

ATLANTIC SAPPHIRE ASA – REPORT ON SALARY AND OTHER REMUNERATION FOR THE BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT TEAM

1 INTRODUCTION

1.1 Basis of the Report

This report on salary and other remuneration (the "**Report**") for the Board of Directors (the "**Board**") of Atlantic Sapphire ASA ("**Atlantic Sapphire**" or the "**Company**"), and together with its consolidated subsidiaries, the "**Group**") and the senior management team of the Company (the "**Executive Management Team**") has been prepared for the fiscal year ended 31 December 2022.

The purpose of the Report is to give an overview of paid and retained salary and other remuneration from the Company and the Group to the members of the Board and the Executive Management Team for 2022, pursuant to the Company's remuneration policy as approved by the Company's general meeting on 12 May 2021 (the "Remuneration Policy"). The Remuneration Policy is available at <https://atlanticsapphire.com/investor-relations/corporate-governance/#policies>.

This Report is based on the requirements set out in the Norwegian Public Limited Companies Act of 13 June 1997 no. 45 (the "**Companies Act**") sections 6-16a and 6-16b, as well as the Regulation on guidelines and report on remuneration for Senior Executives of 11 December 2021 no. 2730 (the "**Regulation**").

1.2 About Atlantic Sapphire

Atlantic Sapphire is a Norwegian company headquartered in Vikebukt, Norway and listed on the Oslo Stock Exchange with the ticker symbol ASA. Atlantic Sapphire owns the following subsidiaries:

- Atlantic Sapphire Denmark A/S ("**ASDK**", registered in Hvide Sande, Denmark)
- Atlantic Sapphire USA LLC ("**ASUS**", registered in Miami, Florida, US)
- AS Purchasing, LLC ("**ASP**", registered in Miami, Florida, US)
- S.F. Development, L.L.C. ("**ASSF**", registered in Miami, Florida, US)
- Atlantic Sapphire IP, LLC ("**ASIP**", registered in Miami, Florida, US)

The Group owns and operates a land-based Atlantic salmon farm in Homestead, Florida, US (the "Miami Bluehouse" facility). A Bluehouse® facility ("Bluehouse") is a proprietary production technology developed by the Group in collaboration with a wide range of supply chain partners to optimize growing conditions for Atlantic salmon. Each Bluehouse contains the facilities needed for a salmon's full growth cycle, from egg hatchery to grow-out tanks to harvest processing. Consolidated operations enable the Group to control the entire production cycle without having to transport salmon to and from ocean-based net pens. The Denmark Bluehouse (prior to the September 2021 fire) and the Miami Bluehouse (Phase 1) have annual production capacities of approximately 2,400 tons HOG¹ and 9,500 tons HOG, respectively.

On 15 September 2021, a fire broke out in the Denmark Bluehouse. All employees were reported safe without injuries. Substantially all property, plant, and equipment related to its saltwater on-growing systems and approximately 170 tons of standing biomass in the Danish facility's on-growing systems with a book value of USD 0.8m were lost in the fire (see Note 5 – Biological Assets). On 10 May 2022, the Group agreed on a cash settlement of DKK 180.0m (USD 25.3m equivalent upon receipt in June 2022) which is included as part of the Group's other income. The Group allocated the settlement proceeds towards US operations and construction, and the Group is currently reviewing its strategy for its Danish operations with demolition efforts currently underway subsequently in 2023.

By the end of 2022, the Group employed 177 full time employees.

1.3 Overall Company Performance in 2022

US Biomass Gain

2022 saw mixed performance. We achieved 4,200 tons of biomass gain for the year (2021: 3,000 tons). Since the second half of 2021, the US Phase 1 Bluehouse saw improvements in overall operational conditions, including water quality and temperatures, and stable operations. In turn, US batches introduced into the US Bluehouse from mid-2020 (the "**New Batches**") experienced more stable conditions in comparison to the US Phase 1 start-up initial batches introduced prior to mid-2020 (the "**Initial Batches**") and showed improved biological performance throughout 2022 when compared to the Initial Batches.

