



**CHARTER  
COMPENSATION COMMITTEE  
of  
THE BOARD OF DIRECTORS  
of  
TGS ASA**

**Purpose**

The purpose of the Compensation Committee (the “Committee”) is to assist the Board of Directors (the “Board”) of TGS ASA (the “Company”) in its oversight with respect to compensation and people and organization-related matters. The oversight and advisory role of the Committee does not alter the Board’s legal responsibilities and tasks.

**Composition**

The Committee will be composed of three or more members of the Board. Subject to any applicable law, the Board may appoint and remove Committee members, including the Committee chair.

**Authority**

The Compensation Committee is dedicated to overseeing the compensation, benefits, and performance evaluation of the Company's executives and employees. The Committee collaborates with the CEO, the CFO, General Counsel, the executive sponsor of the Committee and other employees to gather the necessary information and engage with personnel to fulfill its responsibilities. The Committee is authorized to engage with shareholders on matters of compensation policy and plan, prior to AGM approvals. Additionally, the Committee may interact with other Committees of the Board to ensure a comprehensive approach to compensation and organizational matters.

The Committee has the authority to engage legal counsel, compensation consultants, or other independent advisors to assist in its duties. While the Committee members have the responsibilities outlined in this Charter, nothing in this Charter is intended to create, or should be construed as creating, any responsibility or liability of the Committee members, except as provided under applicable laws, rules, or regulations.

**Meetings**

The Committee will meet as many times as the Committee deems necessary, but at least four times per year. Meetings for the consideration of pertinent matters may be requested by any member of the Committee. A majority of the members of the Committee will constitute a quorum at any meeting. The Committee will report regularly to the full Board with respect to its activities.

**Procedures**

The Committee will establish its procedures for operation, which will be consistent with the Norwegian Public Limited Liability Act, the Company’s Articles of Association and the Board’s Rules of Procedure. Agendas for meetings will be prepared by the executive sponsor(s) for the Committee, with input from the Chair of the Committee. The executive sponsor for the Committee will initially be the EVP, People & Culture. The Committee may appoint other executive sponsors at any time.



### **Attendance**

All of the Company's directors are permitted to attend 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.

### **Minutes**

At each meeting, the Committee chair will designate a member of management of the Company to act as secretary to the Committee, and such person will prepare minutes of the meeting and make available a copy of the minutes to the members of the Committee and the remainder of the Board.

### **Responsibilities of the Compensation Committee**

- **Executive Compensation Oversight:** The Committee evaluates and reviews compensation for the CEO and senior executives, including base salaries, bonuses, incentive awards, equity grants, and severance arrangements. The Committee also makes recommendations to the Board related to CEO compensation adjustments
- **Benchmarking and Compliance:** The Committee selects appropriate peer groups for market comparisons, ensures compliance with legal, regulatory, and reporting requirements, and monitors adherence to stock exchange and corporate governance guidelines
- **Compensation Strategy and Philosophy:** The Committee defines the framework for executive compensation based on regular benchmarking reviews of the company's overall compensation philosophy to ensure pay decisions align with the company's mission, values, and strategic objectives
- **Remuneration Policy:** The Committee establishes and updates the Remuneration Policy in line with changes in the compensation strategy and philosophy and submits the policy to the AGM for approval on a periodic basis in accordance with Norwegian law
- **Performance Goals and Incentive Plans:** The Committee, in collaboration with the Audit and Safety & Sustainability Committees as applicable, sets performance metrics and goals for executive incentive programs, ensuring they drive performance, incentivize behaviors and reward value creation
- **STIP and LTIP:** The committee prepares and updates STIPs and LTIPs programs and metrics and recommends these for Board approval. ESG related targets and metrics are defined in collaboration with the Safety and Sustainability Committee
- **Disclosure and Transparency:** The Committee oversees and approves the Remuneration Policy as described above and the annual executive remuneration report submitted to the AGM for an advisory vote, as well as other compensation disclosures in the Company's annual report and other public filings to ensure transparency for shareholders
- **Shareholder Engagement:** The Committee ensures transparent shareholder communication, conducts outreach to select shareholders with regards to compensation programs and strategies, and responds to shareholder input. It may also interact with external compensation consultants and proxy advisory firms as needed
- **CEO and Executive Evaluation:** The Committee develops and oversees the process for Board evaluation of the CEO and executive team, ensuring linkage to performance targets and strategic objectives.
- **Organizational Development:** The Committee oversees and advises on the Company's people and organizational development strategy, including during periods of restructuring
- **Risk Management:** The Committee assesses risks related to compensation policies, ensuring programs do not encourage excessive or inappropriate risk-taking. It also collaborates with the Audit Committee and the



Safety and Sustainability Committee with regards to the Enterprise Risk Management process evaluating risks related to People & Culture

- Succession Planning: The Committee establishes the framework, and contributes to identifying and preparing succession plans for the CEO and key executive roles
- Continuous Improvement: The Committee conducts annual self-evaluations and recommends improvements of the Committee's performance and Charter to the Chair

## Annual Cycle

Q1 Annual results & targets, AGM documentation, Shareholder outreach	Q2 AGM feedback & governance	Q3 Market trends & implications on compensation strategy	Q4 Compensation changes & performance planning
<ul style="list-style-type: none"> <li>• Approve STI payout for previous year</li> <li>• Approve STI performance measures and targets for year ahead</li> <li>• Approve LTI share pool and performance measures for upcoming program</li> <li>• Sign off Remuneration Report</li> <li>• Sign off AGM documentation</li> <li>• Plan shareholder outreach</li> <li>• Review CEO performance and establish new performance goals for year ahead</li> <li>• Review results of engagement survey</li> </ul>	<ul style="list-style-type: none"> <li>• Review shareholder votes and investor/ proxy advisors' feedback from the AGM</li> <li>• Review feedback from shareholder outreach</li> <li>• Review the results of annual CC self-assessment</li> <li>• Review compliance with the share ownership policy</li> <li>• Review Succession Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Update on market trends and implications on compensation strategy</li> <li>• Confirm methodology, approach and peer groups for executive compensation</li> <li>• Approve LTI outcomes for upcoming vest</li> <li>• Review and confirm CC topics for year ahead (f.ex. Consider Employee Share Purchase program)</li> </ul>	<ul style="list-style-type: none"> <li>• Review results of compensation benchmarking analysis and review proposed compensation changes</li> <li>• Update on prior-year financial performance and expected STI outcome</li> <li>• Review and discuss the initial proposal on STI and LTI performance measures for next year</li> <li>• Review Succession Plan</li> </ul>