Remuneration Policy

Introduction from the Chair of the Compensation Committee

TGS ASA ("TGS" or "the Company") and its Board of Directors (the "Board") has established these guidelines (the "Policy") for determining salary and other benefits for the CEO and other Executives (cf. §§ 5-6 and 6-16a of the Norwegian Public Limited Liability Companies Act ("NPLLCA"), supplementing regulations and the Board's rules of procedure. The Policy is outlined below and is presented for approval by the shareholders at the Annual General Meeting ("AGM") on 8 May 2025. The Policy will replace the current remuneration policy and apply for a four-year period from the 2025 AGM, or until any general meeting resolving changes to the Policy if earlier.

TGS is an international company operating in the global energy data and geophysical industry. Our operations are conducted world-wide. This means that our talent pool is and needs to be diverse and international. The total remuneration package for our Executives needs to be based on the norms in the US, Norwegian and UK labor markets and the global talent market in which we compete. The level of total remuneration and the structure of the total remuneration package for our Executives is designed to incentivize enhanced performance, achieve TGS' strategy and long-term interests, and ensure common goals and interest between the shareholders and the Executives, achieved through a mix of fixed remuneration and retention and performance-based incentive compensation. The Policy is also designed to attract and retain highly qualified leaders with diverse backgrounds and experience and to be competitive in the markets in which the Company must attract these leaders.

The year 2024 was pivotal for TGS, marked by the acquisition of PGS and its integration into a global, fully integrated energy data company. This transformation significantly impacted the company's size, structure, and business model. Following the successful integration of Magseis Fairfield's OBN acquisition business, we expanded our capabilities by incorporating a fleet of high-capacity streamer vessels and broadening our portfolio of products and services. Consequently, our workforce grew substantially—from 870 employees in 2023 to 1,840 employees across our locations globally, including a significant offshore workforce.

Under the leadership of a newly formed Executive Team that combines expertise from both legacy companies, the integration process commenced on July 1, 2024, setting the foundation for a strong start. In the latter half of 2024, TGS announced its new corporate strategy. In alignment with this strategy, an independent third-party executive compensation firm assessed remuneration policies, strategies, and peer groups from both legacy companies to ensure alignment with shareholder expectations and industry standards. The benchmark analysis provided important insight which forms the basis of the updated Remuneration Policy.

TGS' updated remuneration policy is designed to support its strategic pillars: Value, Resilience, and Knowledge. The policy offers executives a competitive and balanced compensation package that rewards short- and long-term performance while promoting share ownership and retention. The structure incentivizes enhanced performance aligned with TGS' strategic objectives and long-term interests while fostering shared goals between shareholders and executives.

Executive compensation remains heavily weighted toward variable pay tied to financial performance metrics, strategic goals, ESG considerations, and share ownership guidelines requiring executives to hold multiples of their base salary in TGS shares. The policy also emphasizes attracting diverse leaders with competitive packages tailored to market demands.

All of the above will require the use of several different instruments and components, as explained below. It is the Board's and the Compensation Committee's assessment that the Policy supports the business strategy, long-term interests and sustainability of the Company and meets expectations from the Executives, the shareholders and the Company's other stakeholders.

Remuneration Policy

Remuneration to the Board

The remuneration to both the employee- and shareholder-elected Board members is, in accordance with the NPLLCA, decided annually by the shareholders at the AGM following a recommendation from the Nomination Committee. The Nomination Committee bases its proposal, inter alia, on the annual survey data provided by the Norwegian Institute of Directors under its annual survey on employee- and shareholder-elected director remuneration. Further details are presented in the Notice and Agenda for each AGM, where the Company solicits approval for Board members' remuneration paid from the previous AGM to the upcoming AGM, as well the principles for Board fees for the period from the upcoming AGM to the subsequent AGM.

