

**MOWI**<sup>®</sup>

# Capital Markets Day 2021

Bergen, Norway

**17 March 2021**



## Forward looking statements

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**This presentation may be deemed to include forward-looking statements, such as statements that relate to Mowi's contracted volumes, goals and strategies, including strategic focus areas, salmon prices, ability to increase or vary harvest volume, production capacity, expectations of the capacity of our fish feed plants, trends in the seafood industry, including industry supply outlook, exchange rate and interest rate hedging policies and fluctuations, dividend policy and guidance, asset base investments, capital expenditures and net working capital guidance, NIBD target, cash flow guidance and financing update, guidance on financial commitments and cost of debt and various other matters concerning Mowi's business and results. These statements speak of Mowi's plans, goals, targets, strategies, beliefs, and expectations, and refer to estimates or use similar terms. Actual results could differ materially from those indicated by these statements because the realization of those results is subject to many risks and uncertainties.**

**Mowi disclaims any continuing accuracy of the information provided in this presentation after today.**

# Group Management Team

## Ivan Vindheim (1971), CEO



CEO from 2019, prior to that CFO for seven years. He has held various executive positions in the seafood industry and other industries.

MSc, MBA, CPA, CEFA

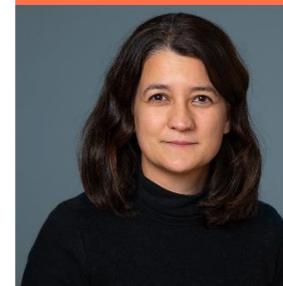
## Kristian Ellingsen (1980), CFO



CFO from 2019, prior to that Group Accounting Director for four years. He has experience from various positions in the finance area including Director at PwC.

MSc, BSc, CPA, CISA

## Catarina Martins (1977), CTO and CSO



Chief Technology and Sustainability Officer from 2020, prior to that Group Manager Environment and Sustainability. She has both a relevant scientific and business background.

PhD, MSc, MBA

## Øyvind Oaland (1970), COO Farming



COO Farming Norway from 2020. Prior to that Chief Technology Officer and Head of Global R&D for 12 years. He has held various key positions in Mowi since 2000.

DVM

## Fernando Villarroel (1974), COO Farming



COO Farming Americas from 2020, prior to that MD for Mowi Chile since 2017. He has held various position within salmon farming globally.

MSc, BSc

## Ben Hadfield (1976), COO Farming



COO Farming Scotland, Ireland & Faroes from 2020, prior to that COO Feed and MD for Mowi Scotland. He has held key positions in Mowi since 2000.

MSc, BSc

## Atle Kvist (1963), COO Feed



COO Feed from 2020, prior to that MD for Mowi Feed since 2019. He has experience from various executive positions within the feed industry and other industries.

MSc

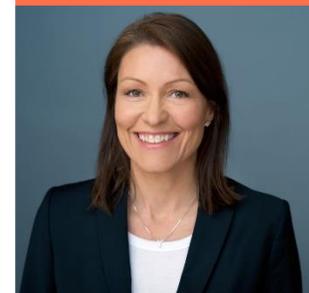
## Ola Brattvoll (1968), COO Sales & Marketing



COO of Sales & Marketing since 2010. He has comprehensive experience within sales and marketing in the seafood industry.

MSc

## Anne Lorgen Riise (1971), CHRO

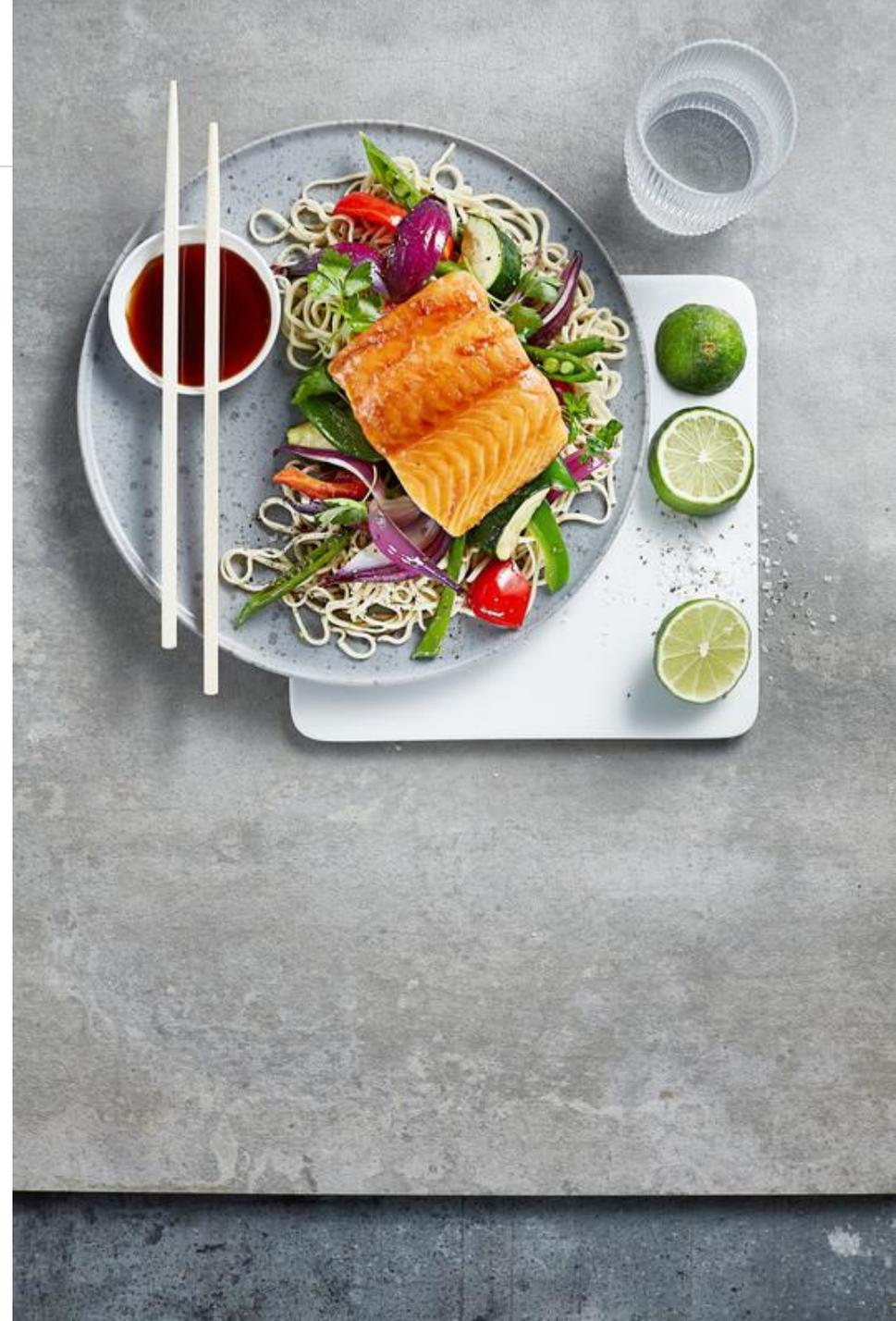


Chief HR Officer from 2012. Riise has held various HR positions and also practised as a lawyer.

LLM

# Agenda

08:00 - 08:25	Business and Strategy update	Ivan Vindheim
08:25 - 08:40	Finance	Kristian Ellingsen
08:40 - 09:00	Sales & Marketing	Ola Brattvoll
09:00 - 09:20	Farming Norway	Øyvind Oaland
09:20 - 09:25	Break	
09:25 - 09:40	Farming Scotland, Ireland, Faroes	Ben Hadfield
09:40 - 09:55	Farming Americas	Fernando Villarroel
09:55 - 10:10	Feed	Atle Kvist
10:10 - 10:25	ESG + R&D	Catarina Martins
10:25 - 10:30	Summary	Ivan Vindheim
10:30 - 11:00	Q&A	



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## Business and Strategy update

Capital Markets Day 2021

Ivan Vindheim  
CEO



# Mowi in brief

One of the world's leading seafood companies  
(#1 measured by market capitalisation)

#1 on sustainability (Coller FAIRR)

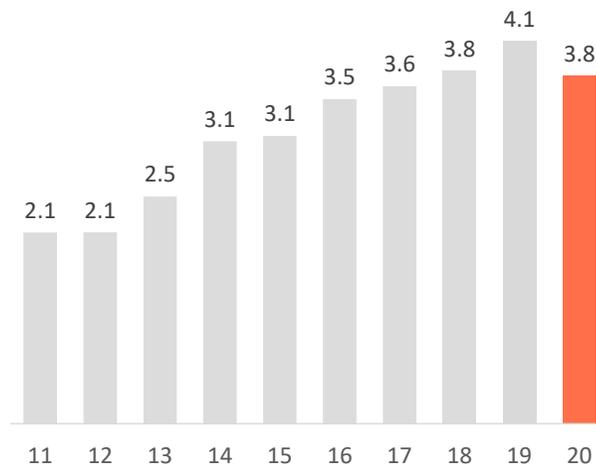
The world's largest producer of Atlantic salmon,  
440,000 GWT in 2020  
(~2.5 billion meals per year)

Fully integrated value chain

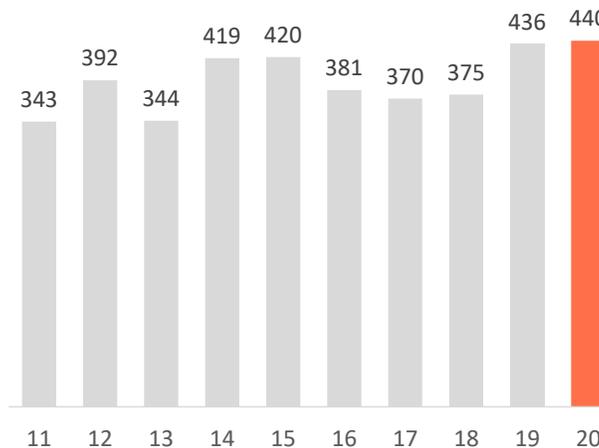
Listed on Oslo Stock Exchange  
Market cap: EUR ~11 billion

HQ in Bergen, Norway

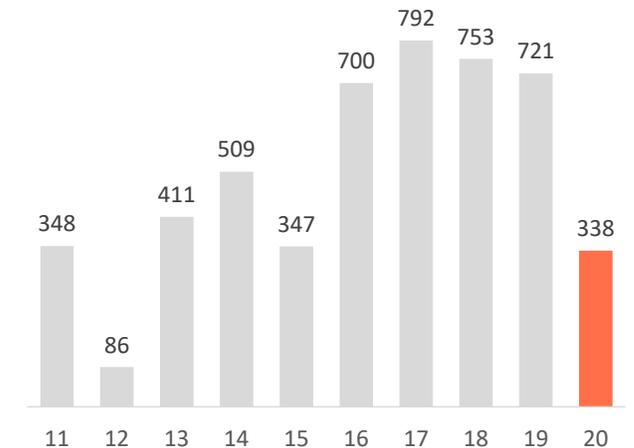
Revenue and other income (EUR bn)



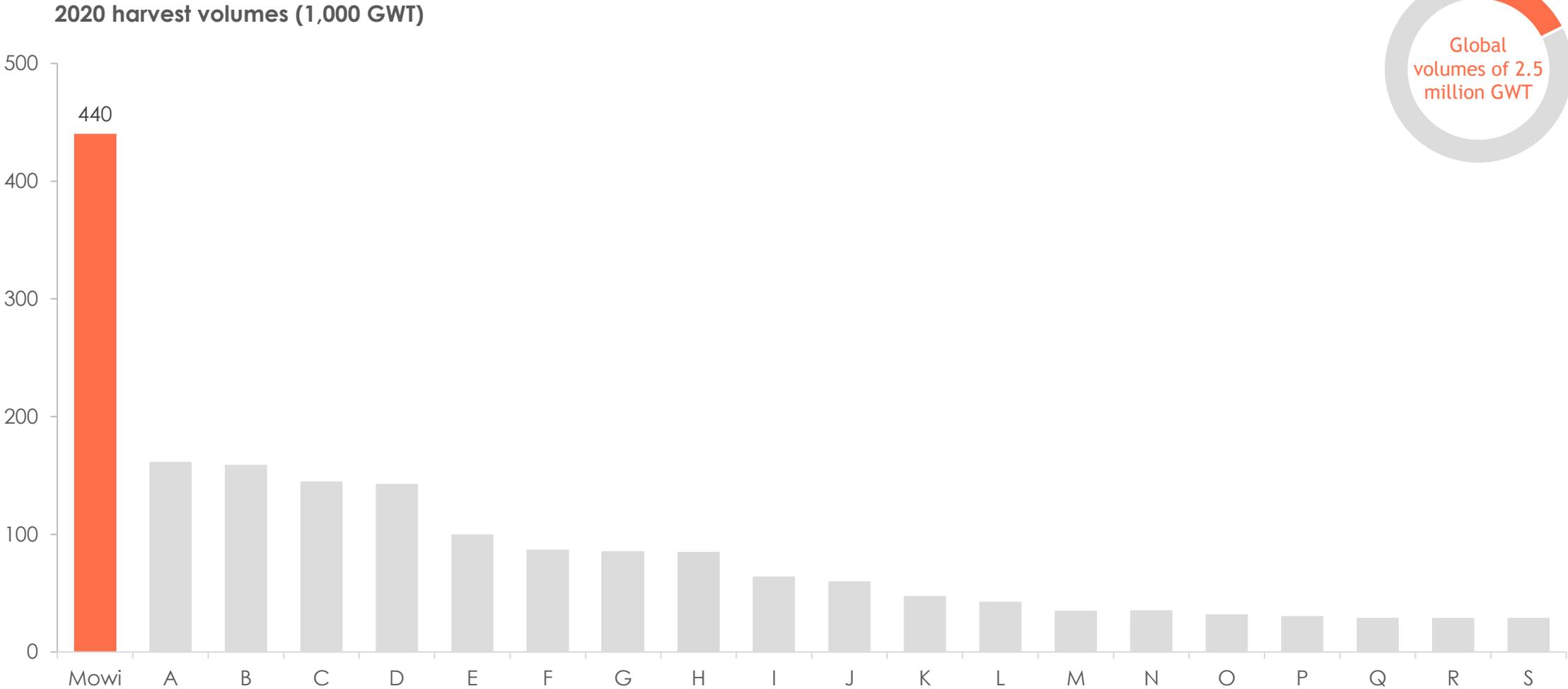
Harvest volume Atlantic Salmon (kGWT)



Operational EBIT (EURm)



# Mowi – Leading the Blue Revolution



# Fully integrated value chain



Feed



Breeding



Smolt



Farming



Harvesting



Processing



Products & Customer

Feed

#4  
540k tonnes

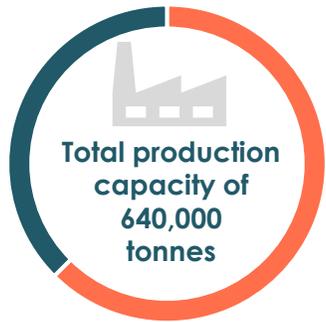
Farming

#1  
440k GWT

Consumer Products

#1  
239k tonnes

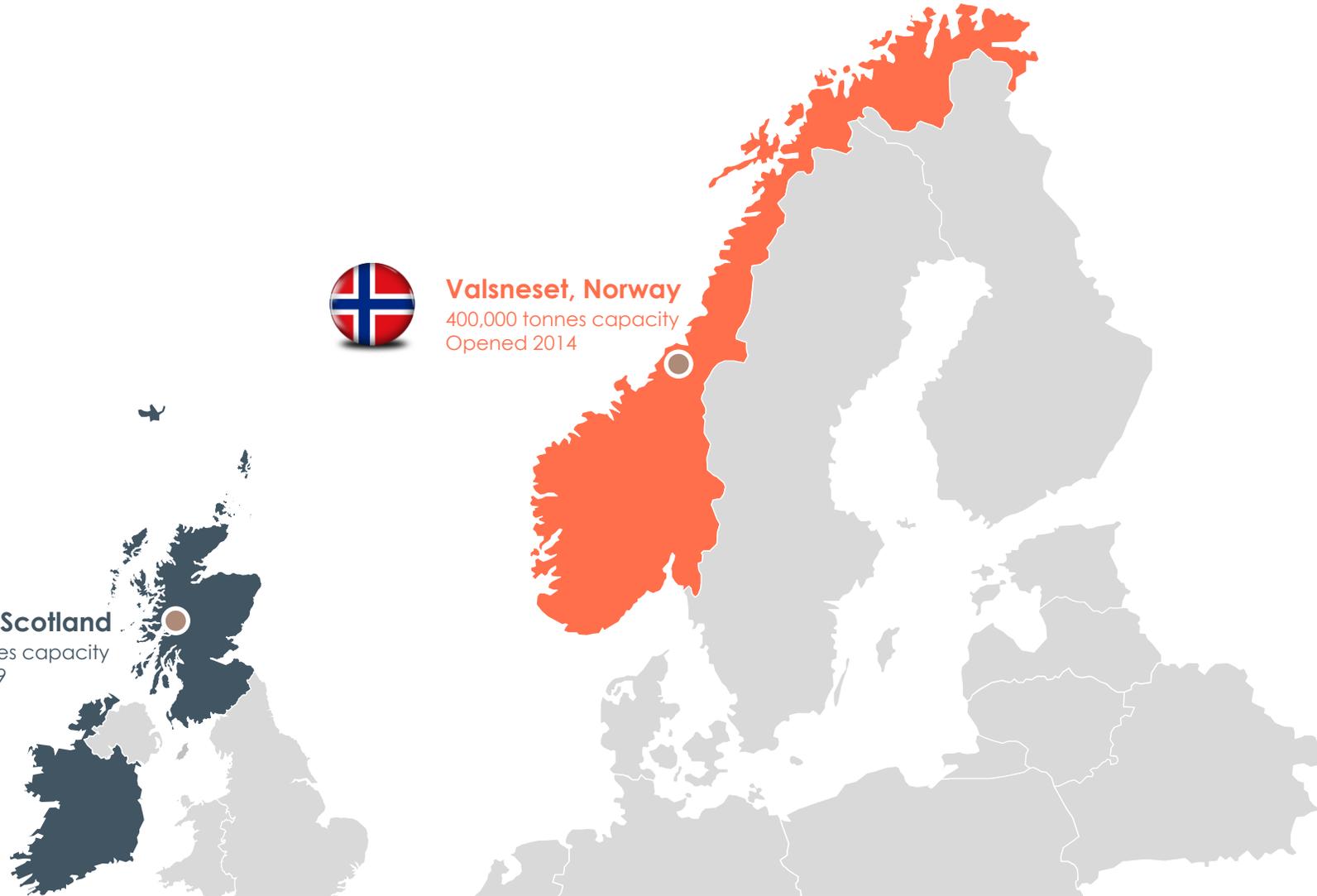
# Feed production of 540,000 tonnes in 2020 – Self-sufficient in Europe



