

**CHARTER  
COMPENSATION COMMITTEE  
of  
THE BOARD OF DIRECTORS  
of  
VALARIS LIMITED**

*(Adopted on 30 April 2021)*

**Composition**

The Committee shall be composed of two or more directors of Valaris Limited (the “Company”) who qualify as “non-employee directors” within the meaning of Securities and Exchange Commission Rule 16b-3. Each member of the Committee shall be independent in accordance with the provisions of Rule 10C-1(b)(1) under the Securities Exchange Act of 1934, as amended, and the rules of the New York Stock Exchange (“NYSE”), subject to any transition provisions applicable to companies that list upon emergence from bankruptcy.

Subject to any applicable law or NYSE listing standards, the Board of Directors may appoint and remove Committee members, including the Committee chair, in accordance with the Company’s bye-laws (“Bye-laws”).

**Authority**

The Committee shall advise the Board of Directors and will consult with the outside advisors of the Company in respect of the principles and philosophy to be observed by the Company in compensating directors, officers and employees.

The Committee shall have the authority, in its sole discretion, to select, retain and obtain the advice of a compensation consultant as necessary to assist with the execution of its duties and responsibilities as set forth in this Charter. The Committee shall set the compensation, and oversee the work, of the compensation consultant. The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of outside legal counsel and such other advisors as it deems necessary to fulfill its duties and responsibilities under this Charter, including advisors with expertise on compensation and benefits for executives, managers, employees and directors or attorneys or consultants to advise on Committee responsibilities. The Committee shall set the compensation, and oversee the work, of its outside legal counsel and other advisors. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to its compensation consultants, outside legal counsel and any other advisors.

In retaining or seeking advice from compensation consultants, legal counsel and other advisors (other than the Company’s in-house legal counsel), the Committee must take into consideration all factors relevant to that person’s independence from management including the factors specified in NYSE Rule 303A.05(c)(iv). The Committee may retain,

or receive advice from, any compensation advisor they prefer, including ones that are not independent, after considering the specified factors. The Committee is not required to assess the independence of any compensation consultant or other advisor that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is generally available to all salaried employees or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by the consultant or advisor, and about which the consultant or advisor does not provide advice.

The Committee shall evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K.

The Committee is at all times authorized to have direct, independent and confidential access to the Company's other directors, management and personnel to carry out the Committee's purposes. The Committee is authorized to obtain at the Company's expense compensation surveys, reports on the design and implementation of compensation programs for the Company's directors, officers and employees, and other data and documentation as the Committee considers appropriate.

While the Committee members have the duties and responsibilities set forth in the Committee Charter, nothing contained in the Committee Charter is intended to create, or should be construed as creating, any responsibility or liability of the Committee members, except to the extent otherwise provided under applicable laws, rules or regulations.

### **Meetings**

The Committee is to meet as many times as the Committee deems necessary. Meetings for the consideration of pertinent matters may be requested by (i) the Committee chair, (ii) the Chief Executive Officer ("CEO") or (iii) the Secretary on request of any two members of the Committee. A majority of the members of the Committee shall constitute a quorum at any meeting.

### **Procedures**

The procedures governing operation of the Committee will be as set forth in the Bye-laws and Corporate Governance Policy, as such may be amended from time to time. The Committee may establish additional procedures applicable to the Committee, including with respect to the formation and delegation of authority to sub-committees, in a manner not inconsistent with this Charter, the Bye-laws, the Company's Corporate Governance Policy, applicable law or the NYSE listing standards.

### **Attendance**

All of the Company's directors are permitted to attend quarterly Committee meetings, except where the Committee chair determines that there is a specific reason to limit attendance at the meeting. As necessary or desirable, the Committee chair may request that members of management or independent consultants be present at meetings of the

Committee. At the Committee meetings, in any deliberations or voting to determine the compensation of the CEO or any other executive director, the CEO or such other executive director, as applicable, must not be present; however, in any deliberations regarding the compensation of other executive officers, the Committee may elect to invite the CEO or such other executive director to be present but not vote.