Total Remuneration Structure for the Executives

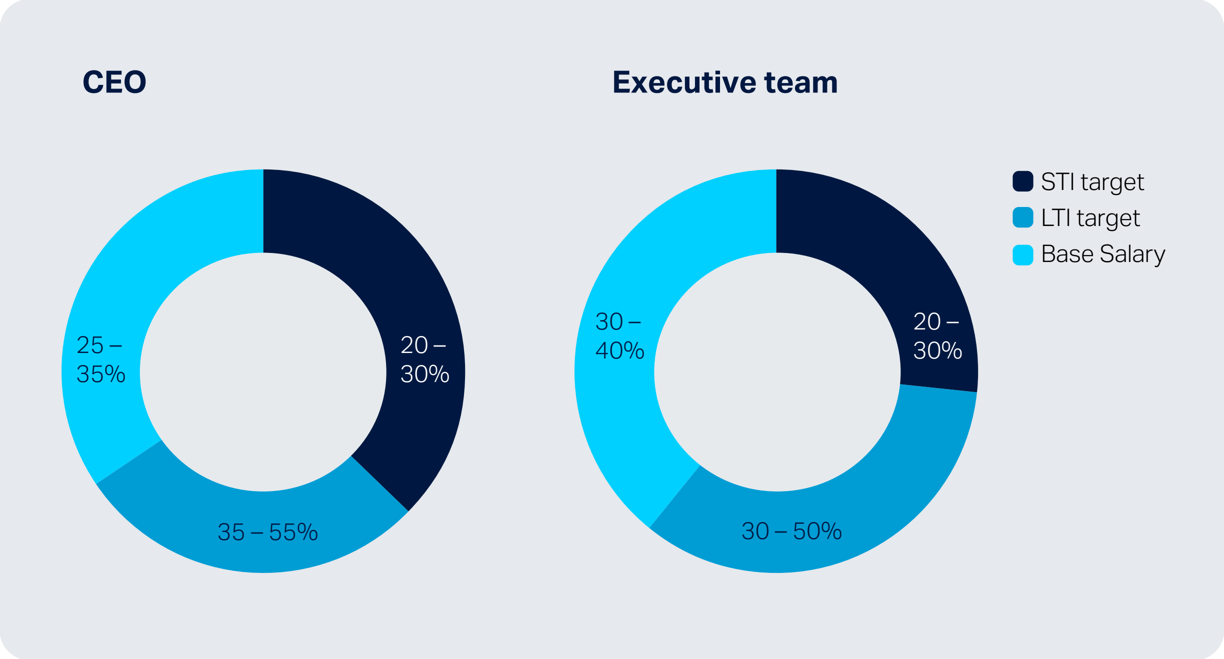
- The key remuneration elements for the Executives are set forth below: Fixed remuneration: Annual base salary and benefits in-kind such as standard employee benefits (e.g., pension, insurance, etc.)
- Variable pay: Short-Term Incentive Plan (STI Plan) and Long-Term Incentive Plan (LTI Plan) Other benefits deemed appropriate in certain circumstances, such as relocation

The target pay mix is illustrated in the graphs.

With the help of an independent third-party remuneration benchmarking advisor, TGS has identified a specific peer group of comparable companies across relevant markets. The advisor has collected and combined information related to the total remuneration level and structure amongst these companies. As of 31 December 2024, the peer group consisted of companies from US, Norway and Europe. These companies are of comparable size and have international operations in the energy, oil & gas, and oil services sectors. The peer group is subject to regular review. The Board and Compensation Committee use this information, among other tools, to benchmark and decide on an appropriate total remuneration structure for the Executives. TGS aims for a peer group that includes energy and data-focused industry peers of similar size considering revenue, market value, EBITDA, ROE and ROACE as well as similar operating characteristics. TGS is positioned in the middle of the range, on average, across size metrics.

