



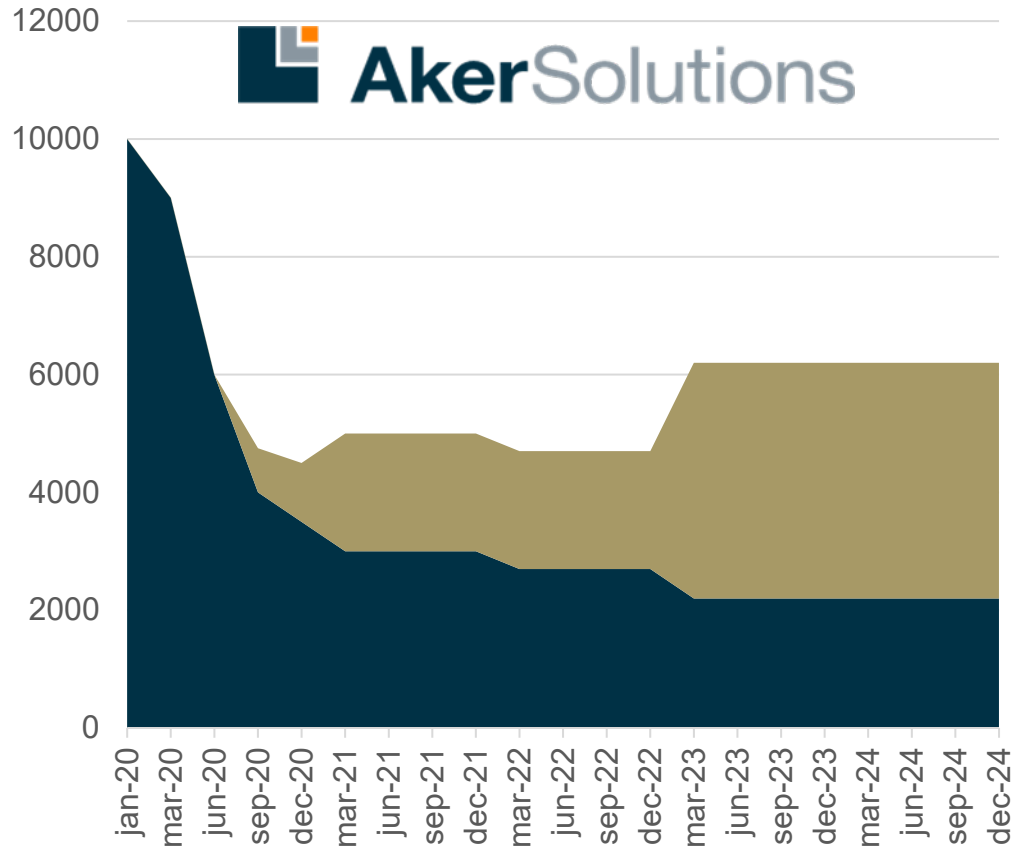
Proud ownership

Consequences for Aker's oil and gas companies

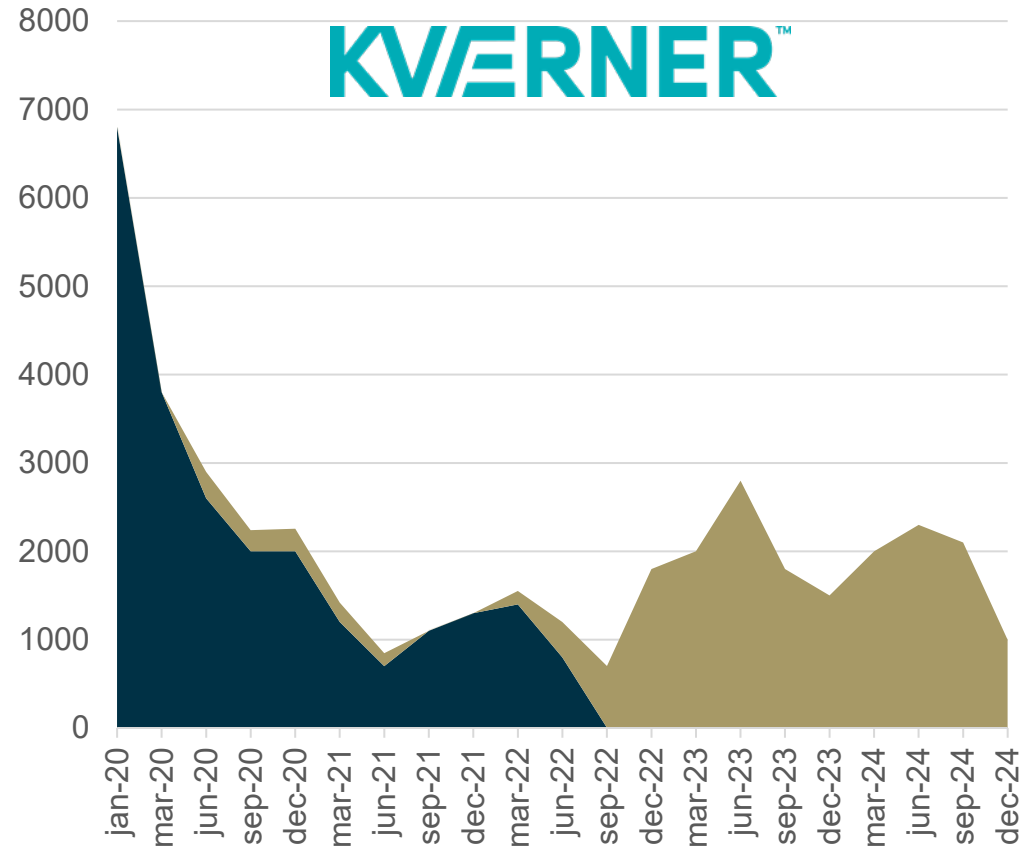
May 8, 2020



Development of Norwegian jobs

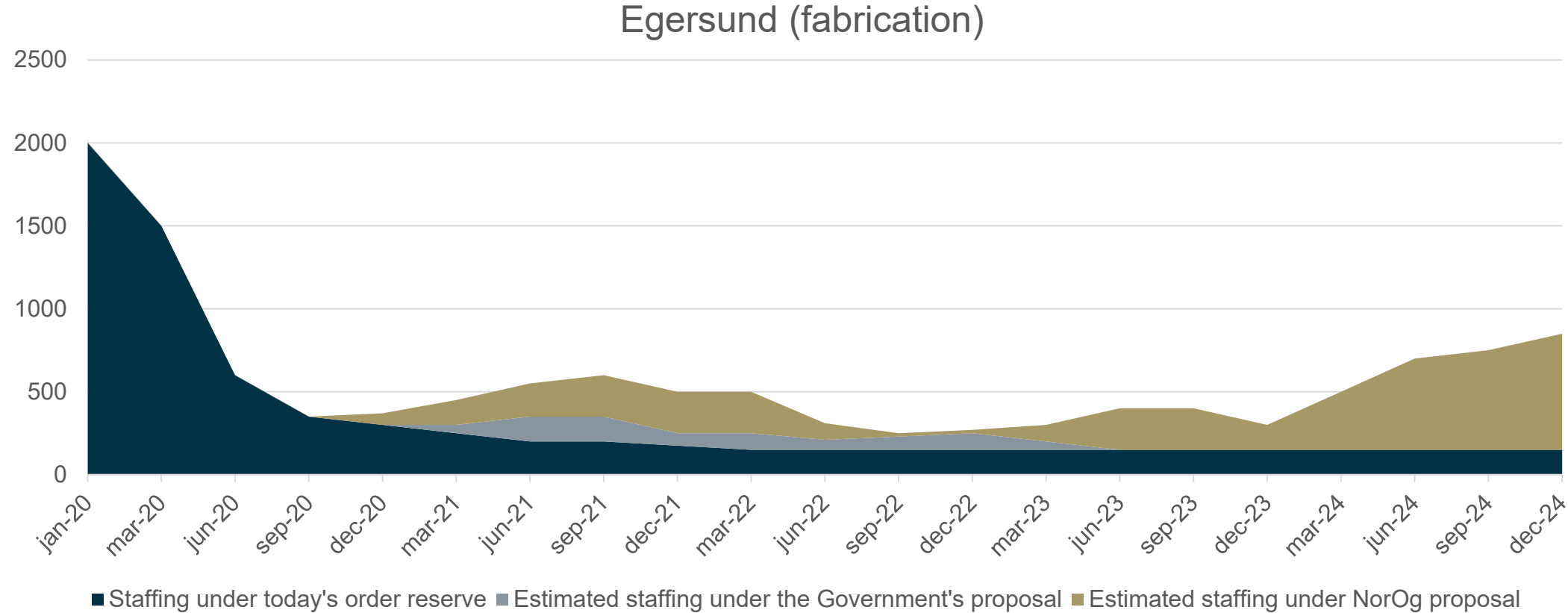


■ Estimated staffing under NorOg proposal
