



REMUNERATION REPORT

2024



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Introduction

Bakkafrost is a Faroese limited company and is not formally subject to the EU Shareholders' Rights Directive II or other remuneration disclosure regulations. Bakkafrost has voluntarily chosen to publish this Remuneration Report as a reflection of its commitment to transparency, good corporate governance, and alignment with international best practices.

As a publicly listed company operating in a global industry with international investors, Bakkafrost recognises the importance of providing clear insight into how executive remuneration is determined, the criteria applied, and how remuneration supports the company's long-term strategic objectives.

In preparing this report, Bakkafrost has drawn on regulatory frameworks and reporting practices relevant to listed companies in Denmark and Norway.

The report covers members of Bakkafrost's Executive Management and Board of Directors.

Remuneration of the Board of Directors and Executive Management in the financial year 2024 has been awarded in accordance with the Company's Remuneration Policy, which was approved at the Annual General Meeting 30th April 2024 and is available on the Company's website, bakkafrost.com, Remuneration Policy for Senior Management.



Financial summary 2024

2024 was a year of strong biological performance and strategic progress for Bakkafrost. Despite market volatility and a general strike, operations remained resilient. Revenues reached DKK 7.3bn with an operational EBIT of DKK 1.55bn.

Harvest volumes increased by 24% to 90.7k tonnes, driven by strong Faroese operations and significant improvements in Scotland.

In the Faroe Islands, average harvest weight rose to 5.3kg, and 17.1 million smolt were transferred at 410g. Scotland's Applecross facility began delivering smolt above 200g, reducing biological risk and improving fish health.

Global market dynamics were mixed. Strong demand in the US and China offset European price pressure. Bakkafrost maintained a premium due to large, high-quality salmon and improved logistics to key markets.

Sustainability remained a key focus, with record-low sea lice levels, continued investment in renewable energy, and progress toward 2030 emission reduction targets (50% for Scope 1 & 2, 52% for Scope 3).

Operational highlights include record feed sales (140k tonnes), smolt production growth, and cost reductions in Scotland. Investments in hatcheries, feed plants, and service vessels support long-term growth.

In 2025, Bakkafrost targets a harvest of 97k tonnes and increased feed production. Strategic investments through 2028 aim to expand harvest capacity to 165k tonnes and production capacity to 200k tonnes gutted weight.

For further information, please refer to Bakkafrost Integrated Annual Report 2024.

KEY FIGURES	2024	2023	2022	2021	2020
Operating revenue (mDKK)	7,333,674	7,140,849	7,129,967	5,553,849	4,651,892
Operational EBIT* (mDKK)	1,549,692	1,543,810	1,705,165	821,194	621,158
Operational EBITDA* (mDKK)	2,253,998	2,181,019	2,242,645	1,351,628	1,067,923
Adjusted EPS**	16.87	17.45	19.02	10.28	6.20
Return on Capital Employed (ROCE)	9.1%	9.3%	11.5%	6.3%	11.4%
Full-time employees	1,567	1,686	1,653	1,571	1,093

* Aligned for fair value adjustments of biomass, onerous contracts provision, income from associates and other non-operating related adjustment.

** Earnings per share before fair value adjustments of biomass and provision for onerous contracts (DKK).

Remuneration Principles and Framework

REMUNERATION TO CORPORATE MANAGEMENT

The total remuneration to the corporate management consists of basic salary (main element), benefits in-kind and pension schemes, but varies from person to person. The Group's Chief Executive Officer determines the remunerations to other management in agreement with the Chairman of the Board of Directors. The total remuneration is determined based on the need to offer competitive terms in the various business areas. The remunerations should promote the Group's competitiveness in the relevant labour market.

The total remuneration must neither pose a threat to Bakkafrøst's reputation nor be market leading but should ensure that Bakkafrøst attracts and retains senior executives with the desired skills and experience. The basic salary is subject to an annual evaluation and is determined based on general salary levels in the labour market.

SHARE-BASED PAYMENT

In 2021, Bakkafrøst implemented a share-based bonus scheme for all employees in the Group. According to the scheme, all employees, incl. Group Executive Management, are awarded free bonus shares dependent on achieved performance against certain KPIs and Bakkafrøst Group's adjusted earnings per share being above a certain threshold. The bonus shares are awarded quarterly as restricted shares units which are released pursuant only to the Annual General Meeting resolution to pay dividends to the shareholders. Employees still employed two calendar years after being awarded bonus shares, will additionally receive free loyalty shares. Each quarter, the Board reviews and determines the parameters used in the bonus scheme – e.g. overall size of bonus pool, KPIs and thresholds. The Board has the right to decide, in its sole discretion, whether the bonus scheme will be continued in the following quarter, and the terms of the plan.

