



GOLDEN OCEAN™

**RELATED PARTY TRANSACTIONS POLICY  
GOLDEN OCEAN GROUP LTD.**

(October 2021)

**This related party transactions policy applies to Golden Ocean Group Ltd. (the "Company") and its subsidiaries.**

**1. INTRODUCTION**

1.1 The Company is a public company whose shares are listed on the NASDAQ Global Select Market (the "**NASDAQ**") and registered under the Securities and Exchange Act of 1934, as amended (the "**Exchange Act**"). The Company is obligated to disclose certain Related Party Transactions, and is obligated to review, report or ratify related party transactions in accordance with the rules and regulations of the NASDAQ and the Securities and Exchange Commission (the "**SEC**").

Since the Company's shares are also listed on Oslo Børs, the Company is subject to the issuer rules providing continuing obligations for companies with securities admitted to trading on Oslo Børs, as resolved by the Oslo Stock Exchange.

1.2 The Board of Directors of the Company (the "**Board**") recognizes that certain transactions present a heightened risk of conflicts of interest or the perception thereof. Therefore, the Board has adopted this Related Party Transactions Policy (the "**Policy**") to ensure that all Related Party Transactions (as defined below) shall be subject to review, approval or ratification in accordance with the procedures set forth below, and to ensure compliance with the specific requirements that apply to Form 20-F Related Party Transactions (as defined below).

1.3 It is the responsibility of the Board to advise, administer and ensure the Company and its subsidiaries' compliance with this Policy.

**2. DEFINITIONS**

"**Form 20-F Related Party**": Shall have the same meaning ascribed to a related party under the SEC's Form 20-F ("**Form 20-F**"), which comprise the following at the date of this Policy:

- a) Enterprises that directly or indirectly through one or more intermediaries, control or are controlled by, or are under common control with, the Company.
- b) Associates.
- c) Individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, and close members of any such individual's family.

- d) Key management personnel, that is, those persons having authority and responsibility for planning, directing and controlling the activities of the Company, including directors and senior management of companies and close members of such individual's families.
- e) Enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by any person described in (c) or (d) or over which such a person is able to exercise significant influence. (This includes enterprises owned by directors or major shareholders of the Company and enterprises that have a member of key management in common with the Company.)

Close members of an individual's family are those that may be expected to influence, or be influenced by, that person in their dealings with the Company. Such family members may include (i) the person's partner/spouse or child, (ii) the person's step child or (iii) persons who are being supported by the person or the person's partner/spouse.

An associate is an unconsolidated enterprise in which the Company has a significant influence or which has significant influence over the Company. Significant influence over an enterprise is the power to participate in the financial and operating policy decisions of the enterprise but is less than control over those policies. Shareholders beneficially owning a 10% interest in the voting power of the Company are presumed to have a significant influence on the Company. Notwithstanding the provisions of this defined term, which are provided for guidance, a 20-F Related Party is intended to mean any "related party" as such term is used in SEC's Form 20-F (but without regard to the materiality threshold of Form 20-F, Item 7.B).

**"Form 20-F Related Party Transaction"**: Any transactions or loans between the Company and any Form 20-F Related Parties.

**"Related Party"**: Shall comprise the Form 20-F Related Parties provided, however, that

- (i) for the avoidance of doubt, a "Related Party" as defined hereunder shall include the Form 20-F Related Parties referenced under (d) of the definition of "Form 20-F Related Parties" and any persons who served in such roles since the beginning of the last fiscal year for which the Company filed an Annual Report on Form 20-F (even if such person does not presently serve in that role); and
- (ii) a "Related Party" as defined hereunder also includes shareholders holding more than 10% of any class of the Company's voting securities.

**"Related Party Transaction"**: Any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships, in which (i) the Company or any of its subsidiaries is or will be a participant, and (ii) any Related Party has or will have a direct or indirect interest. This also includes a material amendment or modification to an existing Related Party Transaction.

### **3. NOTIFICATION TO THE BOARD**

- 3.1 All the Company and its subsidiaries' directors, officers and employees are obligated to report any actual or potential conflict of interests, which includes a duty to immediately report the director's, officer's or employee's involvement as a Related Party in any

potential Related Party Transactions.

