

# REPORT ON SALARY AND OTHER REMUNERATION OF LEADING PERSONNEL IN AUSTEVOLL SEAFOOD ASA FOR THE FINANCIAL YEAR 2021

## 1. INTRODUCTION

### 1.1 Background

This report on salary and other remuneration of leading personnel in Austevoll Seafood ASA (AUSS or the "Company") is based on the guidelines for salary and other remuneration of leading personnel in the Company approved by the Company's Annual General Meeting on 27 May 2021 (the "Guidelines").

The report is based on the requirements set out in the Norwegian Public Limited Liability Companies Act (the "Companies Act"), cf. Section 6-16 b, supplemented by the Regulation on guidelines and report on remuneration of leading personnel dated 11 December 2020 (the "Regulation"). The report has been prepared in accordance with the European Commission's template for reports on remuneration.<sup>1</sup>

### 1.2 General overview of the financial year 2021

#### 1.2.1 Highlights summary

2021 was another challenging year, with COVID-related restrictions impacting economic activity, working life and travel. In the second half of 2021 however, demand for seafood returned to historically high levels, driven in particular by strong demand in the retail sector but also by a gradual positive development in the HoReCa sector as pandemic-related restrictions eased. Over time, the Board of Directors and management have focused on building a strong Group and ensuring that the portfolio companies have organisations that are ready to solve challenges in difficult and changing conditions. The Group has discharged its underlying social responsibility throughout the pandemic by keeping the value chain and food supplies operational, including in 2021. Special situations call for extraordinary efforts and put organisations to the test.

#### 1.2.2 The Company's performance in 2021

Given the prevailing framework conditions, including temporary challenges relating to the COVID-19 pandemic, the Board of Directors is to all intents and purposes satisfied with the Group's results for the 2021 financial year. The Group's earnings in 2021 were significantly stronger than in 2020. Good development in demand and higher prices realised, combined with operational improvements, are key factors in the earnings growth.

(Amounts in MNOK unless otherwise stated)	Note	Group performance, key figures				
		2017	2018	2019	2020	2021
<b>Revenue</b>		<b>20 799</b>	<b>22 837</b>	<b>23 342</b>	<b>22 447</b>	<b>26 633</b>
EBITDA	1	4 747	5 239	4 261	3 675	4 810
<b>EBIT</b>	1	<b>3 827</b>	<b>4 279</b>	<b>2 924</b>	<b>2 159</b>	<b>3 218</b>
Operating profit	2	1 995	5 077	2 617	1 205	4 332
Profit from associates		499	472	451	250	393
<b>Profit after tax</b>		<b>1 831</b>	<b>4 231</b>	<b>2 197</b>	<b>823</b>	<b>3 436</b>
<b>Profit, shareholders in AUSS</b>		<b>1 010</b>	<b>2 299</b>	<b>1 255</b>	<b>494</b>	<b>1 981</b>
<b>Earnings per share (NOK)</b>	3	<b>5,0</b>	<b>11,4</b>	<b>6,2</b>	<b>2,5</b>	<b>9,8</b>
<b>Return on equity</b>	4	<b>9,8%</b>	<b>20,3%</b>	<b>9,6%</b>	<b>3,6%</b>	<b>14,3%</b>

1) Before fair value adjustment related to biological assets

2) After fair value adjustment related to biological assets

3) Net profit after tax, shareholders in AUSS/average number of shares

4) Net profit after tax expressed as percentage of average equity

Group revenue was NOK 26,633 million in 2021, compared with NOK 22,446 million in 2020. The Group's operating profit before depreciation and fair value adjustment related to biological assets (EBITDA) came to NOK 4,810 million in 2021, compared with NOK 3,675 million in 2020. Operating profit (EBIT) before fair value adjustment related to biological assets was NOK 3,218 million in 2021, against NOK 2,159 million in 2020. The largest associates are Pelagia and Norskott Havbruk AS (owner of the Scotland-based fish farming company Scottish Sea Farms Ltd). These companies have reported consistently good results over time and represent significant values for the Group. In 2021, profit from associates totalled NOK 394 million, compared with NOK 250 million in 2020. In 2020, the profit figure included a one-off gain of NOK 70 million. Profit after tax was NOK 3,437 million in 2021, compared with NOK 823 million in 2020.

Once again in 2021, the parent company carried out projects within Social Responsibility and Sustainability reporting for AUSS. This work included a GAP analysis in preparation for the transition to full GRI reporting, further analyses linked to TCDF climate reporting, and reviewing guidelines regarding the company's governance model. The company also reported to Carbon Disclosure Project (CDP) in 2021, achieving a score of B-.

## 2 REMUNERATION OF LEADING PERSONNEL IN 2021

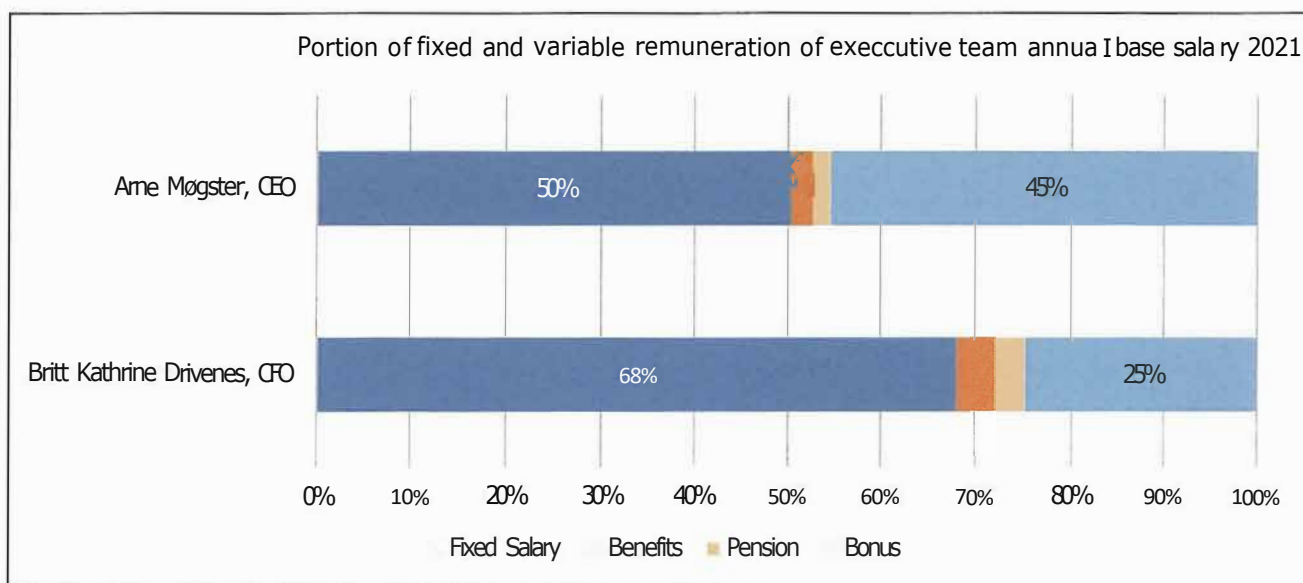
### 2.1 Total remuneration of leading personnel

The table below shows the total remuneration split into each salary component received, or to be received, by the Company's leading personnel (or acting as such) for financial year 2021. Note that One-year variable remuneration relates to the previous year, meaning that the One-year variable remuneration paid out in 2021 relates to financial year 2020. At the date of this report, bonuses related to financial year 2021 had not been decided, but will be in line with the process in previous years.

(NOK 1,000)		Fixed annual salary	Benefits 1)	Pension	Bonus 2)	Total
Arne Møgster	CEO	3 543	165	134	3 200	7 044
Britt Kathrine Drivenes	CFO	2 733	166	123	1 000	4 022
<b>Total remuneration, executive team</b>		<b>6276</b>	<b>331</b>	<b>257</b>	<b>4200</b>	<b>11 064</b>

1) Benefits consist of company car, insurance, subscriptions, and customary benefits

2) Bonus relates to previous year, meaning bonus paid in 2021 relates to financial year 2020



### 2.2 Any use of the right to reclaim variable remuneration

The Company has no scheme for reclaiming variable remuneration.

### 3. COMPLIANCE WITH THE GUIDELINES

#### 3.1 Information on how the remuneration complies with the Guidelines

AUSS isa holding company exercising active ownership in its portfolio companies. The Company's vision is to be a "Committed owner of the world's leading seafood companies", and the business strategy for the Company is creating lasting values through sustainable, expert use of freshwater resources and the oceans, in thriving local communities.

The main principles for the Company's policy on remuneration of leading personnel are to offer terms and conditions that are competitive when considering fixed remuneration, payment in kind, bonuses and pension schemes as a whole. This does not necessarily imply that the remuneration shall be market leading. The Company will offer a remuneration level that is competitive compared with similar companies and businesses and that also considers the need for qualified personnel in all parts of the business.

The variable remuneration paid in 2021 was based on discretionary remuneration and in line with the Guidelines and previous assessments related to such payments.

#### 3.2 Information on derogations and deviations from the Guidelines and from the procedure for their implementation

The Guidelines were approved by the Company's Annual General Meeting on 27 May 2021, and no changes to the Guidelines have been proposed as of the date of this report.

The table below contains information on the annual change in remuneration of leading personnel on an individual basis and the performance of the Company. The Company has three employees in total, including the leading personnel. For this reason, average remuneration on a full-time equivalent basis of employees of the Company other than leading personnel over the last five financial years is not included, as this information would breach confidentiality requirements.

#### Comparative table over the remuneration and Group performance over the last five financial years

##### Remuneration of leading personnel

(NOK 1,000)		2017	2018	2019	2020	2021
Arne Møgster	CEO	5 829	6 551	6 899	6 854	7 044
Britt Kathrine Drivenes	CFO	3 704	4 046	4 088	4 055	4 022
<b>Group performance</b>						
EBIT before biomass adjustment		3 827 155	4 278 538	2 923 726	2 158 707	3 217 603
Earnings per share (NOK)		5,00	11,39	6,22	2,45	9,82
Sustainability report at Group level		N/A	N/A	Yes	Yes	Yes

##### Changes in remuneration of the Board of Directors

(NOK 1,000)		Note	2017	2018	2019	2020	2021
Helge Singelstad	Chairman	1	300	375	375	375	375
Hege Charlotte Bakken	Deputy Chairman	2		146	250	250	300
Helge Møgster	Board member		175	250	250	250	250
Lill Maren Melingen Møgster	Board member	3	175	250	300	320	320
Siren Grønhaug	Board member	7	175	250	250	250	300
Eirik Drønen Melingen	Board member		102	250	250	250	250
Hege Solbakken	Board member	6					146
Oddvar Skjegstad		4	225	300	300	350	146
Inga Lise Moldestad		5	225	125			
Leif Teksum			73				

(NOK 1,000)	Note	2017	2018	2019	2020	2021
Amount invoiced for the Chairman's services and consultancy fees	1	2 645	2 892	2 677	3 351	3 031

Remuneration to the board members for 2021 will be approved at the Annual General Meeting in 2022, but the proposal in the notice of the general meeting is included in the table above.

- 1) The annual director's fee is not paid as taxable remuneration. Austevoll Seafood ASA is invoiced for the Chairman's services and for consultancy fees by Laco AS
- 2) Chairperson of the company's Audit Committee and member of the Committee for Social Responsibility and Sustainability
- 3) Member of the company's Audit Committee and the Committee for Social Responsibility and Sustainability
- 4) Chairperson of the company's Audit Committee until May 2021
- 5) Member of the company's Audit Committee until May 2018
- 6) Elected in May 2021
- 7) Member of the Committee for Social Responsibility and Sustainability

#### 4. INFORMATION ON SHAREHOLDER VOTE

Pursuant to Section 6-16 b (3) of the Companies Act, this report shall include an explanation of how the result of the Annual General Meeting's advisory vote on the Report on salary and other remuneration of leading personnel for the previous year has been taken into account. However, as the Guidelines were approved by the Annual General Meeting on 27 May 2021 and no report was prepared for 2020, cf. Section 7(2) of the Regulation, this requirement is not relevant.

Storebø, 22.04.2022



To the General Meeting of Austevoll Seafood ASA

## Independent auditor's assurance report on report on salary and other remuneration to directors

### Opinion

We have performed an assurance engagement to obtain reasonable assurance that Austevoll Seafood ASA report on salary and other remuneration to directors (the remuneration report) for the financial year ended 31 December 2021 has been prepared in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

In our opinion, the remuneration report has been prepared, in all material respects, in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

### Board of directors' responsibilities

The board of directors is responsible for the preparation of the remuneration report and that it contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and for such internal control as the board of directors determines is necessary for the preparation of a remuneration report that is free from material misstatements, whether due to fraud or error.

### Our independence and quality control

We are independent of the company as required by laws and regulations and the International Ethics Standards Board for Accountants' Code of International Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. Our firm applies International Standard on Quality Control 1 (ISQC 1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Auditor's responsibilities

Our responsibility is to express an opinion on whether the remuneration report contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and that the information in the remuneration report is free from material misstatements. We conducted our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 - "Assurance engagements other than audits or reviews of historical financial information".

We obtained an understanding of the remuneration policy approved by the general meeting. Our procedures included obtaining an understanding of the internal control relevant to the preparation of the remuneration report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. Further we performed procedures to ensure completeness and accuracy of the information provided in the remuneration report, including whether it contains the information required by the law and accompanying regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Bergen, 3 May 2022

**PricewaterhouseCoopers AS**

**Hallvard Aarø**

State Authorised Public Accountant

*Note: This translation from Norwegian has been prepared for information purposes only.*