The Compensation Committee and the Board regularly evaluate the remuneration of the Executives. As part of its meeting schedule, the Compensation Committee annually reviews the total remuneration level and the mix between fixed and variable remuneration. As part of this review, the mix between long- and short-term incentives, and the mix between corporate financial goals and corporate strategic goals, are evaluated. At the beginning of each calendar year, the corporate financial goals and their targets and ranges are reviewed by the Audit and Compensation Committees and approved by the Board.

Considering the above, and the peer group information, the total remuneration of the Executives is designed to target a relative share for each component approximately as seen below:



This mix of base salary and STI/LTI for executives is heavily weighted towards the variable pay element to align executives with the same risks and rewards as TGS' shareholders.

Fixed remuneration

Competitive base salary levels are critical for attracting and retaining people who are skilled and motivated to deliver results and long-term value creation for the Company and its stakeholders.

Base salaries are set and adjusted based on our remuneration benchmarking versus our defined remuneration peer group, as well as complexity and scope of the role.

Salaries are reviewed by the Compensation Committee on an annual basis, taking the following key considerations into account:
- Business performance and local market economic indicators
- Salary level relative to the local market (ref. benchmarking)
- The individual's performance and impact on the business

Short-Term Incentive Plan

The STI Plan is a profit-focused incentive plan aimed to motivate all employees, including the Executives, to drive annual results and corporate strategy for the benefit of the Company and its shareholders. Following satisfaction of eligibility requirements, all employees participate in the STI Plan, which is a cash-based plan where payout is determined based upon Company's performance in relation to financial and strategic metrics. Participation in the STI Plans and the minimum-, target- and maximum pay-out levels under such plans are determined by the Company, following review and approval by the Compensation Committee and the Board, on an annual basis.

The current guidelines that apply for the Executive team are as follows:
- CEO target at 100-120% of annual base salary, max at 1.5x target
- Executive targets at 45-80% of annual base salary, max at 1.5x target

Bonus payments under the STI Plans to the Executives are based on the Company's achievement of key performance indicators ("KPIs"). The STI Plan is generally linked to key financial performance metrics in addition to a set of strategic corporate goals and is mostly funded through achievement of these metrics and goals. The strategic corporate goals are typically related to areas such as strategic, operational-, organizational, people & culture, and HSE/ESG (environmental, social and governance) objectives.

Bonus targets are set at the beginning of each plan year together with determination of the STI Plan bonus pool. The target for each Executive is based on the target pay mix and the individual's scope and impact on the organization. Since 2016, the Board has implemented a cap on the total payout of each annual STI Plan. The cap is set to 1.5x annual target, but in extraordinary circumstances the Board can consider 2x annual target.

During recent years, the STI Plan has included financial KPIs linked to the Company's profitability (weighted at 75%) and strategic KPIs (weighted at 25%) linked to corporate and/or business group annual goals, including achievement of key objectives related to customers, people, strategic advancement, HSE/ESG and cash flow. The specific financial metrics, the strategic KPIs and the weighting of both as part of the STI Plan are reviewed each year as part of a goal setting process in TGS with input from the Board. This bonus structure ensures strong alignment between short-term incentives and delivering important results for the Company and shareholders.

The Company has claw-back provisions under the STI Plan, where TGS reserves the right to demand the repayment of any STI bonus that was paid based on facts that were self-evidently incorrect or as the result of misleading information supplied by the individual in question. Further, if the Board anticipates that financial performance will be weaker than expected, the plan includes a withholding provision that may be instituted at the Board's discretion for the financial performance portion of the bonus. The Board reserves the right to cancel STI Plans without any payment to the Executives or other participants prior to final determination of achievements by the Board. The Executives will not be eligible for bonus payout under the STI Plans if they have resigned or given/been given a notice of termination before the payment date, unless otherwise approved by the Board or CEO respectively as being in the Company's best interests.

To incentivize key talent in the Company, the Board may, if deemed to be in the Company's best interest, from time to time award a discretionary bonus to Executives and other employees in recognition of major changes in the Company's structure, special strategic initiatives or effects from significant extraordinary items. Such bonus will be subject to a cap of one annual base salary per year.

