leased assets by the Group are included as Right-of-use assets in note 8.

LEASE

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at the lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The lease liabilities by class of underlying asset falls due as follows for the Group:

Lease liabilities due	2025	2026	2027	2028	2029	After 2029
Offices and buildings	82 343	78 065	71 501	46 406	39 071	99 450
Vehicles	6 252	4 708	3 714	1 214	519	260
Office equipment and other	6 471	5 963	2 752	1 875	829	116
Total	**95 065**	**88 736**	**77 967**	**49 496**	**40 419**	**99 826**

The lease cash outflows divided on principal amounts and interests falls due as follows for the Group:

Lease cash outflows due	2025	2026	2027	2028	2029	After 2029
Principal	96 897	86 733	77 693	53 170	40 345	100 993
Interests	19 073	15 205	11 351	8 192	6 064	11 134
Total	**115 970**	**101 937**	**89 044**	**61 362**	**46 408**	**112 126**

Leasing expenses recognized in the profit and loss:

Amounts recognized in profit or loss	2024	2023
Interest on lease liabilities	23 018	22 481
Expenses relating to short-term leases	8 788	8 104
Expenses relating to leases of low-value assets	175	158
Total	**31 981**	**30 743**

Note 19 - Business combinations

(in NOK 1000)

ACQUISITION OF OBSERVE TECHNOLOGIES LIMITED

AKVA group ASA previously held 33,69% of the shares in Observe Technologies Ltd ("Observe"). On 5 July 2024, AKVA group ASA acquired the remaining shares in Observe and obtained 100% ownership. Observe was acquired to strengthen the Group's digital product offering. Observe is a complete AI software solution developed to optimize the feeding process in aquaculture.

The amounts recognized in respect of the identifiable assets acquired and liabilities assumed are as set out in the adjacent table.

The acquisition of 100% ownership in Observe which was completed during Q3 resulted in a gain of MNOK 75.5, recognized as "other income" on the consolidated income statement. The gain is a result of the step acquisition were AKVA remeasured previously held ownership of 33,7% at fair value in accordance with IFRS 3.

MNOK 89 of the total consideration payable in cash was transferred on July 5th. The contingent consideration includes ARR milestones and earn-out based on integrations and innovations milestones. The consideration is measured at fair value in accordance with IFRS 3, taking into account the expected outcomes and the probability of meeting the relevant conditions.

The goodwill of MNOK 305 arising from the acquisition consists of key employees considered to have unique competence and significant synergy effects for the Group. None of the goodwill is expected to be deductible for income tax purposes. Acquisition-related costs amount to MNOK 4.1.

Observe contributed MNOK 4.7 revenue and MNOK 1.6 to the Group's profit for the period between the date of acquisition and the reporting date. Prior to the acquisition Observe was accounted for with the equity method whereas MNOK 0.7 is recognized as other income.
This fair values in the purchase price allocation was estimated by applying an income approach with a discount rate of 15%

Values at the acquisition date in	Book value	Adjusted value	Fair value
ASSETS			
Deferred tax asset	3 130	—	3 130
Goodwill	—	304 488	304 488
Research and development	11 005	31 714	42 720
Patents, licenses and similar	1 403	—	1 403
Machinery and equipment	103	—	103
Investment in subsidiaries	—	—	—
Total non-current assets	**15 642**	**336 202**	**351 844**
Accounts receivables	-3 446	—	-3 446
Cash and cash equivalents	15 558	—	15 558
Total current assets	**12 112**	**—**	**12 112**
Total assets	**27 753**	**336 202**	**363 955**
LIABILITIES			
Pension liabilities	-31	—	-31
Deferred tax liability	—	-7 929	-7 929
Total non-current liabilities	**-31**	**-7 929**	**-7 959**
Accounts payables	-3 009	—	**-3 009**
Public duties payable	39	—	39
Other current liabilities	—	—	—
Total current liabilities	**-2 970**	**—**	**-2 970**
Total liabilities	**-3 001**	**-7 929**	**-10 930**
Net assets	**24 752**	**328 273**	**353 026**
Contingent consideration	53 400	—	53 400
Fixed cash settlement	89 063	—	89 063
Fixed seller credit	91 628		91 628
Purchase price (66.3% ownership)	**234 091**	**—**	**234 091**
Plus: Purchase price for 33.7% ownership	118 934	—	118 934
Equity value (100%)	**353 026**	**—**	**353 026**
Allocation of excess value			
Purchase price			353 026
Less: Book value of equity			-24 752
Plus: Book value of intangible assets to be reallocated			11 005
Excess value to be allocated			**339 279**
Technology			42 720
Deferred tax			-7 929
Residual goodwill			304 488
Total excess values			**339 279**
Business combinations achieved in stages (step acquisitioons)			
Book value of investment (33,7%)			43 382
New measurement of the 33,7% ownership			118 934
Gain recognised in the consolidated income statement			**75 552**

Note 20 - Related parties

(2023 figures in brackets)

See consolidated accounts note 3 about remuneration to CEO and Executive Personnel and fees to the Board of Directors.

Centre of Aquaculture Competence AS ("CAC") is a related party due to AKVA group ASA's ownership of 33% of the shares in CAC. The Group has as part of their role in CAC recorded revenues from CAC of MNOK 0.0 (0.0) in 2024. There were no outstanding balances towards CAC on 31 December 2024.

NOFI Oppdrettservice AS ("NOFI") is a related party due to Egersund Net AS's ownership of 50% of the shares in NOFI. The Group has as part of their role in NOFI recorded revenues and costs from NOFI of respectively MNOK 0.5 (5.2) and MNOK 1.8 (0.9) in 2024. The outstanding balance towards NOFI on 31 December 2024 was a receivable of MNOK 15.2 (15.6) and a payable of MNOK 0.0 (0.1).

Abyss Group AS ("ABYSS") is a related party due to AKVA group ASA's ownership of 25.5% of the shares in ABYSS. The Group has as part of their role in ABYSS recorded revenues from ABYSS of MNOK 0.9 (0.0) in 2024. There were no outstanding balances towards ABYSS on 31 December 2024.

Emel Balik is a related party due to Egersund Net AS's ownership of 50% of the shares in the company. The Group has as part of their role in Emel Balik recorded revenues from the company of MNOK 2.1 (0.9) in 2024. The outstanding balance towards Emel Balik on 31 December 2024 was a receivable of MNOK 0.0 (0.0).

Egersund Group AS is a related party due to its controlling ownership share of the AKVA group ASA. AKVA group has, in line with the company's ordinary course of business with Egersund Group and its subsidiaries, had revenues and costs of respectively MNOK 15.4 (27.3) and MNOK 67.2 (62.5) in 2024.

Outstanding balances at year-end are unsecured and interest free and settlement occurs in cash. As of 31 December, the company had MNOK 1.1 (3.9) in trade receivables and MNOK 8.4 (6.1) in trade payables towards Egersund Group and its subsidiaries.

The sales and purchases to related parties are made on terms equivalent to those that prevail in arm's length transactions.

Note 21 - Dividend

The company is aiming to give the shareholders a competitive return on investment by a combination of cash dividend and share price increase. The company's dividend policy shall be stable and predictable.

When deciding the dividend, the board will take into consideration expected cash flow, capital expenditure plans, financing requirements/compliance, appropriate financial flexibility, and the level of net interest-bearing debt.

The company need to comply with all legal requirements to pay dividend.

No dividend was paid out in 2024.

Dividend	2024	2023
Per share	—	—
Total distributed amount	—	0

Note 22 - Sale and buyback of own shares

Based on authorization by the annual general meeting held on 11 May 2023 and 2 May 2024 the Board of Directors of AKVA group initiated a share buy-back programme for up to 200.000 shares. Buyback transactions was executed according to the market price on the Oslo Stock Exchange ("OSE"). The maximum number of shares purchased in one day was 3,532 shares corresponding to 25% of the average daily trading volume on the OSE during the month of February 2024, being the month preceding the month of disclosure.
At the start of 2024 AKVA group ASA owned 230,663 own shares. During buyback programme AKVA group initiated buybacks of total of 200,000 shares, amounting to MNOK 13,2.
As part of the long-term incentive plan, 71 947 shares were distributed to the Executive Personnel in 2024. At the end of 2024 AKVA group owned 358,716 own shares.

Note 23 - Provisions

(in NOK 1000)

AKVA group has booked the following provisions as of 31 December 2024:

	Warranties	Obsolete inventory	Bad debt	Restructuring Land Based Area	Total
Balance at 01.01.2024	**43 754**	**17 366**	**5 330**	**400**	**66 850**
Provisions made during the year	19 315	6 426	—	—	25 741
Provisions used/reversed during the year	-9 875	-5 623	164	-400	-15 734
Revaluation	859	79	161	—	1 098
Balance at 31.12.2024	**54 053**	**18 248**	**5 655**	**—**	**77 955**
Non-current	—	600	—	—	600
Current	54 053	17 649	5 656	—	77 357

As part of the restructuring of the Land Based Area in Q3 2022, a provision of 53.0 MNOK was booked. At 31 December 2023, the provision was 0.4 MNOK. At 31 December 2024 nothing is left of the provision and relates to other provisions.

Note 24 - Subsequent events

DIVIDEND

At the board meeting on 12 February 2025 the Board of Directors in AKVA group ASA resolved to distribute a dividend of NOK 1,00 per share in the first half of 2025.

SALE OF EQUITY INVESTMENT

On 12 March 2025, AKVA group ASA announced the sale of 21,55% of its shareholdings in ABYSS group AS for a total consideration of approx. MNOK 140 to Arcus Infrastructure Partners LLP. The transaction is expected to be completed during March 2025.

AKVA group ASA
Financial Statements

Income Statement and Statement of Comprehensive Income – 01.01-31.12.

Parent company	Note	2024	2023
OPERATING REVENUES AND OTHER INCOME			
Revenues	6	1 143 198	1 211 815
Share of results of associates	9	2 598	-2 765
Other income	15	34 410	—
Total revenues and other income	2,6,17,20	**1 180 206**	**1 209 050**
OPERATING EXPENSES			
Cost of materials	6,10,23,24	884 434	981 980
Payroll expenses	3,4	284 692	292 306
Depreciation and amortization	2,7,8	39 037	39 332
Other operating expenses	3,4,7,11,15,18, 23,24	69 590	61 877
Total operating expenses	2,20	**1 277 753**	**1 375 495**
OPERATING PROFIT		**-97 546**	**-166 445**
FINANCIAL INCOME AND EXPENSES			
Financial income	15,16	211 514	245 739
Financial expenses	15,16,18	-90 980	-83 793
Net financial income (expense)		**120 534**	**161 946**
PROFIT BEFORE TAX		**22 987**	**-4 499**
Taxes	5	-8 509	-24 417
NET (LOSS)/PROFIT FOR THE YEAR		**31 496**	**19 918**
ALLOCATION OF PROFIT FOR THE YEAR			
Transferred to other equity		31 496	19 918
Dividends paid	21	—	—
Net allocated		31 496	19 918

Income Statement and Statement of Comprehensive Income – 01.01-31.12.

(In NOK 1000)

Parent company	Note	2024	2023
Net profit for the year		31 496	19 918
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified subsequently to income statement:			
Gains (+) / losses (-) on cash flow hedges		10 080	6 155
Income tax effect	5	-2 218	-1 354
Total	16	**7 863**	**4 801**
Total other comprehensive income, net of tax		7 863	4 801
Total comprehensive income for the year, net of tax		**39 359**	**24 719**
Equity holders of AKVA group ASA		**39 359**	**24 719**

Balance Sheet – 01.01-31.12.

(In NOK 1000)

Parent company	Note	2024	2023
NON-CURRENT ASSETS			
Deferred tax asset	5	49 372	43 081
Intangible assets and goodwill			
Goodwill	7	53 000	53 000
Other intangible assets	7	309 201	224 223
Total intangible assets		**362 201**	**277 223**
Tangible fixed assets			
Land and building	8,14	11 848	12 002
Right-of-use assets	8,14,18	78 363	85 039
Machinery and equipment	8,14	26 339	22 422
Total tangible fixed assets		**116 551**	**119 463**
Long-term financial assets			
Investments in subsidiaries	9	1 682 463	1 379 658
Investments in associated companies	9	129 788	165 640
Loans to group companies	6	18 891	49 144
Other long-term financial assets	11,16,9	45 394	44 758
Total long-term financial assets		**1 876 535**	**1 639 200**
Total non-current assets		**2 404 659**	**2 078 967**
CURRENT ASSETS			
Inventory	10,14,23	136 592	133 074
Receivables			
Accounts receivables	11,14,16, 20,23	65 315	55 197
Accounts receivables - group companies	6,14	58 418	41 222
Contract assets	6,16,17	38 771	86 609
Tax receivable	5	3 740	960
Other receivables	4,15,16	27 161	9 508
Other receivables - group companies	6,15	371 841	332 627
Total receivables		**565 247**	**526 123**
Cash and cash equivalents	12,16	4 402	34 653
Total current assets		**706 241**	**693 850**
TOTAL ASSETS	2	**3 110 900**	**2 772 817**

Balance Sheet – 01.01-31.12.

(In NOK 1000)

Parent company	Note	2024	2023
EQUITY			
Paid-in capital			
Share capital		36 309	36 437
Share premium		1 171 772	1 171 773
Other paid-in capital		14 167	14 483
Total paid-in capital	**13,14,19,21,22**	**1 222 248**	**1 222 694**
Retained earnings			
Other equity		29 562	-1 865
Total retained earnings	**14,19,21,22**	**29 562**	**-1 865**
Total equity		**1 251 810**	**1 220 828**
LIABILITIES			
Non-current liabilitites			
Deferred tax	5	—	—
Liabilities to financial institutions	14.16	1 038 750	856 250
Lease Liability	16.18	68 509	74 528
Other non-current liabilities	14.16	179 051	41 689
Total non-current liabilities		**1 286 310**	**972 467**
Current liabilities			
Lease Liability	16.18	13 455	12 666
Liabilities to financial institutions	14	107 879	37 500
Trade payables	16,20	102 616	114 331
Trade payables - group companies	6	64 416	28 871
Taxes payable	5	—	—
Public duties payable	16	37 685	44 917
Contract liabilities	6,16,17	19 325	75 245
Other current liabilities	14,15,19,23	96 738	64 150
Other current liabilities - group companies	6.15	130 666	201 843
Total current liabilities		**572 780**	**579 522**
Total Liabilities	**2**	**1 859 090**	**1 551 989**
TOTAL EQUITY AND LIABILITIES		**3 110 900**	**2 772 817**

Board of Directors and CEO
AKVA group ASA

Klepp, Norway, 7 April 2025

Hans Kristian Mong
Chair

Heidi Nag Flikka
Board member

Odd Jan Håland
Board member

Frode Teigen
Board member

Kristin Reitan Husebø
Deputy chair

Irene Heng Lauvsnes
Board member

John Morten Kristiansen
Board member

Yoav Doppelt
Board member

Tore Rasmussen
Board member

Knut Nesse
CEO

Mona Skåtøy Skadberg
Board member

Cash Flow Statement – 01.01- 31.12.