**Valsneset, Norway**  
400,000 tonnes capacity  
Opened 2014

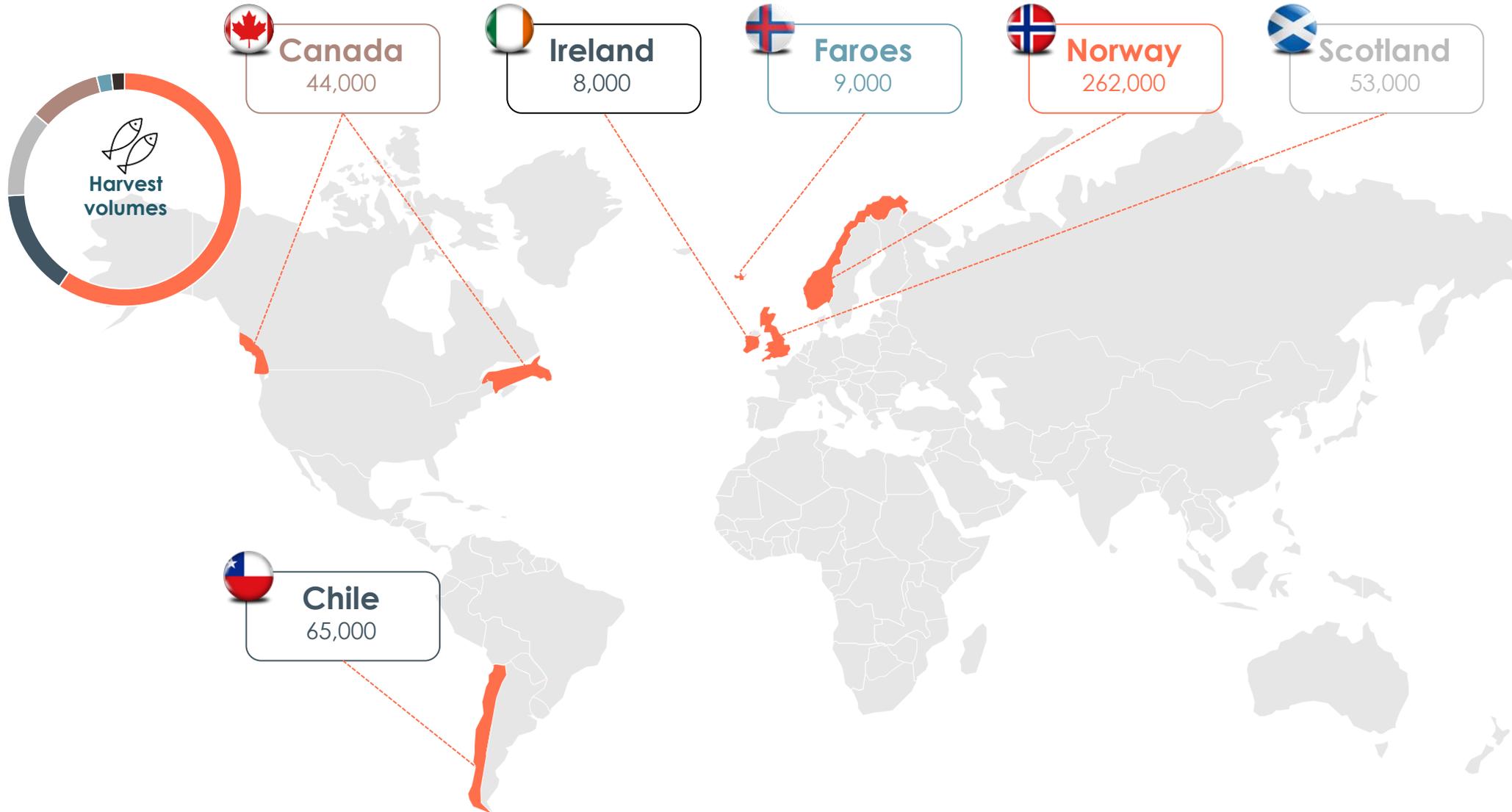


**Kyleakin, Scotland**  
240,000 tonnes capacity  
Opened 2019

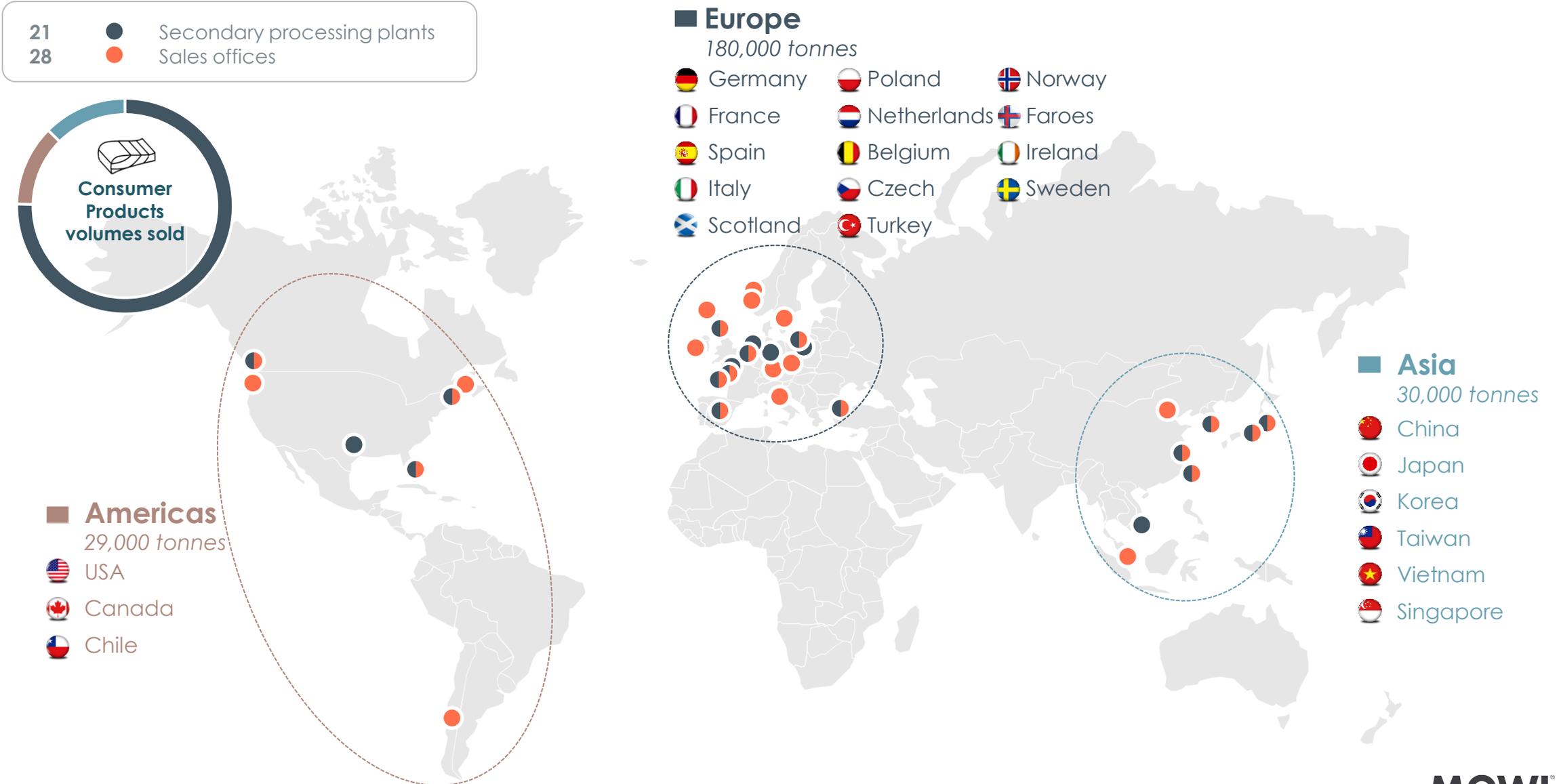


# Farming harvest volumes of 440,000 GWT in 2020

Harvest volumes in GWT



# Sales & Marketing – Consumer Products volumes of 239,000 tonnes in 2020



# Megatrends drive demand...

Demand for salmon expected to exceed supply growth in the next 5 years

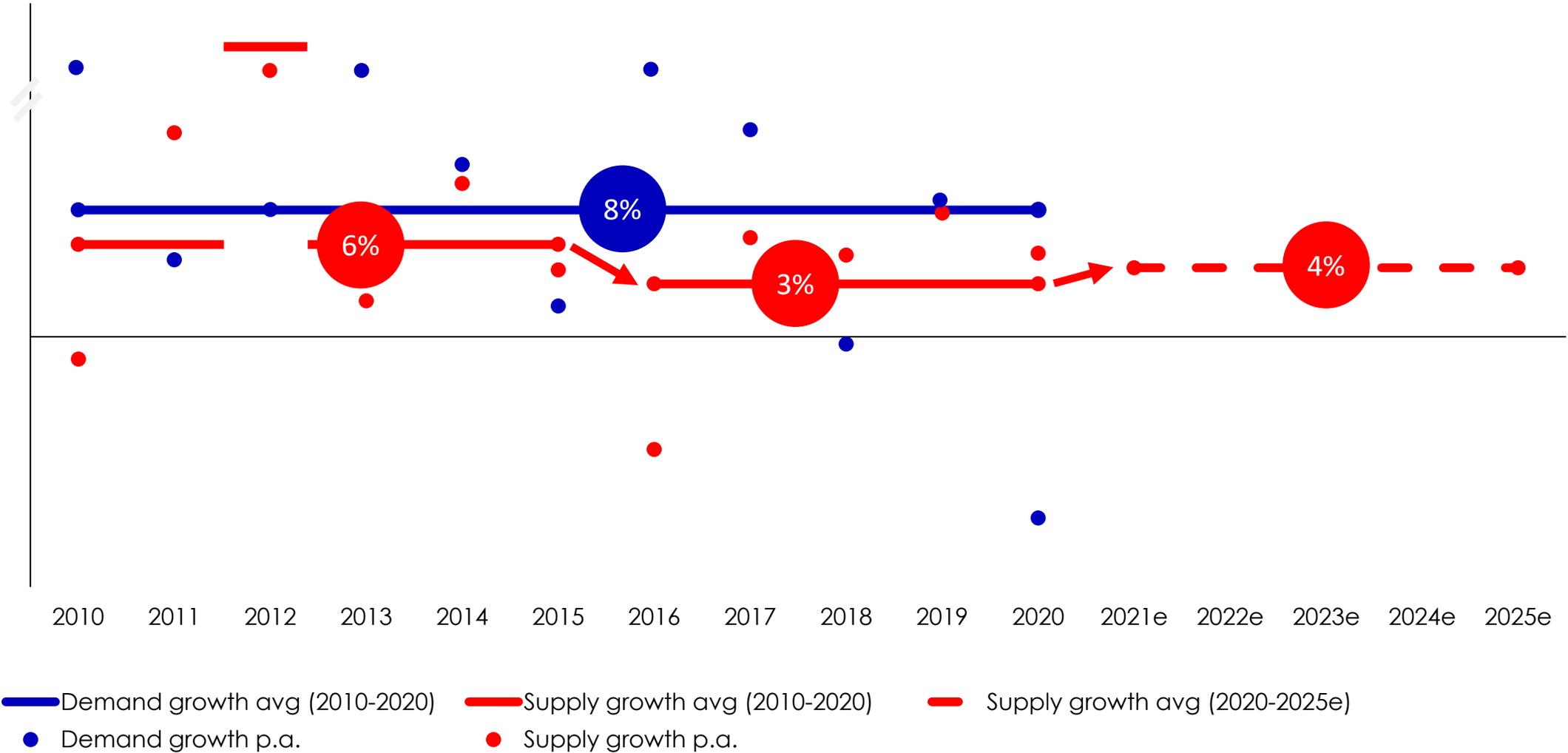


## ...and so does a very strong product

- Scientifically proven natural superfood
  - Nutritionally dense and great for one's health (omega-3, vitamins, protein, potassium, antioxidants)
- Top appetising taste, look, texture and colour
- Versatile for traditional and evolving food occasions
  - Raw, grilled, cooked and smoked
- Appealing to people of all ages
  - Addressing health needs of the elderly but equally attractive to youngsters
- Most sustainably produced animal protein
  - With the best climate footprint and top sustainability performance vs. all other animal proteins (Coller FAIRR Index 2020)



# Demand expected to exceed supply for the next 5 years



# Mowi Farming working along three main pillars

## Mowi Farming

### Volume

- ✗ Lagging behind on growth
  - 2014-2020 CAGR: Mowi 0.8% vs industry 3.4%

### Cost

- ✓ #1-2 relative cost position
  - However, too high in absolute terms

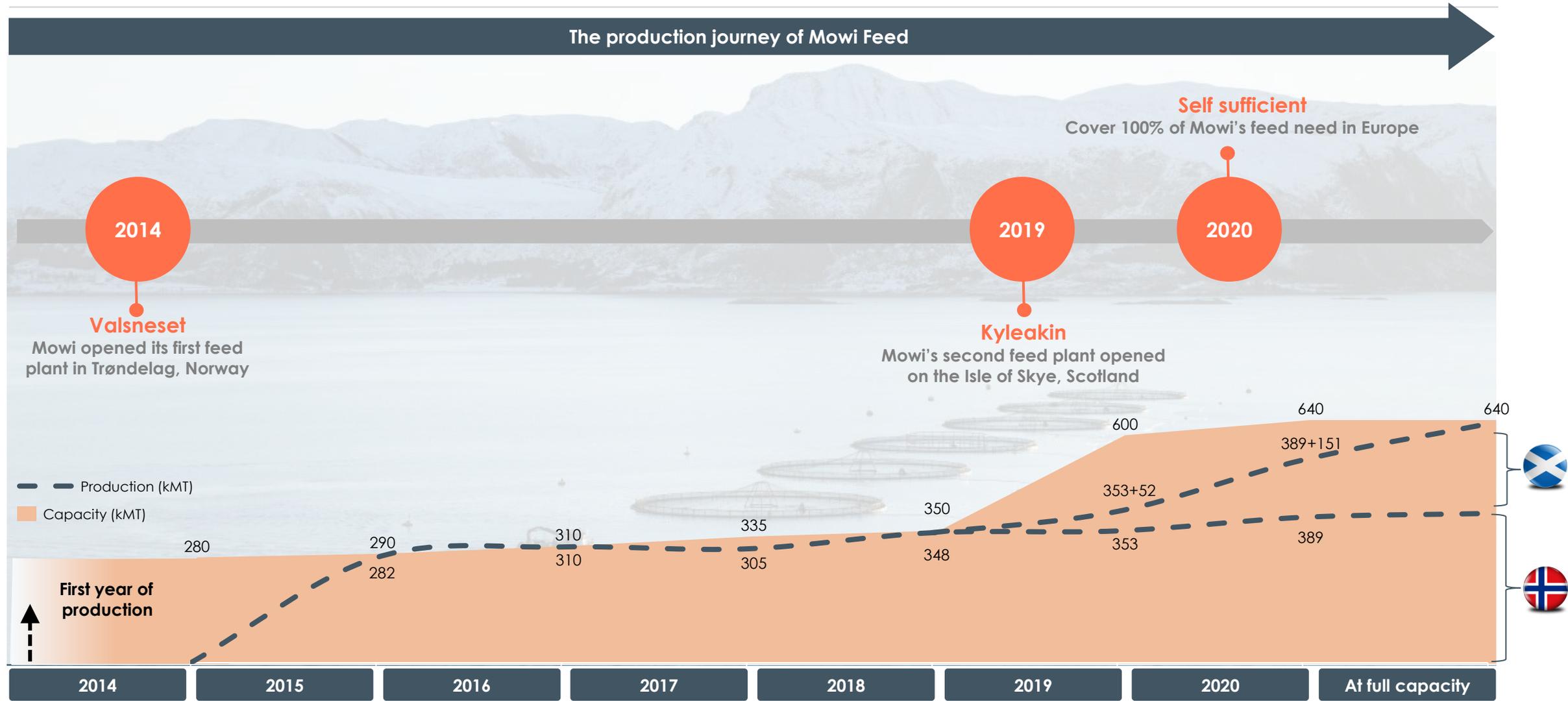
### Sustainability

- ✓ #1 on sustainability, must improve further
  - #1 Collier FAIRR
  - A-rated CDP (Carbon Disclosure & Suppliers)

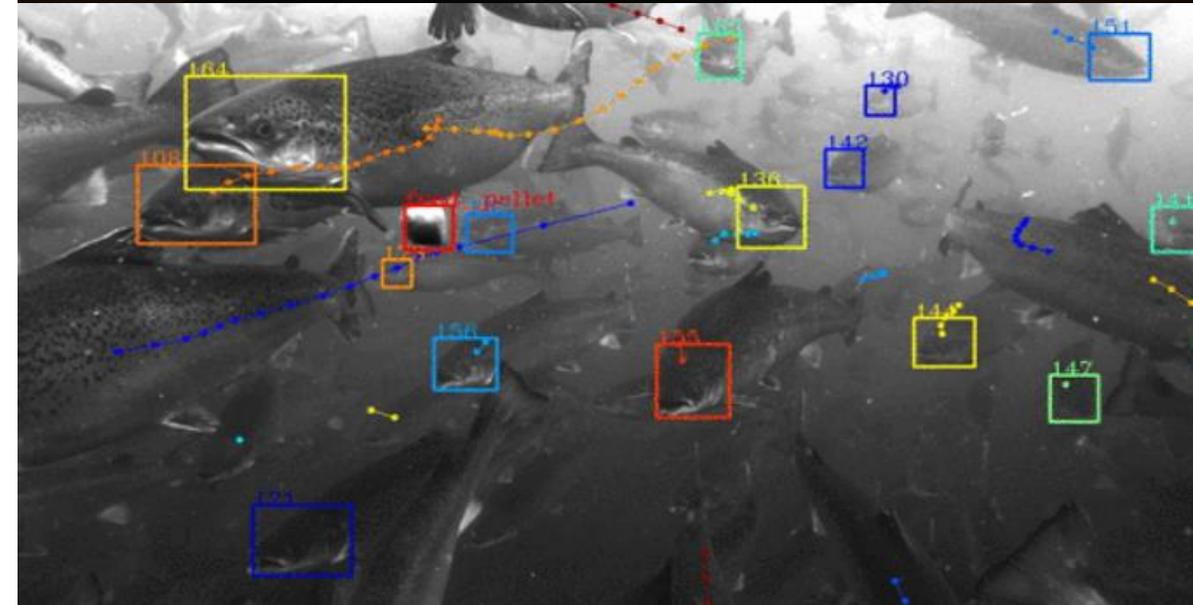
# Putting the customer at the core of everything we do downstream



# A fully fledged feed operation in Europe



- Full digitally integrated value chain from roe to plate
- Smart Farming
  - Remote operation centres, automatic feeding, real time monitoring of biomass, digital lice counting, tracking fish welfare, IoT, big data analysis, machine learning, artificial intelligence, etc
- Factories
  - Industry 4.0 technology
  - Increased automation and robotisation
- Blockchain solutions for selected customers
- One system and Cloud first strategy



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## Finance

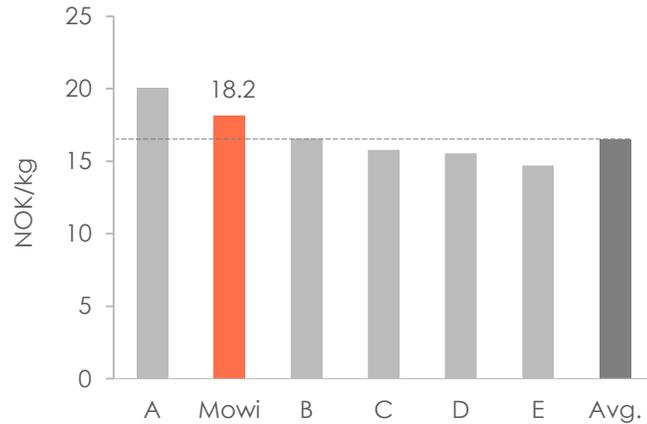
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**Kristian Ellingsen**  
CFO

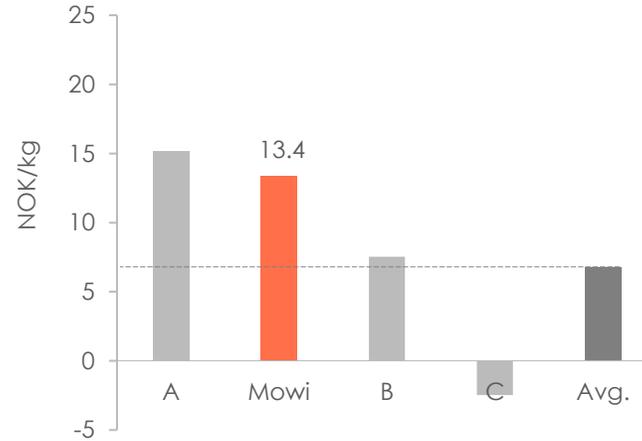


# EBIT per kg – Mowi consistently #1 and #2 in all regions

Norway #2



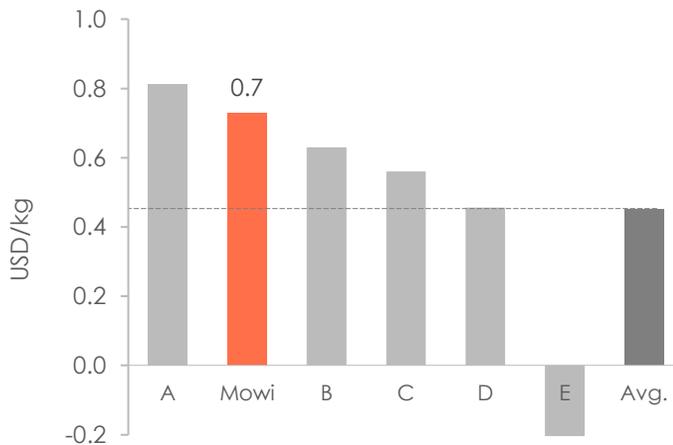
Scotland #2



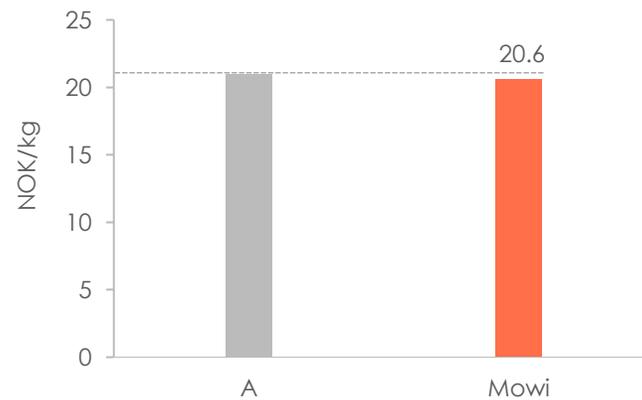
Canada #1



Chile #2



Faroes #2



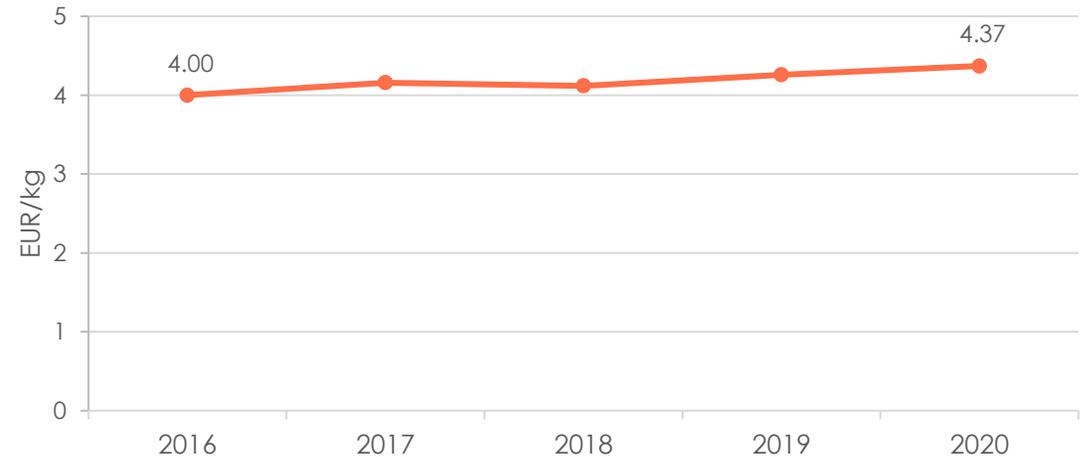
Other #1



# Underlying cost pressure in Farming offset by cost cut initiatives

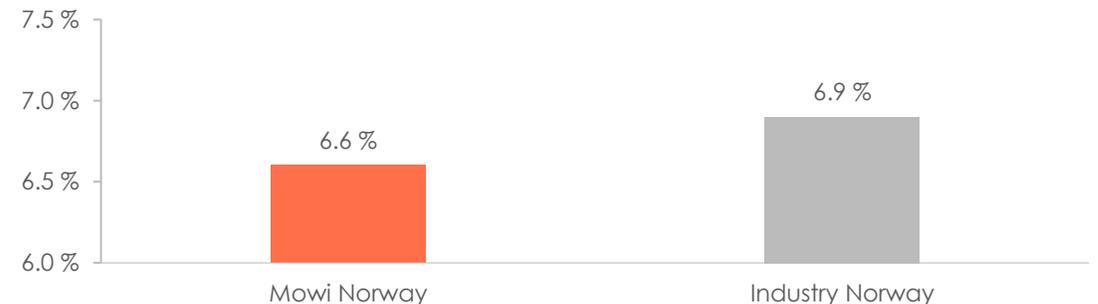
- Farming blended cost has been relatively stable over the past 5 years
  - CAGR 2.2%
- However, cost is still too high
- Cost-cutting initiatives are important to address underlying cost pressure
  - Biology
  - Feed prices
  - Regulations
- Biology is the main driver for underlying cost pressure
  - A wide range of initiatives are addressing biology and farming technology

## Development in full cost per kg for Mowi group



## Costs in Mowi Norway increased less than industry

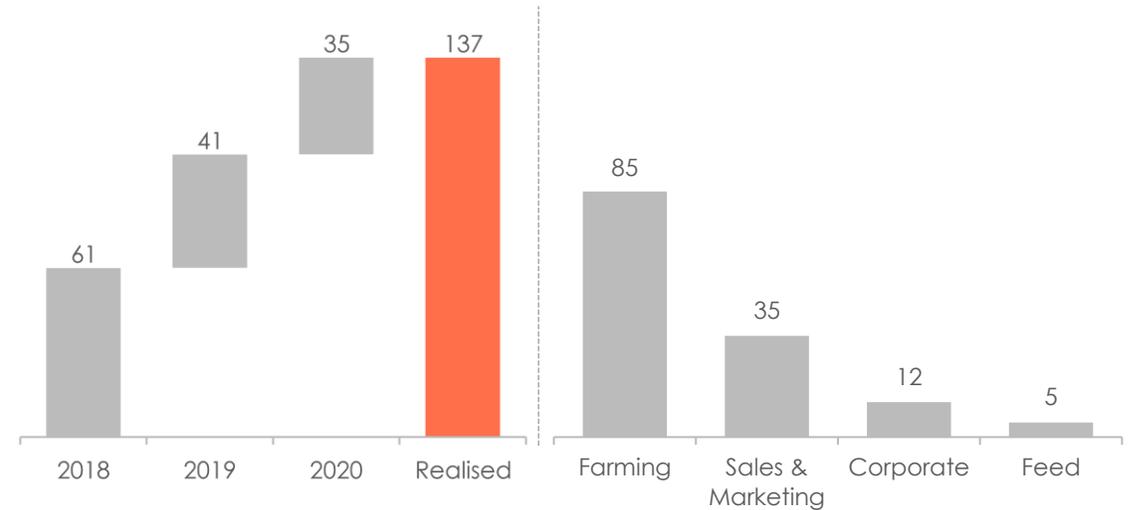
### Cost increase (EUR/kg) in % 2016-2019



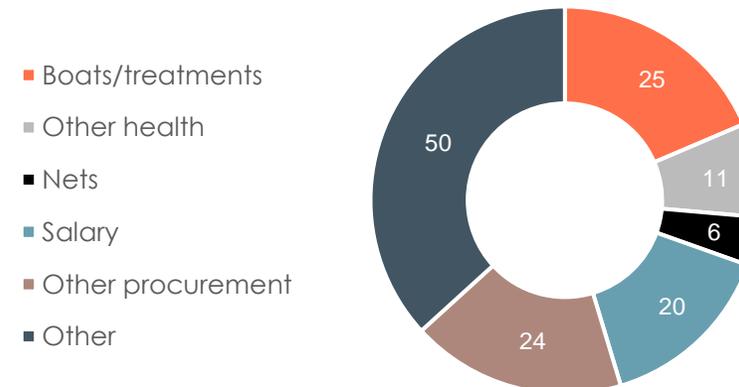
# Cost-cutting program 2018-2020 with annual savings of EUR 137 million

- Cost savings of EUR 137 million in total, of which EUR 85 million in Farming
  - ~800 initiatives across different categories
  - Renegotiations of contracts
  -  Boats and treatment capacity
  -  Nets and net cleaning
  -  Vaccines and other health items
  -  External services and fee cuts
  - Other savings based on review of spend and measures taken

Cost savings per year and business area (EUR million)



Cost savings per category (EUR million)



# Cost-cutting program 2021 with target of EUR 25 million in annual savings



## Productivity program

- Salary and personnel expenses are second largest cost item in Mowi; EUR 558 million in 2020
- Utilise potential of Mowi 4.0 through automation and rightsizing
- On track to achieve target of 10% FTE reduction “as is” by 2024
  - Natural turnover through retirement, reduced overtime and reduced contracted labour



## Procurement improvements

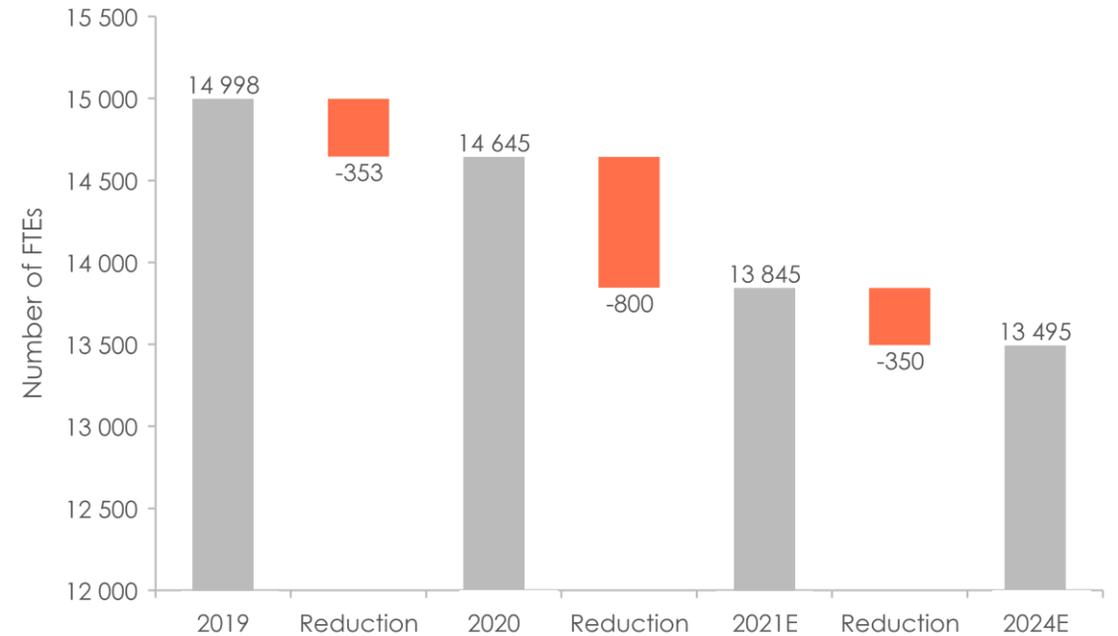
- Improved planning, coordination and standardisation
- Group framework agreements



