

Shareholder's full name and address

INVITATION TO THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF SALMAR ASA

Shareholders of SalMar ASA are hereby invited to the AGM, to be held at 1pm CEST on Tuesday, 8 June 2021 at SalMar's office in Trondheim (Brattørkaia 15B, 7010 Trondheim).

Important message:

To reduce the risk for spread of the coronavirus disease, and in accordance with the recommendations from the authorities, shareholders are asked to not participate physically at the meeting. In stead it is asked that the shareholders exercise their shareholder rights through electronic voting, proxy authorisation form or through the advance voting form.

The AGM will be called to order by Board Chair Atle Eide.

Once the meeting has been called to order, a list of attending shareholders and proxies will be presented.

Agenda:

- 1. Election of a person to chair the AGM and someone to co-sign the minutes along with the AGM chair**
- 2. Approval of the invitation to attend the AGM and the proposed agenda**
- 3. Presentation of the business**
- 4. Approval of the financial statements and annual report for 2020 for SalMar ASA and the SalMar Group**

The Board's proposed income statement for 2020, balance sheet as at 31 December 2020 and accompanying notes for SalMar ASA and the SalMar Group, along with the reports of the Board of directors and auditor, are included in the 2020 annual report. This is available from the company's website: www.salmar.no. The Board is proposing a dividend of NOK 20 per share be paid for the 2020 financial year. The dividend will fall to the company's shareholders as at the AGM on 8 June 2021.

Should payment of a dividend be approved, SalMar ASA's shares will be quoted ex. dividend in the amount of NOK 20.00 per share with effect from 9 June 2021.

- 5. Approval of remuneration payable to members of the Board of Directors, the Nomination Committee and the Risk and Audit Committee**

Please see the Nomination Committee's attached recommendation, which is also available from the company's website www.salmar.no.

- 6. Approval of the auditor's fees**

The Board proposes that the AGM approve the auditor's fee for the audit of the 2020 financial year totalling NOK 1,188,500 for the Group, of which NOK 217,400 relates to auditing of the parent company SalMar ASA.

- 7. The Board's statement relating to corporate governance**

Reference is made to the statement relating to corporate governance which was issued by the board on 9 April 2021, and which is included in the annual report for 2019 and available from the company's website www.salmar.no.

The Board proposes that the AGM accept the statement as a matter of information.

- 8. Share-based incentive scheme for employees**

The Board Chair will present the matter to the AGM.

The Board proposes that the AGM pass the following resolution:

"The share-based incentive scheme for senior executives of SalMar shall be continued with a new programme. The programme may encompass incumbents of senior positions and key personnel within the Group. The programme entitles employees to receive shares free of charge. The entitlement accrues over three years. The value of the share entitlement granted to any individual employee may not exceed the equivalent of six months' salary. Accrual of 2/3 of this entitlement depends on the fulfilment of specified performance criteria. The maximum amount that the individual employee may accrue under the various programmes in any one year is capped at the equivalent of one whole year's salary. The maximum number of shares in the programme may not exceed

250,000. The programme's overall recognised cost is estimated at NOK 62 million (when all performance criteria are fulfilled) distributed over three years.

The board is authorised to draw up more specific guidelines for the scheme, within the framework given."

9. Consultative vote on the board's guidelines for remuneration and other benefits payable to senior executives

In accordance with Section 6-16 (a) of the Public Limited Companies Act, the board has prepared a statement relating to remuneration and other benefits payable to senior executives for the 2021 financial year. A copy of the board's statement is attached. It is also available from the company's website www.salmar.no.

The AGM must hold a consultative vote on the board's guidelines for remuneration and other benefits payable to senior executives, with the exception of arrangements where the said remuneration relates to shares or developments in the price of the company's shares or that of other companies within the same group.

The Board proposes that the AGM pass the following resolution:

"The AGM endorses point 3 and 4 of the board's statement relating to remuneration and other benefits payable to senior executives, except that which concerns item 10."

10. Approval of the Board's guidelines for share-related incentive schemes for senior executives

Reference is made to the Board's statement relating to remuneration and other benefits payable to senior executives for the 2021 financial year.

