

Polarcus Limited
(the "Company")

Notice of Annual General Meeting

NOTICE is hereby given of the Annual General Meeting ("AGM") of Polarcus Limited (the "Company") to be held on **Wednesday 29 April 2020 at 16:00** (Gulf Standard Time) by way of a webcast hosted from Dubai, United Arab Emirates.

The unprecedented actions being taken by governments and communities around the world to mitigate the spread of COVID-19 include restrictions on travel (both local and international) as well as on holding business meetings. In the United Arab Emirates and elsewhere, a strict regime of social distancing has been introduced and local travel is permitted for essential purposes only. Polarcus' onshore employees, worldwide, are all currently working from home. For these reasons, the Company's Board of Directors (the "Board") has determined that, regrettably, it is not practical for the Company to hold a physical AGM. Instead, shareholders are invited to join the Board, including a member of the Company's Nomination Committee and the Company's Management by way of a live webcast of the AGM. Access details to the AGM will be provided on completion and return of the attached Attendance Slip (see section 10 below). In accordance with Article 59 of the Company's amended and restated memorandum and articles of association (the "Company's Articles"), this Notice expressly permits persons to participate in the AGM by way of webcast which shall allow all the persons participating in the AGM to communicate with each other.

The purpose of the Annual General Meeting is to consider and, if thought fit, to vote on the matters as described below:

1. Chairman of the meeting

The Chairman of the Board intends to participate at the AGM from London, England via webcast and other directors also intend to participate at the AGM in this way from their respective homes. In order to mitigate the risk of poor internet bandwidth, communication or other technology restriction that may impede progress of the meeting and having regard to Articles 65 and 66 of the Company's Articles, the Chairman and each of the directors are unwilling to chair the AGM. Accordingly, the directors unanimously recommend that shareholders elect Mr. Duncan Eley, Chief Executive Officer and a member of the Company to chair the AGM.

Proposed resolution:

"The shareholders approve by ordinary resolution that Mr. Duncan Eley shall chair the 2020 AGM."

2. Exemption from delivering paper copy documents

The Company is bound by Norwegian law requiring a paper copy of general meeting notices to be delivered to shareholders unless they have expressly elected to receive such notices by electronic transmission. **The Board strongly encourages all shareholders to notify VPS Client Services (contact: kunde@vps.no Phone: +47 22 63 51 00) of their election to receive notification of corporate messages, including general meeting notices and other documents, by e-mail.**

The Board considers that:

- the printing and distribution of a paper copy of general meeting notices has not led to any significantly greater shareholder participation at general meetings since 2016;
- The Board is aware of shareholders who have requested to receive notices by e-mail only but as they have not registered their wish with VPS Client Services, the Company cannot act on their request;
- The printing and distribution of a paper copy of shareholder notices is inconsistent with the Company's determination to protect the environment. With increasingly ubiquitous access to the internet, any benefit of receiving a paper copy of notices or other shareholder documents is outweighed by the environmental damage caused by the printing and distribution of such notices and notification of such document by electronic transmission or public notification.
- The unprecedented circumstances currently being experienced in combatting the impact of COVID-19 make it impractical, possibly even unsafe for the Company to arrange delivery of paper copy notices to shareholders of the 2020 AGM. Many notices will be sent to the offices of shareholders working from home.
- By reference to the cost of the 2019 AGM, the cost of printing and distributing a paper copy notice per shareholder will exceed the current value of shares in the Company held by over 800 of the Company's shareholders.

While the AGM notice must be sent to shareholders who have not elected to receive communications electronically, applicable law permits other documents, including attachments to the AGM notice, to be made available electronically only. Accordingly, the Board proposes that the Company's Articles of Association are amended and restated to confirm this procedure in a new Article 57 (with the consequent renumbering of all following Articles and logical changes to cross-referencing of Articles caused by this Amendment). The proposed new Article 57 reads:

57. Any attachment to a notice of general meeting and any other document which is required to be given to shareholders (excluding the notice of a general meeting itself) shall be effectively delivered by making such document available on the Company's internet site and by making a public announcement identifying the location on the Company's internet site where the relevant document may be located. Where an electronic address is known, the Company shall also send such document to each shareholder by electronic transmission.

Proposed resolution:

"The shareholders approve by special resolution to adopt amended and restated articles of association of the Company to incorporate the new Article 57 set out in section 2 of the Notice of the 2020 AGM."

3. Approval of the 2019 Financial Statements and Board of Directors' Report of Polarcus Limited and the Group

It is proposed that the audited financial statements of the Company, prepared in accordance with IFRS, the consolidated financial statements of the Company, prepared in accordance with IFRS (collectively, the "**Financial Statements**"), and the Board of Directors' report for the year ended 31 December 2019 be approved.

The annual report of the Company for 2019, containing the Financial Statements and the Board of Directors' report is available on the Company's website at <https://polarcus.com/investors/reporting/annual-reports/>.

Proposed resolution:

"The shareholders approve by ordinary resolution to adopt the audited financial statements of the Company prepared in accordance with IFRS, the consolidated financial statements of the Company prepared in accordance with IFRS and the Board of Directors' report for the year ended 31 December 2019."