## IT and automation initiatives

- Standardisation and streamlining
- Remove old local infrastructure and applications

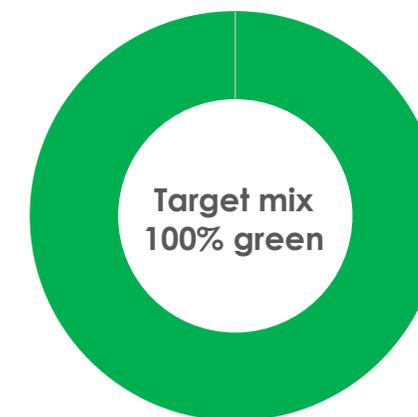
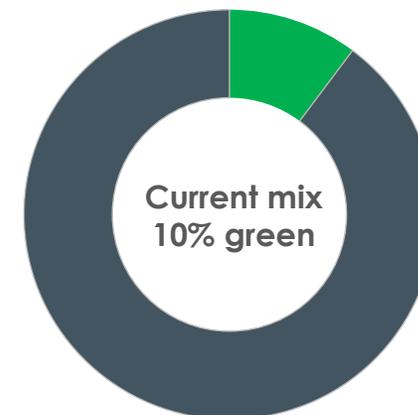
## FTE reductions based on “as is” volumes



# Overview of Mowi's financing – target 100% green financing

- Total committed financing of EUR 1,956 million
  - Approximately EUR 475 million in cash and undrawn lines
- Comfortably compliant with equity covenant of 35%. No earnings covenant
- From 10% green financing as-is to 80%+ by 2022 and 100% by 2026
  - Bank facility: EUR 1,406m Facility Agreement
    - Tenor 5 years (Maturity: June 2022)
    - Covenant: 35% equity ratio (adjusted for IFRS 16 leasing effects)
    - Lenders: DNB, Nordea, ABN Amro, Rabobank, Danske Bank and SEB
  - Senior unsecured bond: EUR 200m
    - Tenor 5 years (Maturity: June 2023)
    - EURIBOR + 2.15%
  - Senior unsecured green bond: EUR 200m
    - Tenor 5 years (Maturity: January 2025)
    - EURIBOR + 1.60%
  - Senior unsecured Schuldschein loan: EUR 150m
    - Tenor 7 years (Maturity: May 2026)
    - EURIBOR + 1.70%

## Share of green funding



# Mowi successfully issued the first green bond in the industry in 2020

## Terms of Mowi's green bond issue

- High investor demand – excellent fit between Mowi's strong sustainability strategy and the ESG investor community
- EUR 200 million senior unsecured green bond issued in January 2020
- Coupon EURIBOR + 1.60% p.a.
- 5-year tenor, maturity January 2025
- Listed on Oslo Stock Exchange Green Bonds list and admitted to the Euronext ESG Bonds section

## Financing green projects throughout Mowi's value chain

- Proceeds used to finance/refinance green projects in categories:
  - Environmentally sustainable aquaculture
  - Energy efficiency
  - Water and wastewater management
  - Waste management
  - Eco-efficient and/or circular economy adapted products, production technologies and processes
- Allocation and impact reporting for 2020 will be published on 24 March



- Mowi's green bond framework received a **Medium Green Shading** from CICERO Shades of Green, and was rated **Excellent for governance**

## Main categories for use of proceeds to date

### Sustainable feed



### Water use efficiency



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# Sales & Marketing

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**Ola Brattvoll**  
COO Sales & Marketing

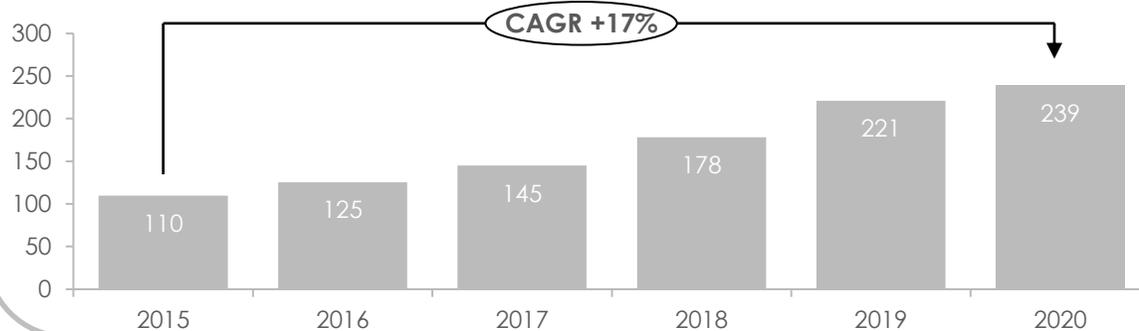


# Mowi Sales & Marketing

## Business highlights

- Focus on creating customer value through
  - Product
  - Branding
  - Operational Excellence
- Putting the customer at the core of everything we do downstream
- Value-added growth in selected segments and markets

Consumer Products sales volume (1,000 product weight)



## Geographical overview of assets

- 21 Secondary processing plants
- 28 Sales offices



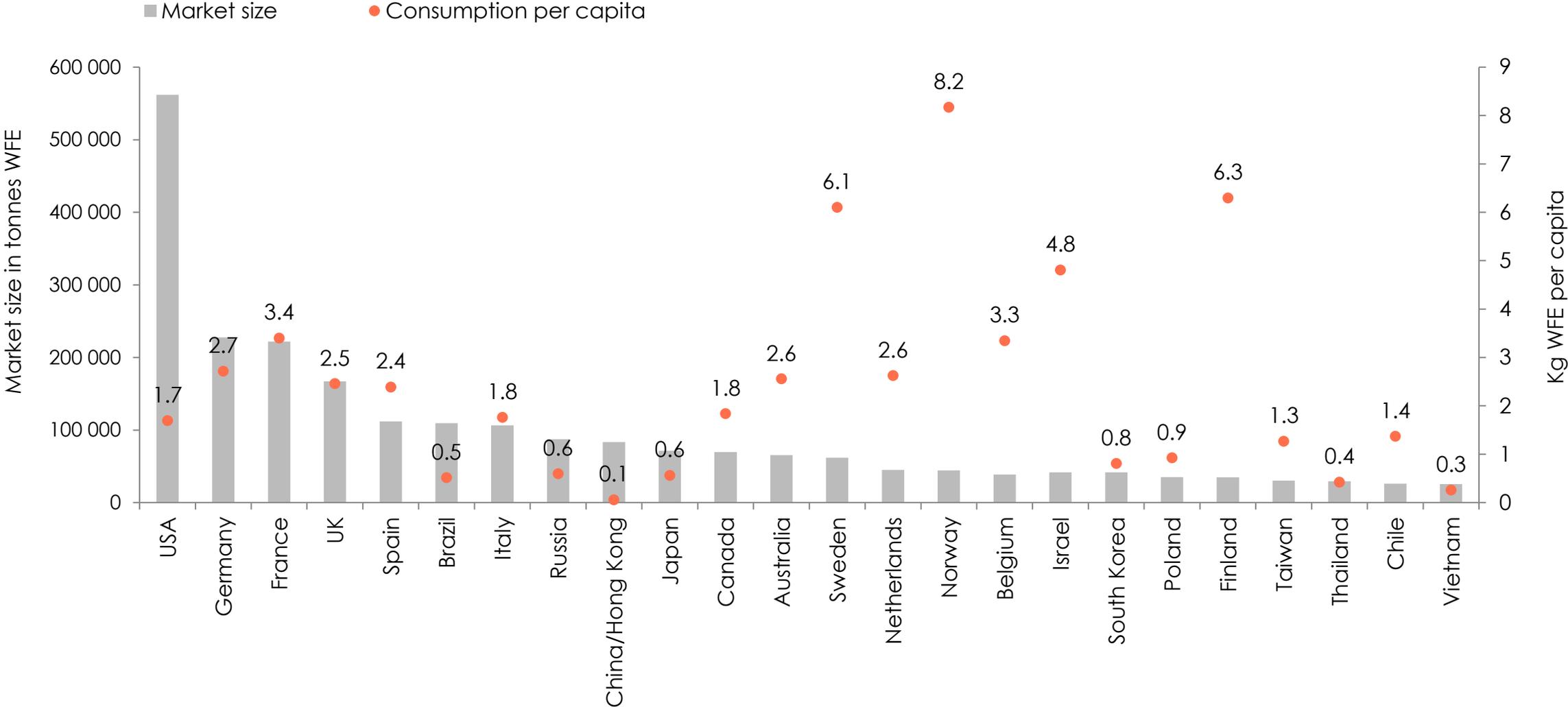
# Salmon

The food icon  
of the 21<sup>st</sup>  
century

Salmon is addressing  
megatrends better  
than most other  
popular food offers.



# Significant growth potential in all markets



# Mowi is well positioned to capitalise on these trends

- Global processing and sales presence
  - Asia: 6 VAP factories, 7 sales offices
  - Europe: 11 VAP factories, 15 sales offices
  - Americas: 4 VAP factories, 6 sales offices
- Market-adapted processing capacity
  - Footprint restructuring
  - Growth in selected segments
  - Increased share of value-added salmon
- Global customer network
  - Product knowledge and innovation capacity
  - Category management



# Our Branding strategy is long-term and strategically important for Mowi

- Leveraging our category leadership role
- Accelerating the value of the market
- **De-commoditising the salmon market**



## The MOWI brand promise: “CARING”

We care...

...about the best salmon  
...about the environment  
...about our consumers

**SALMON IS GOOD,  
MOWI IS GOODNESS.**



The image features a dark silhouette of a man's head in profile, facing left. The background is a soft, out-of-focus sunset or sunrise sky with warm orange and yellow tones near the horizon, transitioning to a pale blue at the top. The word "MOWI" is superimposed in white, bold, sans-serif capital letters across the man's face. A small registered trademark symbol (®) is located at the top right of the letter "I".

**MOWI<sup>®</sup>**

Pour votre santé, mangez au moins cinq fruits et légumes par jour [www.mangerbouger.fr](http://www.mangerbouger.fr)

# Our long-term target remains despite a challenging launch environment

- Target of >EUR 1 billion in turnover and 10% EBIT margin
  - Delayed by Covid-19
- Currently available as *smoked* and *fresh* prepacked in
  - Poland: retail and foodservice
  - France: retail
  - USA: e-commerce
- Roll-out plan 2021 and beyond
  - Key markets in Europe and further growth in the US in 2021
  - Asia and Americas to follow

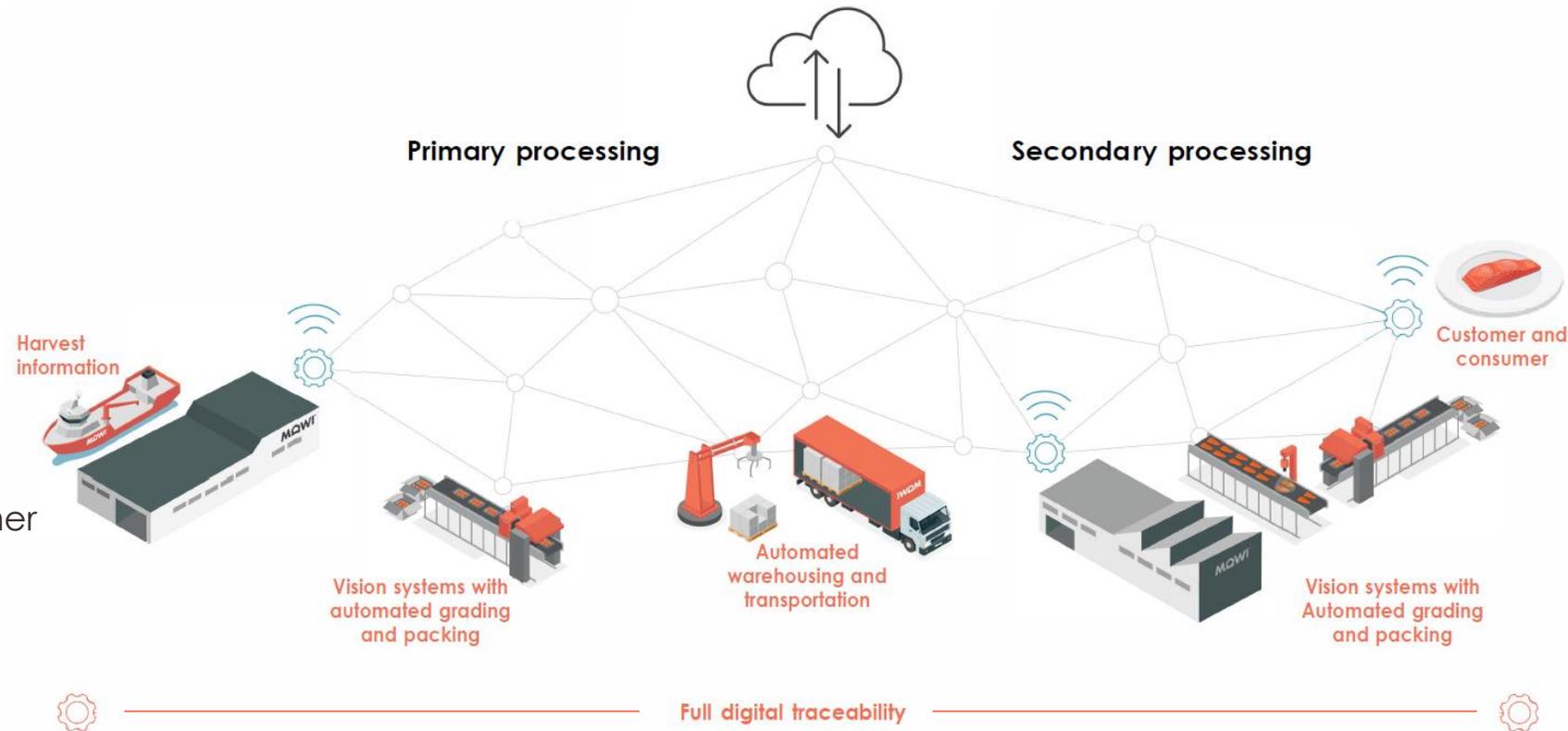


# Operational excellence, efficiency and yield management builds value for customers

- As the largest VAP producer we will cut our costs by
  - Yield improvements
  - Labour efficiencies
  - Overhead and fixed-cost reductions
- Processing excellence team
  - Establish benchmark and best practice
  - Focus on yield and efficiency
  - Lean manufacturing
  - Automation and technology
  - Full value chain perspective
- Automation and digitalisation will be key to cut cost and build value
  - Labour-intensive process gives high potential for automation
  - Full value chain control gives digitalisation opportunities
  - Link between raw materials and consumers becomes more important



- Cost cutting
  - Raw material scanning and grading
  - Automation and robotisation
  - Planning logistics and warehousing
- Increased value from differentiation
  - Right product to right customer
  - Raw material quality for best end product quality
- Consumer and customer communication
  - Digital sales approach and product presentation
  - End-to-end digital traceability
  - Storytelling/ branding





Enter Here

MDWT  
Leading The Blue Revolution

MDWT  
Blue Revolution  
Sustainable Seafood  
Solutions

MDWT  
Blue Revolution  
Sustainable Seafood  
Solutions

MDWT  
Blue Revolution  
Sustainable Seafood  
Solutions

MDWT

Omega  
3  
Essential Fatty Acids  
Supports Heart Health

# Global demand for salmon will continue to grow

- Mowi Sales & Marketing brings value to our customers by
  - Developing and producing products in line with consumer demand
  - Transforming the salmon category through branding
  - Increasing value by reducing cost

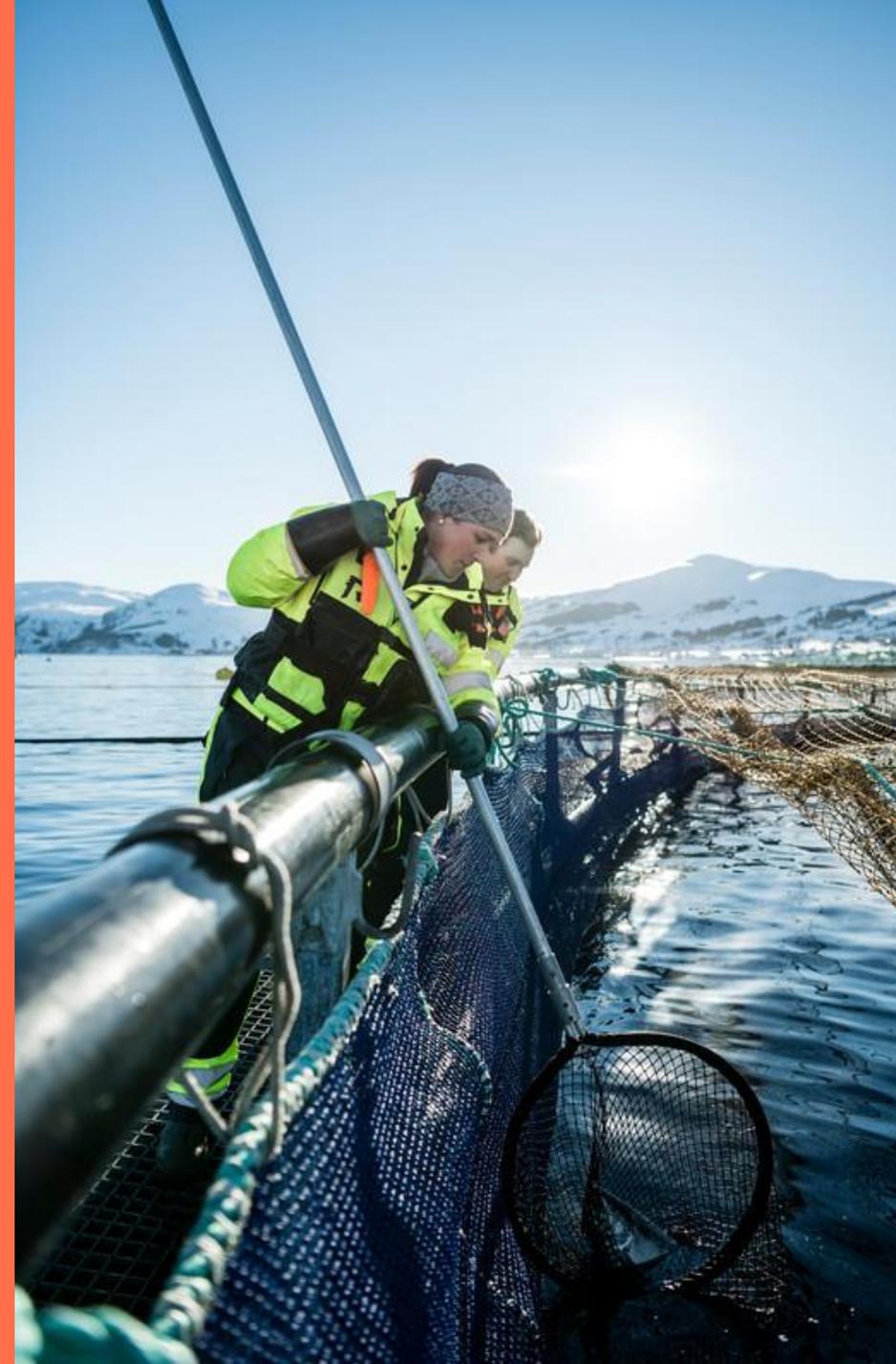


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# Farming Norway

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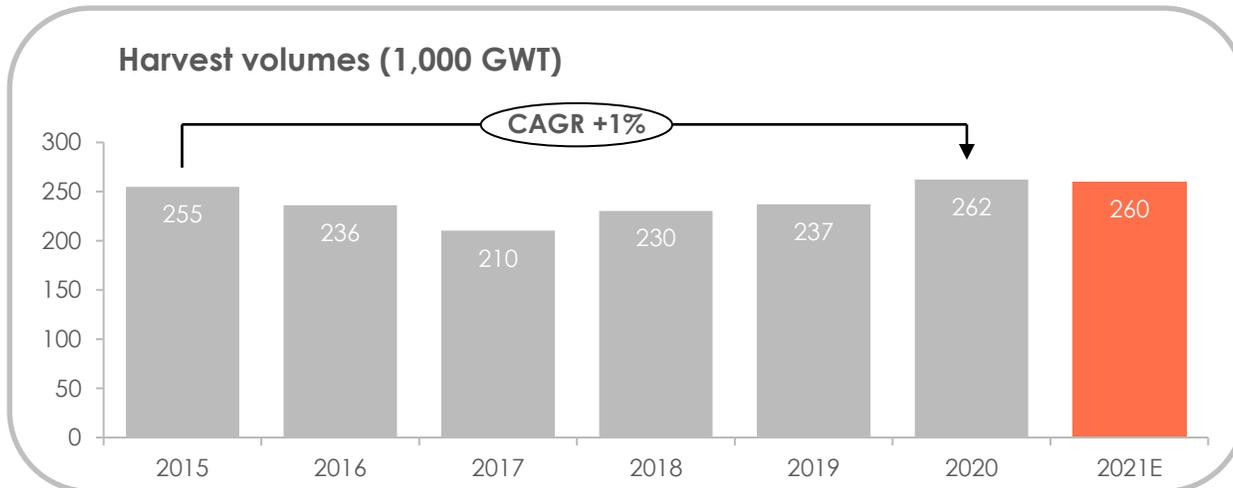
**Øyvind Oaland**  
COO Farming Norway



# Farming Norway

## Business highlights

- Re-ignition of growth
  - Capacity >300,000 GWT organically
- Realising Mowi Norway's postsmolt strategy
- Smart Farming by 2025
- Cost savings
- Biosecurity practices



Note: 1) R&D and exhibition licenses

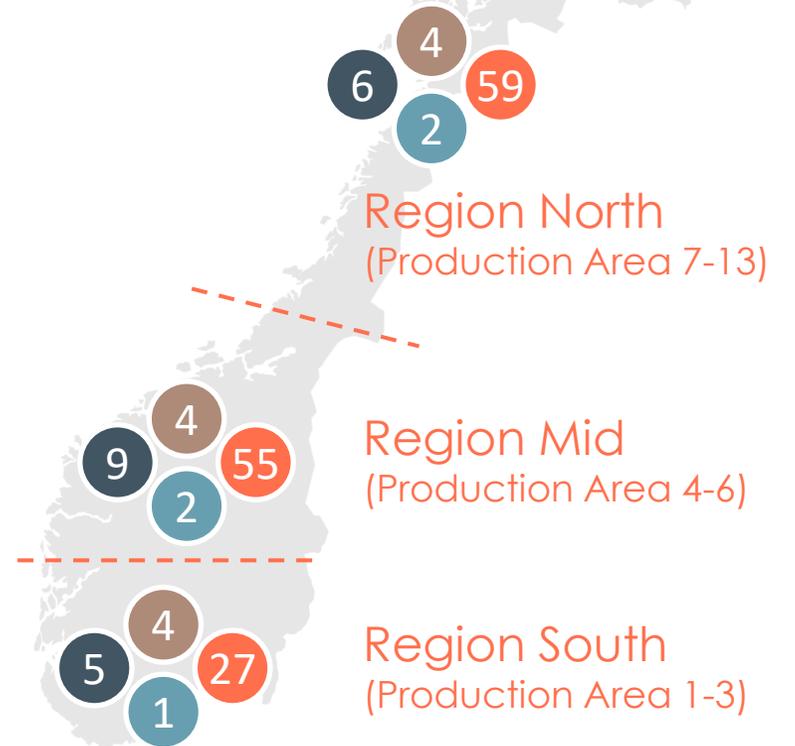
## Geographical overview of assets

12  
20  
141  
5

- Broodstock Sites
- Freshwater (smolt) Sites
- Seawater Sites
- Primary Processing Plant