(In NOK 1000)

Parent company	Note	2024	2023
Cash flow from operating activities			
Profit before taxes		22 985	-4 499
Share of loss from associates	9	-2 596	2 765
Group contribution		-202 781	-225 628
Share-based payments		4 866	6 768
Net interest cost	15	67 575	55 882
Net gain(-)/loss(+) from disposals of subsidiaries	19	—	—
Gain(-)/loss(+) on financial fixed assets	8	9 496	-10 953
Depreciation	7.8	39 037	39 332
Changes in stock, trade receivable and payables		-7 001	48 173
Changes in other receivables and payables		-164 060	-30 843
Net cash flow from operating activities		**-232 480**	**-119 002**
Cash flow from investment activities			
Investments in tangible and intangible fixed assets	7.8	-112 601	-132 590
Payment of shares and participations	9, 19	-106 790	-41 712
Net cash flow from investment activities		**-219 391**	**-174 302**
Cash flow from financing activities			
Repayment of borrowings	14	-38 398	-44 029
Proceeds from borrowings	14	290 380	158 333
Repayment of lease liabilities	14	-13 748	-10 228
Net receivable(+)/payment(-) loans to group companies	6,14	31 887	26 660
IFRS 16 interest	18	-4 370	-3 960
Net interest paid	15	-63 205	-51 922
Dividend payment	14,21	—	—
Group contribution received		243 557	229 752
Group contribution paid		-11 241	-9 551
Sale/(purchase) own shares	14,22	-13 241	—
Net cash flow from financing activities		**421 620**	**295 055**
Net change in cash and cash equivalents		-30 250	1 752
Cash and cash equivalents at 01.01.	12	34 653	32 902
Cash and cash equivalents at 31.12.	12	**4 402**	**34 653**

Statement of changes in equity

(In NOK 1000)

Parent company	Note	Share capital	Share premium	Other paid-in capital	Total paid in capital	Cash flow hedges	Other equity	Total retained earnings	Total equity
Equity as at 01.01.2023		36 374	1 171 772	1 116	**1 209 262**	-5 122	-32 064	**-37 186**	**1 172 075**
Net movement in cash flow hedges	16	—	—	—	—	4 801	—	4 801	4 801
Total other comprehensive income		—	—	—	**—**	4 801	—	**4 801**	**4 801**
Profit (loss) for the period		—	—	—	—	—	19 918	19 918	19 918
Total income and expense for the year		—	—	—	**—**	4 801	19 918	**24 719**	**24 719**
Adjustments related to prior periods		—	—	7 716	7 716	—	10 665	10 665	18 381
Dividend	21	—	—	—	—	—	—	—	—
Share-based payments		63	—	6 768	6 831	—	-63	-63	6 768
Equity issue	13	—	1	-1 116	-1 115	—	—	—	-1 115
Equity as at 31.12.2023		**36 437**	**1 171 773**	**14 483**	**1 222 694**	**-322**	**-1 544**	**-1 865**	**1 220 828**
Equity as at 01.01.2024		**36 437**	**1 171 773**	**14 483**	**1 222 694**	**-322**	**-1 544**	**-1 865**	**1 220 828**
Net movement in cash flow hedges	16	—	—	—	—	7 863	—	7 863	7 863
Total other comprehensive income		**—**	**—**	**—**	**—**	**7 863**	**—**	**7 863**	**7 863**
Profit (loss) for the period		—	—	—	—	—	31 496	31 496	31 496
Total income and expense for the year		**—**	**—**	**—**	**—**	**7 863**	**31 496**	**39 359**	**39 359**
Dividend	21	—	—	—	—	—	—	—	—
Buyback of own shares	3	-128	—	—	-128	—	-13 112	-13 112	-13 241
Share-based payments	3	—	—	-316	-316	—	5 184	5 184	4 868
Other adjustments		—	-1	-1	-2	—	-2	-2	-4
Equity as at 31.12.2024		**36 309**	**1 171 772**	**14 167**	**1 222 248**	**7 541**	**22 024**	**29 562**	**1 251 810**

AKVA group ASA
Notes to the Financial Statements

Notes

Note 1 - Summary of significant accounting policies

AKVA group ASA is a public limited company registered in Norway. The Company's registered address is Svanavågveien 30, N-4374 Egersund, Norway.

The financial statement for AKVA group ASA has been prepared in accordance with section 3-9 of the Norwegian Accounting Act and related regulations on on simplified International Financial Reporting Standards (IFRS). As a result, the principles for recognition and measurement applied when preparing the financial statements are according to IFRS as adopted by EU (IFRS) and the disclosure notes have been prepared in accordance with the requirements of the Norwegian Accounting Act and accounting principles generally accepted in Norway (NGAAP). See note 1 in Group accounts for more details of the accounting policy.

Subsidiaries are valued at cost in the company accounts. The investment is valued as cost of acquiring shares in the subsidiary, providing they are not impaired. Write down to recoverable amount will be carried out and recognized as a financial cost if an impairment is deemed necessary according to IFRS. Impairments are reversed when the indication no longer exist. Investments in associates are valued according to the equity method and recognized as other income. AKVA group ASA accounts for group contributions and dividends in the same fiscal year as the subsidiary receives/grants group contribution and dividends, in accordance with the exemption in the simplified IFRS accounting framework.

Note 2 - Segment information

(in NOK 1000)

BUSINESS SEGMENTS

AKVA group ASA sells products and services within the business areas Sea Based, Land Based and Digital, see our business areas and the Board of Directors report. Refer also to note 2 in the consolidated accounts.

Sea Based Technology	2024	2023
Operating revenue and other income	1 089 522	1 088 399
Operating expenses	1 092 791	1 148 294
Operating profit before depreciation and amortization (EBITDA)	-3 269	-59 895
Depreciation and amortization	26 609	21 254
Operating profit (EBIT)	-29 878	-81 148

Land Based Technology	2024	2023
Operating revenue and other income	70 398	103 626
Operating expenses	98 903	148 142
Operating profit before depreciation and amortization (EBITDA)	-28 504	-44 516
Depreciation and amortization	3 517	2 841
Operating profit (EBIT)	-32 021	-47 356

Digital	2024	2023
Operating revenue and other income	20 286	17 024
Operating expenses	47 022	39 727
Operating profit before depreciation and amortization (EBITDA)	-26 736	-22 703
Depreciation and amortization	8 911	15 238
Operating profit (EBIT)	-35 647	-37 940

Total	2024	2023
Operating revenue and other income	1 180 206	1 209 050
Operating expenses	1 238 716	1 336 163
Operating profit before depreciation and amortization (EBITDA)	-58 509	-127 113
Depreciation and amortization	39 037	39 332
Operating profit (EBIT)	-97 546	-166 445

Note 2 - Segment information

(in NOK 1000)

Geographical information – customer's country of origin[1]

Operating revenue	2024	2023
Norway	969 865	789 915
Europe	113 890	170 556
Canada	12 735	124 957
China	18 527	76 601
Chile	18 924	17 801
Other	27 428	12 266
Iceland	18 838	8 512
Russia[1]	—	8 443
Total	**1 180 207**	**1 209 050**

[1]The revenue in 2023 is related to Q1. AKVA group ASA decided not to enter any new contracts in Russia after the outbreak of the war.

Note 3 - Wages, remunerations, and pensions

(in NOK 1000)

Payroll expenses	2024	2023
Salaries	218 573	227 204
Payroll tax	36 070	37 379
Pension costs	15 547	14 721
Other benefits	14 502	13 001
Total	**284 692**	**292 306**

The number of employees in full time equivalent in the company at year end is:	235	241

See consolidated accounts note 3 about remuneration to the CEO, group management, and the Board of Directors.

Pensions

The pension schemes in AKVA group ASA are defined contribution plans where agreed contributions are expensed as paid. The company has no further commitments towards pensions when the agreed contributions are paid. All pension costs are included in payroll expenses in the profit and loss statement.

As of 31 December, the company has no pension liability.

According to Norwegian legislation the entities need to have a pension scheme for the employees. The existing pension schemes meet the requirements in the legislation.

Loan and pledge

The company has not given any loans or pledges to members of the board or group management as of 31 December.

For details of establishment of salary and other remuneration to executive management, see note 3 in consolidated accounts.

Fees to auditor	2024	2023
Audit	2 495	1 482
Attestation services	130	85
Other services	605	527
Total	**3 230**	**2 009**

All fees to the auditor are excl. VAT.

Note 4 - Government grants and subsidies

(in NOK 1000)

Government grants received	2024	2023
"Skattefunn"	3 740	960
Handelens Miljøfond	2 000	500
Rogaland Fylkeskommune	698	—
Norges Forskningsråd	—	686
Total	**6 439**	**2 146**

Note 5 - Taxes

(in NOK 1000)

Tax expense	2024	2023
Current taxes payable	—	—
Adjustment related to previous year	-2 218	-1 354
Change in deferred taxes	-6 291	-23 063
Total tax expense	**-8 509**	**-24 417**

Tax expense reported in other comprehensive income	2024	2023
Cash flow hedges	-2 218	-1 354
Total tax expense reported in other comprehensive income	**-2 218**	**-1 354**

Calculation of the basis for taxation	2024	2023
Profit before tax[1]	22 987	-4 499
Permanent differences	-74 908	-115 081
Change in temporary differences	51 923	119 580
Tax base	**—**	**—**

[1] Includes received Group contribution of MNOK 134,2 in FY24 and MNOK 125,6 in FY23

Specification of temporary differences	2024	2023
Current assets	52 712	37 918
Fixed assets	126 307	82 698
Provisions	-34 716	-117 935
Capped interest (subject to interest limitation rules)	-126 361	-73 761
Losses carried forward	-242 360	-124 742
Total	**-224 417**	**-195 821**
Calculated deferred tax assets (-liabilities)	49 372	43 081
Calculated deferred tax (asset) on temporary differences not recognised	—	—
Deferred tax asset (-liabilities)	**49 372**	**43 081**

Effective tax rate	2024	2023
Expected income taxes, statutory tax rate of 22%	5 057	-990
Permanent differences (22%)	-16 480	-25 318
Excess(-)/insufficient(+) provisions in former years	2 913	1 891
Income tax expense	**-8 509**	**-24 417**
Effective tax rate in percent of profit before tax	(37,0)%	542,7%

The company has MNOK 242,4 in tax loss carried forward at year end 2024.

Note 6 - Intercompany transactions and balances

(in NOK 1000)

Receivables	2024	2023
Loans to group companies	18 891	49 144
Accounts receivables towards group companies	58 418	41 222
Other receivables towards group companies	371 841	332 627
Total	**449 149**	**422 993**

Payables	2024	2023
Trade payables towards group companies	64 416	28 871
Other current liabilities towards group companies	130 666	201 843
Total	**195 082**	**230 714**

Intercompany transactions with subsidiaries	2024	2023
Product sales	178 810	270 222
Management service fee	34 410	0
Purchased goods	392 859	421 045
Purchased services	42 662	48 998

Note 7 - Intangible assets

(in NOK 1000)

2024	Goodwill	Development costs	Other intangible assets	Total
Acquisition cost at 01.01.	53 000	258 997	151 026	**463 022**
Additions	—	48 143	56 544	**104 687**
Disposals	—	-779	—	**-779**
Acquisition cost 31.12.	**53 000**	**306 361**	**207 570**	**566 930**
Accumulated amortization at 01.01.	—	146 290	39 510	**185 800**
Amortization during the year	—	18 927	—	**18 927**
Accumulated amortization 31.12.	**—**	**165 220**	**39 510**	**204 730**
Net book value at 31.12.	**53 000**	**141 141**	**168 060**	**362 201**

2023	Goodwill	Development costs	Other intangible assets	Total
Acquisition cost at 01.01.	53 000	219 049	64 133	**336 182**
Additions	—	39 948	86 893	**126 841**
Disposals	—	—	—	**—**
Acquisition cost 31.12.	**53 000**	**258 997**	**151 026**	**463 022**
Accumulated amortization at 01.01.	—	122 617	39 510	**162 127**
Amortization during the year	—	23 674	—	**23 674**
Accumulated amortization 31.12.	**—**	**146 290**	**39 510**	**185 800**
Net book value at 31.12.	**53 000**	**112 707**	**111 516**	**277 223**

Goodwill balances are not amortized. For remaining intangible assets, straight-line amortization over the asset's useful economic life is applied. The useful economic life for the intangible assets is estimated as:

Development costs:	3 -8 years
Patents (included in other intangible assets):	20 years
Trademarks (included in other intangible assets):	5 years
Product rights (included in other intangible assets):	5 -10 years
Internal systems (included in other intangible assets):	5 -12 years

During the year, the company expensed MNOK 39,4 (MNOK 35,92 in 2023) on research and development on new products and technology as well as upgrades on existing products.

Goodwill:

The goodwill balance is partly related to the merger with Maritech International AS and Idema Aqua AS and partly to the transfer of the aquaculture business from Helgeland Plast AS to AKVA group ASA, carried out in 2009.

Development Costs:

The company has capitalized all direct costs that are expected to create economic benefits and meet the requirements for capitalization in IAS 38. The capitalized costs relate to software solutions and modules for integrating equipment on fish farming sites, and improved product solutions to help the fish farming industry in becoming more efficient.

Other intangible assets:

The company has capitalized cost related to implementation of new ERP system. Amortization has started in 2024, with useful life of 12 years. The useful life is set based on license period plus option period, in accordance with IAS 38 and IAS 38.92.

