



HUMAN AND LABOR RIGHTS MANAGEMENT

This document explains PGS ASA and its subsidiaries' ("PGS") approach to managing Human and Labor Rights in our supply chain and operations. This document has been set up using the UN Guiding Principles for Business and the UN Guiding Principles Reporting Framework.



Table of Contents

- A GOVERNANCE FOR RESPECTING HUMAN AND LABOR RIGHTS 3**
 - A.1 POLICY COMMITMENT 3
 - A.2 EMBEDDING RESPECT FOR HUMAN AND LABOR RIGHTS 3
 - A.2.1 Our governance structure 3
 - A.2.2 Our specific policies 3
 - A.2.3 The Board and PGS Senior Management’s focus 4
 - A.2.4 Our employees focus 4
 - A.2.5 Our business partners’ focus 4
 - A.2.6 How we learn and improve 4
- B OUR REPORTING ON HUMAN AND LABOR RIGHTS 5**
 - B.1 STATEMENT OF SALIENT ISSUES 5
 - B.2 DETERMINATION OF SALIENT ISSUES 5
 - B.3 ADDITIONAL SEVERE IMPACTS 6
 - B.4 OUR ESG REPORTS 6
- C MANAGEMENT OF SALIENT HUMAN AND LABOR RIGHTS ISSUES 6**
 - C.1 STAKEHOLDER ENGAGEMENT 6
 - C.2 ASSESSING IMPACT 6
 - C.3 INTEGRATING FINDINGS AND TAKING ACTION 6
 - C.4 TRACKING PERFORMANCE 6
 - C.5 REMEDIATION 7
- D IMPROVEMENT AND PERFORMANCE 2021 7**



A GOVERNANCE FOR RESPECTING HUMAN AND LABOR RIGHTS

A.1 POLICY COMMITMENT

Everywhere we operate, PGS complies with applicable laws and regulations concerning Human and Labor Rights. We also adhere to Principles 1-6 of the *United Nations Global Compact*, the *OECD Guidelines for Multinational Enterprises*, the *International Bill of Human Rights*, *United Nations Universal Declaration of Human Rights*, the *United Nations Guiding Principles on Business and Human Rights*, and the *International Labor Organization (ILO)'s Core Conventions*. PGS also adheres to the standards in the *UK Modern Slavery Act* and will adhere to the *Norwegian Transparency Act*.

Our *Code of Conduct* and *Corporate Responsibility Policy* contain PGS' overarching commitment to respect Human and Labor Rights throughout our global activities. These commitments shall not be compromised. PGS also embed Human and Labor Rights in our *Supplier Code of Conduct* commitments towards our suppliers.

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.

Internally in PGS, our Human and Labor Rights' commitments are communicated through the Code of Conduct and related governing documents, in our internal communication and internal website, and through compliance training. Externally, we communicate through our Code of Conduct, our Supplier Code of Conduct, our website, and through communication with local communities, customers, business partners and suppliers.

A.2 EMBEDDING RESPECT FOR HUMAN AND LABOR RIGHTS

A.2.1 *Our governance structure*

PGS ASA's Board of Directors (the "Board") keeps oversight over PGS' ESG management and performance. The Board approves the PGS corporate strategy, and ESG goals embedded into the PGS corporate strategy. The Board has also approved the Code of Conduct, which commits PGS to high Human and Labor Rights standards. The Board's Audit Committee is mandated to monitor PGS' ESG efforts, including its management of Human and Labor Rights in our operations, and to report back to the Board.

PGS' President & CEO (the "CEO") proposes the strategic ESG 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 the proper policies and procedures. The Head of Sustainability engages with PGS Senior Management to ensure that PGS' strategic ESG 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.

Our Procurement and Contracting department is responsible for the day-to-day management of Human and Labor Rights in the supply chain and to maintain a sustainable sourcing lifecycle.