The AGM must hold a binding vote on the Board's guidelines for remuneration and other benefits payable to senior executives relating to shares or developments in the price of the company's shares or that of other companies within the same group.

The Board proposes that the AGM pass the following resolution:

"The AGM endorses point 3 and 4 of the board's statement relating to remuneration and other benefits payable to senior executives, which relates to the share-related incentive scheme."

11. Election of Directors

The Nomination Committee's recommendation is attached and will be made available from the company's website www.salmar.no before the AGM.

12. Election of Nomination Committee members

The Nomination Committee's recommendation is attached and will be made available from the company's website www.salmar.no before the AGM.

13. Resolution authorising the board to raise the company's share capital

The AGM held on 3 June 2020 authorised the Board to increase the company's share capital to finance investments and the acquisition of businesses by means of cash issues and contributions in kind. This authorisation is valid until the 2021 AGM, and the Board proposes that the authorisation be renewed.

Given the purpose of the authorisation the Board may need to waive existing shareholders' preference rights, which is permitted under the terms of the authorisation.

With reference to the above, the Board proposes that the AGM pass the following resolution:

- I. Pursuant to Section 10-14 of the Public Limited Companies Act the Board is authorised to raise the company's share capital by up to NOK 2,832,000 through the issue of up to 11,328,000 new shares, each having a face value of NOK 0.25. This authorisation may be exercised several times within this overall amount.*
- II. The Board may decide that shareholders' preference rights with respect to the new shares may be waived.*
- III. The authorisation also covers the raising of capital through contributions of assets other than money, etc, and the right to allow the company to assume specific liabilities, cf. Section 10-2 of the Public Limited Companies Act, and to raise capital in the event of a merger pursuant to Section 13-5 of the Public Limited Companies Act.*
- IV. The authorisation is valid until the 2022 AGM or 30 June 2022 at the latest.*
- V. The Board is authorised to make such amendments to the Articles of Association as are necessary in connection with the share capital increase.*

14. Resolution authorising the Board to buy back the company's own shares

The AGM of 3 June 2020 authorised the Board to buy back shares in the company up to a limit of 10 per cent of existing share capital. This authorisation may be used to buy back company shares to meet liabilities associated with share-based incentive schemes for senior executives and as a tool to return funds to the company's shareholders. The Board proposes that the authorisation be renewed.

With reference to the above, the Board proposes that the AGM pass the following resolution:

- I. Pursuant to Section 9-4 of the Public Limited Companies Act, the board is authorised to purchase up to 11,095,929 of the company's own shares with a combined face value of NOK 2,773,982.25*
- II. The amount payable per share shall be not less than NOK 1 and not more than NOK 900.*
- III. The Board is free to determine how the shares should be purchased or disposed of.*
- IV. Transactions with shareholders undertaken on the basis of this authorisation shall comply with ordinary principles of non-discrimination.*
- V. The authorisation is valid until the 2022 AGM or 30 June 2022 at the latest.*

15. Resolution authorising the Board to take out a convertible loan

The Board of directors proposes that it be authorised to take out a convertible loan to enable the company to make use of such financial instruments at short notice as part of its overall financing capability.

The Board proposes that the authorisation apply to a loan amounting in total to NOK 2,000,000,000. The capital increase deriving from conversion may not exceed NOK 2,832,000. The Board proposes that the authorisation be seen in connection with the authorisation granted under item 13, such that the total number of shares for both authorisations shall not exceed 10 per cent of the total number of shares in the company.

With reference to the above, the Board proposes that the AGM pass the following resolution:

- I. Pursuant to Section 11-8 of the Public Limited Companies Act, the board is authorised to take out a convertible loan with a total principal of up to NOK 2,000,000,000.*
- II. In connection with the conversion of any loan taken out under this authorisation, the company's share capital may be increased by up to NOK 2,832,000, though consideration shall be given to any capital increases under the authorisation to raise the company's share capital referred to in item 13, such that the total share capital increase for both authorisations taken together may not exceed 10 per cent of the share capital.*
- III. Shareholders' preference rights pursuant to section 11-4, cf. section 10-4, of the Public Limited Companies Act may be waived.*
- IV. The authorisation is valid until the 2022 AGM or 30 June 2022 at the latest.*

16. Authorisation to acquire own shares in the market with subsequent cancellation

The Board is of the view that it is beneficial to facilitate possible buy-backs of the company's shares. Such arrangement would give the Board of directors an extended possibility to utilize the Public Limited Companies Act's mechanisms for distribution of capital to the company's shareholders. Buy-backs of shares in the company could also be a useful tool to facilitate an adequate capital structure of the company on a continuous basis. Furthermore, buy-back of shares will also benefit the shareholders, either through a possibility to sell shares to the company or by providing the remaining shares with an increased ownership interest in the company.

In order to provide the shareholders with such opportunity, and to establish an efficient tool for buy-back of shares, it is desirable to establish an arrangement which ensures that the current majority owner will neither increase or decrease its ownership as a result of such buy-backs. On this basis, the Board of directors have resolved to propose an arrangement whereby any shares being acquired in the market shall be cancelled through a subsequent share capital decrease, and that a proportionate part of the shares of Kverva Industrier AS ("**Kverva**") simultaneously are redeemed so that Kverva's shareholding remains unchanged following the share capital decreases. The completion of the buy-backs will thus be made in accordance with an agreement entered into with Kverva, whereby Kverva undertakes to vote in favour of the authorisation to the Board to acquire own shares, the subsequent cancellation of such shares and the redemption of the corresponding number of Kverva's shares. Upon redemption of such shares, SalMar ASA shall pay a price per share to Kverva equal to the volume weighted average share price which SalMar ASA has paid for the shares acquired in the market, less any dividend payments on the shares in the period after the respective buy-backs, and with an addition of an interest component equal to six month's NIBOR + 1% per annum, calculated from the time of each buy-back until the payment takes place by redemption of the shares.

Kverva currently owns 52.46% of the shares in the company, and the total number of shares for cancellation and redemption could therefore comprise up to 10,841,849 shares (i.e. approximately 9.57% of SalMar ASA's share capital).

On the above basis, the Board of directors proposes that the general meeting adopts the following resolution:

- I. Pursuant to section 9-4 of the Public Limited Companies Act, the board is authorised to purchase up to 5,154,315 of the company's own shares with an aggregate par value of NOK 1,288,578,75.*
- II. The amount payable per share shall be not less than NOK 1 and not more than NOK 900.*
- III. The board is free to determine how the shares should be acquired.*
- IV. The general principles of equal treatment shall be complied with in connection with acquisition of shares pursuant to the authorisation.*
- V. The authorisation is valid until the company's annual general meeting in 2022, but no longer than to and including 30 June 2022.*

The invitation to attend the AGM and all attachments are also available from the company's website.

Important message:

To reduce the risk for spread of the coronavirus disease, and in accordance with the recommendations from the authorities, shareholders are asked to not participate physically at the meeting. In stead it is asked that the shareholders exercise their shareholder rights through electronic voting, proxy authorisation form or through the advance voting form.

Shareholders who wish to attend the AGM are requested to send in the attached attendance form to the company's business manager no later than 3pm CEST on Friday, 4 June 2021. Notice of attendance may also be sent electronically via the company's website from 18 May 2020.

Shareholders who do not wish to attend the AGM in person are entitled to be represented by a proxy. In that case a written, dated power of attorney must be presented. Shareholders are requested to send their power of attorney to the company's business manager no later than 3pm CEST on Friday, 4 June 2021. Attached is a proxy form, which may also be used to appoint the Board Chair or such person as he may nominate, as proxy.

Shareholders who do not attend the AGM in person may vote in advance of the AGM. In that case, please use the advance voting form.

The advance voting form must be sent to the company's business manager no later than 3pm CEST on Friday, 4 June 2021

As at the date of this notice, SalMar ASA has a share capital of NOK 28,324,999.75 divided between 113,299,999 shares, each having a face value of NOK 0.25. Each share entitles the holder to one vote at the company's general meetings. As at the date of this notice, the company held 232,071 treasury shares.

