



**SUSTAINABILITY REPORT**  
2021

# SUSTAINABILITY REPORT

PXGEO reports its contribution to sustainability in alignment with the GRI Standards which represent best practice for sustainability reporting on a range of economic, environmental, and social impacts.



With the GRI Standards as a reference point, we periodically conduct a materiality analysis to identify the key themes that PXGEO has the greatest impact upon. Examples of PXGEO's contribution to sustainable development in these areas are detailed throughout this report.

## United Nations (UN) Sustainable Development Goals

According to the UN, the Sustainable Development Goals are *"the blueprint to achieve a better and more sustainable future for all"*.

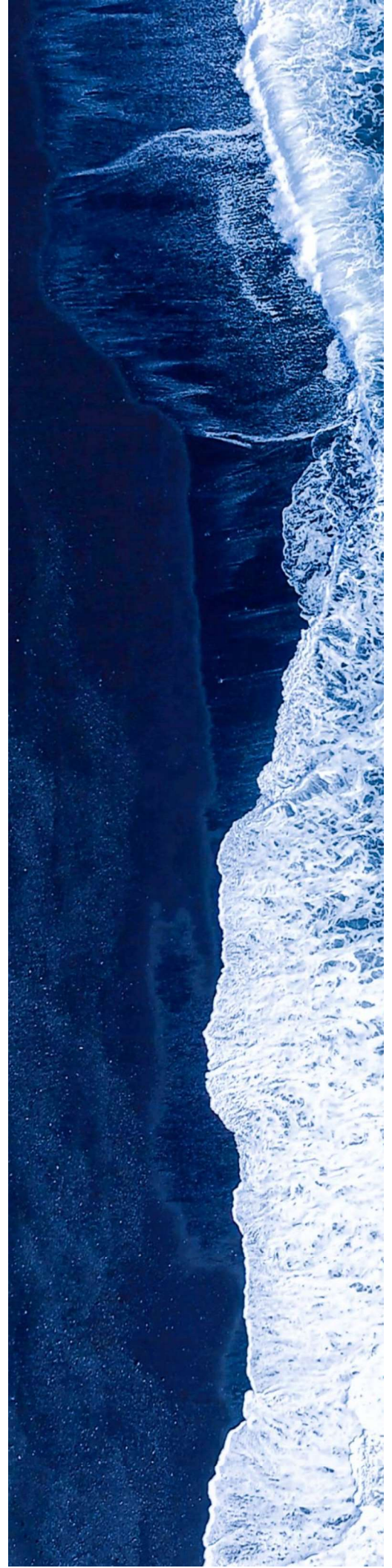
They aim to address global challenges related to poverty, inequality, climate change, environmental degradation, peace and justice.



Building on the areas of focus identified from the GRI materiality analysis, PXGEO has identified six UN Sustainable Development Goals to which PXGEO actively contributes. This report describes what PXGEO is doing to minimize the environmental impact of its operations, optimize sustainability of its business and mitigate associated risks. The UN Sustainable Development Goals identified in this report will guide the growth of our business in the years to come.

PXGEO welcomes any questions, feedback or suggestions, which can be directed to:

[sustainability@pxgeo.com](mailto:sustainability@pxgeo.com)



# LOOKING AFTER THE ENVIRONMENT

## **PXGEO's Vision emphasizes the important role that the company will play in a responsible energy transition.**

Responsible, in this context, means providing affordable access to lower carbon energy for the growing global human population until carbon-free energy is readily available.

The owners, leadership team and all employees of PXGEO place a high value on the operational and environmental excellence demonstrated across our MTS and OBN business units. A key strategic consideration in establishing PXGEO was bringing together complementary marine seismic acquisition technologies:

- MTS to provide an efficient imaging solution for offshore exploration and appraisal; and
- OBN to provide high resolution and quality data to optimize production from existing hydrocarbon reservoirs and further delineate producing basins.

The transition from higher carbon to lower carbon energy sources is heavily reliant on responsibly reducing CO<sub>2</sub> (Carbon Dioxide) emissions at a global level, through initiatives including:

- Accelerating the transition from coal to natural gas
- Enabling carbon capture, utilization and storage (CCUS) as a viable energy transition mitigation

PXGEO is committed to leading the offshore seismic industry in the monitoring and minimization of emissions, both in offshore project delivery and onshore office operations. Here we see a direct alignment for PXGEO between positive environmental contribution and operational efficiency, leading to improved service delivery and overall business performance. We continue to

innovate to identify opportunities to further minimize fuel consumption, reduce environmental impacts and increase efficiency across all operations.

To measure PXGEO's contribution to looking after the environment, we reference the following UN Sustainability Development Goals (UNSDG):



**UNSDG 7 – Affordable and Clean Energy** – PXGEO is committed to deliver sustainable seismic solutions for the world's energy transition.



**UNSDG 14 – Life Below Water** – PXGEO is committed to protect and restore marine ecosystems and reduce pollution and acidification, as well as to participating in knowledge-sharing, research and technology to support ocean health.



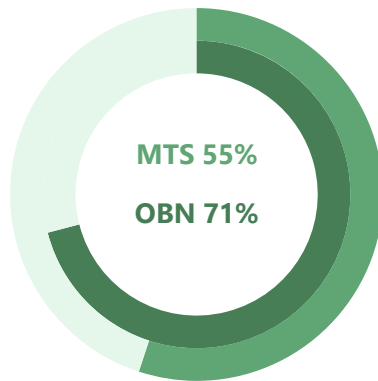
**UNSDG 12 – Responsible Consumption and Production** – PXGEO is committed to continuous

efficiency enhancements through Group-wide annual improvement plans and tracking of fuel consumed per sq.km, in addition to the responsible management of chemicals and waste in all PXGEO operations.



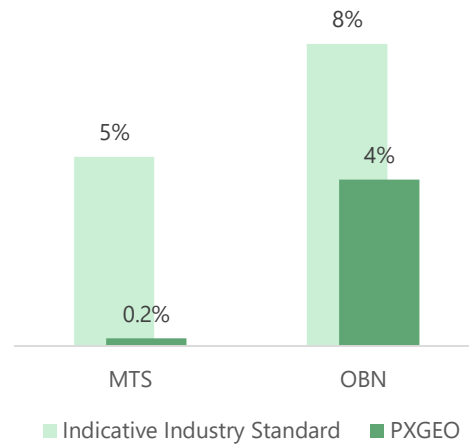
## Environmental Score card

### UTILIZATION

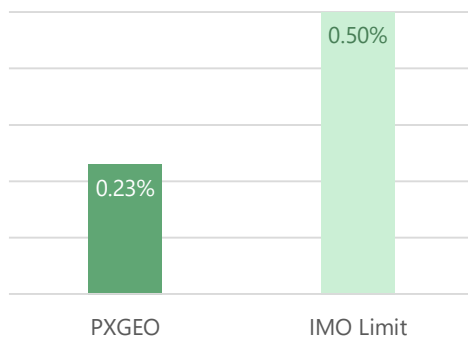


### TECHNICAL PERFORMANCE

Technical down-time



### SO<sub>x</sub> CONTENT IN FUEL



# 932kg

Ghostnet debris removed from the ocean and recycled.

### AIR EMISSIONS

Scope 1	MTS	OBN
CO <sub>2</sub> (kT)	16.0 <sup>1</sup>	11.4
SO <sub>x</sub> (kT)	0.01	0.20
NO <sub>x</sub> (kT)	0.18	0.13
Scope 2		
Office electricity <sup>2</sup> CO <sub>2</sub> e (kT)	0.018	
Scope 3		
Business travel CO <sub>2</sub> e (kT)	0.39	

<sup>1</sup>Including support fleet. <sup>2</sup>Only including office in Dubai UAE.

## Explore Green™

PXGEO is proud of its strong legacy of responsibly leading the marine seismic industry towards a more sustainable future. The Explore Green™ agenda, supported by a substantial and proactive investment in resources, has been a cornerstone in the creation of PXGEO and to ensure PXGEO continues to outperform regulatory requirements around the globe. This has become increasingly important as the industry observes government and non-government organizations placing increased emphasis on prioritizing environmental protection and enforcing more rigorous compliance with emission standards.