### **Minutes**

The Secretary, Assistant Secretary of the Company or such person as shall be designated by the Committee chair to act as Secretary of the Committee will prepare the minutes of each meeting and send a copy of the minutes to the Committee members and to the directors who are not members of the Committee. The Committee will report regularly to the full Board with respect to its activities.

### **Responsibilities and Powers**

The Committee shall be empowered in accordance with its judgment and subject to the requirements of applicable laws, rules or regulations, to act in respect of the following:

### **Functions:**

1. Make its independent perspective available to management for consultation in respect of the Company's policies with regard to major issues of compensation.
2. Review with management and approve any changes in the Company's compensation structure of sufficient magnitude to materially affect the Company's cost of operation or its competitiveness as an employer.
3. Review with management and approve any significant additions, deletions or modifications to the Company's employee benefit plans.
4. Oversee the Company's compliance with Securities and Exchange Commission ("SEC") rules and regulations regarding shareholder approval of certain executive compensation matters, including advisory votes on executive compensation and the frequency of such votes, and assess the results of the Company's most recent advisory vote on executive compensation.
5. Subject to Sections 6 and 7 below, (a) Review and recommend to the Board corporate goals and objectives relevant to the compensation of the Company's executive officers and named executive officers (as such term is defined in SEC Regulation S-K Item 402, "NEO"), (b) evaluate the executive officers' and NEOs' performance in light of those goals and objectives, and (c) review and approve the executive officers' and NEOs' (and recommend to the Board for approval, with respect to the CEO and any other executive director, if any) compensation levels based on the performance evaluation.
6. Oversee the administration of the Company's incentive-compensation and equity-based compensation plans. Approve and grant awards to executive officers (other

than the CEO and any other executive director) under these plans, including any cash bonuses or long-term cash or equity incentive compensation, as provided under the terms of such plans, and report awards made to the Board of Directors. Submit cash incentive plan performance and strategic team goals for the Company's senior executives to the Board of Directors for approval each plan year. The Committee may delegate to one or more executive officers the authority to grant awards to employees other than executive officers, subject to applicable law and any limitations set forth in the applicable plans.

7. The annual compensation, including any base salary adjustment and cash or equity incentive awards, of the CEO and any other executive director shall be developed by the Committee and presented to the independent members of the Board in executive session and shall be subject to the approval of the independent directors of the Board. In addition, the Committee shall receive periodic reports on the Company's compensation programs as they affect all employees.
8. Review and approve any employment, severance, change in control or similar agreements entered into with executive officers and report on any such agreements to the Board of Directors, other than with regard to the CEO and any other executive directors for whom such agreements shall be subject to approval of the independent directors of the Board.
9. Make recommendations to the Board with respect to new or modified incentive-compensation and equity-based compensation plans and programs that are subject to Board approval.
10. In connection with Section 6 above, review incentive compensation arrangements to confirm that incentive pay arrangements do not encourage unnecessary risk-taking and report the results to the Board.
11. Conduct an annual evaluation of the performance of the Committee and implement such measures as may be deemed appropriate to improve the performance and administration of the Committee.
12. Review to the extent required by applicable law and discuss the Company's disclosures under "Compensation Discussion and Analysis" ("CD&A") with management, and recommend to the Board of Directors that the "Compensation Discussion and Analysis" be included in the Company's annual Proxy Statement or annual report on Form 10-K filed with the SEC.
13. Produce, with assistance from the Company's management and the Committee's advisors, a Compensation Committee Report to the extent required by the SEC for inclusion in the Company's annual Proxy Statement denoting that the Committee has reviewed and discussed the Compensation Discussion and Analysis report and recommends to the Board that the CD&A be included in the Proxy Statement.
14. Periodically review compensation for non-employee directors, Board and committee chairs and committee members consistent with the applicable

requirements of the listing standards for independent directors and including consideration of cash and equity components of this compensation and recommend changes to the Board of Directors as appropriate.

15. Annually review the Committee Charter and recommend to the Board of Directors any appropriate extensions or changes in the duties of the Committee or revisions of the Committee Charter.
16. Monitor the Company's compliance with the requirements under the Sarbanes-Oxley Act of 2002 relating to 401(k) plans and loans to directors and officers and with all other applicable laws affecting employee compensation and benefits.