■ Staffing under today's order reserve
The Government's proposal has little impact



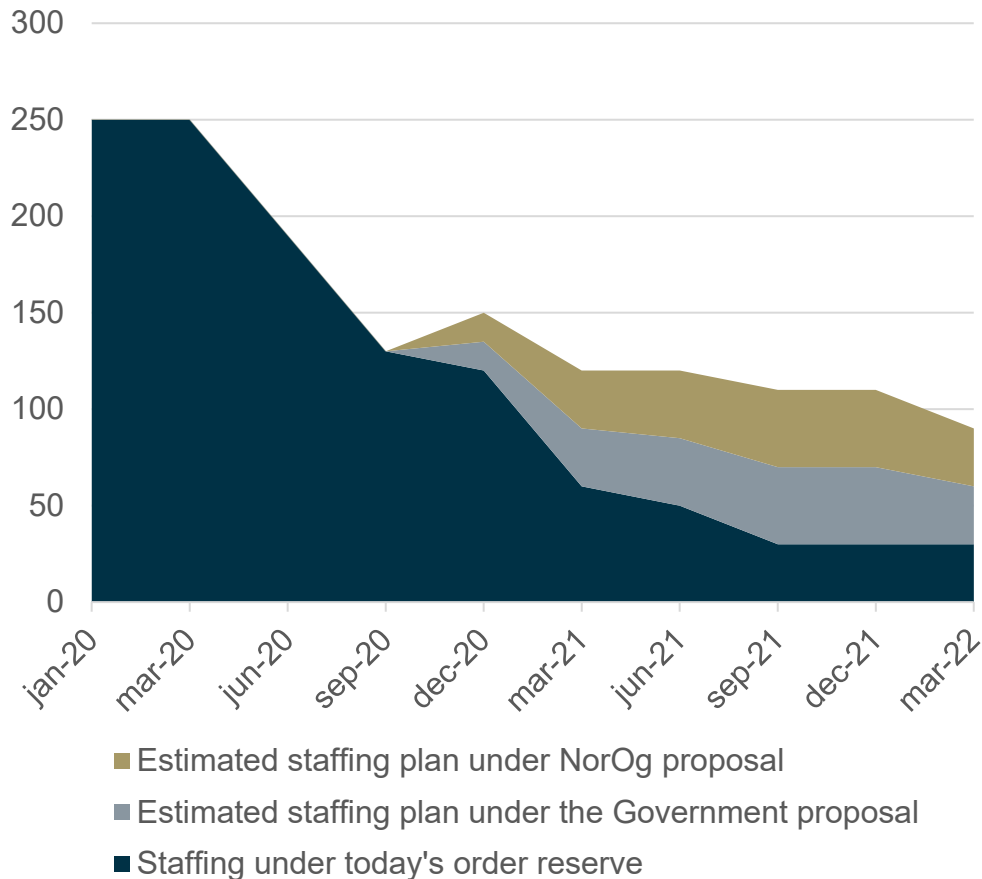
■ Estimated staffing under NorOg proposal
■ Staffing under today's order reserve and the government's proposal
The Government's proposal has no impact

