KCC GUIDELINES FOR REMUNERATION TO THE SENIOR EXECUTIVES

These guidelines regarding remuneration to the Senior Executives have been prepared by the Board of Directors of Klaveness Combination Carrier ASA (the "**Company**", **"KCC"**) in accordance with the Norwegian Public Limited Liability Companies Act Section 6-16a and related regulations. The guidelines have been prepared for approval by the Company's Annual General Meeting in 2023 and will apply until the Company's Annual General Meeting in 2027, unless amended or replaced earlier.

The changes from the guidelines approved by the Annual General Meeting 2022:
- The existing bonus scheme has been extended and applies for the years 2023-2024
- Proposed new long-term incentive program (LTIP)

Who does the guidelines apply to
These guidelines apply to remuneration to Senior Executives in the Company. For the purposes of these guidelines, Senior Executives include CEO, CFO, and other senior executives when relevant.

Purpose and general remuneration principles
The guidelines constitute a framework for remuneration to Senior Executives and the main general principles are:

1. The Company's remuneration principles shall be designed to ensure responsible and sustainable remuneration decisions that support the Company's business strategy and progress towards and achievement of goals, long-term interests, profitability and sustainability and long-term growth in share-holder value
2. To this end, salaries and other employment terms shall enable the Company to recruit, develop and retain skilled Senior Executives with relevant experience and competence
3. The remuneration shall be on market terms, simple and transparent, competitive while well-balanced, and reflect the performance and responsibilities of individual Senior Executives

In the preparation of the Board of Directors' proposal for these guidelines, remuneration and employment conditions for employees of the Company have been taken into account by considering the employees' total income, the components of the remuneration, and its conditions when evaluating whether the guidelines and limitations set out herein are reasonable.

Remuneration for Senior Executives must be duly adjusted to comply with any local mandatory rules in the jurisdiction of their employment and may be duly adjusted to comply with established local practice, taking into account, to the extent possible, the overall purpose of the guidelines.

Elements of remuneration
The remuneration to the Senior Executives covered by these guidelines consists of:
- Fixed cash salary
- Annual variable cash salary
- Long-term incentive program
- Pension, insurances and other benefits

Principles for fixed cash salary
The fixed cash salary shall be in line with market conditions for corresponding jobs in the industry, be competitive, and shall take into account the scope and responsibility associated with the position, as well as the skills, experience, and performance of each Senior Executive.

Principles for annual variable cash salary

The bonus scheme was in 2023 extended for the years 2023 and 2024 in line with the existing scheme. Bonus is distributed on an annual basis and is divided into two: i) Formula bonus based on return on equity of KCC on a consolidated basis for the relevant year, and ii) Discretionary element. Any discretionary bonus to the CEO to be set by the Board of Directors. The cap payment (formula + discretionary) is set at 12 months fixed annual cash salary for the CEO and 9 months for the CFO. If not employed for a full year, the cap will be pro-rated according to number of months employed. Full pay out under the cap is reached at 20% return on equity and in such a situation no discretionary element is given as cap is already reached.

The discretionary element is based on goal achievement and individual performance. Performance criteria shall reflect the key drivers for pursuing the Company's business strategy and progress towards and achievement of goals both related to overall and financial performance. Individual performance including strong and development-oriented leadership execution and operating in accordance with the Company's values and ethical standards are part of the evaluation. The following short-term key performance criteria form basis for the evaluation in addition to the individual performance:

Name of goal	Description
1. Health and safety of crew and vessels	No "red flags" in commercial and technical operation of KCC's vessels and related to safety
2. Profitability and cash generation	Meet identified return targets, TCE-earnings per day and premium to earnings of standard tanker vessels
3. Decarbonization	Deliver on the decarbonization targets
4. Financing	Meet identified targets with respect to existing and new debt facilities as well as raising new equity
5. Customer satisfaction and vetting	Improve customer vessel/office vetting performance to defined targets. Maintain customer acceptance of oldest vessel class. No rejection of any vessel based on performance
6. Commercial development	Meet targets for conclusion of current and new contracts of affreightment (COAs), as well as targets for contract coverage/contract cargo volumes, combination trading, expansion of customer acceptance and establishment of new combination trades

Principles for long-term incentive program (LTIP)

In the Board of Directors' view, a long-term incentive program forms an important part of the total compensation for Senior Executives. It allows the Company to retain and hire the talent it needs for further growth and is aligned with the shareholder interests of long-term growth in shareholder value. The right to participate in a long-term incentive program is based on an assessment of each employee and the role of that employee.