The Group performed significant infrastructure improvements in the second half of 2022. Of note, the Group commissioned a new chiller bank for water cooling, a new ozone system, and additional fish tank lights to help set the stage for good biological performance in 2023. The new chiller bank for water cooling allowed for significantly lower temperatures and increased temperature stability across the Miami Bluehouse. The new ozone system allowed for improved water clarity and a reduction of nutrient load. Finally, additional fish tank lights were installed across all systems to enhance appetite and mitigate early maturation. The chiller bank will be completely phased out once the Group completes construction of the new chiller plant as part of the Group's ongoing Phase 2 expansion.

In Q4 2022, the Group experienced higher-than-normal mortality in its Miami Bluehouse which negatively impacted production. As a direct response, we performed a full audit of the US Phase 1 Bluehouse infrastructure to identify the root ~~of the~~ cause and to reduce the risk moving forward. Such efforts pinpointed sedimentation and anoxic areas (those in which water was without any current or movement, with potential absence in oxygen that may contain gases) as a leading cause. Accordingly, an action plan was executed in which we "reset" and upgrade all biofilter systems, enacted organizational changes, protocol improvements, and significant upgrades to equipment and automation, and installed over 100 new camera inspection points in the RAS to proactively identify and prevent potential risks of sludge sedimentation.

As the fish continue to grow, monthly biomass gain is expected to increase gradually throughout H1 2023 until the Group reaches approximately 4,200t RLW of standing biomass and approximately 950t RLW of biomass gain per month ("**steady state**"). The Group is expected to reach US Phase 1 steady state production in Q3 2023.

Denmark Operations

The Group's initial production facility in Hvide Sande, Denmark is a wholly owned subsidiary located on the west coast of Denmark and has been in operation since 2011. Since commencement of operations, approximately 45 batches of Atlantic salmon were introduced into the Denmark Bluehouse. The Denmark Bluehouse had an annual production capacity of approximately 2,400 tons HOG and a tank volume of approximately 17,000 m³, distributed across twenty grow out tanks.

On 9 July 2021, ASDK experienced an incident in one of its grow-out systems in the Denmark Bluehouse that resulted in a loss of approximately 500 tons (HOG). On 15 September 2021, a fire broke out in the Denmark Bluehouse. All employees were reported safe without injuries but substantially all property, plant, and equipment related to its saltwater on-growing systems and standing biomass in the on-growing systems were lost in the fire. On 10 May 2022, the Group agreed on a cash settlement of DKK 180.0m (USD 25.3m equivalent upon receipt in June 2022) which is included as part of the Group's other income. The Group allocated the settlement proceeds towards US operations and construction, and the Group is currently reviewing its strategy for its Danish operations with demolition efforts currently underway in 2023.

Group Results

Below are the Group's consolidated statements of operations for the years ended 31 December 2022 and 2021:

(USD 1,000)	Note	2022	2021
Revenue	3	18,954	16,851
Expenses			
Cost of materials	5, 15	70,030	65,607
Fair value adjustment on biological assets	5	(95)	(1,429)
Salary and personnel costs	6, 18, 20	6,294	10,584
Other operating expenses	4, 7, 8	16,309	24,723
Other income, net	4	(25,542)	(151)
Impairment of non-current assets	9	-	34,754
Depreciation and amortization	9	14,217	15,056
Total expenses		81,213	149,144
Operating loss		(62,259)	(132,293)
Finance income	10	4,907	3,362
Finance expense	10, 19	(7,654)	(3,847)
Loss before income tax		(65,006)	(132,778)
Income tax	11	-	-
Net loss		(65,006)	(132,778)
Earnings per share:			
Retrospectively adjusted basic earnings per share	12	(0.47)	(1.34)
Retrospectively adjusted diluted earnings per share	12	(0.47)	(1.34)

Group net loss for the years ended 31 December 2022 and 2021 was USD 65.0m and USD 132.8m, respectively, which represents a USD 67.8m decrease in net losses over the prior year. Overall, the Group increased revenues from the continuation of its US harvests and experienced increased costs from its ramp-up of operations, write-down of production costs from biomass incidents and underutilized plant capacity, and recognition of insurance proceeds from the September 2021 Denmark Bluehouse fire.

