



# 2022 Sustainability Report

# Sustainability Report



## 1. OUR COMMITMENT TO SUSTAINABILITY

### 1.1 What TGS Believes

TGS provides data, intelligence, ocean bottom nodes (OBN) acquisition services, advanced processing, analytics, cloud-based data applications, and other specialized services and solutions to energy companies across the energy spectrum, whether it is oil and gas, carbon capture and storage, or wind development. By investing in multi-client projects worldwide, TGS has the world's largest integrated subsurface data library that includes seismic data, magnetic and gravity data, multibeam and coring data, digital well logs, and production data from deepwater offshore to conventional and unconventional plays worldwide. We have a global presence to support our customers in any market with our corporate headquarters in Oslo, Norway; our operational headquarters in Houston, Texas, USA; and with additional offices located in Brazil, Australia, United Kingdom and Canada. Because of TGS' global presence and business model, sustainability is an integral part of how we operate and essential to our prosperity, and the prosperity of our stakeholders.

2022 was a year of growth for TGS, both organically and through the acquisition of several companies and assets as part of its strategy to provide data and insights across the

energy spectrum. TGS expanded its Digital Energy Solutions group and acquired Prediktor, a Norwegian company with 40 employees that is a leading provider of asset management and real-time data management solutions to renewable and energy asset owners. TGS also strengthened its multi-client library, data processing and imaging capabilities, and acquisition technology with the acquisition of the multi-client and processing assets of ION Geophysical Corporation, including over 637,000 kilometers of 2D and over 317,000 kilometers of 3D multi-client seismic data, its proprietary imaging software and technology, and Gemini Extended Frequency Source technology and equipment. TGS also acquired Magseis Fairfield, the industry leader in OBN acquisition and technology, which will become a new business unit within TGS in 2023, and create a unique offering of superior imaging quality and operational efficiency across the energy value chain, with leading OBN and multi-client capabilities. TGS' New Energy Solutions business unit also launched several new projects, including Wind Axiom, a new insight platform to help wind developers explore high-value areas, prepare bids and develop leases, as well as the first multi-client offshore wind measurement campaign in the New York Bight area. This campaign is the first of many planned by TGS aimed at providing floating LiDAR wind measurements, data and insights on a subscription basis to customers within the region.

TGS' workforce underwent significant change in 2022 as a result of this activity. In addition to the 40 new employees from Prediktor, TGS hired over 60 former ION employees as well as 60 organic hires throughout 2022. As a result, TGS' workforce grew by over 30% in 2022 from 443 people at the end of 2021 to 578 people at the end of 2022. Therefore, a key focus for the organization centered around integration and development of a common culture focused on performance, results and teamwork. In addition, TGS began the integration of Magseis Fairfield at the start of 2023, and an additional 330 onshore and offshore employees will join the workforce in 2023.

Looking forward to 2023, TGS will focus on re-evaluating its ESG strategy in light of the diversified business, larger workforce, and wider customer and stakeholder base. This will include conducting a new ESG materiality exercise and updating of its ESG strategy to reflect those results.

<sup>1)</sup> While TGS gained financial control over the operations and workforce of Magseis Fairfield in Q4 2022, TGS did not initiate the integration until early 2023 after the completion of the purchase of the remaining Magseis Fairfield shares in January 2023. As such, information relating to the 2022 operations and workforce are not incorporated into this report but will be included in the 2023 report.

## 1.2 Governance and Risk Management

TGS' sustainability strategy is embedded in the overall corporate strategy and is overseen by the Board of Directors. TGS' Leadership Team, which includes the Executive Vice President of People and Sustainability, is responsible for implementing TGS' sustainability strategy and incorporating this strategy into company and department goals. TGS' Leadership Team and the Board of Directors hold sessions throughout the year to discuss the various risks that impact our business and to evaluate sustainability risks and opportunities.

TGS evaluates sustainability risks as part of the annual enterprise risk management process, which is a multi-tiered process that seeks input from key employees across the organization, the Leadership Team and the Board of Directors. Through this process, we understand (i) where further action may be needed if a risk's materiality, impact or probability of occurring increases (i.e., cybersecurity, macroeconomic event), and (ii) where our risk management efforts are effective because of decreasing materiality, impact or probability scores. TGS relies upon policies, procedures and guidelines, as well as targeted action plans with key performance indicators, to measure progress in mitigating risks. Additionally, each investment decision or significant commercial project undertaken by TGS incorporates risk analyses that evaluate key operational, health and



safety, environmental, compliance and other risks prior to review and approval by TGS' Leadership. Each of these processes, along with our corporate governance principles, provides the necessary underpinnings for monitoring risk and incorporating sustainability within our organization and operations.

