

A large, semi-circular graphic composed of numerous thin lines radiating from a central point. The lines are colored in alternating segments of blue and orange, creating a sunburst or fan-like effect that frames the central text.

2022
SUSTAINABILITY
REPORT

PGS ASA and its subsidiaries (“PGS” or “the Company”)* is a fully integrated marine geophysical company that provides a broad range of seismic and reservoir services, including data acquisition, imaging, interpretation, and field evaluation. Our services are provided to the oil and gas industry, as well as to the broader and emerging new energy industries, including carbon storage and offshore wind. The Company operates on a worldwide basis with headquarters in Oslo, Norway.

2022 SUSTAINABILITY REPORT THEME

This year’s sustainability report design is inspired by the recent update of PGS’ Vision & Mission statements. The two interlinked circles represent the inherent connectedness between energy security and the energy transition, and PGS’ commitment to support both. The radiating lines symbolize the different areas and strengths within PGS that work together and create an integrated company that is dynamic and resilient.

** When the terms “PGS” and “the Company” are used in this report, these will as a main rule include both PGS ASA and its subsidiaries. However, in certain sections and paragraphs hereof, these references will only include PGS ASA as context indicates.*

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LETTER FROM THE CEO

Dear PGS Shareholders and Stakeholders

In 2022 we revised our company mission and vision, reflecting our commitment to the UN Sustainable Development goals and our conviction that geophysical technology and competence can support and enable the energy trilemma of providing the world energy in a secure, affordable and sustainable manner. In 2022, we have set ambitious targets both for developing our New Energy business and for reducing emissions from our operations. By 2050 PGS shall have a Net Zero carbon footprint. Our onshore operations shall use only renewable energy and we shall cut emissions by at least 75% from our maritime operations. Our ESG efforts continue to be anchored on our dedicated, reliable, and pioneering culture.

World markets were marked by rising energy prices in 2022, which had a positive impact on our financial performance. Traditional markets saw a rekindled appetite for exploration, while our New Energy business benefitted from growth in net-zero initiatives for carbon storage.

Our focus on digitalization continues to pay off, with insight gained from analysis of reliable

data we are bringing tough targets within sight. New solutions we have evolved for Cloud-based imaging of seismic data are recognized by the experts. Cloud initiatives for marketing and delivery of MultiClient data are enabling new business models that can simplify access and accelerate new insights for our customers. In our Data Factory, we are gaining operational insights that are leveraged across our organization. Colleagues, increasingly back in the office, are benefiting from more transparent solutions and using Cloud-functionality to learn new skills.

We are proud of the progress we have made in the past year, particularly in our digitalization and New Energy initiatives. We look forward to continuing our efforts to create valuable insights for our customers, supporting employee diversity, inclusion and personal development through hiring and development initiatives, and cooperating ethically with all stakeholders to support the search for affordable, sustainable energy for all.

We are committed to driving growth and value creation through innovative solutions, increased efficiencies, and strategic investments in our people, technology, and infrastructure, and we believe that with insight those goals too are within sight.

Thank you for your continued support and trust in our company. As always, I invite you to share your thoughts and feedback with us as we continue to work towards sustainable growth and positive impact.



Rune Olav Pedersen
President and CEO

STATEMENT FROM THE BOARD OF DIRECTORS

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 on 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 seventh sustainability report shaped by the UN Sustainable Development Goals, introduced in 2016. The Board of Directors and the CEO actively ensure that the Company responds properly to sustainability and ESG challenges.

During 2022, we have implemented a revised double materiality assessment and set new climate goals for the Company towards 2050. The Board of Directors and the CEO have been actively involved in this process. The material topics of this report 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 in 2022 as well as the way forward.

PGS is also dedicated to upholding fundamental human rights and decent working conditions, as well as ensuring that slavery and human trafficking are not taking place anywhere in our business and supply chain. The Respecting the Rights of People section provides our official report in accordance with the UK Modern Slavery Act 2015 and the Norwegian Transparency Act 2021 on our efforts to prevent modern slavery and our due diligence performed for the financial year 2022.



Walter Qvam
Chairperson



Anne Grethe Dalane
Director



Marianne Kah
Director



Richard Herbert
Director



Trond Brandsrud
Director



Ebrahim Attarzadeh
Director



Shona Grant
Director



Anette Valbø
Director



Eivind Vesterås
Director



Gunhild Myhr
Director



Rune Olav Pedersen
President & Chief Executive Officer

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 ASA and its subsidiaries (“PGS” or “the Company”) 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’s activities and global presence.

Goals



Promote education in geology, geophysics, mathematics, and digitalization.

Actions in 2022

Sharing of geological, geophysical and seismic knowledge and experience.
Sustained educational support to local communities in Angola and Ghana.

Progress



Plans for 2023

Continue our educational support program to promote knowledge and education both locally and among the wider professional communities.



Upgrade seismic operations through digitalization and innovation.

Actions in 2022

Continued our cloud transition and demonstrated unprecedented capabilities and scalability for data processing in the cloud. Delivered digital use cases that enhances our business processes, offshore operations, and data processing capabilities.

Progress



Plans for 2023

Continue our digital journey and use digitalization to further enhance our services, operations, and processes.



Started



In Good Progress



Almost There



Achieved



Reduce relative CO₂ emissions (t CO₂ per CMP km) by 50% compared to 2011 within 2030

Actions in 2022	Progress	Plans for 2023
Implemented real-time fuel consumption and energy efficient dashboards for Titan-class vessels. Completed technical screening of alternative fuels for the existing fleet.		Prepare for the upcoming maritime emission regulations, including EU ETS and FuelEU. Align CO ₂ emissions targets with 2050 net zero goal of 75% reduction in maritime emissions.



Identify and develop new sustainable business opportunities

Actions in 2022	Progress	Plans for 2023
Completed 4 surveys, out of 5 procured globally, for characterization of reservoirs for carbon storage		Expand our capabilities within the offshore wind segment. Continue to grow the provision of seismic data and services to the CCUS industry.



Increase scientific knowledge by sharing oceanographic data

Actions in 2022	Progress	Plans for 2023
Sustained our live data feed of bathymetry data to Seabed 2030.		Continue exploring how data acquired by our fleet of vessels can support oceanic research.



STRATEGY & RISK MANAGEMENT

STAKEHOLDERS

Our future business success is contingent on maintaining good relations with those who depend upon us. We strive to nurture these stakeholder relationships through transparent, two-way communication that fosters mutual understanding and positive relationships. Our context analysis and materiality assessment have helped us to identify our key stakeholders and their concerns in relation to our business and operations.

Key Stakeholders

Investors, shareholders, and lenders

Their focus

- Economic performance of PGS over time
- Resilience and preparedness for the energy transition
- Regulatory compliance
- Zero tolerance for corruption and anti-competitive behavior

What we do

- Ongoing dialogue
- Complete transparent disclosure of strategic plans and financial performance through annual reports, quarterly reports, and investor updates
- Sustainability and ESG goals embedded in the corporate strategy
- Robust anti-corruption policies, systems, and controls in place

Employees

- 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

- 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

- Timely and high-quality delivery of products and services
- Environmental compliance
- Respectful management of stakeholders
- Health and safety performance
- Reduced carbon footprint of geophysical operations
- Zero tolerance for corruption and anti-competitive behavior

- Comprehensive dialogue and planning for every project
- Collaboration on sustainability issues in industry forums and associations
- Participation in our customer's sustainability initiatives for their supply chain

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Key Stakeholders

Local communities and indigenous people

Their focus

- 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

What we do

- Set target of 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 throughout projects.
- Use of Fisheries Liaison Officer (FLO) and/or Community Liaison Officer (CLO) where required

Regulators, key guidance organizations and initiatives

- 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

- 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, EFRAG and other key institutions

Major suppliers, business partners and third parties

- Economic performance of PGS over time
- Compliance with applicable regulations
- Meeting PGS' expectations

- Supplier Code of Conduct
- Ongoing dialogue with key suppliers

Media and the public

- Financial performance of PGS over time
- Fully compliant with applicable regulations
- Resilience and preparedness for the energy transition
- Minimal impact on the environment

- 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

- Professional and rational market behavior
- Collaboration on sustainability issues

- Enforce strict discipline and professional market behavior
- Active participant in industry associations and working groups

STRATEGY

PGS 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, as a result of 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.



MARKET DEVELOPMENT SCENARIOS

»» RAPID ENERGY TRANSITION

Beyond the ongoing market recovery, a subsequent decline in the demand for frontier exploration, driven by a significant decline in the demand for oil and gas. Services such as 4D surveys to remain stable for longer. With a significant growth in carbon storage, and other New Energy domains leading to new business opportunities.

< LOW

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

<v> BASE

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

> HIGH

Strong market recovery in the near term driven by high energy prices, significant 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: World Energy Outlook 2022 (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 2022, the Executive Management Team (EXT) and Board of Directors (BOD) conducted an in-depth midterm review of the strategy and concluded that it remains relevant and fit for purpose. An account of our chosen corporate strategy is available in our [2022 annual report](#).

A significant revision was made to strengthen our ambitions and goals related to climate change. Considering the pressing need to curtail emissions of greenhouse gases in the coming decades, PGS has decided to set ambitious targets for our own emissions to be met by 2050.