4. Approval of the Auditor's Fee for 2019

It is proposed that the annual auditor's fees for 2019 of USD 369,000 (equal to approximately NOK 3,690,000) be approved. The amount represents the fees for: the Company's 2019 annual audit; the audit of the Company's consolidated financial statements for 2019, audit work associated with the Company's quarterly and half-yearly reporting for 2019 as well as the fees related to the 2019 annual audits of certain of the Company's subsidiaries. The remuneration paid to the auditor in 2019, including other professional services provided by the auditor, is reflected in note 9.2 of the Company's Notes to the Consolidated Financial Statements for 2019 which appear in the Annual Report, available on the Company's website at <https://polarcus.com/investors/reporting/annual-reports/>.

Proposed resolution:

"The shareholders approve by ordinary resolution the auditor's annual fees for 2019 of USD 369,000."

5. Election of Directors

The Nomination Committee (the "**Committee**") continuously evaluates whether the Board of Directors of the Company should be supplemented with new directors to secure and preserve, on a long-term basis, a strong Board of Directors. The Committee is of the opinion that six directors are appropriate to undertake the tasks and responsibilities of the Board of Directors of the Company (the "**Board**").

The Committee has recommended that Mrs. Nina Udnes Tronstad be elected to the Board and that five of the directors who are available be nominated for re-election. The Nomination Committee Report setting out the background for its proposals is enclosed as **Enclosure I** hereto.

5.1 Nina Tronstad

Proposed resolution:

"The shareholders approve by ordinary resolution to elect Nina Tronstad as a director of the Company for a one year service period commencing on the date hereof and ending with the 2021 annual general meeting."

5.2 Michael Mannering

Proposed resolution:

"The shareholders approve by ordinary resolution to re-elect Michael Mannering as Chairman of the Board of Directors and as a director of the Company for a one year service period commencing on the date hereof and ending with the 2021 annual general meeting."

5.3 Karen El-Tawil

Proposed resolution:

"The shareholders approve by ordinary resolution to re-elect Karen El-Tawil as a director of the Company for a one year service period commencing on the date hereof and ending with the 2021 annual general meeting."

5.4 Erik Mathiesen

Proposed resolution:

"The shareholders approve by ordinary resolution to re-elect Erik Mathiesen as a director of the Company for a one year service period commencing on the date hereof and ending with the 2021 annual general meeting."

5.5 Monish Sahni

Proposed resolution:

“The shareholders approve by ordinary resolution to re-elect Monish Sahni as a director of the Company for a one year service period commencing on the date hereof and ending with the 2021 annual general meeting.”

5.6 Carl Peter Zickerman

Proposed resolution:

“The shareholders approve by ordinary resolution to re-elect Carl Peter Zickerman as a director of the Company for a one year service period commencing on the date hereof and ending with the 2021 annual general meeting.”

6. Approval of Directors’ Fees for 2020

The shareholders approved the Directors’ fees for 2019 at the 2019 Annual General Meeting, being USD 108,000 for the Chairman and USD 49,500 for each other director. The Nomination Committee recommends that Directors’ annual fees for the one year period commencing on the date of the 2020 AGM remain unchanged.

The Nomination Committee also recommends that the Chair of each Board Committee receive an annual fee of USD 5,000 and that the meeting fee per Committee member is reduced to USD 1,200 (2019: USD 1,500) which is likely to generate an overall cost saving for the Company. All fees are paid quarterly in arrears.

The Nomination Committee Report is enclosed as **Enclosure I** hereto.

Proposed resolution:

“The shareholders approve by ordinary resolution the annual directors’ fees for 2020 - 2021 of USD 108,000 for the Chairman, USD 49,500 for each other director and USD 1,200 per director per committee meeting. The Chair of each Board Committee shall receive USD 5,000 per annum. The fees are payable quarterly in arrears on each of 30 June, 30 September, 31 December, 31 March and directors’ expenses shall be reimbursed on a monthly basis.”

7. Re-election of Members to the Nomination Committee and Approval of Fees

The Nomination Committee proposes that Mrs. Katherine Hall, Mrs. Karen El-Tawil and Mr. Kristian Falnes, being current members of the Committee are each re-elected for a one year term and that Mrs. Katherine Hall is re-appointed as the Chair of the Nomination Committee.

The Nomination Committee Report is enclosed as **Enclosure I** hereto.

7.1 Katherine Hall

Proposed resolution:

“The shareholders approve by ordinary resolution to re-elect Katherine Hall as a member and Chair of the Nomination Committee for a one year service period commencing on the date hereof and ending with the 2021 Annual General Meeting.”

7.2 Karen El-Tawil

Proposed resolution:

“The shareholders approve by ordinary resolution to re-elect Karen El-Tawil as a member of the Nomination Committee for a one year service period commencing on the date hereof and ending with the 2021 Annual General Meeting.”

7.3 Kristian Falnes

Proposed resolution:

“The shareholders approve by ordinary resolution to re-elect Kristian Falnes as a member of the Nomination Committee for a one year service period commencing on the date hereof and ending with the 2021 Annual General Meeting.”

7.4 Fees for Nomination Committee Members

The shareholders approved the Nomination Committee’s fees for 2019 at the 2019 Annual General Meeting, being USD 6,000 for the Chairman and USD 3,000 for each other member and USD 1,500 per member per committee meeting.