Note 8 - Tangible fixed assets

(in NOK 1000)

2024	Land and building	Right-of-use assets	Machinery and equipment	Total
Acquisition cost at 01.01.	14 474	118 274	97 207	**229 956**
Additions	—	8 502	10 004	**18 506**
Disposals during the year	—	—	-1 308	**-1 308**
Acquisition cost 31.12.	**14 474**	**126 776**	**105 903**	**247 154**
Accumulated depreciation 01.01.	2 471	33 235	74 786	**110 493**
Depreciation	155	15 178	4 778	**20 110**
Accumulated depreciation	**2 626**	**48 413**	**79 564**	**130 603**
Net book value 31.12.	**11 848**	**78 363**	**26 339**	**116 551**

2023	Land and building	Right-of-use assets	Machinery and equipment	Total
Acquisition cost at 01.01.	14 474	93 523	91 457	199 454
Additions	—	24 751	14 886	39 637
Reclassified to intangible assets	—	—	—	—
Disposals during the year	—	—	-9 136	-9 136
Acquisition cost 31.12.	**14 474**	**118 274**	**97 207**	**229 956**
Accumulated depreciation 01.01.	2 318	21 489	71 028	94 835
Depreciation	154	11 746	3 759	15 658
Accumulated depreciation	—	—	—	—
Accumulated depreciation	**2 471**	**33 235**	**74 786**	**110 493**
Net book value 31.12.	**12 002**	**85 039**	**22 422**	**119 463**

Land balances are not depreciated. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. For remaining tangible assets, straight-line depreciation over the asset's useful economic life is applied. The useful economic life is estimated as:

Buildings:	> 20 years
Right-of-use assets:	3-15 years
Machinery and equipment:	3-5 years

Note 9 - Subsidiaries and other long-term investments

(in NOK 1000)

Subsidiaries are accounted for using the cost method in the parent company accounts.

Company name	Location	Ownership interest[1]	Share capital (NOK 1 000)	Number of shares	Par value (NOK)	Book value (NOK 1 000)
AKVA group Australasia Pty Ltd.	Australia	100%	329	50 000	7	301
AKVA group North America Inc	Canada	100%	502	419 760	1	5 253
Newfoundland Aqua Service Ltd.	Canada	98,5%	1	131	8	31 563
AKVA group Chile S.A.[2]	Chile	100%	46 889	11 264	4 163	51 887
AKVA group Land Based Americas S.A.[2]	Chile	100%	9 855	17 414	566	4 423
AKVA group Land Based A/S	Denmark	100%	704	500	1 408	161 557
AKVA group Hellas SM PEC	Greece	100%	1 571	20 000	79	1 471
AKVA group Software AS	Norway	100%	2 174	500	4 348	67 313
AKVA group Services AS	Norway	100%	100	1 000	100	6 301
Helgeland Plast AS	Norway	100%	1 100	1 100 000	1	68 401
AKVA group Land Based Sømna AS	Norway	100%	1 462	2 150	680	26 239
Polarcirkel AS	Norway	100%	100	1 000	100	110
Sperre AS	Norway	100%	500	50	10 000	164 528
Submerged AS	Norway	51%	254	253 998	1	33 226
Egersund Net AS	Norway	100%	2 297	500	4 594	740 305
AKVA group Scotland Ltd.	Scotland	100%	18 368	14 186 377	1	27 417
AKVA group Espana S.L	Spain	100%	5 267	3 000	1 756	5 040
AKVA group Turkey Ltd.	Turkey	100%	2 887	200	14 435	9 910
Observe Ltd	UK	100%	1	12 337	1	277 219
Total						**1 682 463**

[1] All ownership interests entitle the same interest of voting rights.

[2] AKVA group ASA owns 87% directly of the shares in the Chilean subsidiaries. However, the remaining 13% shares are owned by 100% owned subsidiaries of AKVA group ASA. Hence, the investments are listed with 100% ownership in the overview above.

Other long-term investments	Currency	Ownership	Share capital	Number of	Par value	Book value
Nordic Aqua Partners Holding ApS[2]	NOK	9%	7 308	470 091	1,4	34 787
Nordic Aqua Partners AS[3]	NOK	0,6%	21 213	133 333	1,0	10 000
Ecofisk AS	NOK	3%	922	151 934	0,2	—
Centre for Aquaculture Competence AS[4]	NOK	33%	450	150	1 000	150
Blue Planet AS	NOK	5%	1 950	2	50 000	100
Blue Farm AS	NOK	12%	30	36	100	4
Abyss Group AS	NOK	22%	600	153 287	0,8	129 788
Total						**174 829**

[1] All ownership interests entitle the same interest of voting rights.

[2] The purpose of Nordic Aqua Partners Holding ApS is solely to own shares in Nordic Aqua Partners AS, which is a listed entity on Euronext Growth. Hence, the booked value of the shares in Nordic Aqua Partners Holding ApS is continuously adjusted to reflect the underlying share value of Nordic Aqua Partners AS.

[3] AKVA group ASA was allocated 133,333 shares in a private placement in 2024, corresponding to a total subscription amount of approximately NOK 10 million

[4] Despite the fact that the group owns more than 20% of Centre for Aquaculture Competence AS, this investment is not booked according to the equity method. This is based on the purchase agreement which specifies that AKVA group ASA (owner of the shares) is not entitled to the results earned in the company.

Other long-term investments are accounted for, either:

1. using the equity method (investments where AKVA group ASA owns between 20 and 50%) or
2. as financial assets (investments where AKVA group ASA owns less than 20%)

Note 10 - Inventory
(in NOK 1000)

Inventory	2024	2023
Finished goods (at net realisable value)	136 592	133 074
Total	**136 592**	**133 074**
Write-down of obsolete inventory 1.1	4 300	3 100
Change in write-down of obsolete inventory during	-4 100	1 200
Write-down of obsolete inventory 31.12	**200**	**4 300**

Note 11 - Receivables
(in NOK 1000)

ACCOUNTS RECEIVABLES

The recorded accounts receivables are shown net of estimated bad debt loss. The estimated bad debt loss is:

Bad debt provisions	2024	2023
Bad debt provision 01.01.	425	410
Change in bad debt provision	—	15
Bad debt provision 31.12.	**425**	**425**
Recorded bad debt cost during the year	—	57
Change in bad debt provision	—	15
Total bad debt cost during the year	**—**	**72**

As of 31.12. the company had the following ageing profile of accounts receivables:	2024	2023
Not due	38 788	24 098
Due <30 days	31 304	18 015
Due 31-60 days	3 041	1 226
Due 61-90 days	3 587	247
Due >91 days	-10 981	12 036
Total	**65 740**	**55 622**
Bad debt provisions	425	425

Reference is made to note 16 for more details of credit and currency risks related to accounts receivables.

Note 12 - Cash and cash equivalents

(in NOK 1000)

	2024	2023
Cash	4 402	34 653
Restricted funds	—	—
Total cash and cash equivalents	**4 402**	**34 653**

The company has entered into a tax deduction guarantee agreement and thus has no restricted funds as of 31 December 2024.

The company has an overdraft facility of MNOK 300 and a revolving credit line of MNOK 800 in DNB. As of 31 December 2024, MNOK 67.6 of the overdraft facility was utilized, at year-end 2023 MNOK 0 was utilized. As of December 31, 2024 721 MNOK of the revolving credit line was utilized. On 31 December 2023 MNOK 500 of the revolving facility was utilized.

Note 13 - Shareholders

(in NOK 1000)

AKVA group ASA

The company's share capital is MNOK 36.7 divided into 36.7 million shares, each with a par value of NOK 1. The company has only one category of shares and all shares entitle shareholders to equal rights in the company.

See consolidated accounts note 13 about the 20 largest shareholders and shares owned by members of the Board of Directors and group management.

Note 14 - Interest-bearing debt

(in NOK 1000)

Interest-bearing debt:	2024	2023
Non-current liabilities to financial institutions	1 038 750	856 250
Non-current lease liabilities	68 509	74 528
Current liabilities to financial institutions	107 879	37 500
Current lease liabilities	13 455	12 666
Total	**1 228 593**	**980 944**
Average interest rate	6,44%	7,05%

Repayment of debt

The Company's interest-bearing debt matures as follows:	2024	2023
2024	—	50 166
2025	52 236	868 068
2026	50 347	11 233
2027	1 083 043	10 718
2028	8 481	8 051
2029	8 553	32 708
After 2029	25 932	—
Total	**1 228 593**	**980 944**

Liabilities secured:	2024	2023
Liabilities secured with assets	1 146 629	893 750
Bank guarantee liabilities	89 404	149 681
Parent company guarantee liabilities	11 050	53 410

Assets pledged as security for debt:	2024	2023
Accounts receivables third parties	65 315	55 197
Accounts receivables group companies	58 418	41 222
Inventory	136 592	133 074
Shares in subisidiaries[1]	1 313 948	1 291 446
Other assets	116 551	119 463
Total	**1 690 825**	**1 640 403**

[1] The shares in AKVA group Land Based Sømna AS, AKVA group Services AS, AKVA Group Software AS Sperre AS , Helgeland Plast AS, Egersund Trading AS, Egersund Net AS, AKVA group Land Based A/S, AKVA group Chile S.A and AKVA group Scotland Ltd. are pledged

The terms and conditions of outstanding loans are as follows:

Outstanding loans from financial institutions:	Currency	Nominal interest rate[1]	Carrying amount 2024	Carrying amount 2023
Secured bank loan	NOK	Nibor + 1.80%	355 000	356 251
Secured bank loan revolving credit facility	NOK	Nibor + 1.80%	721 250	537 500
Total			**1 076 250**	**893 750**

[1] The nominal interest includes a waiver fee. The nominal interest rate excluding the waiver fee is Nibor+ 1,65-2,05.

Note 14 - Interest-bearing debt

(in NOK 1000)

Refinancing with DNB

During the year, the company successfully refinanced its existing debt under similar terms and conditions with additional MNOK 150 in revolving facility. The refinancing ensures continued financial stability.

Loan covenants to DNB

The company has adopted the amendments to IAS 1 Presentation of Financial Statements — non current liabilities with covenants, published in November 2022, for the first time in the current year. The amendment state that only covenants that an entity is required to comply with on or before the reporting date affect the classification of liabilities as current or non-current.

In the loan documents from DNB the following financial loan covenants are set:

- The leverage ratio of the net interest-bearing debt over twelve months rolling EBITDA shall not exceed 4,50
- Equity ratio for AKVA group ASA shall not be less than 25%

AKVA group is required to comply with the covenants on the reporting date. The covenants are tested and reported by a compliance certificate to the bank on a quarterly basis. AKVA group has been in compliance with all covenants in 2024 and 2023. AKVA's outlook for 2025 is increased EBITDA in line with financial guiding and management works actively to improve financing obligations. As such, AKVA expects comfortable headroom and compliance with all covenants in 2025.

Following the adaption of the amendments, AKVA group has reassessed the loan agreements and the amendment has no impact on classification. The Group has applied judgment in determining which covenants impact liability classification based on the revised IAS 1 guidance. The refinancing with DNB in 2024 yields stability in the coming years related to the loan covenants, however future changes in the financial covenants could affect the classification of liabilities. The Group continues to closely monitor its financial performance to ensure compliance with financial covenants.

The part of the secured bank loan which is subject for repayment within a year is classified as current liability which amounts to MNOK 38. The part of the bank debt that is not subject for repayment in 2025 is classified as long term debt. Refer to the balance sheet and the table on the next page for further details. Other borrowings issued by the group do not contain any covenants.

Net interest-bearing debt over twelve months rolling EBITDA was 3.00 as of 31 December 2024.

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Note	Bank overdraft	Liabilities to financial institutions	Other long term liabilities	Lease liabilities	Loans to group companies	Other long-term financial assets	Share capital / premium	Cash flow hedges reserves	Retained earnings	Total
Balance at 01.01.2024		**—**	**893 750**	**41 688**	**87 194**	**-49 144**	**-44 758**	**1 222 695**	**-322**	**-1 544**	**2 149 560**
CHANGES FROM FINANCING CASH FLOWS											
Repayment of borrowings		—	-37 500	-914	—	—	—	—	—	—	-38 414
Proceed from borrowings		70 379	220 000	—	—	—		—	—	—	290 379
Repayment of lease liabilities		—	—	—	-13 748	—	—	—	—	—	-13 748
Change in loans to group companies		—	—	—	—	31 887	—	—	—	—	31 887
Interest received(+)/paid(-)	15	—	-65 732	—	-4 370	2 527	—	—	—	—	-67 576
Total changes from financing cash flows		**70 379**	**116 768**	**-914**	**-18 119**	**34 414**	**—**	**—**	**—**	**—**	**202 529**
The effect of changes in foreign exchange rates		—	—	5 814	—		—	—	—	—	5 814
Changes in fair value		—	—	—	—	-1 634	-636	—	—	—	-2 270
OTHER CHANGES											
Liability-related											
Debt related to contingent consideration and fixed seller credit		—	—	113 172		—		—		—	113 172
Debt related to subscription fee ERP		—	—	—	—	—	—	—	—	—	—
New leases		—	—	19 290	8 519	—	—	—	—	—	27 809
Interest income(-)/expense(+)	15	—	65 732		4 370	-2 527	—	—	—	—	67 576
Total liability-related other changes		**—**	**65 732**	**132 462**	**12 889**	**-2 527**	**—**	**—**	**—**	**—**	**208 557**
Total equity-related other changes		—	—	—	—	—	—	-447	7 863	23 567	30 983
Balance at 31.12.2024		**70 380**	**1 076 250**	**179 051**	**81 964**	**-18 891**	**-45 394**	**1 222 248**	**7 541**	**22 024**	**2 595 173**

Note 15 - Specification of items that are grouped in the financial statement

(in NOK 1000)

Other Income	2024	2023
Profit from sale of tangible fixed assets	—	—
Other	34 410	—
Total other income	**34 410**	**—**

Other operating expenses	2024	2023
Accomodation, materials, equipment and maintenance	36 151	33 846
Marketing, travelling and communication	18 692	21 838
Other operating expenses	14 747	6 193
Total other operating expenses	**69 590**	**61 877**

Financial income	2024	2023
Interest income from group companies	2 527	7 479
Other interest income	791	1 679
Group contribution recognized as income	192 392	225 628
Agio gain	5 490	—
Change in fair value of financial assets	—	10 953
Dividends from group companies	10 314	—
Total financial income	**211 514**	**245 739**

Financial expenses	2024	2023
Interest expenses	66 523	61 080
Interest on lease liabilities	4 370	3 960
Agio loss	—	6 989
Impairment financial assets	5 500	—
Change in fair value of financial assets	3 996	—
Other financial expenses	10 591	11 763
Total financial expenses	**90 980**	**83 793**

Other receivables	2024	2023
Receivables from group companies	371 841	332 627
Hedging balance	12 284	874
Other receivables	14 877	8 634
Total other receivables	**399 002**	**342 135**

Other current liabilities	2024	2023
Liabilities to group companies	130 666	201 843
Hedging balance	1 585	3 492
Payroll accruals	41 574	36 582
Warranty provision	4 000	7 100
Other current liabilities	49 580	16 976
Total other current liabilities	**227 404**	**265 993**

The provisions for warranties relate to projects and products in the Sea Based business area. The provisions have been estimated based on historical warranty data associated with similar projects, products, and services, and are estimated solely based on the expected compensation AKVA group gives. The timeframe for settlement of the warranty provisions varies based on type of product and project.

