



**BW LPG**

# **GUIDELINES FOR THE REMUNERATION COMMITTEE**

**Adopted by the Board on 28 October 2013  
as amended on 26 March 2015**



**1. Purpose**

These guidelines for the remuneration committee ("**Remuneration Committee**") of the board of directors of BW LPG Limited (the "**Company**") shall apply to the Company and its subsidiaries (collectively, the "**Group**").

**2. Composition and Independence**

The Remuneration Committee shall consist of at least two members of the Board of Directors, and the Remuneration Committee members shall be appointed to the committee by the Board of Directors. The members of the Remuneration Committee shall be independent of the executive personnel of the Group.

The Board of Directors shall appoint one member of the Remuneration Committee as chairperson of the Remuneration Committee.

**3. General Functions, Authority and Role**

The Remuneration Committee is appointed by the board of directors of the Company (the "Board of Directors") to assist the Board of Directors in fulfilling its responsibilities by making recommendations and otherwise preparing the basis for decisions of the Board of Directors in relation to:

- Executive Remuneration, including recommendation of the Guidelines for the remuneration of the Executive Management; proposals on fixed and performance based remuneration levels for the CEO; and proposals on assessment or Corporate Targets and achievement.
- Recruitment Policies, Career Planning and Management Development programs for the organisation as a whole and specific plans for Executive Management.
- Other matters relating to material employment issues in respect of the executive personnel, including the benefits strategy of the Company.
- Succession Planning and any other specific remuneration or employment matters as directed by the Board of Directors.
- The Committee's guidelines, to be reviewed at least on an annual basis.

The Remuneration Committee shall have the authority to review any matter of the Group within the committee's scope of responsibilities. In discharging its responsibilities under these guidelines, the Remuneration Committee shall have full access to the records and personnel of the Group, and shall have the opportunity to seek advice and recommendations from sources outside of the Group, if the committee deems that necessary.

**4. Responsibilities**

The Remuneration Committee's primary responsibilities in providing assistance and facilitating the decision making in the Board of Directors include:

- Conducting a formal evaluation of the executive personnel annually, including considering achievement against pre-established performance objectives. The evaluation should consider:
  - Impact on business performance
  - Ability to select and develop the right people for the management team
  - Scope of influence on outcomes
  - Fulfillment of shareholders' expectations
  - Vision and strategy for the Company's future
  - Succession plan

- Effectiveness in managing external relations
- Assessing the Group's compensation and benefits strategy for its executive personnel by an annual review of the organisation's overall compensation plan (or practices). This includes monitoring the effectiveness of the design, performance measures and award opportunities offered by the Group's executive personnel compensation plans.
- Overseeing the CEO's efforts to identify and develop potential successors for key executive personnel.

#### 5. Meetings

The Remuneration Committee shall endeavor to meet at least two times per year, and more often as it deems necessary, in person, by teleconference or by videoconference.