

Remuneration Guidelines

1. General

These guidelines (the “**Remuneration Guidelines**”) are prepared by the board of directors (the “**Board**”) of Solstad Offshore ASA (the “**Company**”) in accordance with section 6-16a in the Norwegian Public Limited Liability Companies Act.

The principles for determination of salaries and other remuneration, apply for the members of the Board, the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the Chief Operating Officer (COO) and other members of the executive management team (“**EMT**”) of the Company.

2. The Remuneration Guidelines’ promotion of the Company’s business strategy, long-term interests, and sustainability

To successfully implement the Company’s business strategy and protect its long-term interests and sustainability, the Company needs to be able to recruit and retain qualified personnel. The Remuneration Guidelines are set to attract, maintain, and motivate the executives of the Company and align interests with those of the shareholders.

3. Remuneration of the Board

The remuneration of board members is a fixed annual fee. None of the elected board members have pension schemes, share options or termination payment agreements with the Company. The remuneration to board members shall reflect the board members’ responsibilities, expertise, and use of time and the complexity of the business. Remuneration is not dependent on results. Expenses such as travel and accommodation relating to Board meetings and meetings are reimbursed by the Company.

The general meeting sets the remuneration of the Board and the nomination committee. Information about remuneration paid to the Board and its committees are provided in the annual report.

4. Remuneration of the executives

Information about all remuneration paid to the CEO and executives is provided in the annual report. The remuneration is based on following:

4.1. Base salary

The remuneration of CEO is reviewed and determined by the Board and EMT remuneration is reviewed and determined by the CEO. The base salary is reviewed annually and follows principles of role, responsibility, individual considerations, market, and general remuneration conditions of the Company.

4.2. Pension contribution

Pension is based on a defined contribution plan for the Company. It is capped at twelve times the National Insurance Scheme Basic Amount (12 G) for all employees as per local practice (including the members on the EMT).

4.3. Variable salary

The Company’s executive bonus system is designed to promote performance in line with the Company’s strategy. The variable salary is determined by the Company’s performance on a pre-defined set of key performance indicators (KPIs) and is linked to the Company’s priorities, defining clear financial deliverables that are critical for the Company’s future success.

The Board evaluates and determines the annual bonus scheme, and for any given year, may decide that there will be no bonus incentives.

4.4. Other terms and benefits

The CEO and members of the EMT have 3-12 months mutual notice period. For all other employees, the notice period is 3 months.

CEO has a car benefit. All executives receive non-monetary benefits such as phones and insurance which is aligned with local practice.

For programs for purchase of shares, the Company may consider providing share saving programs for EMT and all employees.

5. Governance

The Board has overall responsibility to review the Remuneration Guidelines and the annual general meeting finally approves the Remuneration Guidelines.

The Board may in accordance with section 6-16 a of the Norwegian Public Limited Liability Companies Act authorize a temporary deviation from the Remuneration Guidelines with exception of "3. Remuneration of the Board". Deviation shall only be considered for special reasons outside normal business to ensure the Company’s long-term interests and financial sustainability. Further, any substantial change to the Remuneration Guidelines shall presented and explained by the Board and be approved by the general meeting of the Company. The Remuneration Guidelines are subject to review and approval every fourth year.