Staffing plan at Aker Solutions' business locations 1/3

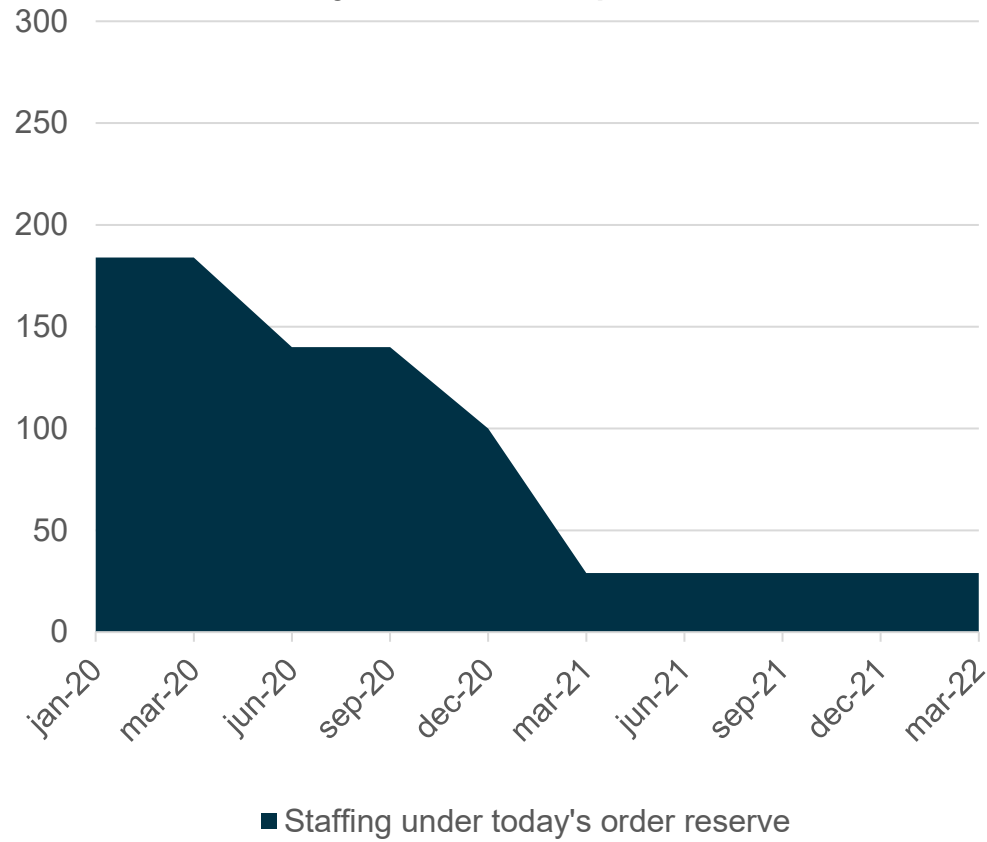


Staffing plan at Aker Solutions' business locations 2/3

Tranby – Subsea Engineering

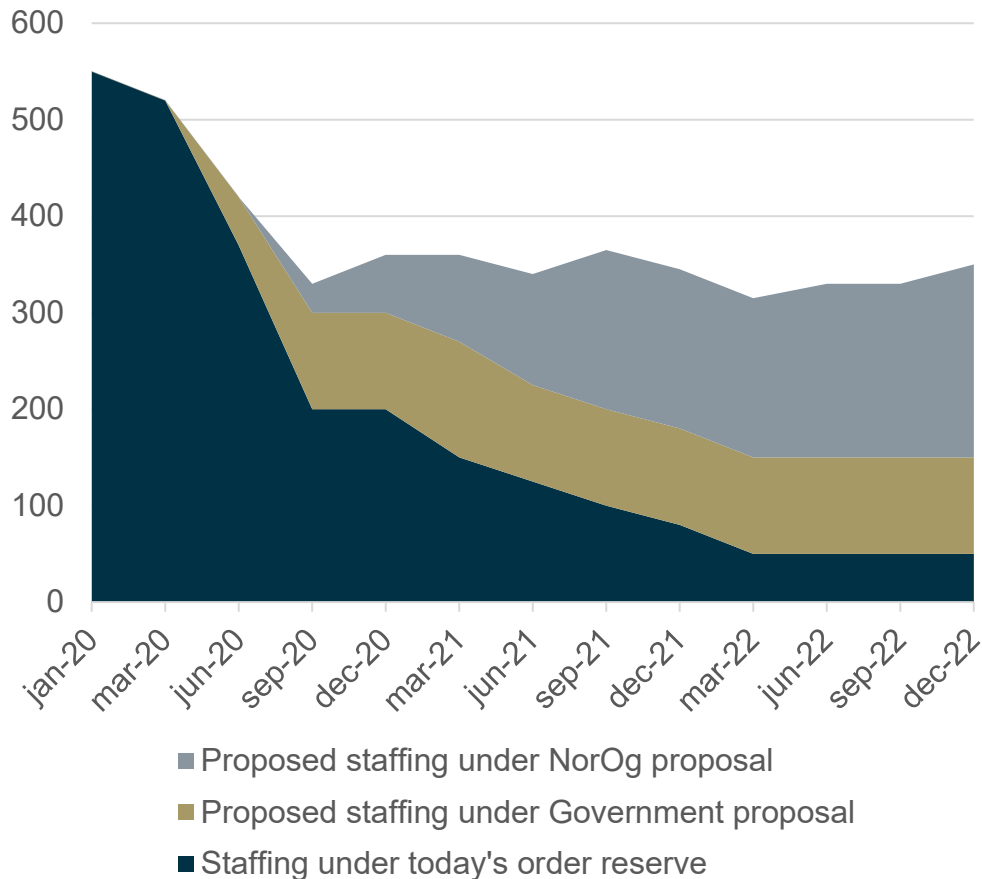


