

Group Authorisation Guidelines

1. PURPOSE

The purpose of this guidelines is to define and describe the management authorization principles of the Scale Aquaculture Group (hereinafter referred to as the «Company» or the «Group») and regulate the internal limitations to employees acting on behalf of an entity within the Group or the Group with respect to all agreements and arrangements that pose obligations on an entity or the Group. The underlying authorisation policy applies to all internal processes and policies companies within the Group and shall ensure that the Group and its subsidiaries act in accordance with its provisions in contractual and other relations between each of the entities and its customers, suppliers, partners and employees. Further, the aim is to establish a decision process based on transparency, consultations and anchoring.

The policy should also support the internal control environment to ensure:

- Efficient management of the Group's assets through a uniform framework of authorisation and its delegation to all the entities in the Group.
- Clarity on roles and responsibilities so that managers and employees can carry out their respective responsibilities in an efficient and transparent manner.
- That each company complies with all reasonable requirement of external parties and authorities.
- The authorisation, economic and legal review and approval of all agreements before they are entered and executed.
- That employees who are unsure of who is authorised for what at any time can seek information and get clarity through these guidelines.

2. DEFINITIONS

- The «Group» means Scale Aquaculture Group including all entities where Scale Aquaculture Group AS holds a controlling position.
- A «Customer» is a person, a company, a public authority or anyone who buys a product and / or a service from the Group
- A «Supplier» is person, a company or anyone who the Group buys products and / or services from.
- An «Employee» is a person who is temporarily or permanently employed on contract either full time or hourly based to perform a specific work in the Company.
- A «Delegation» is the formal mandate or authority to perform an act and it applies to specific tasks, functions and obligations. The intention of delegation is to ensure that responsibility and autonomy are transferred to the appropriate management level in order to work efficiently.
- «Payments» and orders from an approved agreement are transactions based on signed and approved agreements or arrangements where the quantity or scope to be delivered and / or price has already been fixed, for example rental, consultancy and framework agreements.

3. RELEVANCE AND RESPONSIBILITY

The policy applies to all employees in the Group – both temporary and permanently employed. Everyone who poses obligations to an entity of the Group by giving and receiving offers and tenders, and who enters into contracts as a representative of any entity in the Group, need to be familiar with and it obligated to adhere to the regulations in these guidelines. The thresholds described herein represent the maximum limits for all relevant organisational levels when it comes to sales and purchases. In addition, authorisation limits related to capex are also defined.

The Managing Director for an entity within the Group are responsible and obligated to make sure that all employees within the respective entity are familiar with these guidelines and to establish an Authorization Matrix within the respective entity assigning limits to positions and persons. Such limits, if not given by these guidelines, cannot exceed the maximum authorisation limit assigned to the Managing Director in question. Further, the Chairman of the Board of Group companies is responsible and obligated to make sure that authorisation limits are set for the Managing Director for the entity in question. The size and complexity of the business should be considered when setting these limits.

The principle of signing agreements, offers and tenders by two persons should be applied and defined in the Authorization Matrix in each division and entity. For Payments / financial transactions it is the Managing Director for the respective entity responsibility to ensure segregation of duties, i.e. at least two persons are required to complete payments / financial transactions (*see Financial Strategy and Policy for the Group* – to be established). The superior level should ensure that the lower level is aware of and understands the thresholds that apply.

Therefore, the Group expects all employees to be aware of the existence and content of this document and to have no doubts about the mandates. The authorization policy shall be applied in accordance with relevant guidelines, procedures and processes. The policy can be changed at any time.

Authorizations for the following processes / policies are covered in this policy:

- Sales and Purchase agreements
- Investments and Capex
- Recruitments, compensations and terminations
- Financing and Guarantees
- Mergers and Acquisitions
- Restructuring measures

4. AUTHORISATION LEVELS AND DELEGATION POLICY

This section deals with defined authorization levels that determine the mandate and the general rules for authorisations. Mandates in the authorisation policy follow the defined authorisation levels in section 5.

The authority associated with a position only apply to that position specifically or to the area of responsibility associated with the position. For example, it is only possible to enter contracts including hire and terminate Employees within the defined area / department of responsibility for that person / position. Delegation of authority to lower levels of management and employees for job titles / functions listed above should be eligible. The delegated authority cannot exceed the authority assigned to positions according to these guidelines.

