



# **COMPENSATION COMMITTEE GUIDELINES**

**BW Offshore Limited**

Adopted by the Board of Directors

on 23 August 2021

## 1 PURPOSE

These guidelines for the compensation committee ("**Compensation Committee**") of the board of directors of BW Offshore Limited (the "**Company**") shall apply to the Company and its subsidiaries (collectively, the "**Group**").

## 2 COMPOSITION AND INDEPENDENCE

The Compensation Committee shall consist of at least two members of the Board of Directors, and the Board of Directors shall appoint the Compensation Committee members to the committee. The members of the Compensation Committee shall be independent of the executive personnel of the Group. The Board of Directors shall appoint one member of the Compensation Committee as chairperson of the Compensation Committee.

## 3 GENERAL FUNCTIONS, AUTHORITY AND ROLE

The Compensation Committee is appointed by the board of directors of the Company (the "**Board of Directors**") to assist the Board of Directors in fulfilling its responsibilities by making recommendations and otherwise preparing the basis for decisions of the Board of Directors in respect of:

- Guidelines for the compensation of the executive personnel of the Group.
- The CEO's fixed and performance based compensation.
- The review of other matters relating to material employment issues in respect of the executive personnel, including the benefits strategy of the Company.
- Any specific compensation matter.
- The review of and considerations relating to succession planning.

The Compensation Committee shall have the authority to review any matter of the Group within the committee's scope of responsibilities.

In discharging its responsibilities under these guidelines, the Compensation Committee shall have full access to the records and personnel of the Group, and shall have the opportunity to seek advice and recommendations from sources outside of the Group, if the committee deems that necessary.

## 4 RESPONSIBILITIES

The Compensation Committee's primary responsibilities in providing assistance and facilitating the decision making in the Board of Directors include:

- Conducting a formal evaluation of CEO annually, applying firmly established performance objectives tied to:
  - Impact on business performance
  - Ability to select and develop the right people for the management team
  - Scope of influence on outcomes
  - Fulfilment of shareholders' expectations
  - Vision and strategy for the Company's future
  - Succession plan
  - Effectiveness in managing external relations
- Assessing the Group's compensation and benefits strategy for its executive personnel by an annual review of the organisation's overall compensation plan (or practices). This includes monitoring the effectiveness of the design, performance measures and award opportunities offered by the Group's executive personnel compensation plans.
- Overseeing the CEO's efforts to identify and develop potential successors for key executive personnel.

## 5 MEETINGS

The Compensation Committee shall endeavor to meet at least two times per year, and more often as it deems necessary.