



Sustainability Report 2021

In this report

- 3 Letter from the CEO**
- 4 Statement from the Board & CEO**
- 5 Strategy & Risk Management**
 - 5 Strategy
 - 7 Risk Management
- 10 Stakeholders
- 11 Commitment to the UN Global Compact and Sustainable Development Goals (SDG)
- 13 Environment**
 - 15 Environment Compliance
 - 16 Energy and Emissions
 - 18 Biodiversity
 - 20 Waste
- 22 Social**
 - 24 Occupational Health, Safety and Security
 - 26 Employment and Labor Relations
 - 28 Training and Education
 - 29 Human Rights
- 32 Governance**
 - 33 Corporate Governance
 - 35 Anti-corruption
 - 37 Anti-competitive Behavior
- 38 Looking Ahead**

Dear Reader

2021 was another challenging year for the energy industry and our company. The seismic market was impacted by the ongoing energy transition leading to changing behaviors among energy companies and negative effects from a persistent pandemic.

The world needs to take urgent action to avoid the most severe consequences of climate change and we believe PGS can play an important role in the transition to sustainable energy sources. Firstly, by ensuring that the world's demand for fossil resources is met with the least possible impact on the environment. And secondly, that we position PGS to leverage our competence, technology, and assets in the pursuit of sustainable energy sources.

We have therefore embedded sustainability and energy transition in our strategy going forward. In 2021, we established the 'New Energy' business unit with clear mandates to pursue technologies and opportunities in the energy transition domain. Towards the end of the year, we secured contracts for seismic surveying of reservoirs intended for Carbon Storage (CS) and in early 2022 we signed a letter of intent with a partner to co-develop a commercial scale carbon storage project offshore Australia. Our ambition is to develop our New Energy business into a significant revenue stream over the coming years.

Despite the challenges of the pandemic, we have been able to sustain our global operations without compromising the safety and wellbeing of our personnel. Our safety record remains strong, and we have had zero cases of COVID-19 transmission or outbreaks on our vessels. This is a fantastic achievement that is close to unprecedented in the maritime sector.

Our commitment to sustainability, the ten principles of the United Nations Global Compact, and the United Nations Sustainable Development Goals remain strong. In this year's report we disclose more information about how climate risk may impact our company, and more information on the goals and actions we have set for our sustainability indicators. Our ambition is to further improve and increase our disclosure to ensure that our strong commitment is evidenced in a credible and transparent manner.

Rune Olav Pedersen
President and CEO
March 31, 2022



Statement from the Board & CEO

Good management of sustainability and Environmental, Social and Governance (ESG) opportunities and risks is essential to business success. It motivates employees, investors, customers, and other stakeholders on whom businesses rely to operate successfully and safely.

PGS is committed to the ten principles of the United Nations Global Compact in the areas of human rights, labor, environment, and anti-corruption. This is our fifth sustainability report shaped by the UN Sustainable Development Goals, introduced in 2015. The Board of Directors and the CEO actively ensure that the Company properly responds to sustainability and ESG challenges.

During 2021, we have reassessed our materiality assessment and embedded sustainability and ESG as a core component of the Company's strategy. The Board of Directors and the CEO have been actively involved in this process, as well as the assessment of the Company's impact on sustainable development goals. The material topics on which this report is focused were discussed and selected during several Board and management meetings.

The Board and the CEO regularly discuss sustainability and ESG opportunities, risks and goals to ensure that they are integrated into the operations, culture, values, incentives and business practices of PGS. This report documents how PGS performed against the Company's commitments and the way forward for 2022.

Oslo, March 2, 2022

Board of Directors

PGS ASA

Walter Qvam

Chairperson

Anne Grethe Dalane

Vice Chairperson

Marianne Kah

Board Member

Richard Herbert

Board Member

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Board Member

Eivind Vesterås

Board Member

Gunhild Myhr

Board Member

Rune Olav Pedersen

President & Chief Executive Officer

STRATEGY & RISK MANAGEMENT

STRATEGY

PGS ASA and its subsidiaries (PGS or the Company) has adopted a three-year strategy cycle, which is aligned with our Enterprise Risk Management (ERM) framework to ensure that strategic ambitions and direction remain resilient to changing risks and opportunities.

The strategy is based on an analysis of external risks and opportunities and projected changes in the global energy markets considering climate change and the energy transition. Market development scenarios are based on established climate change and energy market models, and our own data and insights on how the seismic exploration market reacts with changes to the supply and demand for oil and gas.



Strategy & Risk Management

MARKET DEVELOPMENT SCENARIOS



RAPID ENERGY TRANSITION

Significant decline in the demand for frontier exploration, driven by a significant decline in the demand for oil and gas. Other services such as 4D surveys to remain stable for longer. With a significant growth in Carbon Capture & Storage (CSS), and other domains leading to new business opportunities.



LOW

Delayed recovery of the market with margins trending towards historical average.



BASE

Market recovery with improved margins, then trending down to historical average. Gradual shift in service mix to more near-field exploration, 4D surveys and CSS.



HIGH

Strong market recovery in the near term driven by high energy prices, underinvestment in exploration over several years and change in sentiment. Capacity reduction over time below what is required to supply energy demand.

DATA SOURCES USED TO INFORM OUR ANALYSIS:

International Energy Agency (2021): World Energy Model – Part of World Energy Outlook 2021 (www.iea.org)

The Intergovernmental Panel on Climate Change (2022): Climate Change Assessment Report 6 (www.ipcc.ch)

DNV (2021): Energy Transition Outlook 2021 (eto.dnv.com)

Rystad Energy (2021): Oil Market Analytics (www.rystadenergy.com)

Exploration and Production companies oil market analytics and energy outlook reports.

Historical analysis of the elasticity of the seismic exploration market with fluctuations in supply and demand for oil and gas.

In 2021, we have embedded sustainability and ESG as a core component of our business strategy with strategic objectives to ensure that we:

- Reduce the environmental footprint of our current operations.
- Develop New Energy into a significant business unit.

A comprehensive account of our chosen strategy is available in our annual report.

RISK MANAGEMENT

Materiality Assessment and Context Analysis

We identify and assess actual and potential sustainability risks and opportunities through our materiality assessment and context analysis. This enables a two-way assessment that gives us confidence that we have identified the material issues for PGS.

In 2020, we conducted a comprehensive materiality assessment based on internal fact-finding and research, and a consideration of the expectations of our key stakeholders. Based on this we conducted individual scoring of issues with selected senior managers and the Executive Management Team (EXT). The consolidated results were thereafter reviewed by the EXT before a final review and approval by the Board of Directors (the Board).