A.2.2 *Our specific policies*

PGS addresses salient Human and Labor Rights at both corporate governance and operational level. This is reflected in several of our governing documents, such as in our:

- Code of Conduct
- Corporate Responsibility Policy and related governance documents



- Supplier Code of Conduct
- Procurement and Contracting Policy and related governance documents
- HSEQ Policy and related governance documents
- Legal & Compliance Policy and related governance documents, such as the *Personal Data Protection Manual and Binding Corporate Rules*

A.2.3 The Board and PGS Senior Management's focus

Human and Labor Rights' issues are addressed in PGS's Senior Management and the Board discussions on how to govern and operate PGS. This is reflected in practice at several levels, such as by reviewing, discussing and approving the governing documents mentioned in Section A.2.2 above.

In addition, the discussions also include

- employee training programs for Code of Conduct topics (including Human and Labor Rights topics relevant for certain groups of employees)
- ESG (including Human and Labor Rights and Health and Safety) related goals, metrics, status, progress and performance
- PGS' annual ESG report and its contents
- PGS' annual UK Modern Slavery Statement

A.2.4 Our employees focus

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 provides training on the Code of Conduct, including salient Human and Labor Rights issues, and requires from 2021 that all PGS employees annually confirm that the Code of Conduct is read and understood.

A.2.5 Our business partners' focus

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 has also implemented Human and Labor Rights lifecycle management in the supply chain. This lifecycle management includes supplier qualification, approval, monitoring, auditing and termination of supplier business relationships upon material misconduct.

A.2.6 How we learn and improve

We have performed a context-, stakeholder- and value chain analysis, and regularly revisit this. Based on the results of these analyses, we identify material and salient Human and Labor Rights exposures in our operations. These results will be used as a basis for annual adjustments of our focus. They will guide our communication on Human and Labor Rights issues, how we address potential risks in our operations, and how we can better prevent, detect and respond to violations of salient Human and Labor Rights in our organization or through our business relations.



B OUR REPORTING ON HUMAN AND LABOR RIGHTS

B.1 STATEMENT OF SALIENT ISSUES

PGS has based on the UN and the OECD Human and Labor Rights guidance identified and assessed any actual and potential adverse impacts on salient Human and Labor Rights that are linked to PGS' operations.

B.2 DETERMINATION OF SALIENT ISSUES

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).

This assessment takes into account our stakeholder analysis. In this analysis, the key Human and Labor Rights concerns from our stakeholders, including employees, business partners, suppliers, local communities and regulators are identified.

To understand where these risks may potentially occur, PGS also performs a context, stakeholder and value chain analysis and identifies the activities which may pose a risk to particular groups.

The table below summarizes where a Human and Labor Right violation has a more than remote possibility of occurring and the groups potentially affected.

HUMAN AND LABOR RIGHT	PGS EMPLOYEES & BUSINESS PARTNERS	OTHERS
Right to enjoy just and favorable conditions of work	x	Local fishing communities*
Rights of protection for the child	x	
Right to freedom of association, and to form and join trade unions and the right to strike	x	
Right to life and right to health	x	Local fishing communities*
Right to privacy	x	Customers
Right not to be subject forced labor and right to liberty and security of the person and freedom of movement	x	
Right to a family life	x	
Right to an adequate standard of living	x	
Right to non-discrimination	x	Local fishing communities*
Right to freedom of opinion and expression	x	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).

Acknowledging that PGS operates in countries with high prevalence or non-data availability of Human and Labor Rights violations, we address the country dimension through the due diligence and at project level, also as being part of the context/shareholder/value chain analysis.



B.3 ADDITIONAL SEVERE IMPACTS

Through our annual review of our base analysis, due diligence and monitoring, we regularly assess and seek to identify severe impacts on Human and Labor Rights that may have fallen outside of our salient Human and Labor Rights identification.

B.4 OUR ESG REPORTS

We annually issue our ESG report (either stand alone or as part of PGS' annual report) to give an account of the goals we have set for the reporting period and our performance measured against these goals. We report using the GRI reporting format.

Through our ESG reporting, we engage with a variety of stakeholders, such as the public, shareholders and potential investors, rating agencies and regulators. By providing a standard report on ESG aspects, including salient Human and Labor Rights, we believe we meet stakeholders' expectations by also identifying improvement areas and obtaining feedback through ESG rating, comments and questions.