1.4 Composition of the Board and the Executive Management Team in 2022

1.4.1 The Board of Directors

During 2022, the Board consisted of the following members:

- Johan E. Andreassen, Chairman;
- Kenneth J. Andersen, Director;
- Alexander Reus, Director (resigned on December 5, 2022);
- André Skarbø, Director;
- Patrice Flanagan, Director;
- Tone Bjørnov, Director; and
- Ellen Marie Sætre, Director

Except for Johan Andreassen, all of the Board members are independent of the Group's management and material business associates and the Company's major shareholders.

The Company has also established a Nomination Committee, a Compensation Committee, and an Audit Committee. Certain Board members are also members of the Compensation Committee and the Audit Committee, being Kenneth J. Andersen (Compensation Committee), Patrice Flanagan (Compensation Committee), Ellen Marie Sætre (Audit Committee), and Tone Bjørnov (Audit Committee). No Board members are members of the Nomination Committee.

1.4.2 The Executive Management Team

As of 31 December 2022, the Executive Management Team consisted of:

- Johan E. Andreassen, CEO of Atlantic Sapphire USA LLC;
- Alejandro Castro, Chief Business Officer (subsequently left the Company in March 2023);
- Jon-Birger Løvik, Chief Operating Officer;
- Karl Øystein Øyehaug, Chief Financial Officer and Managing Director of the Company; and
- Svein Taklo, Chief Development and Infrastructure Officer.

All members of the Executive Management Team are employed by Atlantic Sapphire USA LLC and received their remuneration solely from that company.

2 REMUNERATION OF THE BOARD OF DIRECTORS

2.1 Key Principles for Remuneration of the Board of Directors

Any independent Chairman or member of the Board receives a fixed annual fee. In addition, each member of any committee may receive an additional fee based on the number of meetings held by each such committee. Members of the Board are reimbursed for reasonable and documented business expenses related to the performance of required functions. Such expenses include, but are not limited to, accommodation, transportation, and meals when traveling for Board meetings, if applicable.

As part of each Board member's remuneration package, the Company may also grant stock options based on recommendations provided by an external consultant.

Remuneration to the Board members is approved by the Board of Directors by the general meeting, typically in the annual general meeting, as a separate item on the agenda, which is in accordance with the Remuneration Policy. The proposals for remuneration of the Board members are prepared by the Compensation Committee.

2.2 Remuneration to the Board Members in 2022

During 2022, the members of the Board received remuneration as set out below (in USD thousands):

Name	Board fees	Audit committee fees	Compensation Committee fees	Extraordinary items	Pension expense	Total remuneration	Proportion of fixed and variable remuneration	
							fixed	variable
Johan E. Andreassen	-	-	-	-	-	-	N/A	fixed
							N/A	variable
Runar Vatne	33	-	1	-	-	34	97%	fixed
							3%	variable
Alexander Reus	50	9	10	-	-	68	73%	fixed
							27%	variable
André Skarbø	64	-	-	-	-	64	100%	fixed
							0%	variable
Patrice Flanagan	64	-	-	-	-	64	100%	fixed
							0%	variable
Tone Bjørnov	64	25	-	-	-	89	72%	fixed
							28%	variable
Ellen Marie Sætre	64	10	-	-	-	74	86%	fixed
							14%	variable
Kenneth Jarl Andersen	31	-	3	-	-	34	93%	fixed
							7%	variable

The table below shows the change of the Board members' total Board fees for the years 2019 until 2022. The Board does not consider it relevant to show changes for years earlier than 2019.