Note 16 - Financial instruments and risk management

(in NOK 1000)

ACCOUNTING CLASSIFICATIONS AND FAIR VALUES

The following table shows the accounting classification, carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		2024		2023	
	Accounting classification	Book value	Fair value	Book value	Fair value
FINANCIAL ASSETS					
Cash	Amortized cost	4 402	4 402	34 653	34 653
Trade receivables	Amortized cost	123 733	123 733	96 419	96 419
Other current assets	Amortized cost	399 002	399 002	342 135	342 135
Other long-term receivables	Amortized cost	10 607	10 607	5 976	5 976
Other long-term financial assets	FVTPL	34 787	34 787	38 783	38 783
Interest rate swap	FVTPL	5 065	5 065	—	—
Forward currency contracts[1]	FVTPL	7 219	7 219	874	874
Total		**584 815**	**584 815**	**518 839**	**518 839**
FINANCIAL LIABILITIES					
Bank overdraft	Amortized cost	70 379	70 379	—	—
Trade payables	Amortized cost	167 032	167 032	143 201	143 201
Loans	Amortized cost	1 076 250	1 076 250	893 750	893 750
Lease liabilities	Amortized cost	81 964	81 964	87 194	87 194
Fixed seller credit[3]	Amortized cost	91 628	91 628	—	—
Contingent consideration[3]	FVTPL	56 143	56 143	—	—
Forward currency contracts[2]	FVTPL	1 585	1 585	3 492	3 492
Total		**1 544 980**	**1 544 980**	**1 127 637**	**1 127 637**

[1] The amount is included in other receivables in the Balance Sheet
[2] The amount is included in other current liabilities in the Balance Sheet
[3] Related to the business combination. Refer to note 19 for further information

Financial instruments at fair value	31.12.24	Level 1	Level 2	Level 3
Financial assets - Forward currency contracts	7 219	—	7 219	—
Financial assets - Investments	34 787	34 787	—	—
Financial assets - Interest rate swap	5 065	—	5 065	—
Financial liabilities - Contingent consideration	56 143	—	—	56 143
Financial liabilities - Forward currency contracts	1 585	—	1 585	—

Financial instruments at fair value	31.12.23	Level 1	Level 2	Level 3
Financial assets - Forward currency contracts	874	—	874	—
Financial assets - Investments	38 783	38 783	—	—
Financial liabilities - Forward currency contracts	3 492	—	3 492	—

There have been no transfers between levels during the period.

DETERMINATION OF FAIR VALUE

The fair value of forward exchange contracts is determined using the forward exchange rate at the balance sheet date. The fair value of currency swaps is determined by the present value of future cash flows. The fair value of options is determined using option pricing models. For all the above-mentioned derivatives, the fair value is confirmed by the financial institution with which the company has entered the contracts. The following of the company's financial instruments are not measured at fair value: cash and cash equivalents, trade receivables, other current assets, overdraft facilities and long-term debts. The carrying amount of cash and cash equivalents and overdraft facilities is approximately equal to fair value since these instruments have a short term to maturity. Similarly, the carrying amount of trade receivables and trade payables is approximately equal to fair value since they are entered into on "normal" terms and conditions. Parts of the borrowings are at floating interest rates which implies a book value in accordance with fair value. A portion of the borrowings are hedged using a interest rate swap exchanging variable rate interest for fixed rate interest. The fair value of financial assets and liabilities recognized at their carrying amount is calculated as the present value of estimated cash flows discounted by the interest rate that applies to corresponding liabilities and assets at the balance sheet date.

FAIR VALUE HIERARCHY

As of 31 December 2024, the company held financial instruments measured at fair value as mentioned below:

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data during the period.

Note 16 - Financial instruments and risk management

(in NOK 1000)

FINANCIAL RISK MANAGEMENT

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the company.

The company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables from customers. Part of the sale is credit sales where the company is exposed to credit risk towards the customer. For larger projects there are normally pre-payments from the customers and milestone payments along the progress of the project which reduces the credit risk towards the customers. To some extent the company uses trade finance instruments, such as letter of credit and guarantee letters, to reduce credit risk. The company has generally had low losses on outstanding receivables despite having old receivables in the balance sheet occasionally. In general, old receivables relates to delays or stop in projects whereas the responsible entity for the delivery of the project has made an agreement with the customer to await payment of the invoice. For details of ageing of accounts receivables, see note 11.

The carrying amounts of financial assets and contract assets represent the maximum credit exposure.

Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

The company monitors its risk to a shortage of liquid funds using cash flow prognosis. The objective is to maintain a balance in the funding using bank overdrafts, bank loans with different pay back periods, debentures, and finance lease. The Management follows the development of the working capital closely because the development in the working capital has the most important impact on the liquidity situation on short term.

The table below summarizes the maturity profile of the company's financial liabilities based on contractual discounted payments:

2024	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Loans and borrowings	9 342	29 439	1 107 848	—	1 146 629
Lease liabilities	3 428	10 027	42 577	25 932	81 964
Trade and other payables	167 032	—	—	—	167 032
Total	**179 802**	**39 466**	**1 150 424**	**25 932**	**1 395 625**

2023	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Loans and borrowings	9 375	28 125	856 250	—	893 750
Lease liabilities	3 136	9 530	41 820	32 708	87 193
Trade and other payables	159 247	—	—	—	159 247
Total	**171 758**	**37 655**	**898 070**	**32 708**	**1 140 191**

Note 16 - Financial instruments and risk management

(in NOK 1000)

As disclosed in Note 14, the company has secured bank loans that contains a loan covenant. A future breach of covenant may require the company to repay the loan earlier than indicated in the above table. Under the agreement, the covenant is monitored on a regular basis and reported to management to ensure compliance with the agreement.

Market risk

Market risk is the risk that changes in market prices – e.g., foreign exchange rates, interest rates and equity prices – will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The company uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the risk management committee. Generally, the company seeks to apply hedge accounting to manage volatility in profit or loss.

A. Currency risk

As part of the international activity the company's assets and liabilities as well as expected cash inflows and cash outflows are exposed to changes in the currency rates. The following significant exchange rates have been applied for the reporting period:

	Average rate		Year-end spot rate	
NOK vs	2024	2023	2024	2023
EUR	11,62	11,42	11,80	11,24
GBP	13,74	13,14	14,22	12,93
USD	10,75	10,56	11,35	10,17
CAD	7,84	7,83	7,89	7,68
AUD	7,09	7,02	7,03	6,91

A reasonably possible strengthening (weakening) of the euro, sterling, or US dollar against all other currencies on 31 December would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

31.12.24	KNOK effect on profit before tax by +10%/-10% change in			KNOK effect on book equity by +10%/-10% change in		
	CAD	EUR	USD	CAD	EUR	USD
10%	2 838	-2 483	693	1 033	-2 734	1 453
(10)%	-2 838	2 483	-693	-1 033	2 734	-1 453

31.12.23	KNOK effect on profit before tax by +10%/-10% change in			KNOK effect on book equity by +10%/-10% change in		
	CAD	EUR	CLP	CAD	EUR	CLP
10%	2 606	-1 601	2 489	-5 765	9 109	2 489
(10)%	-2 606	1 601	-2 489	5 765	-9 109	-2 489

The company's currency risk is sought reduced by using currency forward contracts. The currency risk is managed by the parent company in cooperation with the subsidiaries.

The company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date. These contracts are generally designated as cash flow hedges. The company designates the spot element of forward foreign exchange contracts to hedge its currency risk and applies a hedge ratio of 1:1. The company's policy is for the critical terms of the forward exchange contracts to align with the hedged item.

The company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount, and timing of their respective cash flows. The company assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item.

Note 16 - Financial instruments and risk management

(in NOK 1000)

I. Cash flow hedges

The company uses currency forward contracts to reduce the exposure of changes in currency rates due to having revenues and costs denominated in different currencies. The expected cash flows subject to hedging are expected to take place during the 2024 and hence be recognized in the income statement during the same period. At the end of the year the company had the following positions in forward contracts to hedge expected future cash flow:

Cash flow hedges Currency (in 1 000)	Bought/sold	Net currency amount
Euro	Bought	5 008
American Dollar	Bought	2 092

At the end of the year, it was recorded a gain of MNOK 7.9 directly against other comprehensive income related to hedging of expected future cash flow.

II. Fair value hedges

To hedge the value of the items in the balance sheet denominated in a foreign currency the company had the following positions in forward contracts at the end of the year:

Fair value hedges Currency (in 1 000)	Bought/sold	Net currency amount
British Pound	Bought	6 618
Norwegian Kroner	Sold	90 527

Profit and loss from the above currency contracts are recorded directly via the income statement under financial items. At the end of the year MNOK 5.5 was recorded as an unrealized gain. The forward contracts are valued at estimated fair value.

III. Time profile and currency rates in hedge instruments

On 31 December 2024, the company held the following instruments to hedge exposures to changes in foreign currency:

Forward currency contracts	Maturity		
	1-3 months	4-12 months	>12 months
Net exposure (in 1 000 NOK)	53 471	26 964	—
Average NOK:EUR forward contract rate	11,62	—	—
Average NOK:USD forward contract rate	10,57	10,55	—

When the expected cash flow is translated into an item in the balance sheet or takes place, the recorded profit or loss which has been booked directly against the equity is reversed and included in the income statement together with the actual hedged object. Any non-effective part of the hedge is booked as currency loss or gain under financial items in the income statement.

Note 16 - Financial instruments and risk management

(in NOK 1000)

2024 Currency	Hedging instruments	Nominal amount (NOK)	Average exchange rate	Carrying amount 31.12 (NOK) Assets	Carrying amount 31.12 (NOK) Liabilities	Change in fair value recognized in OCI (NOK)	Change in fair value recognized in profit or loss (NOK)
	Cash flow hedges						
EUR	Sales and receivables	—	—	—	—	-46 782	—
	Purchases and payables	58 346 458	11,65	858 103	21 678	1 095 503	—
	Cash flow hedges						
USD	Sales and receivables	—	—	—	—	—	—
	Purchases and payables	22 088 732	10,56	1 639 543	—	2 222 057	—
	Cash flow hedges						
GBP	Sales and receivables	—	—	—	—	—	—
	Fair value hedges						
	Borrowings	-90 527 158	13,68	4 720 916	1 562 834	—	5 454 006
	Cash flow hedges						
CAD	Sales and receivables	—	—	—	—	72 049	—
	Purchases and payables	—	—	—	—	—	—
	Cash flow hedges						
AUD	Sales and receivables	—	—	—	—	-545 165	—
	Purchases and payables	—	—	—	—	—	—
	Cash flow hedges						
NOK	Interest rate swap	500 000 000	N/A	5 064 966	—	5 064 966	—
	Cash flow hedges						
Total (NOK)	Sales and receivables	—	N/A	—	—	-519 899	—
	Purchases and payables	80 435 191	N/A	2 497 646	21 678	3 317 560	—
	Interest rate swap	500 000 000	N/A	5 064 966	—	5 064 966	—
	Fair value hedges						
	Borrowings	-90 527 158	N/A	4 720 916	1 562 834	—	5 454 006

2023 Currency	Hedging instruments	Nominal amount (NOK)	Average exchange rate	Carrying amount 31.12 (NOK) Assets	Carrying amount 31.12 (NOK) Liabilities	Change in fair value recognized in OCI (NOK)	Change in fair value recognized in profit or loss (NOK)
	Cash flow hedges						
EUR	Sales and receivables	2 300 093	11,47	46 782	—	637 172	—
	Purchases and payables	23 726 776	11,34	131 499	390 577	-184 668	—
	Cash flow hedges						
USD	Sales and receivables	—	—	—	—	—	—
	Purchases and payables	7 364 171	10,99	—	582 514	435 778	—
	Cash flow hedges						
GBP	Sales and receivables	—	—	—	—	1 955	—
	Fair value hedges						
	Borrowings	22 024 627	11,75	—	2 295 924	—	-1 789 270
	Cash flow hedges						
CAD	Sales and receivables	17 537 694	7,67	150 461	222 510	3 096 755	—
	Purchases and payables	—	—	—	—	268 483	—
	Cash flow hedges						
AUD	Sales and receivables	14 709 878	7,18	545 165	—	545 165	—
	Purchases and payables	—	—	—	—	—	—
	Cash flow hedges						
Total (NOK)	Sales and receivables	34 547 664	N/A	742 409	222 510	4 281 048	—
	Purchases and payables	31 090 947	N/A	676 665	973 091	519 593	—
	Fair value hedges						
	Borrowings	22 024 627	N/A	—	2 295 924	—	-1 789 270

Note 16 - Financial instruments and risk management
(in NOK 1000)

B. Interest rate risk
In 2024 AKVA Group ASA entered into an interest rate swap agreement to manage its exposure to fluctuations in interest rates on parts of the floating-rate debt. The interest rate swap effectively converts variable interest payments to fixed interest payments over the duration of the agreement, thereby reducing the risk of variability in cash flows attributable to interest rate changes.

