

P/F BAKKAFROST HOLDING

MEETING DATE	Fri, 18 Oct 2019 15:00	TYPE	EGM	ISSUE DATE	Wed, 02 Oct 2019
MEETING LOCATION	Bakkavegur 9, FO-625 Glyvrrar				
CURRENT INDICES	PIRC Global				
SECTOR	Animal aquaculture				

COMPANY OVERVIEW

Bakkafrost is a salmon producer from the Faroe Islands.

MEETING SPECIFIC INFORMATION

No quorum required for ordinary resolutions at this meeting. Resolutions under ordinary business are approved by simple majority of the votes cast.

Special business resolutions require a quorum of two thirds of the voting capital to be represented at the meeting and support from two thirds of the votes cast.

PROPOSALS		ADVICE
1	Elect Chair of the Meeting Standard resolution.	For
2*	Amend Articles This proposal is considered to be a technical item in order to publish a new version of the Articles, including the changes in share capital, approved during the year and within the limits of the authorized capital. The Company has concluded a share purchase agreement with Northern Link Limited on 25 September 2019, pursuant to which it has purchased 133,125,109 shares in The Scottish Salmon Company PLC (representing approx. 68.6% of all of its shares). The purchase price for these shares was NOK 3,760,784,329.25 of which 30%, NOK 1,128,235,299, has been financed by a seller's credit, which is intended to be settled by the Company by the issue of 2,256,470 new shares to Northern Link Limited at a subscription price of NOK 500 (the "Northern Link Settlement Shares"). The Company has part financed the purchase price for the shares in The Scottish Salmon Company PLC by a placement of 7,328,709 new shares at a subscription price of NOK 500, which will be completed on 30 September 2019 (the "Private Placement"). 4,800,000 of these shares will be issued by the board of the Company based on their current authority to issue new shares. The remainder, approx. 2,500,000 shares, will be borrowed from Mr. Regin Jacobsen for settlement purposes (the "Borrowed Shares"). It is therefore proposed to issue an equal number of new shares to the Borrowed Shares in order to settle the loan from Mr. Jacobsen. Support is recommended.	For
3	Miscellaneous and Other Items Nothing has been received under this agenda item. Non-voting agenda item. <i>* = Special resolution</i>	Non-Voting

BOARD AND COMMITTEE COMPOSITION (post-Meeting)

DIRECTOR	GENDER	INDEPENDENT BY			BOARD	AC	RC	NC	SC	TENURE
		PIRC	COMPANY							
Runi M. Hansen	M	No	Yes		Ch	C	-	-	-	10
Johannes Jensen	M	No	Yes		VCh	-	-	-	-	10
Teitur Samuelson	M	No	Yes		NED	M	-	-	-	3
Annika Frederiksberg	F	No	No		NED	-	-	-	-	11
Oystein Sandvik	M	Yes	Yes		NED	M	-	-	-	6
Number of Meetings					-	-	-	-	-	
Number of NED only Meetings					-					

PIRC assesses a non-executive director's independence according to PIRC's shareholder guidelines. Comments represent PIRC's analysis based on information in the report and accounts. AC = Audit Committee, RC = Remuneration Committee, NC = Nomination Committee, SC = Sustainability Committee, C = Chair of Committee, M = Member of Committee.

BOARD OF DIRECTORS (post-Meeting)

RUNI M. HANSEN		CHAIR (NON EXECUTIVE)			
AGE	52	TENURE	10 Years	COMMITTEES	A*
OTHER POSITION	Tjaldur [Exec-Ch]; ex-Statoil [Exec]; ex-World Economic Forum's Global Agenda Council on the Arctic [Mem]				
INDEPENDENT BY PIRC	N	INDEPENDENT BY COMPANY			Y
COMMENT	Not considered independent owing to a tenure of over nine years.				
JOHANNES JENSEN		VICE CHAIR (NON EXECUTIVE)			
AGE	57	TENURE	10 Years	COMMITTEES	None
OTHER POSITION	Faroe Islands Tourist Board [Ch]; P/F Frost [Ch]; P/F Gist & Vist [MD]; ex-Faroe Seafood [Exec]; ex-Hotel Føroyar [Exec]				
INDEPENDENT BY PIRC	N	INDEPENDENT BY COMPANY			Y
COMMENT	Not considered independent owing to a tenure of over nine years. There are concerns over the director's potential aggregate time commitments.				
TEITUR SAMUELSON		NON-EXECUTIVE DIRECTOR			
AGE	47	TENURE	3 Years	COMMITTEES	A
OTHER POSITION	Betri Trygging [NED]; P/F 6. September [NED]; P/F Eystur- og Sandoyartunlum [MD]; Vest Pack [NED]; ex-Atlantic Petroleum [Exec]; ex-Dong [n/d]; ex-KMPG [n/d]; ex-Tryggingarfelagið Føroyar [NED]				
INDEPENDENT BY PIRC	N	INDEPENDENT BY COMPANY			Y
COMMENT	Not considered to be independent as he has been Financial Manager at the Company for the period 2009-2014 and was on the Board at the Marine Department in Tryggingarfelagið Føroyar, with which the Company had related party transactions. There are concerns over the director's potential aggregate time commitments.				
ANNIKA FREDERIKSBERG		NON-EXECUTIVE DIRECTOR			
AGE	47	TENURE	11 Years	COMMITTEES	None
OTHER POSITION	Bakkafrost [Exec]				
INDEPENDENT BY PIRC	N	INDEPENDENT BY COMPANY			N
COMMENT	Not considered to be independent as she is the Sales Manager at Bakkafrost.				

OYSTEIN SANDVIK		NON-EXECUTIVE DIRECTOR			
AGE	71	TENURE	6 Years	COMMITTEES	A
OTHER POSITION	Coldwater Prawns of Norway AS [NED]; ex-Nordea Bank Norge [Exec]				
INDEPENDENT BY PIRC	Y	INDEPENDENT BY COMPANY			Y

BOARD COMPOSITION

BOARD COMPOSITION FOLLOWING THE EGM

	Number	% of Board
Executive Director	0	0.0
Independent NEDs	1	20.0
Connected NEDs	4	80.0
Other	0	0.0

BOARD COMMITTEES FOLLOWING THE EGM

	Number of Members	% Women	% Independent by PIRC	% Independent by Company
Whole Board	5	20.0	20.0	80.0
Audit	3	0.0	33.33	100.0

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