2050

NET-ZERO
Carbon footprint

75% Reduction
in maritime
emissions

100% Renewable
energy
onshore

RISK MANAGEMENT

Risk Assessment

At the corporate level, we identify and assess actual and potential sustainability risks and opportunities through our materiality assessment, context analysis, and stakeholder analysis. This allows us to engage in a two-way evaluation that gives us confidence that we have identified the material issues for PGS.

In 2022, we embarked on a revision and updated our framework and process for Enterprise Risk Management, to ensure that we have a robust and dynamic approach to identifying, monitoring, and managing the key external and strategic risks to the Company. Over the course of the year, the EXT and BOD were actively engaged in several reviews and discussions of risks, the company's strategic response to these, and the governance and oversight mechanisms the company has in place to manage them.

Of a total of 23 risks and opportunities at the enterprise level, 10 are directly related to the material issues identified in our materiality assessment.

Enterprise Level Risks and Opportunities linked to Material Issues

Climate Change and Energy Transition

- Accelerating energy transition and decline in demand for conventional exploration
- Strict regulation of maritime carbon emissions

Respecting the Rights of People

- Violation of human rights

Health, Safety and Security

- Victim of criminal or terrorist activity
- Victim of major cyber security incident
- Global pandemic or similar event

Biodiversity and Nature

- Major spill or pollution incident

Future Workforce

- Ability to attract, develop and retain talent required for future workforce

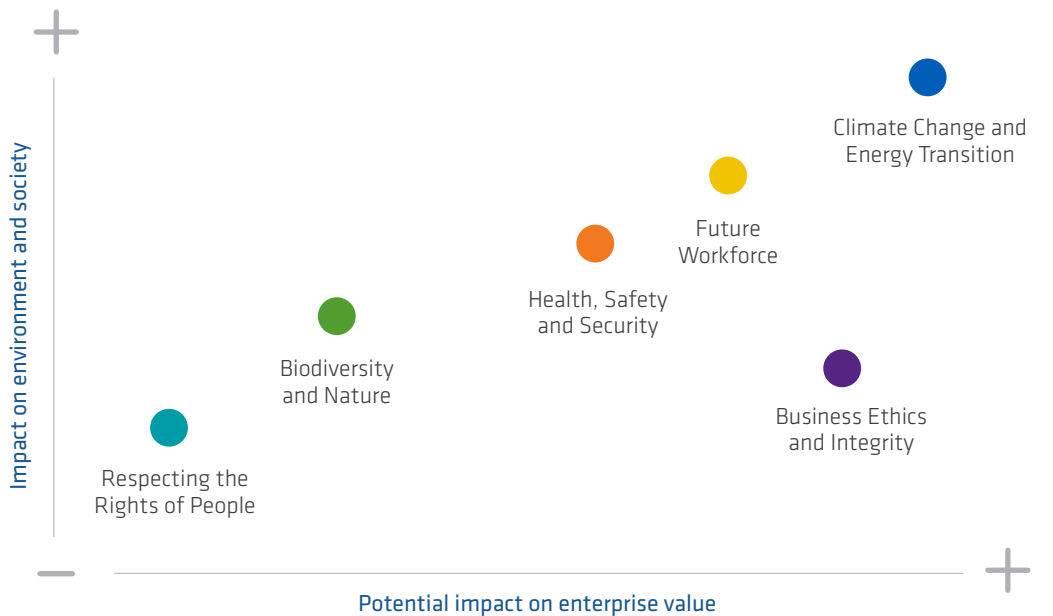
Business Ethics and Integrity

- Engagement in corrupt activities
- Violation of international sanctions

Materiality Assessment

In 2022, we simplified and revised our materiality assessment to begin conforming to the upcoming Corporate Sustainability Reporting Directive (CSRD). The assessment was conducted through a series of discussions in the EXT and the BOD with input from subject matter experts where required.

As of the end of 2022, the European Sustainability Reporting Standards (ESRS) were in the draft stage, with their completion expected in 2023. In preparation for these new standards, we have taken the first step of mapping the applicable ESRS standards to each indicator in our materiality assessment (as shown below) and have begun identifying the disclosure requirements and metrics that will be required for our sustainability reporting in the future. We plan to continue aligning to the CSRD and ESRS in 2023 and will ensure our disclosure follows these when they come into effect.



Climate Change and Energy Transition

Climate Change ESRS E1

Future Workforce

Own workforce ESRS S1

Biodiversity and Nature

Pollution ESRS E2
 Water and marine resources ESRS E3
 Biodiversity and ecosystems ESRS E4
 Climate Resource use and circular economy ESRS E5

Respecting the Rights of People

Own workforce ESRS S1
 Workers in the value chain ESRS S2
 Affected communities ESRS S3
 Consumers and end-users ESRS S4

Health, Safety and Security

Own workforce ESRS S1

Business Ethics and Integrity

Business conduct ESRS G1

A decorative graphic consisting of numerous thin, parallel lines radiating from a central point, forming a semi-circular shape. The lines are colored in shades of blue and green, with some lines being thicker than others, creating a textured, sunburst-like effect.

ENVIRONMENT

Climate Change and Energy Transition

Biodiversity and Nature

ENVIRONMENT

To meet our sustainability ambitions, we are dedicated to reducing the risk of harm to the environment, adhering to legal requirements and industry standards, and constantly improving our environmental performance. Our management system has been certified according to ISO 14001 since 2012, and we have been reporting 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 stay aligned with best practices.

Environmental Performance Indicators

	2019	2020	2021	2022
Energy				
Vessels (GWh)	1466	1128	946	1050
Offices (GWh)*	16	15	9	11
Air Emissions				
CO2 eq (kT)	502	380	317	355
SOX (kT)	3	<1	<1	<1
NOX (kT)	9	7	5	6
PM (kT)	<1	<1	<1	<1
Waste				
Vessels (1000 m3)	4.0	2.8	2.4	2.1
Delivered to shore	3.3	2.3	2.0	1.5
Incinerated onboard	0.6	0.4	0.3	0.5
Organic waste to sea	0.1	0.1	0.1	0.1
Offices (t)*	88	43	49	54
General waste	28	11	10	17 ¹
Recycled waste	60	32	39	37
Environmental Incidents**				
Major non-compliance***		0	0	0
Minor non-compliance		5	1	3
Spills				
Number		7	3	2.0
Volume total (m3)		0.7	< 0.1	< 0.1
Volume overboard (m3)		0.4	< 0.1	0

* Data is reported for locations with more than 50 employees.

** Incidents have been included from 2022 with historical data for the two prior years.

*** A major non-compliance is one that leads to significant environmental impact and/or penalties for the company. A minor non-compliance is one that leads to insignificant environmental impact without any consequences beyond statutory reporting where required.

Note 1 – Although our overall trend remains positive, increased activity and a return to office working following the pandemic lead to a spike in consumption and waste in several areas. We remain committed to reducing our environmental footprint and encourage recycling and reuse.

Climate Change and Energy Transition

CONTEXT

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 goal is both to transform our current business to become more environmentally sustainable and to develop new sustainable business opportunities that support energy transition. Ensuring that PGS is well-positioned for the energy transition and resilient in the face of related risks is central to our strategy.

RISKS AND OPPORTUNITIES

Recognizing that 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 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. We have based this assessment on our reporting to the Climate Disclosure Project (CDP), including areas of high-level management focus related to the identified risks and opportunities.

Risks	Opportunities	Management Focus
TRANSITION RISKS		
POLICY AND LEGAL <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.
TECHNOLOGY <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.
MARKET <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.

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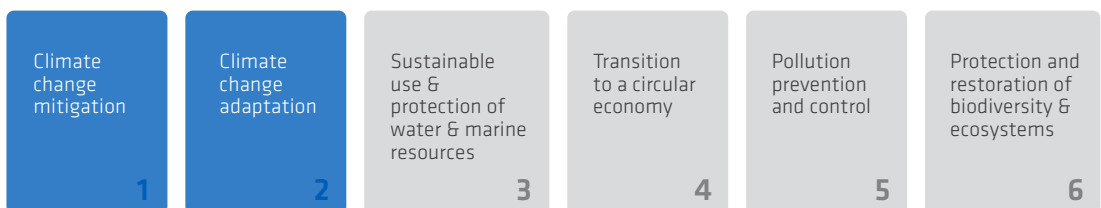
<i>Risks</i>	<i>Opportunities</i>	<i>Management Focus</i>
<p>REPUTATION</p> <ul style="list-style-type: none"> • Shifts in consumer preferences • Stigmatization of sector • Increased stakeholder concern or negative stakeholder feedback 	<ul style="list-style-type: none"> • Improved reputation through 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.

EU TAXONOMY

The EU Taxonomy Regulation (REGULATION (EU) 2020/852) establishes a framework and requirements for companies to report on the proportion of their economic activities that meet the defined criteria for environmentally sustainable economic activities. Under this system PGS is obliged to publish a non-financial statement that complies with the EU Taxonomy Regulation.

The regulation defines six key environmental objectives (shown below), and for each objective there is a list of eligible economic activities with technical screening criteria that determine whether an activity may be classified as environmentally sustainable.

At present, lists of eligible activities and related criteria are only available for the first two of the environmental objectives (Climate Change Mitigation and Climate Change Adaptation). In view of this, disclosures can only be made for these two objectives for the fiscal year 2022.



In 2022, we conducted the first screening of our business and economic activities against the list of eligible activities and technical screening criteria given in the supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council for climate change mitigation and climate change adaptation.