Name	Change in total remuneration from previous years					
	2022 vs. 2021		2021 vs. 2020		2020 vs. 2019	
	USD	%	USD	%	USD	%
Johan E. Andreassen	N/A	N/A	N/A	N/A	N/A	N/A
Runar Vatne (1)	(38)	-53%	(5)	-6%	N/A	N/A
Alexander Reus	(14)	-17%	(25)	-23%	98	1089%
André Skarbø	(4)	-6%	(30)	-31%	89	989%
Patrice Flanagan (2)	(4)	-6%	(11)	-14%	N/A	N/A
Tone Bjørnov (3)	21	31%	14	26%	N/A	N/A
Ellen Marie Sætre (4)	6	9%	14	26%	N/A	N/A
Kenneth Jarl Andersen (5)	N/A	N/A	N/A	N/A	N/A	N/A
1) Runar Vatne was appointed to the Board in 2019						
2) Patrice Flanagan was appointed to the Board in 2019						
3) Tone Bjørnov was appointed to the Board in 2020						
4) Ellen Marie Sætre was appointed to the Board in 2020						
5) Kenneth Jarl Andersen was appointed to the Board in 2022						

2.3 Share-Based Remuneration

Apart from share options granted to Johan E. Andreassen (which is described in Section 3.5.2 below), the Company did not provide share-based remuneration to the Board members during 2022.

As of 31 December 2022, the Board members held shares in the Company as set out below:

Name	Total shareholding
Johan E. Andreassen ¹⁾	6,287,442
André Skarbø ²⁾	1,764,066
Patrice Flanagan	4,900
Tone Bjørnov	19,406
Kenneth J. Andersen ³⁾	-
Ellen Marie Sætre	-

1) Held through JEA Invest AS, which is wholly owned by Johan E Andreassen, and through AlSCO AS, which is jointly owned by Johan E. Andreassen and Bjørn-Vegard Løvik. The number of Shares held by AlSCO AS has been weighted according to ownership by Johan E. Andreassen and Bjørn-Vegard Løvik.

2) Held through AS Invest AS, a company wholly owned by André Skarbø

3) Kenneth J. Andersen does not hold shares personally but represents Strawberry Capital AS on the Board, which held a total of 9,229,380 shares in the Company, which is the equivalent of 6.0% of the outstanding shares

As of 31 December 2022, the Board members held share options in the Company as set out below:

Name	Grant Date	Transaction Date	Vesting Date	Expiration Date	Quantity Granted	Exercise Price (NOK)	Grant Date Fair Value (NOK)	Grant Date Fair Value (NOK)
Johan E. Andreassen	1/21/2020	1/21/2020	1/20/2021	1/20/2025	27,797	176	28.15	782,486
	1/21/2020	1/21/2020	1/20/2022	1/20/2025	27,797	176	28.15	782,486
	1/21/2020	1/21/2020	1/20/2023	1/20/2025	27,797	176	28.15	782,486
	1/21/2020	1/21/2020	1/20/2024	1/20/2025	27,797	176	28.15	782,486
	5/12/2021	5/12/2021	5/12/2021	5/12/2027	200,000	160	6.78	1,356,000
	5/12/2021	5/12/2021	5/12/2022	5/12/2028	200,000	200	5.65	1,130,000
	5/12/2021	5/12/2021	5/12/2023	5/12/2029	200,000	250	4.76	952,000
	5/12/2021	5/12/2021	5/12/2024	5/12/2030	200,000	312	4.06	812,000
	5/12/2021	5/12/2021	5/12/2025	5/12/2031	200,000	400	3.3	660,000
Kenneth J. Andersen	-	-	-	-	-	-	-	-
André Skarbø	-	-	-	-	-	-	-	-
Patrice Flanagan	8/21/2019	8/21/2019	8/21/2020	8/21/2024	5,000	99	28.47	142,350
Tone Bjørnov	-	-	-	-	-	-	-	-
Ellen Marie Sætre	-	-	-	-	-	-	-	-

3 REMUNERATION OF THE EXECUTIVE MANAGEMENT TEAM

3.1 Key Principles for the Remuneration of the Executive Management Team

The overall objective of the remuneration guidelines can be summarized as follows:

- Support the Company's strategic performance and sustainability (ESG) targets;
- Drive the Company culture and values;
- Align remuneration with shareholder and stakeholder interests; and
- Provide guidelines for establishing the Executive Management Team's remuneration to attract, retain, and motivate employees with the skills, qualifications, and experience needed to maximize value creation for the Company and its shareholders.