Long-Term Incentive Plan

The Executives and other non-executive members of TGS' leadership participate in the annual LTI Plan. The purpose of the Company's LTI Plan is to ensure the Executive and leadership teams' interests are aligned with shareholder interests, to provide retention incentives to TGS' leadership and Executives and to contribute to an overall competitive total compensation package.

The Company's AGMs have for several years annually authorized LTI Plans to ensure continued long-term incentives linked to the Company's financial performance, relative share price development and HSSE and ESG objectives. The Board will annually throughout the Policy period continue to propose an LTI Plan for approval at the AGM.

The LTI Plan aims to align the interest of the leadership of the Company and shareholders, contribute to long-term value creation, and retain leaders and key talent across the Company. For all Executives and other eligible employees, the LTI Plan will consist of a mix of annual equity-based Performance Share Units ("PSUs") with performance against various metrics measured over a three-year period, and annual Restricted Stock Units ("RSUs"), which vest generally over a three-year period based on continued employment and satisfactory performance by participants awarded the RSUs. For the Executives, the mix between PSUs and RSUs is weighted towards PSUs (70% PSUs and 30% RSUs). The rationale for including both PSUs and RSU's in the LTI Plan for the Executives is to provide for a balance between performance and retention mechanisms in a time period after recent mergers and acquisitions. The mix between PSUs and RSUs will vary across the levels of senior leadership below the Executive team and among key talent.

LTI Pool and PSUs and RSUs

Each year, the Company will seek approval from the shareholders at the AGM for the total amount of shares to be provided for under the LTI Plan. In determining the LTI Plan share pool, the Company takes into account potential dilution, value of the shares, prior plan performance, succession and organizational planning, and retention concerns. The Company aims to maintain the total share pool of PSUs and RSUs under 5% at any given time across a three-year period, and that sufficient shares are provided to ensure competitive overall remuneration and retention incentives to Executives, non-executive leadership, and key talent.

The PSUs awarded provide the participant with the ability to earn the equivalent number of common shares of TGS stock, subject to the Company's financial and corporate performance over a three-year period of time and the participant's continued employment. PSUs under the LTI Plan will generally vest three years following the award subject to the Company's achievement against specified plan KPIs. The KPIs, their relative weighting, and the associated pay out levels from each KPI will be designed to protect the Company's long term-interests and create value over time.

The current financial KPIs for the PSUs awarded under the 2024 LTI Plan are relative and absolute Total Shareholder Return ("TSR"), measured against the Company's designated comparative peer group. In addition, strategic KPIs relating to ESG and HSSE objectives are included in the PSUs awarded under the 2024 LTI Plan. The financial and strategic KPIs have been seen by the Board to be adequate metrics to gauge the protection of long-term interests for the Company and creation of shareholder value over time. The KPIs may be modified for future LTI Plans, depending on the Company's financial situation and its current key strategic priorities. The KPIs for the PSUs are set with minimum thresholds and targets a payout at 50-75% of the PSUs awarded with a stretch target to 100% of PSUs awarded. No shares will be earned in any category if final values are below the designated performance threshold. A cash bonus in an amount equivalent to dividends paid on TGS common shares during the vesting period will accrue on PSUs that are ultimately earned. The Board may adjust the thresholds to reflect major changes in the Company's structure or effects from significant extraordinary items.

The RSUs awarded provide the participant the ability to earn the equivalent number of common shares of TGS stock, subject to satisfactory performance ("meets expectations" or above) against their goals over a three-year period of time and continued employment. The individual performance goals are based on the performance criteria tied to annual goals that support the Company's annual corporate strategic objectives.

The RSUs awarded to Executives will include a restriction on the ability of each Executive to sell the vested shares for a period of two years following vesting (a "lock-up"). The lock-up further enhances the incentives to create shareholder value among the Executives and adds further retention benefits.