PXGEO remains committed and driven to going beyond regulatory requirements to carry out marine seismic operations in the most sustainable manner.

## Energy Efficiency

In PXGEO fuel consumption is measured and recorded continuously, together with the emission gases of Carbon Dioxide (CO<sub>2</sub>), Nitrogen Oxide (NO<sub>x</sub>) and Sulfur Oxide (Sox). Fuel efficiency is a key performance indicator for PXGEO, with a target to achieve year-on-year improvement.



PXGEO 2 Seismic Vessel

PXGEO has a Ship Energy Efficiency Management Plan (SEEMP), which is a plan unique to each vessel setting out how energy savings can be achieved using the Energy Efficiency Operational Indicator (EEOI) as a monitoring tool and benchmark to save energy and reduce Greenhouse Gases (GHG).

The EEOI provides a mechanism to monitor, compare and reduce GHG emissions from ships in operation, and is an integral part of the SEEMP. EEOI = Mass (t) of CO<sub>2</sub> emitted per km<sup>2</sup> of acquired seismic data.

## Inventory of Hazardous Material

PXGEO vessels operate an inventory of hazardous materials in accordance with "IMO resolution MEPC.269 Guidelines for the Development of the Inventory of Hazardous Materials". This requires that all ships over 500GT have a ship-specific Inventory of Hazardous Materials statement of compliance documenting all the materials onboard a ship that are, or that may be hazardous to health or to the environment, and that require careful handling or special awareness.

## Managing Emissions to Air

Exhaust emissions, such as sulfur oxides and nitrogen oxides have a detrimental impact on the environment. Carbon dioxide emissions add to the greenhouse effect, impacting the planet's temperature and climate. As a result, air pollution has been declared by the United Nations Environment Program as the greatest environmental risk to human health and the health of our planet.

To fully understand the impact of marine seismic operations on the environment, PXGEO has accurate and reliable tools to monitor, measure and report fuel consumption and associated gaseous emissions generated by PXGEO vessels.

An emissions monitoring and measuring tool, unique to PXGEO, goes beyond normal industry standards of emission reporting, enabling PXGEO to model the predicted emissions footprint for all marine seismic acquisition projects.

Post project analysis facilitates the reporting of actual fuel consumption and emissions calculations against the project model, along with an analysis of the drivers for any deviation to model. For each project, a verified emissions certificate can be produced and presented to the client.

To increase awareness and promote transparency of the environmental impact in the oilfield services industry, PXGEO is committed to regularly and consistently disclosing total airborne emissions generated by its marine seismic acquisition operations.

PXGEO reports its fuel consumption to the International Maritime Organization (IMO) Data Collection System following the MARPOL (International Convention for the Prevention of Pollution from Ships) Annex VI reporting requirements.

## Drag reduction on PXGEO vessels

Key drivers of fuel consumption of a seismic vessel in production include the overall efficiency of the operation, the condition of the vessel itself and the technology and techniques used to rig the towed seismic equipment.



*Before and after photos of PXGEO 2 at dry dock in Dubai, UAE*

Operational efficiency is driven by the technical performance of the equipment utilized by PXGEO. In 2021, the MTS and OBN operations of PXGEO were able to deliver technical performance exceeding both industry standards and PXGEO internal targets for 2021.

Build-up of marine growth on a vessel's hull can increase the resistance generated as a vessel moves through the water, in turn increasing the fuel consumption and associated emissions. Maintaining

a clean and smooth hull reduces resistance, saving fuel and reducing emissions to air.



During Q4 2021, the PXGEO 2 was dry-docked in Dubai and underwent a comprehensive scope of work involving maintenance, refurbishments, and general vessel improvements including the cleaning and antifouling of the hull and propellers. As expected, this resulted in a significant improvement in vessel efficiency, with fuel consumption during the subsequent transit and in production reduced by around 25%, with the associated reduction in emissions.

During seismic acquisition projects in tropical and sub-tropical regions, barnacle growth can negatively impact operational efficiency. Such growth can significantly increase drag of the vessel's

hull and the in-sea seismic equipment when towed through the water, which has a direct impact on fuel consumption and emissions.

Recognizing the positive impact to be gained from mitigating barnacle growth in warm waters, PXGEO has a proactive barnacle management plan which includes monitoring barnacle growth and regular cleaning of the in-sea equipment. Adherence to this plan has a significant impact on minimizing PXGEO's environmental footprint.

In addition to managing marine growth, optimizing the towing configuration of seismic energy sources and streamers can significantly reduce the fuel consumption of a seismic operation. PXGEO prides itself on minimizing drag of the deployed seismic equipment through additional initiatives including:

- Promoting the minimization of in-sea equipment deployed using XArray™ which requires fewer streamers in the water and creates more point energy sources from the same towed source array
- Applying fairing to all lead-ins and transverse ropes to prevent strumming and reduce drag
- Maintaining all in-sea equipment to ensure no fouling of underwater components
- Using high-performance deflectors, which have an enhanced lift-to-drag ratio, allowing optimization of the towed seismic equipment

### **Marine Gas Oil (MGO) vs Heavy Fuel Oil (HFO)**

HFO is well known for its destructive impact on the environment and, for this reason, PXGEO has never used and will never use HFO in any operations. HFO is classified as carcinogenic by the United Nations (UN).

As an environmentally preferable alternative, PXGEO uses low sulfur MGO across its seismic fleet, and requires the same for third party vessels supporting PXGEO operations.

### **International Maritime Organization (IMO) 2020 sulfur cap compliant**

The IMO 2020 sulfur cap came into effect from 1 January 2020 and has been the most substantial regulatory change to the industry in recent times. This requirement reduces the level of sulfur content permitted in fuel oil used onboard ships operating

outside designated emissions-controlled areas from 3.5% (m/m) to 0.5% m/m. The IMO objective is to reduce the amount of SOx emanating from maritime activities globally which will contribute to significant health and environmental improvements, particularly for populations living close to ports and coastlines.

Some companies have resorted to retrofitting sulfur 'scrubbers' to their vessels to comply with the new IMO regulations, while still carrying HFO onboard. PXGEO's commitment to the environment and using ultra low sulfur MGO deals directly with the root cause of sulfur emissions and has enabled PXGEO to stay ahead of the industry curve on sulfur emissions.

### **Sulfur Oxide (SOx) emissions**

SOx is a group of highly reactive gasses containing sulfur and oxygen that are produced during the combustion of hydrocarbon-based fuels. When emitted into the atmosphere SOx may cause 'acid rain' which is harmful to nature and can result in accelerated corrosion of infrastructure in urban areas. In a marine environment, SOx can increase the acidification of the oceans which is known to be harmful to sea life.

The content of SOx in combustion emissions is directly related to the type and quality of fuel being used. The best way to minimize SOx emissions in vessel exhausts is to use the cleanest fuel with the lowest sulfur content possible. PXGEO is committed to using ultra-low sulfur Marine Gas Oil (MGO) with a sulfur content less than 0.1% mass by mass (m/m) when available.

During 2021 the average sulfur content of fuel consumed for MTS operations was 0.21% vs the IMO 2020 requirement of 0.50%. This percentage was higher than the levels PXGEO aims to achieve, due to limited availability of low sulfur fuel in the remote location of PXGEO's first MTS project. During the last MTS project in 2021, the vessel was operating on ultra-low sulfur MGO fuel with tested sulfur level of 0.0007% m/m.

SOx emissions were 8.4kg of sulfur per square kilometer of seismic acquired. This was also higher than PXGEO target levels due to the small streamer spread used during the first MTS project in the Far East, in addition to the higher sulfur content of the fuel available in such a remote area.

The average sulfur content of fuel consumed for OBN operations was 0.25% vs the IMO 2020

requirement of 0.50%. This level was higher than PXGEO target, due again to limited availability of low sulfur fuel in the remote location of operation.

### **Nitrogen Oxides (NOx) emissions**

NOx emissions are also generated during the combustion of hydrocarbons. A combination of nitrogen and oxygen, NOx are key components in ground-level smog and are precursors to the formation of acid rain. Nitrogen dioxide (NO<sub>2</sub>) is a major ozone depleting (GHG) that has ~300 times more impact per unit weight than carbon dioxide.