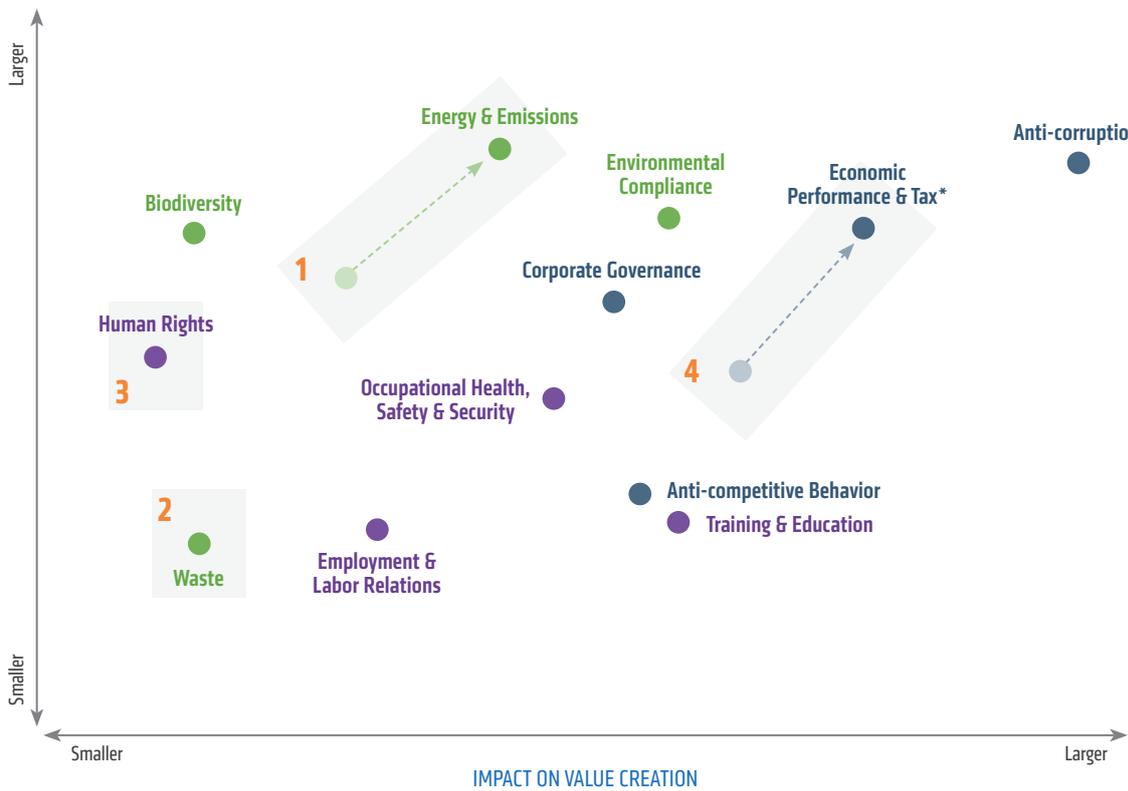
We have also conducted an initial context analysis in accordance with the recommendations of the OECD and the requirements of the upcoming Norwegian Transparency Act. This has informed our reassessment of the materiality assessment, and we plan to finalize and publish the full context analysis later this year.

During 2021, we conducted a high-level reassessment and calibration of the materiality assessment with the EXT and the Board and made the following changes:

- 1** • Energy and Emissions has been moved to a higher significance reflecting the increasingly urgent need for addressing climate change combined with increasing stakeholder interest.
- 2** • Waste has been included as a material topic to reflect the increasing stakeholder interest related to circular economy, recycling, and responsible waste management.
- 3** • Human Rights has been included as a material topic reflecting increasing stakeholder interest and the adaptation of the Norwegian Transparency Act.
- 4** • Economic Performance and Tax have been merged to a single topic that is disclosed through our annual reports.

Our goal is to focus our efforts where we have the highest impact and can make the most difference. We will continue to deepen and broaden our understanding of our stakeholder universe, through dialog combined with monitoring of our economic, social, and environmental impact.

MATERIALITY ASSESSMENT



* Economic Performance & Tax is disclosed and discussed in the PGS Annual Report

Strategy & Risk Management

Climate Risk and The Energy Transition

The risks and opportunities associated with climate change and the energy transition are of a potential scale and nature that warrants additional scrutiny. We have therefore used the framework recommended by the Task Force on Climate Related Disclosures (TCFD) and performed a high-level assessment of the transition- and physical risks related to climate change. The assessment is based on our reporting to the Climate Disclosure Project (CDP) and includes areas of high-level management focus related to the identified risks and opportunities.

Risks	Opportunities	Management Focus
TRANSITION RISKS		
<p>POLICY AND LEGAL</p> <ul style="list-style-type: none"> Increased pricing of GHG emissions Enhanced reporting obligations Mandates on and regulation of existing products and services Exposure to litigation 	<ul style="list-style-type: none"> Use of supportive policy incentives Participation in carbon markets Use of lower-emission sources of energy 	<ul style="list-style-type: none"> Monitor policy and regulatory developments Leverage digitalization to meet future reporting obligations. Robust governance and compliance framework in place. Target to reduce relative CO2 emissions by 50% in 2030.
<p>TECHNOLOGY</p> <ul style="list-style-type: none"> Substitution of existing products and services with lower emissions options Unsuccessful investment in new technologies Costs to transition to lower emissions technology 	<ul style="list-style-type: none"> Development and/or expansion of low emission goods and services Development of new products or services through R&D and innovation Use of new technologies 	<ul style="list-style-type: none"> Investment in technology R&D and digitalization. Evaluation of emission reduction technologies. Evaluation of alternative fuels.
<p>MARKET</p> <ul style="list-style-type: none"> Changing customer behavior Uncertainty in market signals Increased cost of raw materials 	<ul style="list-style-type: none"> Ability to diversify business Access to new markets Use of public-sector incentives 	<ul style="list-style-type: none"> Established the 'New Energy' business unit to develop services and solutions that support the energy transition.
<p>REPUTATION</p> <ul style="list-style-type: none"> Shifts in consumer preferences Stigmatization of sector Increased stakeholder concern or negative stakeholder feedback 	<ul style="list-style-type: none"> Improved reputation through open, transparent, and credible dialogue. 	<ul style="list-style-type: none"> Ambition to deliver seismic exploration with least possible environmental impact. Attracting, developing, and retaining a competent and motivated workforce. Active engagement with our stakeholders.
PHYSICAL RISKS		
<p>ACUTE</p> <ul style="list-style-type: none"> Increased severity of extreme weather events such as cyclones and floods 	<ul style="list-style-type: none"> Resilient assets and technology. 	<ul style="list-style-type: none"> Investment in resilient assets and technology. Emergency response and contingency plans for all assets and locations.
<p>CHRONIC</p> <ul style="list-style-type: none"> Changes in precipitation patterns and extreme variability in weather patterns Rising mean temperatures Rising sea levels 	<ul style="list-style-type: none"> Reduce dependency on assets in vulnerable locations through digitalization and cloud computing.. 	<ul style="list-style-type: none"> Moving data libraries and processing to the cloud.

STAKEHOLDERS

Our future business success depends on maintaining good relations with those who depend upon us and parties with whom we may interact through our activities. We aim to nurture stakeholder relationships through transparent, two-way communication, to increase mutual understanding and encourage positive relationships. Through our context analysis and materiality assessment we have identified our key stakeholders and their focus relative to our business and operations.

