

**BANK OF SOUTH CAROLINA
CORPORATION
AND
THE BANK OF SOUTH
CAROLINA
COMPENSATION COMMITTEE
CHARTER**

Approved as amended, March 25, 2021

PURPOSE:

The Board of Directors (the “Board”) of Bank of South Carolina Corporation (the “Company”) appoints the Compensation Committee (the “Committee”) to assist the Board in fulfilling its oversight responsibilities. The Committee also functions as the Compensation Committee of the Board of Directors of the Company’s subsidiary, The Bank of South Carolina (the “Bank”). References to the Company in this Charter also include the Bank, and references to the Board include the Boards of Directors of both the Company and the Bank. The Board has delegated to the Committee the responsibility to discharge the Board’s responsibilities relating to the compensation of the Company’s Executive Officers. In addition, the Committee is charged with the administration of the 2021 Stock Incentive Plan for Independent Directors.

In performing these responsibilities, the Committee’s objectives are:

1. To encourage the achievement of the Company’s long-range objectives by providing compensation that reflects the performance of the individual and the achievement of Company objectives. The level of compensation shall be reasonable based upon the Company’s corporate goals and objectives, normal and customary levels of compensation within the banking industry (taking into consideration geographic and competitive factors), the Bank’s asset quality, capital level, operations and profitability, and the duties performed and responsibilities held by the individual.
2. To establish compensation guidelines that will attract and retain qualified personnel through an overall level of compensation opportunity that is competitive within the banking industry.
3. To assist the Company in recruiting and retaining Independent Directors with ability and initiative by enabling Independent Directors to participate in its future success and to align their interests with those of The Bank of South Carolina and its shareholders.

STRUCTURE AND MEMBERSHIP OF THE COMMITTEE:

The Committee shall be composed of a minimum of three Directors. Each member of the Committee shall satisfy the independence and other requirements for compensation committee members imposed by:

- a) The NASDAQ Stock Market;

- b) The Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the rules and regulations of the Securities and Exchange Commission (the “SEC”) there under; and
- c) Any other laws, rules, or regulations applicable to the Company or its subsidiaries.

The Board shall appoint members of the Committee. Members shall serve at the pleasure of the Board and for such terms as the Board may determine. The Board shall designate one member of the Committee as its Chairperson. A majority of the members of the Committee shall constitute a quorum for the transaction of business, and the act of a majority of those present at any meeting at which a quorum is present shall be the act of the Committee. The Committee may meet in person or telephonically at scheduled times and places determined by the Committee Chairperson. The Committee may also act by unanimous written consent. The Committee shall conduct its meetings in accordance with the Company’s By-Laws. The Board may amend or repeal this Charter and amend the duties of the Committee at any time.

DUTIES AND RESPONSIBILITIES:

1. Review and approve compensation of the Executive Officers in light of the Company’s goals and objectives. **NOTE:** *Executive Officers may not be present during voting or deliberations on their compensation.*
2. To oversee regulatory compliance and risk management with respect to compensation matters.
3. To make regular reports to the Board.
4. Review and approve the Report of the Compensation Committee for inclusion in the Company’s annual proxy statement, in accordance with applicable rules and regulations.
5. To review and approve the Compensation Discussion and Analysis section of the Company’s annual proxy statement, and recommend to management that it be included in the annual proxy statement.
6. To perform any other duties or responsibilities expressly delegated to the Committee by the Board from time to time.

The Committee shall have direct access to, and complete and open communication with, management. The Committee may obtain advice and assistance from internal legal, accounting, or other advisors to assist it. In the course of performing its duties and responsibilities, the Committee is authorized to select, retain, terminate, and approve the fees and other retention terms of independent legal, accounting, or other advisors (including compensation consultants) as it deems appropriate in its sole discretion, without seeking approval of management or the Board; provided, that in retaining such advisors, the Committee shall comply with all applicable rules of the SEC or The NASDAQ Stock Market. If the Committee retains a compensation consultant, independent legal counsel or other advisors, the Committee shall be directly responsible for the appointment, compensation, and oversight of the work of the compensation consultant, independent legal counsel, or other advisors.

In exercising its responsibilities under this Charter, the Committee shall comply with any other laws, rules, or regulations applicable to the Company or its subsidiaries.

The Committee will review and reassess the adequacy of this Charter at least annually, and will submit the Charter to the Board of Directors annually for approval.