

RISKS



Potential financial impact



Risks	Risk	Examples	Short	Medium	Long	
Transition	Policy and Legal	EU Taxonomy	High	Medium	Low	
		Prohibition or limitation of open water operations	Low	Medium	High	
		Prohibition or limitation of certain boats or fuels	Low	Medium	Medium	
		CO2 emission allowance per site	Low	Medium	Medium	
		Limitations in fishing quota	Low	Medium	Medium	
		More stringent ASC/MSC/other certifications	Medium	Medium	Low	
		Prohibition, limitation, or taxes on feed input such as soy	Medium	Low	Low	
	Carbon pricing and taxation	Taxation on carbon emissions and fossil fuels	Medium	Medium	Medium	
	Technology	Unsuccessful investments in new technologies	Large investments in new fleets or production equipment that may need to be changed before EOL	Medium	Medium	Low
		Technological investments in production of alternative proteins	Lab-based protein production	Low	Medium	Medium
			Land-based farming	Low	Medium	High
	Lagging technology development	Too slow development in zero-emission sea fleet	Medium	Medium	Low	
	Market	Change in consumer demand	Larger focus on alternative low-emission protein sources	Low	Low	Low
			Higher demands to certified products	Medium	Medium	Low
Industry wide propaganda		Degrading seafood as a healthy and sustainable source of protein	Medium	Low	Low	
Reputation	Brand specific	Risk of consumers misperceiving LSG as an unsustainable brand	Medium	Medium	Low	
	Industry wide	Risk of boycott due to society's view on soy as an unsustainable ingredient	Medium	Medium	Low	
		Emissions from air freight damaging the seafood industry's reputation	Medium	Medium	Low	
		Aquaculture being blamed for contributing to harming the marine ecosystem	Low	Low	Medium	

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Physical	Acute	Storms and waves causing material damage on production sites	Loss of production capacity	High	High	High
			Risk of escapes	High	High	High
			Increased HSE risks	Medium	Medium	Medium
		Storms and waves causing material damage on fleet	Disabling fishing operations, impacting production capacity	Medium	Medium	Medium
		Extreme weather causing oil spill along Norwegian coastline	Risk of fish disease and mortality	High	High	High
		Storms and heavy precipitation can lead to changes in water quality	Risk of fish disease, parasites, algae bloom, and mortality.	High	High	High
		Extreme weather events can impact logistics & distribution	Risk of disruption in transportation and distribution, delaying deliveries	Medium	Medium	Medium
	Drought and floods can impact production of feed ingredients	Disruptions in the production of raw materials used in feed can impact availability and cost	Medium	Medium	Medium	
	Chronic	Rising sea temperatures	Can impact migration patterns of wild fish, moving fish zones away from coastal areas	Medium	High	High
			Can impact substances found in fish	Medium	Medium	Medium
			Can lead to poorer conditions for farming, increasing the risk of disease and mortality	Medium	Medium	High
Can impact migration patterns of alien species, further increasing risk of damages to barges and escapes			Medium	Medium	High	

OPPORTUNITIES

Opp.	Opportunity	Example	Short	Medium	Long
Resource Efficiency	Resource efficiency in processing	More efficient use of bi-products			
		Processing of fish before transportation from Norway to processing plant to rid unnecessary weight			
	Circularity and waste management	Circularity and return schemes to re-use materials and reduce costs			
	Improve data technologies for increased control				
Products and Services	Alternative solutions to lower emissions from transportations	Innovations in technologies like Blue Wrap or sub chilling to reduce dependency on air freight			
	Alternative production of feed ingredients	Growing feed ingredients in markets closer to home to lower dependency on unstable supply of raw materials			
	Innovations in alternative low-emission packaging				
Market	A shift in market preference from whole fresh to refined fillets or frozen	To increase market share, limiting dependency on air freight			
	Seafood as a contributor to a sustainable future	To be the chosen provider of protein to a growing population			
	Meet consumer climate-demands	Work on reducing emissions to meet growing demand from young consumers and be perceived as a sustainable brand			
Resilience	Collaborative efforts	With fish feed suppliers to reduce largest contributor to GHG emissions			
		With transportation providers to be in the forefront of low-emission goods transportation			
		With authorities and policy makers to influence regulations and avoid uncertainty risks			