

## Statement on remuneration to the executive management of Akastor

This statement has been prepared by the board of directors of Akastor ASA on 7 March 2017 in accordance with the Norwegian Public Limited Liability Companies Act section 6-16a. The statement contains guidelines and main principles for the company's remuneration to its executive management.

This statement has been prepared as a separate document to be presented and processed at the company's annual general meeting to be held 6 April 2017. The guidelines for remuneration to executive personnel apply to the financial year 2017. Any deviations from the guidelines shall be decided by the board of directors of Akastor ASA, and the reason for such deviations shall be included in the minutes of board meeting.

The company's annual report provides more detail on the remuneration received by members of the executive management in 2016.

### General

The main purpose of the executive remuneration is to encourage a strong and sustainable performance-based culture, which supports growth in shareholder value.

As of 31 December 2016, the executive management of Akastor comprises the company's CEO, Kristian Røkke, CFO Leif H. Borge, Investment Director Paal E. Johnsen and Investment Director Karl Erik Kjelstad. The company practices standard employment contracts and standard terms and conditions regarding notice period and severance pay for the Akastor management. Kristian Røkke and Paal E. Johnsen have a three months' notice period as part of their employment contracts, while Leif H. Borge and Karl Erik Kjelstad both have a six months' notice period.

Compensation to the executive management has a fixed element which includes a base salary which pursuant to the company's benchmarking is competitive with other investment companies. In addition, the executive management has variable remuneration, as further described in this statement. All variable pay shall be subject to a cap.

The remuneration to the executive management shall be recommended by the CEO and approved by the board of directors of Akastor ASA on an annual basis. The same principles for executive wage settlement will be applied in 2017.

### Benefits

The executive management participates in the standard employee, pension and insurance plan applicable to all employees in the company. No executive personnel in Akastor has performance based pension plans and there are no current loans, prepayments or other forms of credit from the company to its executive management. No members of the executive management are part of any option- or incentive programs other than what is described in this statement.

### Share purchase programs

The company had no regular share purchase program in 2016. Should the board of directors decide to launch a share purchase program in 2017, the executive management will be invited to participate. Had a regular share purchase program been executed in 2016, the CEO would have been entitled to purchase up to 200 000 treasury shares, as informed in the stock exchange announcement on 16 July 2015.

All shares purchased under the programs described above are subject to a three year lock-up period under which the acquired shares may not be sold or otherwise disposed of.

The executive management may also be offered to take part in separate share purchase programs, such as programs with a higher maximum purchase amount than for other managers.

### Performance based remuneration

In addition to the fixed compensation set out above, the executive management as well as other members of the corporate organization participates in a variable pay program. The objective of the program is to incentivise the management to contribute to sound financial results for the company as well as executing leadership in accordance with the company's values and business ethics. The variable pay programme potential is maximised to 100 percent of the annual base salary.

The payments under the variable pay program are determined based on three components:

- a) Development of Akastor ASA's share price
- b) Delivery of certain key financial and operational targets for Akastor
- c) Delivery of personal performance objectives during the year

For the CEO, payments under the variable pay program are determined based on development of Akastor ASA's share price only. Since the variable pay program for the executive management is partly linked to the development of the Akastor ASA share price, it requires approval by the general meeting and the guidelines will thereafter be binding.

Further, the executive management may be offered additional variable pay arrangements going forward which differs from the ordinary variable pay program described above. The variable pay arrangements offered to the executive management may in its entirety be linked to the development of the company's share price. The executive management may from time to time be granted a discretionary variable pay.