The Group offers its Executive Management Team remuneration consisting of a base salary, participation in a defined contribution pension plan, customary benefits such as healthcare, life insurance, long and short-term disability, lunch program and mobile expense coverage, financial counselling, and tax preparation benefits. In addition, the Group offers variable compensation consisting of both short-term and long-term incentives to the members of the Executive Management Team, excluding Johan E. Andreassen (CEO of ASUS and the Chairman of the Board), and has granted share options pursuant to a specific share option program for Johan E. Andreassen.

The Company cannot demand repayment of variable remuneration unless obvious miscalculations or non-entitled payments have been made.

3.2 Further Information on Variable Remuneration

3.2.1 Short-Term Incentives

The Group provides the Executive Management Team, excluding Johan E. Andreassen (CEO of ASUS and the Chairman of the Board), with a profit share bonus plan. Compensation under such plan is based on the Group achieving certain delineated financial and biological performance targets. Such targets should be objective, measurable and linked to the achievement of the Group's strategic goals. However, given the operational challenges experienced in 2022, the Board did not intend to award any short-term incentives and, consequently, didn't set such targets for 2022.

In addition, each member of the Executive Management Team is eligible for annual individual performance bonuses, which are reviewed and assessed by the Compensation Committee and benchmarked against similarly situated companies. When determining such bonuses, the Compensation Committee considers each individual's performance in light of the target goals set at the beginning of the year. No individual bonuses were awarded.

3.2.2 Long-Term Incentives

The Group's long-term incentive program takes into account financial and non-financial measurable criteria aligned with our sustainability (ESG) strategy, including criteria related to financial performance, fish welfare, and the Group's environmental and social impact.

The targets are measurable and set up in advance and reviewed against achievement throughout the year. However, given the operational challenges experienced in 2022, the Board did not intend to award any long-term incentives and, consequently, didn't set such targets for 2022.

Johan E. Andreassen does not participate in these long-term incentives.

3.3 Remuneration to the Executive Management Team in 2022

During 2022, the members of the Executive Management Team (as of 31 December 2022) received remuneration as set out below (in USD thousands):

Name, Position	Fixed Remuneration			Variable Remuneration		Extraordinary items	Pension Expense	Total Remuneration	Proportion of fixed and variable remuneration
	Base salary	Fees	Fringe benefits	One-year variable	Multi-year variable				
Johan Andreassen, Chairman of the Board & CEO	512	-	-	-	-	-	-	512	100% fixed 0% variable
Alejandro Castro, CBO	264	-	-	-	-	-	-	264	100% fixed 0% variable
Jon-Birger Løvik, COO	315	-	-	-	-	-	-	315	100% fixed 0% variable
Karl Øystein Øyehaug, CFO and Managing Director	265	-	-	-	-	-	-	265	100% fixed 0% variable
Svein Taklo, CDIO	300	-	-	-	-	-	-	300	100% fixed 0% variable

As noted in Section 1.4.2 of this Report, all members of the Executive Management Team are employed by ASUS and has only received remuneration from this company and not from any other Group companies.

3.4 Comparison of Remuneration, Group Performance, and Average Remuneration of Other Employees

The table below shows the change in total remuneration paid to the members of the Executive Management for the years 2018 until 2022, compared with the performance of the Group and the average remuneration of employees outside the Executive Management Team (on a full-time equivalent basis). The Board does not consider it relevant to show changes for years earlier than 2018, as the Company did not become listed until May 2018.