Tranby – Subsea production

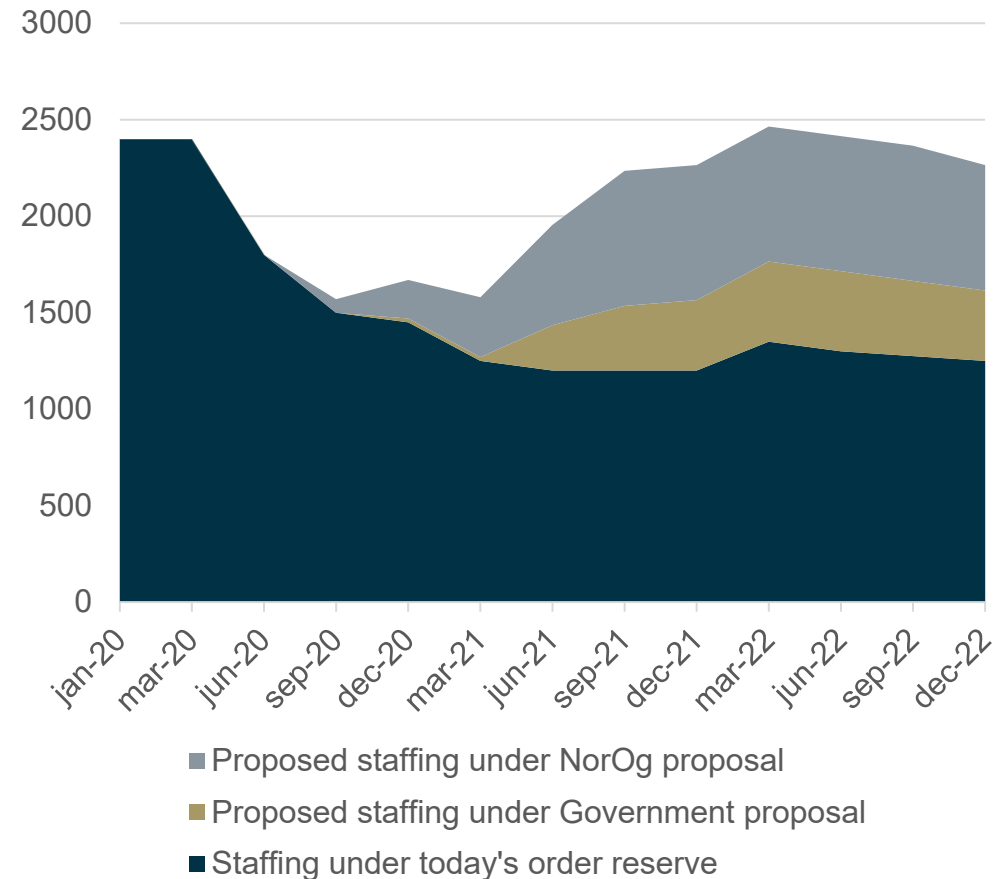


Staffing plan at Aker Solutions' business locations 3/3

Engineering Services Norway

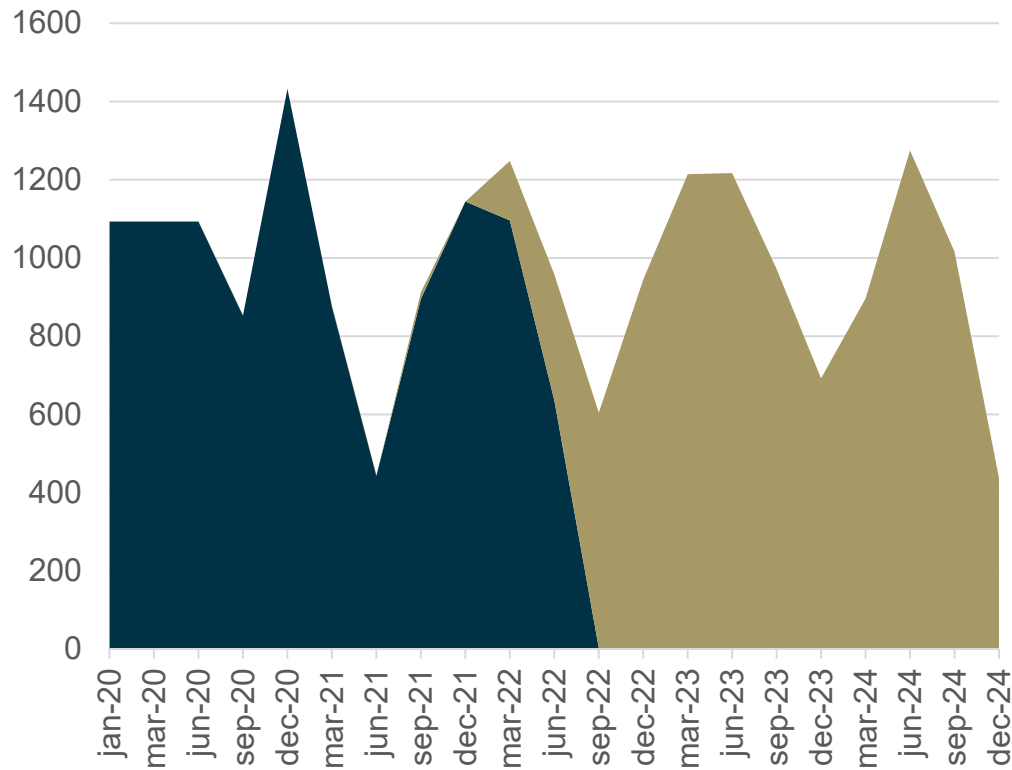


MMO Norway