The Nomination Committee proposes that the annual remuneration to be paid to the members of the Nomination Committee for the one year period ending on the date of the 2021 AGM be unchanged from 2019 – 2020 and that the meeting fee be reduced to USD 1,200 per member per committee meeting. Fees are payable annually and members’ expenses reimbursed monthly.

The Nomination Committee Report is enclosed as **Enclosure I** hereto.

Proposed resolution:

“The shareholders approve by ordinary resolution the annual remuneration for the Nomination Committee for 2020 – 2021 of USD 6,000 for the Committee Chair and USD 3,000 for each other member. In addition, a fee of USD 1,200 per member per committee meeting shall be paid. Fees are payable annually and committee members’ expenses shall be reimbursed monthly.”

7.5 Nomination Committee Terms of Reference

At the 2019 Annual General Meeting, the shareholders approved an amendment to the Company’s Articles to recognize the Nomination Committee and requiring the Terms of Reference of the Nomination Committee be presented for approval at each annual general meeting. The Terms of Reference can be located on the Company’s internet site at: <https://polarcus.com/wp-content/uploads/2020/02/ToR-Nom-Com-2019.pdf> and are attached to the Nomination Committee Report at **Enclosure I** hereto.

The Nomination Committee recommends no change to the current Terms of Reference.

Proposed resolution:

“The shareholders approve by ordinary resolution the terms of reference of the Nomination Committee in the form attached to the Notice of the Company’s 2020 Annual General Meeting.”

8. Approval of Statement from the Board of Directors Regarding Guidelines for Remuneration of Executive Management 2020

In accordance with recommendations in the Norwegian Code of Practice for Corporate Governance, the Board of Directors has issued a statement summarizing the guidelines for remuneration of the Company’s executive management.

The statement is attached as **Enclosure II** hereto.

Proposed resolution:

“The shareholders approve by ordinary resolution the statement from the Board of Directors regarding guidelines for remuneration of executive management 2020.”

9. Approval of purposes of authorised and unissued shares

The Company's existing authorised share capital is USD 60,098,915.70 divided into 600,989,157 shares of a nominal or par value of USD 0.10 of which the Company's issued share capital is USD 51,378,671.30 divided into 513,786,713 shares at par value of USD 0.10 each. Of the 87,202,444 authorised, unissued Shares, 14,114,000 Shares have been reserved for the Polarcus Group's employee option schemes, the 2018 LTIP and the Polarcus LTIP. 523,276 Shares have been reserved for issue in relation to the Company's convertible bonds and 12,846,144 Shares have been reserved for issue in relation to the Company's warrants. Previous annual general meetings approved the consolidation of all other tranches of authorised and unissued Shares such that these tranches be available for the Board to issue to strengthen the Company's equity, to issue new shares in connection with merger and acquisition opportunities as well as other business reasons namely, to take advantage of viable business opportunities including, but not limited to, efficiency upgrades, multi-client projects and for general working capital purposes through one or more offerings and upon terms decided by the Board. The authorization could also be used in a takeover situation.

Consistent with the recommendations of the Norwegian Code of Practice for Corporate Governance, the Company proposes the purposes for which authorised, unissued Shares are held to each Annual General Meeting. The 2019 AGM agreed that no changes be made to the previously approved purposes for which authorised, unissued Shares are held and it is proposed that the AGM also confirm that no changes be made to the purposes for which authorised, unissued Shares are held.

Proposed Resolution:

"The shareholders approve by ordinary resolution that all existing authorised but unissued shares (except for those shares allocated for existing employee options schemes, long term incentive plans, warrants and for conversion of the convertible bonds) be available for the Board for the purpose of being in position to issue new shares to strengthen the Company's equity, to issue new shares in connection with merger and acquisition opportunities as well as other business reasons namely, to take advantage of viable business opportunities including, but not limited to, efficiency upgrades, multi-client projects and for general working capital purposes through one or more offerings and upon terms decided by the Board. The authorization may also be used in a takeover situation.

10. Information About The Meeting

The Chief Executive Officer will open the Annual General Meeting and, subject to Resolution No. 1 being passed, shall chair the Annual General Meeting.

The Company has issued 513,786,713 shares of a par value of USD 0.10 each, with each share carrying one vote as at the date of the Annual General Meeting. The record date for the determination of shareholders entitled to vote at the Annual General Meeting is 14 April 2020.

It will not be possible to attend the AGM in person. If a shareholder wishes to participate through the webcast, **advance notice must be given** to the Company by completing the Attendance Slip, attached at **Enclosure III** and delivering it to the Company Secretary, Caleb Raywood by e-mail to company.secretary@polarcus.com by no later than 22 April 2020. On receipt of such notification, access details to the webcast will be provided.

Shareholders are strongly encouraged to appoint the Chair of the AGM to act as proxy by indicating their voting intentions and completing the form attached at **Enclosure IV**. Due to the challenge in ensuring appropriate shareholder verification, it will not be possible for shareholders to register their votes on the webcast of the Annual General Meeting.

To be valid, any proxy must be duly completed, signed and lodged (in case of a company, together with the power of attorney or other authority under which it is signed or a certified copy thereof) to the Company,



attn. company secretary Caleb Raywood by e-mail to company.secretary@polarcus.com by not later than 09.00 (CEST) on 26 April 2020.