Key stakeholders	Their focus	What we do
INVESTORS, SHAREHOLDERS, AND LENDERS	<ul style="list-style-type: none"> Economic performance of PGS over time. Resilience and preparedness for the energy transition. Regulatory compliance. Zero tolerance for corruption and anti-competitive behavior. 	<ul style="list-style-type: none"> Monitor policy and regulatory developments Leverage digitalization to meet future reporting obligations. Robust governance and compliance framework in place. Target to reduce relative CO2 emissions by 50% in 2030.
EMPLOYEES	<ul style="list-style-type: none"> Job security and a motivating and rewarding work environment. Personal health and wellbeing. Development opportunities. Working for a company that makes a positive contribution to sustainable development. 	<ul style="list-style-type: none"> Offer training and development opportunities. Employee engagement and motivation surveys. Health and wellbeing surveys. Insurance and access to health and wellbeing services. Sustainability embedded in the corporate strategy. Internal communication and awareness building.
CUSTOMERS	<ul style="list-style-type: none"> Environmental compliance. Respectful management of stakeholders. Health and safety performance Reduced carbon footprint of geophysical operations. Zero tolerance for corruption and anti-competitive behavior. 	<ul style="list-style-type: none"> Comprehensive dialogue and planning for every project. Collaboration on sustainability issues in industry associations. Participation in our customer's sustainability initiatives for their supply chain.
LOCAL COMMUNITIES AND INDIGENOUS PEOPLE	<ul style="list-style-type: none"> Respectful treatment and opportunity to be consulted. No impact on marine life and/or habitats of importance to their livelihood and sustenance. Job opportunities and economic development of the community. 	<ul style="list-style-type: none"> Target to have zero conflicts with fisheries, local communities and/or indigenous people. Careful consideration of potential interactions and impacts on local communities and/or indigenous people for every project. Dialogue and consultation through the project. Use of Fisheries Liaison Officer (FLO) and/or Community Liaison Officer (CLO) where required.
REGULATORS, KEY GUIDANCE ORGANIZATIONS AND INITIATIVES	<ul style="list-style-type: none"> Fully compliant with applicable regulations. Aligned with recognized sustainability standards, guidelines and best practices. Quantified sustainability targets with demonstrable progress over time. Complete, transparent and credible disclosure on all material topics. 	<ul style="list-style-type: none"> Engage with regulators in the countries where we operate. Ensure compliance with applicable regulations. Align with the recommendations of the UN, OECD, TCFD, GRI, CDP and other key institutions.
MAJOR SUPPLIERS, BUSINESS PARTNERS AND THIRD PARTIES	<ul style="list-style-type: none"> Economic performance of PGS over time. Compliance with applicable regulations. Meeting PGS' expectations. 	<ul style="list-style-type: none"> Supplier Code of Conduct Supplier sustainability assessment Ongoing dialogue with key suppliers
MEDIA AND THE PUBLIC	<ul style="list-style-type: none"> Economic performance of PGS over time. Fully compliant with applicable regulations. Resilience and preparedness for the energy transition. Minimal impact on the environment. 	<ul style="list-style-type: none"> Transparent and open reporting. Regular press releases, news stories and social media updates. Invitation to all stakeholders to engage with us on Sustainability Matters.
COMPETITORS	<ul style="list-style-type: none"> Professional and rational market behavior. Collaboration on sustainability issues. 	<ul style="list-style-type: none"> Enforce strict discipline and professional market behavior. Active participant in industry associations and working groups.

COMMITMENT TO THE UN GLOBAL COMPACT AND SUSTAINABLE DEVELOPMENT GOALS

This report represents our Communication on Progress to the United Nations (UN) and demonstrates how PGS integrates ESG practices into its business and strategy. Our ambition is to promote the UN Sustainable Development Goals (SDGs) through concrete actions on goals that are relevant for our company activities and global presence.

Goals	Actions in 2021	Progress	Plans for 2022
 Promote education in geology, geophysics, mathematics, and digitalization.	Educational support to local communities in Angola and Ghana.		Identify concrete initiatives and plans to expand our promotion and support of education.
 Upgrade seismic operations through digitalization and innovation.	Embedded digitalization as a core enabler of our strategic objectives.		Use digitalization to enable seismic exploration with a reduced GHG footprint.
 Reduce relative CO₂ emissions (t CO₂ per CMP km) by 50% compared to 2011 within 2030	Revised our GHG inventory to meet future reporting requirements. Implemented real-time fuel consumption and energy efficiency dashboards for Titan-class vessels.		Evaluate feasibility of alternative fuels for our fleet. Develop real-time monitoring of GHG emissions to enable detailed analysis of reduction alternatives. Report our emissions and progress towards target on a quarterly basis.
 Identify and develop new sustainable business opportunities	New Energy established as a dedicated business unit. Awarded two programs for characterization of CCS storage sites.		Explore opportunities to use our technology, competence, and assets to support other domains within the energy transition
 Increase scientific knowledge by sharing oceanographic data	Live data feed of bathymetry data to Seabed 2030. Shared historical bathymetry data with the South African National Hydrographer.		Increase promotion of our data sharing initiative and actively seek partners and collaborators. Evaluate feasibility of offering our fleet as 'vessels of opportunity' for additional data collection.



ENVIRONMENT

Environmental Compliance

Energy & Emissions

Biodiversity

Waste



ENVIRONMENT

To fulfill our environmental ambitions, we are committed to reducing the risk of harm to the environment, complying with legal requirements and industry standards, and achieving a continual improvement in our environmental performance. Our management system has been certified according to ISO 14001 since 2012 and reported to the Carbon Disclosure Project (CDP) since 2010. A formal commitment to continual improvements in our environmental performance ensures that our management system and practices are in line with best practices.

Key Environment Indicators 2021

Environmental Performance Indicators

	2018	2019	2020	2021
Energy				
Vessels (GWh)	1236	1466	1128	946
Offices (GWh)*	16	16	15	9
Air Emissions				
CO2 eq (kT)	422	502	380	317
SOX (kT)	3	3	<1	<1
NOX (kT)	8	9	7	5
PM (kT)	<1	<1	<1	<1
Waste				
Vessels (1000 m3)	3.4	4.0	2.8	
Delivered to shore**	2.6	3.3	2.3	2.0
Incinerated onboard	0.7	0.6	0.4	0.3
Organic waste to sea	0.1	0.1	0.1	0.1
Offices (t)	104	88	43	49
General waste	32	28	11	10
Recycled waste	72	60	32	39

* Data for four main offices only.



CO₂ eq Emissions Breakdown (kTonnes)

	2018	2019	2020	2021
Direct Emissions	345	408	314	263
Seismic vessels	311	375	286	237
Support vessels	34	33	28	26
Indirect Emissions	6	6	6	3
Offices	6	5	4	3
Other Emissions	72	88	61	51
Well-to-tank (WTT) Marine Fuels	62	74	57	48
Business Travel	5	6	1	<1
Crew travel*	5	8	3	3
Sum	423	502	380	317
CO₂ Emissions per CMP	63.1	65.1	60.0	57.4

** Does not include occasional use of charter flights.*

Energy Consumption Breakdown (GWh)

	2018	2019	2020	2021
Fuel	1237	1467	1128	946
HFO	715	812	558	463
MGO	521	655	570	483
Electricity	16	16	15	9
Offices	16	16	15	9
Sum	1253	1483	1143	955



ENVIRONMENTAL COMPLIANCE

Why is it important

We operate around the globe in a range of environments, from the tropics to the arctic, from mature oil provinces to frontier areas. During a seismic survey, the most significant impacts on the environment are emissions to air from the fuel we consume and emissions of underwater noise from the acoustic sources we use.