Using newer and well-maintained diesel engines, compliant with the IMO Tier II or III performance standards, can greatly reduce NOx emissions. All PXGEO vessels have at least Tier II diesel engines which significantly reduce NOx emissions to air.

During 2021, NOx emissions from MTS operations amounted to 180 tonnes and 132 tonnes for OBN operations.

### **Carbon Dioxide (CO<sub>2</sub>) emissions**

CO<sub>2</sub> is produced by the combustion of hydrocarbons including coal, peat, petroleum and natural gas. It is the most significant, long-lived GHG in the Earth's atmosphere. Since the Industrial Revolution, the concentration of CO<sub>2</sub> emissions, primarily from the combined effects of using fossil fuels and deforestation, has rapidly increased in the atmosphere, contributing to global warming. CO<sub>2</sub> also causes ocean acidification, dissolving in water to form carbonic acid.

As CO<sub>2</sub> emissions are directly correlated to fuel consumption, the most effective way for PXGEO to reduce CO<sub>2</sub> emissions, and mitigate the impact to the environment, is to reduce fuel consumption. PXGEO's vessels, equipped with highly efficient combustion engines, operate with industry leading efficiency. PXGEO continues to demonstrate that its vessels consume significantly less fuel than peers per square kilometer of seismic data acquired.



## Managing Emissions to Sea

Operating in a marine environment worldwide, PXGEO works hard to ensure that the oceans we operate in are free of pollution from start to finish of every PXGEO project.

All vessels in the PXGEO fleet have been designed with double hulls. This is a design and construction technique where the vessel has two complete watertight layers - the outer hull and the inner hull. No oil-based products are stored in the void between the outer hull and the inner hull which reduces the risk of an environmental spill should a grounding or collision inadvertently occur.

In addition, PXGEO has implemented several procedures, systems and technical features to mitigate the risk of pollution or spills to the world's oceans. These include state-of-the-art ballast water management and bilge water treatment systems.

PXGEO had zero industry-recordable spills in 2021.

### Water treatment

All PXGEO vessels hold the DNV CLEAN DESIGN class notation which stipulates that the vessel must have an approved sewage treatment system which is also capable of treating grey water.

All PXGEO vessels also maintain a 'zero discharge' practice relating to untreated sewage water.

The discharge of treated sewage water and gray water is strictly controlled in PXGEO's operational procedures in alignment with current IMO regulations.

To ensure that no fluids are discharged in unpermitted areas, PXGEO operates a strict practice of sealing overboard valves.

### Ballast water management

Ballast water is required to ensure the stability, trim and structural integrity of a ship. On a seismic vessel, it is used to replace the weight of consumed fuel and to offset the weight of deployed seismic streamers to maintain stability and efficiency when in acquisition mode.

It is estimated that, in the broader maritime industry, as many as 4,500 invasive species of plants and animals are transported per day in ships' ballasts around the world. The introduction of invasive marine species into new environments by

ships' ballasts was identified as one of the greatest threats to the world's oceans and to global biodiversity.

The PXGEO fleet, including chartered OBN vessels, in 2021 used ballast water management systems which are 100% chemical free and eliminate all invasive species from the ballast water by filtration and ultra-violet (UV) treatment.

### Biofouling management

Biofouling means the accumulation of aquatic organisms such as micro-organisms, plants and animals on surfaces and structures immersed in, or exposed to, the aquatic environment. Studies have shown that biofouling can be a significant contributor to the transfer of invasive aquatic species.

PXGEO operates a strict Biofouling Management Procedure designed to mitigate the risk of transfer of invasive species, ensuring that the vessel hull is in optimal condition for efficient movement through the water. This is achieved using industry best available technologies for hull cleaning, propeller polishing and regular dry-docking of the vessels. The PXGEO Biofouling Management and record books are key parts of PXGEO's Environmental Protection Plan.

### Bilge water treatment systems

Bilge water is a mixture of fresh water, sea water, oil, sludge, chemicals and other ship-board fluids. By design, it collects in the lowest compartment of a ship's hull below the waterline where the two sides of the hull meet at the keel. This area is known as the bilge.

Current IMO regulations mandate that any discharged bilge water shall contain no more than 15 parts per million (ppm) of oil residue.

All PXGEO vessels, including OBN vessels chartered in 2021, use bilge water treatment plants to clean the contaminated water to <5ppm, more than three times less than regulatory requirements.

### Ghost net initiative

PXGEO offshore crews are actively participating in the Ghost Net Initiative. Launched by EnerGeo Alliance (previously the International Association of Geophysical Contractors, IAGC), this initiative encourages offshore seismic crews to contribute towards cleaning the world's oceans by safely

removing any floating debris from the ocean and disposing of it in an environmentally responsible manner. In the areas which PXGEO operates, this involves actions such as the untangling of wildlife from abandoned fishing nets and releasing them back to the ocean and removing abandoned fishing gear and marine debris.

In 2021, PXGEO crews around the world recorded twelve recoveries of debris totaling 932kg. The debris is mostly identified and collected by the support fleet surrounding the seismic acquisition vessel. The debris is stored onboard until it can be responsibly offloaded and recycled. PXGEO joins EnerGeo Alliance in calling upon all offshore operators to support this movement.

## Managing Acoustic Emissions

There have been significant studies, over long periods of time, to evaluate the proximity of seismic operations to marine mammals and the effects that seismic energy sources may have on their wellbeing. While research into this subject is still ongoing, minimization of mammal disturbance continues to be a high priority for PXGEO and the marine seismic industry.

An exclusion zone of minimum 500m radius, centered on the sources, covers an area from the vessel to the outer edges of the front end of the streamer spread. This exclusion zone is closely monitored and if the presence of marine mammals is detected, appropriate action is taken.

Source output is gradually increased using a 'soft start' technique. The initial lower output volumes are used to warn marine mammals and sea turtles of the commencement of seismic operations and allows enough time for those animals to move away from the vicinity. PXGEO's soft start procedures meet the Joint Nature Conservation Committee (JNCC) UK guidelines for minimizing the risk of injury to marine mammals from geophysical surveys.

### Seismic energy source

A key driver for minimizing PXGEO's acoustic emissions takes place early in the planning phase of every project. The PXGEO geophysical teams evaluate and recommend the smallest possible source to obtain the best possible geophysical result, with minimum impact to the surrounding

environment. These efforts, together with the implementation of XArray™ multiple source configurations, have led to a clear trend in reducing average source size across the marine seismic acquisition industry.

PXGEO closely monitors and documents the maximum sound pressure levels generated by seismic energy sources using a full array of calibrated near field hydrophone. Geophysicists from PXGEO have also been involved in conducting several source acoustic output verification tests for the source arrays using bottom mooring hydrophone systems.

PXGEO is actively engaged with a Joint Industry Project for the commercialization of a marine vibrator source technology. Discussions with E&P partners commenced in 2021, with progress anticipated in 2022 to provide an effective, alternative seismic energy source for the future.

### Passive Acoustic Monitoring (PAM)

PAM is a technique used to monitor marine mammal activity, which is more reliably detected acoustically rather than visually, in the vicinity of offshore operations. With the use of specifically deployed hydrophone arrays, a PAM operator can determine if any marine mammals are within the defined exclusion zone before seismic acquisition commences. PXGEO applies the UK Joint Nature Conservation Committee (JNCC) guidelines for use of Passive Acoustic Monitoring.

PXGEO has PAM systems permanently installed on its MTS vessels. Clients are also offered the ability to use a remote PAM system, allowing for a PAM operator to remotely operate the system to monitor activity from onshore.