We have concluded that our geological surveys of reservoirs that will be used for carbon storage, including CCS (carbon capture and storage) and/or CCUS (carbon capture, utilization, and storage) are eligible for the activity of underground permanent geological storage of CO₂, as explained in the table below.

Requirement	Response
SUBSTANTIAL CONTRIBUTION TO CLIMATE CHANGE	
<p>The activity must be identified as an eligible activity that contributes substantially to one or more of the environmental objectives.</p>	<p>✓ CCS and CCUS have been identified as economic activities that make a 'substantial contribution' to climate change mitigation in article 10 of the supplementing Regulation (EU) 2020/852.</p>
TECHNICAL SCREENING CRITERIA	
<p>The technical screening criteria for the activity includes "Characterization and assessment of the potential storage complex and surrounding area, or exploration withing the meaning of Article 3, point (8), of Directive 2009/31/EC on the geological storage of carbon dioxide".</p>	<p>✓ Directive 2009/31/EC explicitly includes "geology and geophysics" under the data collection phase of CCS/CCUS projects.</p>
DO NO SIGNIFICANT HARM	
CLIMATE CHANGE ADAPTATION	
<p>The regulation requires that physical climate risk that are material to the activity have been identified through a climate risk and vulnerability assessment. Where risks are identified an assessment of adaptation solutions to reduce the risks must be made.</p>	<p>✓ Geophysical characterization of reservoirs for CCS/CCUS is an activity that is conducted over a period of weeks to months. Being an offshore operation, it may be impacted by physical climate change over time – but not on a project-by-project basis in the near term.</p>
WATER	
<p>Conduct an environmental impact assessment in accordance with Directive 2011/92/EU and address any identified risks.</p>	<p>✓ Ahead of any offshore geophysical exploration, the activity is subject to a permitting process through which environmental mitigations and restrictions are set by the regulatory body. This may include a formal environmental impact assessment, or in the absence of such requirement a risk assessment that includes environmental aspects. The impact on water from geophysical exploration is comparable to that of regular shipping activities.</p>

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Requirement	Response
DO NO SIGNIFICANT HARM	
<p>POLLUTION PREVENTION</p> <p>The activity complies with Directive 2009/31/EC that requires that no exploration takes place without an exploration permit.</p> <p>BIODIVERSITY</p> <p>An Environmental Impact Assessment (EIA) or screening has been completed in accordance with Directive 2011/92/EU. Where an EIA has been carried out, the required mitigation and compensation measures for protecting the environment are implemented.</p>	<p>✓ Offshore geophysical exploration is subject to permitting in all national waters.</p> <p>✓ The acoustic emissions from geophysical exploration have the potential to cause temporary disturbance of marine life. The activity is subject to a permitting process through which time and area-specific restrictions and mitigations are identified where relevant and set as requirements for the activity.</p>
MINIMUM SAFEGUARDS	
<p>Ensure the alignment with the:</p> <ul style="list-style-type: none"> • OECD Guidelines for Multinational Enterprises • UN Guiding Principles on Business and Human Rights • Declaration of the International Labor Organization on Fundamental Principles and Rights at Work • International Bill of Human Rights. 	<p>✓ PGS is a signatory to the principles of the UN Global Compact and has explicitly committed to the required guidelines, declarations and bills in our Code of Conduct, Policies, and governing documents.</p>

In 2022, we completed four surveys where the objective was the geophysical characterization of reservoirs for CCS and/or CCUS and additionally, provided MultiClient data from our library for the same purpose. In 2022, the turnover for this activity was ~\$30 million.

PERFORMANCE AND ACTIONS

In 2022, our emissions of CO2 equivalent per common midpoint kilometer (“CMP km”), or unit of data, increased compared to prior years and diverted from our path to 50% reduction by 2030 compared to 2011. This was due to a combination of factors working against us. Firstly, we had operations in challenging areas that led to an increase in operational standby compared to prior years. Secondly, our project portfolio was such that we had a higher proportion of smaller surveys of shorter duration that do not benefit from the operational efficiency of larger and longer surveys.

Despite a relative increase in emissions, we remain committed to improving the energy efficiency of our operations and have continued and initiated several initiatives to reduce the fuel consumption and emissions of greenhouse gases from our fleet.

The year solidified our position as a market leader in the characterization of reservoirs for carbon storage (for CCS and CCUS). We conducted four surveys and provided data from our MultiClient library. We reported this activity under the EU Taxonomy, mentioned above.

PERFORMANCE AND ACTIONS

GOAL

Reduce kg CO2 eq per data unit (CMP km) by 50% compared to 2011 by 2030

Actions in 2022

Developed real-time monitoring of GHG emissions for Titan-class vessels enabling detailed analysis of emission performance. Completed a technical feasibility study of alternative fuels for our current fleet.

Progress



Plans for 2023

Expand real-time emission monitoring to entire fleet of seismic vessels. Prepare for upcoming regulations of maritime emissions including EU ETS and FuelEU Maritime.

Align CO2 emissions targets with 2050 net zero goal of 75% reduction in maritime emissions.

GOAL

Identify and develop new sustainable business opportunities

Actions in 2022

Awarded four acquisition projects to characterize reservoirs for carbon storage. Acquired NCS subsea and its P-Cable system to further expand our offering within New Energy markets.

Progress



Plans for 2023

Further develop our seismic acquisition and data processing for carbon storage reservoirs. Expand and strengthen our capabilities within the offshore wind domain.



CO2 eq Emissions Breakdown (kTonnes)

	2018	2019	2020	2021	2022
Scope 1 - Direct Emissions	345	408	314	263	293
Seismic vessels	311	375	286	237	250
Support vessels	34	33	28	26	23
Escort vessels					20
Scope 2 - Indirect Emissions	6	6	6	3	3
Offices**	6	5	4	3	3
Scope 3 - Other Emissions	72	88	61	51	60
Well-to-tank (WTT) Marine Fuels	62	74	57	48	53
Business Travel***	5	6	1	<1	7
Sum	423	502	380	317	355

CO₂ Emissions per CMP	63.1	65.1	60.0	57.4	74.5
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* Emissions from short-term charter escort vessels have been included from 2022.

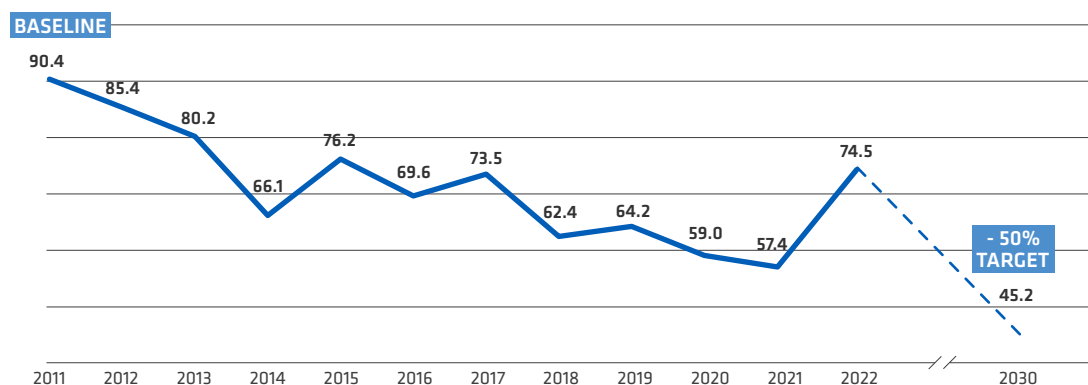
** Only emissions from locations with more than 50 employees is included.

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

Energy Consumption Breakdown (GWh)

	2018	2019	2020	2021	2022
Fuel	1237	1467	1128	946	1050
VLSFO	715	812	558	463	642
MGO	521	655	570	483	408
Electricity	16	16	15	9	11
Offices	16	16	15	9	11
Sum	1253	1483	1143	955	1061

kg CO₂ per CMP



A spike in 2022 was caused by an unusual proportion of smaller surveys of shorter duration and an increased proportion of characterization of reservoirs for carbon storage that do not benefit from the operational efficiency.

Biodiversity and Nature

CONTEXT

Biodiversity and nature are key considerations during seismic surveys. The main potential impact is the emission of sound from the vessels and acoustic sources used to generate data about the subsurface. The sound is emitted from an acoustic source that is towed below the surface behind the seismic vessel.

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

GOVERNANCE

Our activities are 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.

To manage our compliance with these regulations, we have established strict policies and procedures. Before any seismic survey, our project teams identify all applicable regulations and permit conditions and implement these into our project plan. During the survey we exercise caution and apply measures that mitigate the potential impacts on marine life and habitats. To minimize acoustic impact, we activate the source with a gradual increase of intensity ('soft-start') to allow marine life to move further away. We have protocols in place to shut down the acoustic source if a marine mammal is spotted within a certain perimeter (typically 500 m).

Our goal is to carry out seismic surveys with minimal acoustic impact and maximum efficiency. The less time it takes to complete a survey, the less total acoustic exposure there is in the area, reducing the potential for interference with the activities of local fisheries.

PERFORMANCE AND ACTIONS

In 2022, three minor non-compliances with permit requirements and/or local regulations were promptly reported to the relevant authorities and resolved. We had three minor spills that were contained onboard with nothing released to sea.