In the current share option program granted in December 2019, the options vest over a period of three years from the grant date, 1/3 per year and first vesting one year after the grant date. Exercise period is five years. Vested options may be exercised at any time as long as the option holder acts within all applicable securities legislation and internal guidelines and is still employed by the Company. The Company is entitled to, rather than issuing shares, to settle in cash. Options that are not exercised during, or on the date of final expiry, lapse without compensation to its holder. Unvested options immediately lapse and expire when an employee becomes a former employee, while the vested options will lapse on the date four months after the employee becomes a former employee as long as this complies with applicable securities legislation. The exercise price is set in NOK based on the average close trading price of the Company's share the last ten days before the grant date. The option holder is responsible for any tax obligations incurred by the option holder as a result of the acquisition and exercise of the options.

The option scheme includes provisions related to public offers and mergers and adjustments related to changes in share capital among others.

The CFO and the CEO were granted 38,580 and 26,700 options respectively, in December 2019. Each option of one share each and in total equal to 0.1% of the Company's share capital. Exercise price at grant date was NOK 46.14 and will be adjusted for dividends paid. The fair value based on the Black-Scholes method of the options granted was USD 128k at the date of grant. Fair value of the total number of options (all three years) compared to base salary for one year was approximately 20% for both the CEO and the CFO at the date of the grant. The last 1/3 of the options vested in December 2022.

As all options under the existing LTIP have vested, the Board of Directors proposes a new LTIP[1] comprising of two elements:

- A share purchase program where Senior Executives are offered to purchase shares at a discount of 20% to the market price, and with the possibility for optional loan financing of up to 50% of the purchase price if and to the extent resolved by the Board (the "Share Purchase Program")
- A share option program with a strike price equal to market price at the time of grant (the "Share Option Program"). Participation in the Share Option Program is subject to purchase of shares under the Share Purchase Program

The Board of Directors may offer up to such number of options equal to five times the number of shares purchased by the Senior Executive pursuant to the Share Purchase Program i.e. between 0x and 5x of the number of shares purchased by the Senior Executive. The ratio is determined by the Board of Directors in the respective reward. It is the intention to offer shares and share options as part of the LTIP on an annual basis. The Board will each year consider the total number of outstanding options and the total compensation in connection with awards and the determination of the ratio between shares and options to be awarded for the relevant year. Both number of shares offered under the Share Purchase Program and number of options granted under the Share Option Program will as well be considered in light of the individual performance of each Senior Executive and progress towards longer-term goals.

Further on the Share Purchase Program
The Share Purchase Program provides Senior Executives with the opportunity to purchase shares in the Company at a discount of 20% of the market value against a three-year transfer restriction (lock-up). The discount reflects the value reducing effect of the lock-up restriction calculated on the basis of the Black & Scholes model and in accordance with market practice. The market price will be equal to the volume weighted average trading price during the last ten trading days prior to the date of the offer. If a Senior Executive resigns within the lock-up period, the Company will have an option to purchase the shares at a price equal to the lower of the purchase price (after discount) and the market value.

The Board may offer loan financing of up to 50% of the purchase price for the shares for Senior Executives. Any such loan financing shall be secured with first priority pledge over all shares purchased by the Senior Executive under the Share Purchase Program. The interest shall be equal to the lowest tax-free interest rate for low cost loans to employees in Norway from time to time (Norwegian: Statens normrente). The Board will within said scope determine the detailed terms and conditions for any such loan financing. Offer for loan financing is subject to resolution by the General Meeting in accordance with section 8-10 of the Norwegian Act regarding public limited liability companies and fulfilment of the other conditions set forth therein.

