



PGS PEOPLE MANAGEMENT

This document sets out how PGS ASA and its subsidiaries (“PGS”) manages its people and workforce. Our ambition is to ensure equality, inclusion and diversity among our employees, and attract, engage, develop, and retain a highly skilled and engaged workforce. We are committed to recruiting and promoting individuals based on their skills, capabilities, values and potential for future growth and development. Diversity is considered an important parameter in our recruitment and development. We provide attractive and fair compensation and benefit packages that support our overall employee value proposition.



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A Management Approach

A.1 Our Policies

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

A.2 Responsibilities

The PGS ASA *Board of Directors* is overall responsible for ensuring a proper organization of PGS' business and operations. This includes reviewing and approving the People Strategy as being part of the overall PGS Corporate Strategy, and ensuring that the Company through policy and otherwise actively combats unlawful discrimination and promotes inclusion and equality of opportunity and treatment. The Board has mandated its *Remuneration and Corporate Governance Committee* to assist the Board in reviewing the Company's overarching people strategy, including succession planning for EVPs and other senior management and potential assessments for key positions. The overall responsibility for implementing the proper policies and practices lies with *PGS' President and CEO*.

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. HR is an integrated part of our Group and Regional leadership teams. HR employees provide support to all business areas through development and implementation of the HR strategy and alignment with business strategies.

A.3 Communication and Engagement

Our employees shape and improve our business. Good leadership is essential. To build trust and effective relationships, we need to maintain open and frequent dialog and feedback. 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.

Leaders need to be visible and communicate clearly with the entire workforce. Our Leadership Principles lay out the standards all PGS leaders aspire to meet. These include standards for communication. The Leadership Principles build on our Core Values, and both are published on www.pgs.com. We communicate the big picture about our business through our CEO newsletters, webcasts, town-hall meetings, department meetings, one-to-one meetings, and during personal visits by managers to offices and vessels.

We also engage with our employees through surveys. Our People Pulse surveys allow employees to provide feedback around motivation, work environment, collaboration, transparency, leadership and a number of other parameters related to our culture as a company. We aim to continually understand how we can improve the way we communicate, lead and work. The survey results provide a platform and arena for us all to communicate more closely with our teams around the things that will improve our everyday work and working relationships.

PGS has also employee participation at Board level. Three out of the eight members of PGS' Board of Directors are employees elected by the PGS employees. Two of these employees serve on the Audit Committee while one serves on the Remuneration and Corporate Governance Committee.

PGS appreciates the importance of maintaining a good relationship with employees, trade unions and organizations. We regularly engage with these to discuss important topics. Each region and location have autonomy to establish relations with unions, building good relationships and receiving advice and input on local issues.

Moreover, PGS engages in the wellbeing of employees and promote a healthy work-life balance. We provide our employees with access to employee assistance programs and support resources to keep mentally and physically fit and healthy, in particular during tough times such as pandemics. We also



make available guidance and resources to support remote work. We regularly follow-up with Wellbeing Pulse surveys to check-in on any issues that may be impacting employee wellbeing.

The results of the surveys are assessed and measures implemented, as required.

A.4 Employment

We are committed to ensuring employment security and responsible workforce planning to ensure we are capable of scaling our workforce in line with business needs, and to minimize the need for redundancies. In extraordinary situations, such as during pandemics, it may be necessary to reduce the total workforce. In such extraordinary situations, we are committed to do a fair selection of who is made redundant, and to provide a fair compensation package in relation to the redundancy process. We also facilitate that redundant employees receive assistance and outplacement support.

Prior to making use of forced redundancies, other less drastic means will always be considered. Examples of less drastic means are hiring freeze, elimination of overtime, reduced working time for relevant roles, internal redeployment, voluntary early retirement, and voluntary redundancies. Prior to any operational changes, PGS timely informs and consults trade unions or other employee representatives.

PGS is committed to limit the use of non-regular employment. To reduce possible negative effects of any non-regular employment, we ensure equal pay and preferential rights to permanent employment if skills and capabilities are in place.

PGS provides for workplace flexibility, such as flexi-time outside of core working hours and banking of hours, and for working time reduction (such as part time arrangements, and possibility for time reduction after 62). Our workforce is entitled to maternity and paternity leave, dependent leave, such as sickness and compassionate leave and other types of leave, such as serving as jury or armed forces, or moving home and first day of school. In addition, our employees may apply for extended leave, such as for studies or other sabbatical.

PGS may contract temporary employees at times only to tasks to be performed in a specific period of time or for certain work of temporary nature. Temporary employees have priority rights of permanent hiring and, in Norway and UK, there is a defined maximum amount of time, after which the temporary worker has the right to permanent employment.

A.4.1 Benefits

The purpose with employee benefits is to motivate staff toward specific levels of achievement that contribute to our value creation. The reward schemes enable our employees to get their share of the overall results of the company and encourage them to understand how they can contribute to the value-adding process. The key principles are:

- We seek to offer a total compensation and benefits package that is attractive, fair and competitive.
- PGS' bonus schemes are discretionary and based on the performance of the company, business area/department, and individual.
- We reward performance and commitment to PGS' Core Values and our Code of Conduct

PGS provides both monetary and non-monetary benefits such as Disability coverage, Insurance and Employee Assistance program, flexible working hours, paid parental leave, bonus schemes, performance based restricted stock units, retirement pension or saving plan, training facilities and social events.



A.5 Diversity, Inclusion, Equal Opportunity and Non-discrimination

Our goal is to attract and retain the best talent available. We take steps to ensure there is no recruitment bias of any kind, including gender, ethnicity, or age. While we are proud of the international content of our regional headquarters, our smaller offices have proven the success of investing in local employment.