Any questions or comments to this notice or the agenda for the Annual General Meeting or proposal for additional resolutions to be passed at the Annual General Meeting can be addressed to the company secretary Caleb Raywood by e-mail to company.secretary@polarcus.com.

This notice with supporting documents and proxy form is also posted on the Company's website: <https://polarcus.com/events/annual-general-meeting/>.

Dubai, 14 April 2020

By Order of the Board of Directors of Polarcus Limited

/ s /

Caleb Raywood
Company Secretary

Enclosures:

**ENCLOSURES ARE SENT ELECTRONICALLY AND ARE
AVAILABLE ON THE COMPANY'S WEBSITE:**

<https://polarcus.com/events/annual-general-meeting/>

- Enclosure I: Report and Recommendations from the Nomination Committee Report to the 2020 Annual General Meeting and Terms of Reference for the Nomination Committee*
- Enclosure II: Board of Directors' Guidelines for the Remuneration of Executive Management*
- Enclosure III: Attendance Slip*
- Enclosure IV: Shareholder Proxy Form*

Report and Recommendations from the Polarcus Nomination Committee to the 2020 Annual General Meeting

Report from the Committee

Polarcus Limited established a Nomination Committee (the “**Committee**”) in 2009. The Committee in 2019 consisted of Mrs. Kitty Hall (Chair), Mrs. Karen El-Tawil and Mr. Kristian Falnes who were re-elected by the AGM in 2019. Mrs. Hall and Mrs. El-Tawil both have long experience in the seismic sector and Mr. Falnes is a shareholder in Polarcus. Mrs. Kitty Hall, Mrs. El-Tawil and Mr. Falnes are eligible for re-election at the 2020 AGM for a period of one year.

The main duties of the Committee are to evaluate and submit a recommendation to the General Meeting on the following matters:

- Nominees for election as members and possibly deputy members of the Board of Directors of Polarcus and the Chair of the Board of Directors
- Nominees for election as members of the Nomination Committee and the Chair of the Nomination Committee
- The proposed remuneration of the Board of Directors and the members of the Nomination Committee

The duties of the Nomination Committee are further regulated in the Terms of Reference for the Nomination Committee.

The Committee has held 4 meetings in the preparation for the Annual General Meeting to discuss the following: Board composition and recruitment, election of Directors, Nomination Committee work and composition, Nomination Committee member elections, and Director and Nomination Committee remuneration. In addition, the Committee has held meetings and discussions with shareholders, current Directors, the CEO and with potential candidates. The Committee has ensured that there has been ample opportunity for all shareholders and others to nominate directors.

In the period from the 2019 AGM, the Board of Directors of Polarcus consisted of the following Directors, all of whom are eligible for re-election at the 2020 AGM:

Michael Mannering	Chairman and Director since 2018,
Karen El-Tawil	Director since 2014,
Erik Mathiesen	Director since 2016,
Carl Peter Zickerman	Director since 2016,
Tom Henning Slethei	Director since 2016,
Nicholas Smith	Director since 2017,
Monish Sahni	Director since 2019,

The Board of Directors is thus composed of four Directors who are regarded as independent of the shareholders – Michael Mannering, Karen El-Tawil, Erik Mathiesen and Nicholas Smith; and three shareholder Directors – Peter Zickerman, Tom Henning Slethei and Monish Sahni.

Nomination Committee Recommendations

Board of Directors

The Committee took regard for the near and longer term needs of the Company and the value of preserving continuity, reducing costs, maintaining an appropriate balance of independent and shareholder directors, and the need for a mix of skills and experience including both financial and industry skills.

- (1) In connection with the upcoming AGM of Polarcus to be held on 29th April 2020, Mr. Tom Henning Slethei has advised that he is not available for re-election. Additionally, in an effort to reduce the size of the board, Mr. Nicholas Smith will not be re-nominated. The Committee wishes to thank Mr. Slethei and Mr. Smith for their service to the Company.
- (2) The Nomination Committee proposes that Mrs. Nina Udnes Tronstad be elected as a Director. The Committee considers that Mrs. Tronstad has the necessary skills, experience and qualifications to perform the duties of Director and her brief cv is as follows:

Nina Udnes Tronstad has both senior executive experience from the oil and gas sector and extensive board experience with assignments in listed and non-listed companies, foundations, and public enterprises since 2005. She has held senior executive roles at Kvaerner, Aker Solutions, and Equinor. Her skills include management of capital projects, restructuring, supply and logistics, operations, business development, technology development, HSSE including sustainability, and information technology. She has recently been appointed to the board of Norges Bank, is on the board of GIEK, Prosafe, Ramboll, Fishency, Technoport and is Chair of Source Energy. Mrs. Tronstad (born 1959) is a Chemical Engineer, graduating with a Masters degree from NTNU (Norwegian University of Technology and Science). She is a Norwegian citizen and resides in Norway. She does not own any shares in Polarcus.