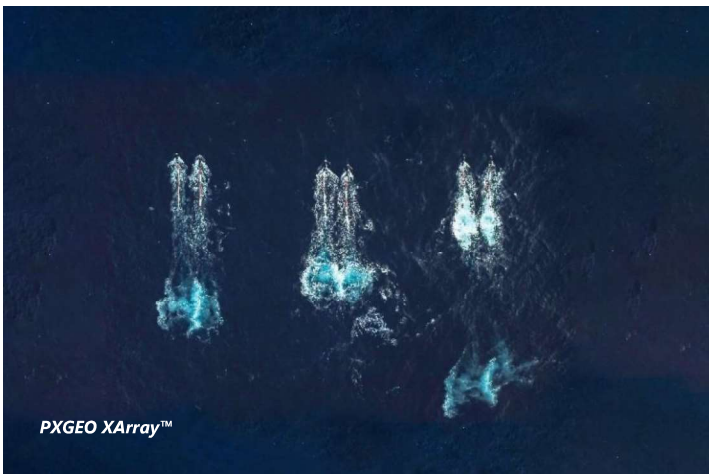
## Innovating to look after the environment

PXGEO's Vision "to deliver sustainable seismic solutions for the world's energy transition" - is enabled by our approach to Innovation, which is embedded as a Core Value across the PXGEO organization. Technology innovation is driven by our operations, engineering and geophysical teams.

## Marine Towed Streamer (MTS) innovation

PXGEO employees have been involved in some of the key evolutions of MTS operations of the last 10 years.

With XArray™ our teams have promoted the use of smaller sources and fewer streamers to optimize survey operations. This supports our Commitment to the Environment by putting less equipment in the water, reducing drag and fuel consumption, while also reducing the exposure of our people by reducing activities to maintain in-sea hardware.



PXGEO has also been the first seismic acquisition company to deploy the latest deflector technologies to achieve optimized configurations of our towed streamer systems. This enables us to satisfy technical specifications while minimizing the impact on the environment.

With the use of PXGEO Cirrus™ cloud data streaming technology, we can transfer data directly from the vessels to shore based data centers, allowing us to minimize physical data shipments of recording media around the world.

We are also actively involved in innovations through ongoing dialogue and collaboration with industry partners to bring the latest source and streamer technologies to the market.

## Ocean Bottom Node (OBN) innovation

OBN acquisition is an important subsurface imaging technique that enables the delineation of producing reservoirs to enhance hydrocarbon production. Traditionally, it has been an expensive and emissions-intensive operation due to the time required to acquire seismic data and the requirement to have multiple vessels involved in the acquisition plan.

Looking ahead, OBN acquisition is expected to become an important tool in defining appropriate reservoirs for carbon capture, utilization and storage (CCUS).

PXGEO is focused on innovating to optimize the efficiency of OBN acquisition and improve the emissions footprint of OBN acquisition projects.

The focus areas of PXGEO's innovation in the OBN acquisition segment includes Remotely Operated Vehicle (ROV) subsea methodologies and node technologies.

PXGEO is actively investing in developing its own proprietary technologies in this space:

- PXGEO X-ROV™
- PXGEO E-ROV™
- PXGEO Free-Dive™
- PXGEO SpiceRack™



PXGEO's ambition is to realize a step change in OBN acquisition efficiency through the application of automation, robotics, artificial intelligence and remote operating centers onshore.

These applications all play a significant role in improving the efficiency of ROV and node handling

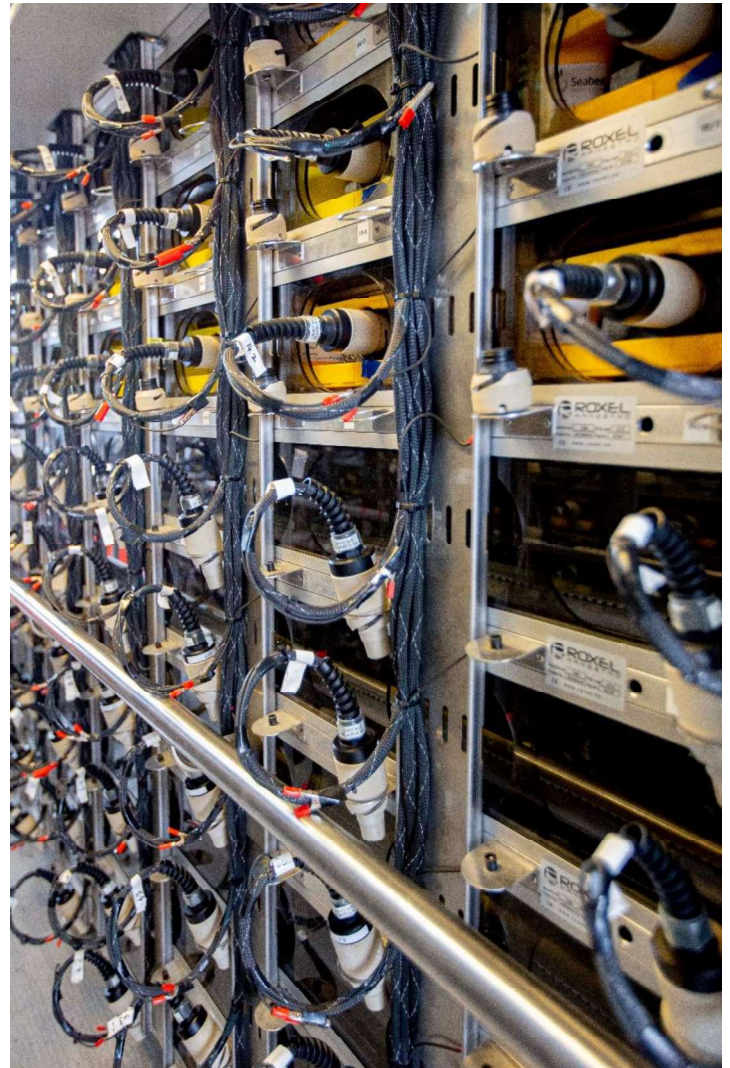
operations through reducing the requirement for human intervention and handling in the operational delivery. This will ultimately decrease the time required to acquire seismic data to provide a high-quality sub-surface image and therefore reduce the emissions footprint of OBN acquisition.

PXGEO also applies a modular, containerized approach to its OBN operational equipment. This enables specialized equipment to be locally installed on appropriately selected vessels, in the area of operations, reducing the need for costly and emissions-intensive transits across the globe.

To monitor PXGEO's commitment to industry innovation, we reference the following UN Sustainability Development Goal (UNSDG):



**UNSDG 9 Industry innovation and infrastructure** – PXGEO is committed to continuous improvement, to enhance research and to upgrade industrial technologies through innovation.





# CARING FOR OUR PEOPLE

## **The integration of two newly acquired business units saw a significant focus on organization, people and culture during 2021.**

A comprehensive integration plan was embarked upon for the second half of 2021, with five workstreams established to monitor and optimize integration in the following areas:

1. Environment, Health, Safety & Quality (EHSQ) and operations
2. People and organization
3. Commercial and supply chain
4. Innovation and technology
5. Business systems and IT infrastructure

The PXGEO MTS and OBN business units benefitted individually from well-established legacy safety cultures, creating a robust platform for integration. The comprehensive effort to fully integrate PXGEO's Management System, incorporating all PXGEO operations offshore and onshore, was completed during December 2021 and audited by a supermajor client with extremely positive feedback.

A single, accessible Management System has provided an important foundation and framework for the PXGEO organization; setting direction, standards and expectations at Leadership level and guiding all processes and behaviors across the organization.

PXGEO leading and lagging EHSQ indicators for 2021 clearly demonstrate the strong EHSQ culture which has been created within PXGEO. However, there were several incidents and associated trends identified during 2021 which highlight the opportunity for further improvement going forward.

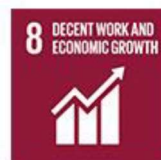
In addition to PXGEO's integration challenges during 2021, the whole offshore E&P industry faced significant pressure maintaining safe operations and working environments amidst the COVID-19 pandemic.

PXGEO established extensive COVID protocols to minimize the risk of exposure and to provide a safe and healthy working environment for all employees onshore and offshore. Compliance with these protocols and vigilance from all PXGEO employees have ensured that all PXGEO offshore activities have continued without interruption, and enabled PXGEO offices to function effectively, throughout 2021.

Maintaining business continuity through this challenging time has undoubtedly placed additional pressure on all PXGEO employees. Field crew employees, in particular, have endured extended quarantine periods before and after their time on PXGEO offshore sites, and have spent longer durations of time offshore due to COVID mitigation measures and related travel restrictions. The mental health implications of the pandemic have been recognized by the E&P industry as an area which requires enhanced focus. PXGEO fully supports this and will be an active contributor to address this proactively during 2022 and beyond.