Details of the Interest Rate Swap:
- Notional amount: NOK 500,000,000
- Effective date: January 4, 2024
- Maturity date; November 30, 2026
- Fixed interest rate: 3,57% p.a.
- Floating rate index: 3-month NOK-NIBOR-NIBR

Rest of the company's interest-bearing debt is based on a floating interest rate which implies that interest payments over time will fluctuate according to the changes in the interest rate level. Most of the interest-bearing debt is in NOK. To reduce the interest rate risk, in addition to the interest rate swap, it is the strategy of the Company to have a balanced mix between equity and debt financing vs the market risk in its industry. With the interest-bearing debt at year end, interest cost would have been MNOK 12.3 higher with a 1% higher average interest rate during the year and MNOK 12.3 lower with a 1 % lower average interest rate during the year.

The Group's sensitivity to interest rates has decreased during the current year mainly due to the reduction in variable rate debt instruments and the increase in interest rate swaps to swap floating rate debt to fixed rate debt.

C. Macroeconomic risk
In 2024 about 95% of the revenues of the company came from customers producing salmon, a increase from a share of 88% in 2023. To decrease the company's dependency of the salmon industry the company works to increase the share of revenues related to the aquaculture of other species than salmon. Due to the market variation in the different salmon markets the revenues can vary between years. Still, the aquaculture industry in general is expected to be a high growth industry in the foreseeable future.

Based on the assumption that a change in sales will not affect the product gross margin and that other operating costs short term only will change 50% of the change in sales a change in the revenues of the Company would have had the following impact on net income (22% tax rate used):

Change in sales	Change in net profit/ equity (in NOK 1 000)
10%	9 253
5%	4 627
2%	1 851
-2%	-1 851
-5%	-4 627
-10%	-9 253

D. Climate risk
Climate change has been identified as a market risk which can potentially impact the company's business in the short, medium, and long term. The physical related climate risks and opportunities relate to extreme weather events, sea levels and temperatures, the frequency of algae blooms, and the availability of the raw materials for our customer's operations, which in turn directly can impact the company's operations as reduced order intake. In addition, the company is experiencing an increased focus from our customers to be able to provide information about our climate accounts within our products and services. Within a relatively short time, we estimate that the latter will be emphasized by our customers when choosing their supplier, which means that working with our own climate emissions is also a risk and opportunity in this connection.

The management in AKVA group ASA regularly carries out analysis on key sustainability and climate risks, to identify if they could significantly affect the company's ability to execute its business strategy and operations. The key actions to address these risks are:

- Internal policies and procedures,
- Development and analyzes of relevant KPI's,
- Development of a low carbon transition plan

Refer to the sustainability statement in the Board of Directors report for further information on these matters.

CAPITAL STRUCTURE AND EQUITY

The primary focus of the company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio to support its business and maximize shareholders value.

The company manages its capital structure and makes adjustment to it, considering changes in economic conditions. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares, return capital to shareholders or issue new shares.

Dividends paid	Per share
2020	1,00
2021	1,00
2022	1,00
2023	0,00
2024	0,00

The company has been compliant with the dividend policy when paying out dividend, see note 21. The company monitors capital using a gearing ratio, which is net interest-bearing debt divided by total equity plus net debt. The company includes within net interest-bearing debt, interest bearing loans and borrowings less cash and cash equivalents. Capital includes equity attributable to equity holders of the parent less the net unrealized gains reserve.

	2024	2023
Interest bearing debt	1 228 593	980 944
Less cash	4 402	34 653
Net interest bearing debt	**1 224 191**	**946 291**
Equity	1 251 810	1 220 828
Total equity and net interest bearing debt	**2 476 001**	**2 167 119**
Debt ratio	49%	44%

The equity ratio was 40.2 % as of 31 December 2024.

Note 17 - Revenue and contract balances

(in NOK 1000)

In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major revenue lines, timing of revenue recognition and relevant positions on 31 December. The table also includes a reconciliation of the disaggregated revenue with the Company's reportable segments (see note 2).

For the year ended 31 December	Sea Based		Land Based		Digital		Total reportable segments	
Primary geographical markets	2024	2023	2024	2023	2024	2023	2024	2023
Europe	1 032 261	1 080 048	51 053	27 616	20 084	14 983	1 103 398	1 122 646
Other	57 261	8 351	19 344	76 010	202	2 042	76 807	86 403
Revenue as reported in note 2	**1 089 522**	**1 088 399**	**70 398**	**103 626**	**20 286**	**17 024**	**1 180 206**	**1 209 050**
REVENUE SPLIT								
External	963 094	843 646	19 487	78 757	18 855	16 424	1 001 436	938 827
Internal	126 428	244 753	50 911	24 869	1 431	600	178 769	270 222
Revenue as reported in note 2	**1 089 522**	**1 088 399**	**70 398**	**103 626**	**20 286**	**17 024**	**1 180 206**	**1 209 050**
MAJOR REVENUE LINES								
Construction contracts	942 911	990 338	63 313	103 626	—	—	1 006 224	1 093 964
Service & spare parts	118 663	102 867	—	—	—	—	118 663	102 867
Software	—	—	—	—	18 314	14 983	18 314	14 983
Other	27 949	-4 806	7 085	—	1 973	2 042	37 006	-2 765
Revenue as reported in note 2	**1 089 522**	**1 088 399**	**70 398**	**103 626**	**20 286**	**17 024**	**1 180 206**	**1 209 050**
TIMING OF REVENUE RECOGNITION								
Products and services transferred over time according to output method	541 482	591 731	—	—	—	—	541 482	591 731
Products and services transferred over time according to input method	382 214	403 128	63 313	103 626	—	—	445 527	506 754
Products and services transferred at point in time	137 878	98 346	—	—	18 314	14 983	156 191	113 329
Other revenue	27 949	-4 806	7 085	—	1 973	2 042	37 006	-2 765
Revenue as reported in note 2	**1 089 522**	**1 088 399**	**70 398**	**103 626**	**20 286**	**17 024**	**1 180 206**	**1 209 050**
POSITIONS AT 31 DECEMBER								
Total sales included from ongoing contracts	396 960	427 250	—	76 010	—	—	396 960	503 260
Contract assets	38 771	63 143	—	23 466	—	—	38 771	86 609
Contract liabilities	19 325	53 964	—	21 281	—	—	19 325	75 245

Reference is made to note 2 for further details of revenue per segment.

The contract assets primarily relate to the company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the company issues an invoice to the customer according to payment terms in the contracts.

The contract liabilities primarily relate to the advance consideration received from customers and cost accruals.

The duration of projects in the company is generally shorter than 12 months. Hence, contract balances at the beginning of the year are recognized in the income statement during the following financial year. No significant revenues in the reporting period relates to performance obligations satisfied in previous periods.

Note 18 - Leasing

(in NOK 1000)

AKVA company leases offices and buildings, machinery and equipment and vehicles. The highest portion of the Companys lease portfolio is for leasing of buildings and offices. Lease terms are negotiated on individual basis and contain a wide range of renewal and termination options.

Some property leases contain extension options exercisable by the company up to one year before the end of the non-cancellable contract period. Where practicable, the company seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the company and not by the lessors. The company assesses at the lease commencement date whether it is reasonably certain to exercise the extension options. The company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The future lease liabilities and maturity of cash outflows fall due as follows for the company:

Lease liabilities due	2025	2026	2027	2028	2029	After 2028
Offices and buildings	12 504	12 135	11 741	7 980	8 320	25 829
Vehicles	951	844	822	502	233	103
Office equipment and other	—	—	—	—	—	—
Total	**13 455**	**12 979**	**12 564**	**8 481**	**8 553**	**25 932**

The lease cash outflows divided on principal amounts and interests falls due as follows for the company:

Lease cash outflows due	2025	2026	2027	2028	2029	After 2028
Principal	13 455	12 979	12 564	8 481	8 553	25 932
Interests	3 854	3 121	2 439	1 882	1 469	1 850
Total	**17 309**	**16 100**	**15 003**	**10 363**	**10 022**	**27 782**

Leasing expenses recognized in the profit and loss:

Amounts recognized in profit or loss	2024	2023
Interest on lease liabilities	4 370	3 960
Expenses relating to short-term leases	48	114
Expenses relating to leases of low-value assets	—	61
Total	**4 418**	**4 135**

Note 19 - Business combinations

(in NOK 1000)

ACQUISITION OF OBSERVE TECHNOLOGIES LIMITED

AKVA group ASA previously held 33,69% of the shares in Observe Technologies Ltd ("Observe"). On 5 July 2024, AKVA group ASA acquired the remaining shares in Observe and obtained 100% ownership. Observe was acquired to strengthen the Group's digital product offering. Observe is a complete AI software solution developed to optimize the feeding process in aquaculture.

The amounts recognized in respect of the identifiable assets acquired and liabilities assumed are as set out in the adjacent table.

MNOK 89 of the total consideration payable in cash was transferred on July 5th. The contingent consideration includes ARR milestones and earn-out based on integrations and innovations milestones. The consideration is measured at fair value in accordance with IFRS 3, taking into account the expected outcomes and the probability of meeting the relevant conditions.

The goodwill of MNOK 305 arising from the acquisition consists of key employees considered to have unique competence and significant synergy effects for the Group. None of the goodwill is expected to be deductible for income tax purposes

Acquisition-related costs amount to MNOK 4.1.

Observe contributed MNOK 4.7 revenue and MNOK 1.6 to the Group's profit for the period between the date of acquisition and the reporting date. Prior to the acquisition Observe was accounted for with the equity method whereas MNOK 0.7 is recognized as other income.

This fair values in the purchase price allocation was estimated by applying an income approach with a discount rate of 15%

Values at the acquisition date in	Book value	Adjusted value	Fair value
ASSETS			
Deferred tax asset	3 130	—	3 130
Goodwill	—	304 488	304 488
Research and development	11 005	31 714	42 720
Patents, licenses and similar	1 403	—	1 403
Machinery and equipment	103	—	103
Investment in subsidiaries	—	—	—
Total non-current assets	**15 642**	**336 202**	**351 844**
Accounts receivables	-3 446	—	-3 446
Cash and cash equivalents	15 558	—	15 558
Total current assets	**12 112**	**—**	**12 112**
Total assets	**27 753**	**336 202**	**363 955**
LIABILITIES			
Pension liabilities	-31	—	-31
Deferred tax liability	—	-7 929	-7 929
Total non-current liabilities	**-31**	**-7 929**	**-7 959**
Accounts payables	-3 009	—	**-3 009**
Public duties payable	39	—	39
Other current liabilities	—	—	—
Total current liabilities	**-2 970**	**—**	**-2 970**
Total liabilities	**-3 001**	**-7 929**	**-10 930**
Net assets	**24 752**	**328 273**	**353 026**
Contingent consideration	53 400	—	53 400
Fixed cash settlement	89 063	—	89 063
Fixed seller credit	91 628		91 628
Purchase price (66.3% ownership)	**234 091**	**—**	**234 091**
Plus: Purchase price for 33.7% ownership	118 934	—	118 934
Equity value (100%)	**353 026**	**—**	**353 026**
Allocation of excess value			
Purchase price			353 026
Less: Book value of equity			-24 752
Plus: Book value of intangible assets to be reallocated			11 005
Excess value to be allocated			**339 279**
Technology			42 720
Deferred tax			-7 929
Residual goodwill			304 488
Total excess values			**339 279**
Business combinations achieved in stages (step acquisitioons)			
Book value of investment (33,7%)			43 382
New measurement of the 33,7% ownership			118 934
Gain recognised in the consolidated income statement			**75 552**

Note 20 - Related parties

(2023 figures in brackets)

See note 6 for transaction and balances with subsidiaries. See consolidated accounts note 3 about remuneration to CEO and executive management and fees to the Board of Directors.

Centre of Aquaculture Competence AS ("CAC") is a related party due to AKVA group ASA's ownership of 33% of the shares in CAC. AKVA group ASA has as part of their role in CAC recorded revenues from CAC of MNOK 0.0 (1.7) in 2024. The outstanding balance towards CAC on 31 December 2024 was a receivable of MNOK 0.0 (0.0).

Egersund Group AS is a related party due to its controlling ownership share of the AKVA group ASA. AKVA group ASA has, in line with the company's ordinary course of business with Egersund Group AS and its subsidiaries, had revenues and costs of respectively MNOK 1.6 (0.1) and MNOK 6.1 (1.4) in 2024.

Outstanding balances at year-end are unsecured and interest free and settlement occurs in cash. As of 31 December, the company had MNOK 0.2 (0.2) in trade receivables and MNOK 0.1 (0.7) in trade payables towards Egersund Group AS and its subsidiaries.

The sales and purchases to related parties are made on terms equivalent to those that prevail in arm's length transactions.

Note 21 - Dividend

No dividend was paid out in 2024.

See consolidated accounts note 21 for more details.

Note 22 - Sale and buyback of own shares

Based on authorization by the annual general meeting held on 11 May 2023 and 2 May 2024 the Board of Directors of AKVA group initiated a share buy-back programme for up to 200.000 shares. Buyback transactions was executed according to the market price on the Oslo Stock Exchange ("OSE"). The maximum number of shares purchased in one day was 3,532 shares corresponding to 25% of the average daily trading volume on the OSE during the month of February 2024, being the month preceding the month of disclosure. At the start of 2024 AKVA group ASA owned 230,663 own shares. During buyback programme AKVA group initiated buybacks of total of 200,000 shares, amounting to MNOK 13,2.

As part of the long-term incentive plan, 71 947 shares were distributed to the Executive Personnel in 2024. At the end of 2024 AKVA group owned 358,716 own shares.

Note 23 - Provisions

(in NOK 1000)

AKVA group ASA has booked the following provisions as of 31 December 2024:

	Warranties	Obsolete inventory	Bad debt	Total
Balance at 01.01.2024	7 100	4 300	425	11 825
Provisions made during the year	—	200	—	200
Provisions used/reversed during the year	-3 100	-4 300	—	-7 400
Balance at 31.12.2024	**4 000**	**200**	**425**	**4 625**
Non-current	—	—	—	—
Current	4 000	200	425	4 625

Note 24 - Subsequent events

See consolidated accounts note 24 for more details about subsequent events.

Reports and statements

Content

AKVA GROUP

Deloitte.