All projects were conducted in compliance with applicable regulations, protocols and agreed mitigation measures. During the year, we removed more than five tonnes of abandoned fishing gear and marine debris from the oceans.

Total waste generation from our offices increased in 2022, largely influenced by office closures due to COVID-19 during 2021. The waste generated by our fleet remained stable, with no measurable decline. We have identified a need to improve the quality and level of detail in our waste reporting, to identify where we can improve waste management.

PERFORMANCE AND ACTIONS

GOAL

Zero incidents of environmental non-compliance

Actions in 2022	Progress	Plans for 2023
Developed and implemented a new project planning and execution portal with bespoke tool for project risk assessments and reporting.		Strengthen the non-compliance reporting process and share learnings more broadly.

GOAL

Minimal acoustic impact with maximum efficiency in acquisition projects

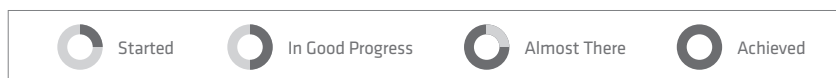
Actions in 2022	Progress	Plans for 2023
Sustained focus on careful planning, operational efficiency, and minimal downtime.		Evaluate novel survey designs and configurations that increase efficiency.

GOAL

Zero conflicts with fisheries, local communities and/or indigenous people

Actions in 2022	Progress	Plans for 2023
Ensured robust planning, communication, and management of local fisheries in areas of potential conflict.		Evaluate the use of drones, AUVs and sonar to aid scouting and monitoring of fishing activity and fishing gear in the area.

Continued on next page



PERFORMANCE AND ACTIONS


GOAL

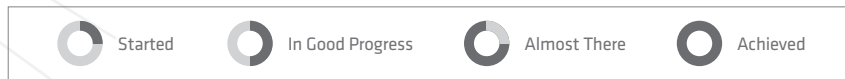
Support the 'Ghost-Net Initiative'

Actions in 2022	Progress	Plans for 2023
<p>Removed more than 5t of abandoned fishing gear and marine debris during our surveys.</p>		<p>Ensure regular reporting of marine debris removal to the EnerGeo Alliance 'Ghost-Net Initiative'.</p>

GOAL

Minimal waste output with 100 % reuse or recycling.

Actions in 2022	Progress	Plans for 2023
<p>Improved the quality and detail of waste monitoring and reporting in offices and from our fleet.</p> <p>Improved our waste sorting capabilities and awareness in our offices.</p> <p>Reused and recycled furniture and electric material during our UK office restructuring.</p>		<p>Set a corporate waste goal.</p> <p>Reuse and recycle in our office restructuring in Norway and sell second-hand equipment from our fleet to reduce scrapping.</p>



A decorative background graphic consisting of numerous thin, parallel lines radiating from a central point, forming a large, shallow arc. The lines are colored in shades of teal and orange, with the orange lines being thicker and more prominent.

SOCIAL

Health, Safety and Security

Respecting the Rights of People

Future Workforce

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.

Health, Safety and Security

CONTEXT

Seismic operations involve many high-risk activities and often take place in remote areas and challenging locations. Our offshore crew is exposed to various hazards, including tensioned ropes and wires, hydraulic and electric equipment, working at height, crane and lifting operations, handling hazardous chemicals, and performing maintenance of seismic equipment from workboats. As PGS operates its fleet of seismic vessels globally, travel to and from projects can expose our crew to elevated health and security risks, while in certain areas our offshore operations may be at risk of piracy and hijacking.

GOVERNANCE

Ensuring the health, safety and security of our personnel is our top priority, as without them we cannot deliver high-quality products and services. Our offshore personnel are critical to the operation of our seismic vessels and equipment, while our onshore personnel are essential to process our data, work with our clients, and drive improvements through digitalization and innovation.

We have a mature and robust health and safety management system in place. It is based on industry standards from the International Association of Oil and Gas Producers 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.

To mitigate piracy and hijacking risks, PGS has implemented a robust security management system based on ISO 28000 and the Voluntary Principles on Security and Human Rights. Thorough security risk assessments followed by identification and implementation of adequate measures of mitigation are always carried out prior to entering such areas. Mitigating measures are based on industry-recognized standards, including the best management practices to deter piracy. Mitigating measures may include the use of private maritime security companies, which are assessed and vetted in accordance with recognized industry standards and requirements.

PERFORMANCE AND ACTIONS

Our health and safety performance remained strong in 2022. While the total number of recordable cases increased by one, the potentials of these incidents were low, and we had zero high-potential incidents across the fleet for the year.

We continued to expand and enhance our digital platform for HSE management, and in 2022 we were able to restart our crisis management training of onboard management teams after the COVID-19 pandemic. This training, conducted in a bespoke vessel simulator environment at the University of South-East Norway, enables our bridge officers to safely train on managing worst case scenarios. Our crisis management training also includes scenarios for health and safety incidents and rescue of migrants at sea. In 2022, our fleet rescued the crew of a Brazilian fishing boat that had been adrift for 25 days after losing propulsion.

As COVID-19 measures relaxed across the world, we also relaxed our own procedures throughout the year and discontinued the mandatory quarantine and testing regime in the first half of 2022, though we still require that all crew and visitors to our vessels have valid certification passes. After discontinuing quarantine and testing prior to joining our vessels, multiple cases of COVID-19 infection have been reported onboard. However, with all crew vaccinated and measures in place to contain transmission, we have had no serious illness requiring medical treatment and no operational impact on our business.

PERFORMANCE AND ACTIONS

GOAL

Sustain and improve safety culture & employee wellbeing

Actions in 2022	Progress	Plans for 2023
Conducted health and wellbeing surveys for all onshore and offshore employees. Restarted crisis management simulator training following the COVID-19 pandemic.		Monitor the health and wellbeing of our people to avoid post-pandemic impacts such as stress, depression, and other negative impacts on wellbeing.

GOAL

Zero injury to people

Actions in 2022	Progress	Plans for 2023
Monthly and quarterly HSE campaigns to sustain awareness. Developed digital solution to identify trends in leading indicators.		Revise and update our HSE training catalog. Continue our efforts to build a fully digital HSE management system that enables insight through data analysis.



Indicators

	2018	2019	2020	2021	2022
Lost Time Injury (LTI)	1	3	3	1	2
Restricted Work Case (RWC)	3	0	0	1	1
Medical Treatment Case (MTC)	2	2	0	1	1
# Total Recordable Incidents	6	5	3	3	4
High Potential Incidents	1	2	2	1	0
Man-hours (millions)	5.2	5.8	4.6	3.6	3.9
Lost Time Incident Frequency (LTIF)*	0.19	0.52	0.65	0.28	0.52
Total Recordable Case Frequency (TRCF)*	1.15	0.86	0.65	0.84	1.03
High Potential Incident Frequency (HIPO)*	0.19	0.35	0.44	0.28	0.00
Fatalities	0	0	0	0	0

Respecting the Rights of People

PGS disclosures under the UK Modern Slavery Act and the Transparency Act for the fiscal year 2022

PGS is dedicated to upholding fundamental human rights and decent working conditions, as well as ensuring that slavery and human trafficking are not taking place anywhere in our business and supply chain. This section provides our official report in accordance with section 54(1) of the Modern Slavery Act 2015, on our efforts to prevent modern slavery for the financial year ending 31.12.2022. It also provides an account of the due diligence performed by PGS ASA in accordance with the Norwegian Transparency Act (2021).

CONTEXT

PGS is committed to combatting any form of human rights infringements, including modern slavery or human trafficking, in our supply chains or in any part of our business.

Our organizational structure and supply chain structure

PGS' activities are organized into four business areas:

- Sales and Services market our data acquisition services, market and develop our MultiClient library, and deliver expert imaging of structures and reservoirs.
- New Energy develops technology and collaborative business models to support a sustainable energy transition, addressing carbon storage, offshore wind, and marine mineral exploration.
- Our Operations team manages the PGS fleet and executes our seismic acquisition projects.
- Technology and Digitalization manage our R&D and digital transformation activities and deliver Enterprise IT.

Our business and operations are supported by a supply chain that includes both global and local suppliers, some of which are used regularly and others that are used infrequently or ad-hoc.

Our vessels are supported by a supply chain that covers the operation and maintenance of the fleet over time. We work on a daily basis with global and local suppliers to ensure that our vessels have adequate supplies of fuel, food, consumables, spare parts, and access to approved facilities to manage the waste that is generated onboard. Our operations in a survey area may last for weeks or months, during which time we are dependent on local suppliers for fuel, food, consumables, accommodation, transport, and other services that may be required.

The seismic equipment installed onboard our vessels is reliant on a specialized supply chain of equipment and component manufacturers that provide parts and equipment according to our designs and specifications.

Our offices and data processing centers rely on a supply chain that provides essential computer hardware and software, as well as general office supplies and consumables. These items are sourced from suppliers in the countries where we operate.

GOVERNANCE

Embedding respect for human and labor rights into our policies

At PGS we believe it is essential to respect and protect Human Rights in all countries where we operate. To ensure this, we comply with all relevant laws and regulations related to these rights, and we adhere to international principles, guidelines, and conventions, including 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. In addition to these international commitments, we also adhere to the standards outlined in the UK Modern Slavery Act and the Norwegian Transparency Act.