Diversity goals and equal opportunity are integral to our culture and our hiring practices. Upholding diversity and inclusion positively contributes to PGS' working environment and innovative culture. We have set clear targets to ensure we improve the gender balance and compensation across all roles in PGS, including at management levels. We also aim to increase the diversity in age groups where we see there are gaps. On a general level, diversity related to nationalities and educational backgrounds are well reflected in our employee base. We continually strive to offer an inclusive environment related to disabilities or other diversity.

We also strive to make our employees feel a sense of belonging in PGS. This we do through;

- giving a good understanding of employees' role in PGS,
- giving proper definition of performance/development goals with ongoing follow-up from managers,
- promoting learning and development, and
- providing autonomy and a sense of purpose in the larger PGS Group.

A.5.1 Anti-discrimination

PGS does not accept any form of discrimination based on political conviction, religious belief, age, gender, sexual orientation, family status, disability, race, color, nationality, ethnic origin, social origin, or any other basis prohibited by law. We do not tolerate any form of harassment and abusive behavior that creates an intimidating or offensive work environment. Reports of suspected violations or undesired behavior can be addressed to management or via the PGS Compliance Hotline where reporters can choose to be anonymous.

A.5.2 Freedom of Association and collective bargain

PGS is committed to facilitating freedom of association, and effective recognition of the right to collective bargaining, decent wages, and working conditions. This is reflected in our *employee handbooks*, *Code of Conduct*, *People Policy* and related governing documents.



B Performance 2021

Data as per mid-September 2021 for the main PGS locations (Norway, UK, USA and Offshore), which represent 88% of the total PGS workforce.

B.1 Workforce

Total Number of Employees by employment contract	Norway	UK	US	Offshore
Permanent	267	109	132	302
Temporary	14	7	4	146

B.1.1 New employee hires

New hires through 2021 per mid-September 2021.

New Hires	Norway	UK	US	Offshore
Female	6	0	3	0
Male	6	1	6	2

New Hires	Norway	UK	US	Offshore
Under 30 years old	3	1	1	0
30-50 years old	8	0	5	2
Over 50 years old	1	0	3	0

B.1.2 Employee turnover

Employee turnover	2019	2020	2021
Female	11	16	12
Male	19	29	19

B.2 Diversity, Equal Opportunity, and Non-discrimination

B.2.1 Nationality distribution

Vessels by Nationality	%	Offices by Nationality	%
British	34 %	Norwegian	27 %
Norwegian	15 %	British	18 %
Polish	12 %	American	13 %



American	10 %	Egyptian	6 %
Canadian	5 %	Brazilian	4 %
French	3 %	French	4 %
Swedish	2 %	Angolan	3 %
Other	19 %	German	3 %
		Other	23 %

B.2.2 Age distribution

Age	Vessels	Offices
Under 30 years -	0%	4%
30-50 years	58%	63%
Over 50 years	42%	33%

B.2.3 Gender distribution

Gender	Vessels	Offices
Female	2%	28%
Male	98%	72%

B.2.3.1 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.

B.2.4 Benefits

Benefits	Norway		UK		USA		Offshore	
	Permanent	Temporary ¹	Permanent	Temporary ¹	Permanent	Temporary ¹	Permanent	Temporary ¹
Disability coverage	Yes	Yes ²	Yes	Yes ²	Yes	No	Yes	Yes ²



Insurance and Employee Assistance program	Yes	Yes ²	Yes	Yes ²	Yes	No	Yes	Yes ²
Flexible working hours	Yes	Yes	Yes	Yes	Yes	Yes	No ⁴	No ⁴
Paid parental leave	Yes	Yes ²	Yes	Yes ²	Yes	No	Yes	Yes ²
Bonus Scheme	Yes	No	Yes	Yes ²	Yes	No	Yes	No
Performance based Restricted Stock Units (long term incentive program)	Yes ³	No	Yes ³	No	Yes ³	No	Yes ³	No
Retirement pension/saving plan	Yes	Yes ²	Yes	Yes ²	Yes	No	Yes	Yes ²
Training facilities	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Subsidized canteen	Yes	Yes	No	No	No	No	Yes	Yes
Social events	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

¹ temporary employees directly contracted by PGS

² relative to length of contract

³ only applicable to some positions

⁴ offshore work must be performed according to a defined schedule

B.2.5 Workplace flexibility and working time reduction

B.2.5.1 Dependent care and special leave

Leave	Norway	UK	USA	Offshore
Maternity and Paternity leave	Yes	Yes	Yes	Yes
Other parental leave	Yes	Yes	Yes	Yes
Care of Dependents	Yes	Yes	Yes	Yes
Compassionate leave	Yes	Yes	-	Yes
Bereavement leave	Yes	Yes	Yes	Yes
Extended leave of absence ¹	Yes	Yes	Yes	Yes
Special leave ²	Yes	Yes	Yes	Yes

¹ Studies or another sabbatical

² Has some variation between the PGS location but can include moving to a new house, own marriage, jury service, armed forces, child first day of school.

B.2.5.2 Parental leave

Parental Leave		Norway	UK	USA	Offshore
Employees that took parental leave	Female	7	0	0	0
	Male	14	1	2	1
Employees that returned to work in 2021 after parental leave ended	Female	2 (4 still on leave, 1 left)	0	0	0
	Male	14	1	2	1



B.2.5.3 Arrangements for workplace flexibility

Workplace flexibility	Norway	UK	USA	Offshore
Arrangements for telecommuting and hybrid office-home working environment	Yes	Yes	Yes	No ¹
Flexible time	Yes	Yes	Yes	No ¹
Reduced time	Yes	Yes	Yes	Yes
Location flexibility	Yes	Yes	No	Yes

¹ Offshore work must be performed according to a defined schedule