



## **NOMINATION COMMITTEE GUIDELINES**

**BW Offshore Limited**

Adopted by the General Meeting

on 21 May 2015

## **1 PURPOSE**

Pursuant to the bye-laws of BW Offshore Limited (the “**Company**”), the general meeting of the Company may resolve that the Company shall have a nomination committee (the “**Nomination Committee**”).

Pursuant to the bye-laws, the Nomination Committee shall (i) propose candidates for election to the board of directors (the “**Board of Directors**”) of the Company and propose the remuneration to be paid to members of the Board of Directors (including remuneration for work in any sub-committees of the Board), and (ii) propose candidates for election to the Nomination Committee and propose the remuneration to be paid to the members of the Nomination Committee. The guidelines set out herein relate to the duties of the Nomination Committee in this respect.

The Nomination Committee shall operate in accordance with the requirements of the corporate governance principles for the Company.

## **2 COMPOSITION**

The composition of the Nomination Committee should reflect a broad range of shareholder interests. The Nomination Committee shall consist of three members, and the majority of the committee shall be independent of the Board of Directors and the executive personnel of the Company. The Nomination Committee shall not include the Company’s chief executive officer or any other executive personnel.

The Nomination Committee is, the number of persons to comprise the committee is, and the committee members are, appointed by the shareholders in the general meeting of the Company, and the Nomination Committee may make its own nominations for candidates to be appointed as new members of the Nomination Committee. In this connection, the Nomination Committee shall pay particular attention to principles such as independence and the absence of conflicts of interest, while at the same time nominating candidates who have an understanding of the Company’s business. In its work on identifying proposed new members of the Nomination Committee, the Nomination Committee may have discussions with the shareholders that have significant ownership interests in the Company.

The Nomination Committee shall propose the remuneration to be paid to the members of the Nomination Committee. The Nomination Committee’s proposals in this respect shall include an explanation of how the committee has arrived at its proposal.

The Chairman of the Nomination Committee shall be appointed by the shareholders in general meeting.

## **3 DUTIES**

The Nomination Committee’s primary duty is to propose candidates for election as members of the Board of Directors.

The Nomination Committee shall also be responsible for proposing the remuneration to be paid to the members of the Board of Directors. The Nomination Committee’s proposals in this respect shall include an explanation of how the committee has arrived at its proposal.

#### **4 WORKING METHODS**

The Nomination Committee shall meet as often as it considers necessary, in person or via teleconference or videoconference.

The Nomination Committee constitutes a quorum if more than half its members are present or participate in the discussion of the matter in question. Decisions made by the Nomination Committee require the agreement of a simple majority of the members present at the meeting. In the event of an equal number of votes for and against a motion, the Chairman of the Nomination Committee shall have the deciding vote.

In reviewing the composition of the Board of Directors, the Nomination Committee shall take into consideration the results of the annual self-evaluation of the Board of Directors, and shall also endeavour to speak directly with members of the Board of Directors.

The Nomination Committee shall produce written minutes of its meetings and shall deliver its minutes to the Company for safekeeping. The Nomination Committee may allocate its tasks between its members. In all other respects the Nomination Committee shall itself determine how it operates.

#### **5 NOMINATION OF CANDIDATES FOR THE BOARD OF DIRECTORS**

Candidates nominated for election to the Board of Directors must satisfy the requirements for the appointment(s) pursuant to law and requirements of the corporate governance principles for the Company. Any member of the Board of Directors who is also a member of the Nomination Committee may offer himself for re-election to the Board of Directors. Pursuant to the bye-laws of the Company, any shareholder or the Nomination Committee may propose any person for re-election or election as a Director.

The Nomination Committee shall also take the following factors into account:

- (i) The Nomination Committee shall actively seek to represent the views of shareholders in general, and shall take into consideration the views of the largest shareholders when making its recommendations. The Nomination Committee should also consult relevant shareholders concerning proposals, and in order to strive that its recommendation have their support.
- (ii) In carrying out its work, the Nomination Committee shall have contact with the Board of Directors, the executive management and with shareholder groups. The Nomination Committee is entitled to contact any member of the Board of Directors and the Chief Executive Officer as it sees fit.
- (iii) That the Board of Directors should have sufficient expertise and experience to handle both its routine operational responsibilities and the strategic challenges that the Company faces. The Board of Directors' expertise and composition should also ensure that the normal sub-committees of the Board of Directors can be staffed appropriately.
- (iv) In addition to ensuring the availability of suitable expertise, the Nomination Committee is requested to pay attention to factors such as the balance of age and gender.
- (v) That the candidates are sufficiently independent of the Company's management, and that the Board of Directors as a whole is sufficiently representative of the Company's shareholders.
- (vi) That the candidates have sufficient time in relation to their other appointments and employment to carry out their duties as a member of the Board of Directors.

The Nomination Committee may or may not recommend any candidates for the election of members of the Board of Directors and members of the Nomination Committee suggested or proposed by any shareholder, the Board of Directors or any member of the Nomination Committee, and may provide recommendations on the suitability of such candidates for the Board of Directors and the Nomination Committee.

Before nominating a candidate for election, the Nomination Committee must seek confirmation from the individual in question that he or she is willing to accept the appointment if elected.

## **6 THE COMMITTEE'S RECOMMENDATIONS**

The Nomination Committee's recommendations shall be submitted in writing to the Chairman of the Board of Directors or, if the Chairman of the Board of Directors is a member of the Nomination Committee, to the Vice Chairman of the Board of Directors, or to such other recipient as the Board of Directors may instruct, no later than four weeks prior to the General Meeting at which the elections to the Board of Directors are to take place.

The Chairman of the Board of Directors may in specific cases impose a shorter or longer timetable for the Nomination Committee to submit its recommendations.

The Nomination Committee's recommendation shall include the following information about each candidate nominated for election:

- The candidate's name and date of birth.
- The candidate's educational qualifications.
- The candidate's current employment and information on any previous relevant work experience.
- The candidate's current membership of boards of directors and other offices held.
- Whether the candidate has confirmed his or her willingness to accept the appointment if elected.
- Any other particular matters of which the Chairman of the Board of Directors or, if the Chairman of the Board of Directors is a member of the Nomination Committee, the Vice Chairman of the Board of Directors should be aware in respect of the candidate.
- The conclusions the Nomination Committee has reached in respect of the factors set out in section 5 third paragraph above.

The Nomination Committee shall be represented when the General Meeting considers nominations put forward by the Nomination Committee. The Nomination Committee shall provide an explanation of its recommendations.

## **7 DUTY OF CONFIDENTIALITY**

The Nomination Committee shall, to the greatest extent possible given its duties, ensure that information on candidates considered for nomination is kept confidential and stored in a satisfactory manner.

## **8 REMUNERATION OF THE COMMITTEE**

The remuneration of the Nomination Committee shall be approved by the Company in the General Meeting.