The PGS Code of Conduct and Supplier Code of Conduct encourage our employees, business partners and anyone we engage with to aspire to high ethical standards. We also expect our business partners, suppliers, and sub-contractors to always act consistently with our principles. All forms of forced labor and other human rights violations are unacceptable.

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

- Code of Conduct
- Human Rights Standard
- Corporate Responsibility Policy and related governance documents
- 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
- Supplier Code of Conduct

Identifying and assessing adverse impacts

Working across the world, we may potentially be exposed to human rights infringements both in our own operations and indirectly in our supply chain through third parties we engage or suppliers we use.

Following a context, stakeholder and value chain analysis, we have identified and assessed actual and potential adverse impacts on salient Human and Labor Rights that could arise from PGS' operations, based on detailed guidance from UN and OECD.

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

SALIENT 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* People on vessels in distress
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 ensuring consultation, a safe environment and appropriate compensation (in case of disruption of work activities).

Human Rights management

PGS has identified respecting the rights of people as a material topic and we have implemented risk-based measures to cease, prevent and mitigate adverse impacts caused or suffered through our operations.

Employees

PGS is a global geophysical company that gathers offshore survey data and uses vast cloud computing resources to image the earth. Our workforce is composed of highly qualified professionals in seismic data acquisition, processing, imaging, marketing and sales, research and development, data science and administration. We have a very stable workforce with an average seniority of 15 years and an average age of 47 years (90% of our workforce is over 35 years). Considering the policies and measures implemented in PGS and the characteristics of our employees, we assess the risk of child labor or modern slavery as extremely unlikely within our own workforce.

The PGS Board of Directors benefits from employee participation. As of December 31, 2022, three out of ten board members are employees, elected directly by the PGS employees. One of these board members serves on the Audit Committee, while two of them serve on the Remuneration and Corporate Governance Committee.

No forms of discrimination are tolerated at PGS, and we work actively to ensure gender compensation parity across the workforce and adequate work-life balance. The latest People Pulse showed that PGS was viewed equally regardless of position, seniority, or gender. The right to associate to collective bargaining and the right to strike is applicable across all our locations.

Due to the nature of our operations, our highest exposure risk is within Health and Safety. Our approach to manage risk and track performance is described in the section on Health, Safety and Security of this report.

A more detailed account on compliance and associated performance metrics can be found in the Workforce, learning and development and in the Sustainability metrics document in our repository of ESG documents on our webpage www.pgs.com.

Other workers in our supply chain

PGS has implemented a compliance and integrity risk management lifecycle for third parties. This process, which is applied to suppliers and other business partners, includes various risk-based verifications and controls throughout the different stages in the relationship, such as during qualification, approval, ongoing business relations and terminations.

The supplier types we have assessed as most risk-exposed are suppliers of crew, support and escort vessels, and shipyard services. We have been contracting our maritime (non-seismic) crew from the same renowned Norwegian shipping company for more than 15 years. This company is subject to well-established workers' protection regulations and to the Norwegian Transparency Act. When our vessels operate in Brazil, Canada, or Australia, we hire maritime crew locally, as required by national rules on "local content", under an employee-centric process driven by the local regulators and workers' organizations and supporting the local workforce.

Our suppliers of support and escort vessels are included in our Compliance and Integrity program, which includes enhanced due diligence in the form of contract, training, questionnaires, and on-site inspections addressing several ESG aspects, and an annual confirmation of compliance with our ethical principles, including with Human and Labor rights.

A more detailed account of our compliance and performance in the supply chain can be found in the Compliance and Integrity Risk Management and in the Sustainability metrics documents in our repository of ESG documents on our webpage www.pgs.com

Communities

We are committed to respecting the rights and interests of local communities and indigenous people, with the goal of having zero conflicts with fisheries and local communities. For project locations 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 receive a permit to operate.

When regulatory requirements are not present, we ensure that these matters are addressed in our project risk assessments and implement appropriate mitigations in our project plans. For projects in or near areas of importance to local communities, fisheries and/or indigenous people we strive to establish transparent and timely dialogue at an early stage in the project development. Establishing good communication lines between all parties allows us to account for local knowledge and plan time or area restrictions in our work.

Monitoring and communication

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 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.

Our Sustainability report and supporting ESG documents, which are issued annually, give an account of the goals we have set for the reporting period and our performance measured against these goals.

Reporting and Remediation

Any reports on PGS' management of Human and Labor Rights issues can be raised, without fear of retaliation;

- To the Head of HR, Head of Sustainability, a line manager, to the PGS Legal or Compliance departments, or if related to data privacy matters to our Global Data Protection Officer;
- Our PGS Compliance Hotline is available to all stakeholders through our website (for both internal and external reports) where the reporter can choose to be anonymous.

In cases where PGS may have caused or contributed to an adverse impact on salient Human and Labor Rights, PGS will provide remedy. In cases where PGS has not caused or contributed to such an 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 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 and/or engage in legal proceedings.

For more details, please see our Compliance Hotline Reporting and Investigation Procedure and the PGS Compliance Hotline document in our repository of ESG documents on our webpage www.pgs.com.

PERFORMANCE AND ACTIONS

In 2022, we have initiated the alignment between our practices and the requirements of the Transparency Act.

Our Internal Audit department conducted an internal audit of our workforce and found that compliance and protection of fundamental human rights is embedded in our business and demonstrated at multiple levels in the organization. No cases of human rights violations or significant shortcomings to meet the requirements of the Transparency Act were identified while recommendations for improvements were addressed by action plans executed in 2022 or planned for 2023.

The engagement and motivation scores from our employee survey have increased steadily year-on-year over the last five years with very high scores on how leaders lead, collaboration, learning, transparency, diversity and inclusion.

A summary of our activities performed in 2022 is given below.

Key Activities	
EMPLOYEES	<ul style="list-style-type: none"> • We have conducted employee training on the Code of Conduct and require annual confirmation • We have continued the rollout of PGS “Leadership Principles” that promote employee empowerment, collaboration and transparency, and coaching and feedback and conducted an Employee Survey to better understand how we can improve the way we communicate, lead and work. • In support of workplace flexibility and work-life balance we have established a home-office hybrid work environment and we continue to provide mental and physical wellbeing awareness guidance, and a diversity of support channels and networks. • We have a gender and culturally diverse recruiting team when hiring,
CUSTOMERS	<ul style="list-style-type: none"> • The due diligences that our customers conduct on PGS at time of bidding and project planning addresses various aspects of what is expected on Human Rights.
3RD PARTIES	<ul style="list-style-type: none"> • Our due diligence process has become more comprehensive and now integrates ESG elements in our sourcing of suppliers and business partners. We have also enhanced the risk evaluation when we conduct projects. • We have also strengthened our monitoring capabilities by acquiring automatic continuous screening capabilities for adverse media, sanctions, and beneficial owner changes.
LOCAL COMMUNITIES	<ul style="list-style-type: none"> • We have supported local communities in Brazil, Angola and Ghana with improved infrastructure, such as waste bins, school buildings, water pump and fishing gear mending sheds. • PGS has contractual commitments to promote education in some of the countries we operate and in 2022, we supported local students in university studies, supported the constructions of local schools and of a geophysical visualization center.
OTHERS	<ul style="list-style-type: none"> • Our crisis management training includes scenarios of health and safety incidents and rescue of migrants at sea. In 2022, our fleet has rescued the crew of a Brazilian fishing boat, drifting at sea for 25 days after propulsion loss. • We have provided relief resources in Ukraine through direct purchasing of supplies needed to support refugee transition hubs in Poland. These included food, clothing, hygiene, and bedding products.

PERFORMANCE AND ACTIONS

GOAL

Ensure that our operations do not cause any infringement of basic human and labor rights



No breaches or human rights involving rights of indigenous people or related to forced or child labor were identified as per end of 2022 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 2022.

A more detailed account on compliance and associated performance metrics can be found in the Workforce, learning and development, Compliance and Integrity Risk management and in the Sustainability metrics documents in our repository of ESG documents on our webpage www.pgs.com.

Future Workforce

CONTEXT

Our ability to deliver high-quality services and achieve our strategic objectives, as well as ensure our company's long-term resilience, depends on the skills and capabilities of our workforce. As the energy transition creates new opportunities and risks, it is essential that our employees have the right skills to manage them in the best interests of our company and key stakeholders. This is why we have revised our Vision and Mission to align our workforce with our company's purpose.

We also believe that personal development and learning are rewarding for our people and contribute to their motivation and pride in our company. Therefore, we place a strong emphasis on fostering a culture of continuous learning and development, not just for the benefit of the company, but also for the personal growth and satisfaction of our employees.

GOVERNANCE

We develop and identify employees' talents and skills by evaluating and discussing potential at all levels of the organization, from new recruits to senior management. This we do through our Performance Management process, which is linked to and informs our Development and Promotion processes. We are also dedicated to supporting education in the areas where we operate, and for more than a decade, PGS has cooperated with various local governments to help build skills and knowledge in local populations. Initiatives have included financial support for women doctoral candidates in Ghana and students in Angola, as well as intern programs in Canada, Ghana and Brazil where young people gain competence and relevant experience at PGS.

Our employee motivation and engagement surveys provide PGS with deep insights to possible developmental and work environment issues at all levels and between groups. We ensure that all PGS employees regardless of their location have access to training through digital training portals, their manager and development programs. Employees also have opportunities to gain new knowledge from temporary assignments in other parts of the company.

