

# Statement on remuneration of executive management

## 1. Overview

This statement is prepared by the board of directors of Aker Solutions ASA in accordance with section 6-16a of the Norwegian public limited liability companies act. The statement contains the guidelines and main principles for the company's remuneration of executive personnel applicable to the financial year 2017. Comments are also included on the remuneration practices applied by the company in 2015.

This statement has been prepared as a separate document to be presented and processed at the company's annual general meeting to be held on April 7, 2016.

## 2. Advisory guidelines for executive remuneration (non-binding)

*NOTE: The guidelines covered by this section 2 address general aspects and principles for executive remuneration and are subject to a separate vote at the annual general meeting, the result of which is advisory (non-binding) to the board of directors*

The following advisory guidelines shall apply for the financial year 2017:

### Overall principles

- 2.1 The main purpose of the company's remuneration of executive management is to encourage a strong and sustainable performance-based culture which supports growth in shareholder value over time based on responsible business practices and aligned with company values.
- 2.2 The total remuneration to executive management should be competitive compared to peer companies within the industry and comprise (i) a market based basic salary, (ii) standard employee benefits and (iii) variable pay.
- 2.3 Standard employment contracts (including company customary benefits for employees) and standard terms and conditions concerning notice period and severance pay – within applicable law and aligned with company interests – should apply to executive management.
- 2.4 Executive management should be included in the company's standard pension and insurance schemes on the same terms and conditions as ordinary employees. Additional group life and disability insurance, subject to a cap, may be offered to executive management.
- 2.5 Executive management should not receive any fee or other compensation for any director appointment on the board of subsidiaries within the group, save for reimbursement of travel and other out-of-pocket expenses in connection with board meetings.

## Variable pay

- 2.6 The company should have a variable pay program (bonus program) for the executive management. The objectives of the program should be to encourage achievement of good financial results, increase in shareholder value and strong execution of leadership based on sustainable business operations and in accordance with the company's values and ethical standards.
- 2.7 The variable pay program should be based on definable and measurable criteria, and the objectives of the program should be clearly aligned with those of the company.
- 2.8 The elements to comprise the variable pay program and payments thereunder should include achievement of defined financial results of the company and individual performance objectives. In addition, there should be a component varying payment based on continued employment.
- 2.9 There should be an annual cap on payments under the variable pay program. The cap should not exceed 80 percent of the annual basic salary.
- 2.10 Executive management may in addition to the ordinary variable pay program, in special circumstances, be granted a discretionary variable pay.

## 3. Binding guidelines for executive remuneration

NOTE: *The guidelines covered by this section 3 address elements of executive remuneration linked to shares or the company's share price and are subject to a separate vote at the annual general meeting, the result of which is binding to the board of directors*

The following binding guidelines shall apply for the financial year 2017:

- 3.1 The development of the company's share price may be one of the elements, or the only element, comprising the variable pay program set out in section 2.8 above.
- 3.2 The chief executive officer may be offered a variable pay arrangement which differs from the ordinary variable pay program applicable to others within the executive management such that the variable pay scheme offered to the chief executive officer may in its entirety be linked to the development of the company's share price relative to the share price development of a peer group of companies. The variable pay arrangement applicable to the chief executive officer shall include an annual cap not to exceed 2/3 of the executive's annual basic salary.
- 3.3 Remuneration of the chief executive officer and others within the executive management shall not include share options or arrangements related or similar to share options.
- 3.4 Executive management may be offered to take part in a separate share purchase program based on the same principles as the share program for ordinary employees, but with a higher maximum purchase amount. Shares under such a management program may be offered at a price reduction – identical to that under the ordinary share purchase program – in exchange for the participants accepting a defined lock-up period on the acquired shares.

#### 4. The remuneration practices applied in 2015

The remuneration of executive management during the financial year 2015 has been in accordance with adopted guidelines. Remuneration agreements for executive management adopted and applied during 2015 are aligned with the interests and values of the company and support long term sustainability and growth of the business.

The company's annual report for 2015 in note 27 to the consolidated financial statements provide details of the remuneration received by members of the executive management in 2015 including information concerning notice period and the entitlement to severance pay, and a description of the company's variable pay program is also presented.

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