Within the managers respective area of responsibility, persons in Group management or in Managing Director positions may at any time revoke an assigned mandate for a person or group. Where such authorisation is revoked, it may be reassigned by the person with the same or higher authorisation level as the person who revoked it. Head of Division shall establish an authorization matrix for their respective division which shall be approved by the Group CEO.

Delegation and revoking of authorisations to persons holding positions not listed in these guidelines shall be made in writing. The beneficiary of an assigned authorisation shall ensure that his / her compliance with all the company's policies and procedures (including these general rules) is duly recorded and documented.

All mandates described in this policy relates to ordinary course of business and agreed strategy. Any commitments outside approved strategy, including new business areas or segments, shall be approved by the BoD.

5. PROCEDURE FOR AUTHORISATION LIMITS

Specific mandates are presented below for each of the Group's policies and processes. This policy defines maximum authorisation limits to be delegated. The size and complexity of the business should be taken into account when setting the specific authorisation limits. For the avoidance of doubt, approval of the annual budget does not constitute approval of specific contracts, spend of operational costs, capex or employment / termination of employees.

5.1. Sales and contractual commitments

Overall, all offers, bids, tenders and contracts exceeding NOK 60 million, as well as offers, bids, tenders and contracts not in accordance with the Group Contract Policy or entailing non-customary risks, shall be approved by the Group Contract Committee, the Group CEO, the BoD Contract Committee or the BoD according to the table below.

The contract value in this context is defined as the cumulative value from the contract over the next 24 months. Further, a prerequisite for the delegation of authority according to the table below is that the calculated margin on the product and / or project to be offered or contracted is equal to or higher than the minimum gross margin set for the relevant product and / or project.

#	Decision maker	Contract value (NOK)	Maximum payment term	Maximum validity of contract prices or price lists	Maximum period of open cost exposure (raw materials, FX, other)
1	Board of Directors	No limit	No limit	No limit	No limit
2.	BoD Contract Committee	<= 250 mill	No limit	No limit	No limit
3	Group CEO / contract committee	<= 150 mill	No limit	No limit	No limit
4.	Head of Seabased	<= 60 mill	45 days	1 year	1 year
5	Head of Moen Marin	<= 60 mill	45 days	1 year	1 year
6	Head of Chile	<= 35 mill	45 days	1 year	1 year
7	Head of Maskon	<= 30 mill	45 days	1 year	1 year
8	Head of Software	<= 5 mill	45 days	1 year	1 year

Table 1: Overview of authorisation limits relating to sales and contract commitments

Price lists should in general be adjusted on a continuous basis in order to reflect changes in the Group's cost base. Further, contracts should to the greatest extent possible include KPIs where adjustments related to defined changes in the cost base are contracted. Thus, the above maximum validity poses the maximum length for fixed prices.

Only written documents are considered valid documentation and agreements (*Reference Group Contract Policy – to be established*). The beneficiary of the assigned authorisation shall at all times ensure that the relevant policy and procedure of the Group and entity are taken into account and assumes responsibility for the financing of the agreement or payment (purchase of raw materials, finished goods, services and capex etc), either through (1) an approved budget, (2) further allocation of funds from Group finance, (3) payment plan entered into as part of the contract with the customer or through (4) increased earnings. The agreement needs to be reviewed by the relevant designated sales officer before it is signed. These rules apply to all agreements entered into by a specific entity (or branch of an entity), irrespective of the origin of the funds used by the company to pay for the goods and services necessary to fulfil the contract in question. Manipulation of an agreement or arrangement

(for example splitting an agreement) with the intent to circumvent these rules is not permitted and may invoke consequences for the employment relationships including but not limited to termination.

5.2. Purchases

Purchases related to any contract governing terms for future spend with a Supplier of COGS (raw materials, semi-finished goods, finished goods, consumables and contract work carried out by subcontractors) should adhere to the thresholds stated in the table below:

#	Decision maker	Maximum exposure (NOK)	Contract value (NOK)	Payment term	Maximum annual price increase	Contract duration
1	Board of Directors	No limit	No limit	No limit	No limit	No limit
2	BoD Contract Committee	750 mill	250 mill	No limit	No limit	No limit
3	Group CEO / contract committee	250 mill	<= 150 mill	No limit	No limit	No limit
4	Head of Seabased	<= 100 mill	<= 50 mill	No limit	<= 5 %	<= 1 years
5	Head of Moen Marin	<= 100 mill	<= 40 mill	30 days	<= 5 %	<= 1 years
6	Head of Chile	<= 40 mill	<= 20 mill	30 days	<= 5 %	<= 1 year
7	Head of Maskon	<= 20 mill	<= 10 mill	30 days	<= 5 %	<= 1 year
8	Head of Software	<= 10 mill	<= 2 mill	30 days	<= 5 %	<= 1 year

Table 2: Overview of limits relating to sourcing contracts and commitments supply of direct material.