PERFORMANCE AND ACTIONS


In 2022, our main focus was to build skills and capabilities among our employees that we have identified as necessary for the future. We achieved this by bringing in talent with potential and strongly promoting workforce development. We provide learning opportunities and knowledge-sharing tools for both new recruits and our existing workforce.

Our low employee turnover rate of 5% for 2022 (4% offshore and 6% onshore), is a positive indication of employee satisfaction. These are healthy numbers in the current talent market, where turnover rates in the industry are often higher.

PERFORMANCE AND ACTIONS


GOAL

Building skills and capabilities for the future

Actions in 2022	Progress	Plans for 2023
<p>Skills and capabilities needed for the future have been integrated into our competency assessment and learning and development processes.</p>		<p>Continue to train our workforce for the most important future skills and capabilities and to be able to make use of agile approaches to achieve results.</p> <p>Support good decision-making and processes related to the development of our workforce based on real-time data from our People processes.</p>


GOAL

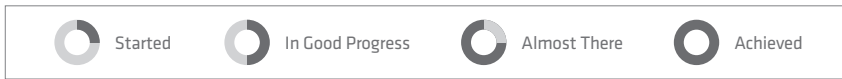
Attract and develop a diverse workforce

Actions in 2022	Progress	Plans for 2023
<p>Increased proportion of women in leadership roles and number of employees in 20s and 30s. Increased learning and awareness around the Diversity & Inclusion topic and its importance.</p>		<p>Continue to attract, develop, and engage a diverse workforce representing different genders, age groups, nationalities, and educational backgrounds.</p> <p>Our key targets are to increase number of women in management roles and % of women in the company overall, and to increase % younger employees.</p>

GOAL

Leaders that influence the attitudes and behaviors of others to achieve a shared result

Actions in 2022	Progress	Plans for 2023
<p>Our revised PGS Mission and Vision emphasizes development and sustainability. Our Leadership Principles has been integrated into our people processes to support development and learning</p>		<p>Continue to develop our leaders at all levels of the organization with our Leadership Principles. Continue to develop our culture to support innovation, continuous improvement, agile methods, cross-collaboration, and transparent sharing</p> <p>We continually focus on diversity and inclusion in our messages from management and train our employees in the importance of this.</p>



DIVERSITY

We continued to make progress within diversity in 2022, both through career development programs and how we recruit. We maintained our focus on diversity of backgrounds and nationalities, and strengthened our efforts to increase the proportion of women and early career professionals.

Indicators ¹

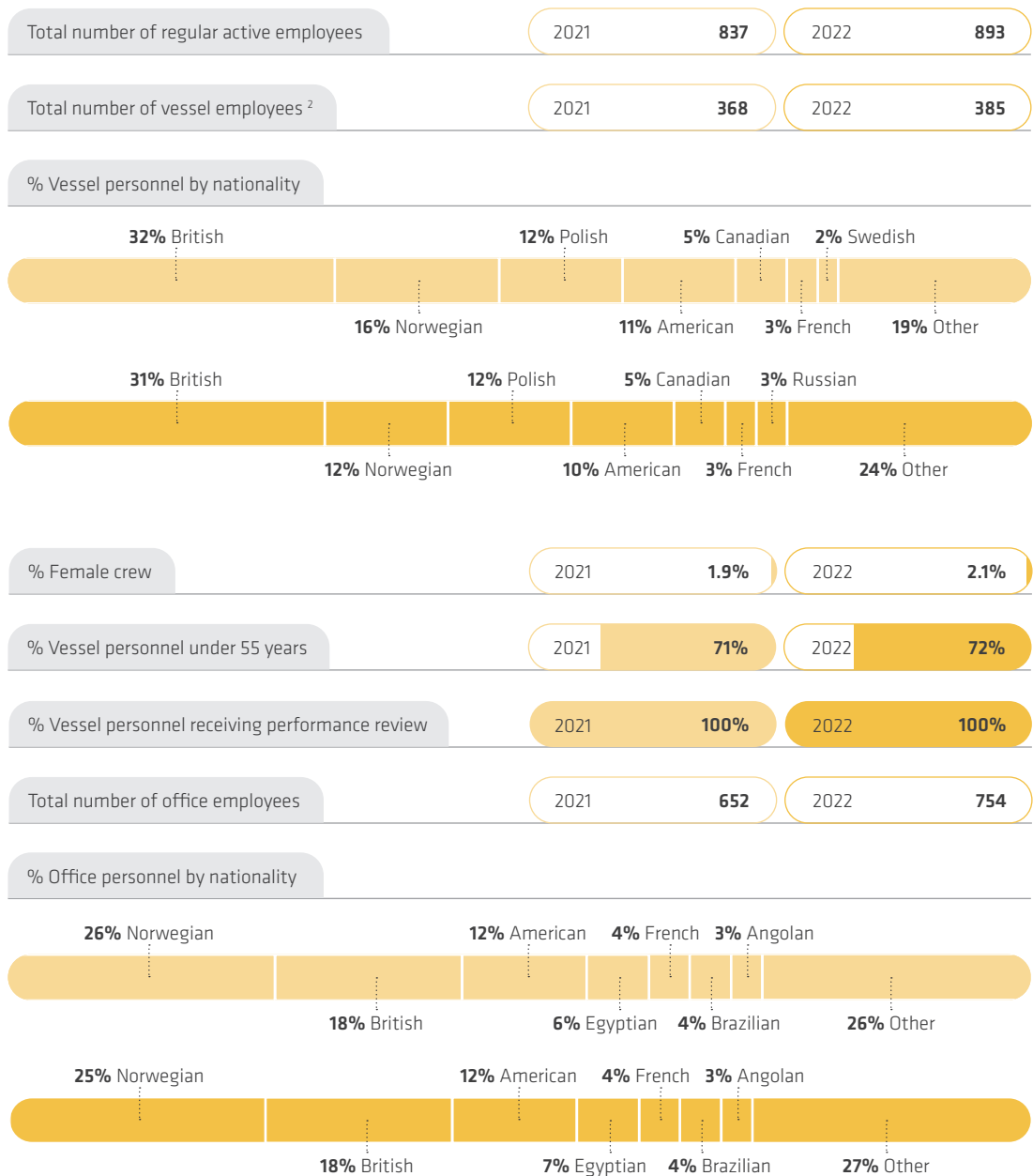
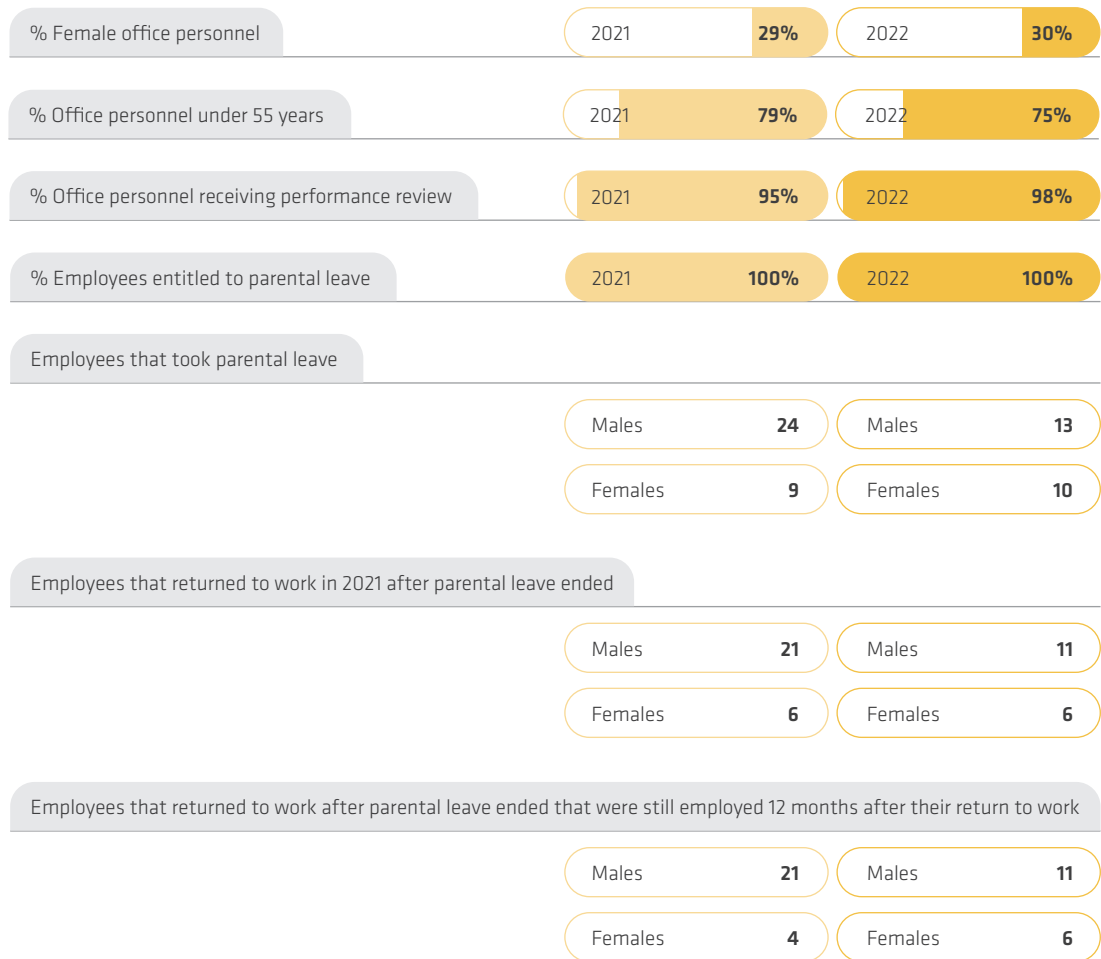