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To the General Meeting of AKVA group ASA

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of AKVA group ASA, which comprise:

- The financial statements of the parent company AKVA group ASA (the Company), which comprise the statement of financial position as at 31 December 2024, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.
- The consolidated financial statements of AKVA group ASA and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2024, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided. We have been the auditor of AKVA group ASA for 4 years from the election by the general meeting of the shareholders on 6 May 2021 for the accounting year 2021.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition for construction contracts

Description of the Key Audit Matter	**How the matter was addressed in the audit**
Refer to note 2 and 17 in the financial statements of the Group. The majority of the Group's revenues relates to construction contracts. There is a risk of incorrect revenue recognition, in particular related to construction contracts in progress at 31 December. Recognition of revenue from construction contracts is determined based on the five-step model of IFRS 15. Revenue recognition is considered a key audit matter due to the significant estimates and judgements applied by management in: - forecasting the profit margin on each contract including the cost to complete the contract and any contingencies for uncertain costs; and - assessing the percentage of completion of the contract based on goods or services transferred to date and costs incurred.	We reviewed the Group's accounting policies applicable for revenue recognition and assessed whether those policies were in compliance with IFRS. We evaluated the design and implementation of control activities that management has established to ensure that revenue is recognized in accordance with the Group's accounting policies. We tested a sample of contracts based on our assessment of financial significance and risk in the contract. Our audit procedures on these contracts included; - We agreed revenue forecasts with signed contracts; - We assessed the appropriateness of applying construction contract accounting; - We inspected project reporting documentation for some contracts; - We assessed management's estimate of percentage of completion based on our knowledge of the Group's business and industry, challenging the progress of contracts in accordance with set milestones and cost progression; - We challenged whether the cost and revenue estimates were appropriate in light of the margin development including a retrospective review of the historical accuracy of revenue recognition.

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Impairment of goodwill

Description of the Key Audit Matter	How the matter was addressed in the audit
As disclosed in note 7, the carrying amount of goodwill amounted to TNOK 1 104 341 as at 31 December 2024. The Group allocates goodwill to the cash generating units which management has determined are the three segments which they operate. Due to the level of complexity in assessing the appropriate accounting for impairment and the level of management judgement involved, this has been identified as a key audit matter. Management's annual impairment testing is based on estimation of recoverable amounts for the cash generating units. The estimation of cash flows and the selection of an appropriate discount rate to estimate the recoverable amount are key judgmental areas. The outcome of impairment assessments may vary significantly, dependent on the assumptions applied.	We challenged the assumptions and judgements used in the impairment model for assessing the recoverability of the carrying amount of goodwill. Our procedures included: -We obtained an understanding of management's process for impairment testing of goodwill; - We tested the methodology applied to estimate recoverable amount against the requirements of IAS 36, Impairment of assets; - We assessed the appropriateness of the identification of cash generating units; - We assessed the historical accuracy of management's budgets and forecasts and on that basis challenging management on the current year cash flow forecasts as well as the timing of future cash flows; - We challenged management on the growth rate used and management's future business plan assumptions with reference to current market conditions and order backlog; - We considered whether the disclosures regarding key assumptions and sensitivities adequately reflects the underlying goodwill impairment assessments; and - We used valuation specialists to assess the mathematical accuracy of management's impairment model, the discount rates applied as well as recalculating management's sensitivity analysis.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our statement on the Board of Directors report applies correspondingly to the statement on Corporate Governance.

Our statement that the Board of Directors report contains the information required by applicable law does not cover the sustainability report, for which a separate assurance report is issued.

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Responsibilities of Management for the Financial Statements
Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of AKVA group ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 5967007LIEEXZXH8YG14-2024-12-31-en.zip, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

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Auditor's Responsibilities
Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Stavanger, 7 April 2025
Deloitte AS

Else Høyland Joranger

Else Høyland Joranger
State Authorised Public Accountant

Deloitte.

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To the General Meeting of AKVA group ASA

INDEPENDENT SUSTAINABILITY AUDITOR'S LIMITED ASSURANCE REPORT

Limited assurance conclusion
We have conducted a limited assurance engagement on the consolidated sustainability statement of AKVA group ASA (the "Group"), included in the Board of Directors report (the "Sustainability Statement"), as at 31 December 2024 and for the year then ended. Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not prepared, in all material respects, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Group to identify the information reported in the Sustainability Statement (the "Process") is in accordance with the description set out in the General Information section, and
- compliance of the disclosures in the EU Taxonomy section of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

Basis for conclusion
We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information ("ISAE 3000 (Revised)"), issued by the International Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Sustainability auditor's responsibilities section of our report.

Our independence and quality management We have complied with the independence and other ethical requirements as required by relevant laws and regulations in Norway and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other matter
The comparative information included in the Sustainability Statement was not subject to an assurance engagement. Our conclusion is not modified in respect of this matter.

Responsibilities for the Sustainability Statement
The Board of Directors and the Managing Director (management) are responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance with the ESRS and for disclosing this Process in the General Information section of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the Sustainability Statement, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the ESRS,
- preparing the disclosures in EU Taxonomy section of the Sustainability Statement, in compliance with the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that management determines is necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Inherent limitations in preparing the Sustainability Statement
In reporting forward-looking information in accordance with ESRS, management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Sustainability auditor's responsibilities
Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Sustainability Statement, in relation to the Process, include:

- obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process set out in the General Information section.

Our other responsibilities in respect of the Sustainability Statement include:

- identifying where material misstatements are likely to arise, whether due to fraud or error; and
- designing and performing procedures responsive to where material misstatements are likely to arise in the Sustainability Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed
A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
  - reviewing selected parts of the Group's internal documentation of its Process; and
- evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Group was consistent with the description of the Process set out in the General Information section.

In conducting our limited assurance engagement, with respect to the Sustainability Statement, we:

- obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statement by
  - obtaining an understanding of the Group's control environment and selected processes, control activities and information system relevant to the preparation of the Sustainability Statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control.
- evaluated whether the information identified by the Process is included in the Sustainability Statement;
- evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the ESRS;
- performed inquires of relevant personnel and analytical procedures on selected information in the Sustainability Statement;
- performed substantive assurance procedures on selected information in the Sustainability Statement;
- where applicable, compared selected disclosures in the Sustainability Statement with the corresponding disclosures in the financial statements and other sections of the Board of Directors report;
- evaluated the selected methods, assumptions and data for developing estimates and forward-looking information;
- obtained an understanding of the Group's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement;
- evaluated whether information about the identified taxonomy-eligible and taxonomy-aligned economic activities is included in the Sustainability Statement, and
- performed inquiries of relevant personnel, analytical procedures and substantive procedures on selected taxonomy disclosures included in the Sustainability Statement.

Stavanger, 7 April 2025
Deloitte AS

Else Høyland Joranger

Else Høyland Joranger
State Authorised Public Accountant - Sustainability Auditor

Responsibility statement

The Board of Directors and the CEO have today reviewed and approved the Board of Directors report and the consolidated and separate annual financial statement for AKVA group ASA for the financial year 2024. In accordance with the Norwegian Securities Trading Act section 5-5, we hereby confirm, to the best of our knowledge, that the financial statements for the period from 1 January to 31 December 2024 have been prepared in accordance with applicable accounting standards and gives a true and fair view of the Group and the company's assets, liabilities, financial position and results of operations. We further confirm that the Board of Directors report provides a true and fair view of the development and performance of the business and the position of AKVA group ASA and the Group, together with a description of the key risks and uncertainty factors that the companies are facing, and that the Board of Directors report have been prepared in accordance with standards for sustainability reporting pursuant to section 2-6 of the Norwegian Accounting Act, and in accordance with rules laid down pursuant to Article 8 of the Taxonomy Regulation.

Board of Directors and CEO
AKVA group ASA

Klepp, Norway, 7 April 2025

Hans Kristian Mong
Chair

Heidi Nag Flikka
Board member

Odd Jan Håland
Board member

Frode Teigen
Board member

Kristin Reitan Husebø
Deputy chair

Irene Heng Lauvsnes
Board member

John Morten Kristiansen
Board member

Yoav Doppelt
Board member

Tore Rasmussen
Board member

Knut Nesse
CEO

Mona Skåtøy Skadberg
Board member

Corporate Governance in AKVA group ASA

The Board of Directors (the Board) of AKVA group ASA (AKVA group ASA or the company, and together with its controlled subsidiaries, the Group) conducts an annual review of the company's corporate governance principles and practice. This part of the annual report provides the Board's review of the company's compliance with the Norwegian Code of Practice for Corporate Governance, last revised on 14 October 2021 (the Code), which applies to the company. The Code is available from the Norwegian Corporate Governance Board.

Additionally, this part of the annual report includes information that the company is required to provide pursuant to section 2-9 of the Norwegian Accounting Act and section 4.4 of the Oslo Stock Exchange's Oslo Rule Book II – Issuer Rules.

The Board reviews compliance with the Code based on a "*comply or explain*" principle in line with the Code's recommendation. Any deviations from the Code will be accounted for and explained. According to the Board's review, the company deviates from three recommendations of the Code, as further described in sections 3, 6 and 8 below.

The following provides an overview of the company's corporate governance principles and practices with respect to each recommendation of the Code.

1. Implementation and reporting on corporate governance

In the Board's view, good corporate governance entails an open and trustworthy cooperation between everyone involved within and with the Group, including the company's shareholders, the members of the Board, the members of the company's executive management team (the Management), employees, customers, suppliers, public authorities, and the society in general.
The Board works to ensure that the company has a sound corporate governance in line with applicable legislation and regulations, stock-exchange rules, and the Code, to support achievement of the company's core objectives on behalf of its shareholders and to create a strong and sustainable company. The company's compliance with these corporate governance principles is reviewed by the Board on an annual basis.

By pursuing the principles of corporate governance, the Board and Management shall contribute to achieving the following objectives:

- **Openness and honesty**. Communication with the stakeholder group's of the company shall be based on openness and honesty on issues relevant for the evaluation of the development and position of the company.
- **Independence**. The relationship between the Board, the Management and the company's shareholders shall be based on independence to ensure unbiased and neutral decision-making.
- **Equal treatment**. The company has equal treatment and equal rights for all its shareholders as one of its primary objectives.
- **Control and management**. Good control and corporate governance mechanisms shall contribute to predictability and reduce the level of risks for shareholders and other stakeholders.

Deviations from the Code: None.

2. The company's business

The operations of the company shall be in compliance with the business objective as set forth in paragraph 3 of the company's articles of association (the Articles of Association), last amended at the company's annual general meeting for 2024, which now reads:

> "*The purpose of the company is to develop, produce, project, sell and market own and purchased products, and everything connected to such activity, including participation in other companies with similar activities. The activities of the company shall in particular be directed towards solutions and services for the aquaculture industry*."

The full Articles of Association are available at https:// www.akvagroup.com/investors/corporate-governance/articles-of-association/. The company's strategic goals and objectives are described thoroughly in the annual report and on the Group's website at https://www.akvagroup.com/.

The Board has defined clear objectives, strategies and risk profiles for the company's business activities to ensure that the company creates value for shareholders in a sustainable manner. These objectives, strategies and risk profiles are reviewed annually by the Board. The Board shall identify and assess sustainability aspects that are relevant to the company's business from time to time..

The company has established guidelines and a code of conduct addressing corporate social responsibility, including matters that relate to human rights, employee rights and social matters, the external environment, the prevention of corruption, the working environment, equal treatment, discrimination, and environmental impact, as well as setting out defined values upon which the company shall base its activities. These are reviewed annually and are described in sustainability statement in the annual report as required under the Norwegian Accounting Act.

Deviations from the Code: None.

3. Equity and dividends

The Board is responsible for ensuring that the Group is adequately capitalized relative to the risk and scope of operations. As of year-end 2024, the company had a consolidated equity of MNOK 1,306 which accounts for 32.4% of the total consolidated assets of the company. In the Board's view, the equity capital level is appropriate in consideration of the company's objectives, strategy, and risk profile.

The Board has established and disclosed a clear and predictable dividend policy. The dividend policy reads:

> *"The company's main objective is to maximise the value of the investment made by its shareholders through both increased share prices and dividend payments. The company is aiming to give the shareholders a competitive return on investment by a combination of cash dividend and share price increase. The company's dividend policy shall be stable and predictable.*
>
> *When deciding the dividend, the Board will take into consideration expected cash flow, capital expenditure plans, financing requirements/ compliance, appropriate financial flexibility, and the level of net interest-bearing debt. The company needs to be in compliance with all legal requirements to pay dividend. The company will target to pay dividend twice a year, after the 1st and 2nd half of the year."*

The dividend policy and information on the company's dividend distributions each year is available on the company's website at https:// www.akvagroup.com/investors/the-share/dividend-policy.

In order to enable the company to maintain its dividend policy, the Board will propose that the annual general meeting to be held in May 2025 authorizes the Board to resolve distributions of dividends based on the company's annual accounts for 2024, cf. section 8-2 (2) of the Norwegian Public Limited Liability Companies Act (the Companies Act). The proposed authorization may be used to distribute dividends up to an aggregate amount of NOK 100,000,000. The authorization shall, if adopted by the annual general meeting, be in force from the date of the annual general meeting until the earlier of the time of the annual general meeting in 2026 and 30 June 2026.

Board authorizations to increase the company's share capital

The annual general meeting held on 2 May 2024 resolved to grant the Board an authorization to increase the company's share capital by up to NOK 3,666,773 through the issuance of new shares. The authorization is in force until the earlier of the date of the annual general meeting in 2025 and 30 June 2025, and replaced all previous Board authorizations to increase the company's share capital.

The authorization does not authorize the Board to (i) waive the pre-emptive right of shareholders, cf. section 10-4 of the Companies Act; (ii) carry out a capital increase by contribution in kind, (iii) incur any special obligations on behalf of the company, cf. section 10-2 of the Companies Act, (iv) decide on mergers, cf. section 13-5 of the Companies Act, or (v) use the authorization in connection with the company's option program. The authorization has not been used by the Board to date.

The Board will propose that the annual general meeting to be held in May 2025 grants the Board a new authorization on similar terms, replacing the authorization granted to the Board in 2024, with a limitation corresponding to 10% of the company's total share capital. The new authorization shall, if adopted by the annual general meeting, expire at the earlier of the date of the annual general meeting in 2026 and 30 June 2026.