### MAB

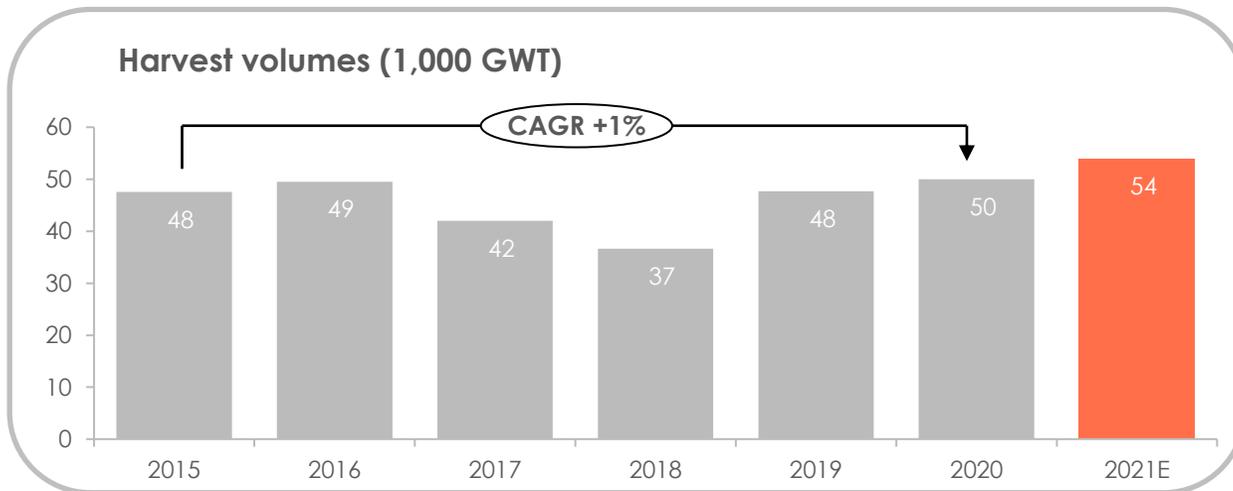
Grow-out: 182,427 /  
234 Licenses  
Brood: 6,240  
Other!): 6,790



# Farming Norway South

## Business highlights

- Increase site capacity and farm utilisation
  - Extension of existing and access to new farms and farm MAB
- Realise smolt expansion projects
  - Increase the number of smolt stockings as well as size
- Growth through our postsmolt strategy
  - Mitigate biological risks
  - Ensuring a higher turnover per farm and per license

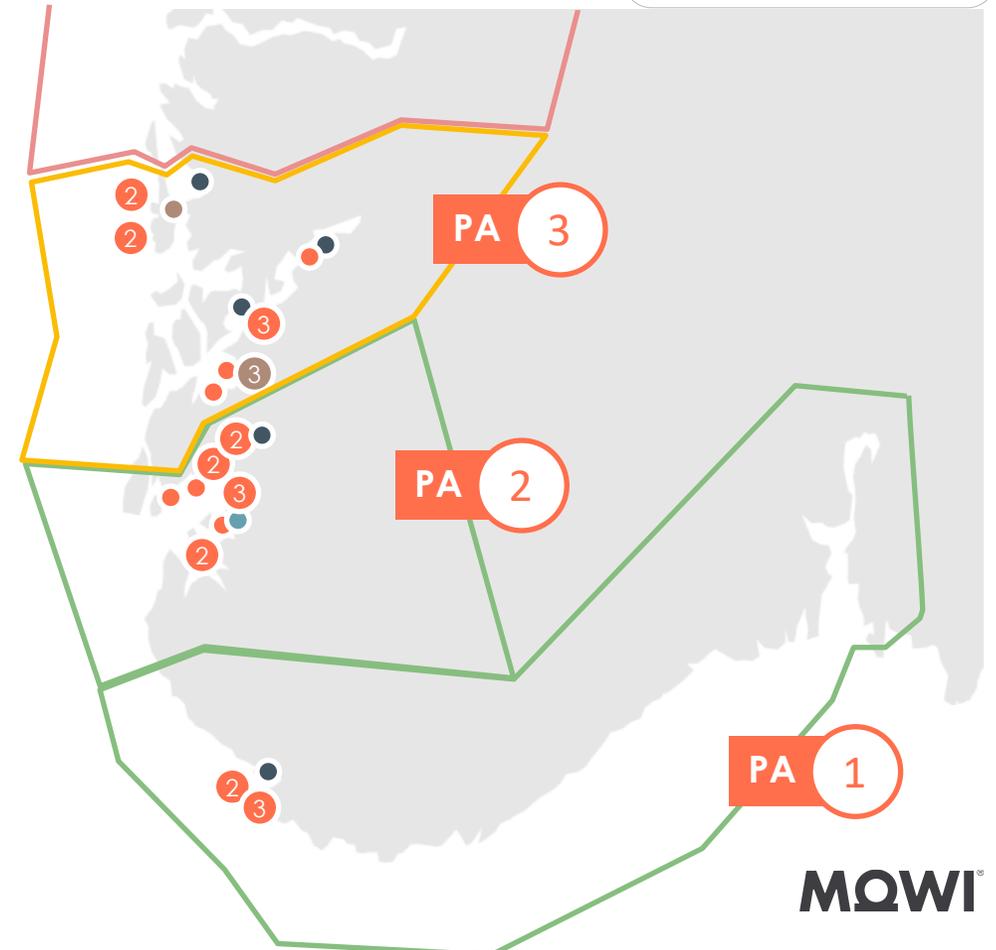


Note: <sup>1)</sup> 3 broodstock sites in sea and 1 on land  
<sup>2)</sup> R&D licenses

## Geographical overview of assets

- 3+1<sup>1)</sup> Broodstock Sites
- 5 Freshwater (smolt) Sites
- 27 Seawater Sites
- 1 Primary Processing Plant

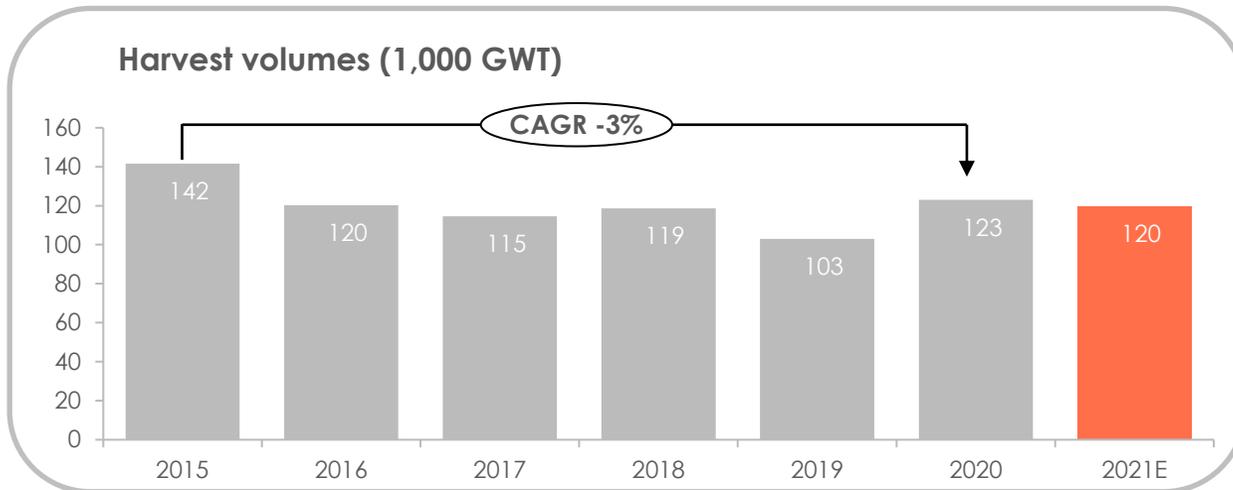
MAB	
Grow out:	39,512
Brood:	1,560
Other <sup>2)</sup> :	3,900



# Farming Norway Mid

## Business highlights

- Site availability – bottleneck
  - Increase site capacity and farm utilisation
- Realise smolt expansion projects
- Growth through our postsmolt strategy
- Remote operations centre running
  - Model centre for further roll-out

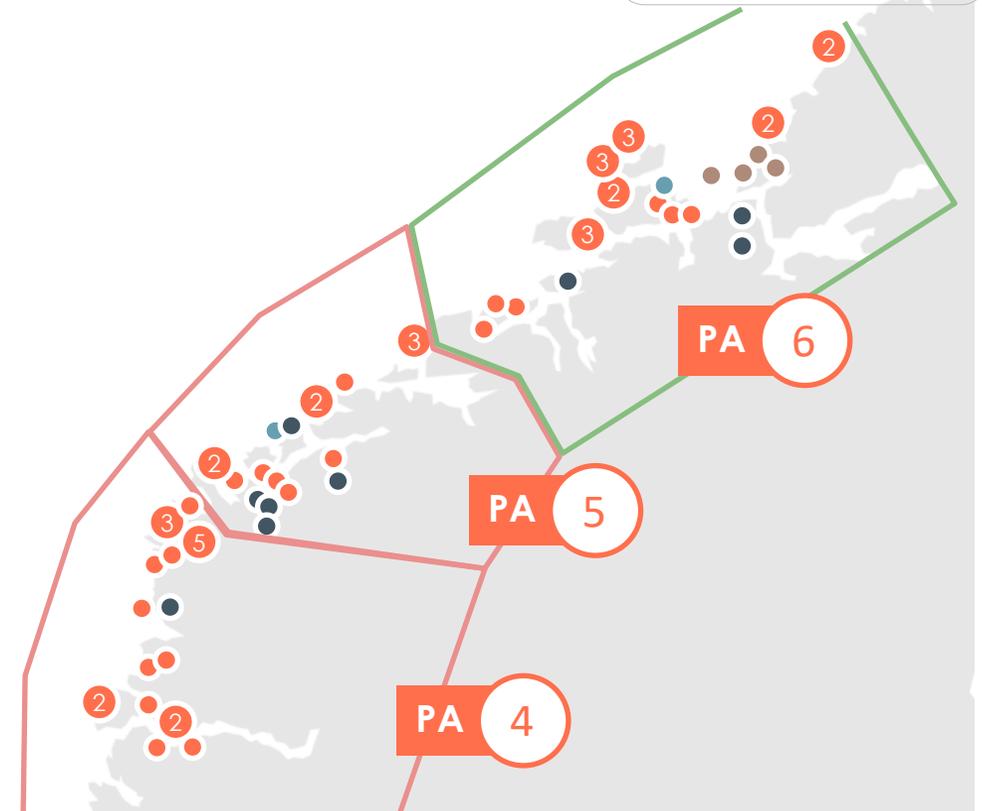


Note: <sup>1)</sup> 3 broodstock sites in sea and 1 on land  
<sup>2)</sup> 54 seawater sites Mowi Mid, 1 seawater site Mowi Feed  
<sup>3)</sup> R&D and exhibition licenses

## Geographical overview of assets

- 3+1<sup>1)</sup> Broodstock Sites
- 9 Freshwater (smolt) Sites
- 54+1<sup>2)</sup> Seawater Sites
- 2 Primary Processing Plant

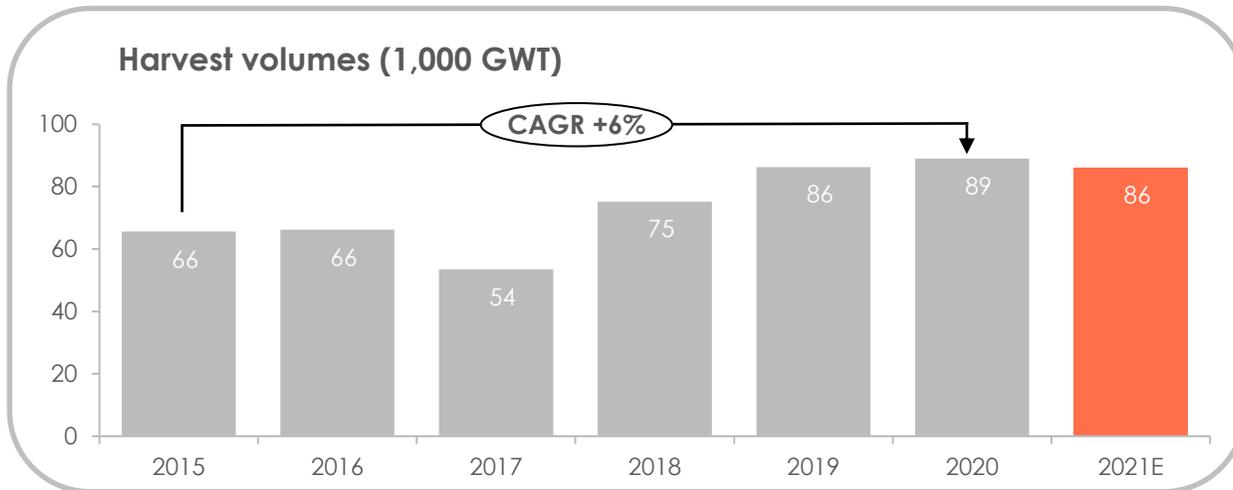
MAB	
Grow out:	85,083
Brood:	2,340
Other <sup>3)</sup> :	2,340



# Farming Norway North

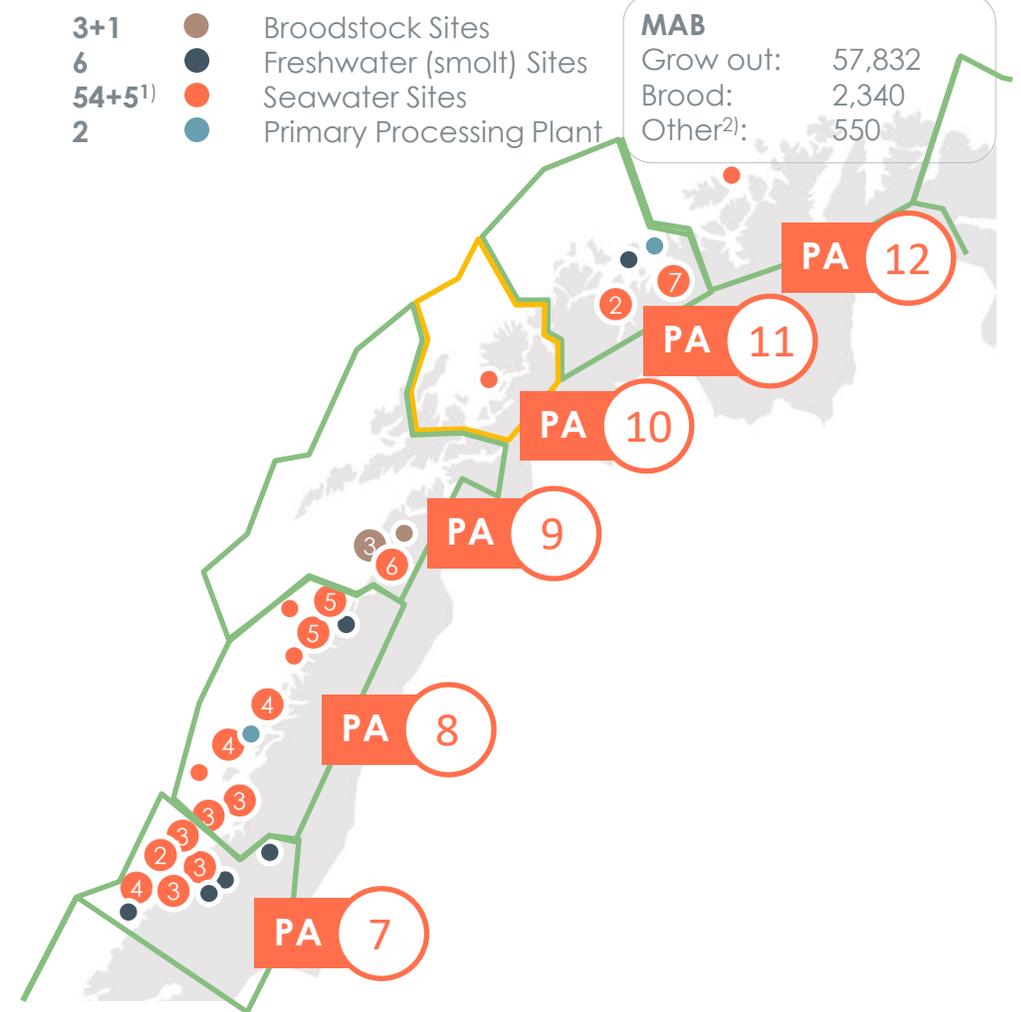
## Business highlights

- Our best-performing region
  - Good cost control, site availability and biological conditions
- Maintain the good growth and increase harvest volume
- Realise smolt expansion projects



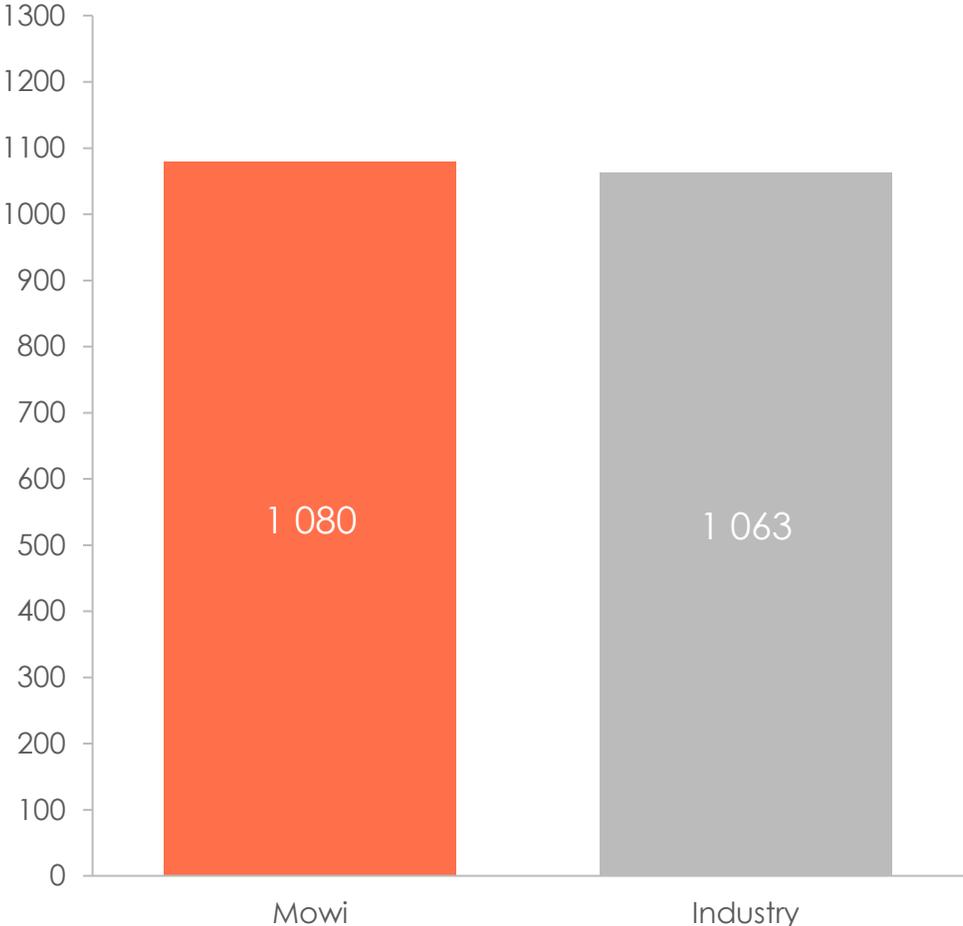
Note: <sup>1)</sup> 54 seawater sites + 5 hire  
<sup>2)</sup> Exhibition licenses

## Geographical overview of assets



# Mowi above industry benchmark on license utilisation in Norway in 2020

Harvest volume (GWT) per standard license (780 tonnes)<sup>1)</sup>



Note: <sup>1)</sup>Includes companies with >10 standard licenses. Harvest volumes per 2020 for Mowi and per 2019 for the industry. Broodstock licenses adjusted to 50%. Excluded development licenses without harvest volumes. Adjusted CAC licenses to 50% and excluded Molnes/Neptun and Fish feed licenses for Mowi.

# However, untapped potential particularly in Region South and Region Mid

Harvest volume (GWT) per standard license (780 tonnes)<sup>1)</sup>



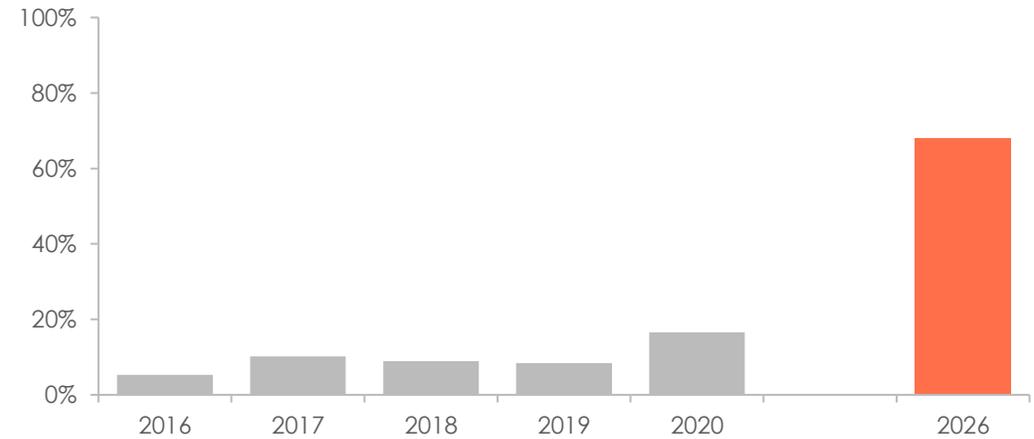
Note: <sup>1)</sup>Includes companies with >10 standard licenses. Harvest volumes per 2020 for Mowi and per 2019 for the industry. Broodstock licenses adjusted to 50%. Excluded development licenses without harvest volumes. Adjusted CAC licenses to 50% and excluded Molnes/Neptun and Fish feed licenses for Mowi.

# Mowi Farming Norway accelerating growth

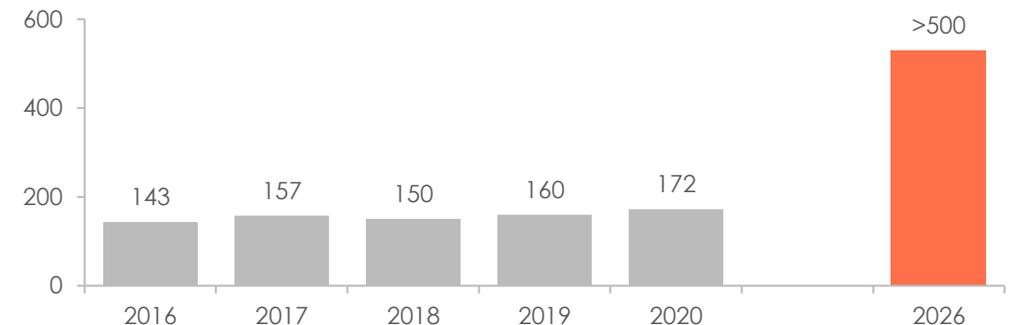
## Postsmolt target size of 700 grams

- Mowi has invested NOK 1.6 billion into freshwater in Norway in the past years
  - Steady increase in average smolt size and biomass release
  - Smolt release >250 grams at 17.0% in 2020
- Significant volume, cost and environmental benefits to larger smolts
- Accelerate investments within freshwater during the next 5 years
- In addition, Mowi aims to grow further by application of new farming technologies, purchase of additional capacity and M&A

Postsmolt share <sup>1)</sup>



Average smolt size (grams)

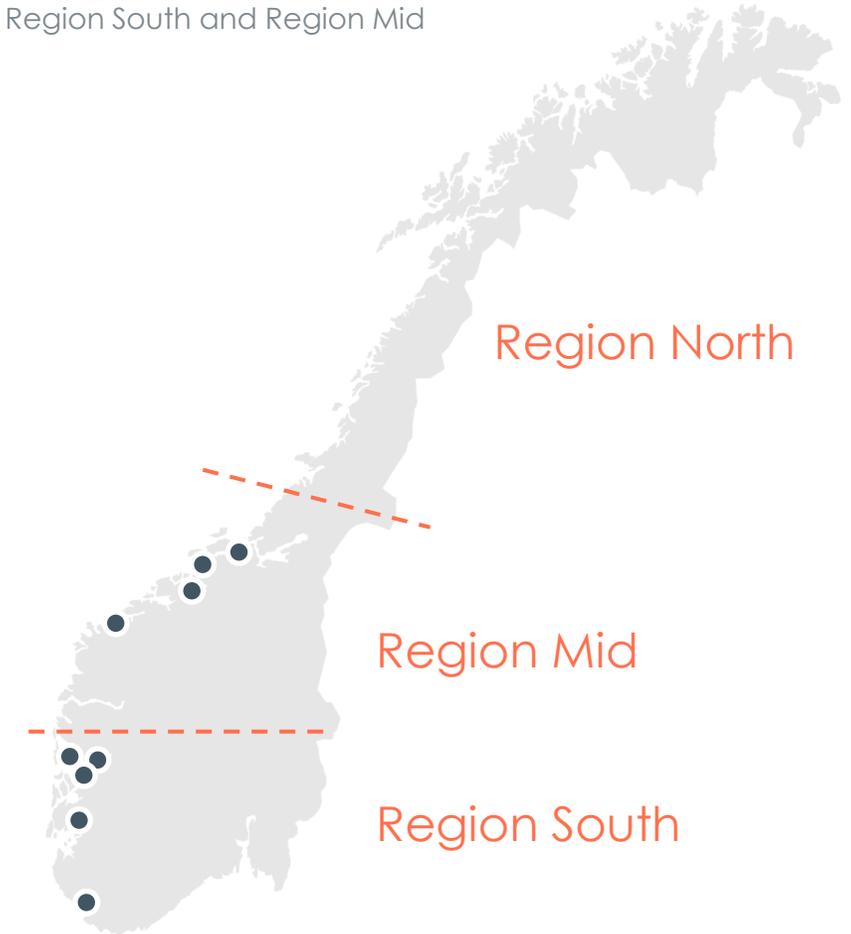


# Postsmolt plan for Mowi Norway

- Postsmolt plan – up to 10 sites in total in Region South and Region Mid
  - Expansion of existing freshwater sites plus potential greenfield sites
- Freshwater expansion of ca 27,000 tonnes
- Securing strategic partners
- Phasing (generic for expansion projects)
  - 2 years building/construction (existing sites)
  - 0.5 year on-growth postsmolt unit <sup>1)</sup>
  - 1 year production time in seawater
- Capex ~ NOK 4.0bn (2021-2026)
  - Capex/kg (including WC) ~ NOK 125/kg
- First harvest: 2024, ca 10,000 GWT
- Increased harvest volumes of ca 40,000 GWT (full run-rate in 2027)
- Postsmolt expansion opportunities in Region North represent additional potential