Employee Share Purchase Plan

In 2019, TGS implemented an Employee Share Purchase Plan ("ESPP") pursuant to which eligible employees, including the Executives are eligible to purchase common shares of the Company at a discount through payroll deductions. The ESPP intends to encourage broader share ownership among TGS employees to further increase alignment with shareholders.

Under the ESPP, participating employees will save money through voluntary, after-tax payroll deductions over a period of six months (the "Offer Period"). Upon completion of the Offer Period, employees will have the option to use the savings to purchase TGS stock at a discount to the market price at the time of purchase (the discount will be evaluated by the Compensation Committee annually). The ESPP sets a maximum amount of savings that can be accumulated during each Offer Period, resulting in a maximum purchase of approximately shares per employee per Offer Period (total value will be evaluated by the Compensation Committee annually). The Executives can buy shares on the same terms as regular employees. The ESPP is limited to 1,000,000 shares that may be acquired during the life of the plan. Shares will be purchased from the open market and no shares will be issued by TGS and there will as such be no dilution of existing shareholders.

Employees and Executives may participate in the ESPP subject to meeting a short service requirement for eligibility and where allowed in accordance with local law and regulations.

Other Terms of Employment

Shareholding Requirement

In 2014, the Board implemented TGS share ownership guidelines for Executives and other senior leadership. These guidelines are designed to encourage long-term share ownership by requiring each Executive or senior leader to retain the equity granted through the LTI Plans, such that the awarded equity (once vested), together with any other shares that may be held by the Executive or senior leader, meet certain ownership levels:

- CEO: 4x base salary
- CFO: 2x base salary
- Executive: 1x base salary
- Non-executive senior leader: 1x base salary

An Executive or non-executive senior leader has five years from the effective date of appointment to meet the required level of ownership. If an Executive or non-executive senior leader becomes subject to a higher multiple, they have three years from the effective date of promotion to acquire ownership of the incremental shares. If an Executive or non-executive senior leader does not meet the share ownership guidelines, he or she must retain all shares awarded from any LTI Plan until the requirement is satisfied.

For the purposes of calculating the value of the shares held, the greater of (a) the average of the closing prices of the shares on each trading day in December on the Oslo Stock Exchange and (b) the closing price of the shares on the Oslo Stock Exchange on the date the shares were acquired is used.

External Hiring

When an Executive is recruited externally, the Company may offer sign-on remuneration at a value up to 100% of one annual base salary for forfeited incentive opportunities and/or other material remuneration changes as result of recruitment to TGS. The remuneration will consider the vehicle, expected value and timing of forfeited awards, and preferably be offered in Company shares, alternatively in cash with a claw-back period in case of voluntary termination of employment. Sign-on remuneration will only be applied in special situations with the aim to attract critical competence and achieve sustainable total remuneration levels.

Appointments Resulting From M&A

When an Executive is appointed following a merger or acquisition, the Company may offer remuneration at a value up to 100% of one annual base salary for forfeited incentive opportunities and/or other material remuneration changes as result of the transfer to TGS. The remuneration will consider the vehicle, expected value and timing of forfeited awards, and preferably be offered in Company shares, alternatively in cash with a claw-back period in case of voluntary termination of employment.

Retention

Retention bonuses can be used in cases where critical employees' retention is of importance to the Company, typically, in situations of restructuring or reorganization. Executives may be eligible for a retention bonus for agreements issued prior to appointment as an Executive, or at the transition from another company into TGS. The bonus will preferably be offered in Company shares and amount to a value up to 100% of one annual base salary. If offered in cash it will include a claw-back period in case of voluntary termination of employment.

Severance & Change-of-Control

In the event of termination of employment by the Company without cause or for good reason, or termination of employment following a change-of-control, the Company will provide for severance pay for Executives where required by local law and/or the terms of an individual's employment agreement.