- 3.2 Specifically, each individual member of the Board and the executive management shall notify the Board c/o the Chairman immediately in writing if they have any material direct or indirect interest in any transaction entered into or contemplated to be entered into by the Company or any of its subsidiaries.
- 3.3 The notification shall include the facts and circumstances of the proposed transaction, and the Related Party's involvement and the potential conflict of interest for the purposes of serving as facts for the Board's assessment in the following.

#### **4. BOARD APPROVAL OF RELATED PARTY TRANSACTIONS**

##### **4.1 Conflicts of interest.**

The Bye-laws of the Company permit an interested director, subject to disclosure of his interest, to vote on a transaction he is interested in and for his presence is allowed to count towards the quorum. However, in accordance with this Policy, individual members of the Board and the executive management who have an interest in any transaction entered into by the Company shall refrain from participating in considering such transaction.

Specifically, if a Related Party Transaction involves a Related Party who is a director or a close family member of a director, such director may not participate in any discussion or vote regarding approval or ratification of approval such transaction. However, such director shall provide all material information concerning the Related Party Transaction to the Board. Such director may be counted in determining the presence of a quorum at a meeting of the Board that considers such transaction.

- 4.2 The Board shall consider the contemplated Related Party Transaction and the relevant Related Party's involvement therein at the next regularly scheduled board meeting, or, in the board meeting discussing and deciding on the relevant Related Party Transaction.
- 4.3 In determining whether to approve or ratify a Related Party Transaction, the Board shall take into account, among other factors it deems appropriate:
- a) Whether the Related Party Transaction was undertaken in the ordinary course of business of the Company.
  - b) Whether the Related Party Transaction was initiated by the Company, a subsidiary or the Related Party.
  - c) Whether the Related Party Transaction is proposed to be, or was, entered into on terms no less favorable to the Company than terms that could have been reached with an unrelated third party.
  - d) The purpose of, and the potential benefits to the Company of, the Related Party Transaction.
  - e) The approximate dollar value of the amount involved in the Related Party Transaction, particularly as it relates to the Related Party.
  - f) The Related Party's interest in the Related Party Transaction.

- g) Any other information regarding the Related Party Transaction or the Related Party that would be material to investors in light of the circumstances of the particular Related Party Transaction.

- 4.4 The Board or the Company's Audit Committee (as further determined by the Board) shall conduct a reasonable prior review and oversight of all Related Party Transactions for potential conflicts of interest and will prohibit such a Related Party Transaction if it determines it to be inconsistent with the interests of the Company and its shareholders.
- 4.5 The Board may approve the Related Party Transaction only if the Board determines in good faith that, in view of the applicable circumstances, the Related Party Transaction is in the best interests of the Company and its shareholders. The Board, in its sole discretion, may impose such conditions as it deems appropriate on the Company or the Related Party in connection with the approval of the Related Party Transaction.
- 4.6 In the event of a material Related Party Transaction between the Company and a Related Party, the Board should consider arranging for a valuation to be obtained from an independent third party.
- 4.7 If the Company becomes aware of a Related Party Transaction that has not been approved under this Policy, the Related Party Transaction shall be reviewed in accordance with the procedures set forth herein and, if the Board determines it to be appropriate, ratified at the Board's next regularly scheduled meeting.
- 4.8 In a case where the Board determines not to ratify a Related Party Transaction that has been commenced without approval, the Board may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction, or modification of the transaction to make it acceptable for ratification.

## **5. OBLIGATIONS SPECIFIC TO 20-F REPORTING REQUIREMENTS AND ANNOUNCEMENTS**

- 5.1 The Company shall disclose any 20-F Related Party Transactions in the Company's annual report on Form 20-F in such manner and only as required under the securities laws of the United States and the rules and regulations of the NASDAQ.
- 5.2 The Company's directors, officers and employees acknowledge that knowledge of the existence of a Related Party Transactions may be considered material non-public information for the Company and the United States, Norwegian and other securities laws may prohibit any person who has material non-public information concerning an issuer from purchasing or selling securities of such issuer or from communicating such information to any other person under circumstance in which it is reasonably foreseeable that such person is likely to purchase and sell such securities in reliance on such information.

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