## Postsmolt expansion plans

- Existing freshwater sites in Region South and Region Mid



# Nordheim postsmolt project: Construction phase has commenced

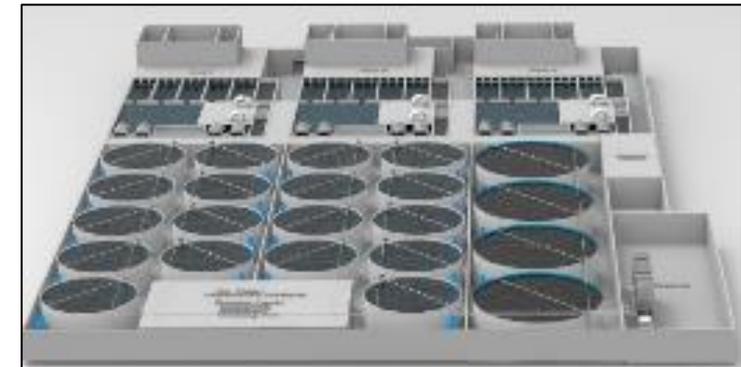
## Postsmolt highlights

- Freshwater capacity increased by 3,500 tonnes to 5,600 tonnes
- Ca 8 mill smolts at ~700 grams
- Capex: NOK 450m
- Capex/kg (including WC) ~ NOK 115/kg
- Estimated increased harvest volumes of 5,300 GWT



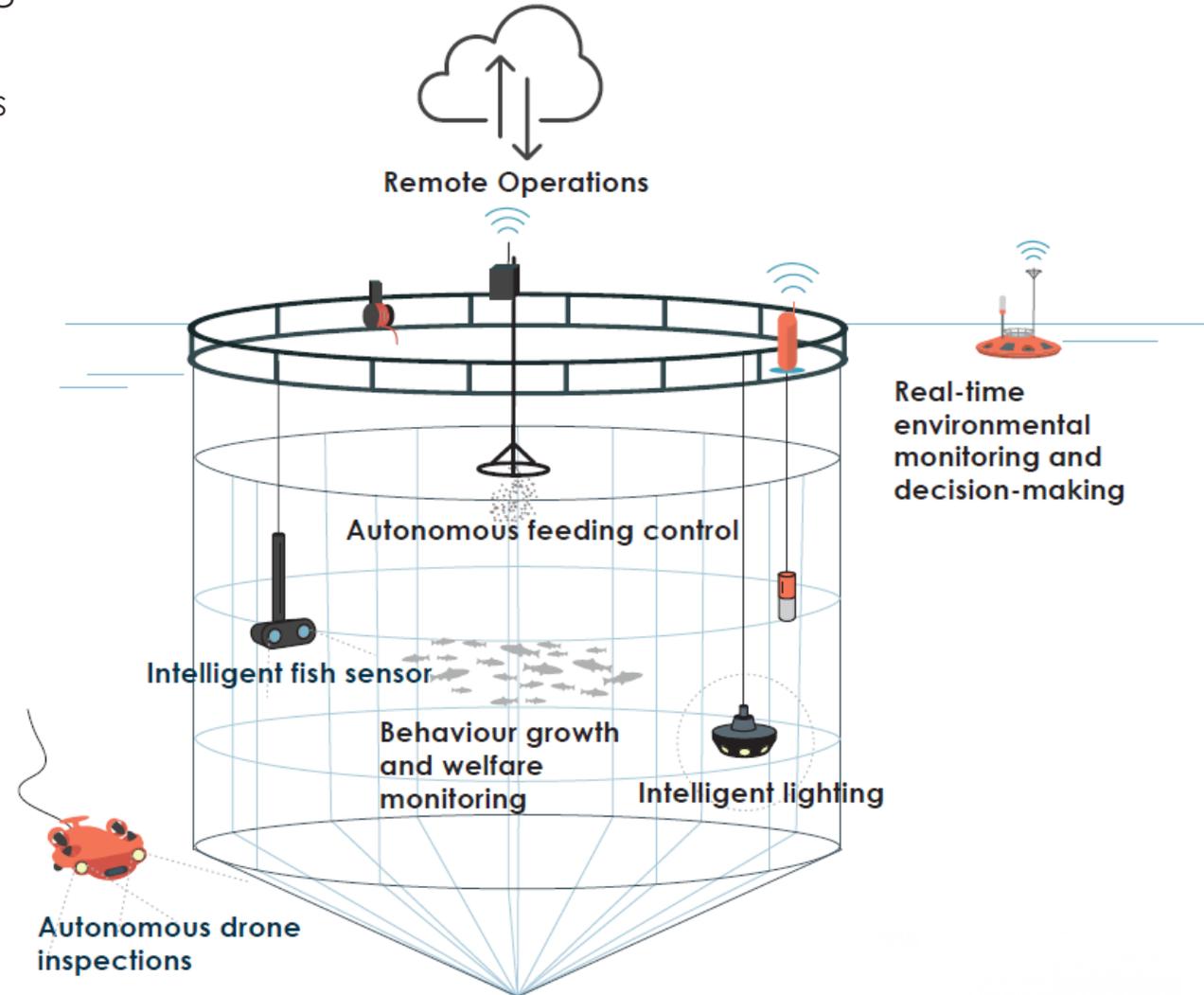
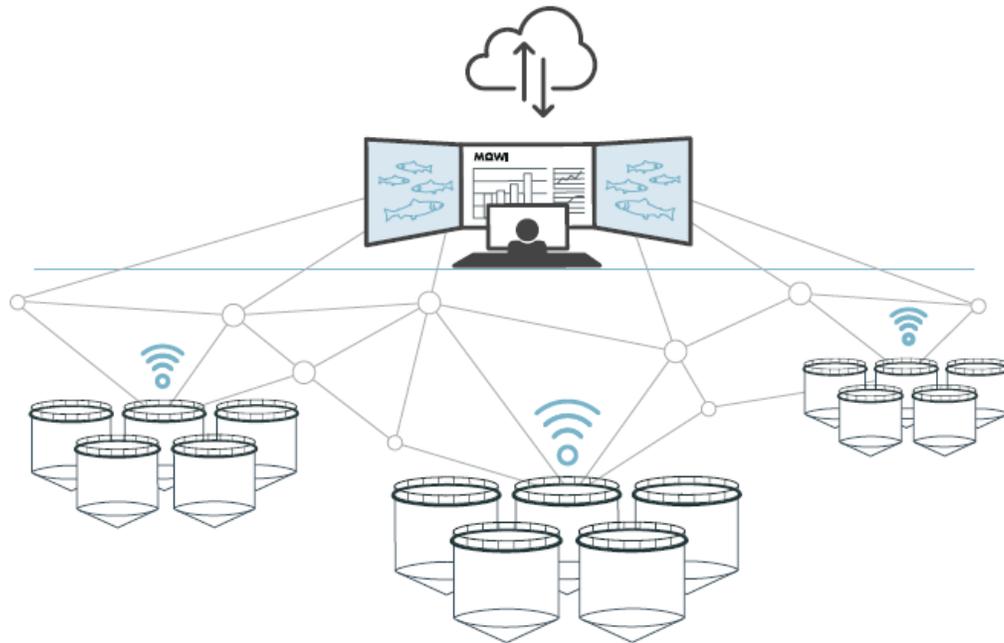
## Timeline

Activity	2021				2022				2023				2024				
	Q1	Q2	Q3	Q4													
Construction period	■				■				■								
Fish transfer to postsmolt unit									■								
Postsmolt transfer to SW										■	■	■					
Harvest																	■



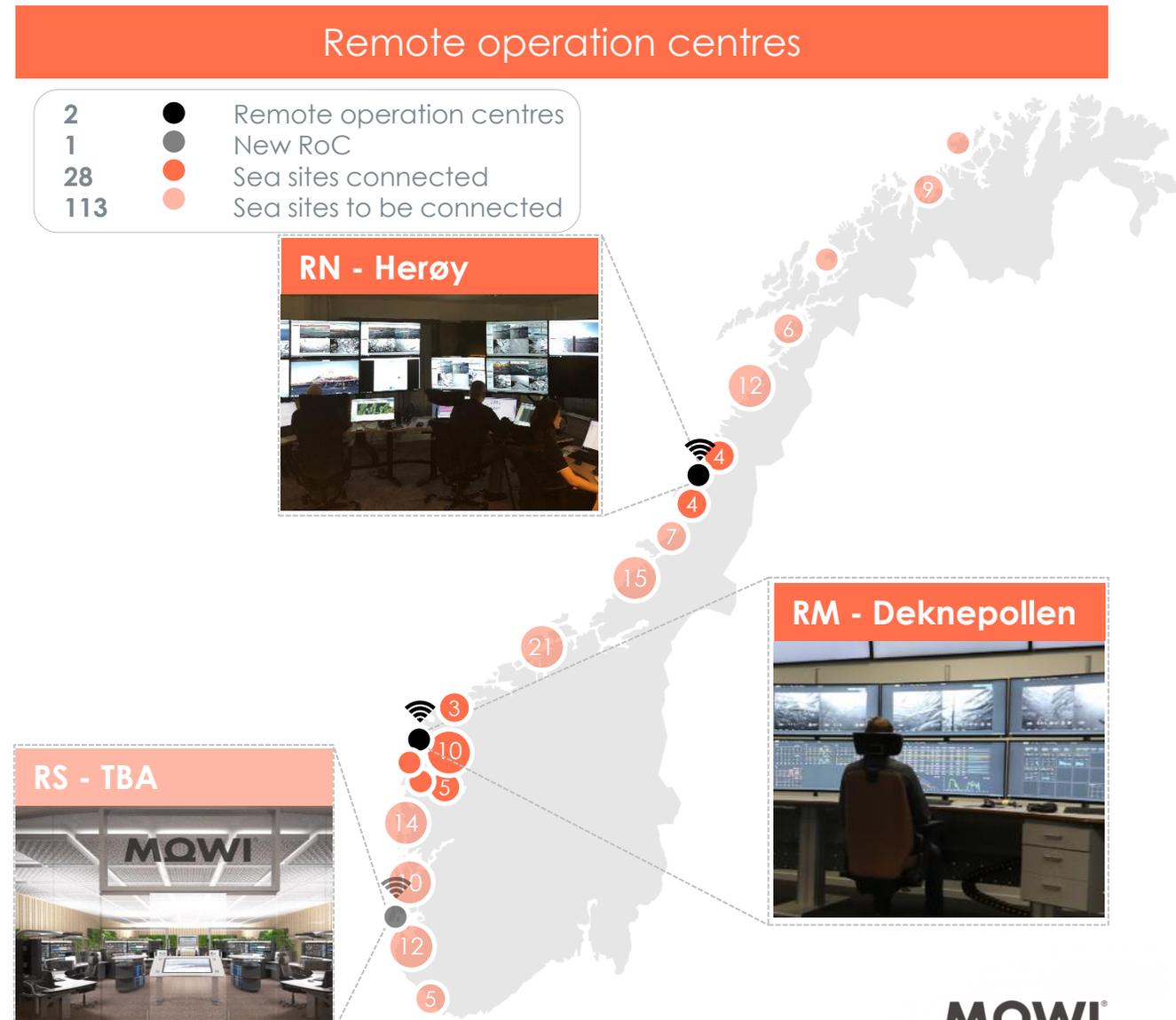
# Smart Farming by 2025

- Productivity increase through Mowi's Smart Farming
  - Remote operations
  - Advanced underwater sensing and software analysis platform based on machine learning
  - Automation and simplification
  - Full value chain data capture and real-time analysis



# Smart Farming by 2025

- Further roll-out of remote operation centres in Region North and Region Mid
  - 20 farms currently connected to our centre at Deknepollen
  - All farms in PA 4 and PA 5 to be connected by 2021 and operated from Deknepollen by 2022
  - Model centre for further roll-out in the regions
  - 8 farms currently connected to Herøy
- Establish remote operation centre in Region South
- All farms to be connected to remote operation centres by 2025



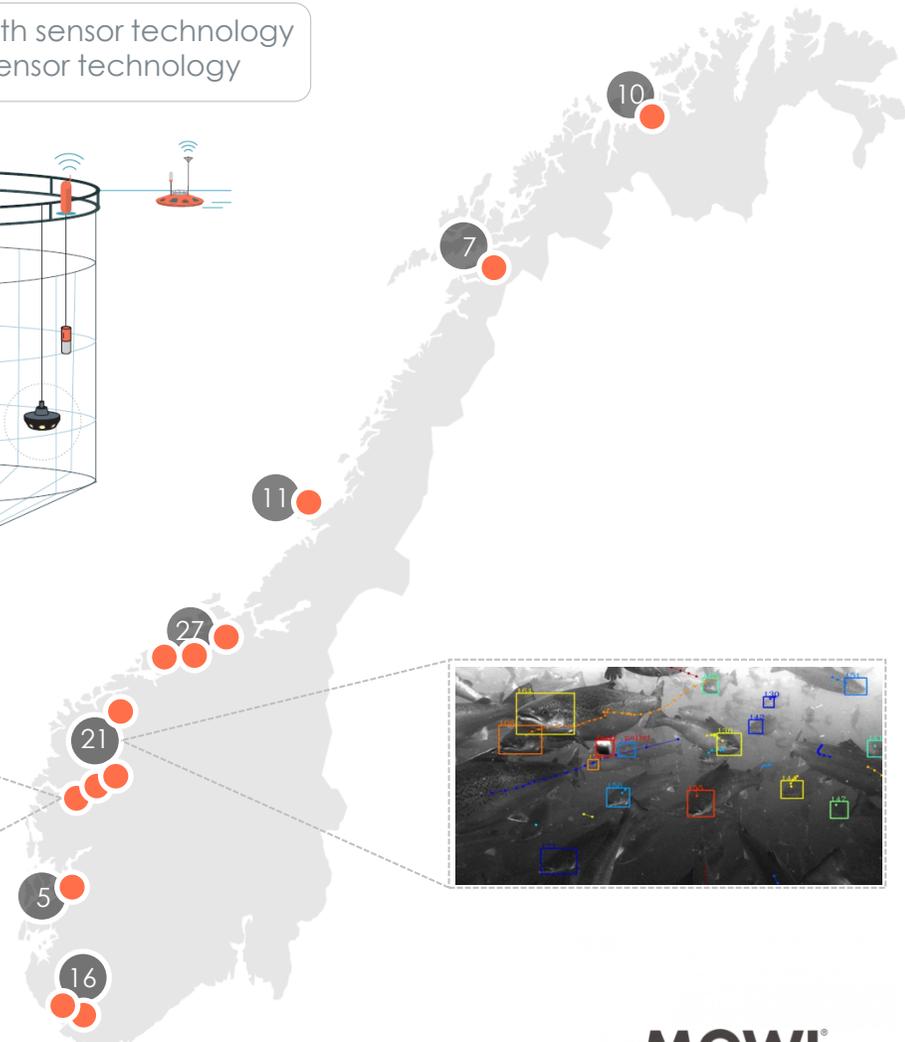
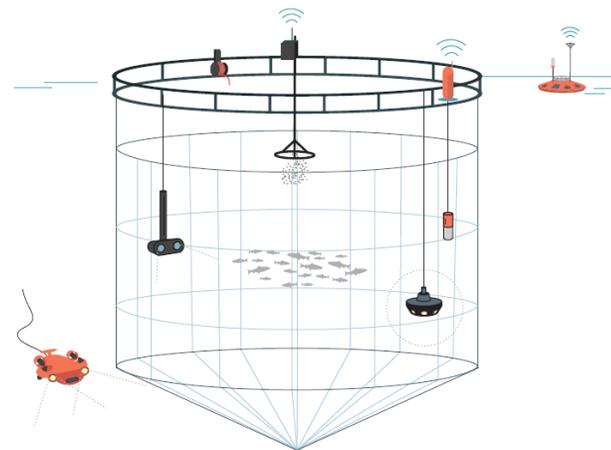
# Smart Farming by 2025

- Implementing advanced underwater sensing and analysis platform
  - Researching and testing a new sensing system based on machine learning
  - System that gathers intelligence about how our fish grow, how they feed, their behaviour, health and living environment
  - All-in-one system for real-time growth, weight distribution, autonomous feeding, fish welfare, and automatic lice counting
  - Several farms in commercial validation phase
- Additional intelligent sensor systems to be deployed



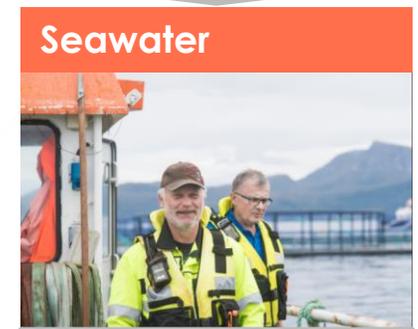
## Intelligent sensor systems deployed

- 13 Sea sites with sensor technology
- 97 Pens with sensor technology



# Continuous improvements – cost, productivity and biological performance

- Systematic work to optimise growth and manage the biological situation for improved harvest weights and survival rate
- Mowi Norway – focus on cross-regional benefits
- Cross-regional strategy teams for better utilisation of resources, capacity and best practices
  - Cost optimisation and cost cutting
  - Smolt and smolt transfer strategy
  - Best biosecurity practices
  - Cost-effective lice control
  - Productivity programme
  - Industry productivity
- Re-joined Sjømat Norge – seeking sector-wide improvements on biosecurity



# MOWI®

## Farming Scotland, Ireland and Faroes

Capital Markets Day 2021

**Ben Hadfield**  
COO Farming Scotland, Ireland and Faroes

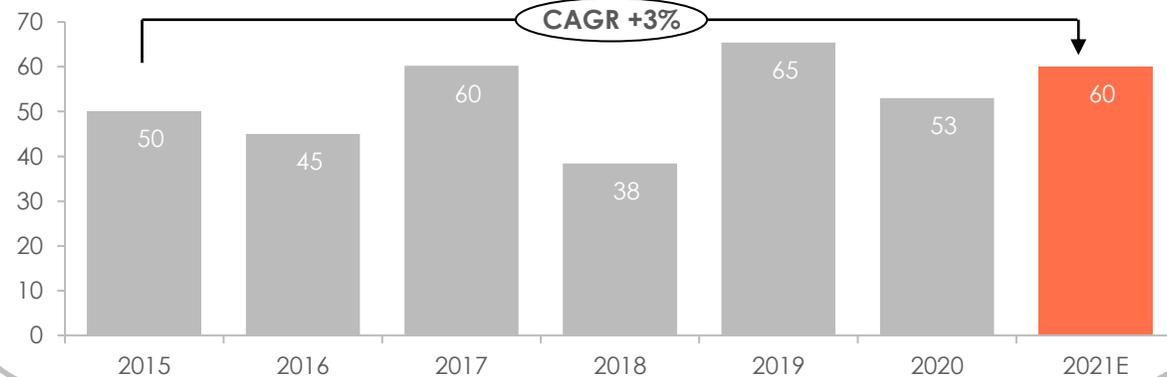


# Mowi Scotland

## Business highlights

- Harvest volume capacity >80,000 GWT
  - 7 new sites since 2015
  - New site applications in open sea areas
- From 120-metre pens to 160-metre pens
- Postsmolt strategy
  - Leverage from and work with warmer seawater temperatures
- Cost initiatives
  - Significant scope to improve productivity
- Expansion and de-bottlenecking of processing capacity to reduce cost, automate and supply integrated value-adding business
- UK's largest food exporter, subject to stable science-based regulation

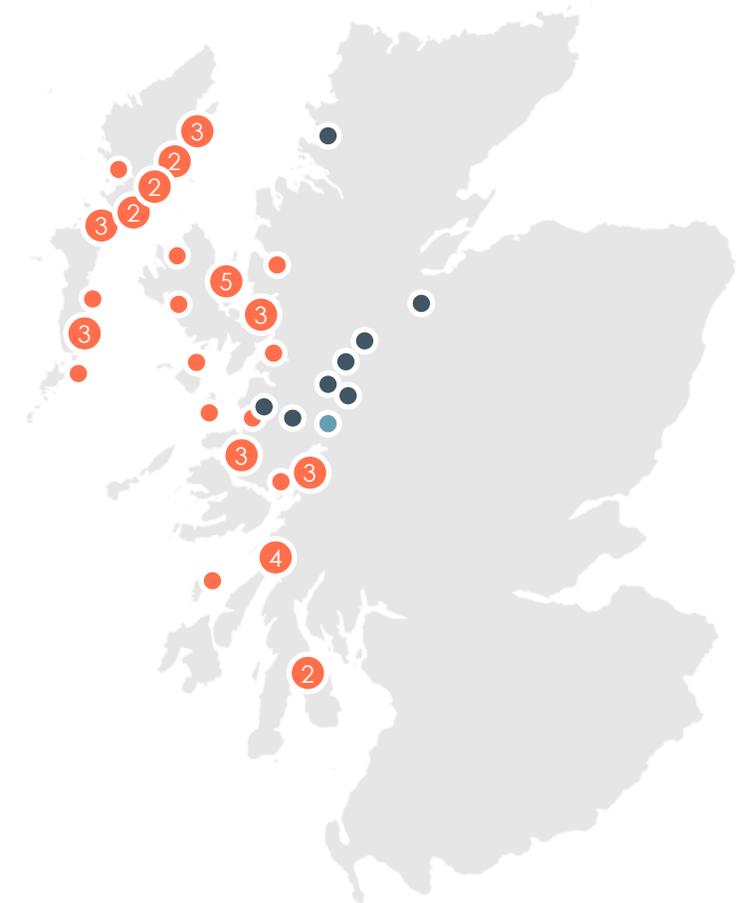
Harvest volumes (1,000 GWT)



Note: 1) 2 RAS hatchery and 6 freshwater farms

## Geographical overview of assets

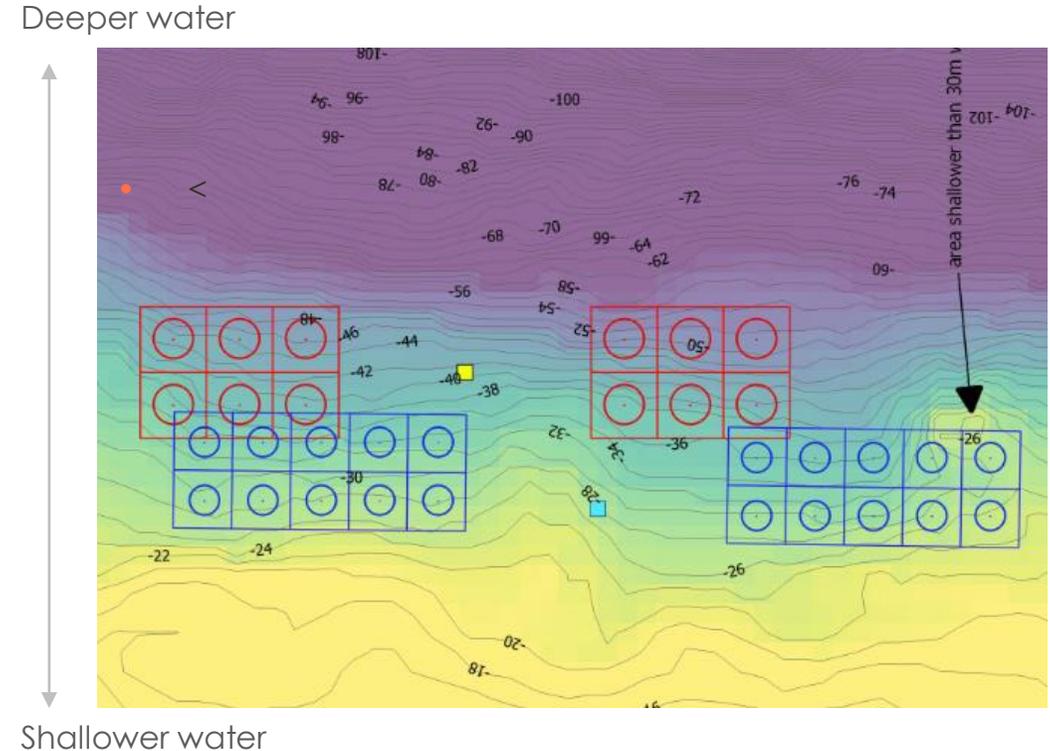
- 2+6<sup>1)</sup> Freshwater (smolt) Sites
- 47 Seawater Sites
- 1 Primary Processing Plant



