

## TO THE GENERAL MEETING OF AKVA GROUP ASA, 9 MAY 2012

### RECOMMENDATIONS FROM THE NOMINATION COMMITTEE

#### To all shareholders,

The Committee has consisted of Mr. H. Skaarer, chairman, (independent), Mr. Johan Roger Smith-Nilsen, SN Invest AS, and Mr. K. Falnes, Skagenfondene.

The Committee has had one physical meeting with the chairman of the board and 2 internal conference call meetings. In addition, the Committee has conducted several conference call interviews with representatives of the major shareholder groups, the directors as well as the CEO. The Committee has also conducted an external board evaluation survey.

The Committee has executed the following duties:

- recommend candidate members to the board
- recommend remuneration to board members and board committee members
- recommend candidate members and person to chair the Committee and their remuneration
- approve proposed text in the annual report concerning the Committee
- a review of the charter of the Committee.

#### Composition of the board

All members of the board are up for election at the upcoming general meeting. The following criteria were focused when working out the recommendation for the composition of the board:

- number of directors ; all agreed on 5 as the optimal number, as we also have 3 employee appointed board members
- requirements of min 40% male and female portion of candidates
- requirements of independent directors
- adequate competence, skills, experience and dedication(time) (what we have , what we need - given today's status and future strategy and challenges)
- external board evaluation survey and summary
- continuity
- interviews with the CEO and all members of the Board by mail/phone
- interviews with the 5 biggest shareholders/shareholder groups.

The Committee will favour a board of 5 members, all elected for a period of one year. The person to chair the board and the deputy is to be elected yearly, by and amongst the newly elected board.

The Committee's recommendation for board composition is as follows (all candidates for one year):

- Mrs. Anne Breiby
- Mr. Hans Kristian Mong
- Mr. Amund Skarholt
- Mr. Frode Teigen
- Mrs Aino Olaisen.

Mr. Mong is CEO of Egersund Group as, one of AKVAGroups major shareholders. He has an extensive career from several positions and companies to the fishing and fishfarming industry.

Mrs. Olaisen is the dynamic CEO of Vigner Olaisen AS- a fish farming company in Northern Norway. She was honoured as Seafood personality of the Year in Norway in 2011, and has lots of experience from being an AKVAGroup customer.

The Committee has carefully examined the skills and competence represented in the board and with each candidate, and matched those with what is required given the company's main challenges ahead. These challenges are predominantly of an operational nature; to swing the company back into acceptable profitability, but also the change in the customer purchase behaviour: one-stop shopping for land-based farms.

To allow for more dynamics and options in the composition of future boards, as market conditions and as the nature of the company's main challenges are shifting, the Committee recommends all members of the board to be elected for a period of one year.

#### **Remuneration to the board members**

The compensation given to the members should differ so that the chair person should have a higher compensation than ordinary members. The deputy chair person is proposed to receive the same remuneration as an ordinary member as the work load is the same. The members of board committees should be remunerated separately. A different compensation should be fixed for the employee appointed members. The Committee recommends the rates to be as follows, unchanged from last year:

Chairperson	NOK 300.000
Deputy Chairperson	NOK 125.000
Member	NOK 125.000
Board Committee member	NOK 5.000 per meeting
Employee appointed member	NOK 30.000.

The current economic climate, the company's performance and cost savings programs do not allow any general raises.

**Nomination committee elections**

The Committee has asked for and received input to the composition of the Committee. Based on this input and supported by 4 out of 5 share holder groups the Committee has concluded its suggestion.

The Committee suggests the following persons as candidates for the Committee: Mr. Haakon Skaarer as Chair, Mr. Johan Roger Smith-Nilsen ( 1 years), Mr. Kristian Falnes (2 years).

**Remuneration to nomination committee members**

Each member of the Committee is proposed to receive a yearly compensation of NOK 10.000, and the chair NOK 20.000, unchanged from last year.

**Nomination committee section of the corporate governance chapter in the annual report**

The suggested text for the Committee section of the corporate governance chapter in the annual report was approved.

**The charter for the nomination committee**

The charter for the Committee has been reviewed by the same Committee. The Committee recommends the current charter to be approved.

Oslo, 24 April 2012.

 

Haakon Skaarer  
Chairman  
(sign.)

Johan Roger Smith-Nilsen  
(sign.)



Kristian Falnes  
(sign.)