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1 As per 31 December 2022

2 Including non-active, such as on leave.

Gender distribution and pay

	Year	Career band ¹					
		A	B	C	D	E	F
Female-to-male pay ratio ²	2021	1.2	1.0	0.9	0.9	0.9	1.0
	2022	1.2	1.0	0.9	0.9	0.9	1.1
Female-to-male employee ratio	2021	0.3	0.2	0.3	0.5	0.6	0.8
	2022	0.3	0.2	0.3	0.5	0.6	1.2

¹ The PGS Career Framework is a matrix consisting of six bands and two career tracks (Technical and Managerial). Bands A to F indicate most to least skilled/complex positions

² Average annual salaries converted into USD using January 2023 exchange rates

LEARNING AND DEVELOPMENT

In 2019 we embarked on a digital transformation of all aspects of our business, which included building an extensive learning platform supporting the technical and social skills needed for new ways of working. PGS' digital learning platform currently provides more than 300 high-quality training modules that are available to all employees, as well as access to external course catalogs.

Training

	2022
Hours recorded training	11,400
Average hours per regular employee	13.7
Unique training modules completed	1,105
Training completions	13,000
Hours of operational/technical training	64%
Training created or curated by PGS	82%

A more detailed account on compliance and associated performance metrics can be found in the Workforce, learning and development and in the Sustainability metrics document in our repository of ESG documents on our webpage www.pgs.com.

PGS Mission, Vision and Values can be found in the About Us section on our webpage www.pgs.com.

A decorative background graphic consisting of numerous thin, parallel lines radiating from a central point, forming a large, semi-circular shape. The lines are colored in shades of blue and purple, with some lines being thicker than others, creating a sense of depth and movement.

GOVERNANCE

Business Ethics and Integrity

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 Nations' (UN) Universal Declaration of Human Rights and applicable labor standards. We do not tolerate any breaches of these principles and strive to ensure our employees feel confident in raising concerns to management without fear of retribution.

Business Ethics and Integrity

CONTEXT

Conducting our business with integrity, in compliance 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.

We operate in all corners of the world, and at times we work in regions with elevated social and corruption risks. Corruption undermines human and societal development, it diverts public resources away from the provision of essential services, it increases inequality, and it hinders national and local economic development by distorting markets for goods and services. Furthermore, it corrodes the rule of law and destroys public trust in governments and leaders.

GOVERNANCE

Board of Directors

The PGS Board of Directors (BOD) oversees the Company's sustainability management and performance. The BOD approves the PGS corporate strategy, and the ESG goals embedded into the PGS corporate strategy, the Code of Conduct and the key governance policies. The BOD Audit Committee is mandated to oversee PGS' sustainability efforts and reporting.

PGS' President & CEO (the "CEO") proposes the Company's strategic sustainability goals and has appointed a head of sustainability who is mandated to govern the PGS sustainability management system. The Senior Vice President 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.

The BOD 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 an integral part of strategy discussions or as separate topics.

The Remuneration and Corporate Governance Committee (Remco) is appointed by the Board of Directors and acts as a preparatory body in connection with its 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 of Directors' 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 defined sustainability goals
- Measuring performance against the KPIs
- The internal control of financial reporting (ICFR) and the Anti-Corruption and Bribery program
- Compliance with the sustainability reporting framework, as selected by the BOD
- The compilation and disclosure of the Company's sustainability reports
- Review the Company's sustainability reports and provide recommendations to the BOD before their approval

In 2022, sustainability issues were on the agenda in nine board or audit committee meetings. This included a Q1 review and approval of the sustainability report and materiality assessment, and a Q3 review of the Company's strategy, including strategic objectives for sustainability. Progress against sustainability goals and targets are reviewed annually, mid-year and at year-end.

Sustainability topics on BOD / AC agenda	
JAN	
FEB	
MAR	<ul style="list-style-type: none"> • Sustainability regulations • Approval of sustainability report and materiality assessment <p>Board of Directors Audit Committee</p>
APR	
MAY	
JUN	<ul style="list-style-type: none"> • Sustainability in the value chain • Sustainability performance and improvement status <p>Audit Committee</p>
JUL	
AUG	<ul style="list-style-type: none"> • Review of enterprise risks <p>Board of Directors</p>
SEP	
OCT	<ul style="list-style-type: none"> • Sustainability strategy review • Approval of new climate targets <p>Board of Directors</p>
NOV	<ul style="list-style-type: none"> • External training on EU Taxonomy and Corporate Sustainability Reporting Directive <p>Audit Committee</p>
DEC	<ul style="list-style-type: none"> • Sustainability performance and improvement status • Corporate Sustainability Reporting Directive • Review of enterprise risks <p>Board of Directors Audit Committee</p>

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

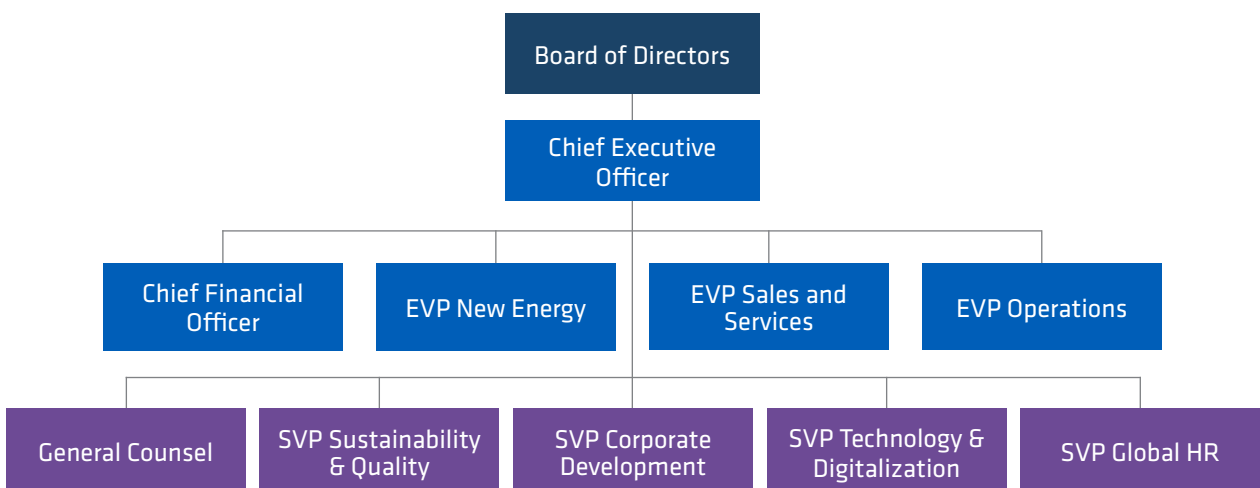
Executive Management

The CEO is responsible for setting and executing the Company’s sustainability ambitions and has made the Executive Vice Presidents (EVPs) who together form the core executive team (EXT) accountable for managing relevant risks and performance within their respective business areas 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 & Quality, a role that is permanent member of the 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), by participation in industry- or sustainability associations and working groups such as the Energeco 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.



Business Conduct

We are committed to upholding the 10 Principles of the United Nations Global Compact. Compliance with laws, rules, and regulations, including anti-corruption laws, is a fundamental part of the PGS Code of Conduct.

The principles stated in our Code of Conduct are regularly communicated to all employees, violations of the code or applicable laws are investigated, and corrective and remediation actions put in place as adequate. Retaliation against anyone reporting a concern is not tolerated. Our Compliance Hotline and investigation procedure is publicly available and communicated to external parties.

Our principles of conduct are founded in our core values and leadership principles and frequently reinforced by management communication. To ensure all employees understand and uphold our expected culture and behavior, we provide training programs and required annual confirmation that the Code of Conduct has been read and understood.

More information on our business conduct and other relevant topics, can be found in our ESG/Sustainability section at www.pgs.com.

Anti-corruption

We are opposed to corruption in all forms and shall not violate anti-corruption laws. We are committed to conducting our business with integrity and high ethical standards.

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. It applies to all PGS employees, hired consultants, officers and directors and anyone else working for PGS at all locations.

Taking the company's context and stakeholders' interests into account, we maintain an anti-corruption risk assessment that highlights areas of exposure. Our Anti-corruption Manual is designed to mitigate these risks and meet all relevant legal requirements. We provide a comprehensive training program that ensures new hires understand the risks and our requirements. All employees receive annual e-learning, and exposed groups receive tailored in-person training. We also provide annual training for our business partners. Management and the Audit Committee receive reports of the results of compliance monitoring against the Anti-corruption Manual on a quarterly basis.

Supplier relationships

Our ambition is to reduce supply chain risk and guarantee a sustainable supply of goods and services that meet the delivery requirements for quality, quantity, time and place. We conduct procurement activities in a sustainable and responsible manner and ensure that agreed terms and conditions for purchasing are followed.

