

## Statement on remuneration to the executive management of akastor

This statement has been prepared by the board of directors of Akastor ASA on 14 March 2019 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 9 April 2018. The guidelines for remuneration to executive personnel apply to the financial year 2019. 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 the board meeting.

The company's annual report provides more detail on the remuneration received by members of the executive management in 2018.

### 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 2018, the executive management of Akastor comprised the company's CEO, Karl Erik Kjelstad, CFO Leif H. Borge and Investment Director Paal E. Johnsen. The company practices standard employment contracts and standard terms and conditions regarding notice period and severance pay for the Akastor management. Karl Erik Kjelstad and Leif H. Borge both have a six months' notice period as part of their employment contracts, while Paal E. Johnsen has a three 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 2018.

### 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 2018.

(However, as agreed by the board of directors in December 2018, the executive management took part in a corporate share purchase program that was completed in Q1 2019. Kjelstad and Borge purchased shares under this program and which are subject to a three year lock-up period during which the acquired shares may not be sold or otherwise disposed of.)

### 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, recruit and retain key personnel as well as executing leadership in accordance with the company's values and business ethics. The potential payment under the variable pay program is set individually, with 100 percent of the annual base salary as the maximum.

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, operational and strategic targets for Akastor
- c) Delivery of personal performance objectives during the year

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.