C MANAGEMENT OF SALIENT HUMAN AND LABOR RIGHTS ISSUES

C.1 STAKEHOLDER ENGAGEMENT

We regularly analyze the salient Human and Labor Rights issues in light of our context-, stakeholder-, and value chain analysis, and identify their relevance towards different stakeholder groups, such as employees, customers, local communities, third parties and regulators. See section D for further details.

C.2 ASSESSING IMPACT

We identify any changes in the nature of each salient Human and Labor Rights issues over time. We do this by regularly conducting a context-, stakeholder-, and value chain analysis, which includes an evaluation of ESG indicators, including Human and Labor Rights. This is analyzed from various perspectives, such as our business model and market, the nature, scale and complexity of our operations, our position in the value chain and the locations and sectors in which we operate.

C.3 INTEGRATING FINDINGS AND TAKING ACTION

We regularly review our context-, stakeholder-, and context analysis. This iterative process allows us to identify any actual or potential adverse impacts and integrate adequate control mechanisms in our governance and operations. In the case an adverse impact would occur, our remediation process includes action plans in which mitigations are identified and implemented.

C.4 TRACKING PERFORMANCE

In order to ensure our exposure mitigations are effective in practice, we have implemented several mechanisms to monitor compliance with salient Human and Labor Rights. This includes metrics on our own workforce, such as age, gender, pay, location and turnover, as well as metrics on key suppliers such as type of provided goods or services, country of operation/establishment, due diligence and audits. In addition, we monitor detection indicators such as accidents and reports of non-compliance.

Regular status reports of statistics, issues and status on matters are presented to PGS Senior Management. Any status reports with material findings are also presented to the PGS Board's Audit Committee.



C.5 REMEDIATION

Any reports on PGS' management of Human and Labor Rights issues can be raised;

- to a line manager in PGS or our Head of Sustainability (for internal reports)
- through the *PGS Compliance Hotline* (for both internal and external reports) where the reporter can choose to be anonymous
- by contacting the PGS Legal or Compliance departments
- by contacting the PGS Global Data Protection Officer if related to data privacy matters

From time-to-time PGS conducts employee survey's to assess both the awareness of and trust in the PGS Compliance Hotline reporting and investigation mechanisms.

We also have a *Compliance Hotline Reporting and Investigation Procedure* laying out the routines for handling reports logged on the PGS Compliance Hotline. This procedure is designed to identify; (a) root cause, and (b) suggest improvements to PGS management for further enhancement of existing risks assessments, procedures and controls. The procedure includes logging the report, assigning a responsible for handling the report, establishing a team of experts, investigating by following the investigation methodology, identifying any corrective actions, and reviewing the implementation and outcome of the investigation. For more details, please see our *Compliance Hotline Reporting and Investigation Procedure* and the *PGS Compliance Hotline* on www.pgs.com.

In cases where PGS may have caused or contributed to an identified adverse negative impact on salient Human and Labor Rights, PGS will provide remedy. In cases where PGS has not caused or contributed to such impact but is linked to this impact through a business partner, PGS will take a role in remediating. For example, we may use leverage with the business partner to incentivize the start of a processes to remedy. Where relevant, we may also provide information which can facilitate investigations or dialogue. As a last recourse, PGS may end the relationship with the business partner.

The appropriate process to enable remediation depends upon several factors such as legal obligations, the nature of the negative adverse impact and where the adverse impact occurs. If the adverse impact occurs within our own operations, it may trigger a review of our risk assessment and/or of our mitigation response mechanisms, while if the impact occurs through our supply chain, we may conduct meetings, provide training or assistance, end the relationship and/or engage in legal proceedings.

D IMPROVEMENT AND PERFORMANCE 2021

As per mid-September 2021

PGS is committed to continuously improve our assessments, mitigations and remediations of potential adverse impacts. During 2021 we have identified several improvements and launched different initiatives that strengthen our pledge to Human Rights.

The table below summarizes key initiatives that have been performed or planned in 2021.