Our activities are generally subject to strict environmental regulations and a rigorous permitting process ahead of any seismic project. These regulations ensure that any actual or potential impacts to marine life, marine habitats and other users of the oceans are controlled and within limits that prevent any significant or long-term impacts.

Regardless to where we operate, compliance with all applicable national and regional legislation is part of our license to operate.

Our approach

We are committed to strict compliance with all environmental laws and regulations that apply to our activities and our goal is to have zero non-compliance incidents. We have implemented strict policies and procedures to manage our compliance obligations and ahead of any seismic survey our project teams ensure we have identified all applicable regulations and permit conditions and implemented these in our project plans.

Our performance in 2021

In 2021, there have been no significant non-compliances with environmental regulations. We had five minor breaches of permit requirements and/or local regulations that were promptly reported to the relevant authorities and resolved without any further action against PGS.

Goal

Zero incidents of environmental non-compliance

Actions in 2021	Progress	Plans for 2022
Strengthened our project execution model with sustained focus on project risk assessment and planning.		Strengthen the non-compliance reporting process and share learnings more broadly.



ENERGY AND EMISSIONS

Why is it important

We recognize the impacts of climate change and the urgent need for a transition to sustainable energy sources to avoid the most severe consequences for the environment, society, the economy, and our business. The direct emissions from our fleet of seismic- and support vessels represent more than 95 % of our total emissions of greenhouse gases (GHG), and we are directly exposed to physical- and climate transition risks and opportunities that may impact the market and our ability to competitively operate a fleet consuming traditional marine fuels.

Our approach

Ensuring that PGS is resilient with respect to transition risks and well positioned for the energy transition is core to our strategy. Our ambitions are to both achieve an environmental transformation of our current business and develop new sustainable business opportunities that support the energy transition.

Our performance in 2021

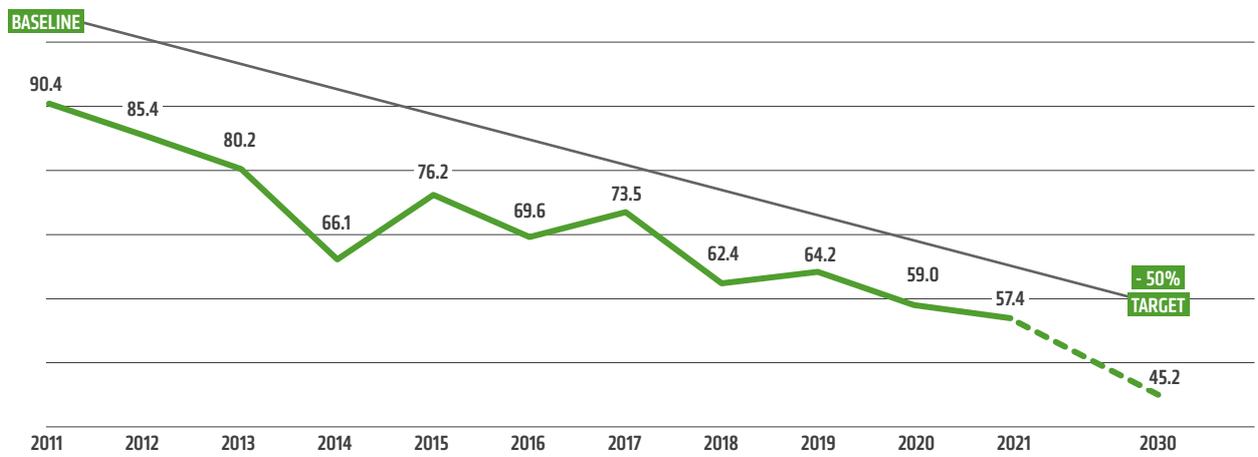
In 2021, we managed to sustain our path towards a 50 % reduction in emissions per data unit. While this progress can be attributed to the actions we have taken so far, it is also highly dependent on the market dynamics, activity level, and fleet allocation. It is a priority for us to optimize our fleet allocation given the market at any time.

At the turn of the year, we were awarded two seismic projects for characterization of reservoirs for carbon storage. Our New Energy business unit has an ambition to develop a meaningful revenue stream for such services over the next few years.

Goals	Actions in 2021	Progress	Plans for 2022
Reduce kg CO2 eq per data unit (CMP km) by 50 % compared to 2011 by 2030.	Revised our GHG inventory to meet future reporting requirements. Implemented real-time fuel consumption and energy efficiency dashboards for Titan-class vessels.		Evaluate feasibility of alternative fuels for our fleet. Develop real-time monitoring of GHG emissions to enable detailed analysis of reduction alternatives. Report our emissions and progress towards target on a quarterly basis.
Identify and develop new sustainable business opportunities.	Established 'New Energy' – a dedicated business unit to support the energy transition. Awarded two acquisition projects to characterize reservoirs for Carbon Capture & Storage (CCS)		Explore opportunities to use our technology, competence, and assets to support other domains within the energy transition



kg CO₂ per CMP





BIODIVERSITY

Why is it important

During a seismic survey, the most significant potential impact on biodiversity is the emission of sound from the vessels and acoustic sources we use to illuminate the subsurface. The sound is emitted from an acoustic source that is towed below the water behind the seismic vessel.

Near the acoustic source (meters to tens of meters), the sound intensity is such that animals – in particular marine mammals – may sustain injury if present. At greater distances however, there is no risk of direct injury, but the sound may still affect animals by being a nuisance that can lead to change in their behavior or make their communication difficult.

There is also a risk that our activities interfere with local communities and indigenous people that rely on local biodiversity for their sustenance and livelihood. Without careful planning upfront and dialogue during a survey, there may be actual or potential risks such as displacing local fisheries from their catch grounds, damaging fishing equipment, disturbing fish spawning, or disturbing the breeding or migration of whales.

A seismic survey is by nature a transient activity. The sound source is constantly moving and the underwater sound exposure ceases upon completion of a project.

Our approach

We exercise care and consider the potential impacts on marine life and habitats when we plan our work. We always use a gradual increase of intensity when we activate the source ('soft-start') to allow marine life to move further away. Where required we have protocols to shut down the acoustic source if a marine mammal is spotted within a certain perimeter (typically 500 m).

We are committed to respecting the rights and interests of local communities and indigenous people. Our goal is to have zero conflicts with fisheries and local communities. Where project locations are near fishing grounds, spawning grounds, breeding grounds or migration routes we are generally required to undergo a rigorous process of impact assessments and consultations with local communities, fisheries, and indigenous people before we are granted a permit to do our work. In the absence of regulatory requirements, we ensure that these matters are addressed in our Project Risk Assessments for the area with appropriate mitigations implemented in our Project Plans.

Where we operate in or near areas of importance to local communities, fisheries and/or indigenous people we strive to ensure transparent and timely dialogue at an early stage in the project development. This allows planning for time or area restrictions in our work, establishes good communication lines between all parties allows us to account for local knowledge about the area in our planning. Equally important is to maintain this transparent and timely dialogue during the project and upon completion to ensure we can adjust our plans as we progress and capture relevant learnings at the end.