Shareholders have the following rights with respect to the AGM:

- The right to attend the AGM, either in person or by proxy.
- The right to address the AGM.
- The right to bring one advisor and grant this person the right to speak.
- The right to demand information of board members and the CEO in accordance with Section 5-15 of the Public Limited Companies Act.
- The right to table issues for deliberation by the AGM, provided they are presented in writing to the board of directors in such good time that they may be included in the invitation to attend the AGM. If notification of the AGM has already been distributed, a new invitation shall be sent out if there are at least two weeks left before the AGM is due to take place.

Further details relating to these rights are available from the company's website www.salmar.no.

Frøya, 18 May 2021, for the Board of Directors of SalMar ASA

Atle Eide, Chair

Attachment 1 – Attendance form, proxy authorisation form and advance voting form

Attendance and proxy authorisation forms, including pre-printed name and reference number, are sent by post to shareholders along with the invitation to attend the AGM and other attachments.

ATTENDANCE FORM

Shareholder:
Reference no:
PIN code:

If you would like to attend the annual general meeting, please return this form to Nordea Bank Abp, branch in Norway, Issuer Services, PO Box 1166 Sentrum, 0107 Oslo, Norway. Fax: +47 2236 9703. Email: issuerservices.no@nordea.com. You can also register your intention to attend at www.salmar.no from 18 May. Notification of attendance must be in Nordea’s hands no later than 3pm CEST on Friday, 4 June 2021.

I/we the undersigned shareholder(s) will attend the annual general meeting of SalMar ASA, to be held at 1pm on Wednesday, 8 June 2021 at the company’s office in Trondheim (Brattørkaia 15B, 7010 Trondheim)

- vote for my/our shares.
- vote for shares in accordance with the attached authorisation(s)

Date & Place	Name (block letters)	Shareholder’s signature (if attending in person)

PROXY AUTHORISATION FORM

Shareholder:
Reference no:

If you yourself are unable to attend the AGM, this authorisation may be used by the person you elect to represent you. The authorisation must be in the hands of Nordea Bank Abp, branch in Norway no later than 3pm CEST on Friday, 4 June 2021. You may also register your intentions online at www.salmar.no by the same deadline, starting on 18 May.

Nordea Bank Abp, branch in Norway, Issuer Services, Postboks 1166 Sentrum, 0107 Oslo. Fax: +47 2236 9703. Email: issuerservices.no@nordea.com.

I/we the undersigned shareholder(s) of SalMar ASA do hereby authorise:

Board Chair: Atle Eide

Other (name).....

to attend SalMar ASA’s AGM on Wednesday, 8 June 2021 and vote on behalf of my/our shares.

Place	Date	Shareholder’s signature (To be signed only when authorising a proxy)

PROXY AUTHORISATION WITH VOTING INSTRUCTIONS

Shareholder:

Reference no:

This form must be used if you wish to issue your proxy with voting instructions. The items listed in the proxy instructions below reflect the items specified on the AGM's agenda. You may send this proxy authorisation with voting instructions to your designated proxy. Alternatively, you may send the proxy authorisation without inserting the name of your proxy, in which case the proxy is deemed to have been granted to the Board Chair or such person as he may nominate.

The proxy authorisation must be sent by post or fax to Nordea Bank Norge AB, Issuer Services, PO Box 1166 Sentrum, 0107 Oslo, Norway. Fax: +47 2236 9703. Email: issuerservices.no@nordea.com. The proxy authorisation must be registered with Nordea no later than 3pm CEST on Friday, 4 June 2021. From 18 May until the deadline specified above, registration may also be made via www.salmar.no.

I/we the undersigned do hereby authorise (check the appropriate box)

Board Chair Atle Eide

(Proxy's name in block letters)

to attend the AGM on 8 June 2021 and vote on behalf of my/our shares.

The designated proxy shall vote in accordance with the instructions given below. Note that any unchecked agenda item, will be considered an instruction to vote "for" the proposal as stipulated in the invitation. The above notwithstanding, the proxy may determine how to vote to the extent that proposals are tabled in addition to or in replacement of the proposals stipulated in the invitation.