With a clear PXGEO strategy for growth in the coming years, the establishment of a fit-for-purpose professional development environment is a significant priority for PXGEO in 2022, in addition to attracting new talent and retaining existing valued employees to further optimize the performance of PXGEO.

Combining these priority areas of focus, we reference the following UN Sustainability Development Goal (UNSDG):



**UNSDG 8 Decent work and economic growth** – PXGEO is committed to ensuring a safe and fair working environment with zero harm to PXGEO people and to maintaining a culture which promotes and encourages education and professional growth.

## Safety Leadership and Performance

For PXGEO, safety leadership and individual accountability is not a choice, but a requirement. Underpinned by the PXGEO's Commitment to Health and Safety, and the PXGEO Management System, all PXGEO employees, partners, suppliers and contractors have a role to play as leaders in safety and to contribute collectively to the overall safety culture which is visible throughout PXGEO.

All PXGEO leaders demonstrate personal safety leadership by conducting frequent visits to PXGEO locations to engage in safety-focused dialogue. Where in-person opportunities have been limited during 2021, virtual interactions have taken place instead. With continuous performance improvement a strategic priority, raising awareness of potential workplace hazards, building capabilities to prevent such hazards and applying elements of behavioral safety to understand 'why people do the things they do', are important elements of the PXGEO continuous improvement cycle.

### PXGEO Team Resource Management (PTRM)

The PXGEO behavioral safety program, PTRM is an integral component of PXGEO operations and an important tool to enable continuous improvement, as well as addressing complacency. PTRM consists of six non-technical skill areas that can contribute to incidents: leadership, decision-making, teamwork, communication, situation awareness and managing stress & fatigue. These underlying human factors refer to environmental and organizational job aspects, and how these can influence behavior at work and potentially impact health and safety.

To optimize the success of the PTRM program, PXGEO engages all employees from the CEO to front-line employees and extends the program to include contractors. Achieving changes in behavioral safety offshore requires engagement and acceptance by everyone involved in a PXGEO operation. PXGEO has an inclusive approach to safety leadership which begins at each project start-up meeting where dedicated time is prioritized for safety dialogues ahead of the project commencement. This collaborative interaction between all parties (clients, PXGEO employees and third-party contractors) is an important contributor to aligning safety priorities and safety culture, and

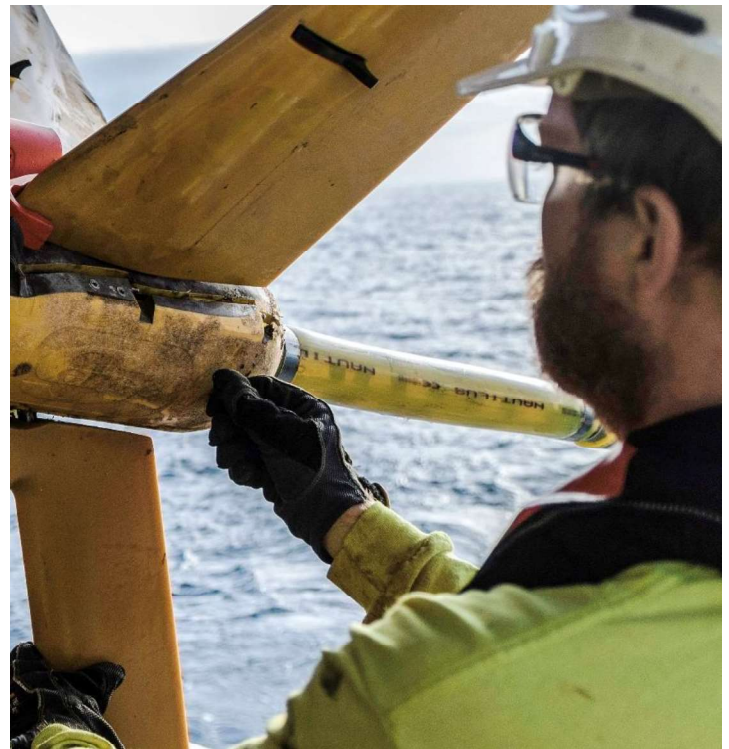
to ensuring the team performs with full focus on safety from day one of every project.

Improving awareness and understanding of human factors, as well as non-technical skill areas, supports PXGEO's belief that all incidents are preventable and that PXGEO's goal of zero harm can be achieved.

### 2021 safety performance

All incidents, injuries, near misses, non-conformances and improvement suggestions are raised and recorded within InSite®, the PXGEO Environment, Health, Safety and Quality (EHSQ) reporting system. Reports are rated to assess actual and potential risk, based on realistic assumptions.

PXGEO has a robust continuous improvement reporting culture in place in all departments onshore and offshore. This is demonstrated through the solid reporting levels achieved in our first year of operations.



Reporting levels of Non-Conformance, Corrective Action and Preventative Action (NCCAPA) and Improvement Suggestions, all of which are critical to the PXGEO continuous improvement philosophy, exceeded the actual reporting targets set for 2021.

With focus on preventing unplanned incidents and to further drive continuous improvement, PXGEO has set a target to drive active intervention. This target requires 25% of all submitted reports to be based on action taken to immediately improve a situation, activity or process, or to prevent something from happening or getting worse. The full Period target for 2021 was exceeded with 54% of all reports involving an intervention.

PXGEO’s safety performance, measured by traditional industry lagging safety indicators, resulted in a Total Recordable Case Frequency (TRCF) of 0.81 which is below the industry average of 1.55 reported by the EnerGeo Alliance for 2020. PXGEO’s Lost Time Injury Frequency (LTIF) was Zero for the full Period 2021.

First Aid Cases (FACs) and Near Misses (NMs) are additional important metrics that PXGEO uses as leading indicators. In 2021, PXGEO recorded approximately 1.2 million person hours worked across both onshore and offshore staff, with 5 FACs and 23 NMs recorded.

Of the incidents reported in 2021 and in response to the COVID-19 pandemic, several opportunities for improvement were identified and formed the basis of targeted improvement campaigns. EHSQ awareness efforts were focused on the learning from these incidents and responding to the pandemic, and our related communication efforts targeted all PXGEO employees and contractors.

COVID-19; Fatigue Management, Situational Awareness, Human Factors, Hands and Fingers and PXGEO Principles were the main campaign focus areas in 2021.

PXGEO 2021 SAFETY STATISTICS	
First Aid Case (FAC)	5
Lost Time Injury (LTI)	0
LTI Frequency (LTIF)	0
Medical Treatment Case (MTC)	1
Non-Conformance, Corrective Action, Preventive Action (NCCAPA)	3135
Restricted Work Case (RWC)	0
Total Recordable Case Frequency (TRCF)	0.81

## PXGEO Principles

Zero Lost Time Injuries (LTI's) in 2021 highlights that PXGEO is successfully managing the challenges associated with complex offshore seismic acquisition projects taking place in all corners of the globe.

To tackle these challenges effectively and ensure we do not become complacent, PXGEO Principles, a set of non-negotiable PXGEO requirements that all employees and contractors are expected to fully comply with, are embedded throughout the organization. These have been compiled in close cooperation with clients, based on industry best practice and lessons learned, and are closely aligned with PXGEO clients’ non-negotiable safety rules.

PXGEO Principles are incorporated and based on the following components:

- Implementing industry best practices and lessons learned through the International Association of Oil & Gas Producers (IOGP) in accordance with ‘guidelines for working together in a contract environment’ (Report 423). PXGEO contributes to sharing such information from any significant incidents encountered through offshore and onshore operations
- Identifying potential hazards and carrying out thorough risk assessments for every project and every region in which PXGEO operates
- Implementing targeted health and safety initiatives consistent with international standards (e.g. PXGEO quarterly ‘Focus on Safety’ campaigns)
- Preventing and/or mitigating the health and environmental impacts of air emissions and discharges from PXGEO vessels
- Providing and supporting company-wide EHSQ education, awareness and training
- Holding regular employee-led EHSQ forums (e.g. Leadership Team, Green Protection Team and Field Manager meetings) focused on items affecting the individual work locations and the PXGEO in general

- Providing appropriate personal protective equipment (PPE) and;
- Enabling regular occupational health checks, and access to general health care and appropriate access to emergency services for all employees.