Our goal is to conduct seismic surveys with minimal acoustic impact and maximum efficiency. The less time it takes to complete a survey, the less acoustic exposure in the area in total. Our longstanding and sustained investments in modern vessels and seismic technology has resulted in less downtime during

production, less gaps in the seismic data coverage that needs to be re-acquired and less standby for weather and currents.

We support the Energeo Alliance 'Ghost-net Initiative' and have implemented robust protocols for removal and responsible disposal of abandoned fishing gear and marine debris that we encounter while conducting our work.

Our performance in 2021

In 2021, there have been no reported incidents of injury to marine life or habitats or significant conflicts with local communities, fisheries, or indigenous people. All projects have been conducted in compliance with applicable regulations, protocols and agreed mitigation measures. In total, we removed more than 15 tons of abandoned fishing gear and marine debris during the year.

Goals	Actions in 2021	Progress	Plans for 2022
Minimal acoustic impact with maximum efficiency in acquisition projects	Sustained focus on careful planning, operational efficiency, and minimal downtime.		Evaluate novel survey designs and configurations that increase efficiency.
Zero conflicts with fisheries, local communities and/or indigenous people.	Ensured robust planning, communication, and management of local fisheries in areas of potential conflict.		Evaluate the use of drones, AUVs and sonars to aid scouting and monitoring of fishing activity and fishing gear in the area.
Support the 'Ghost-Net Initiative'	Removed more than 15t of abandoned fishing gear and marine debris during our surveys.		Ensure regular reporting of marine debris removal to the EnerGeoAlliance 'Ghost-Net Initiative'.





WASTE

Why is it important

Wastes of all types is an issue of increasing concern globally. Firstly, because a range of potential and actual environmental, societal, and economic impacts may arise from its transport, processing and ultimate disposal. Secondly, because inability to reuse the materials in waste leads to increased demand for virgin materials.

We generate waste in our offices and on our vessels. In the office, regular municipal wastes (paper, cardboard, food etc.) are managed in accordance with local regulations and recycling schemes. On our vessels we generate a range of municipal, operational and hazardous wastes that are managed and disposed of according to robust policies and procedures.

Our approach

We have strict protocols in place to ensure the safe storage, handling, and delivery of our waste. Our fleet operates in compliance with MARPOL requirements and any applicable local legislation in the region and location where we operate.

Our performance in 2021

The total amount of waste generated in our offices increased slightly compared to the past year due increased office activity in the latter half of the year. The waste generation from our fleet has remained stable over the past years with no measurable decline. We have identified that we need to improve the quality and level of detail in our waste reporting to ensure we identify areas of improvement.

Goal

Minimal waste output with 100 % reuse or recycling.

Actions in 2021	Progress	Plans for 2022
Set a corporate waste goal. Sold second-hand equipment from our fleet rather than scrapping.		Improve the quality and detail of waste monitoring and reporting in offices and from our fleet.

SOCIAL

Occupational Health, Safety & Security

Employment & Labor Relations

Training & Education

Human Rights



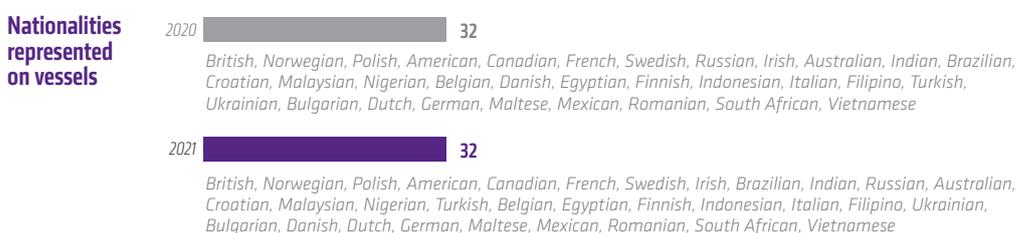
SOCIAL

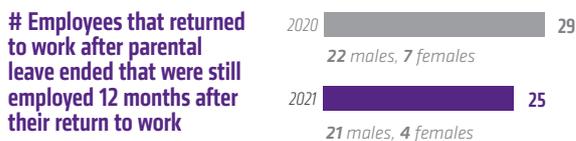
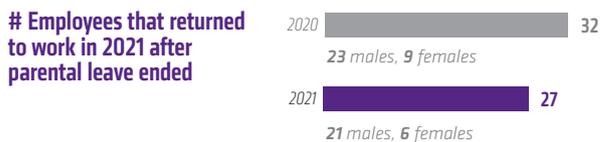
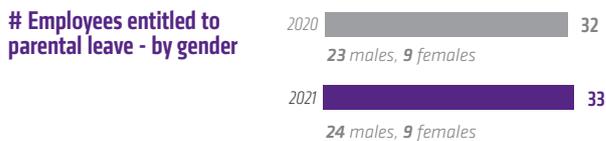
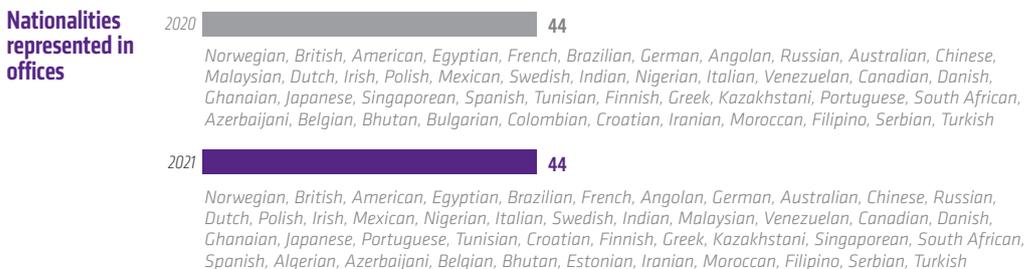
Our success depends on maintaining good relations with our employees and other stakeholders. We aim to nurture these through open dialogue, to increase mutual understanding and encourage positive relationships.

The materiality assessment has resulted in the following key social indicators:

- Employment and labor relations
- Occupational health and safety
- Training and education
- Human Rights

Key Employment and Labor Relations Indicators 2021







OCCUPATIONAL HEALTH, SAFETY, AND SECURITY

Why is it important

Seismic operations encompass many high-risk activities and involve working in remote areas and locations. Our offshore crew is exposed to hazards like ropes and wires under tension, hydraulic- and electric equipment, working at height, crane- and lifting operations, working with hazardous chemicals, maintenance of seismic equipment from workboats and travelling through countries and regions with elevated health and security risks.

The global COVID-19 pandemic has resulted in additional stress on our personnel. To ensure we protect them and our operation from COVID-19 we implemented a strict regime of quarantine and testing. While we have succeeded in keeping our fleet clean, the offshore personnel have been subject to weeks in isolation travelling to and from vessels, extended rotations offshore and often a high degree of uncertainty about when they will be returning home due to the in-country isolation and testing requirements where they reside.

The pandemic has also been challenging for our onshore employees, with extended periods of working from home, inability to work while caring for family members that were infected or in quarantine and a general lack of socialization as communities shut down to slow the transmission of the virus.

Our approach

The health, safety and security of our personnel is our top priority. Without offshore personnel to manage the seismic vessel and equipment we cannot operate, and without onshore personnel to process our data, work with our clients and drive improvements through digitalization and innovation we cannot deliver the high-quality product we aspire to.

We have a mature and robust health and safety management system in place. It is based on industry standards from the IOGP and the EnerGeo Alliance, and is certified against ISO 45001:2018. Our goal is zero injury to people and we are committed to preventing injuries and promoting good health and wellbeing.

We have implemented one of the most rigorous and robust quarantine and testing regimes in the industry for COVID-19 in our offshore operations. All crew were required to quarantine for a period of seven days prior to joining the vessel and can only join the vessel following a negative RT-PCR test at the end of the quarantine.

Our performance in 2021

Our health and safety performance in 2021 was on par with our best performance historically. The number of lost time injuries (LTI) was reduced from 3 to 1 compared to 2020 and the number of high-potential incidents reduced from 2 to 1.

We had zero cases of COVID-19 transmission or outbreaks on our vessels. To understand the impacts of the pandemic on the wellbeing of our employees, we conducted health and wellbeing surveys for both onshore and offshore personnel. The results showed that despite the strain of isolation, quarantine, and uncertainty the vast majority of our employees remained resilient and motivated without significant negative impacts on their motivation.

Goals	Actions in 2021	Progress	Plans for 2022
Sustain and improve safety culture & employee wellbeing	Managed the COVID-19 pandemic to ensure a clean fleet without significant compromise to people's wellbeing or motivation.		Monitor the health- and wellbeing of our people to avoid post-pandemic impacts such as stress, depression, and other negative impacts on wellbeing.
Zero injury to people	Monthly- and quarterly HSE campaigns to sustain awareness. Developed digital solution to identify trends in leading indicators.		Revise and update our HSE training catalogue. Continue our efforts to build a fully digital HSE management system that enable insight through data analysis.

 Started
  In Good Progress
  Almost There
  Achieved

INDICATOR	2018	2019	2020	2021
Lost Time Injury (LTI)	1	3	3	1
Restricted Work Case (RWC)	3	0	0	1
Medical Treatment Case (MTC)	2	2	0	1
# Total Recordable Incidents	6	5	3	3
High Potential Incidents	1	2	2	1
Man-hours (millions)	5.2	5.8	4.6	3.6
Lost Time Incident Frequency (LTIF)*	0.19	0.52	0.65	0.28
Total Recordable Case Frequency (TRCF)*	1.15	0.86	0.65	0.84
High Potential Incident Frequency (HIPO)*	0.19	0.35	0.44	0.28
Fatalities	0	0	0	0



EMPLOYMENT AND LABOUR RELATIONS

Why is it important

Our employees shape and improve our business. We believe that the best results are gained from inclusive and diverse teams that work in an environment free of any form of discrimination based on political conviction, religious belief, age, gender, sexual orientation, family status, disability, race, nationality, ethnic origin, or social origin or on any other unlawful basis.

Exclusion of people based on any of the above is not only unacceptable and detrimental to society, but it also represents a loss of opportunity for the Company. We are dependent upon differing perspectives, experiences, and opinions to ensure we arrive at the best possible outcome for our Company.

Our approach

PGS addresses equality, inclusion and diversity at both the corporate governance and operational level. This is reflected in several of our governing documents such as in our Code of Conduct, People Policy and People Standard.

The organizational responsibility for the oversight and follow up of PGS' labor practices and human relations management lies with the Senior Vice President Global HR. This is enabled through a structure of regional responsible HR professionals located in our three main offices.

Diversity goals and equal opportunity are integral to our culture and our hiring practices. Upholding diversity and inclusion positively contribute to PGS' working environment and innovative culture. We have set clear targets to ensure we improve the gender balance and compensation equity across all roles in PGS, including at management levels.

In addition to day-to-day communication with our people - offshore and in our offices - we carry out regular surveys to gather feedback and insights on employee wellbeing and the way we do business. We appreciate the importance of maintaining a good relationship with employees, trade unions and organizations. We regularly engage with these to discuss important topics.

PGS has employee participation at the Board level. As of December 31, 2021, three out of eight board members of PGS' Board of Directors are employees elected directly by the PGS employees. Two of these board members serve on the Audit Committee while one serves on the Remuneration and Corporate Governance Committee.

A more detailed account of our employment and labor relations management can be found in our repository of ESG documents on our webpage www.pgs.com.

Our performance in 2021

In 2021, our main focus was to manage the impacts of the global COVID-19 pandemic and sustain our operations without any disruptions. We hired 37 employees and 57 employees left the company to seek opportunities elsewhere, and we were not in a position where a process of redundancies was required. Significant progress was made with the implementation of revised leadership principles and a modernized platform for employee development, performance management and training.

Goals	Actions in 2021	Progress	Plans for 2022
Attract and develop a diverse workforce	Introduced a policy that all recruitment interviews shall include representatives from PGS of both genders and at least two different national or cultural backgrounds.		Facilitate discussion on Diversity & Inclusion and increase learning/awareness around the topic and its importance.
Increase proportion of women in leadership roles and number of employees in 20s and 30s	Mentoring program for high potentials where a representative number of women are included in the program. Coaching for leaders and future leaders where a representative number of women are included		Ensure we have a diverse panel including a woman evaluating promotions to leadership roles.

Gender Pay

The table shows the % difference between average female to male pay within each career band (A through F) and the proportion of female to male employees¹.

CAREER BAND ²	A	B	C	D	E	F
Female to male pay ratio	1.23	1.01	0.89	0.91	0.91	0.95
Proportion number of female to male employees	0.25	0.16	0.34	0.47	0.60	0.83

¹ Data from Norway, USA and UK (representing 84% of PGS office-based employees)

² The PGS Career Framework is a matrix consisting of 6 bands and two career tracks (Technical and Managerial). Band A to F represents from most to less skilled/complex positions.



TRAINING AND EDUCATION

Why is it important

Our ability to deliver high-quality services to our customers, reach our strategic objectives and ensure our company is resilient for the future is dependent upon our people and their skills and competence. The energy transition will create opportunities and risks that can only be managed in the best interest of our company and key stakeholders if we ensure our employees have the right skills for the future.

Beyond ensuring we have the skills needed for the company in the future, we believe that personal development and learning is rewarding for our people and a key part of their motivation and pride in our company.

Our approach

We develop and identify employees' talents and skills by evaluating and discussing potential at all levels of the organization including senior management. This we do through our Performance Management process, which is linked to and informs about our Development and Promotion processes.

Our employee motivation and engagement surveys provide PGS with deep insights to possible developmental and work environment issues at all levels and between groups. All PGS employees regardless of their location have access to training through digital training portals, their manager and development programs, and using education in the societies where we operate. For more than a decade, PGS has cooperated with various local governments to help build skills and knowledge in the local population. Initiatives have included financial support for women doctorates in Ghana, financial support to students in Angola, and intern programs in Canada, Ghana and Brazil.

Our performance in 2021

In 2021, 95 % of our employees had personal performance goals in place. We introduced a revised and modernized platform for learning and development that all our employees have access to.

Goal

Our employees continue to develop critical skills and capabilities for the future

Actions in 2021

Implemented revised set of Leadership Principles. Launched new platform for performance management, learning, and development.

Progress



Plans for 2022

Our Leadership Principles are integrated into our people processes to support development and learning Skills and capabilities needed for the future integrated into our competency assessment and learning and development processes



Started



In Good Progress



Almost There



Achieved



HUMAN RIGHTS

Why is it important

Working across the world in both developed and less developed regions, we may potentially be exposed to human rights infringements both in our own operations and indirectly through our supply chain through third parties we engage or suppliers we use. Human rights infringements such as child labor, forced labor, just working conditions, freedom of expression and association, and non-discrimination are major obstacles to an adequate standard of living for all people regardless of culture, race, religion, or beliefs.

Our approach

Our Code of Conduct and Corporate Responsibility Policy contain PGS' overarching commitment to respect Human and Labor Rights throughout our global activities. Our commitments to Human and Labor Rights predominantly address our suppliers and the work force in our supply chain, but also our own work force, other business partners, and the local communities in the regions in which we operate.

Employees in PGS are made aware of the ways in which PGS respects Human and Labor Rights, and how this should inform their decisions and actions. PGS communicates its requirements through the Code of Conduct, onboarding training, regular compliance training and internal communication.

PGS regularly performs an assessment of Human and Labor Rights and identifies where potential salient or material issues may arise in PGS operations (directly from PGS's activities or via its business relationships).

The table below presents a high-level summary of our initial assessment of where a Human and Labor Right violation has a more than remote possibility of occurring and the groups potentially affected. This serves as a starting point for our ongoing in-depth analysis that we aim to complete and publish before mid-year 2022.

HUMAN AND LABOR RIGHTS	PGS, Suppliers and Business Partners	Others
Right to enjoy just and favorable conditions of work	YES	Local fishing communities*
Rights of protection for the child	YES	
Right to freedom of association, and to form and join trade unions and the right to strike	YES	
Right to life and right to health	YES	Local fishing communities*
Right to privacy	YES	Customers
Right not to be subject forced labor and right to liberty and security of the person and freedom of movement	YES	
Right to a family life	YES	
Right to an adequate standard of living	YES	
Right to non-discrimination	YES	Local fishing communities*
Right to freedom of opinion and expression	YES	Local fishing communities*

* In reference to OECD engagement with indigenous peoples where they are present and potentially impacted by the enterprise's activities, we have identified that the salient issues relate to the ensuring consultation, ensuring a safe environment and ensuring appropriate compensation (in case of disruption of work activities).



We are determined that our suppliers shall adhere to our Human and Labor Rights standards. To this end, we have implemented our Supplier Code of Conduct which imposes obligations on all suppliers to respect salient Human and Labor Rights. Key suppliers will be required to confirm compliance with our Supplier Code of Conduct. PGS will also implement Human and Labor Rights lifecycle management in the supply chain. This lifecycle management includes supplier qualification, approval, monitoring, and remediation.

A more detailed account of our Human Rights management can be found in our repository of ESG documents on our webpage www.pgs.com.

Our performance in 2021

No breaches or human rights impacts involving rights of indigenous people or related to forced or child labor were identified as per end of 2021 within our own operations or through our supply chain.

PGS does not consider its operations to be at risk of violating employees' right to freedom of association and the right to collective bargaining, and no specific concerns were identified as per end of 2021.

Goals	Actions in 2021	Progress	Plans for 2022
Ensure that our operations do not cause any infringement of basic human and labor rights	Revised our Code of Conduct. Conducted high-level assessment of our exposure.		Ensure compliance with the Norwegian Transparency Act.
Ensure all suppliers uphold the same sustainability standards as we do	Launched our Supplier Code of Conduct. Developed a Supplier Sustainability Assessment.		Implement new Supplier Management platform with improved risk management and supplier assurance.

GOVERNANCE

Corporate Governance

Anti-corruption

Anti-competitive Behavior



GOVERNANCE

PGS is committed to providing a positive, inclusive, and sustainable working environment. We are a contributing member to Transparency International Norway. We treat all individuals fairly. We adhere to the International Labor Organization's (ILO) Core Conventions on Labor Standards, the United Nation's (UN) Universal Declaration of Human Rights and applicable labor standards. We do not tolerate any breaches of these principles and work towards ensuring employees feel confident in raising concerns to management without fear of retribution.

The materiality assessment has resulted in the following key governance indicators:

- Corporate governance
- Anti-corruption
- Anti-competitive behavior
- Economic performance and tax*

** Economic Performance & Tax is disclosed and discussed in the PGS Annual Report*

CORPORATE GOVERNANCE

Why is it important

Robust, open, and transparent corporate governance in full compliance with applicable regulations and in line with the expectations of our key stakeholders is the foundation of good corporate citizenship and responsible management of sustainability risks and opportunities.

Our approach

The Board keeps oversight over PGS' sustainability management and performance. The Board approves the PGS corporate strategy, and sustainability goals embedded into the PGS corporate strategy. The Board has also approved the Code of Conduct, and The Board's Audit Committee is mandated to monitor PGS' sustainability efforts and to report back to the Board.

PGS' President & CEO (the "CEO") proposes the strategic sustainability goals and implements PGS' management of Human and Labor Rights. The CEO has appointed a head of sustainability who is mandated to develop and maintain appropriate policies and procedures. The head of sustainability engages with PGS Senior Management to ensure that PGS' strategic sustainability goals are consistently embedded in the strategic goals for each business area in PGS. The Legal department assists with drafting policies and procedures as well as to keeping oversight of the governance model and compliance with legal requirements.

A more detailed account of our governance model can be found in the annual report and in our repository of ESG documents on our webpage www.pgs.com.

Board of Directors

The Board is actively engaged in review, monitoring and discussion of sustainability issues and risks, including climate change and the energy transition. Sustainability is discussed in most of the ordinary board meetings, either as integral parts of strategy discussions or as separate topics.

The **Remuneration and Corporate Governance Committee (Remco)** is appointed by the Board and acts as a preparatory body in connection with the Board's role with respect to certain matters, including Corporate Governance Policies and Procedures and Senior Executive remuneration.

The **Audit Committee** acts as a preparatory body in connection with the Board's supervisory role with respect to financial control and external audit. With respect to Sustainability, the Audit Committee shall oversee the Company's execution and internal controls over:

- Establishing relevant Key Performance Indicators (KPI) for the Company's defined sustainability goals
- The measuring of performance against the KPIs
- Compliance with the sustainability reporting framework, as selected by the Board of Directors
- The compilation and disclosure of the Company's sustainability reports
- Review the Company's sustainability reports and provide its recommendations to the Board of Directors before approval

In 2021, 8 board meetings were conducted including a review and approval of the sustainability report and materiality assessment in Q1, and a review of the Company's revised strategy including strategic objectives for sustainability in Q3. Progress against sustainability goals and targets are reviewed mid-year and at year-end.