Stakeholders	Initiatives
EMPLOYEES	<ul style="list-style-type: none"> ■ We have conducted a context analysis assessment across our operations for potential Responsible Business Conduct (RBC), including Labor and Human Rights. ■ We have updated the Code of Conduct and plan to deploy employee training and annual confirmation during Q4 ■ By enhancing our digital infrastructure and providing equipment, we have supported the work-from-home environment. ■ For the benefit of employee's mental and physical wellbeing, we have set up a diversity of support channels as tips and guidance and support networks. ■ To strengthen equality and diversity, PGS has implemented the requirement for a gender and culturally diverse recruiting team when hiring, ■ We have launched our "Leadership Principles" that promote employee empowerment, collaboration and transparency, and coaching and feedback. ■ We have conducted an Employee Survey with the aim to continually understand how we can improve the way we communicate, lead and work.
CUSTOMERS	<ul style="list-style-type: none"> ■ The due diligences that our customers conduct on PGS at time of bidding and project planning address various aspects of what is expected on Human Rights. ■ Although not in 2021, PGS has previously been subject to a Human Rights audit by one of our international clients.
3RD PARTIES	<ul style="list-style-type: none"> ■ We issued our Supplier Code of Conduct and conducted a detailed assessment of potential RBC issues through third parties¹. <p>As an output of our work with the context-, stakeholder-, and value chain analysis, we have identified the need to further improve how we assess and monitor the RBC issues related to Environment and Human Rights. Although we consider these dimensions already properly embedded in our current processes, we aspire for better granularity in our assessment and increased consistency in how it is applied across our operations and third parties. In Q3 we started enhancing our due diligence questionnaires and control points, to cover both suppliers and other third parties. Also, we will for each relevant operational project perform a risk analysis of potential salient Human and Labor Rights exposures</p>
LOCAL COMMUNITIES	<ul style="list-style-type: none"> ■ To be able to conduct a seismic survey, we sometimes need to remove fish aggregation devices (FADs) placed by local communities in the survey area. <ul style="list-style-type: none"> ■ We help the safe removal of such devices and provide compensation for loss of revenue caused by such, temporary, removal. ■ The cleaning process also removes maritime waste, providing a cleaner and safer environment for the community and the local maritime fauna. ■ In Ghana PGS supports local fishing communities in five different western regions. <ul style="list-style-type: none"> ■ Some of the current initiatives are: providing 60 dustbins per region for renovation purposes; one freshwater system, including a borehole construction; and, building and renovating sheds for fishing net mending. Together with our local partner we work to execute these projects and to monitor progress and cost. ■ PGS has contractual commitments to promote education in some of the countries we operate <ul style="list-style-type: none"> ■ In some countries, we provide geophysical related education, empowering local communities with the necessary knowledge to participate in and further work with geophysical exploration. ■ In Angola, we support the constructions of local schools. The assessment of Human Rights has brought to our attention the UN SDG target 4.a "Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all", and that building



plans should include access to adapted infrastructure and materials for students with disabilities; access to single-sex basic sanitation and access to the internet for pedagogical purposes.

REGULATORS AND KEY GUIDANCE ORGANIZATIONS AND INITIATIVES

- We engage with regulators in the countries we operate and with key guidance issuers, such as ILO, UN and OECD, by monitoring legislation and expectation updates and by adjusting our programs to meet such requirements and expectations.
- We have issued the anti-modern slavery statement in response to the UK modern Slavery Act and prepare to comply with the Norwegian Transparency Act, coming into effect in 2022.
- In terms of key guidance, we have reviewed our approach to Human Rights based on detailed guidance from UN and OECD, evaluated country risks based on NGO organizations' survey data, such as the Global Slavery Index and Transparency International's Corruption Perception Index, and joined the SHE Index initiative, which focuses on gender balance in leadership and workforce, equal compensation, and work life balance.

¹ Details are documented in "Compliance and Integrity Risk Management"

No breaches or human rights impacts involving rights of indigenous people or related to forced or child labor were identified as per mid-September 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 mid-September 2021.