## Workplace Security

Security of PXGEO employees, work sites and operational assets is a responsibility that PXGEO takes extremely seriously. The PXGEO Commitment to Security is upheld via the use of the PXGEO's risk management processes, including security hazard identification and security risk assessments prior to, and during, the execution of all seismic projects and business activities.

The global nature of PXGEO's business means exposure to a range of potential security incidents such as piracy, terrorism, organized crime, regional unrest or the threat of activists. PXGEO was the first seismic operator to sign the Gulf of Guinea Declaration on Suppression of Piracy which recognizes the unacceptable toll on seafarers and calls for collaboration to end the threat of piracy.

International Ship and Port Facility Security (ISPS) regulations require PXGEO to continuously evaluate risks and implement appropriate measures to mitigate them. PXGEO ISPS certification is maintained via annual audits carried out by DNV.

To monitor the security aspects of PXGEO's operational activities, and to mitigate identified risks, PXGEO maintains an ongoing overview of security issues affecting the regions in which the PXGEO operates or has plans to pursue business opportunities. Insights are gained via a range of external sources, including expert security advice provided by the ISOS-Control Risk joint venture and other security advisories, and internally through the many years of industry experience within the PXGEO leadership, operational, maritime and EHSQ teams.

For every project, a security risk assessment is carried out and, where necessary, additional detailed information is gathered and analyzed depending on the location of proposed projects and identified security risk.

Additional emphasis is placed on providing support and guidance to all PXGEO employees who undertake business travel, with a comprehensive travel monitoring program which includes a

proactive journey-specific advisory function. PXGEO conducts emergency response testing of onshore journey management as part of its continued efforts to raise awareness and ensure the ability to manage support of travelling employees in the event of an incident.

## Good Health & Wellbeing

Maintaining good health and wellbeing of PXGEO employees is a fundamental pillar of the way PXGEO operates. This is implemented through PXGEO's Commitment to Health and Safety which applies to every employee and contractor that comes to work at a PXGEO office, vessel or project location.

Managing mental health can be complex and is often not discussed or addressed as openly as it should be. PXGEO encourages all employees to reach out for support if they have concerns about their own mental health, or that of their colleagues. Looking out for each other, rallying together when needed, and feeling able to speak up and ask for help is encouraged at PXGEO. Raising awareness and addressing mental health in the workplace remains an important priority for PXGEO.

PXGEO is committed to supporting employees achieve a healthy lifestyle balance, and to manage family and personal demands, to enable all employees to deliver to the best of their abilities, without compromising health and wellbeing.

Encouraging employees to make time for family, fitness and leisure activities is actively encouraged (onshore and offshore). Social and sporting activities are sponsored by PXGEO to allow employees to interact outside of work. Onshore employees have flexibility to manage their 'normal working day', in conjunction with their manager, and with due consideration to the needs of the business and of fellow colleagues. Offshore, provisions are in place to encourage activities to support health, fitness and relaxation when off shift.

PXGEO has several additional mechanisms in place to allow employees to take paid and unpaid time off work to manage health, wellbeing and family needs.

To ensure the continued provision of robust health support, advice and guidance, PXGEO maintains a strong relationship with its medical and security provider, International SOS (ISOS) to provide comprehensive global assistance on health, security and wellbeing. PXGEO employees onshore and

offshore have access to a wealth of tools and resources, available through an online portal and a mobile application, which provide real-time advice and guidance relevant to any geography in which PXGEO is operating, or where PXGEO employees may be travelling to or through.

The task of engaging all PXGEO employees in health and wellbeing initiatives across all offices and in all field locations, is championed by PXGEO's Green Protection Teams (GPT). In addition to flying the flag for PXGEO's environmental agenda, these employee-nominated and employee-led teams review monthly EHSQ statistics and performance, organize events and campaigns focused on environmental, health, safety, social and wellbeing, and work collaboratively to share ideas, initiatives and best practice.

During 2021 the PXGEO GPTs led several successful campaigns including educational campaigns to promote awareness on topics such as breast and prostate cancer.

### **The PXGEO employee model**

PXGEO is proud to be the only marine seismic acquisition company that employs both seismic and maritime crews directly for its MTS operations. This is fundamental to delivering operational excellence and innovative geophysical services to PXGEO clients who have acknowledged PXGEO's 'employee strategy' as a key differentiator.

For PXGEO employees, this model offers a range of career opportunities with paths across and within both seismic and maritime disciplines, and across MTS and OBN operations. This is complemented onshore with integrated technical and geophysical teams, working collaboratively with efficient and agile operational and support functions. Highlighting the loyalty and dedication of the experienced and diverse PXGEO teams from all corners of the world, employee turnover rates remain well below industry norms. PXGEO total voluntary turnover for 2021 was 2.6%.

All PXGEO employees are provided with a range of benefits designed to support and safeguard employees and their families, while in employment with PXGEO and in planning for the future.

PXGEO core benefits include access to private healthcare, regular contributions to a PXGEO retirement or pension plan, and PXGEO-provided

insurances to provide security in the event of absence or disability.

Employees are eligible to participate in a range of benefit plans with flexible options to tailor benefits to best suit their lifestyle need and preferences.

PXGEO benefits are offered to full-time and part-time employees.

As the marine seismic industry emerges from a sustained market downturn, PXGEO continues to advocate the professional development and personal growth of all PXGEO employees. Wherever appropriate, PXGEO promotes from within and continues to review and evolve the organization model both offshore and onshore to create opportunities for all employees. While the latest PXGEO geophysical innovations unlock new regions and technologies, they also provide a range of career progression opportunities for PXGEO employees to learn and grow. Maintaining open dialogue and communication with employees, as well as listening and responding to feedback is key to PXGEO's efforts to retain its valued employees. In addition to their health and wellbeing remit, PXGEO's Green Protection Teams (GPT) play a key role in this and are recognized as being the voice of PXGEO employees. Underpinned by the tenets of Being PXGEO, the GPTs are empowered and encouraged to engage and interact with all employees on topics which can make a real difference. The GPTs provide a key link between employee groups at all levels across the organization and are an integral part of PXGEO's communication model.

Communication and discussion with employees during 2021 regarding operational changes was of particular importance due to the continued disruption and impact to travel and operational scheduling from the COVID-19 pandemic. To mitigate the disruption to employees, PXGEO operational, EHSQ and HR teams implemented comprehensive pre-mobilization communication plans to proactively manage the periods of uncertainty which inevitably arose in the weeks prior to crew-change. This enabled field crew employees to be kept informed of the constantly changing restrictions and additional travel protocols necessary to enable travel to continue to and from offshore operations and projects during the COVID-19 pandemic.

## Being PXGEO

Being PXGEO is the way we describe 'who we are', 'what we do' and 'how we do things'. Underpinned by Our Core Values and Commitments, it is PXGEO employees that cultivate our unique corporate culture. As a newly integrated organization working across multiple global locations, building on this is a high priority for 2022 and beyond.

Health and well-being, a thriving work environment and enabling career progression and professional development opportunities remain priority areas for PXGEO, and form the core of PXGEO's continued strategy to attract and retain employees.

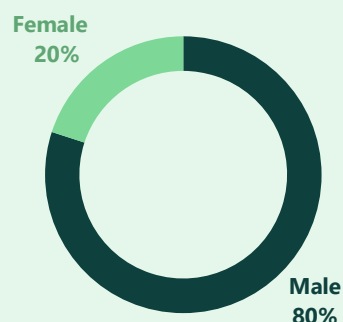
## Creating a culture of innovation

As we build on the early foundations of PXGEO, we recognize that it is our people who define who we are and how we do things. We firmly believe that creating a culture of innovation is pivotal to our longer-term success and to the sustainability of PXGEO.