Further on the Share Option Program
The Board may offer to grant a number of share options to Senior Executives. Each option will give the option holder the right to acquire one share at a price equal to the market price at the time of grant of the

[1] Part/whole of the LTIP will be offered employees other than the Senior Executives

share option. The market price will be equal to the volume weighted average price during the last ten business days prior to the date of grant.

Share option grants are subject to participation in the Share Purchase Program, i.e. that the Senior Executive must purchase a certain number of shares under the Share Purchase Program in order to be awarded share options. The Board of Directors may grant a number of share options which is equal to maximum five times the number of shares acquired under the Share Purchase Program, i.e. between 0x and 5x of the number of shares acquired by the Senior Executive. The Board determines the ratio of shares and share options in each case within said limitation at the Board's discretion.

The share options will vest 1/3 each year following the date of grant. In case the employment of the Senior Executive ceases for any reason any unvested options held by the Senior Executive awarded under the Share Option Program will lapse and be void without any compensation. Vested options may be exercised by the option holder at any time after three years from the grant date provided the option holder at such time is not restricted from exercising options pursuant to applicable securities legislation or internal guidelines in relation to securities trading. However, options that vest in 2024 and 2025 may be exercised one year thereafter, in 2025 and 2026 respectively. Vested options must be exercised no later than five years after the date of grant. The Board may set additional conditions for exercise of vested options, including that vested options may not be exercised earlier than a certain date, lock-up provisions, etc.

Maximum number of shares and options comprised by the LTIP
The LTIP, including the Share Purchase Program and the Share Option Program, is limited to maximum 523,720 shares corresponding to 1% of the Company's total share capital for all employees, i.e. Senior Executives and all other employees that are part of the program. This will provide sufficient headroom for allocation of shares and options over a period of approximately five years. This is only a limit for maximum allocation under the LTIP.

Principles for pension, insurance and other benefits
Senior Executives in Norway are included in the Company's standard pension and insurance schemes on the same terms and conditions as all other employees in Norway. This includes cover in the event of illness, disability or death. The following defined-contribution pension scheme applied as of March 2022:

- Savings rate of 5% of salary from 0 to 12 G (G = National Insurance basic amount).
- In addition, 15% of salary between 7.1 and 12 G is saved
- The total savings rate between 7.1 and 12 G is therefore 20 per cent

The Senior Executives are eligible for other benefits, such as a mobile phone with subscription and internet as all other employees.

Non-financial benefits shall be based on market terms and shall facilitate the duties of Senior Executives. The Company aims to have a sufficiently competitive salary and incentive programs and limited additional non-financial benefits. Any non-financial benefits, beyond what is offered to the entire workforce of the Company, shall be reviewed and approved by the Board of Directors. Such benefits shall represent a relatively low proportion of the overall remuneration package.

Decision-making processes
The Board of Directors makes all decisions regarding remuneration of the CEO and the principles for the annual variable cash salary and the long-term incentive program for both the CEO and the CFO. The CEO makes all other decisions that impact the remuneration of other Senior Executives. The Board of Directors' involvement in the decision-making process reduces the risk of conflicts of interest.

Preparation and review of these guidelines
These guidelines have been prepared by the Board of Directors and approved by the Board of Directors. When the need arises for significant changes in the guidelines, but at least every fourth year, the Board

of Directors shall prepare a revised proposal for guidelines for resolution by the Annual General Meeting. The Annual General Meeting shall decide on such proposals. Resolved guidelines may also be amended by way of resolution by general meetings other than Annual General Meetings.

Termination of employment
The current Senior Executives have notice periods of three or six months and the CEO is guaranteed 12 months cash salary if his employment contract is being terminated by the Company.

Derogations from these guidelines
The Board of Directors may temporarily resolve to derogate from these guidelines, in whole or in part, if in a specific case there is a special cause for such derogation and a derogation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability.