

Guidelines for remuneration to the executive management of Salmon Evolution Holding ASA

Introduction

In accordance with the Norwegian Public Limited Liability Companies Act § 6-16a, the board of directors of Salmon Evolution Holding ASA (the "Company" or "Salmon Evolution") has prepared these guidelines for remuneration to the executive management. These guidelines set the framework for remuneration to the Company's executive management, and the board of directors is of the opinion that these guidelines support the Company's strategy and long-term interests.

The guidelines are presented for approval at the Company's annual general meeting on 19 May 2021. The board of directors can decide to deviate from the guidelines on a case-by-case basis, subject that there are special circumstances that require such deviation in order to serve the Company's long-term interests. The board of directors shall approve all deviations and the reason for such deviation shall be clearly documented in the board meeting minutes. Any deviations shall also be described in the Company's remuneration report which shall be prepared on an annual basis.

Material changes in the guidelines and principles for remuneration to the executive management shall be presented and explained by the board of directors and approved by the Company's general meeting. The guidelines shall at the minimum be reviewed and approved by the general meeting every fourth year. The guidelines shall promptly be published on the Company's webpage once they have been approved by the general meeting.

Salmon Evolution's annual report gives details about the remuneration to the executive management for 2020, and even though the Company first was converted into a public limited liability company in 2021, the remuneration for 2020 was in accordance with these guidelines.

The board of directors shall for every fiscal year from 2022 and onwards prepare a remuneration statement in accordance with the Norwegian Public Limited Liability Companies Act § 6-16b in advance of the general meeting. This report shall be made available on the Company's webpage.

Purpose, process and connection to the Company's strategy

The board of directors deems it critical that the Company is able to attract and retain executives with strong competence and the remuneration to the executive management is prepared on this basis. The board of directors also regard it as important that the remuneration package for executives contributes to aligning the interests between executives and the Company's shareholders and further that it stimulates a culture focused on profitability and growth in shareholder values.

The remuneration to executives shall promote achievement of strong financial results and leadership in accordance with the Company's values and ethics guidelines. It shall also reflect the scope and complexity of the respective executive's position and the executive's performance.

When preparing these guidelines, the board of directors has also considered the remuneration packages and employment terms for the Company's other employees as well as the increase in remuneration over time, in order to assess whether the guidelines are appropriate. The guidelines for remuneration to the executive management aim at providing a framework for remuneration to executives in accordance with the Company's business strategy and long-term interests, hereunder long-term sustainability, profitability and long-term growth in shareholder values.

The remuneration components

As for other employees of Salmon Evolution, the Company's executive management are offered standard employment agreements with terms and conditions aligned with similar industries. Their employment agreements can be terminated subject to a 3 months notice period. For certain employees, the employment agreement includes a non-compete clause for up to 6 months, which requires the Company to cover the employee's salary in case the non-compete clause is triggered.

As per law, the Company can at its sole discretion terminate the employment agreement for the CEO, but will then be obliged to pay a severance equivalent to 6 months pay from the expiry of the termination period.

The remuneration package for the executive management includes a fixed salary, standard pension agreements and insurance coverage.

In addition, the Company's executive management has received options for subscription of shares in the Company at a fixed subscription price between NOK 4.30 – 6.20 per share. These options can at the earliest be exercised after 18 months from allocation and shares received under this scheme have a lockup of 6-12 months.

The fixed salary for executives shall be at market terms and in accordance with the market salary for similar positions in the industry and shall be based on responsibility, competence and performance. The level of the fixed salary shall be reviewed on a regular basis, normally once a year.

Within the framework of the existing agreements, the remuneration to the CEO shall be recommended by the chairman and approved by the board of directors on a yearly basis, while the remuneration to other executives shall be approved by the CEO in consultation with the chairman and presented to the board of directors on a yearly basis.

Executives can receive extra remuneration in case of extra ordinary circumstances, subject that such extra ordinary arrangements only are done on an individual level with the aim of either recruiting or keeping an executive, as compensation for extraordinary work beyond the normal individual obligations or as part of a settlement in connection with the closure of an employment agreement.

Incentive program

In order to stimulate long-term profitability and value creation as well as being able to attract and retain competent executives and employees, the board of directors plans to establish an incentive program for executives during 2021.

The details of this program is not yet finalized and the board of directors will during the course of 2021 work on establishing the framework for this program. Such program may include

options, share-based salary and variable pay. The share-based part of the program shall not exceed 5% of the Company's share capital.

Remuneration in the form of options, share-based salary and variable pay shall promote the Company's goal by motivating the executive management to contribute to financial results in the Company and to lead in accordance with the Company's values and business ethics.

Other remuneration components

The Company's executive management take part in the Company's collective pension and insurance policy that is open for all employees of the Company. The collective pension and insurance policy covers salary up to 12G.

No executives in Salmon Evolution have performance based pension agreements and there are no loans, advances or other forms of credits or guarantees from the Company to the executive management. No members of the executive management are part of options or incentive programs other than those described in these guidelines.