As of the 2025 AGM, certain Executives have employment contracts that include entitlement to severance pay in the event of termination of employment by the Company without cause or for good reason, or termination of employment following a change-of-control. For these individuals and depending on the circumstances of termination, the severance pay is equal to 1x their highest annual base salary in effect during the three years that immediately precede the date of termination from the expiration of the notice period (applicable generally to change-of-control severance), or 1x current annual Company base salary in effect at the time of termination (applicable generally to other circumstances). Except in the event of a change-in-control where it is paid as a lump sum, the severance pay will be paid out over the following one-year period. The severance pay cannot exceed the value of 2x annual base salaries at the time of termination. The Company may issue employment contracts to other Executives that include severance provisions for termination without cause or good reason or in the event of a change-in-control that do not otherwise exceed the aforementioned terms and take into consideration the individual's role, tenure, and contributions to the Company.

An individual's own resignation generally will not trigger severance payment, and the severance payment will also be forfeited in cases of summary dismissal from the Company for gross breach of duty or other material breach of the employment contract.

Any severance pay entitlement is conditional upon waiver of employee protection rights under local law and continued compliance with restrictive covenants. If a non-compete clause or other restriction on termination is enforced against an Executive, they may be entitled to remuneration in accordance with applicable law and/or agreement.

The Policy's contribution to the Company's strategy, long-term interests and financial sustainability

The Board is of the view that the total Executive remuneration packages, comprised of the various elements described above, constitute proper incentives to meet the Company's strategic and financial goals and protect the Company's long-term interests. The mix between fixed and variable performance-related remuneration, between long- and short-term incentives, and between corporate financial goals and personal performance goals, together with the proposed financial goals and its targets and ranges, is well suited to ensure the financial sustainability for the Company.

Further, the Board considers that the KPIs under the most recent LTI Plans give appropriate incentives for the Executives to build value for shareholders and protect long term interests of the Company. For the Company to be successful under the relative TSR metric, the development in the Company's share price must outperform over time that of the companies in the comparator group. This is a proper metric to gauge the increase of shareholder value and protection of the long-term interests of the Company.

In addition, the Board considers the strategic corporate KPIs of both short-term and long-term incentives, which focus on financial-, strategic-, operational-, organizational-, people and ESG goals, enable both short-term and long-term development of the Company. These KPIs are designed to incentivize companywide performance toward a sustainable and successful organization.

Explanation on how shareholders voting is considered for the Policy

While the Board is of the opinion that this Policy is aligned with the shareholders' interests, it will seek and monitor shareholder input and take into account the results of the shareholders' advisory vote regarding the remuneration report. The Board will further assess such input and its impact for the Policy during the policy period.

Potential Deviations from the Policy

The NPLLCA permits the Board to temporarily deviate from the Policy in special circumstances, provided that such deviation is considered necessary to serve the Company's long-term interest and sustainability of the Company as a whole or to assure its viability. The Compensation Committee will consider all deviations from the policy before any decision is made by the Board.

The Board has full discretion to determine whether to deviate from the policy when considering all relevant factors, including but not limited to:

- Changes in or amendments to the relevant law, rules or regulations;
- Changes to the remuneration of the CEO in order to ensure that the Company can provide competitive terms to secure the right candidate for the role as CEO;
- Changes to the Group's capital structure or ownership (mergers, demergers or acquisitions);
- Events that cause the targets or conditions for remuneration to no longer be appropriate; and
- Other exceptional circumstances where such deviation may be required to serve the long-term interest or sustainability of the Company or to assure its financial viability.

Deviations from this policy, if any, and the background for any such deviation will be described in the annual remuneration report to be prepared for each financial year by the Board in accordance with section 16-6b of the Public Limited Liability Companies Act. In the event that a deviation is continued so that it cannot be deemed temporary, the Board will update this Policy and submit the updated Policy to the general meeting for approval as soon as practically possible.

The process for implementing or changing the Policy and remuneration for the Executives is otherwise in accordance with the provisions of the NPLLCA, sections 5-6 and 6-16 a and the Board's rules of procedure.

Energy Starts With Us