# Mowi Scotland – farming productivity improvement programme

- Advances in Oceanographic modelling, including bath treatment residues and benthic impact, secure regulatory change
  - Removal of 2,500 tonnes MAB site cap allowing for expansion of best farming locations
  - Mowi sites first to be approved for 3,000-4,000 tonnes MAB
  - Previous regulation: Effective cap of 120-metre pens
  - New regulation: Greater use of 160-metre to 200-metre pens
- Significant benefits of the productivity programme
  - 50% of our sites in scope
  - Increased harvest volumes of 15,000 GWT long-term
  - Cost savings (reduced number of pens, FTE adjustments, centralised feeding technology)
  - ESG benefits (significant improvements to predator deterrent, lice control and productivity)
  - Existing 120-metre pens will be sanitised and relocated to Mowi Ireland. Will allow for significant equipment re-use and improved environmental performance in both regions

Site example:  
20 small pens replaced by 12 large pens

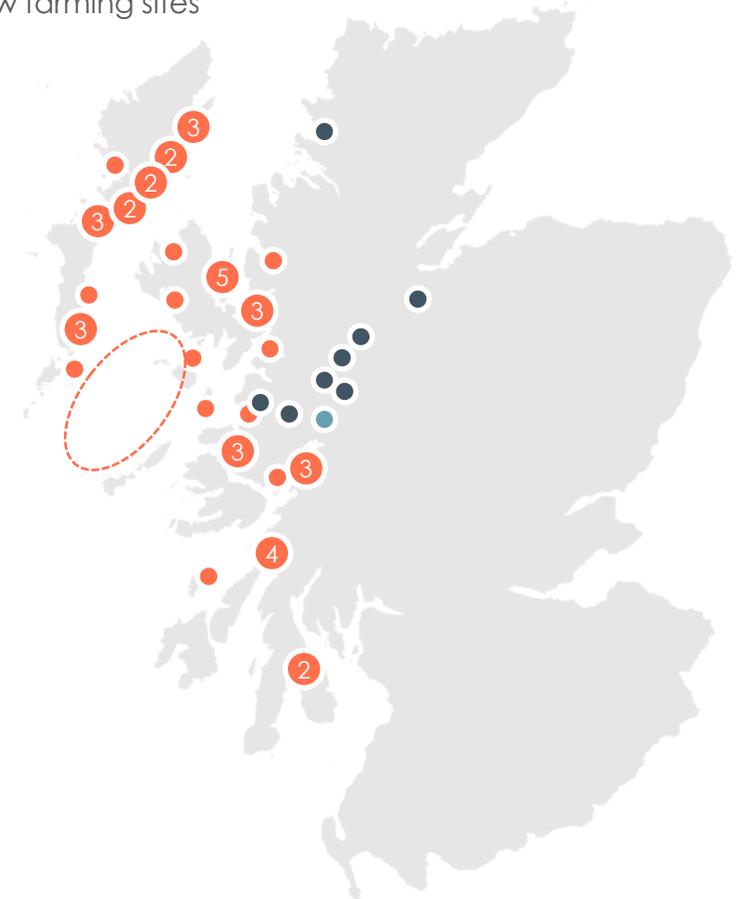


# Mowi Scotland – new site developments

- Mowi Scotland has secured >17,500 tonnes of increased site-MAB from 2015-2020
  - Application-based license system requires EIA
- High-energy sites have improved biological performance
- High sustainability credentials in dispersive environments
- Community development agreements, remote employment and infrastructure developments
- Five new locations are proposed for development by 2025
- Two sites will be determined in 2021, accounting for 5,000 tonnes MAB
- Application pending for semi-closed containment
  - Expansionary MAB
  - Increase in postsmolt stocking
  - Reduced farming cycle
  - Improved biology in sea

## Current farming footprint and potential new sites

○ Potential new farming sites



# Mowi Scotland – postsmolt

- Smolt up to 800g with Scottish seawater temperatures allows for harvesting within 12 months
- Accretive MAB development
- Consultation ongoing to build 3,000-tonne postsmolt unit at Kyleakin, Isle of Skye
- Full seawater RAS unit in design phase
- Screening applications to be submitted for semi-closed containment in sea sites
- Postsmolt production growth has significant ESG credentials
  - Increased following
  - Increased harvest volume
  - Reduced time at sea
  - Reduced treatment intervention

Located next to existing feed mill in Kyleakin



# Cost reduction and differentiation opportunities

- Highly integrated Feed, Farming and Consumer Products business in Scotland
- Exceptional product quality
- Differentiated production for key retailers and key market segments such as Organic and Label Rouge
- Significant productivity improvements from larger pens
  - Allows for consolidation to best performing sites
  - Reduced production cost through fewer but larger pens
- Expansion of freshwater treatment capacity to manage AGD and sea lice challenge
- High-performing cleaner fish operations in Angelsey, Wales
  - 3.4 million Lumpsuckers in 2020
  - Farmed Ballan Wrasse to be deployed in 2021
  - Reduction in medicinal treatments

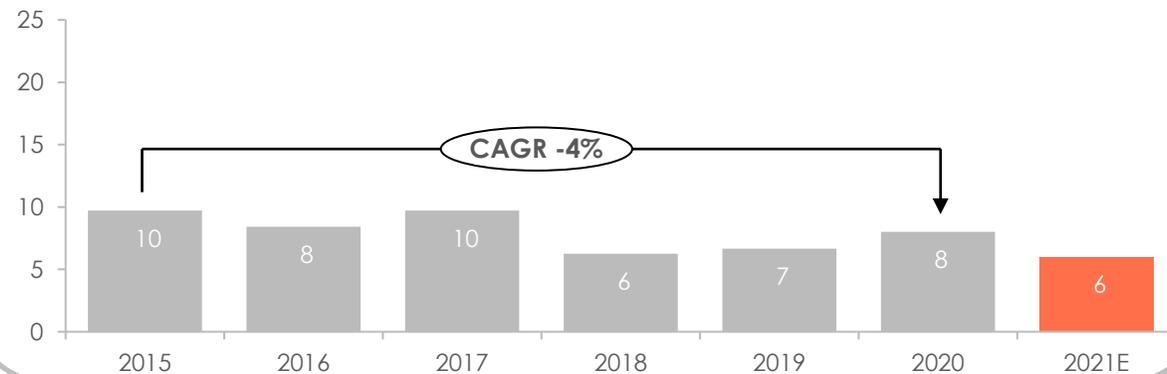


# Mowi Ireland

## Business highlights

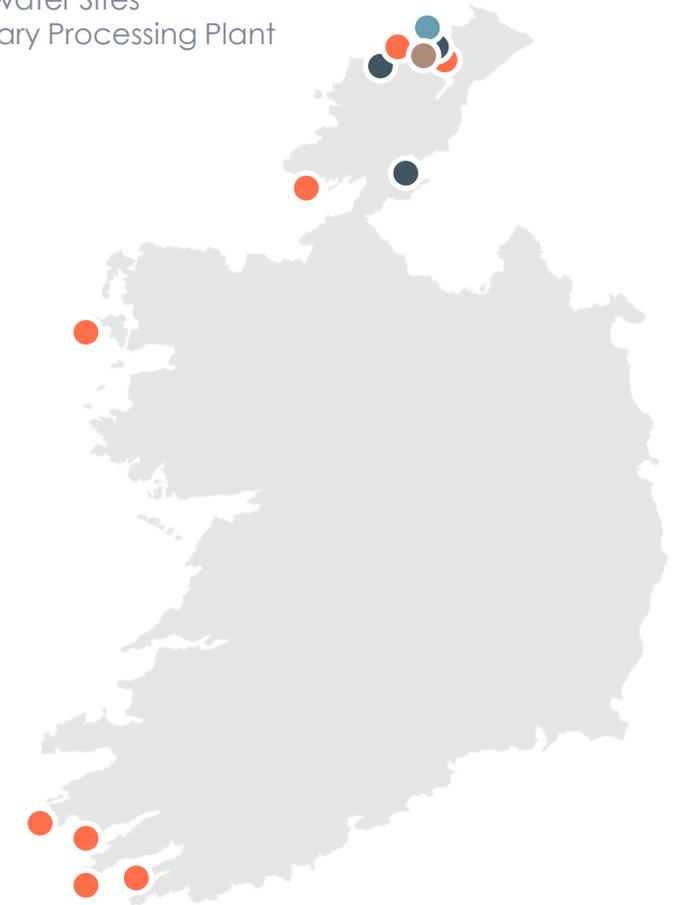
- High demand for premium Irish Organic Salmon
  - Focus on quality and exceptional customer service and flexibility
  - Continuity of supply strengthened by Organic production in Scotland
- Capacity of 10,000 GWT
  - Positive signals from new government and authority updating regulatory framework. Enabling incremental growth by means of better farming sites
- Synergies with Scotland
  - Cleaner fish
  - Treatment resources and freshwater well boat
  - Equipment transfer and 120-metre 'Enviro-net Programme'
  - Leading producer of high-quality Ova

Harvest volumes (1,000 GWT)



## Geographical overview of assets

- 1 Broodstock Sites
- 3 Freshwater (smolt) Sites
- 8 Seawater Sites
- 1 Primary Processing Plant

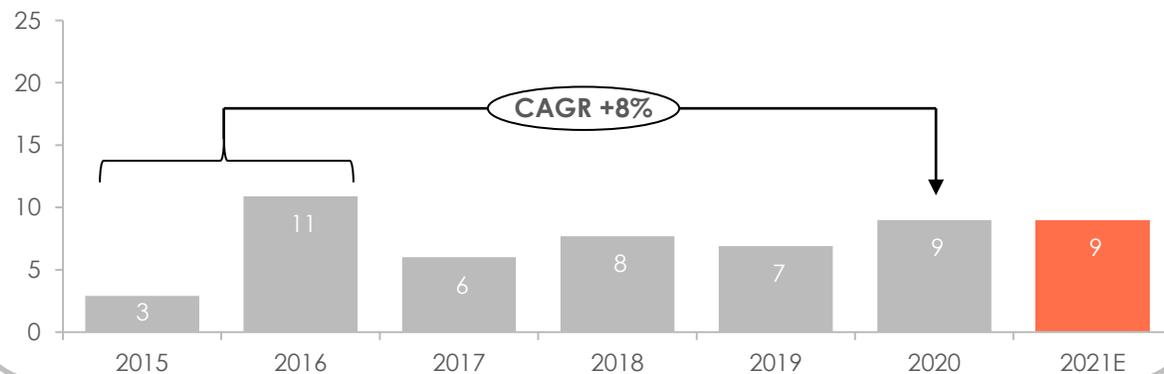


# Mowi Faroes

## Business highlights

- Maintain and enhance high-quality, low production cost performance
- Small incremental production increases in exposed locations, assist in cost dilution
- Evaluating postsmolt production from current 500g to 800g
- Incremental increase to harvest weight and yield per smolt
  - Further use of large smolts and postsmolts
  - Minor increases in MAB
  - Extensive use of passive grading at harvest
  - Continued access to Russian and premium US markets
  - High harvest weights and exceptional colour of Faroese Salmon

Harvest volumes (1,000 GWT)



## Geographical overview of assets

- 1 Freshwater (smolt) Sites
- 3 Seawater Sites
- 1 Primary Processing Plant

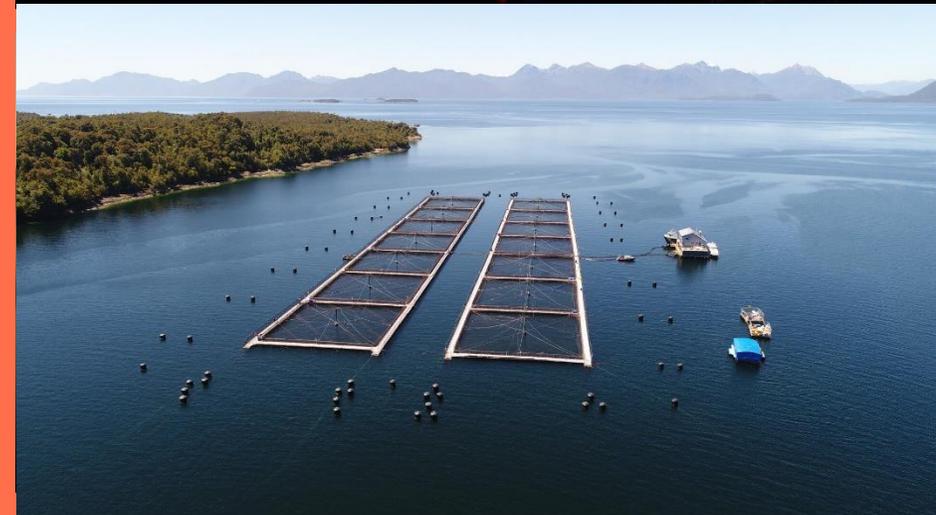


**MOWI**<sup>®</sup>

# Farming Americas

Capital Markets Day 2021

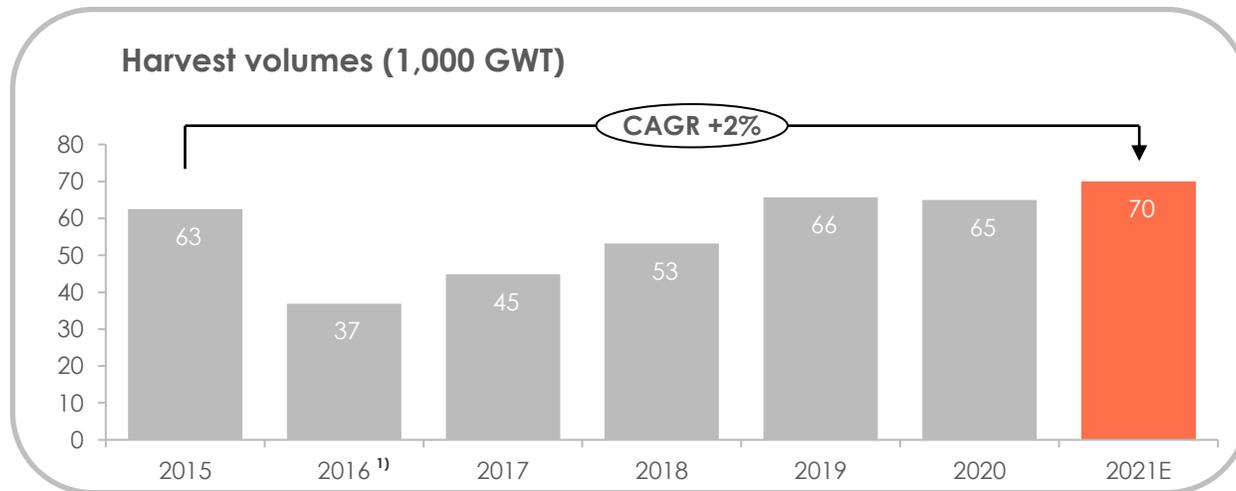
**Fernando Villarroel**  
COO Farming Americas



# Mowi Chile

## Business highlights

- Growth in line with traffic light system
  - ~3-4% annual volume growth
- Focus on developing current assets
- Focus on efficient production and low cost
- Processing Excellence
- Increased freshwater capacity



Note: <sup>1)</sup> Algae bloom region X

## Geographical overview of assets

- 2 Broodstock Sites
- 2 Freshwater (smolt) Sites
- 26 Seawater Sites
- 2 Primary Processing Plant



# Focus on core farming, efficient production and low cost

- Maximise smolt stocking within current regulatory regime
- Reduce smolt and brood costs
  - Continue building internal smolt capacity
  - Consolidation of brood and genetics capacity
  - Genomic selections
- Increase efficiency in seawater
  - Larger and fewer sites
  - Expanded toolbox of non-medical lice treatments
  - Centralised feeding and use of AI
- Increase efficiency in harvesting and processing
  - Use of large well boats
  - Productivity improvement through technology
- Further improve SRS management
  - Vaccination, maintaining low caligus level and early detection of disease



# Continued investment in productivity and capacity

- Increased freshwater capacity
  - Investments in internal smolt capacity
  - New genetics and brood units to consolidate from three production units in one modern facility
- Processing excellence
  - Double the harvest capacity to reduce waiting time on well boat
  - Automate the manual stun and bleed area
  - Increase automatic gutting and cleaning capacity
  - Automatic trimming line and conveyor for fillet boxes
  - Automatic grading and packing line
  - New conveyor and stacking robot for HOG boxes

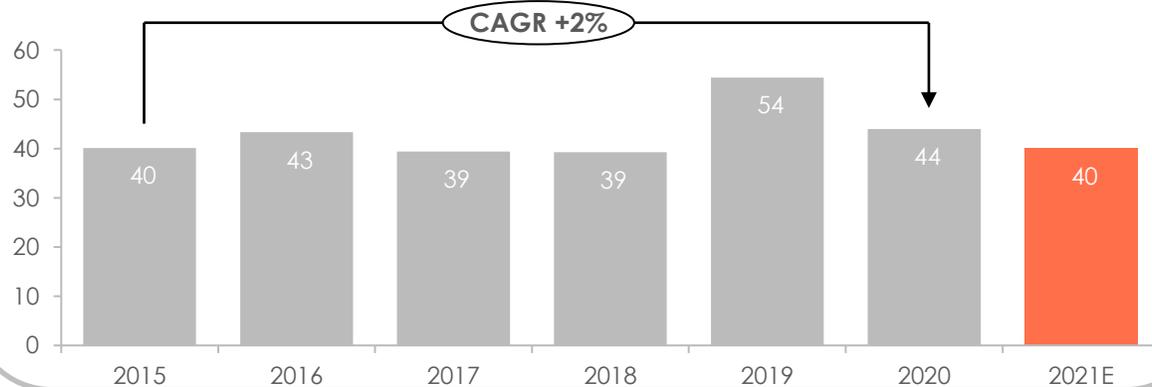


# Mowi Canada

## Business highlights

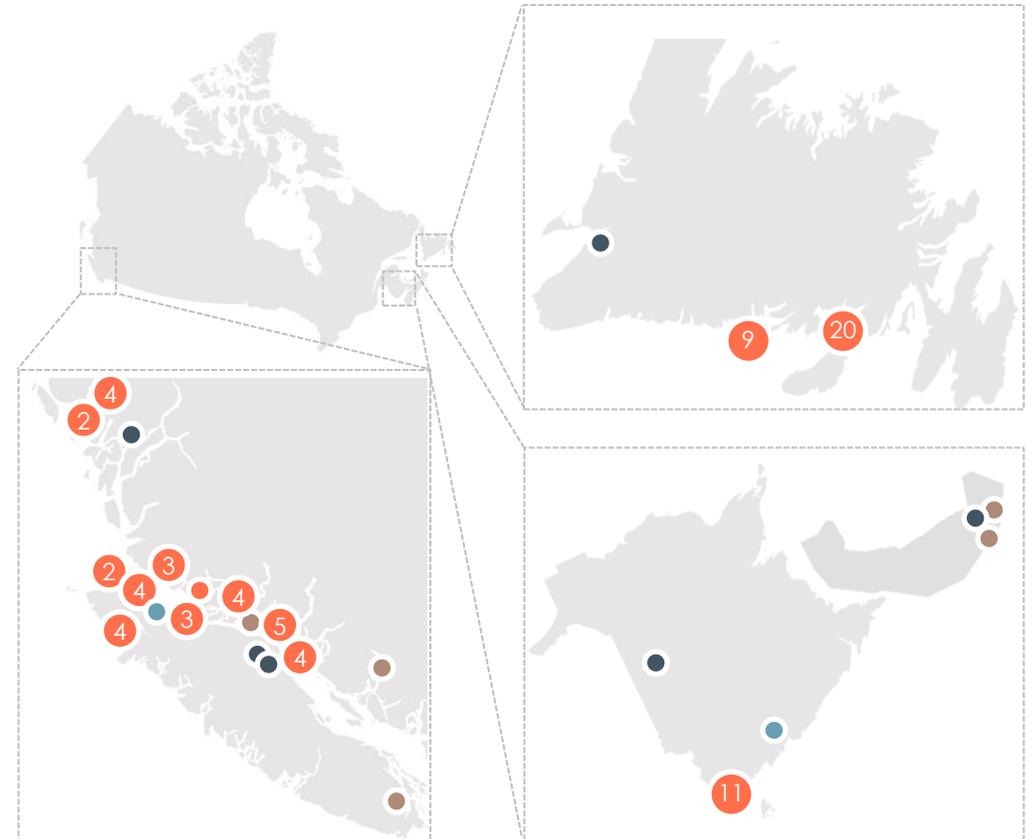
- Restructuring of Canada West and East
- Strategy to maintain 30,000 GWT in Canada West
- Significant growth potential in Canada East
  - Capacity >25,000 GWT

Harvest volumes (1,000 GWT)



## Geographical overview of assets

- 5 Broodstock Sites
- 6 Freshwater (smolt) Sites
- 76 Seawater Sites
- 2 Primary Processing Plant



# Restructuring of Mowi Canada West

## Revised operational plan

- In December 2020 the government decided to phase out salmon farming licenses in Discovery Islands by 30 June 2022
- Revised operational plan
  - Closure and decommissioning of sites in DI area
  - Create a lean and productive organisation reflecting the new smaller company, including 200 FTE reductions
  - Freed-up smolt capacity to be utilised by producing larger smolts
  - Strategy to maintain volumes at 30,000 GWT
- Key priorities:
  - Secure business certainty through local relationship and agreements to support federal and provincial advocacy
  - Improve gill health and Tenacibaculum prevention
  - Streamline the operation and optimisation / reduction of costs related to sea lice treatment and net management

## Geographical overview of assets



# Turnaround of Mowi Canada East

- Lagging our growth plans since acquisition in 2018 due to biological and environmental challenges
- Turnaround plan
  - Change of execution plan – initial plan too ambitious
  - Changed management
  - Aim to return to profitability and growth trajectory
  - Improve biological performance and biosecurity
    - ISAv mitigation plan
    - Sea lice management
  - Establish Canada East as an appropriately scaled and lean business unit
  - Rationalisation of processing and infrastructure resources



# MOWI<sup>®</sup>

## Feed

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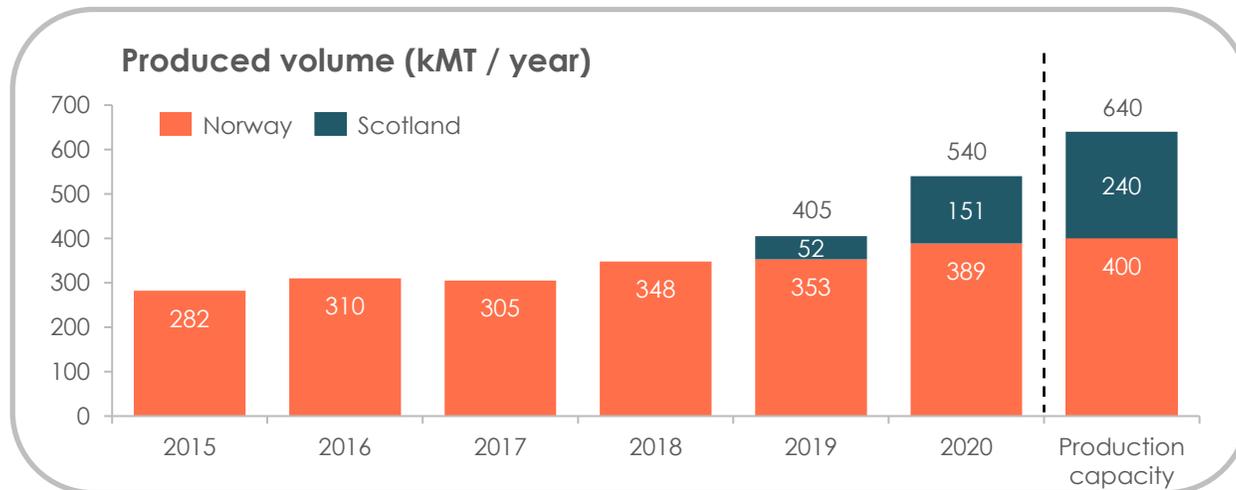
**Atle Kvist**  
COO Feed