The maximum exposure should be interpreted as the maximum aggregated purchase / outstanding obligation for the area of responsibility, where the purchase is not directly linked to a contract with a Customer. The max exposure for the BoD Contract Committee and the Group CEO / Group Contract Committee should be understood as maximum values related to each of the Divisions and not the aggregate value for the Group.

Further, of products / services resulting in indirect costs (e.g. lease, consultancy services, warehouse and transport) should adhere to the authorisation limits stated in the table below:

#	Decision maker	Yearly value (NOK)	Payment term	Maximum annual price increase	Contract duration
1	Board of Directors	No limit	No limit	No limit	No limit
2	Group CEO	<= 10mill	No limit	No limit	No limit
3	Group management / head of Division etc	<= 5 mill	No limit	<= 5 %	<= 1 year

Table 3: Overview of limits relating to sourcing contracts and commitments supply of indirect material.

Only written documents are considered valid agreements. The beneficiary of the assigned authorisation shall at all times ensure that the relevant policies and procedures of the Group and entity are taken into account. The decision maker assumes responsibility for the financing of the agreement or payment either through (1) an approved budget, (2) further allocation of funds from the Group finance department or through (3) increased earnings. The agreement needs to be reviewed by the relevant designated purchasing officer before it is signed. These rules apply to all agreements entered

by the Group or an entity within the Group (or a branch of the entity), irrespective of the origin of the funds used by the entity to pay for the agreements in question. Manipulation an agreement or arrangement (for example splitting an agreement) with the intent to circumvent these rules is not permitted and may invoke consequences for the employment relationships including but not limited to termination.

5.3. Investments / Capex

The Board of Directors of the Group sets the maximum amount to be invested for the budget year. Approval of the company budget is not an automatic approval of the proposed investment plan or a specific investment. Each individual investment proposal needs to be approved separately according to the authorisation levels outlined below and through the Group's Capex approval process (*to be defined*). The authorisation thresholds may be adjusted to fit the size of the business in each company in the Group. The listed thresholds in table 4 represents the maximum thresholds. Given that the investment / capex is planned and taken into account in the approved budget, the following thresholds apply:

#	Decision maker	Budgeted Investments (NOK)	Non budgeted investments (NOK)
1	Board of Directors	No limit	No limit
2	Group CEO	<= 20 mill	<= 10 mill
3	Group management	<= 3 mill	<= 3 mill
4	Head of Seabased	<=5 mill	<=3 mill
5	Head of Moen Marin	<=3 mill	<=3 mill
6	Head of Chile	<=2 mill	<=1 mill
7	Head of Maskon	<=3 mill	<=1 mill
8	Head of Software	<=2 mill	<=1 mill

Table 4: Overview of authorisation limits related to investments and use of capex.

The thresholds stated in table 4 represents the accumulated amount the authorised persons or company body can approve related to a unique investment / capex project, before decision requires approval from superior officer or company body. Further, the Group CEO can approve total capex up to an accumulated value reflected in the budget for the respective year approved by the Board of Directors.

For the avoidance of doubt the following example illustrates the principle. A Head of Division is authorized to approve investments up to NOK 1 million. An investment project includes two phases to be completed. Phase one requires investment of NOK 850.000 and phase two requires an investment of NOK 400.000. Both investments are below the threshold of NOK 1.000.000, but as the combined total investment exceeds the threshold, the total project has to be approved by a superior level according to the authorization matrix above.

The thresholds for investments / capex apply correspondingly to disposal of assets as well as operating leases. For lease contracts, the total lease payment for the entire contract period shall be measured against the thresholds.