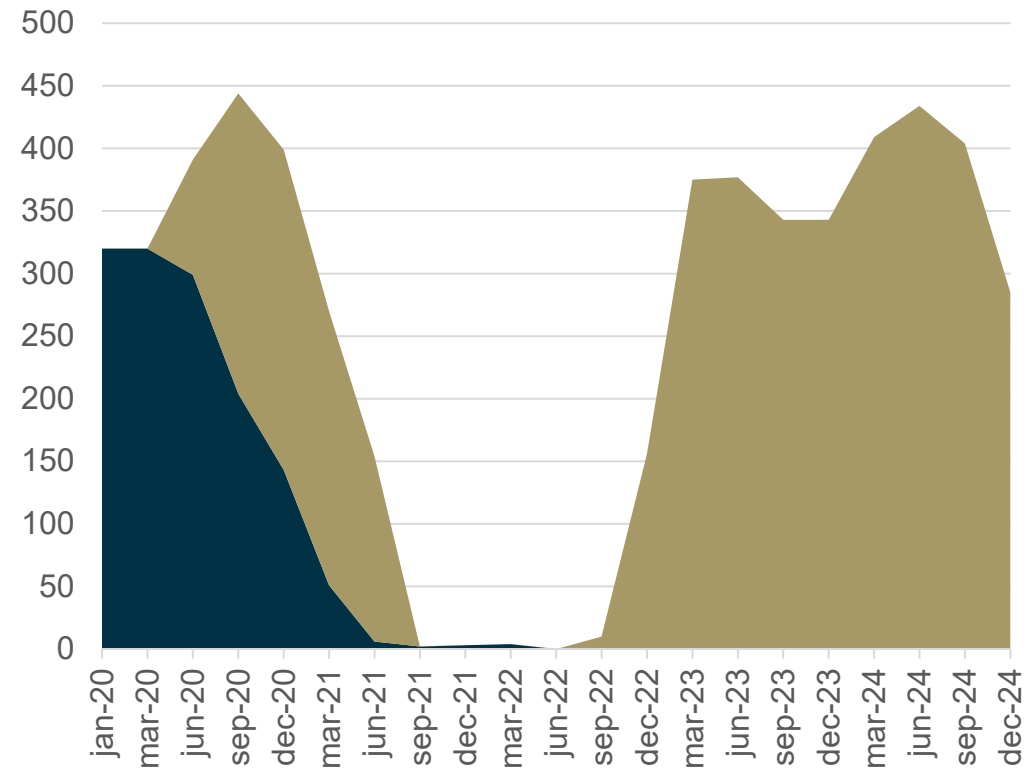
Staffing plan at Kvaerner's business locations

Fabrication Stord



■ Proposed staffing under NorOg proposal
■ Staffing under today's order reserve
*Government's proposal has **no** effect*

