

APPENDIX 6 - EXECUTIVE REMUNERATION REPORT 2021

1. INTRODUCTION

1.1 Background

This remuneration report (the "Report") is prepared by the Board of directors of Prosafe SE (the "Company" or "Prosafe") in accordance with the Norwegian Public Limited Liability Companies Act (the "Companies Act") Section 6-16 b with regulations. The Report contains information regarding remuneration to previous, present and future leading personnel of the Company ("Executives") for the financial year of 2021 in line with the applicable requirements.

The Company considers the CEO and the other members of the Company's management team to be comprised by the term leading personnel under the Companies Act. These are the DCEO & CFO and the COO. There are no employees who are members of the board of directors of the Company and the company does not have a corporate assembly.

1.2 Highlights summary

There have been no changes in the composition of the executive management team in Prosafe in 2021. The executive committee covers Jesper Kragh Andresen, CEO, Stig H Christiansen, DCEO & CFO and Ryan Duncan Stewart, COO. There have further not been any changes to the remuneration policy or application in 2021. A remuneration policy taking into consideration the successful completion of the company's financial restructuring in December 2021 and new requirements in company law and good corporate governance will be presented at the Annual General Meeting.

The company's policy for executive remuneration is currently only covering annual variable pay, short-term incentives (STIP), in addition to base salary and pension. The methodology for setting annual performance targets has been unchanged since 2017.

The variable pay of the executive management is performance related and linked to the operations and development of the company for the purpose of sustainable value creation for shareholders. It is aligned to the company's strategy, as set by the Board, and subject to the ethics and values of the company.

The variable pay schemes are subject to reclaim provisions to enable the company to claim back variable pay amounts paid to an executive if it is later identified that the performance assessment or the calculation of variable pay was based on incorrect information provided by the individual or if the executive has engaged in gross misconduct or exercised materially imprudent judgement that has caused, or could have caused, harm to the Company's operations. The Board may also reduce or eliminate STIP at its discretion.

Prosafe's STIP gives executive management the possibility to earn variable pay upon meeting the targets set as part of the annual performance management process. The targets comprise financial, operational, commercial and strategic elements which are key to driving the value of the company and shall be defined and used for the calculation of variable pay earning.

Objectives in the performance management system are chosen to contribute to the sustainable development of the company and will typically include:

- Successful refinancing
- Profitability and cash generation
- Key health and safety indicators
- Improvement of operational efficiency
- Cost and spend
- Emissions reduction initiatives
- Commercial out performance
- Strategic initiatives
- Organisational effectiveness and collaboration

1.3 Overview of the last financial year

In December 2021, the company concluded a financial restructuring that has been in process since tail end 2019. This restructuring follows two earlier, although less onerous, financial restructurings in 2016 and 2018 respectively, triggered by the general downturn in oil and gas as well as structural changes to our industry. In parallel over these years, the company has been adapting its operating model, rightsizing its organisation globally and enhanced its fleet, while at the same time ensuring commercial optimization, and safe and efficient operations.

The year 2021 saw high activity partly due to contracts being deferred from 2020 due to Covid and in part due to new contracts. The company performed well both from a commercial point of view and from an operational and HSSE point of view as contracts were executed without disruptions, with good client feedback and not least good HSSE performance. Importantly, the company had no Lost Time Injuries. In addition, the company's organisational survey showed good results and the company has managed very well the challenges presented by Covid, both onshore and offshore. Finally, the company completed successfully, consensually and – in relative terms compared to debt reduction - cost efficiently the financial restructuring in December 2021.

As such, the Board's assessment is that the executive management have managed the company very well through a challenging year.

2. TOTAL REMUNERATION FOR EXECUTIVES

2.1 Introduction

The table in Section 2.2 below contains an overview of the total remuneration received by the executives, as well as remuneration that was granted/awarded/due but not yet materialized, during the reported financial year.

The table in Section 2.3 below contains an overview of the total remuneration, which the Executives have received from other companies within the group of companies to which the Company belongs (the "Group").