	Agenda AGM 2021	For	Against	Abstain
1	Election of a person to chair the AGM and someone to co-sign the minutes along with the AGM chair.			
2	Approval of invitation to attend the AGM and the proposed agenda			
3	Presentation of the business	N/A	N/A	N/A
4	Approval of the financial statements and annual report for 2020 for SalMar ASA and the SalMar Group			
5	Approval of the remuneration payable to members of the Board of Directors, Nomination Committee and Risk- and Audit Committee			
6	Approval of the auditor's fees			
7	The Board's statement relating to corporate governance			
8	Share-based incentive scheme for employees			
9	Consultative vote on the board's guidelines for remuneration and other benefits payable to senior executives			
10	Approval of the board's guidelines for share-related incentive schemes for senior executives			
11	Election of Directors: Election of Leif Inge Nordhammer Re-election of Margrethe Hauge Election of Magnus Dybvad			
12	Election of Nomination Committee members Re-election of Bjørn Wiggen Election of Karianne O. Tung			
13	Resolution authorising the board to raise the company's share capital			
14	Resolution authorising the board to buy back the company's own shares			
15	Resolution authorising the board to take out a convertible loan			
16	Authorisation to acquire own shares in the market with subsequent cancellation			

Place

Date

Shareholder's signature
(to be signed only when authorising a proxy)

If the person signing is doing so in accordance with a power of attorney, documentation in the form of a company certificate or authorisation must be attached.

If voting instructions have been given, the following applies:

- *In matters relating to the election of individuals, the Nomination Committee's recommendation is deemed to be the tabled proposal.*
- If "**For**" has been checked, this instructs the proxy to vote for the proposal as presented in the invitation, with any changes which the board and the board's chair may propose. In the event of any changes in relation to the proposals presented in the invitation, the proxy may decide for himself/herself whether to abstain from voting.
- If "**Against**" has been checked, this instructs the proxy to vote against the proposal as presented in the invitation, with any changes which the board and the board's chair may propose. In the event of any changes in relation to the proposals presented in the invitation, the proxy may decide for himself/herself whether to abstain from voting.
- If "**Abstain**" has been checked, this instructs the proxy to abstain from voting.
- If none of the alternatives has been checked, the proxy is free to decide how to vote.
- With respect to issues which are not presented in the invitation, but which are lawfully raised at the AGM and for which a vote is required, the proxy is free to decide how to vote. The same applies to votes relating to formal issues, eg election of AGM chair, order of voting or voting procedure.
- If the shareholder has selected a proxy other than the board chair and wishes to give that person instructions with respect to voting, that is a matter between the shareholder and the proxy in which the company has no part. In such circumstances the company assumes no liability for verifying whether the proxy votes in accordance with the instructions given.

ADVANCE VOTING FORM

Shareholder:

Reference no:

If you are not attending the AGM in person, you can cast your vote in advance. This form must be used if you wish to vote in advance. The items listed in the form below reflect the items specified on the AGM's agenda.

The proxy authorisation must be sent by post or fax to Nordea Bank Norge AB, Issuer Services, PO Box 1166 Sentrum, 0107 Oslo, Norway. Fax: +47 2236 9703. Email: issuerservices.no@nordea.com. Shareholders may also cast their votes in advance via www.salmar.no. The advance voting form must be registered with Nordea no later than 3pm CEST on Friday, 4 June 2021.

The votes will be cast in accordance with the instructions given below. Note that any unchecked agenda item, will be considered an instruction to vote "for" the proposal as stipulated in the invitation.