SHARE SAVING PLAN

Bakkafrøst has established a share saving plan for its employees in the Faroe Islands. In 2022, the savings plan was extended to all employees of the Group. It is the Board's intention that the plan shall be a continuing part of the company's employee incentive scheme. The Board shall, however, have the right to decide, in its sole discretion, whether the plan will be extended in the future, and the terms of the plan. Employees may invest up to 5% of their base salary in Bakkafrøst shares. The saved amount is deducted from the monthly net salary and used to purchase Bakkafrøst shares on behalf of the employees. The purchase will be made from Bakkafrøst's treasury shares or on the market. An employee may not change the savings amount during the year, but an employee may cancel the subscription during the year. The purchase price and the number of shares acquired by the company will be reported in accordance with the applicable regulations. After a lock-in period of two calendar years, one extra matching share will be awarded for each share purchased. Shares transferred to employees are acquired by the company on the market.

ACCOUNTING POLICIES SHARE-BASED PAYMENTS

The share saving plan liabilities and payroll expense have been allocated over the employees' contribution period. The contribution period is from when the employee signed the share saving plan and until the shares are granted. The fair value of these liabilities will be determined using the number of shares contracted at the start of the share saving plan, using the share price on the date of the employee signature, adjustment is made for estimated leavers of the share saving plan. The difference between the fair value and the share price, when the shares are granted, will be booked as a financial item in the income statement. The liability is recognised in other equity reserves within equity.

PENSIONS

The Group operates a defined contribution pension scheme. Pension premiums are charged to the Income Statement as they accrue. The Group has no additional pension liabilities towards the employees, apart from these periodical payments.

Board and Committees Remuneration

BOARD REMUNERATION

Members of Bakkafrøst's Board of Directors receive a fixed annual remuneration as approved by the Annual General Meeting. The remuneration does not include any variable or performance-based components. Board members are not eligible for Bakkafrøst's bonus schemes or employee share savings plan.

REMUNERATION COMMITTEE

The Remuneration Committee is a sub-committee of the Board of Directors and consists of three members: Øystein Sandvik (Chairman), Einar Wathne, and Teitur Samuelson.

The committee is responsible for defining and maintaining a remuneration policy that supports Bakkafrøst's long-term strategic goals and aligns with shareholder interests. This includes determining individual compensation packages for Executive Management and providing oversight of salaries, bonuses, pensions, and other remuneration components.

ELECTION AND AUDIT COMMITTEES

The Election Committee proposes candidates for the Board and recommends Board fees to the General Meeting. The Audit Committee assists the Board in overseeing financial reporting, internal controls, and auditor matters. Remuneration for these committee roles is paid as additional fixed fees, also approved by the General Meeting.

Remuneration of the Board of Directors

Remuneration by the board

The annual remuneration for the Board of Directors is fixed and contains no variable or performance-based elements. In accordance with Bakkafrost's Remuneration Policy, the Nomination Committee proposes the fees, which are approved by the Annual General Meeting (AGM).

At the 2024 AGM, shareholders will vote on the proposed fees for the period from the 2024 AGM until the 2025 AGM. Members of the Audit Committee and the Remuneration Committee are entitled to an additional fixed fee for their participation.

DKK 1,000	Board role	Committee role	2024	2023
Rúni M. Hansen	Chairman of the Board		499	489
Guðrið Højgaard	Member of the Board	Member of the Audit Committee	227	222
Annika Frederiksberg*	Member of the Board		227	222
Einar Wathne	Member of the Board	Member of the Remuneration Committee	277	260
Teitur Samuelson	Member of the Board	Member of the Audit and Remuneration Committee	296	282
Øystein Sandvik	Member of the Board	Chairman of the Audit and Remuneration Committee	329	310
Alf-Helge Aarskog**	Member of the Board		170	0
Total remuneration			2,025	1,785

* Annika Frederiksberg is also an employee of the Bakkafrost Group. For this, she received DKK 704 thousand (2023: DKK 680 thousand).