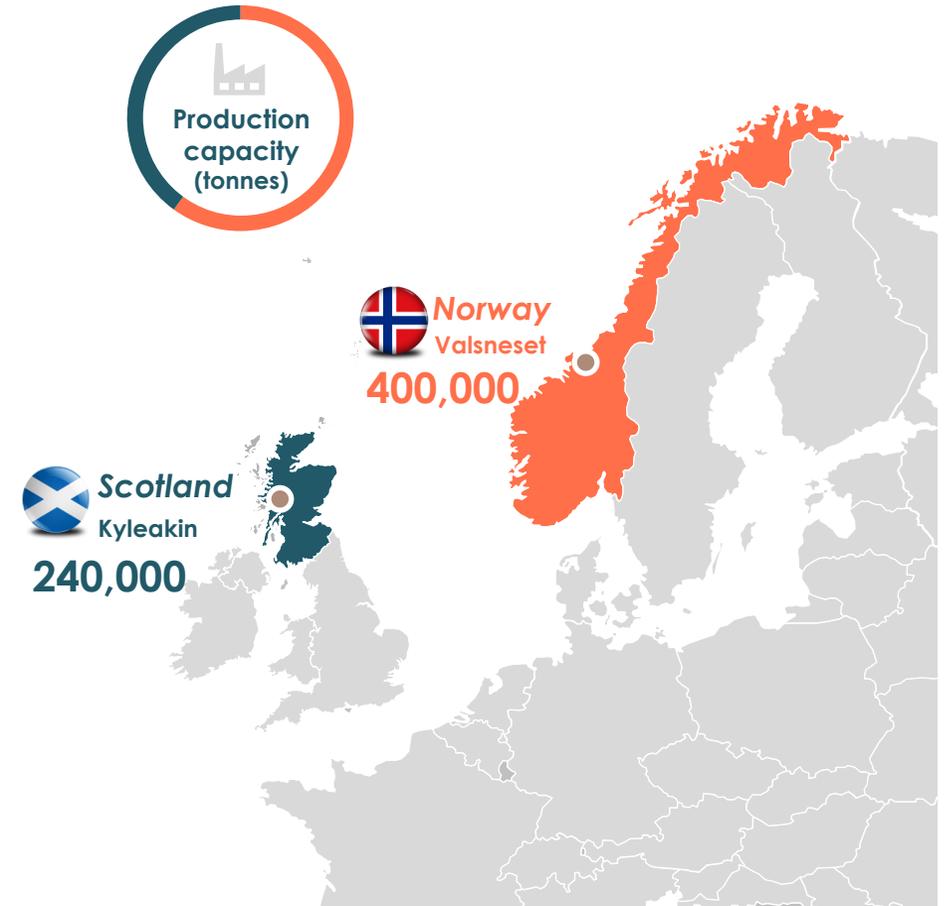
# Mowi Feed

## Business highlights

- Focus on efficient, high-performance feed at low cost
- Production growth in line with volume growth in farming in Europe
- Current capacity of 640,000 tonnes is sufficient to supply internal demand in addition to external sales
- Modern facilities with efficient logistics and supply chain ensure low cost
- Focus on sourcing sustainable feed raw materials, and develop new sustainable feed ingredients

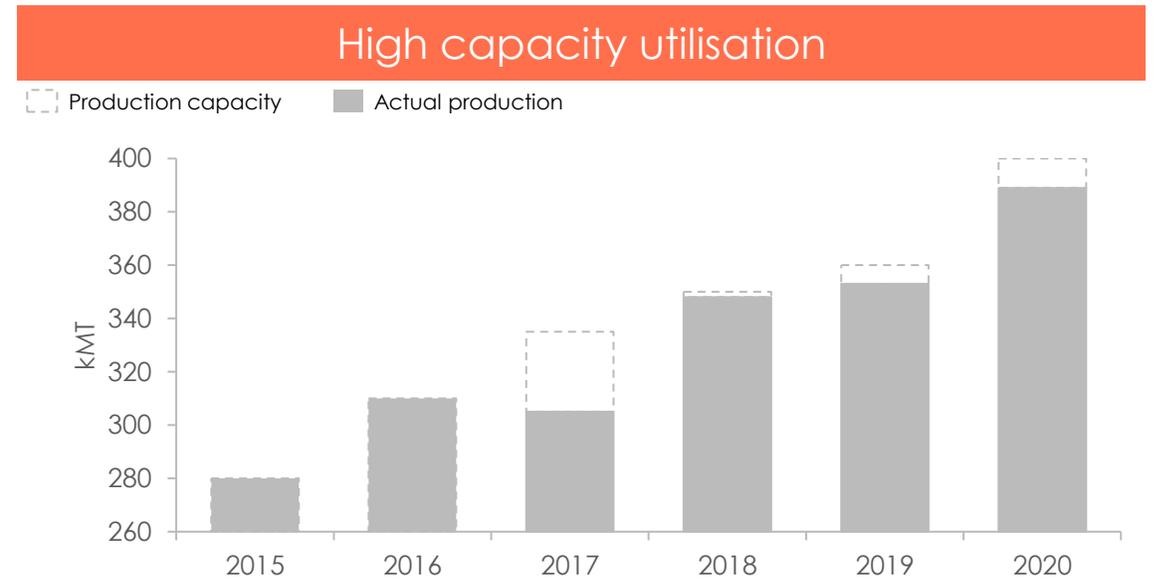


## Geographical overview of assets



# The Norwegian feed mill produces at close to full capacity

- First feed plant opened in June 2014 at Valsneset, Norway
- The feed plant has a premium coastal location with deep-water access
- In 2020 the Norwegian feed plant set a new production record at 390,000 tonnes of fish feed
- Mowi's Norwegian farming operations were 95% supplied with Mowi's own feed in 2020



### Highlights of the Valsneset facility

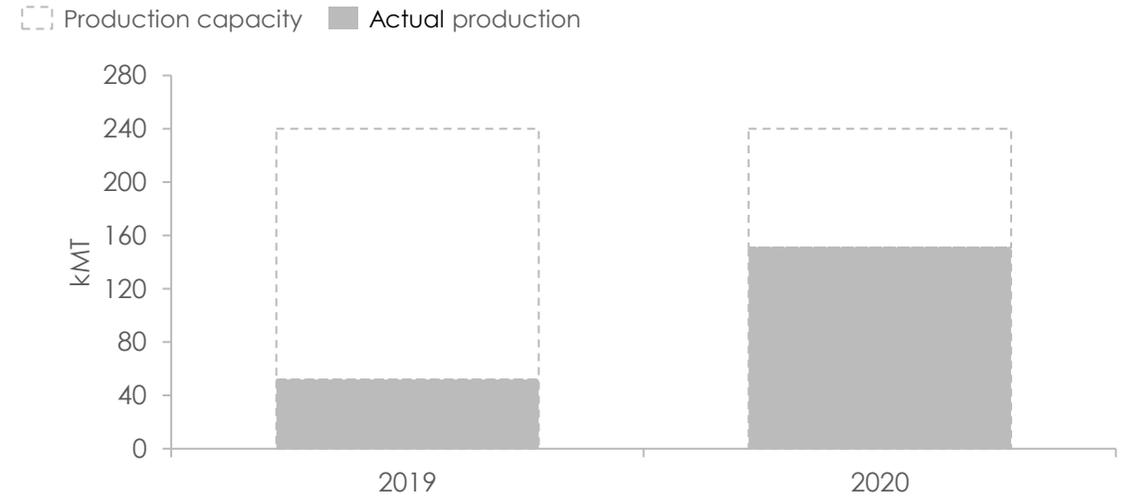
 <b>FTEs</b>	67
 <b>Product offering</b>	Grower feeds
 <b>Equipment</b>	Two production lines (high capacity)
 <b>Certifications</b>	Global GAP

# New and modern feed plant, highly flexible in feed production with strategic location on Scotland's West coast

- The second feed plant opened in 2019 in Scotland
- Delivers freshwater, seawater and organic feed to our farming operations in Scotland, Faroes, Ireland, and Norway
- Plant location and own deep-water pier allow efficient bulk transportation of raw materials and feed products by larger ships
- ~ 3,000 tonnes of CO<sub>2</sub> saved p.a. compared with transportation by road and smaller, less efficient ships



## 2020 production in line with customer orders

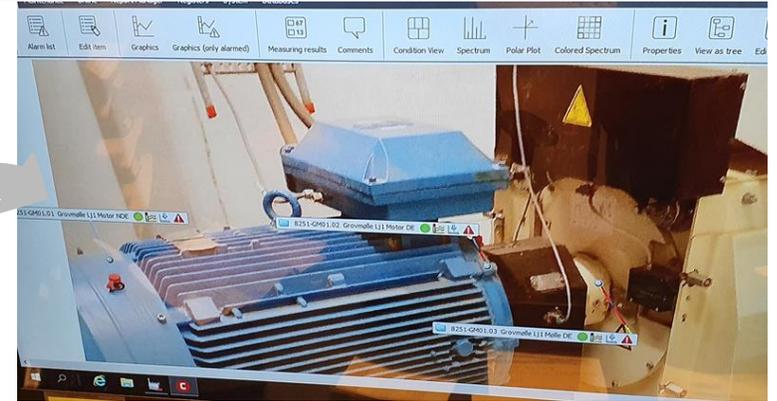
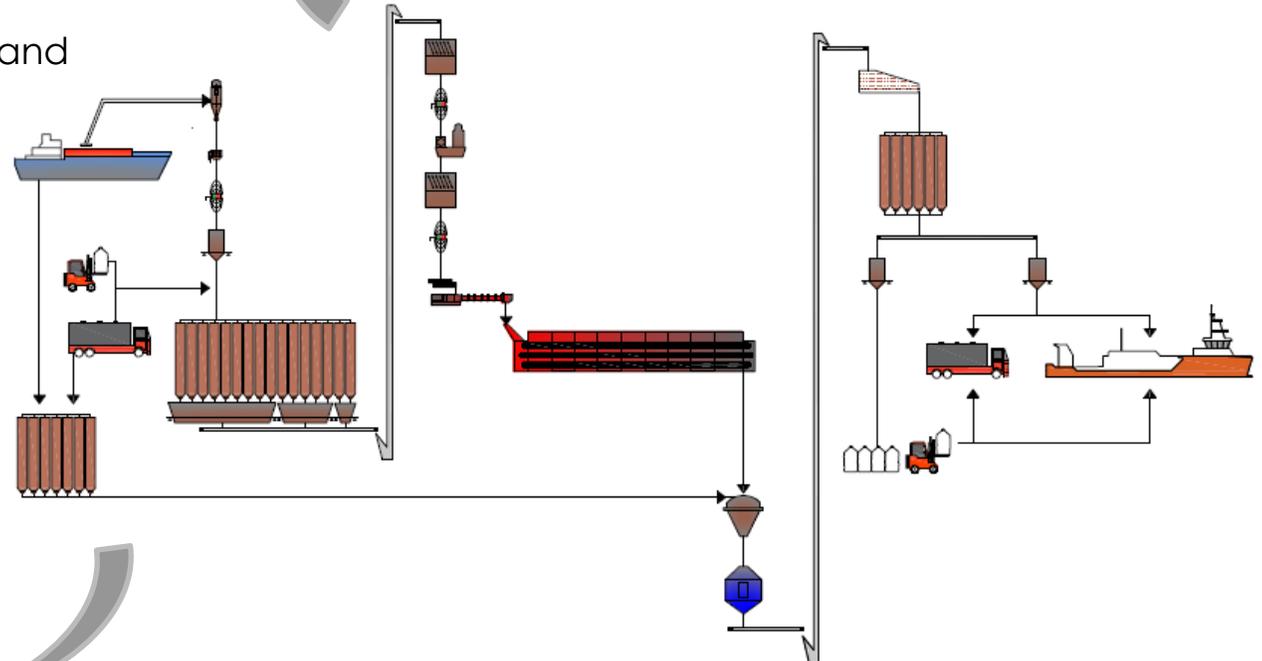
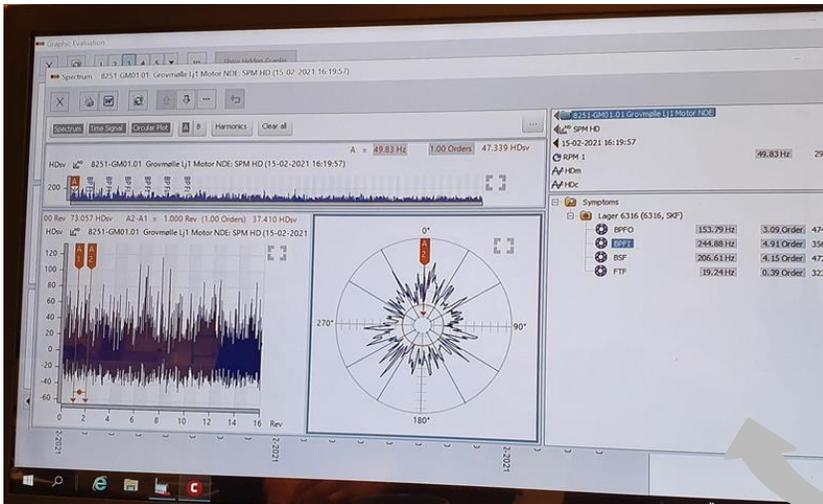


## Highlights of the Kyleakin facility

<b>FTEs</b>	68
<b>Product offering</b>	Grower feed, organic feed and freshwater feed
<b>Equipment</b>	Two Production lines (one high capacity & one medium capacity)
<b>Certifications</b>	Global GAP and Organic Feed certified

# MOWI<sup>®</sup> 4.0 Smart Operations the next level for Mowi Feed

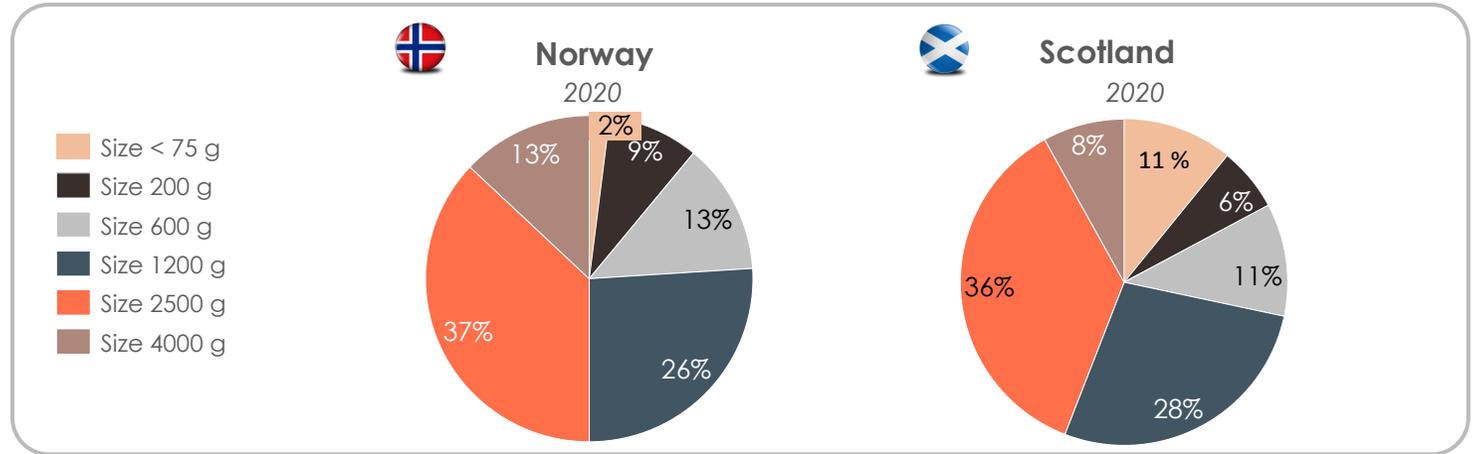
- Productivity increases through Smart Operations
  - Data collection and sensors
  - Robotics, automation and AI-technologies
- Gives established methods a new edge
- Drives change through the entire value chain
- Reduces manufacturing and supply chain costs
- Enhances sustainability by increasing energy efficiency and improving raw material utilisation



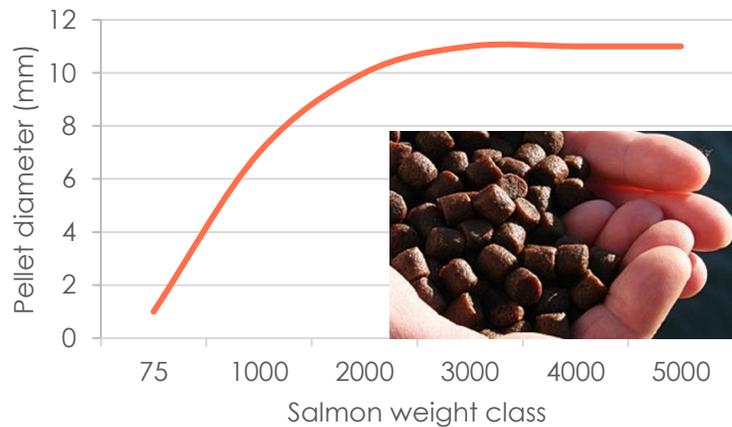
# The product range satisfies the feed requirements of our farming division

- The portfolio includes feed for all life stages in seawater
  - Organic
  - Conventional
- The portfolio includes feed for freshwater parr and fish larger than 2 grams

## Breakdown of product produced (salmon weight class)



## Pellet size for different weight class (grams)

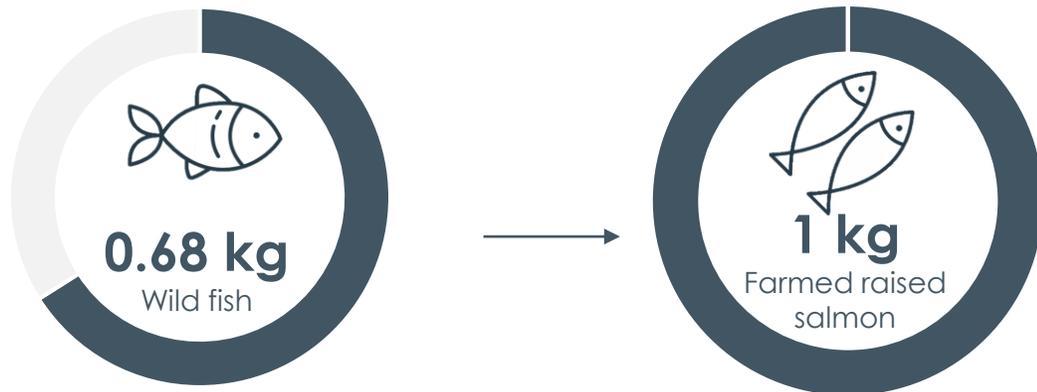


## Feed types produced

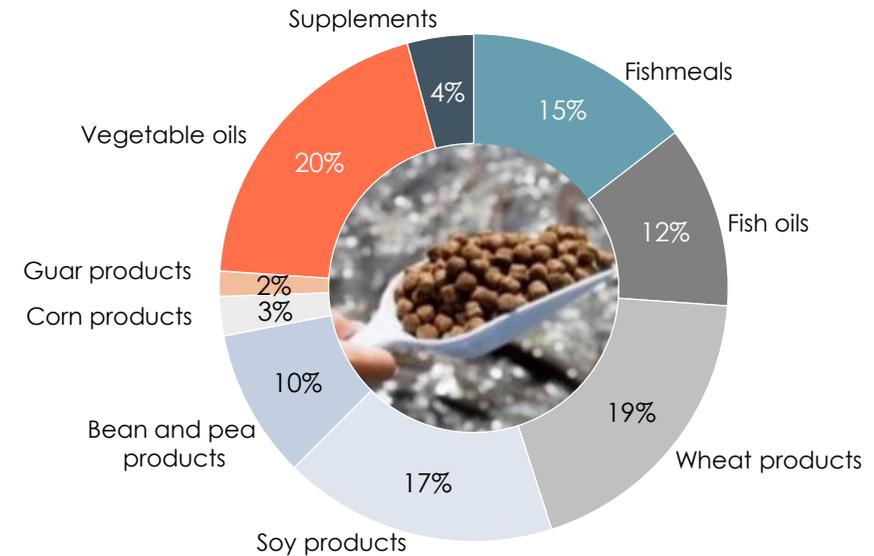
Feed types	Norway	Scotland
Grower feed	✓ 100%	✓ 77%
Organic feed	✗ -	✓ 12%
Freshwater feed	✗ -	✓ 11%

# We tailor our feed to match the changing requirements of the fish through the life cycle

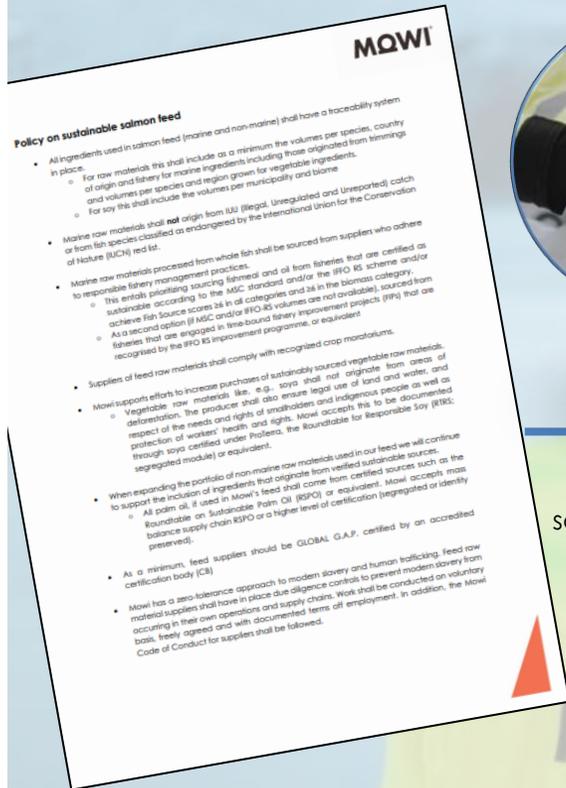
- Modern feed formulas and feeding skills make us a net producer of fish
  - Fish-In : Fish-Out = 0.68
- Continued investment in feed R&D
- Testing of novel feed raw materials
  - Incorporation subject to profitability, operational excellence and sustainability requirements
- Our feed is good for the fish and good for the environment



## Salmon feed – what's in it?



# Mowi's policy on sourcing sustainable raw feed materials



## Traceability

All ingredients used in salmon feed shall have a **traceability system** in place



## Marine raw materials

Our marine raw materials processed from whole fish will be sourced from suppliers who adhere to **responsible fishery** management practices and that are certified as **sustainable**. Marine raw materials shall not originate from IUU<sup>1)</sup> catch or IUCN<sup>2)</sup> red listed fish species classified as endangered



## Vegetable raw materials

We support efforts to increase purchases of **sustainably sourced** vegetable raw materials. The soy used in our feed is **100% deforestation-free**



## Modern slavery

Mowi has a zero-tolerance approach to modern slavery and human trafficking. Feed raw material suppliers shall have in place due diligence controls to **prevent modern slavery**



## Certification

As a minimum, feed suppliers should be **GLOBAL GAP certified** by an accredited certification body (CB)