Name	Change in fees from previous years							
	2022 vs. 2021		2021 vs. 2020		2020 vs. 2019		2019 vs. 2018	
	USD	%	USD	%	USD	%	USD	%
Johan Andreassen, Chairman of the Board & CEO	(1)	0%	2	0%	(2)	0%	59	13%
Alejandro Castro, CBO (1)	8	3%	37	18%	35	20%	122	0%
Danielle Villoch, CLO (2)	N/A	N/A	44	20%	N/A	N/A	N/A	N/A
Karl Øystein Øyehaug, CFO & Managing Director (3)	10	4%	39	19%	52	34%	110	N/A
Svein Taklo, CDIO (4)	3	1%	(6)	-2%	234	N/A	N/A	N/A
Jon-Birger Løvik, COO (5)	92	29%	N/A	N/A	N/A	N/A	N/A	N/A
1) Hired August 2018								
2) Hired January 2020								
3) Hired October 2018								
4) Hired October 2019								
5) Hired March 2021								

	Other							
	2022 vs. 2021		2021 vs. 2020		2020 vs. 2019		2019 vs. 2018	
	USD	%	USD	%	USD	%	USD	%
Net loss for the period	67,772	-51%	(77,585)	141%	(42,041)	320%	(1,753)	N/A
Average remuneration per employee ASUS	(4)	-5%	4	5%	(6)	-8%	7	10%

The Board does not consider it relevant to show the average remuneration per employee in Atlantic Sapphire ASA since all members of the Executive Management team are employed by ASUS. Therefore, based on materiality and practical considerations, only the average remuneration per employee for ASUS employees is depicted in the table above.

3.5 Share-Based Remuneration

3.5.1 General Information

Apart from share options granted to Johan E. Andreassen (which is described in Section 3.5.2 below), the Company did not provide share-based remuneration to the members of the Executive Management Team during 2022.

As of 31 December 2022, the members of the Executive Management Team held shares in the Company as set out below:

Name	Total shareholding
Johan E. Andreassen ¹⁾	6,287,442
Alejandro Castro	920
Jon-Birger Løvik	158,086
Karl Øystein Øyehaug	29,850
Svein Taklo	44,814

- 1) Held through JEA Invest AS, which is wholly owned by Johan E Andreassen, and through AlSCO AS, which is jointly owned by Johan E. Andreassen and Bjørn-Vegard Løvik. The number of Shares held by AlSCO AS has been weighted according to ownership by Johan E. Andreassen and Bjørn-Vegard Løvik.

As of 31 December 2022, the members of the Executive Management Team held share options in the Company as set out below:

Name	Grant Date	Vesting Date	Expiration Date	Quantity Granted	Exercise Price (NOK)	Grant Date Fair Value (NOK)	Grant Date Fair Value (NOK)
Johan E. Andreassen	1/21/2020	1/20/2021	1/20/2025	27,797	176	28.15	782,486
	1/21/2020	1/20/2022	1/20/2025	27,797	176	28.15	782,486
	1/21/2020	1/20/2023	1/20/2025	27,797	176	28.15	782,486
	1/21/2020	1/20/2024	1/20/2025	27,797	176	28.15	782,486
	5/12/2021	5/12/2021	5/12/2027	200,000	160	6.78	1,356,000
	5/12/2021	5/12/2022	5/12/2028	200,000	200	5.65	1,130,000
	5/12/2021	5/12/2023	5/12/2029	200,000	250	4.76	952,000
	5/12/2021	5/12/2024	5/12/2030	200,000	312	4.06	812,000
	5/12/2021	5/12/2025	5/12/2031	200,000	400	3.3	660,000
Alejandro Castro	10/11/2018	8/27/2019	8/27/2023	5,000	45	22.29	111,450
	10/11/2018	8/27/2020	8/27/2023	5,000	45	22.29	111,450
	10/11/2018	8/27/2021	8/27/2023	5,000	45	22.29	111,450
	10/11/2018	8/27/2022	8/27/2023	5,000	45	22.29	111,450
	1/21/2020	1/20/2021	1/20/2025	820	136	40.45	33,169
	1/21/2020	1/20/2022	1/20/2025	819	136	40.45	33,129
	1/21/2020	1/20/2023	1/20/2025	820	136	40.45	33,169
	1/21/2020	1/20/2024	1/20/2025	819	136	40.45	33,129
Danielle Villoch	1/21/2020	1/12/2021	1/12/2025	5,000	126	44.31	221,550
	1/21/2020	1/12/2022	1/12/2025	5,000	126	44.31	221,550
	1/21/2020	1/12/2023	1/12/2025	5,000	126	44.31	221,550
	1/21/2020	1/12/2024	1/12/2025	5,000	126	44.31	221,550
Karl Øystein Øyehaug	10/11/2018	10/1/2019	10/1/2023	6,250	55	17.76	111,000
	10/11/2018	10/1/2020	10/1/2023	6,250	55	17.76	111,000
	10/11/2018	10/1/2021	10/1/2023	6,250	55	17.76	111,000
	10/11/2018	10/1/2022	10/1/2023	6,250	55	17.76	111,000
	1/21/2020	1/20/2021	1/20/2025	965	176	28.15	27,165
	1/21/2020	1/20/2022	1/20/2025	966	176	28.15	27,193
	1/21/2020	1/20/2023	1/20/2025	965	176	28.15	27,165
	1/21/2020	1/20/2024	1/20/2025	965	176	28.15	27,165
Svein Taklo	12/3/2019	9/30/2020	9/30/2024	8,750	104	44.9	392,875
	12/3/2019	9/30/2021	9/30/2024	8,750	104	44.9	392,875
	12/3/2019	9/30/2022	9/30/2024	8,750	104	44.9	392,875
	12/3/2019	9/30/2023	9/30/2024	8,750	104	44.9	392,875
	1/21/2020	1/20/2021	1/20/2025	4,343	136	40.45	175,674
	1/21/2020	1/20/2021	1/20/2025	5,116	176	28.15	144,015
	1/21/2020	1/20/2022	1/20/2025	4,344	136	40.45	175,715
	1/21/2020	1/20/2022	1/20/2025	5,115	176	28.15	143,987
	1/21/2020	1/20/2023	1/20/2025	4,343	136	40.45	175,674
	1/21/2020	1/20/2023	1/20/2025	5,116	176	28.15	144,015
	1/21/2020	1/20/2024	1/20/2025	4,343	136	40.45	175,674
	1/21/2020	1/20/2024	1/20/2025	5,115	176	28.15	143,987

3.5.2 Long-Term Option Program for Johan E. Andreassen

Johan E. Andreassen, as Chairman of the Board and CEO of ASUS, is part of a long-term retention option program. As a founder of the Company, the long-term retention of Mr. Andreassen in these positions is critical for the Group's performance and delivering on shareholder value. The long-term option program is structured as granting 200,000 options (1,000,000 options in total) per year upon achievement of a set share price at a given date. Such grant was approved by Company's annual general meeting in 2021.

The terms of the long-term retention option program include that Johan E. Andreassen must remain with the Company (either as full-time employee of ASUS or as Chairman of the Board), that the share options will be cancelled if Andreassen terminates his employment or Board position with the Company as well as other restrictive covenants. Further, the Company may terminate Mr. Andreassen's position with the Company upon violation of certain contractual obligations such as misconduct, financial misstatements, fraud, etc.

Each grant has a four year "pro rata" vesting, whereby 25% of the options vest and become exercisable each year. Further, there is a 10-year term to exercise each vested tranche, which contribute to the goal of long-term retention. Additional terms and conditions apply in accordance with local US practice.

This remuneration is not transferrable to other positions or people in the Group.

4 DEROGATIONS AND DEVIATIONS FROM THE REMUNERATION POLICY AND THE PROCEDURE FOR IMPLEMENTATION OF THE REMUNERATION POLICY

The Company has not deviated from the guidelines set out in the Remuneration Policy in connection with remuneration granted in 2022.

5 CONSIDERATION AT THE ANNUAL GENERAL MEETING

This Report will be presented to the Company's annual general meeting, to be held on 23 May 2023, and will be subject to an advisory vote at such general meeting.