**Member of the Board of Directors from May 2024

Audit and Remuneration Committee Compensation pr. board member	2024	2023
Audit Committee	52	50
Remuneration Committee	26	25

Remuneration of the Group Executive Management

2024		Fixed remuneration DKK 1,000			
Name	Position	Salary	Pension	Other	Total tDKK
Regin Jacobsen	Chief Executive Officer	2,653	265	89	3,007
Odd Eliassen	Managing Director	1,848	185	0	2,033
Høgni D. Jakobsen	Chief Financial Officer	1,848	185	89	2,122
Total remuneration		6,349	635	178	7,162

2023		Fixed remuneration DKK 1,000			
Name	Salary and other benefits paid	Salary	Pension	Other	Total tDKK
Regin Jacobsen	Chief Executive Officer	2,571	233	89	2,893
Odd Eliassen	Managing Director	1,789	162	0	1,951
Høgni D. Jakobsen	Chief Financial Officer	1,789	162	89	2,040
Total remuneration		6,149	557	178	6,884

* Restricted Stock Units 1 will be released out as shares if the AGM pays out a dividend

** Restricted Stock Units 2 will be released in shares in 2026 if the AGM pays out a dividend and the employee still is hired

Variable remuneration number shares				
Bonus	RSU 1*	RSU 2**	Share saving plan	Total
0	934	934	325	2,193
0	650	650	226	1,526
0	650	650	226	1,526
0	2,234	2,234	777	5,245

Variable remuneration number shares				
Bonus	RSU 1*	RSU 2**	Share saving plan	Total
0	1,136	1,136	316	2,588
0	790	790	197	1,777
0	790	790	253	1,833
0	2,716	2,716	766	6,198

Movements in variable remuneration number of shares

Name	Position	Outstanding per 01.01.24	Addition RSU	Released RSU	Outstanding per 31.12.24
Regin Jacobsen	Chief Executive Officer	3,745	2,395	1,379	4,761
Odd Eliassen	Managing Director	2,663	1,666	984	3,345
Høgni D. Jakobsen	Chief Financial Officer	2,622	1,666	942	3,346
		Outstanding per 01.01.23	Addition RSU	Released RSU	Outstanding per 31.12.23
Regin Jacobsen	Chief Executive Officer	2,663	2,545	1,463	3,745
Odd Eliassen	Managing Director	1,939	1,809	1,085	2,663
Høgni D. Jakobsen	Chief Financial Officer	1,841	1,810	1,029	2,622

Remuneration of the Election Committee

Election Committee 1,000 DKK	2024	2023
Gunnar í Liða (Chairman)	28	28
Eyðun Rasmussen	14	14
Rógvi Jacobsen	14	14
Leif Eriksrød	14	14

Shareholding

Name	Position	Shareholding pr. 31.12.2023	Change	Shareholding pr. 31.12.2024
BOARD OF DIRECTORS				
Rúni M. Hansen	Chairman of the Board	10,761	0	10,761
Guðrið Højgaard	Board Member	0	0	0
Teitur Samuelsen	Board Member	100	0	100
Annika Frederiksberg	Board Member	16,781	387	17,168
Øystein Sandvik	Board Member	0	0	0
Einar Wathne	Board Member	0	0	0
Alf- Helge Aarskog	Board Member	N/A	300	300
GROUP EXECUTIVE MANAGEMENT				
Regin Jacobsen	Chief Executive Officer	4,640,281	1,991	4,642,272
Odd Eliassen	Managing Director	185,391	2,740	188,131
Høgni D. Jakobsen	Chief Financial Officer	76,636	1,880	78,516

Compliance with the Remuneration Policy

The remuneration awarded to the Board of Directors and Executive Management for the financial year 2024 is in full compliance with the guidelines set out in the Company's Remuneration Policy, as all components of remuneration — including fixed fees, committee fees, and executive compensation — have been granted in accordance with the structure, principles, and limits defined in the Policy. There have been no deviations or derogations from the guidelines prescribed in the Remuneration Policy.

Statement by the Management and the Board of Directors on the Remuneration Report

The Management and the Board of Directors have considered and approved the Remuneration Report of P/F Bakkafrost for the year 2024.

Glyvrrar, March 31st, 2024

Management:

J. Regin Jacobsen
CEO

The Board of Directors of P/F Bakkafrost:

Rúni M. Hansen
Chairman of the Board

Annika Frederiksberg
Board Member

Øystein Sandvik
Board Member

Alf-Helge Aarskog
Board Member

Teitur Samuelsen
Board Member

Einar Wathne
Board Member

Guðrið Højgaard
Board Member

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