2.2 Remuneration of Executives for the reported financial year 2021

Name and position	Fixed remuneration (USD 1000's)			Variable remuneration (USD 1000's)		Extra-ordinary items (USD 1000)	Pension expense (USD 1000's)	Total Remuneration (USD 1000)	Proportion of fixed and variable remuneration
	Base salary (USD 1000)	Fees (USD 1000)	Fringe benefits (USD 1000) Car allowance	One-year variable (USD 1000)	Multi-year variable (USD 1000)				
Jesper Kragh Andresen CEO	396	NA	21	290	NA	NA	33	740	61/39
Stig H. Christiansen DCEO & CFO	376	NA	21	284	NA	NA	31	712	60/40
Ryan Duncan Stewart COO	378	NA	3	179	NA	NA	37	597	70/30

3. SHARE-BASED REMUNERATION

3.1 Introduction

The company currently does not have share-based remuneration.

3.2 Share options granted or offered to executives for the reported financial year

The company currently does not have share options for executive management. This will be recommended by the Board for the General Assembly to approve from 2022.

4. ANY USE OF THE RIGHT TO RECLAIM VARIABLE REMUNERATION

This provision has not been applied to in the year 2021.

5. INFORMATION ON HOW THE REMUNERATION COMPLIES WITH THE REMUNERATION POLICY

Please find below an explanation on how the total remuneration complies with the adopted remuneration policy, including how it contributes to the long-term performance of the Company and information on how the performance criteria were applied.

As described in section 2.3 above, the annual performance criteria cover specific and measurable targets. As per existing policy then 70% of the potential bonus pay-out is related to the specific targets while 30% is discretionary based on a holistic and qualitative evaluation by the Board.

The weighing of the individual measurable specific targets in the categories mentioned vary from 1% to 25-30%. For 2021, 42% of the maximum bonus payout for the measurable specific targets for the three executives was awarded, while 100% of the discretionary bonus element was awarded. In total this represents 77% of the total potential award.

With respect to the application of the performance criteria, further information is provided in the table below.

6. DEROGATIONS AND DEVIATIONS FROM THE REMUNERATION POLICY AND FROM THE PROCEDURE FOR ITS IMPLEMENTATION

For the year 2021, there were no deviations from the remuneration policy.

7. COMPARATIVE INFORMATION ON THE CHANGE OF REMUNERATION AND COMPANY PERFORMANCE

The table below in this Section 7 contains information on the annual change of remuneration of each individual Executive, of the performance of the Company and average remuneration on a full-time equivalent basis of employees of the Company other than Executives over the five most recent financial years.

<i>Annual change (1000's USD)</i>	<i>RFY-4 vs RFY-5</i>	<i>RFY-3 vs RFY-4</i>	<i>RFY-2 vs RFY-3</i>	<i>RFY-1 vs RFY-2</i>	<i>RFY vs RFY-1</i>	<i>Information regarding the recent financial year (RFY)</i>
<i>Director's remuneration</i>						
Jesper Kragh Andresen CEO	NA. Joined in March 2017	390	-418	-2	+255	740
Stig H. Christiansen DCEO & CFO	-130	298	-280	-29	+246	712
Ryan Duncan Stewart COO from 1 August 2020 (CCO prior to that)	NA. Joined the top executive committee from 2017	188	-11	-85	+131	597
Jens O. Berge. Commenced year-end 2017 and left in April 2019	NA	NA	+809	-703	NA	NA
<i>Average remuneration on a full-time equivalent basis of onshore employees*</i>						
<i>Onshore full-time Employees of the Company</i>	2017	2018	2019	2020	2021	
<i>Employees of the Group</i>	\$82 903.37	\$95 193.11	\$95 193.11	\$90 550.58	\$91 029.95	

* Focus on onshore employees, as offshore employees are primarily engaged via agencies.

Stavanger, 30 March 2022

The Board of Directors of Prosafe SE