

STATEMENT ON EXECUTIVE REMUNERATION

THE BOARD OF DIRECTORS' GUIDELINES FOR THE DETERMINATION OF SALARIES AND OTHER BENEFITS PAYABLE TO SENIOR COMPANY OFFICERS OF SALMAR

1. INTRODUCTION

The purpose of these guidelines is to determine and describe the Group's remuneration of senior company officers, and the follow-up thereof, pursuant to section 6-16a of the Public Limited Companies Act and the statutory regulations concerning guidelines for and reports on the remuneration of senior company officers (FOR-2020-12-11-2730).

The term "senior company officers" includes members of the Board of Directors, whether elected by the shareholders or from among the employees (board members), the CEO and other members of Group Management.

SalMar ASA's general remuneration policy applies to all employees of the Group. The Group's guidelines for the remuneration of senior company officers build on the principles contained in its general remuneration policy.

2. CORPORATE GOVERNANCE

The guidelines relating to the remuneration of senior company officers, pursuant to section 6-16a of the Public Limited Companies Act and the statutory regulations concerning guidelines for and reports on the remuneration of senior company officers (FOR-2020-12-11-2730), must be approved by the Annual General Meeting of Shareholders (AGM). This will take place for the first time at the AGM to be held on 8 June 2021. When these guidelines have been approved, they will apply to the salaries and other benefits accruing from 1 January 2021. These guidelines shall apply until new guidelines are approved by the AGM. The Board of Directors shall draw up proposals for new guidelines at least every four years and submit these to the AGM for approval. The Board of SalMar ASA shall ensure that the Group always has and practises a remuneration model that complies with the guidelines approved by the AGM.

The Group's general remuneration model for all employees is revised and approved annually by the Board.

The Board shall determine the salary and other benefits payable to the Group's CEO. The Group's CEO determines the salaries and other benefits payable to other senior executives. The Board shall exercise general oversight of the remuneration paid to other senior executives, and may adopt more specific guidelines over and above those set out below. If the Group's CEO wishes to offer remuneration to senior executives that exceeds such more specific guidelines, a proposal therefor shall be submitted to the Board for its approval.

The external auditor shall verify that the remuneration arrangements provided to senior executives are practised in accordance with the guidelines approved by the AGM.

3. GENERAL REMUNERATION POLICY

SalMar shall have an established remuneration policy applicable to all employees. It must be verified that all the arrangements established comply with prevailing statutory provisions.

The remuneration paid to employees may comprise the following elements:

- Fixed salary
- Variable salary in accordance with specific guidelines
- Pension scheme
- Other employee benefits

SalMar has the following objectives for its existing remuneration model:

- The model shall reinforce the Group's vision and strategy.

- The model shall incentivise effort, performance, development and achieved results.
- The model shall attract, motivate and retain skilled employees.
- The model shall ensure that employees have a remuneration model that is perceived to be fair, foreseeable and motivating.
- The model shall reinforce the Group's endeavours with respect to sustainability and HSE.
- The model shall reinforce the Group's objective of creating long-term value for our shareholders.

4. GUIDELINES FOR REMUNERATION OF THE CEO AND OTHER MEMBERS OF GROUP MANAGEMENT

The company's senior executive remuneration policy is based on the same principles as those set out in section 3.

On the basis of these principles, the Board has drawn up the following guidelines for the remuneration of senior executives:

Basic salary

Basic salary is the main element in the executive's compensation package. Basic salary shall correspond to the going rate in the market, and shall reflect the individual position's duties and level of responsibility.

Bonus

SalMar has a bonus scheme for senior executives. Each year, the Board determines the amount which may be allocated to annual bonuses. The amount is linked to the Group's level of earnings. This arrangement ensures that there is a correlation between what may be paid out as a bonus to the individual and the company's earnings, and thereby also the financial burden it is capable of bearing.

The Board carries out an annual assessment of the scheme and determines the bonus criteria for the coming year. Variable salary increments under the scheme may not exceed 33 per cent of the individual executive's basic salary. Within this framework, individual bonuses are determined on the basis of an overall assessment of contribution, performance, development and results achieved. The individual's goals are goals which support the company's strategy and sub-targets. No less than 30 per cent of this assessment shall be linked to realisation of goals relating to relevant KPIs for sustainability and HSE. This arrangement contributes directly to a focus on processes and actions which are important to the company's goal realisation. Furthermore, it highlights the importance of continuous improvement within all areas, including sustainability and HSE. A specific evaluation is performed at the close of the year to determine the level of realisation with respect to the various goals that have been defined for the executive concerned at the start of the year. The weighting of these goals and the extent of their realisation will, together with the "bonus pot" available in that particular year, based on the company's earnings, set the framework for the size of the bonus payable to the individual senior executive.

Share-based incentive schemes

SalMar has a share-based incentive scheme. The first such programme was approved by the AGM on 4 June 2014. The programme encompasses incumbents of senior positions and key individuals within the Group, including senior executives. The programme entitles the employee to receive shares free of charge. This entitlement accrues over a three-year period. The individual employee may be awarded share entitlements worth no more than 6 months' salary. Accrual of 2/3 of the entitlements depends on the achievement of predefined performance criteria based on value creation through the year, measured by developments in the share price compared with peer companies, as well as earnings through the year, measured against those achieved by peer companies. The value of the shares released under the various programmes in an individual year may not exceed one full year's salary. The intention of the incentive scheme is to motivate senior personnel to take a long-term approach as company employees, at the same time as it is directly linked to value creation and the company's cost-leadership strategy.

It is intended that the scheme be continued through annual programmes. The Board will adjust these annual programmes as it deems necessary, and each individual programme will be submitted to the AGM for approval. A total of three programmes are in effect in 2021.

Pension schemes

Senior executives participate in the Group's general pension scheme. The scheme is a defined-contribution plan and lies within the framework stipulated in the Mandatory Occupational Pensions Act.

Senior executives participate in a group defined-contribution pension scheme, the basis for which is restricted to 12G (where G is the Norwegian National Insurance Scheme's basic unit of calculation).

Notice and severance pay

In principle, senior executives must serve a 6-month period of notice. In selected cases, and depending on the position, severance pay of 6 to 12 months may be paid.

Other benefits

The company has established guidelines for employee benefits at different organisational levels in order to ensure foreseeability and fairness across the Group. The benefits paid to senior executives are: personal and travel insurance, mobile phone and, in some cases, a company car. Payment of a company car is based on an assessment of specific need.

Apart from those stipulated above, the Company shall not offer senior executives any variable elements in the remuneration they receive or special benefits in addition to their basic salary.

Directors' fees in subsidiaries/associates

Senior executives will not receive directors' fees for serving on the boards of other companies within the Group.

5. GUIDELINES FOR THE REMUNERATION OF BOARD MEMBERS

The fees payable to board members are determined annually by the AGM at the recommendation of the company's Nomination Committee. Board members receive a fixed fee, and no board member shall participate in any incentive scheme or receive any performance-related remuneration.

In connection with its recommendation with respect to directors' fees, the Nomination Committee will look to developments in the market, as well as the scope of work and effort that the elected officer is expected to devote to the task.

Employee representatives serving on the Board of Directors receive 50 per cent of the directors' fee paid to the shareholder-elected board members, since they also receive a full salary from the company.

The amount of fees paid to the individual board member is presented in the Annual Report.

6. DEVIATION FROM THE GUIDELINES

In individual cases, the Board may, within prevailing statutory provisions, deviate from the Group's senior executive remuneration policy. Such deviations may occur only in exceptional circumstances, and the Board must be given a written explanation of the deviation's cause.