

Songa Bulk ASA



Guidelines for remuneration of executive management

Last updated and approved in by the board of directors on 28 March 2019

The board of directors has adopted separate guidelines on the remuneration of the CEO and other members of the company's executive management in accordance with section 6-16a of the Norwegian Public Limited Liability Companies Act. The company's remuneration to the key management are described in note 17 to the consolidated annual accounts for 2018 and will also be presented at the annual general meeting in the form of a supporting document.

Currently the Company has no operations and no employees. The main principle of the company's remuneration policy, should it be relevant, is to offer competitive terms in an overall perspective taking into account salary, payments in kind, bonuses, pension plans and other benefits, to retain key staff. The salaries and other benefits of any potential members of the management for 2019 will be based on the following principles:

Fixed salaries

The fixed annual salary for each member of management shall be competitive and based on the individual's experience, responsibilities as well as the results achieved during the previous year. Salaries and other benefits shall be reviewed annually, and adjusted as appropriate.

Payment in kind

Members of the management will receive payment in kind such as cell phone expenses and payment of IT and telecommunication expenses.

Bonus

In addition to their fixed annual salary, members of the management may be granted additional remuneration in the form of bonus payments. Any bonus payment will be based on a discretionary assessment by the board of directors, considering the company's performance, as well as specified criteria and goal achievement.

Shares and options

Members of the management are encouraged to hold own shares in the company. As per the approval of these guidelines, the members of the management control no shares in the company.

The company does not have any stock option programmes, but will consider implementing such share and/or option-based incentive programmes going forward should it become relevant.

Pension schemes

The remuneration for members of the management includes standard employee pension and insurance schemes and a variable pay element.

Severance pay arrangements

The company does not have any severance pay arrangements.