Fabrication Verdal



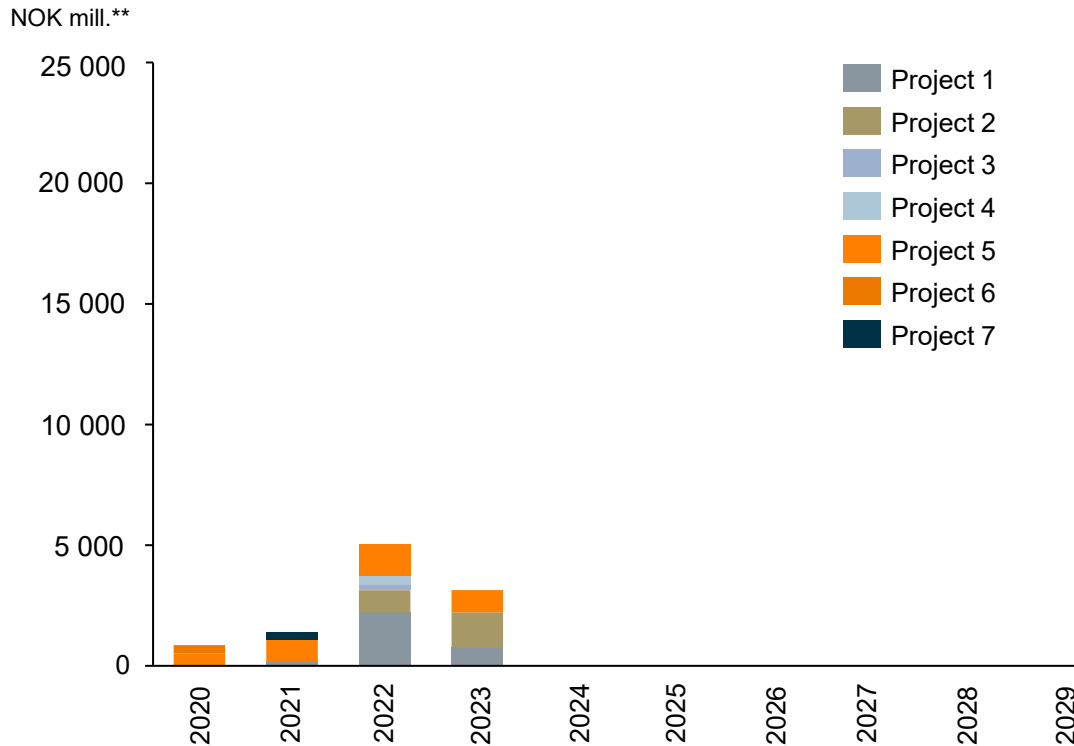
■ Proposed staffing with NorOg's proposal
■ Staffing with today's order reserve
*Government's proposal has **no** effect*

Large new developments have the greatest ripple effects

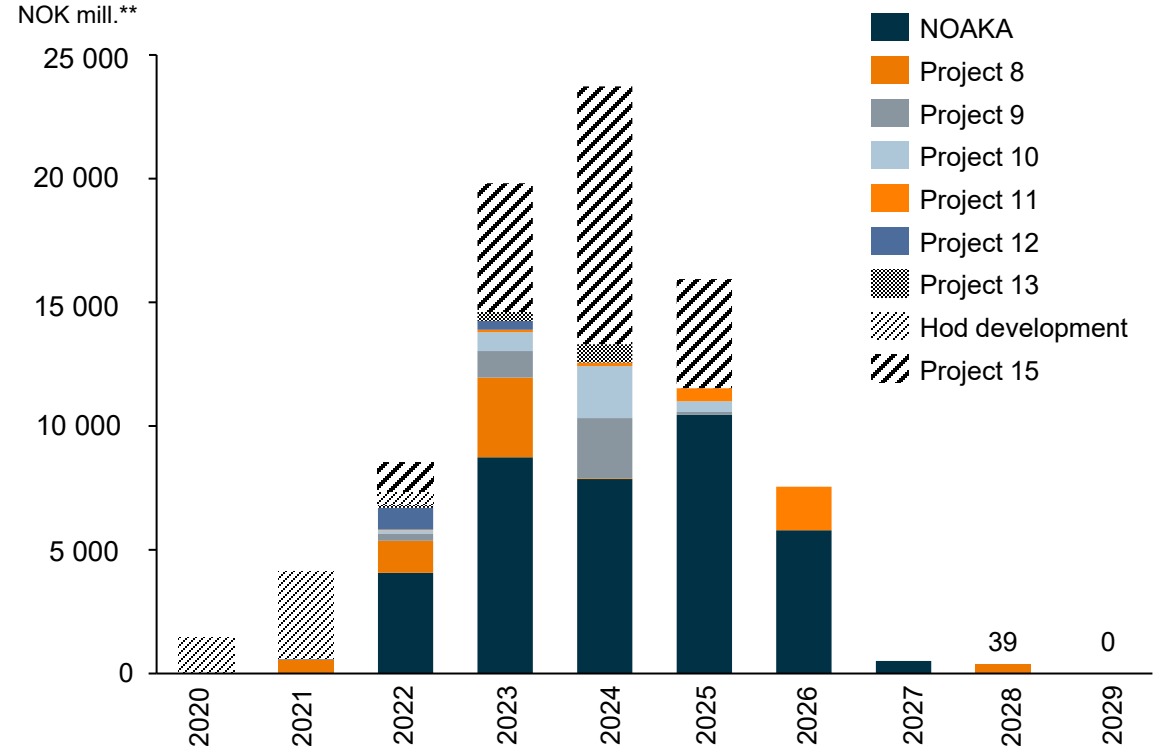


Example: Aker BP project portfolio

- Some small-scale projects will benefit from the government's tax proposal
- ...while larger-scale projects see no upside as the government's proposal does not provide sufficient profitability improvement or realistic timelines due to limited tax changes and short deadlines compared to NorOg's proposal



Typical projects and suppliers expected with the Government's proposal:
Production drilling, in-field drilling and smaller tie-ins performed by international drilling and service companies