# MOWI<sup>®</sup>

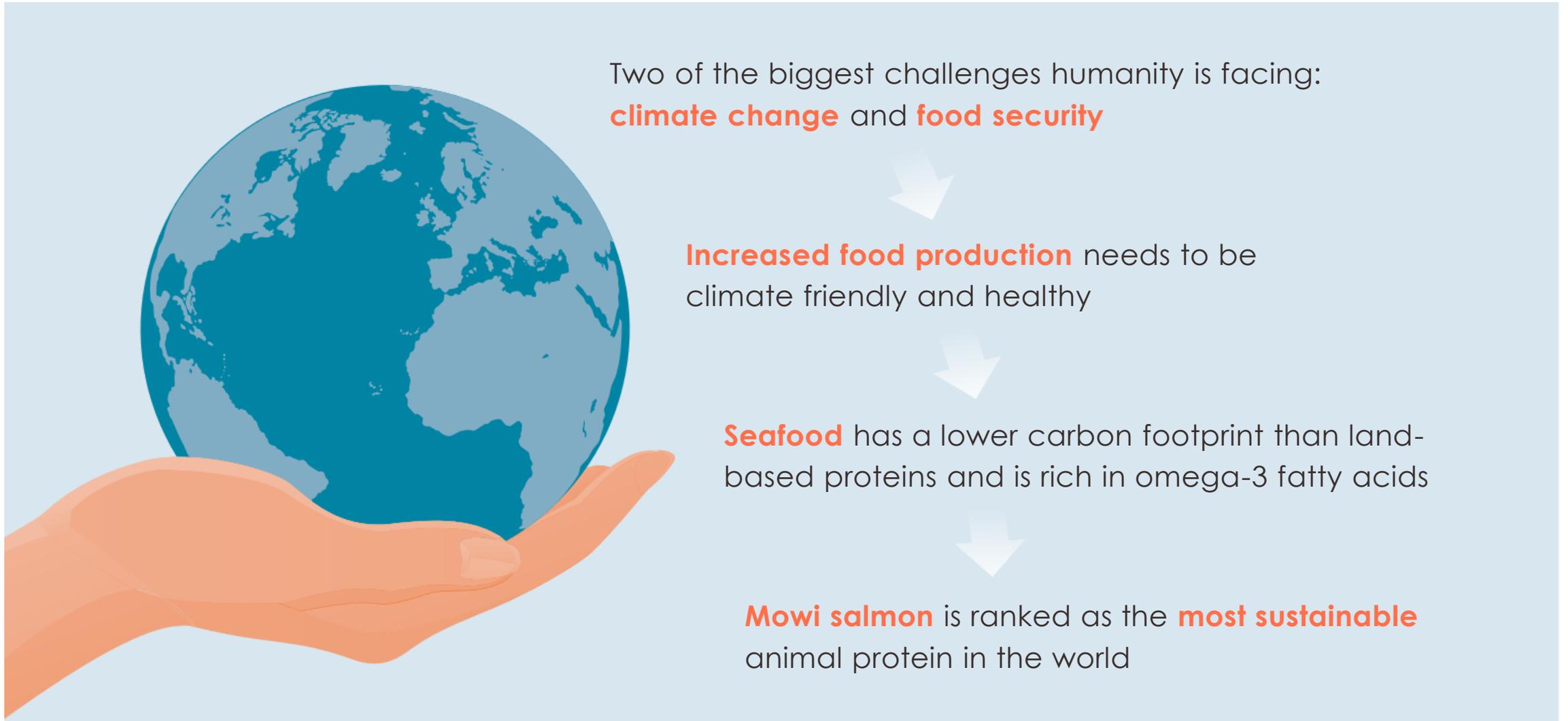
## ESG + R&D

Capital Markets Day 2021

**Catarina Martins**  
Chief Sustainability and Technology Officer



# Our contribution to making the world a better place



# Ocean-based Atlantic salmon farming is on the right side of sustainability

## Salmon is the most sustainable farmed animal protein alternative

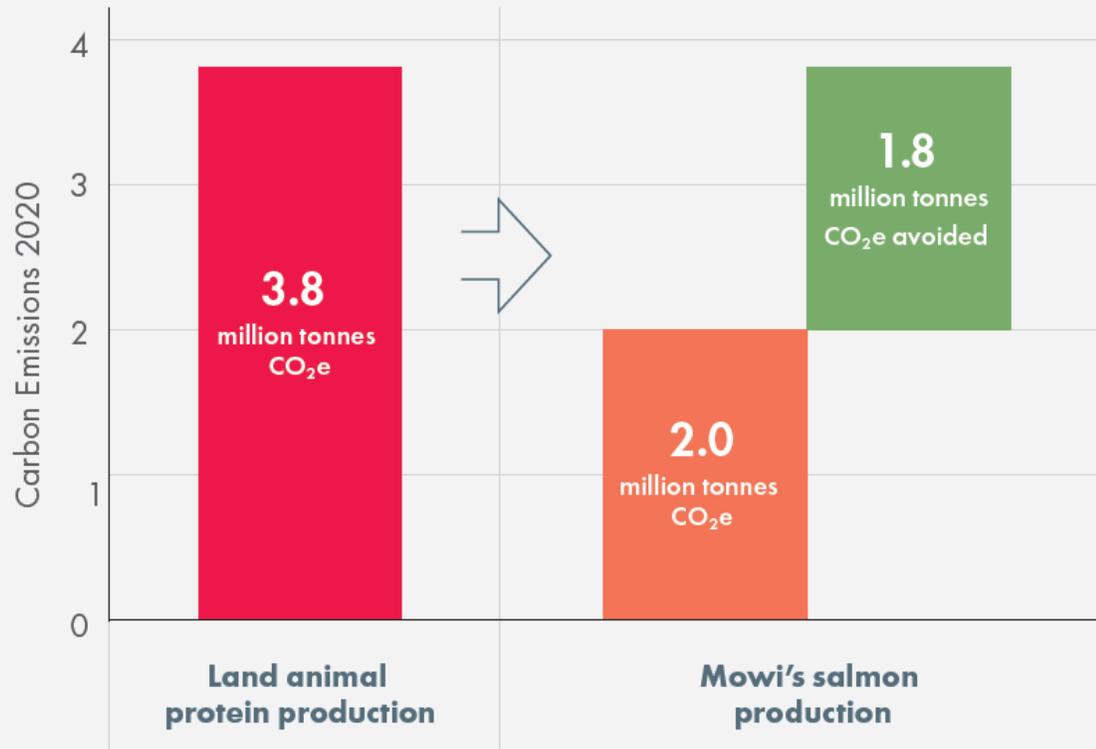
				
Protein retention	<b>28%</b>	37%	21%	13%
Feed conversion ratio ("FCR")	<b>1.3</b>	1.9	3.9	8.0
Edible meat per 100 kg feed	<b>56 kg</b>	39 kg	19 kg	7 kg
Carbon footprint (kg CO <sub>2</sub> / kg edible meat)	<b>7.9 kg</b>	6.2 kg	12.2 kg	39.0 kg
Water consumption (litre / kg edible meat)	<b>2,000<sup>1)</sup></b>	4,300	6,000	15,400

Note: <sup>1)</sup> The figure reflects total water footprint for farmed salmonid fillets in Scotland, in relation to weight and content of calories, protein and fat  
 Source: Fry et al (2018) Feed conversion efficiency in aquaculture: do we measure it correctly?. SINTEF (2020) Greenhouse gas emissions of Norwegian seafood products in 2017.  
 Mekonnen, M.M. and Hoekstra, A.Y. (2010) The green, blue and grey water footprint of farm animals and animal products. SARF (2014) Scottish Aquaculture's Utilisation of Environmental Resources

# Avoided carbon emissions

## GHG Emissions

1.8 million tonnes CO<sub>2</sub>e emissions are avoided annually by replacing the corresponding amount of land animal protein production



**1.8 million tonnes**  
net avoided CO<sub>2</sub>e emissions

Equivalent to approx.

**380 000 cars**  
removed from the road every year



# Mowi ranked #1 on sustainability amongst food producers

## Sustainability ratings and awards

Rating agencies	About the rating	Score
	Mowi ranked as the most sustainable animal protein producer in the world (amongst the largest 60 animal protein producers in the world) for two consecutive years	
	Mowi recognised as a global leader in climate action for two consecutive years	
	Supplier Engagement Rating	
	Mowi ranked the second most sustainable seafood company (amongst the 30 largest seafood companies in the world)	
	ESG Rating, designed to measure a company's resilience to long-term, industry material environmental, social and governance (ESG) risks. Mowi is in the Leader category.	
	ESG Rating, assessing financially material Environmental, Social and Governance (ESG) data	Medium-Risk
	Mowi awarded with the best annual report in Norway three times in the last four years	

# Our sustainability achievements

#1

in FAIRR (most sustainable animal protein in the world)

A

Leadership category in climate action and supplier engagement by CDP



Further reduction in dependency of medicines to manage sea lice

100% 

of harvest volumes are certified sustainable

2.7% 

GHG emissions reduction

100% 

compliant with sustainable sourcing feed policy

93% 

of our marine sites with minimum benthic impact

# Mowi's ESG strategy: sustainable certification

## Our certification strategy along the value chain

From feed to plate we make sure our operations are certified against the strictest standards available.



100% of Mowi's harvest volumes in 2020 were sustainably certified by a GSSI\* recognised standard

\* Global Sustainable Seafood Initiative

# Mowi's ESG strategy: Leading the Blue Revolution Plan

**MOWI**

## SUSTAINABILITY STRATEGY



PLANET

### Being part of the solution to global challenges

- Climate change
- Plastics

### Eco-efficient value chain

- Waste & circular economy
- Freshwater use

### In harmony with nature

- Sustainable certification
- Escapes
- Sea lice
- Fish health & welfare
- Sustainable feed



PEOPLE

### Mowi way

- Live our vision, values and leadership principles every day

### Excellence-driven organization

- ONE Mowi, operational excellence program

### Ethical business conduct

- Compliance with our code of conduct across the group

### Safe and meaningful work

- Absence rate and LTIs
- Diversity

### Community engagement

- Develop and support the local communities in which we operate

# Transparency and communicating about our sustainability progress



**Mowi ASA - Climate Change 2020**

CDP Introduction

CD.1

CD.1.1 Give a general description and introduction to your organization.

Mowi ASA (previously Marine Harvest ASA) is the world's leading seafood company offering farmed salmon and processed seafood to customers in more than 70 markets worldwide. The company is present in all major salmon farming regions in the world and the biggest producer of farmed salmon with one fifth of the global production. In addition to fresh and frozen salmon, Mowi offers a wide range of value-added products ranging from whole gutted fish, through products such as fillets, steaks and portions, to smoked salmon and ready-to-eat dishes. Mowi is the result of the merger between Fera Fish ASA, First Seafood ASA and Marine Harvest AS in 2016. The company employs 14 866 people and has operations in 25 countries worldwide. Mowi has salmon farming and processing activities in Norway, Chile, Scotland, Canada, Ireland and the Faroe Islands. Value adding processing activities also take place in the US, France, Belgium, the Netherlands, Poland, Japan and China.

In addition, Mowi has several sales offices worldwide. Mowi is listed on the Oslo Stock Exchange. The company's head office is located in Bergen, Norway. The following business units are included in this year's CDP reporting: USA, Canada, Chile, Faroe Islands, Ireland, Norway, Scotland, Poland, VAP (Belgium, France, the Netherlands, Germany), Japan, Korea, Taiwan and Vietnam.

CD.2

CD.2.1 State the start and end date of the year for which you are reporting data.

Reporting year	Start date	End date	Indicate if you are providing estimates data for just reporting year	Indicate the number of your reporting years you will be providing estimates data for
Reporting year	January 1, 2020	December 31, 2020	Yes	1

CD.3

CD.3.1 Select the countries/regions for which you will be supplying data.

- Belgium
- Canada
- Chile
- Faroe Islands
- France
- Germany
- Ireland
- Japan
- Netherlands
- Norway
- Poland
- Republic of Korea
- Taiwan
- Greater China
- United Kingdom of Great Britain and Northern Ireland
- United States of America
- Not Applicable

CD.4

CD.4.1 Select the currency used for all financial information disclosed throughout your response.

NOK

United Nations Global Compact

Communication on Progress

Periodic: Mowi ASA

Published: 2020/05/24

Time period: January 2019 - December 2019

Files: CDP Mow ASA (2019) pdf (English)

Format: Stand alone document

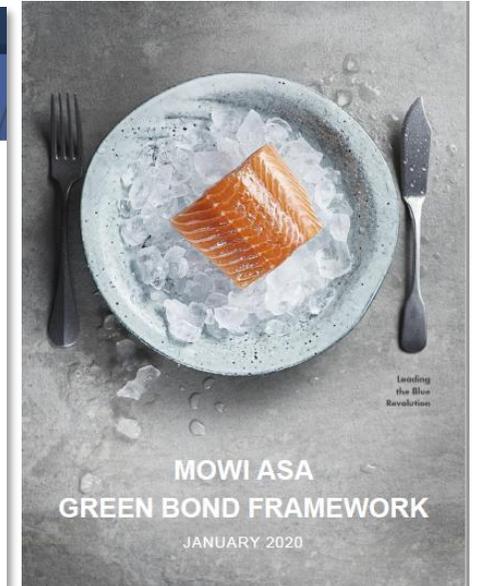
Differentiation Level: This CDP qualifies for the Global Compact Advance level

Self-assessment:
 

- Includes a CEO statement of continued support for the UN Global Compact and its ten principles
- Description of actions or relevant policies related to Human Rights
- Description of actions or relevant policies related to Labour
- Description of actions or relevant policies related to Environment
- Description of actions or relevant policies related to Anti-Corruption
- Includes a measurement of outcomes

Sustainable Development Goals:
 

- With respect to your company's actions to advance the Sustainable Development Goals (SDGs), the CDP asks you to: (Select all that apply)
  - Opportunities and responsibilities that arise or arise SDGs relevant to our business
  - Where the company's priorities lie with respect to one or more SDGs
  - Goals and initiatives set by our company with respect to one or more SDGs
  - How one or more SDGs are integrated into the company's business model
  - The (expected) outcomes and impact of your company's activities related to the SDGs
  - If the company's activities related to the SDGs are undertaken in collaboration with other stakeholders
  - Other established or emerging best practices
- Which of the following Sustainable Development Goals (SDGs) do the activities described in your CDP address? (Select all that apply)
  - SDG 1: End poverty in all its forms everywhere



# Mowi's ESG strategy: Climate Change

## Climate change **Mowi's approach**

We are taking action in all our business areas to reduce our scope 1, 2 and 3 emissions.

### Feed



Operating **energy-efficient feed plants** and optimising logistics



Designing feeds for **optimal FCR**



Purchasing only **deforestation-free soy**

### Farming



Reducing the dependency of diesel to run our farming sites by connecting them to **land power** or introducing **hybrid generators**



Increasing the share of **renewable electricity** at our freshwater and processing plants.

### Sales & Marketing



Optimising **logistics**



Working with our suppliers to promote a **climate-friendly supply chain**



Running more **energy-efficient** processing plants



# Mowi's ESG strategy: Responsible Plastic Use



We **REDUCE** the amount of plastic used in packaging

**2000 tons** of virgin plastic avoided by light weighting, use of rPET and packaging redesign/simplification in Poland, Scotland and the US.



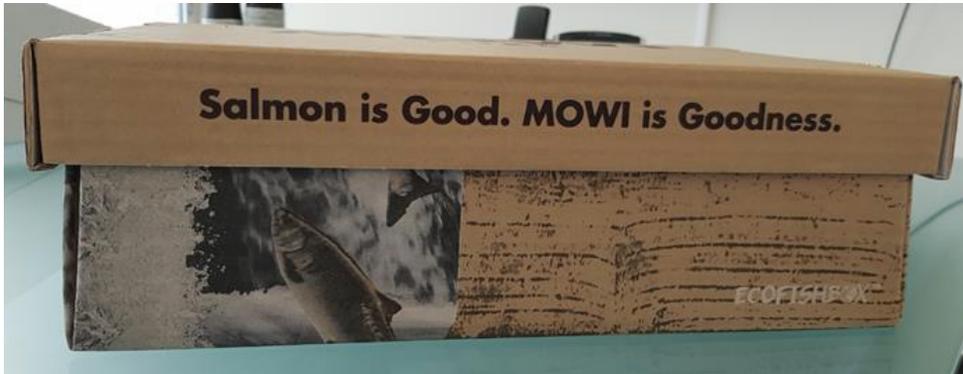
We **REUSE** plastic equipment

**124 tons** of returnable crates instead of disposable corrugated boxes in Scotland



We **RECYCLE** packaging and farming equipment

**15 639 tons** of packaging and farming equipment (nets and feeding pipes) were recycled in 2020



# Mowi's ESG strategy: Circularity and Waste

## Circular economy and waste

For Mowi, circularity is a priority in rethinking how we handle our waste. In addition to plastic waste, we have adopted circular economy practices in other parts of our business such as in our freshwater production where waste is collected and further reused and in our processing plants where by-products are upcycled by Mowi Nutrition.



Sludge (14 296 tons) from freshwater plants to be used as compost in agriculture.



Nets upcycled (900 tons) to swimwear or carpets.



Approx. 49 000 tons of by-products are upcycled to FM and FO used in (non-salmon) aquaculture and pet feed.



# Salmon promotes good health and well-being

## Health benefits of salmon

Our salmon is a high-quality product that has a taste and health profile that few other products can match. It is rich in Omega-3 fatty acids (EPA+DHA), vitamins (B12, E and D), and the minerals selenium and iodine. These are important nutrients for people of all ages.



**Selenium**  
for cognitive  
function



**EPA & DHA  
and iodine**  
for neural development  
and function



**Protein**  
in a balanced  
healthy diet



**EPA & DHA  
and selenium**  
for heart health

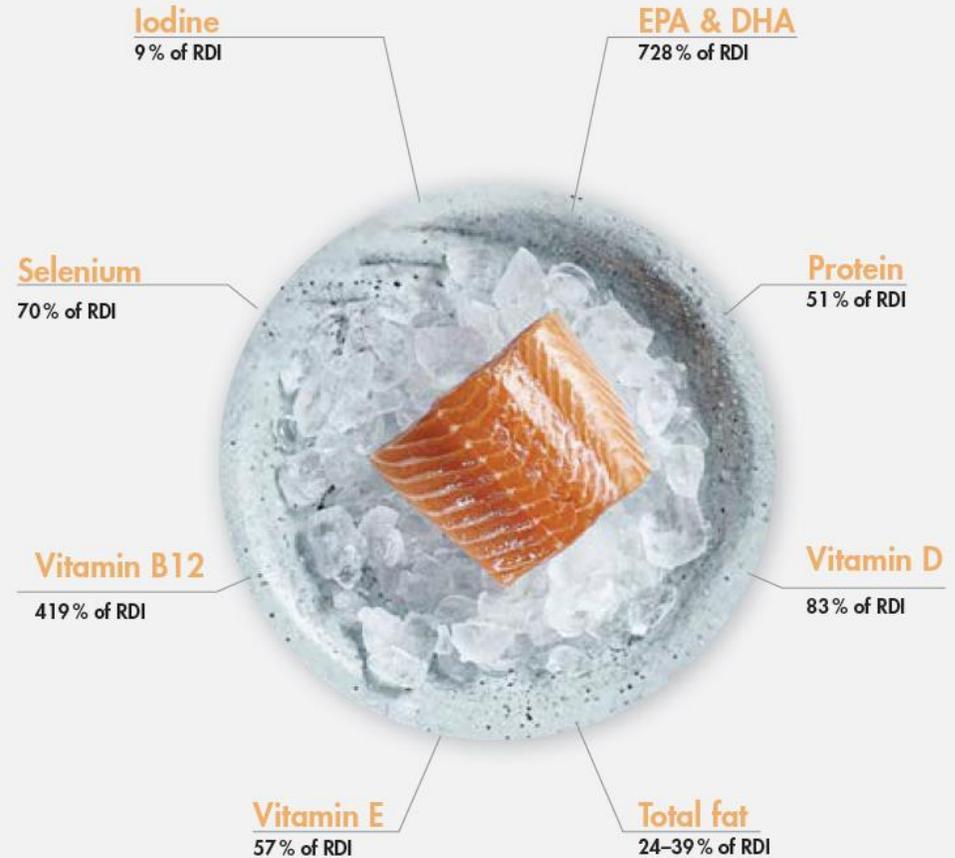


**Selenium**  
for fertility in men  
and women



**Vitamin D**  
for bone health

One portion (140g) of Mowi salmon



RDI = Recommended Daily Intake

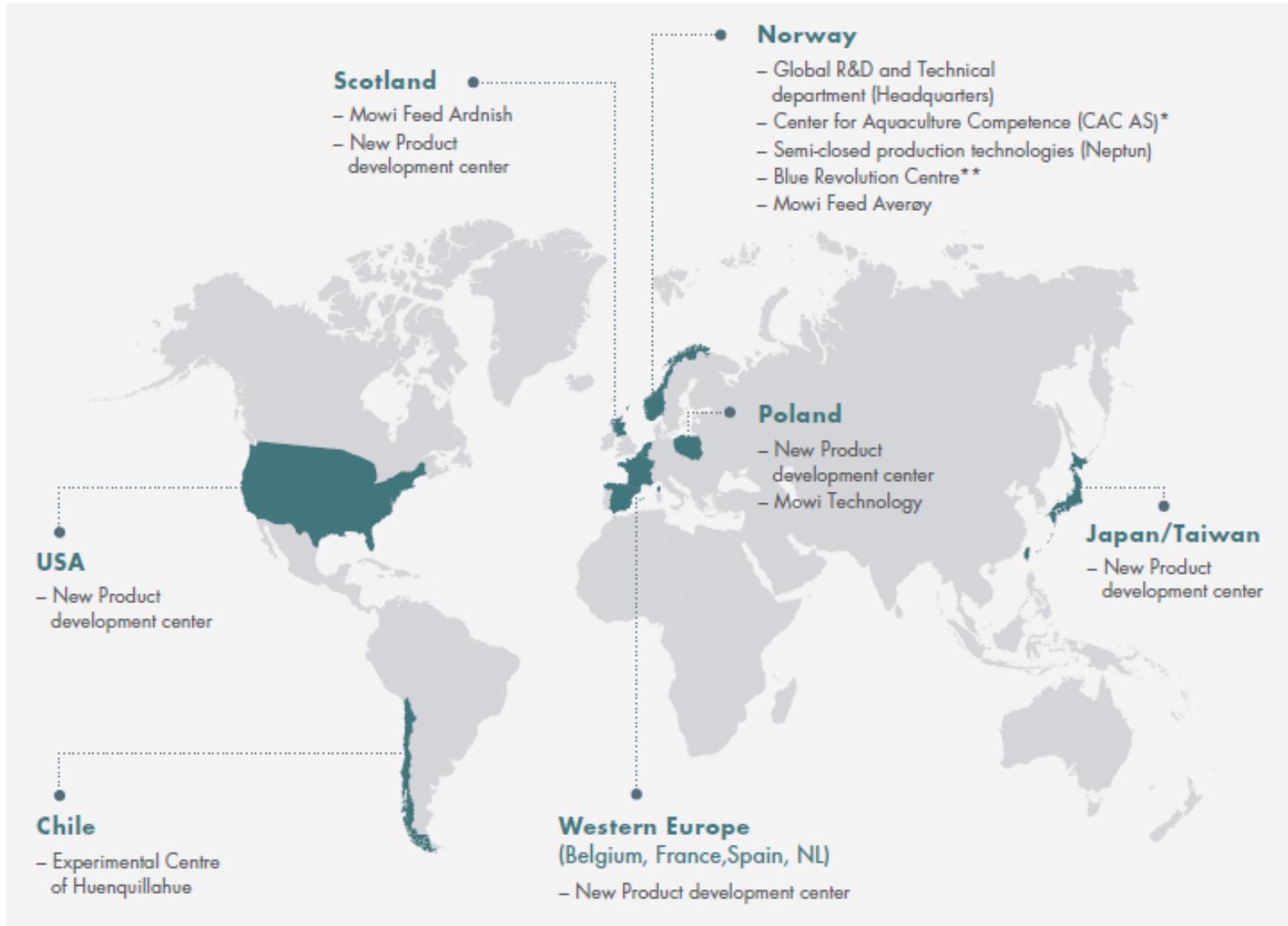
## Providing meaningful jobs

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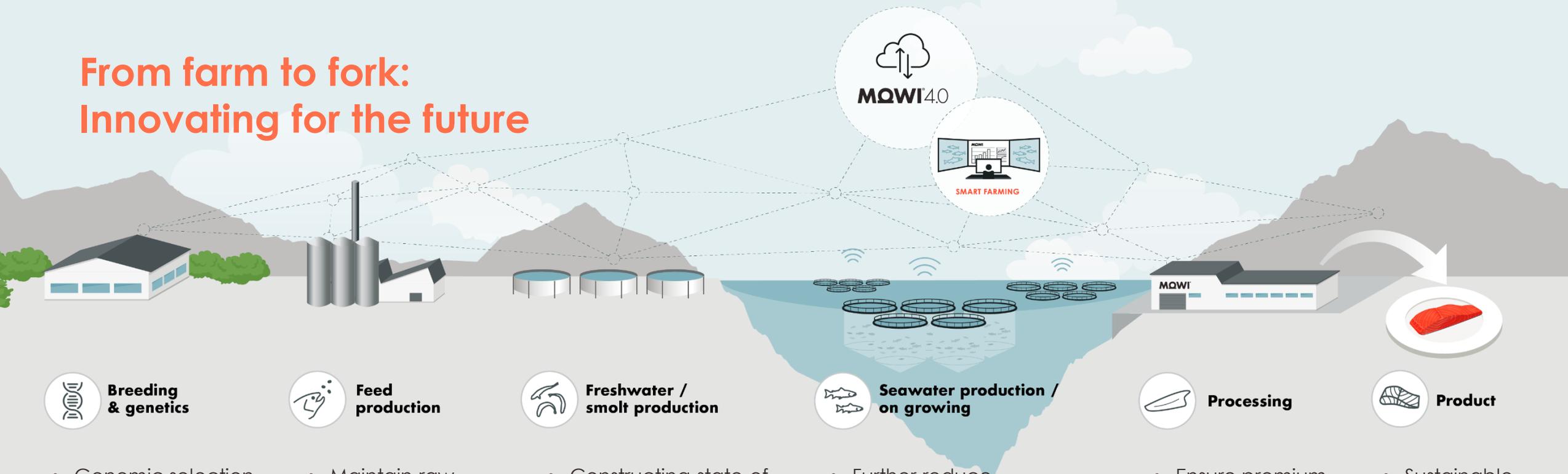
We create a **positive impact on local communities** by providing employment opportunities and enabling their development by supporting local schools, sports and cultural activities



# Mowi R&D



# From farm to fork: Innovating for the future



## Breeding & genetics

- Genomic selection for best genetics
- Nutrition and genetic interaction
- Best genetics for enhanced fish robustness and product quality



## Feed production

- Maintain raw material flexibility
- Ensure optimal nutrient composition
- Diets enhancing fish robustness and product quality



## Freshwater / smolt production

- Constructing state of the art RAS facilities
- Exploring new smolt production technology platforms
- Optimise smolt production



## Seawater production / on growing

- Further reduce medicine use
- Improve solutions for lice control (prevention and treatment)
- Improve net-pen technology
- Remote Operation Centres



## Processing

- Ensure premium product quality
- Maintain listeria control
- Processing automation



## Product

- Sustainable packaging
- New product development

# MOWI<sup>®</sup>

## Summary

Capital Markets Day 2021

Ivan Vindheim  
CEO



# Summary Capital Markets Day

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- Mowi Farming working along three main pillars; volume, cost and sustainability
  - Equally important
- Continue to address profitable volume growth initiatives going forward
  - Main focus is conventional farming
  - However, monitoring development in alternative technologies closely
- Sales & Marketing
  - Product innovation, process excellence and branding key priorities
  - Growth in elaborated products
- Feed
  - Feed performance and cost
  - Growth in line with Farming growth
- Mowi 4.0 - Transforming and making the value chain more efficient through digitalisation and automation

**MOWI**<sup>®</sup>

# Q&A session

Capital Markets Day 2021