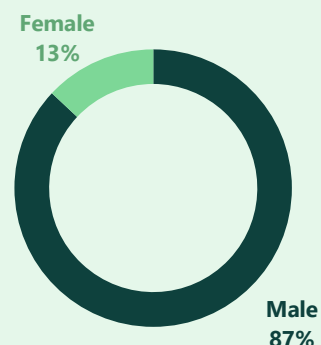
Our talented employees recognize the importance of creating positive social and environmental impact, and are encouraged to actively contribute through forums such as our GPTs but also through the normal course of everyday business. Promoting and facilitating collaboration through our integration workstreams and our cross-functional strategic workgroups, enables innovation to be captured in our efforts to develop new products and services, as well as through our organizational models and ways of working.

Importantly, we acknowledge the significance of diversity and inclusion in the workplace, and of the benefits this can bring to creating a culture of innovation. We will be actively working towards increasing the diversity of PXGEO as we build our employer brand and implement strategies to recruit, develop and retain current and future PXGEO employees.

### DIVERSITY OF EXECUTIVE MANAGEMENT TEAM



### DIVERSITY OF ALL EMPLOYEES



# 35

#### Different nationalities represented

*24 Onshore, 23 Offshore*

# 2.6%

#### Total Voluntary Employee Turnover

*12 month annualized*

# BEST BUSINESS PRACTICE

**The establishment of PXGEO as a private company, with a robust balance sheet and excellent reputation for service delivery, has firmly positioned PXGEO to responsibly navigate an unpredictable and complex global economic environment.**

In order for PXGEO to continuously improve its overall performance, two important tools are actively used:

1. The PXGEO Company Risk Assessment (CRA) provides a mechanism for reviewing the changing external environment and PXGEO's ability to manage and mitigate identified risks (e.g. demand for services, cyber-attacks, employee attrition)
2. The PXGEO Management System, incorporating the InSite® reporting system is a tool to identify, implement and measure continuous improvement opportunities across PXGEO in both offshore operational and onshore office environments

These tools are critical to optimize the business performance of PXGEO through risk mitigation and implementing improvement opportunities.

Importantly, the PXGEO Management System is accredited by ISM (International Safety Management of ships) with a Document of Compliance (DOC), ISO 9001 (quality), ISO14001 (environment), ISO45001 (workplace health and safety) which validates the effectiveness of our Management System against recognized external benchmarks.

The performance of PXGEO is measured on an annual basis against a balanced scorecard which comprises the following metric categories, with related Group goals for each performance year:

- Financial
- Business process
- External / environmental
- Growth / innovation

Progress against PXGEO goals, which include safety and environmental targets, is measured monthly and communicated regularly across the PXGEO organization.

## EnerGeo Alliance

PXGEO is a governing member of the EnerGeo Alliance (formerly known as the



International Association of Geophysical Contractors (IAGC). Through EnerGeo's Global Health, Safety, Security and Environment (HSSE) Committee, PXGEO plays an active role in the appropriate information exchange of key participants in our industry regarding best practice and lessons learned. Topics include: license to operate, safety, environment and legislative/regulatory developments.

PXGEO is a strong advocate for maintaining strict business ethics guidelines as per the PXGEO Commitment to Business Ethics and Avoiding Conflicts of Interest which is aligned with the following UN Sustainability Development Goal (UNSDG):

### **UNSDG 16 Peace, justice and strong institutions**

– PXGEO is committed to minimizing the risk and exposure of corruption and bribery for the organization and employees, through strict procedures, regular awareness training and a zero corruption and bribery policy.



## Risk Assessment

PXGEO regularly assesses business risks, reflecting matters which could have a material impact on any aspect of the business. Mitigating actions are recorded for each risk and additional steps are identified during each review to reduce the likelihood or severity of the risk. A member of the PXGEO leadership team is designated to ensure appropriate resources are allocated to address each identified risk.

PXGEO's practice of obtaining input from its diverse employees (onshore and offshore) and leadership team, led by the CEO and executive management team, along with regular reviews by the Board represents a strong and sustainable process for managing business risks.

Bi-annual formal leadership reviews of the Company Risk Assessment are conducted, and the results presented to the PXGEO Board on an annual basis.

## Cyber Security

Maintaining robust controls to mitigate cyber security risks is one of PXGEO's top priorities. The PXGEO IT security strategy to mitigate these risks is anchored around an integrated people, process and technology approach.

PXGEO IT security successfully blocks daily threats through multiple layers of technology and processes which are in place to protect PXGEO systems and data. The effectiveness of these actions is highly dependent on the IT security behavior of PXGEO employees and other parties who have access to PXGEO systems and data. The continued education, training and awareness of all PXGEO employees and contractors therefore forms a critical part of PXGEO's IT security strategy and has successfully increased the cyber security resilience against phishing and ransomware attacks. Employee training progress and performance is tracked through the PXGEO cyber security risk score, to engage and focus the attention of every PXGEO employee on the importance of regular cyber security training.

All PXGEO vessels are compliant with the new IMO regulation that includes maritime cyber security as a risk to be addressed in safety management systems. During 2021 there has been a significant increase in cyber security threats, particularly focused on phishing, ransomware and backdoor attacks.

PXGEO's defense in-depth IT security continues to monitor and protect PXGEO systems and data across all security layers both onshore and offshore.

No cyber security related incidents were recorded during 2021.

## Company Management System

The bespoke PXGEO Management System is a critical element of how operations and assets are managed, incorporating the highest levels of quality and safety into all company activities enabling PXGEO to run its global business safely, efficiently and responsibly.

By defining best practice and framing how risk is assessed, the PXGEO Management System also assists in identifying and prioritizing improvement opportunities across the business from personal safety and operational integrity, to efficient and effective use of resources. It enables the continued measurement and improvement of performance year-on-year.

Data recorded to measure performance and to ensure PXGEO meets, or exceeds, both internal and external stakeholder expectations includes:

- Safety statistics
- Environmental data
- Production data
- Technical downtime measurements
- Financial performance
- Efficiency metrics
- Customer satisfaction feedback

PXGEO engages directly and proactively with clients in post-project reviews and ongoing relationship management activities to obtain constructive feedback on its services. This allows PXGEO to identify opportunities for improvement and to capture a more informed understanding of clients' needs and expectations to develop its business offering accordingly.

## Stakeholder Engagement

PXGEO deals with over 400 global suppliers and expects these suppliers to maintain the same high standards of business practice that are set for PXGEO employees. Supplier management is

therefore a critical part of PXGEO's Management System. We acknowledge the significant risk exposure through suppliers and put all efforts to implement a successful interface to align suppliers' performance and ensure the right processes are in place to maintain adequate control.

A variety of stakeholders that includes suppliers can be present on a seismic operation including direct and indirect suppliers, service providers, client representatives and various visitors.

Our implementation of supplier management focuses on three elements:

### 1. Selection process

PXGEO evaluates the risks involved where subcontractors are part of the proposed workforce or assets and takes steps to ensure appropriate preparations are in place prior to commencement of operations.

Every new supplier is screened using environmental, social and governance criteria using a pre-qualification questionnaire.

PXGEO also establishes longer-term relationships with key suppliers, in particular for chartered vessels, which enables better overall supplier and EHSQ performance.

### 2. Management and implementation

PXGEO creates interface documentation stating the appropriate management system or procedure for any activity that is performed by subcontractor personnel. This covers definition of responsibilities in key areas such as training, procedures, reporting, monitoring and review.

Representatives of management and operations from subcontracting companies are systematically invited to attend pre-mobilization planning meetings.

Subcontractor staff and management are also required to attend PXGEO start-up or induction meetings.

### 3. Local considerations

Within the marine seismic environment, when working in territorial waters of some countries, there is a requirement to use 'temporary' maritime crew. This could result in the replacement of numerous crew members onboard the seismic vessel in a short period of

time, which has the potential to significantly increase the risk profile of the operation if not appropriately planned and managed.

This was relevant to PXGEO's first MTS operation in the Far East during 2021. To mitigate any associated risks in such situations, PXGEO assigns additional PXGEO crew in an advisory capacity to maintain a high level of operational and safety experience and oversight onboard.

PXGEO use the Maritime Labour Convention (MLC, 2006) as the main reference document during the initial phases of 'Planning' through 'Execution', as well as full integration into other management systems being used to manage the operations.