In light of the current positions which Mrs. Tronstad holds, the Nomination Committee has considered the potential for any conflict of interest to arise between Mrs. Tronstad's duties as a director and her obligations flowing from other positions. Mrs. Tronstad has provided assurance to the Committee that any such conflict will be identified at the earliest stage and the Committee is confident that the Board of Directors and Management can handle the matter without detriment to the Board's performance or to the Company.

- (3) The Committee recommends that the following persons are re-elected as directors of the Company from the date of the AGM and ending with the 2021 annual general meeting.

Details of the skills and experience of the Board members can be found at <https://polarcus.com/investors/governance/board-of-directors>

Mr. Michael Mannering, who owns 150,000 shares in the company. Since his re-election to the Board as Chairman in 2019, he has attended all physical and phone meetings of the Board in 2019 and 2020. The Committee recommends that Mr. Mannering be re-elected as Chairman of the board.

Mr. Carl Peter Zickerman, who owns 34,925,401 shares in the company. The Committee notes that Mr. Zickerman is currently providing consultancy services to the Company and does not regard this as a conflict with his duties as a Board member. Since his re-election to the Board in 2019, he has attended all physical and phone meetings in 2019 and 2020.

Mrs. Karen El-Tawil, who owns 4,250 shares in the company. Since her re-election to the Board in 2019 she has attended all physical meetings and all but one of the phone meetings in 2019 and 2020.

Mr. Erik Mathiesen, who owns 267,308 shares in the company. Since his re-election to the Board in 2019 he has attended all physical meetings and all but one of the phone meetings in 2019 and 2020.

Mr. Monish Sahni, who owns 125,000 shares in the company. Since his election to the Board in 2019 he has attended all physical meetings and all but one of the phone meetings in 2019 and 2020.

Directors' Remuneration 2020

The Directors' remuneration for 2019 was the following:

Chair - USD 108,000; Directors (each) - USD 49,500. No change is proposed in 2020.

Board Committee Chairs' remuneration to be USD 5,000 per annum (none in 2019). Board Committee meeting remuneration to be USD 1,200 per committee member per meeting (USD 1,500 in 2019).

In 2018 and 2019, the Board's Audit & Risk Committee held 5 and 7 meetings respectively. Over the same period, the Board's Corporate Governance & Remuneration Committee held 8 and 10 meetings respectively. Each Committee typically has three members. Accordingly, the Committee anticipates that its proposal to amend the remuneration for serving on Board committees will lead to a reduction in the cost of Board committees to the Company.

The Committee encourages all Directors to become shareholders in the Company.

Nomination Committee

- (1) The Committee recommends the re-election of Mrs. Kitty Hall as Chair of the Nomination Committee for a period of one year.
- (2) The Committee recommends the re-election of Mrs. Karen El-Tawil to the Committee for the period of one year. As an independent member of the Board of Directors, Mrs. El-Tawil can ensure that the Company's position and situation is sufficiently communicated, understood and considered by the Committee.
- (3) The Committee recommends the re-election of Mr. Kristian Falnes to the Committee for the period of one year.

Details of the skills and experience of the Committee members can be found at <https://polarcus.com/investors/governance/committees>

Nomination Committee Remuneration 2020

The Nomination Committee proposes that its fees will remain at the same level as for 2019: Chair: USD 6,000; Members (each) - USD 3,000.

Committee Meetings are recommended to be remunerated with USD 1,200 per committee member per meeting (USD 1,500 in 2019).

Nomination Committee Terms of Reference

The Committee has reviewed the Terms of Reference and does not recommend any amendments. Pursuant to Article 104 of the Company's Articles of Association, the Terms of Reference shall be presented for approval at each annual general meeting of the Company. The current Terms of Reference are attached and can be found at: <https://polarcus.com/wp-content/uploads/2020/02/ToR-Nom-Com-2019.pdf>

Terms of Reference – Nomination Committee

(For approval by the Annual General Meeting on 29 April 2020)

1. Composition

The Committee Chair and the other members of the Nomination Committee (**Committee**) shall be appointed by the Annual General Meeting (**AGM**) of Polarcus Limited (**Company**).

Prior to the following year's AGM, the Committee shall recommend candidates to sit on the Committee for approval at the AGM.

All Committee members shall be independent of the executive management and at least a majority shall be independent of the Company's Board of Directors (**Board**). The Committee may include one Board member to ensure that the Company's position and situation is sufficiently communicated, understood and considered by the Committee and that the Board is appropriately informed on the Board's work. However, any such member should be an independent director of the Board.

The chairman of the Board or members of the Company's executive team should not be part of the Committee. Committee members should be recommended on the basis of their ability to take into account the interests of shareholders in general.

The Committee will propose the term for the new Committee which will be subject to the approval of the AGM.

2. Quorum

All members of the Committee must be present to form a quorum. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

3. Meetings

The Committee shall meet as often as it deems appropriate and necessary, but at least once annually. The meetings can take place either in the form of physical meetings or phone conferences. The Committee Chair will consult with the Chairman of the Board and the CEO before the Committee submits its final recommendation.

4. Notice Of Meetings

Meetings of the Committee shall be convened by the Committee Chair at the request of any member thereof or by the Chairman of the Board.

Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed shall be forwarded by the Committee Chair to each member of the Committee and any other person required to attend, in reasonable time prior to the date of the meeting.

