

## **Appendix to item 8**

### **TECHSTEP ASA**

#### **THE BOARD'S DECLARATION ON DETERMINATION OF SALARIES AND OTHER REMUNERATION TO THE EXECUTIVE MANAGEMENT FOR 2017**

##### **General**

This statement has been prepared by the Board of Directors ("Board") of Techstep ASA ("Techstep" or the "Company") in accordance with Section 6-16a of the Norwegian Public Limited Liability Companies Act (the "Act") for consideration in the Annual General Meeting 27 April 2017. The principles defined for the salary and other compensation in this statement is for fiscal year 2017.

##### **Guidelines for determining the remuneration of senior executives**

The Board has appointed a remuneration committee under management of a board member. The remuneration committee monitors decisions regarding remuneration and other terms for the executive management. The CEO's total compensation, and any adjustments thereto, is first reviewed by the remuneration committee and then approved by the Board. The Board considers CEO compensation each year. The compensation of the other members of the executive management, including adjustments of these, are agreed between the CEO and the respective manager in consultation with the chairman of the Board.

The Company will offer executive management competitive terms and offers a fixed salary and a variable part. The fixed part will reflect the individual manager's responsibilities and performance. The variable component will be capped at 50 % and the assessment is based on the Company's and individual's achievement.

The Board has resolved to grant 3 million share options to CEO Gaute Engbakk, and 1.5 million share options to each of CFO Marius Drefvelin and Chief Innovation Officer Mads Vårdal. The option grant is subject to the approval of the Annual General Meeting of Techstep. The options vest in three tranches with 1/3 per tranche, on the first, second and the third anniversary after the grant at a strike price of NOK 5.70, 6.50 and 7.00, respectively. In order to be able to recruit additional executive managers, organically or through acquisition, the Board shall be able to grant 7.500.000 options on similar terms as the existing executive management.

Benefits in kind may be offered to senior employees to the extent that the benefit in question is related to the employee's function or are in line with market practice. The benefits in kind may not be material compared to the employee's fixed salary.

The pension scheme for the CEO and remaining senior executives is accounted for in Note 7 and 18 to the 2016 annual accounts. The agreed notice for the CEO is 6 months. In the event of a dismissal by the Company, the CEO is entitled to a severance pay of 6 months from the end of the notice period. For other senior executives, the agreed termination notice period is from 3 to 6 months.

**Report on remuneration policy and the effects of compensation agreements in the preceding financial year**

The policy of remuneration in the Company for fiscal year 2016 has been completed in accordance with the guidelines for determining salaries and other remuneration that were considered and approved. by the Annual General Meeting in April 2016. There has not been established new agreements or made amendments to existing agreements in 2016 that may have had effects on the Company and/or its shareholders.

Oslo, 27 March 2017  
For the board of directors of Techstep ASA

Einar J. Greve