

Remuneration Guidelines for remuneration to the CEO and senior executives in the Eidesvik Offshore ASA group (“the Company”).

The following guidelines for remuneration to the CEO and senior executives have been approved by the Board of Directors and will be proposed for adoption by the Annual General Meeting of Eidesvik Offshore ASA on May 23, 2022.

The Board of Directors’ guidelines for the remuneration of senior executives must be approved by the Annual General Meeting at minimum every four years, and the Annual General Meeting must approve any material changes.

These guidelines apply to Executives in the Eidesvik Offshore ASA group who are considered to constitute the senior executives or leading personnel in the Company. The Executives comprises the Chief Executive Officer and senior executive officers reporting directly to the Chief Executive Officer. The remuneration scheme for Executives has been designed in accordance with the same principles and contains the same forms of remuneration as applicable and relevant for other employees in the Group, subject to local conditions and regulations.

1. REMUNERATION POLICY

How the guidelines promote the Company’s business strategy, long-term interests and sustainability.

Successful implementation of Eidesvik Offshore ASA’s business strategy and substantiating the Company's long-term interests, including sustainable operations, requires the Company to recruit and retain highly qualified employees.

To support the implementation of the Company's business strategy with the aim described above, the Company needs to be able to recruit, develop and retain leaders with relevant experience, high competence and good leadership qualities, and it is therefore important that the Company can offer its Executives a competitive remuneration.

The main goal for Eidesvik Offshore ASA’s Remuneration Policy is to contribute to the Company’s profitability and contribute to increased shareholder value by attracting, retaining and developing qualified people with the right managerial and professional competencies.

The remuneration strategy aims to provide a clear framework for remuneration to senior executives so that the terms support the Company's business strategy and long-term interests, including sustainable growth and profitability, and which contribute to long-term growth in shareholder value.

The fundamental principle in the Company’s determination of salary and other remuneration for the Executives is that the terms are to be competitive with terms in positions with similar responsibility, workload and complexity in relevant comparable markets.

2. ELEMENTS INCLUDED IN THE REMUNERATION OF THE SENIOR EXECUTIVES

Remuneration includes all the instruments the organization and its Executives have at hand and utilize to encourage and reward performance. The various remuneration elements are:

- a. Fixed remuneration (base salary)*
- b. Variable remuneration (annual bonus)*
- c. Other benefits*
- d. Pension*

a. Fixed remuneration (base salary)

The base salary will be determined based on: job level, relevant comparable competition, salary band for the job, performance level, budget assumptions and adjustments and guidelines for annual salary review.

b. Variable remuneration (annual bonus)

The purpose of variable remuneration associated with the Company's financial and non-financial objectives, is to ensure that the remuneration scheme foster performance consistent with the Company's strategy.

The variable remuneration program shall be linked to one or more predetermined and measurable criteria, which may be financial or non-financial. The criteria should be predetermined and measurable, and should be fixed for the bonus year.

Financial goals that the Company generally considers having a good link to the Company's business strategy, long-term interests and sustainable growth are considered: profitability elements and cash earning elements. Non-financial targets may be used at Company or individual levels to promote, among others, the Company's HSE and ESG strategy and other operating-related measurements. It is in the Board's discretion to determine the Company's variable measurable criteria on an annual basis. The principles are described in more details below:

The Executives subject to this Remuneration Policy are eligible for an annual bonus subject to achievement of an agreed set of targets. Performance level related to the set of targets will be the criteria determining the size of the annual bonus. The target structure will comprise Company targets and individual targets when appropriate. A target level expressed in % of base salary will be defined for each Executive. Determination of the target will be based on market standards for each individual Executive position. The annual bonus scheme will have a maximum ceiling of 35% of fixed salary for senior executives as of 31 December in the earning year. The bonus outcomes for financial elements are calculated by achievements equal to the defined goal will give a more defined share of the maximum bonus for the relevant financial bonus element. Bonus outcomes for non-financial targets are assessed at the discretion of the Board of Directors for the CEO, and by the CEO for other senior executives. The amounts paid out under the annual bonus program shall not provide a basis for pension.

The target structure will include two independent weighted components:

- i) Company targets – with weight up to 100 %.
- and;
- ii) Individual targets – when appropriate, with weight up to 50 %.

The individual targets will be decided by the CEO for Executives, and by the Board of Directors for the CEO. The CEO and Executives will be measured against i), and ii), when an individual target has been decided.

The bonus level matrix will be reviewed annually to be in line with the local market and the Group's remuneration strategy.

The Board of Directors shall approve any annual bonus in excess of target bonus under special circumstances for one or more individuals.

The elements in the variable remuneration scheme referred to as the weighted combination of Company targets and the individual targets ensure that the Company's long-term interests are aligned.

c. Other benefits

Other benefits, which may include, for example, company car, car allowance, travel and/or commuting allowance, home office allowance, personnel and health insurance, medical examination etc., shall be on local market terms and related to job level, and should constitute only a limited part of the total remuneration. Benefits will be adapted to local market standards and job level. If a decision is made to allow coverage of costs in excess of normal local market terms, such decision must be based on special circumstances, documented, and in each case be approved by the CEO.

e. Pension

Like other employees in Norway, the CEO and Executives participate in the Company's occupational pension scheme pursuant to the Norwegian Occupational Pension Act, and have a pensionable income of up to the maximum limit in the tax-favoured collective pension schemes in Norway. In addition, Executives can receive financial coverage for higher salary elements than what may be limited by the rules for the collective schemes that follow from law and agreement. At present, this applies to pensions for salaries over 12 times the National Insurance basic amount in Norway, and is currently applicable for the CEO who receives 10% of the annual base salary in excess of 12G in additional pension contribution, paid in 12 instalments per year.

3. RIGHTS AND OBLIGATIONS

The Remuneration Policy is a policy that the company intends to comply with. The policy does however not create any rights for the CEO or Executives, or any obligations for Eidesvik Offshore ASA or its affiliates.

4. FEES FOR GROUP POSITIONS

The CEO and Executives will not receive remuneration or financial benefits from other Eidesvik Offshore ASA group companies and no additional remuneration will be paid for special services outside the normal functions of the managerial position.

5. RESIGNATION/TERMINATION

The employment agreement of the CEO has a mutual 6-month notice period. If the Company terminates the employment agreement for the CEO, the CEO is in certain circumstances entitled to receive salary as severance pay for 6 months in addition to the six month notice period. The severance is paid in 6 monthly instalments starting from the end of the 6-month notice period.

For all Executives other than the CEO, the employment agreements include a 3-month mutual notice period. No Executives other than the CEO are entitled to severance pay.

6. GOVERNANCE

The Board of Eidesvik Offshore ASA has not established a remuneration committee. The duties which include, among others, preparing principles for remuneration to senior executives, are thus the responsibility of the Board of Directors. In the event the Board determines that there is a need for material changes, the Board shall prepare proposals for guidelines for approval at the General Meeting. In any case, the Board shall prepare proposals for guidelines at least every four years and present the proposal for resolution at the Annual General Meeting.

Resolved guidelines shall remain in force until new guidelines have been adopted by the General Meeting. Remuneration to the CEO shall be decided by the Board in accordance with the approved guidelines for remuneration to senior executives.

Remuneration to other Executives shall be decided by the CEO in accordance with the approved guidelines and after consultation with the Board. The CEO does not participate in the Board's discussions and decisions on remuneration-related matters that apply to the CEO.

The Board of Directors may temporarily deviate from any part of the guidelines if deemed necessary to protect the long-term interests and financial capacity of the Company or safeguard the viability of the Company. Any deviation from the guidelines shall be reported in the annual salary report.