	Agenda AGM 2021	For	Against	Abstain
1	<i>Election of a person to chair the AGM and someone to co-sign the minutes along with the AGM chair.</i>			
2	<i>Approval of invitation to attend the AGM and the proposed agenda</i>			
3	<i>Presentation of the business</i>	N/A	N/A	N/A
4	<i>Approval of the financial statements and annual report for 2020 for SalMar ASA and the SalMar Group</i>			
5	<i>Approval of the remuneration payable to members of the Board of Directors, Nomination Committee and Risk- and Audit Committee</i>			
6	<i>Approval of the auditor's fees</i>			
7	<i>The board's statement relating to corporate governance</i>			
8	<i>Share-based incentive scheme for employees</i>			
9	<i>Consultative vote on the Board's guidelines for remuneration and other benefits payable to senior executives</i>			
10	<i>Approval of the board's guidelines for share-related incentive schemes for senior executives</i>			
11	<i>Election of Directors:</i>			
	<i>Election of Leif Inge Nordhammer</i>			
	<i>Re-election of Margrethe Hauge</i>			
	<i>Election of Magnus Dybvad</i>			
12	<i>Election of Nomination Committee members</i>			
	<i>Re-election of Bjørn Wiggen</i>			
	<i>Election of Karianne O. Tung</i>			
13	<i>Resolution authorising the board to raise the company's share capital</i>			
14	<i>Resolution authorising the board to buy back the company's own shares</i>			
15	<i>Resolution authorising the Board to take out a convertible loan</i>			
16	<i>Authorisation to acquire own shares in the market with subsequent cancellation</i>			

On behalf of my shares, I, the undersigned, do hereby cast my votes in advance of SalMar ASA's AGM on 8 June 2021.

Place

Date

Shareholder's signature

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.

7. APPLICATION OF THE REMUNERATION POLICY IN THE 2020 FINANCIAL YEAR

The company's senior executive remuneration policy for the 2020 financial year has been applied in accordance with the Board's statement for 2020, which was approved by the AGM on 3 June 2020.

THE NOMINATION COMMITTEE’S RECOMMENDATION TO THE ANNUAL GENERAL MEETING 2021

SalMar ASA’s Nomination Committee has been comprised as follows:

- Bjørn M. Wiggen, Chair
- Anne Kathrine Slungård
- Endre Kolbjørnsen

Since the 2020 AGM, the Nomination Committee has held six meetings.

In connection with SalMar ASA’s AGM on 8 June 2021, the Nomination Committee has issued the following unanimous recommendation:

1. Election of Board members

- Pursuant to the company’s current articles of association, the board of directors shall comprise five to nine members. At present, the board comprises seven members, of whom two are employee representatives.
- The seats on the Board held by Atle Eide and Margrethe Hauge are up for election.
- Eide have notified the Nomination Committee that he would not like to seek re-election while Hauge have notified that she would like to seek re-election.
- The Nomination Committee unanimously recommends for Leif Inge Nordhammer to be elected as new Board Chair in SalMar ASA. Nordhammer is a board member of Kverva AS and is therefore not considered an independent representative. He owns both directly and indirectly 1.64% of the shares in SalMar ASA.
- The Nomination Committee unanimously recommends for re-election of Margrethe Hauge. Hauge is an independent board member. She owns no shares in SalMar ASA.
- The Nomination Committee unanimously recommends for election of Magnus Dybvad as a new board member. Dybvad is investment director in Kverva AS, and is therefore not considered independent. Dybvad owns no shares in SalMar ASA
- In its assessment of the composition of the Board, the Nomination Committee has emphasized the interests of the shareholder community and the company’s need for competence, experience and capacity.
- It is proposed that the candidates be elected for a term of two years.

2. Election of members of the Nomination Committee

- Of the Nomination Committee’s three members, the seat held by Bjørn M. Wiggen and Anne Kathrine Slungård is up for election this year.
- Slungård has notified that she would not like to seek re-election.
- The Nomination Committee recommends that Bjørn M. Wiggen be re-elected for a period of two years. Wiggen is Board Chair in majority shareholder Kverva Industrier AS, and is therefore not considered an independent representative. He owns no shares in SalMar ASA.
- Karianne O. Tung is recommended as a new member of the Nomination Committee. Tung is an independent representative. She owns no shares in SalMar ASA.