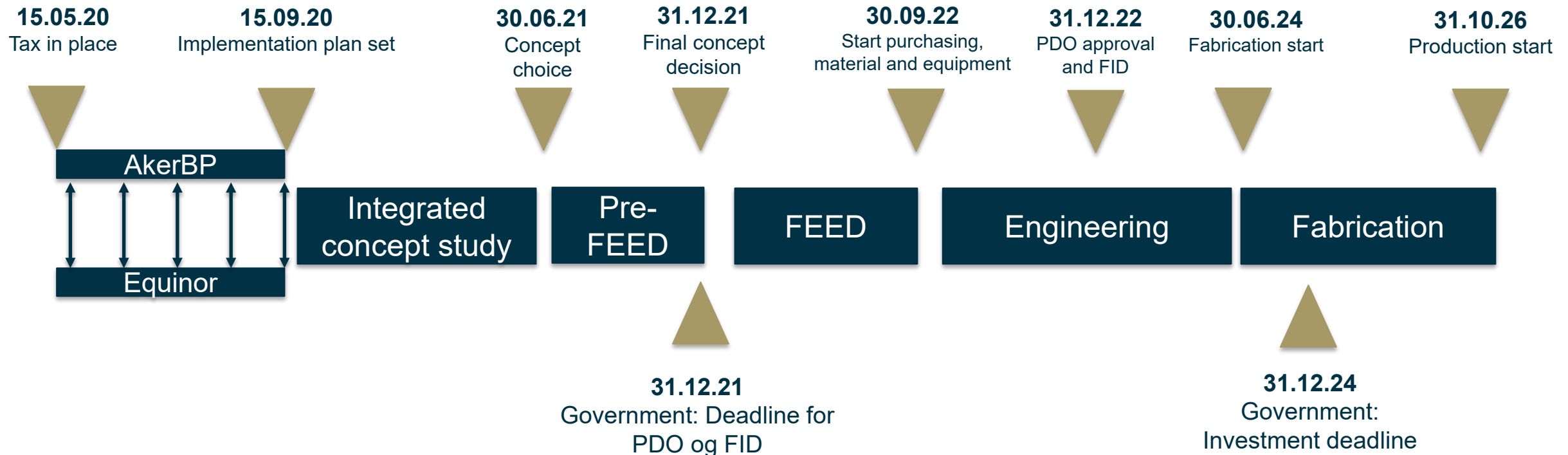
Typical projects and suppliers that can only be implemented with NorOg's proposal:
Engineering services, project management, fabrication and installation performed by Norwegian and international companies and yards

- The Government's proposal increases profitability by approx. USD 1 per barrel of oil, while NorOg's proposal increases profitability by an average of approx. USD 10 per barrel
- NorOg's proposal gives a time effect to the oil companies by covering the state's share of the investments continuously. The time advantage is offset by interest. NorOg's proposal increases fiscal revenue for the state
- **One billion NOK invested creates about 1,000 full-time equivalents in the supplier industry and subcontractors

Deadlines in the Government's proposal make larger developments impossible



Example NOAKA: 50,000 FTEs — 6-7 years completion time



Aker Solutions: Important for a sustainable Norwegian industry



- Approx. 10,000 employees (approx. 6,000 direct employees) in Norway before Covid-19
- Approx. 24,000 in total employment effect in Norway before Covid-19
- Important for the value chain and value creation across Norway; NOK 10 billion spent on 2,500 Norwegian suppliers in 2019
- Annual payment of personal tax, employer's tax contribution, etc*
 - Approx. NOK 6.6 billion
- Ability and willingness to invest in facilities and industrial workforces
 - NOK 1.6 billion invested in Norway since 2014**
- Important for training of skilled workers and engineers
 - Aker Solutions typically employs 70 apprentices every year**
- Important for the development of renewable industry
 - Offshore wind, low carbon solutions/electrification and CCUS

A close-up photograph of a red jacket. On the sleeve, the Aker Solutions logo is visible. The logo consists of a white square icon with a stylized 'A' shape inside, followed by the text "Aker Solutions" in a white, sans-serif font.

* Based on a total employment effect of 24,000

** Since the establishment of today's Aker Solutions in 2014, incl. initiated investments

Kvaerner: Important to Norwegian industry, important to local communities

- Approx. 6,800 employees (approx. 2,800 direct employees) in Norway before Covid-19
- Approx. 12,000 in total employment effect in Norway before Covid-19
- A hub for assignments to other suppliers and value creation across Norway
- Annual payment of personal tax, employer tax, etc.*
 - Approx. NOK 3.5 billion
- Ability and willingness to invest in facilities and industrial workplaces
 - NOK 1.7 billion since 2011**
- Important for the training of skilled workers and engineers
 - Typically over 100 apprentices at Kvaerner every year*
- Important for the development of renewable industry
 - Offshore wind
 - Low-carbon solutions



KVAERNER™

• Based on total employment effect of 12,000
• Since the establishment of today's Kvaerner in 2011, incl. Initiated investments
*** Including incoming and outgoing class

MHWirth: Important for development of drilling equipment and other Norwegian offshore technology



- 871 employed in Norway before Covid-19
 - Kristiansand 572
 - Horten 55
 - Oslo 72
 - Lyngdal 52
 - Stavanger 39
 - Frontica Engineering (Kristiansand) 81
- Competence and capacity for shift to and development of low-emission solutions and green technology
- Can contribute to Norwegian technology development within the following segments:
 - Future-focused drilling technology
 - Offshore wind
 - Mineral extraction on the seabed, in line with the government's ocean strategy

Status



KVÆRNER™

- Already reduced staffing in Norway from approx. 6,800 to approx. 3,500 as a result of COVID-19 and decline in oil price
- Workforce in Norway is planned to be further reduced to below 1,000 by July 2021 without new projects
- Verdal: Full stop in 2021 without new projects
- Stord: Full stop in 2022 without new projects
- Significantly reduced activity at divisions in Oslo, Stavanger and Trondheim for planning new projects, project management and purchasing from subcontractors
- Nearly all development work on new forward-looking solutions has been halted
- Nearly all training activity has been halted

