



Compensation Committee Charter

This Compensation Committee Charter (“Charter”) has been adopted by the Board of Directors (the “Board”) of SFL Corporation Ltd. (the “Company”). The Compensation Committee of the Board (the “Committee”) shall review and reassess the adequacy of this charter as often as it may deem necessary and recommend any proposed changes to the Board for approval.

Purpose

The Committee shall carry out the Board’s responsibilities relating to compensation of the Company’s executive officers and provide such other guidance with respect to compensation matters as the Committee deems appropriate. It may also have such other duties as may from time to time be assigned to it by the Board and as may be required by the rules and regulations of the Securities and Exchange Commission and the New York Stock Exchange (the “NYSE”).

Committee Membership

The Committee shall be comprised of at least two directors determined by the Board to meet the director independence requirements of NYSE, subject to any applicable exemptions and phase-in provisions under NYSE rules. The Board shall have the power at any time to change the membership of the Committee.

Meetings

The Committee shall meet as often as it deems necessary. The Committee may request any officer or employee of the Company to attend meetings of the Committee or to meet with members of, or consultants to, the Committee. Members of the Committee may participate in meetings of the Committee by telephone conference call. The Committee may act by unanimous written consent in lieu of a meeting. The Chief Executive Officer (the “CEO”) shall not be present during voting or deliberations relating to his compensation.

Committee Authority and Responsibilities

The Committee shall have sole authority to retain and terminate (i) compensation consultants and (ii) any other advisors whom the Committee believes are necessary to assist it in carrying out its duties. The Committee shall have sole authority to approve such consultants’ and advisors’ fees and other retention terms.

The Committee shall report regularly to the Board summarizing any significant issues considered by the Committee and any action it has taken.

The principal duties and responsibilities of the Committee are as follows:

1. Make recommendations to the Board as to the Company's general compensation philosophy.
2. Review and approve those corporate goals and objectives established by the Board that are relevant to the compensation of the Company's CEO, evaluate the performance of the CEO in light of those goals and objectives, and determine and approve the CEO's compensation based on this evaluation.
3. Determine the annual compensation, including benefits and perquisites of all executive officers of the Company, and report such determinations and actions to the Board.
4. Review and approve employment agreements, severance agreements, change of control agreements and other similar agreements relating to executive officers.
5. Undertake any other duties and responsibilities relating to compensation matters that the Board may delegate to the Committee.
6. Undertake such other responsibilities, as the Committee deems appropriate for it to carry out its purpose under this Charter.