Given that our business consists of projects in various locations around the world, establishing an effective supply chain can be challenging. However, through our Supplier Relationship management process, we strive to build a sustainable and reliable supply chain that can meet the needs of our projects worldwide. We maintain a close dialogue with key suppliers and conduct regular assessments of compliance, HSE, quality, finance, and performance indicators to ensure the continuity and compliance of our operations.

Our due diligence process combines assessments of environmental, human and labor rights and anti-corruption risks. We screen and evaluate ESG related risks before entering new relationships and assess our existing suppliers at regular intervals.

In addition, we require new suppliers to review and confirm compliance with the PGS Supplier Code of Conduct. Existing suppliers that are subject to enhanced monitoring controls are required to confirm this each year.

Customer and Product Responsibility

Our quality goal is to ensure that PGS consistently delivers value to its customers and stakeholders and works to continuously improve its quality performance.

PGS collects high-quality data of the subsurface beneath the seafloor through operation of a fleet of modern and highly advanced seismic vessels. We have established an HSEQ management system aligned with the principles of the ISO9001:2015 standard. We are committed to providing high standards in seismic data processing and imaging, to enhance customer satisfaction with continuous improvement to our systems, processes, procedures and performance.

Fair competition

PGS is committed to complying with all applicable competition and antitrust laws, and to avoid engaging in unlawful price-fixing, market-sharing, bid-rigging conspiracies, or unlawfully obtaining, receiving, using, or sharing non-public competitively or commercially sensitive information.

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 always 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 antitrust/competition law.

PERFORMANCE AND ACTIONS

In 2023 we will continue raising awareness about conducting business with integrity. We will continue improving our sustainability risk management in the supply chain by better utilizing our tools while also ensuring roles, responsibilities and processes are aligned.

PERFORMANCE AND ACTIONS

GOAL

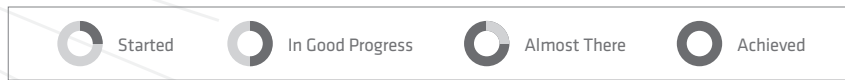
Zero violations of anti-corruption legislation.

Actions in 2022	Progress	Plans for 2023
Increased screening and monitoring capabilities over our suppliers. Continued targeted training and awareness on anti-corruption among employees and business partners.		Improve quality of supply-chain due diligence by better utilizing new tools. Process improvements.

GOAL

Zero violations of anti-trust and monopoly legislation.

Actions in 2022	Progress	Plans for 2023
Sustained our disciplined and professional behavior.		Continue targeted training and adherence to regulatory requirements



Anti-corruption

In 2022 we trained more than 180 people assessed as being in the more exposed roles in our key anti-corruption rules. The course material included dilemma training within topics specifically identified as relevant to their roles. The training was performed by managers, with support from our Legal and Compliance departments.

In Q4 we provided all our employees (offshore and onshore) with a new program of e-learning on our key anti-corruption rules. In total, 73% completed the e-learning, which also required them to confirm that they had read our Code of Conduct.

During the year, sixty-one of our business partners with an inherently higher exposure to corruption, confirmed anti-corruption compliance and training in PGS anti-corruption program.

In 2022 we recorded no suspected corruption cases, nor where there any allegations, nor any requirements to investigate potential corruption.

Supplier relationships

In Q4 2022, we significantly improved our supplier monitoring capabilities. A new tool for automated and continuous screening of our critical suppliers now provides us with regularly updates on risk indicators, such as sanctions, beneficial ownership and adverse media-articles.

Suppliers and business partners oversight

		2021	2022
Key Suppliers in the Supply Chain			
A	Number of suppliers in the supply chain ¹	~ 480	~ 490
B	Number of suppliers in the supply chain that account for 80% share of total spend	38	33
Anti-corruption monitoring of suppliers and business partners			
C	Number of suppliers and business partners included in the compliance, anti-corruption, and bribery control program	263	290
D	Of the above, subject to regular enhanced due diligence ²	N/A	84 ³
E	Of suppliers and businesses partners in #C, the average quarterly number of entities paid to, were	34	37
F	Number of suppliers subject to automated continuous compliance monitoring	77 ⁴	-100 ⁵

¹ Supplier categories have been updated throughout 2022

² Including screening in specialized tools, questionnaires, requesting documentation, training, and certification of compliance.

³ Includes off-site and on-site reviews, Number for 2021 is not available

⁴ Adverse media monitoring ⁵ Screening or Sanctions, PEP, adverse media, and changes in ownership

Political engagement and lobbying activities

PGS does not support any political party, organization, or candidate, nor use corporate funds to such ends. PGS is a member of business and employer associations working to promote the interests of our industry and business, and also works directly in its own name to promote PGS' interests. See below for a list of organizations where PGS is a member and amounts paid in 2022.

List of organizations where PGS is a member and amounts paid in 2022

	USD
Energeo Alliance	235 k
ASGA (Association of Geophysicists in Angola)	37.2 k
The Confederation of Norwegian Enterprise - NHO	10.8 k
Oil & Gas UK	4.8 k
NOIA (Newfoundland & Labrador Oil & Gas Industries Association Inc)	1.2 k
Geophysical Society of Houston	1 k
Political funds provided	0
Lobbyists*	0

* Understood as entities or persons who in their own name, acting on behalf of others, seek to influence political decisions.

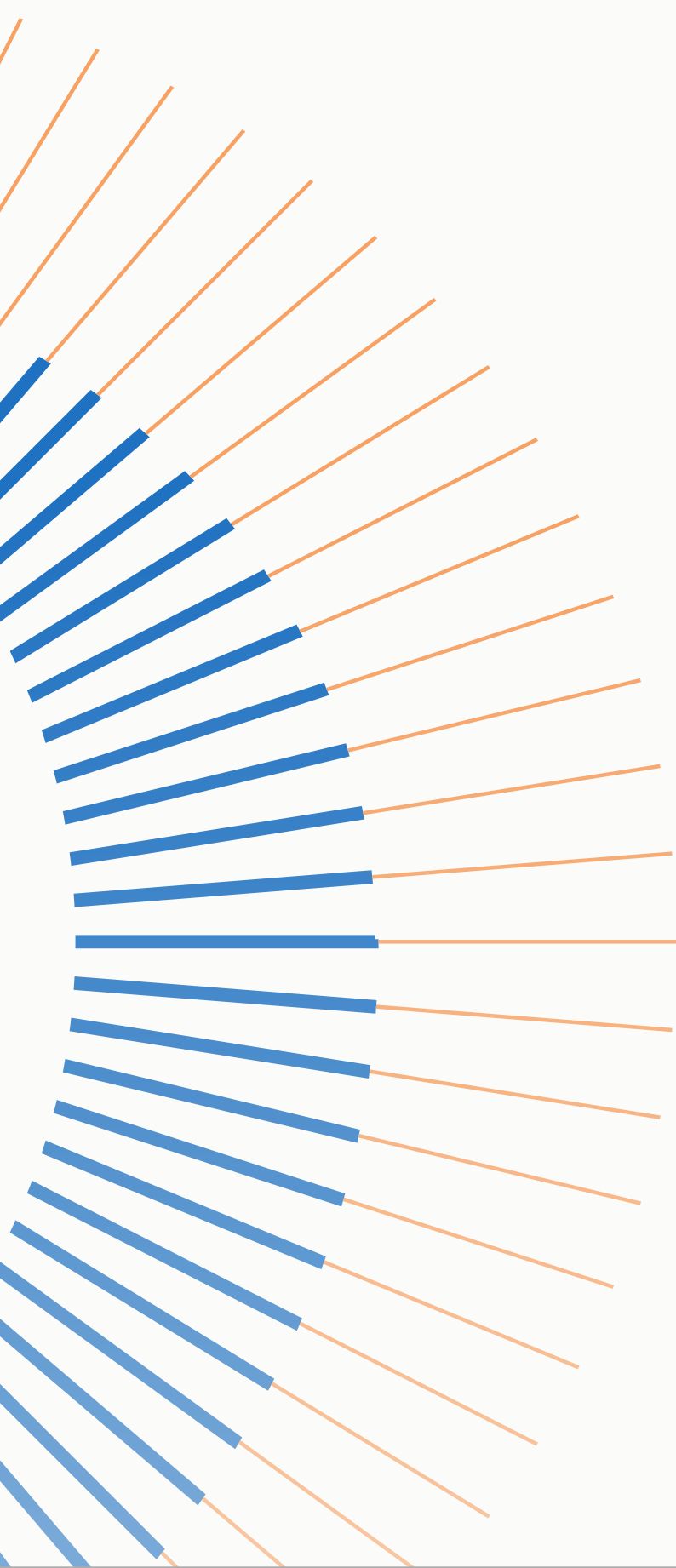
Customer and Product Responsibility

In 2022, we have launched an improved project portal to enhance the efficiency and control in the execution of our projects, moved key imaging and production to the Google Cloud Platform, which is ISO/IEC 27001 certified, and completed the cybersecurity certification of our vessels under the DNV cybersecure+ program.

Fair competition

There were no legal actions pending or completed during 2022 regarding anti-competitive behavior or violations of antitrust/competition law involving PGS as a participant.

A more detailed account of our Governance-related management and performance, including details of our organization, Anti-Corruption, Compliance and Integrity programs and Information and Cybersecurity can be found in our repository of ESG documents on our webpage www.pgs.com.



2022
SUSTAINABILITY REPORT

A Clearer Image | www.pgs.com