Board authorizations to acquire own shares

The annual general meeting in 2024 also resolved to grant the Board an authorization to acquire own shares on one or several occasions, cf. sections 9-2 to 9-4 of the Companies Act, at a price per share not exceeding the market price of the company's shares on the Euronext Oslo Stock Exchange. The minimum and the maximum price that may be paid for each share is NOK 1 and NOK 150, respectively. The maximum face value of the shares which the company may acquire pursuant to this authorization is NOK 916,693, which, at the time the authorization was granted, equalled approximately 2.5% of the company's share capital.

Acquisitions of shares pursuant to this authorization may only take place if the company's distributable reserves according to the most recent balance sheet exceed the consideration paid for the shares to be acquired. The Board is otherwise free to determine how the company's own shares will be acquired and sold, provided that an acquisition under this authorization must be in accordance with prudent and good business practice, with due consideration to losses which may have occurred after the balance-sheet date or to expect such losses.

The authorization is valid until the earlier of the date of annual general meeting in 2025 and 30 June 2025. This authorization replaced the authorization for acquisition of own shares granted by the annual general meeting on 12 May 2023.

This authorization was used by the Board in 2024, and the company purchased a total of 200 000 own shares at an weighted average price of NOK 65.8733. Following this acquisition, the company owns a total of 358 716 own shares, equalling approximately 0.9783% of the company's share capital.

The Board will propose that the annual general meeting to be held in May 2025 grants the Board a new authorization on similar terms, replacing the authorization granted to the Board in 2024, to expire at the earlier of the annual general meeting in 2026 and 30 June 2026.

Deviations from the Code: The Board authorizations granted by the annual general meeting in 2024 to increase the share capital and to acquire own shares, respectively, are not limited to defined purposes. The same applies to the Board authorizations to be proposed to the annual general meeting in 2025.

The Board however believes that it is in the best interest of the company, the company's shareholders, and other stakeholders that the Board has flexibility to use the authorizations as considered necessary and advantageous at the Board's discretion. It should be noted that the authorization to increase the share capital is limited in time as recommended by the Code and has restrictions as to waiver of the pre-emptive right of shareholders as well as certain other restrictions as described above.

4. Equal treatment of shareholders

The company has one class of shares, and each share carries one vote. All shares carry equal rights, including the right to participate in the company's general meetings. All shareholders shall be treated on an equal basis, unless there is just cause for treating shareholders differently in the best common interest of the company and its shareholders.

Pre-emption rights of existing shareholders

If the proposed Board authorization to increase the share capital referred to in section 3 above is adopted by the annual general meeting in 2025, the Board will not be authorized to waive the existing shareholders' pre-emptive rights in connection with a share capital increase under the authorization.

In the event the Board would propose to the general meeting that the pre-emptive rights of shareholders should be waived, this proposal will be justified in the notice of the general meeting and disclosed in a stock exchange notice in connection with the capital increase.

It should be noted that Israel Corporation Ltd. (ILCO), in connection with its investment in the company equal to approximately 18% of the share capital completed on 21 October 2021, was entitled for a period of 24 months thereafter to participate in any capital raising in the company in such a manner that ILCO's shareholding is retained. This right would have applied in a situation where the pre-emption rights of existing shareholders in the company in general were set aside during this 24-month period. This right has not been used and expired in 2023. See also section 8 below on ILCO's right to appoint one member of the Board pursuant to the company's Articles of Association.

As further detailed in section 8 below, the investment in the company by ILCO and rights granted in relation thereto are considered to be in the common interest of the company and its shareholders.

Transactions by the company in its own shares

Any transactions carried out by the company in its own shares will be carried out either on the Oslo Stock Exchange or at prevailing stock market prices. In situations with limited liquidity in the company's shares, the Board will consider alternative means to ensure the equal treatment of shareholders.

Deviations from the Code: None.

5. Shares and negotiability

The company's shares are freely transferable. The Articles of Association places no restrictions on negotiability.

Please refer to section 8 below regarding ILCO's right to appoint one member of the Board pursuant to the company's Articles of Association.

Deviations from the Code: None.

6. General meetings

The Board shall ensure that as many of the company's shareholders as possible are able to exercise their voting rights at the company's general meetings, and that the general meeting is an effective forum for shareholders and the Board.

The notice for general meetings, with reference to or including supporting information on the resolutions to be considered by the general meeting, shall be sent to shareholders and made available on the company's website and on Euronext Oslo Stock Exchange's website NewsWeb for company announcements at https://newsweb.oslobors.no/ no later than 21 days prior to the date of the general meeting. The Board will seek to ensure that the resolutions and supporting information are sufficiently detailed and comprehensive to allow shareholders to form a view on all matters to be considered.

Pursuant to an amendment to article 7 third paragraph of the company's Articles of Association resolved at the company's general meeting in 2024, all shareholders who wish to attend the general meeting must give the company notice of this in advance. For shareholders that hold shares through a nominee, the requirement to give prior notice of attendance also follows from the Companies Act, and the notice of attendance must have been received no later than two business days prior to the general meeting. For other shareholders, the notice of attendance must have been received no later than two business days prior to the general meeting unless the Board has set a later deadline in the notice of the general meeting. Further, only those who own shares in the company on the fifth business day before the general meeting (the record date) will have the right to attend and to vote for their shares as of the record date.

Following another amendment to article 7 second paragraph of the company's Articles of Association resolved at the company's annual general meeting in 2024, the Board may decide that shareholders shall be permitted to cast their votes in writing, including by way of electronic means, in a period prior to the general meeting. The Board may set specific guidelines for such advance voting, and it shall be stated clearly in the notice of the relevant general meeting whether advance voting is permitted and which guidelines that have been set.

The Board will in each individual case consider whether to allow shareholders to vote separately on each candidate nominated for election to the Board and other corporate bodies (if applicable). The need to take into consideration inter alia the overall combination of expertise represented in the Board and statutory requirements to the Board's composition may outweigh other considerations.

It is the intention of the company and the Board to have representatives of the Board and the nomination committee present at the general meeting. However, the entire Board will normally not attend the meeting unless attendance is considered necessary based on the matters to be dealt with. The auditor will attend the annual general meeting and any extraordinary general meetings to the extent required by the items on the agenda or other relevant circumstances.

The general meeting is chaired by an independent chair, to be proposed by the Board and appointed by the general meeting.

The Board will aim to prepare and facilitate the use of proxy forms which allows separate voting instructions to be given for each item on the agenda, and also nominate a designated person who will be available to vote on behalf of shareholders as their proxy. The Board may decide that shareholders may submit their votes in writing, including by use of electronic communication, in a period prior to the general meeting. The Board will seek to facilitate such advance voting. Furthermore, the company's shareholders shall have the right to attend and vote at general meetings by electronic means, unless the Board finds that there is sufficient cause for not allowing this form of voting and attendance.

The annual general meeting in 2024

The annual general meeting in 2024 was in all material respect carried out in accordance with recommendation no. 6 of the Code with the exception of that the entire Board did not participate at the annual general meeting as this was not considered necessary in light of the matters to be dealt with in the meeting.

The annual general meeting in 2024 was held as an electronic meeting in accordance with section 5-8 of the Companies Act, and shareholders were encouraged to attend by granting a proxy (with or without voting instructions) to the chair of the Board.

Deviations from the Code: None other than as stated above.

7. Nomination committee

The Articles of Association set out that the company shall have a nomination committee consisting of at least three members elected by the general meeting. The nomination committee's responsibilities include considering and recommending resolutions to the general meeting on the following matters:

1. Candidates for election as members of the Board;
2. Candidates for election as members of the nomination committee, including the chairman of the committee;
3. The proposed remuneration of the Board and the members of the nomination committee;
4. Any proposed amendments to the nomination committee charter; and
5. Approve the text in the Corporate Governance section of annual report of the company, related to the nomination committee

The nomination committee shall individually justify its proposals for candidates to the Board and the nomination committee.

Composition of the nomination committee

The current nomination committee was elected by the annual general meeting on 2 May 2024 for a period of one year and comprises the following members:

- Eivind Helland, chair (General Manager, Blue Planet AS)
- Ingvald Fardal, member (MSc Business Administration)
- Nina Willumsen Grieg, member (MSc Industrial Economics and Technology Management)

None of the nomination committee members are members of the Board or the Management. All members of the committee are independent of the Board and the Management. The nomination committee is of the opinion that the composition of the committee reflects the common interest of the company's shareholders.

The work of the nomination committee

The nomination committee's work is based on the nomination committee charter initially approved by the annual general meeting in May 2007, which includes appropriate arrangements for shareholders to submit proposals to the nomination committee for the election of candidates.

The nomination committee has held one meeting since the annual general meeting in 2024.

Deviations from the Code: None.

8. Board of Directors: composition and independence

Composition

According to the Articles of Association, the Board shall consist of four to ten members. The Board currently consists of the following ten members:

Name	Position	Independent of management and material business contacts	Independent of main shareholders
Hans Kristian Mong	Chair	Yes	No. Mong is a representative of the company's largest shareholder, Egersund Group AS.
Kristin Reitan Husebø	Deputy Chair	Yes	Yes
Yoav Doppelt	Board member	Yes	No. Doppelt is a representative of the company's second largest shareholder, ILCO.
Frode Teigen	Board member	Yes	No. Teigen is a representative of the company's largest shareholder, Egersund Group AS.
Tore Rasmussen	Board member	Yes	Yes
Irene Heng Lauvsnes	Board member	Yes	Yes
Heidi Nag Flikka	Board member	Yes	Yes
Siv Iren Nesse	Employee representative	-	-
Odd Jan Håland	Employee representative	-	-
John Morten Kristiansen	Employee representative	-	-

Olav Austbø, Rebekka Tjensvoll Carlsen og Mathias Bergersen Aag serve as deputy members of the Board, elected by the employees.

Further details of the individual directors can be found on the company's webpage at [https://www.akvagroup.com/investors/management-and-board/.](https://www.akvagroup.com/investors/management-and-board/)

Independence

Four of the shareholder-elected members of the Board are independent of the main shareholders of the company. The company complies with the Code's recommendation regarding independence of main shareholders.

It should be noted that article 5 of the Articles of Association of the company includes the following regarding election of Board members:

> *"The Board of Directors shall be composed of 4 to 10 members, in accordance with a decision by the General Meeting.*
>
> *The company Israel Corp., Millennium Tower, 23 Aranha Street, Tel Aviv 61204, Israel, business registration number 520028010 (the "Entitled Shareholder") shall for as long as it owns 15% or more of the total number of shares in the company be entitled to appoint one director to the Board of Directors. The Entitled Shareholder shall retain the right to appoint one director to the Board of Directors also in the event its shareholding is reduced below 15% (no matter how), as long as its ownership is minimum 12% of the total number of shares in the company.*
>
> *The Entitled Shareholder's right to appoint a director to the Board of Directors pursuant to this article shall terminate if the Entitled Shareholder engages, directly or indirectly, through investments or holdings, including minority investments, in activities directly competing with the company, provided however that this shall not apply for financial investments in land based projects. For purposes of the foregoing, "financial investments" means any investment that does not have the goal of combining an acquired business with another business owned or controlled by such shareholder."*

The right for ILCO to appoint one Board member constitutes a deviation from the Code's recommendation that Board members are elected by the general meeting. As set out in the company's stock exchange notice of 29 September 2021, ILCO is considered as a long-term strategic investor and its global business experience and technology background will contribute to the company's goal to build a world-leading offering of technical & digital solutions within sea and land based aquaculture. ILCO has actively supported the Management during 2024 in carrying out the Group's strategies. Consequently, the investment by ILCO and arrangements related thereto are deemed to be in the common interest of the company and its shareholders.

The Board elects the chair and the deputy chair, which represents a deviation from the Code. The Board is, however, of the view that the composition of the Board ensures that it can attend to the common interests of all shareholders and operate independently of any particular interests.

The nomination committee's recommendation of candidates, including the reasoning for the recommendation, will be appended to the notice of the general meeting as published on the company's website and on NewsWeb.

All the members of the Board are generally encouraged to own shares in the company.

Deviations from the Code: None other than as stated above regarding ILCO's right to the election of one Board member and the Board's competence to elect the chair of the Board.

9. The work of the Board of Directors

Board responsibilities

The Board has the ultimate responsibility for the overall management and organisation of the company and shall supervise the company's business and activities in general. This involves that the Board is responsible for establishing control arrangements to secure that the company operates in accordance with the adopted values and the code of conduct as well as with shareholders' expectations of good corporate governance.

The Board's main task is to ensure that the company develops and creates shareholder value. Furthermore, the Board shall contribute to the shaping of and implementation of the Group's strategy, ensure appropriate supervision and control of management and in other ways ensure that the Group is well operated and organised. The Board establishes objectives for the financial performance and adopts the company's plans and budgets. Matters of major strategic or financial importance for the Group are within the responsibilities of the Board.

Each year, the Board produces an annual plan for its work, with particular emphasis on objectives, strategy and implementation. The chief executive officer (CEO) shall, if and when required by the Board, by attendance or in writing, inform the Board about the company's activities, position and profit trend, to enable the Board to carry out its responsibilities.

Instructions to the Board and the Management

The Board has adopted separate instructions for the work and responsibilities of the Board and of the Management, last updated November 2023.

The instructions for the Board cover inter alia the following matters: Composition of the Board, the Board's duties, day-to-day management, calling of Board meetings and related issues, the Board's decisions, Board meeting minutes, disqualification and conflict of interest, the handling of all agreements with related parties, sustainability, confidentiality obligation, convening general meetings, insider rules and ethical guidelines for conduct of business. The Board can decide to deviate from instructions in certain cases. The members of the Board shall, pursuant to the instructions to the Board, make the company aware of any material interests that they may have in matters to be considered by the Board.

The instructions to the Management cover rules and procedures for the duties, responsibilities, and delegated authorities of the Management, in accordance with the regulations established for the company's operations. Additionally, the Board appoints the CEO and defines the CEO's work description and authority.

The company is not aware of any potential conflicts of interest between the duties owed to the company by the members of the Board or the Management, and their private interests or other duties. The company is party to facility lease agreements with companies that are controlled by shareholders of the company, however, these are based on arm's length market terms.

Financial Reporting

The Board receives regular financial reports on the Group's economic and financial status and keeps up to date on the company's financial performance and development.

