

Office translation

Proposal of the Board of Directors regarding remuneration to the executive management

The Board of Directors of Concordia Maritime AB (publ) proposes that the Annual General Meeting resolves to adopt guidelines for remuneration to the executive management in accordance with below.

Scope of the guidelines, etc.

Members of the executive management of Concordia Maritime fall within the provisions of these guidelines. The guidelines are forward-looking, i.e. they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the annual general meeting 2020. These guidelines do not apply to any remuneration decided or approved by the general meeting.

Remuneration under employments subject to other rules than Swedish may be duly adjusted to comply with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

The guidelines' promotion of the company's business strategy, long-term interests and sustainability

The company's vision is to always be the preferred carrier and business partner within tanker transportation, and in order to achieve the purpose, the company has a business strategy that, in short, is to provide safe, sustainable and reliable tanker transportation based on innovation and performance for its customer, and to make timely investments in vessels and gain financially from fluctuations in their values. A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified personnel. To this end, it is necessary that the company offers attractive and competitive remuneration. The absolute level depends on the scope and complexity of the position in question and on the individual employee's annual performance. These guidelines enable the company to offer the executive management an attractive and competitive total remuneration.

Variable cash remuneration covered by these guidelines shall aim at promoting the company's business strategy and long-term interests, including its sustainability.

Types of remuneration, etc.

The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. Additionally, the general meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. The variable cash remuneration may amount to not more than 50 per cent of the fixed annual cash salary. The variable cash remuneration shall be linked to annually predetermined and measurable criteria, e.g. commercial, operational and financial criteria, that shall be determined by the Board of Directors. They may also be individualized, quantitative or

qualitative objectives. The criteria shall be designed so as to contribute to the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or promote the executive's long-term development. Currently, these criteria include, inter alia, avoidance of work-related personal injuries (LTIF), number of vetting observations at vessel inspections, fleet utilization and profit before tax. Applicable criteria and the relative size of the criteria is determined individually.

To which extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated/determined when the measurement period has ended. The Board of Directors is responsible for the evaluation so far as it concerns variable remuneration to the CEO. For variable cash remuneration to other executives, the CEO is responsible for the evaluation. For financial objectives, the evaluation shall be based on established financial data for the relevant period. Should the group's profit before tax be negative for the relevant period, the payment of variable cash remuneration be limited to 50 per cent of the actual result.

For the CEO, pension benefits, including health insurance (*Sw: sjukförsäkring*), shall be premium defined. Variable cash remuneration shall qualify for pension benefits. The pension premiums for premium defined pension shall amount to not more than 35 per cent of the annual cash remuneration. For other executives, pension benefits, including health insurance, shall be premium defined unless the individual concerned is subject to defined benefit pension under mandatory collective agreement provisions. Variable cash remuneration shall qualify for pension benefits only to the extent required by mandatory collective agreement provisions. The pension premiums for premium defined pension shall amount to not more than 30 per cent of the fixed annual cash salary.

Other benefits may include, e.g., medical insurance (*Sw: sjukvårdsförsäkring*) and company cars. Such benefits may amount to not more than 10 per cent of the fixed annual cash salary.

Executives who are expatriates to or from Sweden may receive additional remuneration and other benefits to the extent reasonable in light of the special circumstances associated with the expat arrangement, taking into account, to the extent possible, the overall purpose of these guidelines. Such benefits may not in total exceed 15 per cent of the fixed annual cash salary.

Termination of employment

The notice period may not exceed two years for the CEO and six months for other executives, if notice of termination of employment is made by the company. Fixed cash salary during the period of notice and severance pay may together not exceed an amount equivalent to the CEO's fixed cash salary for two years, and six months for other executives. When termination is made by the executive, the period of notice may not to exceed twelve months for the CEO and six months for other executives, without any right to severance pay.

Salary and employment conditions for employees

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and

increase and growth rate over time, in the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable. The development of the gap between the remuneration to executives and remuneration to other employees will be disclosed in the remuneration report.

The decision-making process to determine, review and implement the guidelines

The Board of Directors has not established a remuneration committee, since the Board of Directors found it more appropriate for the entire Board to fulfil the duties of a remuneration committee. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting. The Board of Directors shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the company. The CEO and other members of the executive management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines

The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the 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. The Board of Directors resolves on any resolutions to derogate from the guidelines.

Gothenburg in March, 2020

Concordia Maritime AB (publ)

The Board of Directors