

REPORT ON SALARY AND OTHER REMUNERATION OF LEADING PERSONNEL IN AUSTEVOLL SEAFOOD ASA FOR THE FINANCIAL YEAR 2022

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.¹

1.2 General overview of the financial year 2022

1.2.1 Highlights summary

After two challenging years of severe restrictions related to the COVID-19 pandemic, the final restrictions were lifted in Q1 2022. 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. Challenging times test the mettle of organisations, and we are proud of the extraordinary contributions made and the creativity and willingness to change demonstrated by the Group’s employees in difficult circumstances over the last few years.

On 24 February 2022, the world bore witness to Russia’s brutal invasion of Ukraine. The invasion has caused and is causing unimaginable human suffering for those directly involved in the conflict. The conflict in Europe has impacted and continues to impact financial markets, exchange rates, supply chains, and the supply and price of input factors.

The rebound in demand following the reopening of society has resulted in a positive development in prices for the Group’s products. High inflation have had a positive impact on the Group’s prices realised but have also been reflected in higher costs for all the input factors used in the Group.

1.2.2 The Company’s performance in 2022

Given the prevailing framework conditions the Board of Directors is to all intents and purposes satisfied with the Group’s results for the 2022 financial year. The Group’s revenue in 2022 were significantly higher than in 2021. Good development in demand and higher prices realised are key factors in the revenue growth. This has also resulted in higher earnings in 2022 compared with 2021.

Group revenue was NOK 31,150 million in 2022, compared with NOK 26,633 million in 2021. The Group’s operating profit before depreciation and fair value adjustment related to biological assets (EBITDA) came to NOK 5,782 million in 2022, compared with NOK 4,810 million in 2021. Operating profit (EBIT) before fair value adjustment related to biological assets was NOK 4,051 million in 2022, against NOK 3,218 million in 2021. 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 2022, profit from associates totalled NOK 494 million, compared with NOK 394 million in 2021. Profit after tax was NOK 4,285 million in 2022, compared with NOK 3,437 million in 2021.

Once again in 2022, the parent company carried out projects within Environmental, social and governance (ESG) reporting for AUSS. This work included a project to review risks in accordance with the TCFD framework (Task Force on Climate-Related Financial Disclosures) for the portfolio companies, and to compile a TCFD report for the parent company. The report for the Group is expected to be completed in the first half of 2023, and will be published on the parent company’s home page www.auss.no. The company also reported to Carbon Disclosure Project (CDP) in 2022, achieving a score of C.

¹ https://commission.europa.eu/document/download/982e7045-7830-43c8-b98e-a7ff83cf38a2_en?filename=rrg_draft_21012019.pdf

The Group performance key figures

(Amounts in MNOK if not other stated)	Note	2018	2019	2020	2021	2022
Revenue		22,837	23,342	22,447	26,663	31,150
EBITDA	1	5,239	4,261	3,675	4,810	5,782
EBIT	1	4,279	2,924	2,159	3,218	4,051
Operating profit	2	5,077	2,617	1,205	4,332	5,240
Net income from associated companies		472	451	250	393	494
Net profit after tax		4,231	2,197	823	3,436	4,285
Profit to AUSS shareholders		2,299	1,255	494	1,981	2,490
Earnings per share (NOK)	3	11.39	6.22	2.45	9.82	12.34
Return on equity	4	20.3%	9.6%	3.6%	14.3%	16.1%

- 1) Before fair value adjustment related to biological assets
- 2) After fair value adjustment related to biological assets
- 3) Net profit after tax to AUSS shareholders/average number of shares
- 4) Net profit after tax expressed as percentage of average equity

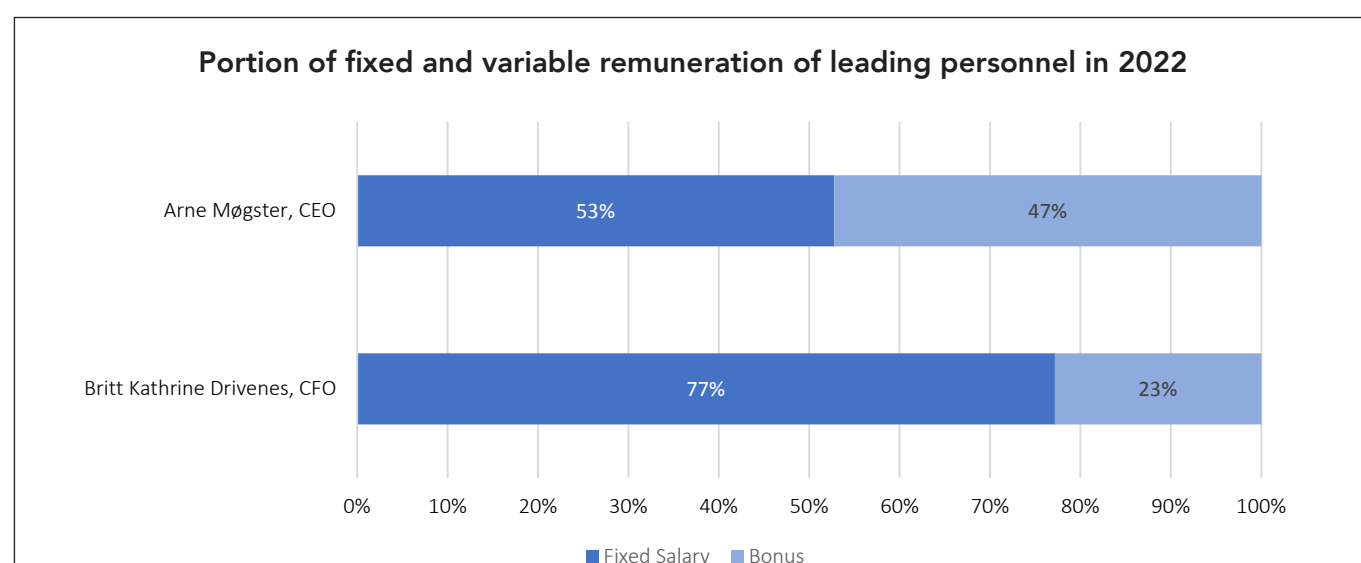
2 REMUNERATION OF LEADING PERSONNEL IN 2022

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 2022. Note that One-year variable remuneration relates to the previous year, meaning that the One-year variable remuneration paid out in 2022 relates to financial year 2021. At the date of this report, bonuses related to financial year 2022 had not been decided, but will be in line with the process in previous years.

Year 2022 (NOK 1,000)		Fixed annual salary	Benefits 1)	Pension	Bonus 2)	Total
Arne Møgster	CEO	3,543	215	175	3,520	7,454
Britt Kathrine Drivenes	CFO	3,008	195	178	1,000	4,382
Total remuneration of leading personnel		6,551	411	353	4,520	11,836

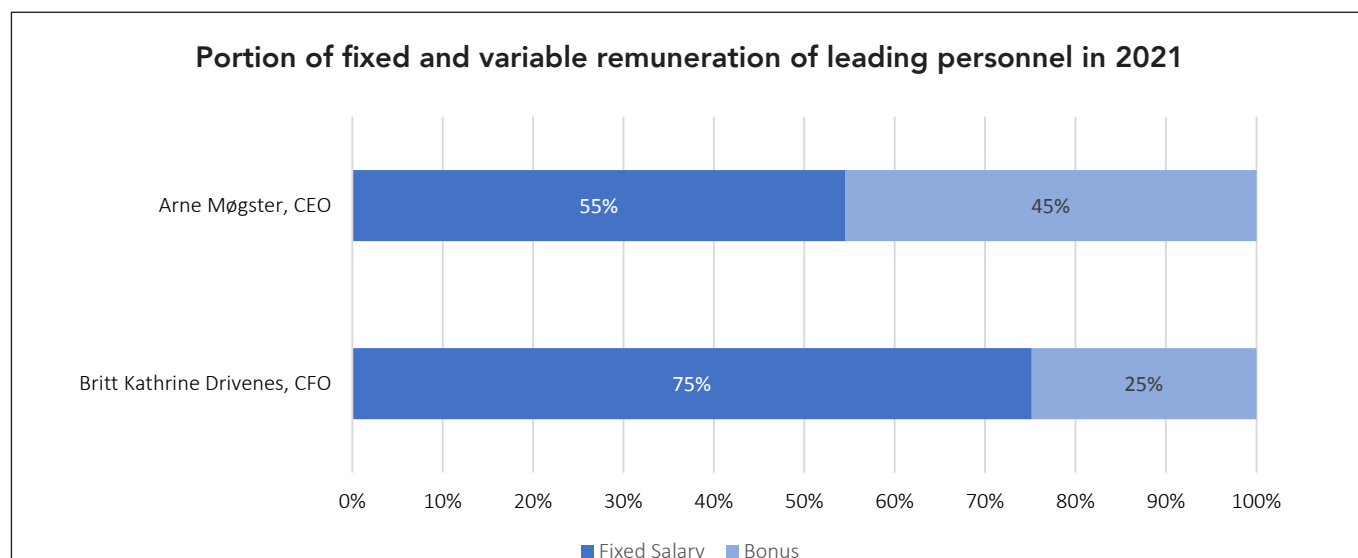
- 1) Benefits consists of company car, insurances, subscriptions, and customary benefits
- 2) Bonus payment based on results for 2021



Year 2021 (NOK 1,000)		Fixed annual salary	Benefits 1)	Pension	Bonus 2)	Total
Arne Møgster	CEO	3,543	165	134	3,200	7,043
Britt Kathrine Drivenes	CFO	2,733	166	123	1,000	4,022
Total remuneration of leading personnel		6,276	331	257	4,200	11,065

1) Benefits consists of company car, insurances, subscriptions, and customary benefits

2) Bonus payment based on results for 2020



There have been no deviations from the guidelines for remuneration of leading personnel in 2022.

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 is a 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.

Criteria for variable remuneration

A discretionary bonus may be paid to senior executives. The discretionary bonuses are determined approximately and yearly and are based on a total assessment of the following criteria: performance or goal achievement related to the Company's business strategy or financial results, goal achievement related the Company's four main areas within sustainability, and contribution to business development and strategic processes in the Group's companies.

As the criteria are incentivizing to reach the Company's overall goals as well as increasing the annual result in the group and contribute to extraordinary contribution, these criteria are considered appropriate for the Company's business strategy, long term interests and financial sustainability.

Fulfilment of criteria for variable remuneration

Bonus payments to the Chief Executive Officer are determined by the Chairman of the Board in consultation with the Board of Directors. Bonus payments to other senior executives shall be determined by the Chief Executive Officer together with the Chairman of the Board. The Board of Directors shall be subsequently notified of the stipulation of bonus payments.

Regarding discretionary bonus payments, it is desirable that the methodological approach is an overall and discretionary assessment of performance, based on the criteria mentioned above.

The variable remuneration paid in 2022 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 of the remuneration and Group performance over the last five financial years

Leading personnel's remuneration

(NOK 1,000)		2018	2019	2020	2021	2022
Arne Møgster	CEO	6,551	6,899	6,854	7,043	7,454
Change in remuneration in %			5%	-1%	3%	6%
Britt Kathrine Drivenes	CFO	4,046	4,088	4,055	4,022	4,382
Change in remuneration in %			1%	-1%	-1%	9%

The Group performance

EBIT before biomass adjustment	4,278,538	2,923,726	2,158,707	3,217,603	4,051,004
Earnings per share (NOK)	11.39	6.22	2.45	9.82	12.34
Sustainability report at Group level	N/A	Yes	Yes	Yes	Yes

There have been no deviations from the guidelines for remuneration of leading personnel in 2022.

Remuneration of the Board of Directors

(NOK 1,000)		Note	2018	2019	2020	2021	2022
Helge Singelstad	Chairman	1	375	375	375	375	375
Hege Charlotte Bakken	Deputy Chairman	2	146	250	250	300	350
Helge Møgster	Board member		250	250	250	250	250
Lill Maren Møgster	Board member	3	250	300	320	320	320
Siren Grønhaug	Board member		250	250	250	279	300
Erik Drønen Melingen	Board member		250	250	250	250	250
Hege Solbakken	Board member					146	250
Oddvar Skjegstad		4	300	300	350	146	-
Inga Lise Moldestad		5	125				-
Petter Dragesund		6					146

1) The annual Director's fee is not paid as taxable remuneration. Austevoll Seafood ASA is invoiced for the Chairman's services and other services by Laco AS

- 2) Chairperson of the company's Audit Committee
- 3) Member of the company's Audit Committee
- 4) Chairperson in the company's Audit Committee
- 5) Member of the company's Audit Committee
- 6) Elected in May 2022

Austevoll Seafood ASA is invoiced for the Chairman's services. Austevoll Seafood ASA is invoiced for other services from the Group's ultimate parent company, Laco AS. For 2022 Laco AS has invoiced TNOK 3,802 for other services. In 2021 the amount invoiced for other services was TNOK 3,031.

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.

Information on shareholder vote	For	Against	Waiver
Remuneration for leading personnel	84.4%	15.6%	0.0%

Storebø, 28.04.2023

Helge Singelstad (s)

Hege Charlotte Bakken (s)

Helge Møgster (s)

Lill Maren Møgster (s)

Siren Grønhaug (s)

Eirik Drønen Melingen (s)

Hege Solbakken (s)

Petter Dragesund (s)



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 2022 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 Management

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. We apply the International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, and accordingly, maintain 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, 28 April 2023
PricewaterhouseCoopers AS

Hallvard Aarø
State Authorised Public Accountant

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