

# Nomination Committee Mandate and Charter

Mandate and Charter for the Nomination Committee of PGS ASA ("PGS" or the "Company").

Established by: The Annual General Meeting of the Company

Effective from: 8 June 2005

Last revised: 24 April 2019

The Articles of Association of the Company provide for a Nomination Committee (the "Committee"). The Committee is responsible for evaluating and recommending candidates for shareholder elected members of the Board of Directors, as well as proposing remuneration for both shareholder and employee elected Directors.

## Purpose and mandate

The Committee shall evaluate and recommend candidates for shareholder elected Directors, as well as remuneration for both shareholder and employee elected Directors. The Committee shall consider and report to the shareholders for resolution at the general meeting on the following matters:

- Nominees for election as shareholder elected Directors and the Chairperson of the Board of Directors
- Nominees for election as members of the Committee and the Chairperson of the Committee
- The proposed remuneration of both shareholder and employee elected Directors and the members of the Committee
- Any proposed amendments to the Committee Mandate and Charter

The report of the Committee to the general meeting shall be in writing and shall be distributed to the shareholders prior to the meeting.

## Membership

- The Committee shall consist of between three and five members to be elected by the shareholders at the general meeting. The Committee Chairperson shall be a member of the Committee and shall be elected by the shareholders at the general meeting. The election period is two years, unless a shorter period has been decided by the general meeting. The Act relating to the Public Limited Liability Companies Sections 6-7, 6-8 and 6-27 applies correspondingly in relation to the members of the Committee.
- The majority of the members of the Committee shall qualify as "independent" in accordance with Norwegian law and practice.
- The Committee will over time seek to rotate its members in order to ensure renewal of the Committee, and as a guiding principle, no Committee member should serve in the Committee for more than ten consecutive years. The Committee will seek to ensure rotation in a manner which ensures continuation.

## The administrative procedures of the Committee

- The Committee shall operate in accordance with common accepted principles for good corporate governance.
- The Committee shall meet as often as it deems appropriate and necessary, but at least once annually. The Committee will meet when called by the Committee Chairperson or when requested by two members of the Committee, by the Chairperson of the Board of Directors, or by the President & CEO. The Committee Chairperson and one member shall constitute a quorum. Resolutions in the Committee shall be made by a majority vote amongst the participating Committee members. The Committee Chairperson shall have the casting vote. The Chairperson of the Board of Directors and/or of the Remuneration and Corporate Governance Committee of the Board of Directors, and the President & CEO shall at least annually consult with the meeting of the Committee.
- The meetings of the Committee will be minuted, and the members of the Committee taking part in the meeting will sign the minutes.
- The Committee shall in each meeting have access to a register of the Company's shareholders.

- The matters that the Committee prepares for action by the shareholders at the general meeting shall have been determined in meetings where the members of the Committee have met in person or by telephone.

### **Further responsibilities of the Committee**

The Committee shall:

- Develop appropriate search criteria for shareholder elected Directors in due consideration of the requirements of the Norwegian Public Limited Company Act, the Articles of Association of the Company, the Continuing Obligations of Stock Exchange Listed Companies issued by Oslo Stock Exchange, the Norwegian Code of Practice for Corporate Governance, and other applicable rules and regulations;
- in assessing the qualifications of prospective shareholder elected Directors, consider, in addition to any criteria set forth above, each prospective Director's personal and professional integrity, experience, skills, ability and willingness to devote the time and effort necessary to be an effective Director, and commitment to acting in the best interests of the Company and its shareholders. Consideration shall also be given such that the Board will have an appropriate mix of backgrounds and skills;
- consider adopting minimum qualifications that the Committee believes must be met by prospective shareholder elected Directors, qualities or skills that the Committee believes are necessary for one or more of the Directors to possess and standards for the overall structure and composition of the Company's Board of Directors;
- entertain appropriate contact and dialogue with shareholders, the Board of Directors and the President & CEO to fully understand the Company's development and challenges;
- assess whether nominees qualify as "independent directors" in accordance with the Norwegian Code of Practice for Corporate Governance and, as a guiding principle, not propose any candidate who has served on the Board of Directors for more than ten consecutive years unless special circumstances justify a longer tenure;
- consider the size and composition of the Board of Directors and make recommendations to the shareholders at the general meeting for changes in the size of the Board of Directors as appropriate;
- review comparable practice data regarding compensation to both shareholder and employee elected Directors, and make recommendations to the shareholders at the general meeting with respect to the amount and form of such compensation;
- review and reassess the adequacy of the Committee Mandate and Charter at least annually, and propose revisions as appropriate;
- conduct an annual evaluation of its own performance and provide a report to the shareholders at the general meeting; and
- comply with securities laws and insider trading rules with respect to the financial instruments of the Company.

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