5. Minutes Of The Meetings

Minutes shall be taken of the proceedings and resolutions of all Committee meetings, including the names of those present shall be circulated to all members of the Committee. The Committee Chair shall provide the Company with an annual statement of the number of Committee meetings held.

6. Duties And Authorities

The duties of the Committee are to evaluate and submit a recommendation to the AGM on the following matters:

- Nominees for election as members and possibly deputy members of the Board and the chairman of the Board;
- Nominees for election as members of the Committee and the term for such members;
- The proposed remuneration of the Board and the members of the Committee; and
- Any proposed amendments to the Committee's Terms of Reference.
- The Committee shall pay particular attention to the following principles when carrying out its work:
 - The Committee shall operate in accordance with common accepted principles for committee work.
 - The Committee shall in each meeting have access to a register of the Company's shareholders.
 - The Committee shall consider the size and composition of the Board and the Committee and make recommendations to the AGM for changes in the size of the Board and/or Committee as appropriate.
 - The Committee shall entertain appropriate contact and dialogue with shareholders, members of the Board, the Company's management and external advisors and CEO to fully understand the Company's development and challenges.
 - The Committee shall take steps to ensure that shareholders have an opportunity to propose candidates for the Board and the Committee including via the Company website and communicate any deadlines for proposing candidates.
 - The Committee shall attach weight to whether the proposed candidates have the necessary qualifications to serve as directors of the Company. In assessing the qualifications of prospective members of the Board and the Committee, the Committee shall consider each prospective member's personal and professional integrity, experience, skills, ability and willingness to devote the time and effort necessary to be an effective director or Committee member, and commitment to acting in the best interests of the Company and its shareholders. Consideration shall also be given such that the Board and the Committee will have an appropriate mix of backgrounds and skills.
 - The recommendations must at all times satisfy the requirements relating to the composition of the Board and the Committee laid down in applicable legislation and the regulations of any stock exchanges on which the Company's shares are listed. The recommendations shall also take account of guidance relating to the composition of the Board and of the Committee contained in the Norwegian Code of Practice for Corporate Governance, the Company's corporate governance commitments and any other relevant guidance relating to good corporate governance.

- The Committee shall give emphasis to ensuring reasonable representation in terms of gender and background, and to the independence of members of the Board and the Committee in relation to the Company.
- The Committee will be mindful to avoid the Board comprising an aggregate number of directors who are citizens or resident of any particular nation which may cause uncompetitive regulatory or fiscal consequences to the Company.
- The Committee shall review comparable practice data regarding remuneration in order to make a qualified recommendation to the AGM with respect to the amount and form of remuneration to members of the Board and of the Committee.
- The Committee encourages all Directors to become shareholders in the Company.
- The Committee shall review the Board's self-assessment.
- Candidates proposed by the Committee must have confirmed their willingness to take on the office for which they have been proposed.
- The Committee must justify separately why it is proposing each candidate for the Board and for the Committee and provide relevant information about how its recommendations take into account the interests of shareholders in general and the Company's requirements. The justification shall include information on each candidate, such as age, education, competence including business experience, capacity and independence including assignments for the Company and assignments for other companies/organizations. If the Committee recommends the re-election of a member of the Board or of the Committee, the justification should also provide information on how long the candidate has been a member of the Board or of the Committee.
- In the event of there being no majority vote for or against putting forward a candidate's nomination to the AGM, the Committee Chair shall have a casting vote. Any dissenting votes must be stated in the recommendation.
- A member of the Nomination Committee who is also a member of the Board shall not vote with respect to their own nomination for re-election to the Board or any other matter in respect of which they have a conflict of interest.

7. Reporting/Recommendations

The Committee's recommendation to the AGM relating to the election of members and possibly deputy members of the Board and election of members to the Committee should be available early enough to be sent to the shareholders together with the notice of the AGM. The report shall be made public at the same time, so that shareholders have an opportunity to submit their views on the recommendation to the Committee.

The Committee shall present its report to the Board as soon as practicable and in normal circumstances in advance of the publication of the AGM Notice.

The Committee Chair, or a person authorised by him/her, will be available to answer questions regarding the Committee's recommendations to the AGM and provide additional information, if necessary, on the Committee's work.

The Committee shall annually review the terms of reference for the Committee and recommend any changes to the AGM for approval.

8. Remuneration

The AGM stipulates the remuneration to be paid to the Committee, if any. The Committee's expenses will be covered by the Company.

Board of Directors' Guidelines for Remuneration of Executive Management 2020

Polarcus Limited's (the "**Company**") Board of Directors (the "**Board**") has prepared this statement summarising the remuneration guidelines for the Chief Executive Officer (the "**CEO**") and other members of the Company's executive management, which currently consists of four direct reports to the CEO. These guidelines, which relate to the fiscal year 2020, will be presented to shareholders at the 2020 Annual General Meeting (the "**AGM**").

The Board, acting on the advice of the Corporate Governance and Remuneration Committee (the "**CGR Committee**"), determines all compensation for the CEO. The Board also approves any recommendations for adjustments to the remuneration program when they apply to any other members of the executive management and to the overall remuneration framework applicable across the organization.