Audit committee

In accordance with sections 6-41 to 6-43 of the Companies Act, the company has established an audit committee, consisting of Kristin Reitan Husebø (Chair), Hans Christian Mong and Heidi Nag Flikka. The company's chief financial officer (CFO) acts as the secretary of the audit committee. The mandate and work of the audit committee are described in further detail under item 10 below.

The company has had an audit committee since 2011. The committee has held 6 meetings during 2024.

Remuneration committee

The company has established a remuneration committee in order to ensure thorough and independent preparation of matters relating to compensation to the company's executive personnel. The committee's duties and responsibilities are governed by a separate charter adopted by the Board. The committee's tasks revolve around the CEO's terms of employment and the remuneration of executive personnel including salary levels, bonus systems, options schemes, pension schemes, employment contracts etc.

The committee prepares, together with and subject to approval by, the Board and the general meeting as required under applicable law:

1. The company's policy on determination of salaries and other remuneration for executive personnel in accordance with section 6-16a of the Companies Act;

2. An annual report on salaries and other remuneration for executive personnel in accordance with section 6-16b of the Companies Act; and

3. Other matters relating to remuneration and other material employment issues in respect of the executive personnel.

The current members are Hans Kristian Mong (Chair), Tore Rasmussen and Yoav Doppelt, all of which are independent of the Management. The committee has held two meetings since the 2024 annual general meeting.

The Board's self-evaluation

The Board evaluates its efficiency, competence, performance and duties on an annual basis. The evaluation is made available for the nomination committee.

Deviations from the Code: None.

10. Risk management and internal control

The Board and internal control

Risk management and internal control are given priority by the Board, and the Board ensures that the company maintains suitable internal control procedures, effective risk management systems tailored to its business, and maintains the quality of its financial reporting.

Operational risk management primarily takes place within the company's operational subsidiaries, with the Management actively contributing through their positions on the boards of directors of some of the subsidiaries. In the view of the Board, the subsidiaries have established adequate practices to address such risks.

The Management and the Group have implemented different systems and guidelines to ensure internal control and monitoring of exposed risks. The Group is exposed to, inter alia, currency, interest rate, and market risk, as well as credit risk and operational risk.

The Group has implemented a quality management system which details the processes related to continuous improvements and operational risks. AKVA group ASA is ISO 9001:2015 certified by the accredited certification body DNV.

To ensure the monitoring of financial risk, the Group has adopted financial guidelines. Management of exposure in financial markets, including currency, interest rate and counterparty risk, is emphasised in the company's governing documents. Further details on these principles are provided in note 16 to the Group's and the company's financial statements. Additionally, the Group has developed an authority matrix which is included in its governing documents.

The Management regularly prepares performance reports of the company's most important areas of exposure to risk and its internal control arrangements, which the Board review annually. The interim financial statements are subject to review in Board meetings.

The Board's work plan

The Board has established an annual work plan that includes an annual review of compliance of external and internal laws and regulations, risk and the HSE-situation, sustainability and financial risks and identification of risk related to the strategic goals and risk handling. By carrying out the established work plan, the Board controls that the company has sound internal control and systems for risk management for the company's activities.

The audit committee

The mandate of the audit committee is to monitor and evaluate the Group's financial reporting, including to evaluate substantial accounting issues, accounting principles and procedures applied by the Group in its financial reporting to the Oslo Stock Exchange, as further detailed in section 6-43 of the Companies Act. The committee is to evaluate the work of the Group's external auditor, including the auditor's independence from the Management and compliance with rules and regulations regarding services beyond financial audit. The committee also discusses the scope of the audit with the external auditor as well as evaluates reports from the auditor to the Board and the Management of the Group. The audit committee nominates the external auditor for the Group, as well as proposes the compensation to be paid to the external auditor, to the Board.

The audit committee also oversees the Group's internal control systems, including both operational and financial risk management. Additionally, the committee maintain the autonomy to address any other issues essential for fulfilling its mandate.

Deviations from the Code: None.

11. Remuneration of the Board of Directors

In the Board's opinion, the size of the remuneration to the Board is in compliance with the criteria in the Code concerning inter alia the Board's responsibility and expertise. The annual report provides details of all elements of the remuneration and benefits of each member of the Board. Furthermore, the following applies to the remuneration:

1. The remuneration is not linked to the company's performance, and the Board members are not granted share options;

2. None of the Board members and/or companies with which they are associated, have taken on specific assignments for the company in addition to their appointment as a member of the Board; and

3. The remuneration to the Board is proposed to the general meeting by the nomination committee.

Deviations from the Code: None.

12. Remuneration of executive personnel

The main principles for the company's remuneration of executive personnel are that the basic salary shall promote value creation in the company and contribute to aligned interests between shareholders and executive personnel. The basic salary shall not be of a type or size that may negatively affect the company's reputation.

As the industry leader in its sector, the company is dependent on being able to offer remuneration packages that enables it to recruit the most able talent on executive level. The Board's policy is to employ the most competent talent by offering compensation packages that are competitive with those offered in other similar and comparable industries, also in the international market.

The total remuneration to the CEO and other members of the executive personnel consists of base salary, variable salary, benefits in kind and pension schemes. Performance-related remuneration of the executive personnel in the form of bonus programmes, share-based incentives or similar shall be linked to value creation in the company over time. Such arrangements shall incentivise performance and be based on quantifiable factors that the employee may influence. As recommended in the Code, the performance-related remuneration is capped by being limited to a certain fraction of recipients' annual salary.

Share based incentive schemes are limited by a maximum number of shares in the company that can be allocated.

The fixed remuneration and performance-based remuneration to the CEO and other executive personnel are described in the notes to the annual accounts.

The remuneration committee, policy and report on remuneration to executive personnel

The Board has established a remuneration committee, which inter alia prepares the policy on determination of salaries and other remuneration for executive personnel in accordance with section 6-16a of the Companies Act. The policy contains the information set forth in the regulation on policies and reports on remuneration for executive personnel (Nw. "Forskrift om retningslinjer og rapport om godtgjørelse for ledende personer"). The Board aims for the policy to support to the company's commercial strategy and financial viability as well as the long-term interests of the company and its shareholders.

The policy shall be made available to and be approved by the annual general meeting upon any material change and at least every fourth year and was most recently approved at the annual general meeting on 11 May 2023. Within the framework of the policy, the remuneration committee shall each year undertake a thorough review of the remuneration and other compensation to the CEO and other executive personnel. The review shall be based upon market sampling of similar positions. The structure and level of the remuneration and incentive system for the CEO and other executive personnel are determined by the Board, within the framework of the policy as approved by the annual general meeting. In accordance with the Companies Act and the Code, the policy shall, when up for approval by the annual general meeting, be enclosed to the notice of such general meeting, and shall be available on the company's website.

The Board shall also, with the assistance from the remuneration committee, prepare a report on remuneration to executive personnel on an annual basis, in accordance with the Companies Act section 6-16 b and the regulation on policies and reports on remuneration for executive personnel. In accordance with the Companies Act and the Code, the report shall be made available to and be considered annually by the annual general meeting and was most recently considered at the annual general meeting on 2 May 2024. The report shall be enclosed to the notice of the annual general meeting and shall be available on the company's website.

Deviations from the Code: None.

13. Information and communications routine

The Board has adopted instructions on inter alia disclosure of information to ensure compliance with the company's disclosure obligations and satisfactory procedures related thereto. The Board will seek to ensure that market participants receive correct, clear, relevant and up-to-date information in a timely manner, taking into account the requirement on equal treatment of all market participants. Furthermore, through the company's procedures, the Board aims to at all times facilitate for discussions with its shareholders in compliance with applicable laws and regulations.

Annual and periodic accounts

The company usually presents preliminary annual accounts in its Q4 interim accounts during February. The complete integrated annual report, including the Board of Directors report and annual financial accounts is published during April and presented at the annual general meeting. The company reports financials quarterly, exceeding statutory requirements.

The company also makes its interim accounts publicly available through NewsWeb, as well as through presentations that are open to the public.

The company's financial calendar is published on the company's website and on NewsWeb. All shareholders have equal access to financial and other material company information.

Other market information

Other public presentations, in addition to the quarterly presentations of interim results, are held in connection with various seminars. These presentations are made available on the company's website https://www.akvagroup.com/investors/financial-info/other-presentations-reports/ and on NewsWeb.

The company considers it essential to keep shareholders and potential investors informed about its economic and financial development. From time to time, in addition to presentation related to financial reporting, the company will therefore prepare company presentations which are made available on the company's website and through NewsWeb.

Deviations from the Code: None.

14. Take-overs

The Board has established guidelines in the event that the company becomes subject to a take-over bit (an offer for all or a substantial majority of the company's shares).

In the event of a take-over bid for the shares in the company, the Board shall ensure that shareholders in the company are treated equally, and that the company's business activities are not disrupted unnecessarily. The Board shall ensure that shareholders are given sufficient information and time to form a view of an offer. The Board shall not seek to prevent or obstruct take-over bids for the company's business or shares unless there are particular reasons to do so.

Any agreement with a bidder for the shares of the company that acts to restrict the company's ability to pursue and engage for alternative bids will only be entered into where such an agreement clearly is in the common interest of the company and the shareholders. This provision shall also apply to any agreement on the payment of financial compensation to a bidder if the bid does not proceed.

The Board shall not exercise authorizations or pass any resolutions with the intention of obstructing the take-over bid unless this is approved by the general meeting after the announcement of the bid.

The Board shall issue a statement making a recommendation as to whether shareholders should or should not accept the offer. The Board's statement on a bid shall make it clear whether the views expressed are unanimous, and if this is not the case, it shall explain the basis on which specific members of the Board have excluded themselves from the Board's statement. Before issuing its final statement, the Board shall where appropriate arrange for an evaluation of the financial aspects of the bid from an independent expert. The evaluation shall include an explanation and shall be made public no later than at the time the Board's statement is made public.

Deviations from the Code: None.

15. Auditor

An outline of the work planned by the auditor is annually presented to the company's audit committee. The auditor shall annually present to the audit committee a review of the company's internal control procedures, including weaknesses identified by the auditor and suggestions for improvement, and submit the main features of the plan for the audit of the company.

The auditor is required to be present during the Board's discussion of the annual accounts. At this meeting the Board is briefed on the annual accounts and any other issues of particular concern to the auditor, including any (i) material changes in the accounting principles and key aspects of the audit, (ii) estimated accounting figures and (iii) material matters on which the auditor and the Management have disagreed.

At least one Board meeting with the auditor shall be held each year without the presence of any member of the Management.

The Board has implemented guidelines in respect of use of the auditor by the Management for services other than the audit.

Deviations from the Code: None.

Alternative performance measures non- IFRS financial measures

Introduction

AKVA group discloses alternative performance measures as a supplement to the financial statements prepared in accordance with IFRS. Such performance measures are used to provide an enhanced insight into the operating performance, financing and future prospects of the company and are frequently used by analysts, investors and other interested parties. The definition of these measures are as follows:

Definitions

Available cash is a non-IFRS financial measure, calculated by summarizing all cash in the Group in addition to available cash from established credit facilities.

Capital Employed is calculated using the formula (total assets – cash and RoU asset) – (total current liabilities – liabilities to financial institutions and lease liability).

EBITDA – EBITDA is the earnings before interest, taxes, depreciation, and amortizations. It can be calculated by the EBIT added by the depreciations and amortizations.

NIBD Net interest-bearing debt is a non-IFRS financial measure, equal to our interest-bearing debt plus lease liability minus our cash at the balance sheet date.

NIBD / EBITDA is a non-IFRS measure, calculated as period end NIBD divided by the prior 12 months EBITDA.

Order backlog is a non-IFRS measure, calculated as signed orders and contracts at the balance sheet date.

Order intake is a non-IFRS measure, calculated as order backlog at the end of period minus order backlog at start of period and revenue in the period.

ROACE Return on average Capital Employed is a non-IFRS financial measure, calculated by dividing the last 12 months EBIT by the quarterly average of the Capital Employed last 12 months.

ROCE – Return on Capital Employed is a non-IFRS financial measure, calculated by dividing the last 12 months EBIT by capital employed at the balance sheet date.

Working Capital is a non-IFRS financial measure calculated by current assets less cash minus current liabilities less liabilities to financial institutions.

Equity ratio is a non-IFRS financial measure, calculated by dividing total equity by total assets.

EBIT-margin, calculated as EBIT divided by total revenues.

EBITDA-margin, calculated as EBITDA divided by total revenues.

Debt to equity ratio is a non-IFRS financial measure, calculated by dividing total gross interest-bearing debt to total equity.

Net free cash flow per per share is a non-IFRS financial measure, calculated as change in net free cash flow divided by the number of shares outstanding at year-end.

Reconciliation

The following tables reconciles our Alternative Performance Measures to the most directly reconcilable line item, subtotal or total presented in the financial statements:

(NOK millions)	2024	2023
Cash and cash equivalents	161	219
Not utilized overdraft facilities at period end	192	300
Available cash	**353**	**519**
Total assets	4 054	3 684
Cash and cash equivalents	-161	-219
IFRS 16 - RoU Asset	-431	-475
Current liabilities	-1 117	-1 173
Liabilities to financial institutions - Short-term	108	38
Lease Liability - Short-term	95	91
Capital employed	**2 548**	**1 945**
Operating profit	256	68
Depreciation, amortization and impairment	197	196
EBITDA	**453**	**263**
Liabilities to financial institutions	1 152	900
Lease liabilities	452	496
Long term financial assets	-84	-67
Cash and cash equivalents	-161	-219
Net interest-bearing debt	**1 358**	**1 109**
Net interest bearing debt	1 358	1 109
EBITDA	453	263
NIBD/EBITDA	**3,00**	**4,21**
Operating profit	256	68
Quarterly average capital employed	2 324	1 935
ROACE	**11,0%**	**3,5%**
Operating profit	256	68
Capital employed	2 548	1 945
ROCE	**10,0%**	**3,5%**
Current assets	1 415	1 470
Cash and cash equivalents	-161	-219
Current liabilities	-1 117	-1 173
Current lease liabilities	95	91
Current liabilities to financial institutions	108	38
Working capital	**340**	**206**

No reconciliation have been performed for order backlog and order intake, as these are Alternative Performance Measures not linked to accounting figures.