3. Remuneration payable to elected company representatives

The Nomination Committee recommends the following remuneration be paid to elected company representatives for the period June 2020–June 2021 (figures in parentheses apply to the previous period):

Board of Directors:

- | | | |
|----------------------------|-------------|---------------|
| - Chair: | NOK 500,000 | (NOK 450,000) |
| - Board member: | NOK 275,000 | (NOK 250,000) |
| - Employee representative: | NOK 137,500 | (NOK 125,000) |

Audit and Risk Committee:

- | | | |
|------------------------------------|-------------|---------------|
| - Chair Audit and Risk Committee: | NOK 120,000 | (NOK 100,000) |
| - Member Audit and Risk Committee: | NOK 80,000 | (NOK 70,000) |

Nomination Committee

- | | | |
|--------------------------------|------------|--------------|
| - Chair Nomination Committee: | NOK 40,000 | (NOK 40,000) |
| - Member Nomination Committee: | NOK 25,000 | (NOK 25,000) |

Trondheim, 12 May 2020

Bjørn M. Wiggen, Chair of the Nomination Committee

The nomination committee's recommendation for candidates to the board in SalMar in non-ranked order.

CANDIDATE 1 Leif Inge Nordhammer

Nordhammer was previously CEO in SalMar from 1996 to 2016, with a hiatus from 2011 to 2014. Today he works in his investment company LIN AS and is board member of Kverva AS. He has extensive experience from leadership positions from several companies within aquaculture and has been a part of the industry since 1985. Former companies include Sparebank 1 Midt-Norge, E. Boneng & Sønn, Frøya Holding AS/ and Hydro Seafood AS. Nordhammer has educational background for Norwegian Armed Forces, Trondheim Business School and University in Trondheim. Nordhammer joined the board of SalMar in June 2020.

Nordhammer owns both directly and indirectly 1.64% of the shares in SalMar ASA. He owns 99.1% of LIN AS which directly owns 1.12% of the shares in SalMar ASA and indirectly LIN AS owns 0.52% of the shares in SalMar ASA through its 1% ownershare in Kverva AS, which through Kverva Industrier AS owns 52.46% of the shares in SalMar ASA.

Nationality: Norwegian citizen, and resident in Norway

Independent: No

CANDIDATE 2 Margrethe Hauge

Margrethe Hauge is CEO of Goodtech ASA and has held management positions within production, supply chain, service and sales in aqua, agriculture, maritime and oil & gas industries. She has held positions as CEO at Teknisk Bureau AS, Regional Managing Director – Nordic & Germany at MRC Global Inc. and Executive Vice President Services at TTS Group ASA. She has also held several management positions at Kverneland Group. Ms Hauge started her career as trainee at Norsk Hydro ASA. She is member of the board of Borregaard ASA and GIEK. She holds a Master's degree in Economics & Business Administration, University of Mannheim, Germany.

Nationality: Norwegian citizen, and resident in Norway

Independent: Yes

CANDIDATE 3 Magnus Dybvad

Magnus Dybvad has worked in Kverva for 10 years, and is today investment director in the company. In Kverva he has been working with transactions, existing investments and market analysis with a specific focus on salmon. The work related to the portfolio companies has been related to business development, M&A and strategy. Magnus Dybvad started his career with equity analysis in First Securities in 2008. He holds a MSc from NTNU (Norwegian University of Science and Technology) within industrial economics and technology management with an exchange in Canada.

Nationality: Norwegian citizen, and resident in Norway

Independent: No

The nomination committee's recommendation for candidates to the nomination committee in non-ranked order.

CANDIDATE 1 Bjørn M. Wiggen

Bjørn M. Wiggen is the working chairman of the board of the investment company Salvesen & Thams AS. He is chairman of the board of Kverva Industrier AS, which is the majority owner of SalMar ASA. He has top management experience from Carlsberg Breweries, Orkla Media, Elkem, Sapa and as CEO of Orkla ASA. Wiggen has a master's degree in economics and has broad board experience from companies such as REC, Tomra and Medistim. He has been chair of the nomination committee since June 2017.

Nationality: Norwegian citizen, and resident in Norway
Independent: No

CANDIDATE 2 Karianne O. Tung

Karianne Tung is the general manager of Technoport. She has previously been an adviser to the rector at NTNU, and was a parliamentary representative for the Labor Party in the period 2013-17. She has previously held several political positions in the Labor Party's parliamentary group and county party, and has a bachelor's degree in political science from NTNU. Tung has experience from board work and work in the nomination committee, including as chairman of the board at Sør-Trøndelag University College and board member of KLP Banken. She has no shares in SalMar ASA.

Nationality: Norwegian citizen, and resident in Norway
Independent: No