Remuneration principles

Polarcus is a marine geophysical services company that requires a highly skilled and specialised workforce, largely from within the marine geophysical sector, to conduct its global business. The Company's remuneration program has been specifically designed to:

- Initially attract, subsequently motivate and ultimately retain appropriately skilled, experienced and performing employees,
- Align management and employees with the long term interests of shareholders,
- Provide market-benchmarked competitive remuneration and benefits.

The Board recognizes that the overall performance of the Polarcus Group is dependent on the efforts and contribution of all employees. While this statement is particularly concerned with executive management remuneration, the primary elements of remuneration apply to all Polarcus employees.

Executive remuneration review

During 2019, the CGR Committee commissioned a comprehensive review of executive management compensation, conducted by an external advisor (Mercer). Comparisons were made using a combination of publicly available data from a targeted group of companies (for C-level roles) and separate survey data in UK and Norway-based peer group companies (for CEO and all executive management roles). Quantitative analysis was conducted for total direct compensation (fixed and variable elements of compensation) and a combination of quantitative and qualitative analysis done for any applicable benefits and allowances and associated policy and practice.

The key findings from this review confirmed that the fixed remuneration for the Polarcus CEO and executive management is generally higher than the desired positioning relative to peers. The variable pay opportunity however remains well below market levels, which impacts total compensation relative to peers. This is consistent with the findings from similar reviews conducted in previous years.

As outlined in previous Executive Remuneration Guidelines, it is the Board's intention to rebalance the current pay mix over time, to better align with peers and the longer-term interests of shareholders. In line with this philosophy, the Board had agreed to continue to freeze fixed compensation for the CEO

and executive management while remaining focused on the phased re-introduction of appropriate variable incentive opportunities at the right time.

2020 Executive Remuneration¹

Consistent with peer group practice, Polarcus rewards employees using a combination of fixed and variable compensation and benefits. The CEO and executive management remuneration for 2020 is as follows:

- **Fixed compensation** which consists of a base salary, defined by position impact, qualifications, skills experience, and market-worth (taking a global and regional perspective as appropriate).

Considering prevailing economic circumstances, the Board supports implementation of the cost reduction plan, announced in March 2020, which includes the temporary reduction to the fixed compensation received by the CEO and executive management for part of 2020.

- **Variable compensation** which consists of both short and long-term incentive opportunities to drive and reward performance and contribution, and to align employees with shareholder interests.

Due to the prolonged industry downturn, the variable compensation opportunity has been significantly reduced since 2015. The Board has been monitoring this situation carefully with a view to re-introducing suitable performance-based incentive plans when the market outlook supports such an approach.

- **Short-term incentive** – With a somewhat improved outlook for 2019, the Board approved the re-introduction of an annual (capped) bonus plan. The performance criterion was based on the Company delivering positive net cash in excess of the 2019 Company budget. Payments were due to be made in Q2 2020 based on the 2019 performance but the Board determined, considering prevailing economic circumstances impacting the industry, not to make any payments under this plan.

For 2020, the Board has approved an annual bonus plan where Company performance is measured by a balanced scorecard. The 2020 Company Scorecard includes metrics related to EHSQ, financial, business process, innovation and strategy. Achieving defined financial and EHSQ targets will be minimum requirements to trigger any 2020 bonus.

The total annual bonus opportunity for the CEO and executive management ranges from 40% to 60% of base salary, and payment conditions are based on defined Company and individual performance criteria.

- **Long-term incentives** – For the CEO and executive management, the limited long-term incentive opportunity has been an ongoing area of concern for the CGR Committee and Board.

Following a transitional plan approved at the 2018 AGM, a new Long Term Incentive Plan (“LTIP”) was approved at the 2019 AGM.

This most recent plan is based on a share unit vehicle which will provide a long-term incentive opportunity to targeted employees by granting Performance Share Units (PSU) and Restricted Share Units (RSU) awards. It is intended to align with shareholder interests by driving performance to deliver longer-term business goals and to aid in key employee retention.

¹ Full details of all executive remuneration are included in the Company’s Annual Report.

Early in 2020, awards were made, in line with this new LTIP, to a number of Polarcus employees, including the CEO and executive management. Awards for the CEO and executive management comprised of PSUs only. The PSUs will vest over 3 years based on the achievement of key Company metrics. For the first tranche of PSUs which will vest in 2021, the Board set performance targets based on Total Shareholder Return (30% weighting) and absolute EBITDA (70% weighting).

A minimum shareholding requirement for the CEO and executive management has also been introduced by the Board.

No further awards are proposed to be made in 2020 to the CEO or any executive management.

- **Benefits and Allowances** which consist of cash and non-cash elements. Polarcus benefits, available to all employees, include retirement or end-of-service benefits, healthcare, life assurance and holiday entitlement. Allowances are typically aligned to local market conditions. Where applicable, these include transport and housing allowances, educational support of dependents and an annual travel allowance.

Consistent with market practice for executive contracts, the CEO and executive management contracts contain severance and change of control provisions which provide for up to 12 months of all fixed and expected variable compensation and applicable benefits and allowances under certain conditions.

2019 Remuneration Program

Subsequent to the 2019 AGM, the Board of Directors followed the 2019 Guidelines for the Remuneration of the Executive Management and no other changes to the remuneration program were applied.