In 2022, the Board held sustainability strategy sessions as part of its annual strategy meeting to focus on TGS' efforts to diversify its data and service offerings to serve other industries such as wind, solar, carbon capture and storage. These sessions considered carbon accounting of TGS' operations, health and safety practices, and improving gender diversity in the workforce. The Board receives regular reports on TGS' sustainability efforts as well as updates on the Company's data security program, the compliance program which includes anticorruption and human rights, the operational and workforce health and safety program, employee engagement and HR efforts. Finally, TGS includes sustainability targets relating to health and safety and emissions reduction into its long-term incentive plan, as well as in the 2022 employee profit-sharing plan (see TGS' 2022 Management Remuneration Report).

### 1.3 Materiality and Stakeholder Engagement

TGS' sustainability strategy is driven by priorities and issues identified as being material to TGS and our various stakeholders. We recognize our value chain is expanding beyond oil and gas to incorporate new energy sources, and as a result, the composition of our key stakeholders is evolving. In addition to the governments, customers and suppliers noted above, other key stakeholder groups include our employees, shareholders and the communities in which we operate, including non-governmental organizations and academia. TGS engages with various stakeholders throughout the year to ensure we clearly understand their priorities and how our business activities impact them.

TGS is a strong proponent of working with local governments, regulatory authorities and non-government organizations to help identify, understand and mitigate potential risks associated with its geophysical activities. TGS supports the EnerGeo Alliance (formerly the International Association of Geophysical Contractors, hereinafter referred to as "EnerGeo") financially and by actively engaging in committees, workgroups and projects throughout the year. TGS also participates in the National Ocean Industries Association (NOIA) and its Environmental, Social and Governance (ESG) Program. TGS will continue these efforts as well as look to collaborate with other organizations and stakeholders to promote sustainable practices.

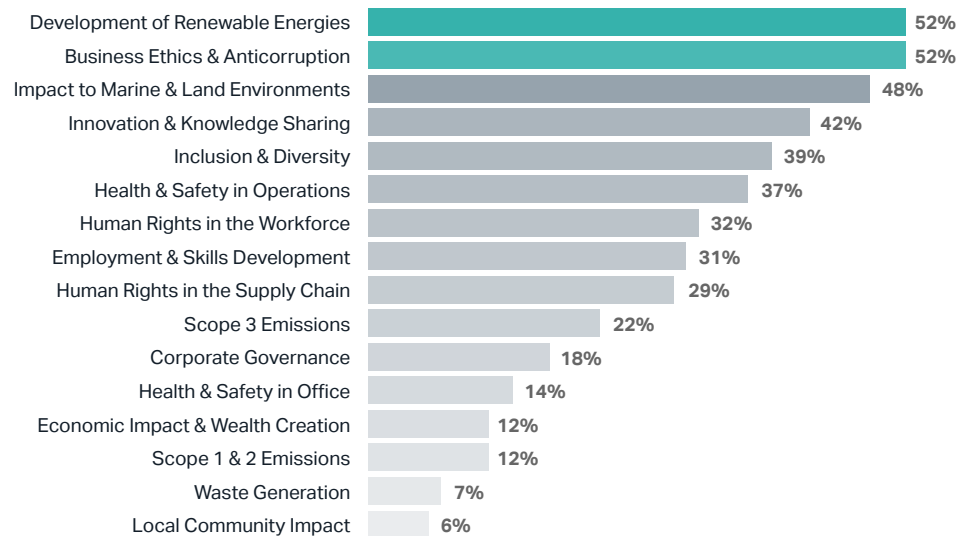
In 2022, TGS continued a customer feedback process to capture feedback from internal and external customers on its imaging performance on both multi-client and proprietary projects, which is critical to monitoring and assessing customer satisfaction on the products and services provided by TGS. Performance is rated based upon five key performance indicators: People, Turnaround Time, Technology, Quality Control and Operational Innovation. The customer sets the weight of each indicator.

TGS engages with its employees through global quarterly meetings, annual risk assessments, and strategy sessions to assist in our materiality determination.

Finally, in 2021, TGS conducted an internal assessment with the Board, Leadership and key employees across all departments and offices to understand which sustainability issues they consider significantly material to TGS' operations. As part of this assessment, these individuals are also asked to consider, based upon their experiences with the following stakeholders, how important our customers, shareholders, local communities or local governments, and NGOs may consider the issue to be in determining whether to do business with or invest in TGS. The results of this survey help define our sustainability

strategy by assessing the materiality of each of these issues to TGS' business and commercial success. The chart ranks each sustainability topic based upon the percentage of respondents who selected the issue as "significantly material" to TGS' business and commercial success.

Due to the acquisitions of Magseis Fairfield, Prediktor and ION assets and resulting changes to TGS' workforce and commercial operations, TGS will conduct a new materiality assessment in 2023 and obtain insights from stakeholders. The results from that assessment and stakeholder feedback will be incorporated into TGS' ESG strategy going forward.