AkerSolutions

- Already reduced staffing in Norway from approx. 10,000 to approx. 6,000 as a result of COVID-19 and decline in oil price
- Workforce in Norway will have to be significantly reduced by July 2021 without new projects
- Subsea valve tree production is shut down in Norway, Tranby is scaled down from 2021
- Production in Sandnessjøen will be closed from autumn 2020
- Oslo, Stavanger, Bergen (Sandsli and Ågotnes), Kristiansund, Moss and Trondheim are downscaled due to reduced demand
- Egersund already significantly scaled down staffing and the downscaling will continue from autumn 2020 without new projects

Status



- Already reduced staffing in Norway by 90 as a result of Covid-19 and decline in oil price
- Staffing in Norway will be further reduced by approx. 210 during 2020 without new projects
- Divisions in Oslo, Horten, Stavanger will be downsized / shut down and come below critical level without new projects
- Fabrication in Lyngdal and Kristiansand will be scaled down in 2021
- Development projects aimed at renewable solutions will be downscaled
- Breidablikk could provide MHWirth with billion-NOK contract for next-generation “green drilling” package



Ripple effect per NOK 1 billion in lost revenue*

	Area	Description of impact		
Project overview	Project description	<ul style="list-style-type: none"> Standard SPS (Ærfugl as example) – Aker Solutions 	<ul style="list-style-type: none"> Standard EPMa (JC as example) – Aker Solutions 	<ul style="list-style-type: none"> Standard topside – Kvaerner
	Project value	<ul style="list-style-type: none"> 1000 MNOK 	<ul style="list-style-type: none"> 1000 MNOK 	<ul style="list-style-type: none"> 1000 MNOK
	Purchase of consumer goods	<ul style="list-style-type: none"> 160 MNOK 	<ul style="list-style-type: none"> 33 MNOK 	<ul style="list-style-type: none"> 140 MNOK
Employment effects	Direct employment in Norway	<ul style="list-style-type: none"> 320 FTEs 	<ul style="list-style-type: none"> 600 FTEs 	<ul style="list-style-type: none"> 250 FTEs
	Indirect employment in Norway	<ul style="list-style-type: none"> 960 FTEs* 	<ul style="list-style-type: none"> 1800 FTEs* 	<ul style="list-style-type: none"> 750 FTEs*
	Total salary costs	<ul style="list-style-type: none"> 218 MNOK (870 MNOK*) 	<ul style="list-style-type: none"> 500 MNOK (1 632 MNOK*) 	<ul style="list-style-type: none"> 150 MNOK (600 MNOK*)
Public financial effect	Employer tax	<ul style="list-style-type: none"> 31 MNOK (123 MNOK*) 	<ul style="list-style-type: none"> 71 MNOK (230 MNOK*) 	<ul style="list-style-type: none"> 21 MNOK (85 MNOK*)
	Personal tax	<ul style="list-style-type: none"> 65 MNOK (261 MNOK*) 	<ul style="list-style-type: none"> 150 MNOK (490 MNOK*) 	<ul style="list-style-type: none"> 45 MNOK (180 MNOK*)
	Corporate tax	<ul style="list-style-type: none"> 11 MNOK 	<ul style="list-style-type: none"> 22 MNOK 	<ul style="list-style-type: none"> 11 MNOK

Impact of lost revenue – MHWirth

	Area	Description of impact		
Project overview	Project description	<ul style="list-style-type: none"> Standard drilling package semi-submersible rig -Awilco 	<ul style="list-style-type: none"> Standard drilling package fixed installation 	<ul style="list-style-type: none"> 3 upgrade packages (Heidrum, Grane, Visund)
	Project value	<ul style="list-style-type: none"> 1200 MNOK 	<ul style="list-style-type: none"> 1000 MNOK 	<ul style="list-style-type: none"> 300 MNOK
	Purchase of consumer goods	<ul style="list-style-type: none"> 168 MNOK 	<ul style="list-style-type: none"> 140 MNOK 	<ul style="list-style-type: none"> 42 MNOK
Employment effects	Direct employment in Norway	<ul style="list-style-type: none"> 340 FTEs 	<ul style="list-style-type: none"> 280 FTEs 	<ul style="list-style-type: none"> 72 FTEs
	Indirect employment in Norway	<ul style="list-style-type: none"> 1020 FTEs* 	<ul style="list-style-type: none"> 840 FTEs* 	<ul style="list-style-type: none"> 216 FTEs*
	Total salary costs	<ul style="list-style-type: none"> 236 MNOK (944 MNOK*) 	<ul style="list-style-type: none"> 195 MNOK (780 MNOK*) 	<ul style="list-style-type: none"> 50 MNOK (200 MNOK*)
Public financial effect	Employer tax	<ul style="list-style-type: none"> 34 MNOK (136 MNOK*) 	<ul style="list-style-type: none"> 28 MNOK (112 MNOK*) 	<ul style="list-style-type: none"> 7,1 MNOK (28,6 MNOK*)
	Personal tax	<ul style="list-style-type: none"> 71 MNOK (284 MNOK*) 	<ul style="list-style-type: none"> 58 MNOK (232 MNOK*) 	<ul style="list-style-type: none"> 15 MNOK (60 MNOK*)
	Corporate tax	<ul style="list-style-type: none"> 53 MNOK 	<ul style="list-style-type: none"> 77 MNOK 	<ul style="list-style-type: none"> 26,4 MNOK