Finally, the engagement of local shipping agents to provide in-country support for crew changes and transportation is also managed by local and temporary personnel. These local agents provide other shore-based resources and regularly interact with either the seismic vessel and crew, or support vessels and crews. The strict selection and management processes of local agents are managed in line with other key suppliers.

## Local communities

PXGEO is the face of the E&P industry for every acquisition project it conducts around the globe. PXGEO works closely with clients to optimize the onshore and offshore environments during a marine seismic operation and to engage with local community stakeholders.

Onshore efforts in 2021 included targeted efforts to minimize impact to local fisheries, and leveraging utilization of local businesses and expertise.

## Business Ethics

PXGEO operates in several areas around the world where concerns exist regarding the standard of ethical commercial behavior. PXGEO remains committed to ensuring employees possess the appropriate training and awareness so that the risk of becoming involved in any inappropriate business practices is comprehensively mitigated.

PXGEO provides training and support for all operations managers, senior field crew, shore representatives and key suppliers.

Any new supplier to PXGEO is issued the 'PXGEO Standard Anti-Corruption Terms' as part of the prequalification process. Suppliers are also screened using Worldcheck One® Compliance Screening, a third-party service designed to provide first line defense against potential compliance risks.

Additionally, to evaluate exposure to such risks and plan ahead, PXGEO ensures that all local logistics agents fully understand PXGEO's requirements in advance of a PXGEO vessel arriving in port. Agents appreciate that a failure to perform in accordance with such standards may lead to termination of the business relationship with PXGEO.

PXGEO maintains an Anti-Corruption Procedure which sets out detailed anti-corruption guidelines and training relating to contractual arrangements, facilitating payments, gifts and entertainment. This procedure is designed to ensure compliance with anti-corruption laws worldwide by PXGEO employees and all PXGEO business partners.

Annual refresher sessions, supplemented by targeted training and mandatory guideline reviews, are conducted with all PXGEO employees to ensure awareness of anti-corruption and broader ethical risks is maintained.

PXGEO supports a culture of transparency and encourages employees to raise concerns on ethical behavior via 'whistle-blower' communication.

No incidents or non-conformance occurred during 2021 in relation to PXGEO's Commitment to Business Ethics and Avoiding Conflicts of Interest and no whistle-blower concerns were raised.

## Governance Structure

PXGEO Limited (the "Parent Company") was incorporated as an exempted company with limited liability in the Cayman Islands on 24 February 2021 and has one class of ordinary shares. Pursuant to the written resolutions contained in a Notice of Bondholders' Written Resolution issued by Nordic Trustee AS dated 31 March 2021 (**Resolutions**), all ordinary shares in the Parent Company were issued to the former holders of A Bonds (as defined in the Resolutions) outstanding at that time (represented by ISINs NO0010607435, NO10921398 and NO0010921406). PXGEO commenced operations on 1 May 2021.

The governance of the Parent Company is regulated by its' memorandum and articles of association, a

shareholders' agreement (**SHA**) and the laws of the Cayman Islands. The SHA contains detailed provisions concerning (among other matters): business and governance, Directors matters, General Meetings, Shareholder reserved matters, the issue and transfer of shares and disclosure of accounts and other information.

As at the date of this report, over 95% of the Parent Company's issued ordinary shares in aggregate were held by exempted limited partnerships established under the laws of the Cayman Islands, each of which is managed or advised by Cairn Capital Limited of 62 Buckingham Gate, London SW1E 6AJ. According to the Company's articles, PXGEO was not required to hold an annual general meeting in 2021.

The Parent Company's wholly owned subsidiary, PXGEO Seismic Services Limited is the parent company of all other PXGEO companies and subsidiaries (the "Group") and provides management and supervision of the Group's operations. As of the date of this report, the Board of Directors (**Board**) comprises Mr. Mark Nelson-Smith (Chairman and independent director, appointed 14 July 2021) and Mr. Peter Zickerman (appointed 25 February 2021).

The Board sits at the apex of PXGEO's governance framework, providing guidance in setting PXGEO's long-term strategic direction, monitoring business performance and ensuring the integrity of internal controls. In 2021, the Board met on 15 occasions and all serving directors attended all meetings.

External validation is a critical part of PXGEO's process to enable continuous improvement. The PXGEO Commitments are reviewed annually by the Chief Executive Officer (CEO) and by the Board. The PXGEO Management System and all procedures are also reviewed and updated annually and the performance of all parts of the business is frequently assessed by independent and client audits. By fostering a transparent approach to all audit requirements, PXGEO ensures that its Commitments and the PXGEO Management System are objectively and constructively reviewed and measured, allowing improvement suggestions to be effectively implemented.

## Certifications and Accreditations

ISO standards support the three pillars of sustainable development - economic, social and environmental. ISO 14001 is the international standard that stipulates requirements for an effective environmental management system (EMS). ISO 9001 is a standard that sets out the requirements for a quality management system (QMS) which drives sustainable business practices whilst promoting good social welfare practices in delivery of our services

PXGEO operates under the environmental standard ISO 14001:2015 and quality standard ISO 9001:2015. PXGEO also transitioned during 2021 from OHSAS ISO 18001 to the newly released ISO 45001 standard that enables organizations to provide safe and healthy workplaces by preventing work-related injuries, illnesses and fatalities and by proactively improving our Occupational Health & Safety (OH&S) performance.

## Innovating for best business practice

To meet the high standards and industry expectations regarding the development of best business practices, PXGEO recognizes the importance of remaining innovative and forward-thinking.

Keeping financial stability through a robust balance sheet and maintaining strong governance through proactive engagement with leading external suppliers on governance-related know-how, including international trade compliance and export controls, will remain top priority.

Through PXGEO's governing membership in EnerGeo Alliance, PXGEO will be able to influence material topics and collaborate with industry peers. Most critically, attracting, developing and retaining the best talent available will ensure PXGEO can continuously, and innovatively, improve the way operations and business is executed.



# SUSTAINABILITY FOR THE FUTURE

PXGEO was founded on a vision to change the conventional dynamic of operations through strong sustainability ambitions and innovative technology solutions. In recent years, stakeholders have challenged the progress of sustainability initiatives by the oilfield services industry and scrutinized emissions in all forms. While the global conversation around energy continues to evolve, it is anchored in moving towards true sustainability.

Environmental sustainability, through our Explore Green™ agenda, has been a central pillar for the foundation of PXGEO and, as industry peers react to new environmental demands and regulatory requirements, PXGEO welcomes this pivot of perspective. Sustainability and the role PXGEO plays, beyond a purely environmental agenda, is fundamental to PXGEO's future success and a priority that sits at the core of PXGEO's long-term vision. Educating all PXGEO stakeholders to take ownership, to demonstrate conscious accountability and to work towards common goals underpins the holistic approach PXGEO has adopted to achieve a sustainable future.

PXGEOs 2030 sustainability aspirations are:

1. To significantly lower the emissions intensity of both marine towed streamer and ocean bottom node seismic data acquisition with an ambition to achieve net zero by 2050 using technology and process innovation
2. To be the preferred employer in the marine seismic acquisition industry
3. To be the preferred provider of services in the marine seismic industry as measured by clients, suppliers and the communities in which we work

To work towards these aspirations, we have a goal for 2022 to ensure PXGEO is rated by an industry recognized body for ESG contribution by the end of 2022. During 2022, we have committed to also defining and regularly communicating key industry-recognized sustainability metrics to track and monitor our progress.

In striving for longer term sustainability PXGEO has identified three milestone goals that will enable the realization of our 2030 aspirations.

## 1

### LOOKING AFTER THE ENVIRONMENT

By 2025 PXGEO will demonstrate that it provides the lowest emission marine acquisition services in the industry through the measurement and communication of emissions data.

## 2

### CARING FOR OUR PEOPLE

By 2025 PXGEO will establish three enduring community initiatives in PXGEO areas of operations.

## 3

### BEST BUSINESS PRACTICE

By 2025 PXGEO will implement a stakeholder impact assessment on each seismic acquisition project undertaken. This assessment will document feedback from clients, suppliers and the communities in which we work.

*We will share our progress through our social media sites and on our website, as well as annually in our Sustainability Report.*