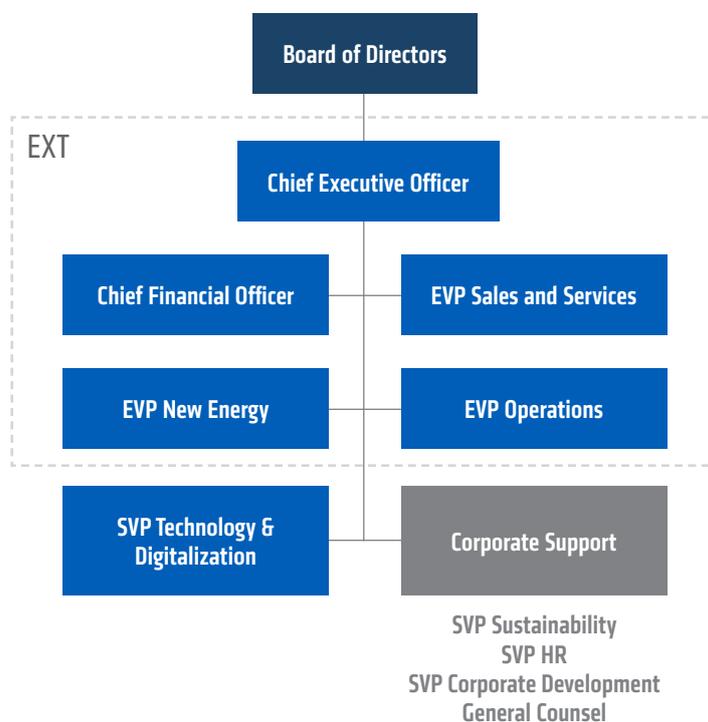
Corporate Management

The CEO and is accountable for setting and executing the Company's sustainability ambitions, and has made the Executive Vice Presidents (EVPs) accountable for managing relevant risks and performance within the respective Business Units (BU) and departments.

The Company's strategic objectives and goals for sustainability form the basis for annual goals that are reviewed and approved by the CEO as assisted by the EXT. Once approved, goals are cascaded down through the organization and progress is reviewed regularly. Sustainability goal achievement is included in the KPIs of the CEO and EVPs, as well as senior managers in the line organizations below and is tied to monetary reward through the Company's bonus scheme.

The responsibility for informing and guiding the Company’s response to sustainability and climate-related issues is assigned to the Senior Vice President Sustainability, a role within the corporate support function that is a permanent member of the extended EXT reporting directly to the CEO.

Sustainability issues are monitored through a variety of means including (but not limited to) monitoring of regulatory developments in key markets, stakeholder dialogue (e.g. with investors, clients or ESG rating agencies) and participation in industry- or sustainability associations and working groups such as The Energeo Alliance, The Norwegian Shipowner’s Association, UN Global Compact, the Carbon Disclosure Project (CDP), and through our membership in the Norwegian Chapter of Transparency International. The SVP Sustainability is responsible for coordination of such efforts and reporting to the Board, CEO and EVPs.



ANTI-CORRUPTION

Why is it important

Corruption undermines human and societal development. It diverts public resources away from the provision of essential services. It increases inequality and hinders national and local economic development by distorting markets for goods and services. It corrodes the rule of law and destroys public trust in governments and leaders.

Such activities are illegal and any organization engaging in such may face criminal charges, significant reputational damage and loss of business that will directly affect employees, clients and shareholder value.

Our approach

Compliance with laws, rules, and regulations, including anti-corruption laws applicable to the conduct of our business activities is a fundamental part of the PGS Code of Conduct. Our anti-corruption program reflects the Company's promise to its shareholders, customers, and other stakeholders to operate legally and ethically. It is based on best practice and standards.

We perform stakeholder analysis, context analyses, and a group risk-assessment that address all PGS locations and activities on an annual basis. In addition, each year we do a global likelihood-of-corruption-exposure assessment, by country.

We perform risk assessments or pre-qualification assessments of our suppliers. Integrity due diligence is performed on business partners to provide pre-defined 'exposing services' where the assessed inherent risk is greater than low. Due diligence on certain existing business partners is repeated at a frequency defined by the assessed risk level.

At activity or transaction level, we use several processes to conduct risks assessments in advance of conducting an activity. Corruption risks are an integrated part of these.

We have a well-established system for communicating and training our stakeholders on our anti-corruption program. The PGS Audit Committee receive regular information, updates, and training regarding the anti-corruption program. In addition, each year the Board and all members of the EXT respond to questions about critical governance requirements, including anti-corruption.

Our performance in 2021

In 2021, through our group corruption risk assessment, we identified two inherently high risks to PGS linked to Interacting with government officials and use of agents.

Goal

Zero violations of anti-corruption legislation

Actions in 2021	Progress	Plans for 2022
Revised our Code of Conduct. Launched Supplier Code of Conduct. Revised our risk assessments based on changes in country risk profiles.		Strengthen awareness and assurance in our supply chain.



Key Indicators

Number of Business Partners

2021  65

Type of Business Partner

2021 **33** Ships agents, **8** Environmental consultants, **7** Sales agents and representatives, **7** Escort and support vessels, **7** Other

Business Partner by Region

2021 **16** Africa, **14** Asia, **4** Europe, **21** Global, **2** North America, **2** Oceania, **6** South America

INDICATOR	2018	2019	2020	2021
Number of suppliers	2376	2229	1966	1856
Top 100 suppliers share of total spend	78%	78%	80%	81%
Number of supplier audits	5	6	12	4
Number of critical suppliers that have completed a supplier verification process*	39	36	30	21



ANTI-COMPETITIVE BEHAVIOR

Why is it important

Anti-competitive behavior prevents or reduce free competition. Such behavior is illegal and may be detrimental to the long-term value creation of companies, their clients, and the economy. It may also be subject to criminal charges, loss of reputation and loss of business that will directly affect employees, clients and shareholder value.

Our approach

There is considerable focus on fair competition in the seismic industry, both from industry organizations such as the Energeo Alliance, governments, and clients. While PGS engages in joint-ventures and collaboration projects with other companies within our industry, we only do so in compliance with applicable anti-trust/competition law.

PGS has developed policies and guidelines to ensure that these projects are conducted well within the boundaries of applicable anti-trust/competition law. The nature of such projects may differ. An example is joint seismic acquisition projects, which typically will yield more seismic data to the market at a lower cost to our customers.

Our performance in 2021

No legal actions pending or completed during 2021 regarding anti-competitive behavior or violations of anti-trust/competition law involved PGS as a participant.

Goal

Zero violations of anti-trust and monopoly legislation.

Actions in 2021	Progress	Plans for 2022
Strict enforcement of disciplined and professional behavior in historically small and competitive market.		Sustain our disciplined and professional behavior.
Started	In Good Progress	Almost There
		Achieved

Looking Ahead

Our stakeholders expect us to come up with smart and sustainable solutions to the challenges we face, especially when it comes to reducing greenhouse gas emissions. We need to provide coherent communication on how we address climate change as a strategic priority.

Access to reliable and affordable energy is essential for life on earth. We are committed to being part of a solution that will look at the best ways to provide such energy, while reducing risks to the environment. As the solutions are evolving, we have embarked on a mission to put ourselves at the forefront of the changing energy landscape and will continue to utilize our ESG reporting process to communicate our efforts at managing sustainability-related risks and opportunities to our stakeholders.

Find out more: www.pgs.com/responsibility

Contact us: Sustainability@pgs.com



PGS Sustainability Report 2021

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