Polarcus Limited
(the "Company")

ATTENDANCE SLIP

Polarcus Limited Annual General Meeting 2020

This attendance slip should be returned to the Company, attn. Company Secretary (Caleb Raywood), by no later than 09:00 (GST) on **Wednesday, 22 April 2020**. Please return the attendance slip by email to: company.secretary@polarcus.com

The undersigned intends to participate via webcast at Polarcus Limited's Annual General Meeting on Wednesday, 29 April 2020 (the "**Meeting**") commencing at 16:00 Gulf Standard Time.

Please send instructions for participating in the Meeting to the following email address:

[insert email address]

(Optional) I wish the following question(s) to be addressed in relation to Agenda Item [] at the AGM:

Signature of Shareholder(s) / Authorised Representative

Date

Name:

Address:

Phone:

When signed pursuant to an authority given by the legal shareholder, supporting documentation shall be provided with this form – for example, a company certificate (in the case of directors) or a power of attorney.

Polarcus Limited
(the "Company")

SHAREHOLDER PROXY FORM

This shareholder proxy form should be returned to the Company by no later than 09:00 (GST) on **Sunday, 26 April 2020**. It may be sent by email to: company.secretary@polarcus.com

We
(name) _____

of
(address) _____

holding the following number of Shares _____

hereby appoint _____/ the Chair of the AGM or his nominee to be our proxy at the Annual General Meeting of the Company to be held on Wednesday 29 April 2020 by webcast hosted from Dubai commencing at 16:00 (Gulf Standard Time) or any adjournment thereof (the "**Meeting**") and to vote for us and on our behalf to do all acts and things which we could have done at the Meeting, in such manner as set out herein.

Our instructions for voting with respect to the resolutions mentioned below are as follows:

Resolution No. 1	Appoint Mr. Duncan Eley to Chair the Annual General Meeting	For / Against / Abstain*
Resolution No. 2	Approve an exemption for delivering paper copy documents to shareholders	For / Against / Abstain*
Resolution No. 3	Approval of the Financial Statements and Board of Directors' Report for the year ended 31 December 2019	For / Against / Abstain*
Resolution No. 4	Approval of the Auditor's Fee for 2019	For / Against / Abstain *
Resolution No. 5.1	Election of Nina Tronstad as a director	For / Against/ Abstain *
Resolution No. 5.2	Re-election Michael Mannering as Chairman and as a director	For / Against/ Abstain *
Resolution No. 5.3	Re-election of Karen El-Tawil as a director	For / Against/ Abstain *
Resolution No. 5.4	Re-election of Erik Mathiesen as a director	For / Against/ Abstain *
Resolution No. 5.5	Re-election of Monish Sahni as a director	For / Against/ Abstain *
Resolution No. 5.6	Re-election of Carl Peter Zickerman as a director	For / Against/ Abstain *
Resolution No. 6	Approval of directors' fees for 2020 - 2021	For / Against/ Abstain *
Resolution No. 7.1	Re-election of Katherine Hall as Chair and member of the Nomination Committee	For / Against/ Abstain *
Resolution No. 7.2	Re-election of Karen El-Tawil as a Nomination Committee member	For / Against/ Abstain *

Resolution No. 7.3	Re-election of Kristian Falnes as a Nomination Committee member	For / Against/ Abstain *
Resolution No. 7.4	Approval of Nomination Committee fees for 2020 - 2021	For / Against/ Abstain *
Resolution No. 7.5	Approval of Nomination Committee terms of reference	For / Against/ Abstain *
Resolution No. 8	Approval of statement from the Board of Directors regarding 2020 guidelines for remuneration of Executive Management	For / Against/ Abstain *
Resolution No. 9	Approval of purposes of authorized and unissued shares	For / Against/ Abstain *

**Strike out whichever is not desired*

Unless otherwise instructed, the proxy may vote as the proxy thinks fit or abstain from voting in respect of the resolutions specified and also on any other business (including amendments to resolutions and appointment of the Chairman of the Meeting) which may properly come before the Meeting.

Dated: _____

Signed: _____

NOTES

1. A member entitled to attend and vote at the Meeting may appoint a proxy to attend and, on a poll, vote in place of the member. **It will not be possible to vote during the Meeting so members are strongly encouraged to appoint the Chair of the AGM as their proxy to ensure their vote is recorded.** A member may choose a proxy of a member's own choice by inserting the proxy's name on this proxy form in the space provided above.
2. If the member is a corporation, this form must be executed under its common seal or the hand of a duly authorized officer and satisfactory evidence of authority must be provided.
3. If the proxy form is returned without an indication as to how the proxy is to vote on a particular matter, the proxy will exercise the proxy's discretion as to whether, and how to vote.
4. If the proxy form is returned without an indication of the number of shares or an inaccurate number of shares held by the member, the proxy will be recognized to the extent of the number of shares (if any) recorded in VPS in the name of the shareholder as of the record date of the annual general meeting (14 April 2020).
4. In the case of joint holders, any holder may sign this form.
5. Any alterations made in this form must be initialed.

To be effective, the proxy form and any authority under which it is executed (or a certified copy of such authority) must be deposited with the Company not later than 09.00 (GST) on 26 April 2020. It may be sent by email attn. company secretary (Caleb Raywood) to company.secretary@polarcus.com.