For non-budgeted investments, they are put forward for approval by completing the Capex Approval Form (to be established). This form needs to be completed with the necessary signatures before initiating or committing to initiate an investment. Productivity / Expansion investments above MNOK 1 should further be subject to profitability analyses before being submitted for approval. This should include Discounted Cash Flow (DCF), Internal Rate of Return (IRR), Net present value (NPV) and

Pay-Back time, by using the Capex investment analysis model template. A copy of the Capex approval form and the associated analysis should be sent to the Group Controller.

Independently of these authorisation principles, the Group CFO may at any time withdraw all Capex authorisations. If so, all Capex projects needs approval from the person the CFO authorizes. This paragraph will override the above authorisation for Capex.

5.4. Claims, bad debt write-offs

Settling claims related to all types of contracts and making bad debt write-offs should be approved according to the table below:

#	Decision maker	Amount
1	Board of Directors	No limit
2	Group CEO	<= 5 mill
3	Group management / head of Division etc	<= 3 mill

5.5. Recruitment, Compensation and Termination

Our Employees represent the Group's most valuable assets and need to be managed accordingly. Hiring, termination or significant change (more than 20 %) and/or TNOK 200 of the personal compensation and benefits, i.e. salary, bonuses, company car, holidays, pensions etc, shall follow the «Grandfather» principle (approval by manager's manager). Hiring or termination of more than 5 % of the number of FTEs for the respective division should be also follow the "Grandfather" principle.

Hiring, termination and / or significant change (more than 10 %) of the personal compensation and benefits for direct employees (production workers, installation crew etc) shall follow the «Grandfather» principle (approval by manager's manager).

One examples: if the production manager should hire, terminate or change the personal compensation and benefits for a production worker, the production manager should seek and get approval from the managing director of the respective company.

5.6. Financing and guarantees

1.1.1. Financing

All external financing including ordinary bank debt, credit lines, factoring and leasing shall be approved by the Group CFO. Further, all intercompany loans shall be approved by Group CFO.

All financing exceeding NOK 100 mill except for drawing on existing credit facilities, shall further be approved by the Board of Directors.

1.1.2. Internal loans, group equity contribution and dividends

All internal financing and internal loans are decided by Group CFO and must always be made within the framework of the valid loan and financing agreements. In the absence of other agreements, interest on loans between group companies shall be on arm lengths principles The interest rate will be given by the Group CFO and determined by the relevant reference rate (CIBOR, NIBOR, EURIBOR etc) plus a margin corresponding to the external loan agreements.

Equity contributions and dividends between Group companies need approval by Group CFO together with the Chief Group Accountant

1.1.3. Guarantees

Bank guarantees cover several types of guarantees, all of which are intended to minimise the risk of losses arising from the conclusion of contracts. All guarantees to 3rd parties, including bank guarantees, parent company guarantees, and letters of credit shall be approved by Group CFO or the person within the finance organisation which from time to time has been delegated the authority from the Group CFO. Guarantees to 3rd parties exceeding NOK 100 mill shall be approved by the Board of Directors.

1.1.4. Other financial matters

Opening of new bank accounts need approval by Group CFO or the person within the finance organisation which from time to time has been delegated the authority from the Group CFO.

5.7. Mergers & Acquisitions

All acquisitions of shares or other equity instruments in other companies shall be approved by the Group CEO up to 10 MNOK, exceeding amount above 10 MNOK must be approved by the BoD.

Divestments of companies or parts of companies shall also be approved by the Group CEO up to 10 MNOK, exceeding amount above 10 MNOK must be approved by the BoD.

5.8. Internal re-structuring

Internal restructuring hereunder formation of subsidiaries, increase of equity in subsidiaries, merger of Group companies shall be presented to the Group CFO, who should assess legal, financial, tax and accounting implications from a Group perspective. Internal re-structuring projects should be approved by the Group CEO.

6. REFERENCES

- Board of Directors rules of procedure (to be defined)
- Instructions Group CEO (to be defined)
- Contract committee policy (to be defined)
- Contract committee check list
- Capex policy (to be defined)
- Contract policy (to be defined)
- Financial and FX policy (to be defined)

7. DOCUMENT RESPONSIBILITY

Responsible manager	Svein Vestermo (Interim Group CEO)
Responsible for policy	Svein Vestermo (Group CFO)
Approved by	Board of Directors
Date for approval	20231219
Date of validity	
Reviewed by	
Date of latest review	20231210