## 1.4 Supply Chain

Supply chain management is critical to TGS' success as TGS did not own or operate vessels or seismic equipment, nor did it employ the crews utilized in our operations in 2022. TGS operates in accordance with the OECD Guidelines for Multinational Enterprises and the Norwegian Transparency Act. To ensure our supply chain understands TGS' priorities and incorporates similar priorities into its business, TGS maintains a Supplier Code of Conduct that addresses (i) business and ethics integrity, (ii) health, safety and the environment and (iii) labor and human rights. In addition, TGS conducts a risk-based due diligence approach with respect to its supply chain that takes into account the scope of services, where the services are to be performed, and the nature of the third party. As part of this risk-based approach, TGS may evaluate a third party's compliance, health & safety, environmental, human rights, cybersecurity or other practices to ensure they are aligned with TGS' policies and procedures and sufficient for the scope of services to be performed. The third-party due diligence process is overseen by TGS' Compliance Officer in relation to ensuring compliance with human rights and the law, and its VP of QHSE, with respect to compliance with health, safety and environmental practices, both of whom are part of TGS' leadership and report to the Board on a quarterly basis.

Given the nature of TGS' operations, key areas of focus in evaluating third parties include providing a safe and healthy work environment in marine and onshore operations and ensuring compliance with the law, including anticorruption, labor and human rights laws, when engaging in operations in areas that present a higher risk. TGS focuses its due diligence on offshore seismic operators, vessel providers, onshore and offshore crew providers, environmental impact assessment providers, onshore seismic operators, customs brokers, business development consultants, and local partners and third parties in higher risk jurisdictions. TGS works with partners and third parties to stress the importance of operating sustainably, ethically and in compliance with the law and TGS policies, and incorporates compliance language into our contracts with third parties in proportion to the risk and nature of services to be provided. In the event a third party fails to operate in accordance with TGS' policies, procedures or the law, TGS will implement suitable measures to cease, prevent or mitigate the third party's actions, which may include termination of the relationship, remediation and other viable options available under the law. How we manage our suppliers with respect to each of these issues is discussed in more detail throughout this report.

As a result of the acquisition of Magseis Fairfield and diversification of TGS' business, the Company anticipates changes to the composition of its supply chain going forward. These changes will include different types of suppliers and vendors, such as node manufacturers, and variations in the risk profiles of TGS' operations as it relates to its supply chain. As a result, the Company will evaluate its expanded supply chain and modify its policies and procedures as needed to ensure it is adequately addressing any new or enhanced ESG, HSE and human rights risks.

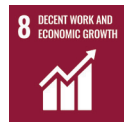


### 1.5 UN Sustainable Development Goals

TGS remains committed to the UN Global Compact, its universal sustainability principles and the Sustainable Development Goals (SDGs). TGS remains dedicated to incorporating the Global Compact's principles on human rights, labor, environment and anti-corruption into our strategy, culture and operations. In addition, TGS has identified the following SDGs as being aligned with our business practices and the following chart highlights some of the actions taken in 2022 to support these SDGs.



- Signatory to the UN's Women's Empowerment Principles and included on the Bloomberg Gender Equality Index in 2023 for the third year in a row
- Over 50% increase in female new hires since 2020
- 35% decrease in female voluntary turnover



- TGS met its total recordable injury rate targets for both land (TRIR = 0.0) and marine (TRIR = 1.79) seismic operations. The target was to achieve a TRIR <9.0 per 1,000,000 exposure hours.
- TGS achieved full compliance with vessel and land crew HSE audit requirements
- The average tenure of a TGS employee is 10 years and over 80% of positions for director and above are filled through internal candidates



- TGS further increased the number of hours of training per employee in 2022 to 21.6 (from 18.6 in 2021 and 5.8 in 2020)
- Capitalized research & development spending corresponded to approximately 1.7% of net revenues
- TGS hosted, sponsored and/or presented virtually or in-person at over 105 geoscience and engineer industry events designed to share advancements in imaging, data analytics, geoscience, well data technologies and solutions for the energy transition – notably carbon capture, geothermal and wind energy



- 13% decrease in scope 1 and 2 emissions between 2022 and 2021 and 21% decrease from 2020
- 12% decrease in kwh usage in our data centers despite the same on-premise compute power as in 2021 due to adoption of more energy-efficient equipment
- Transitioned TGS' Houston headquarters to fully renewable energy sources by installing a solar panel parking array and supplementing with renewable energy from the TGS power grid



- TGS tracks all spills to the environment, regardless of quantity or substance. In 2022, there were zero Reportable Quantity (RQ) spills to the marine or land environments during seismic operations. Reportable Quantity spill thresholds are set by local or national agencies and depend on the type of substance released, and where it was released
- Removed 5.5 metric tons of debris as part of EnerGeo's Ghost Net Initiative and require all vessel contractors to track and report as part of this initiative



- Active participant in EnerGeo and assisted in establishing industry standards on carbon accounting in seismic operations as well as other safe, environmentally sound and sustainable practices and removed over 5.5 metric tons of discarded fishing gear and marine debris from the ocean in 2022
- Worked with Freedom Solar and the RMR Group to install 15 solar arrays covering 210 parking spaces at TGS' Houston headquarters, which is estimated to reduce carbon dioxide emissions by 1.4 million pounds annually



## 1.6 Business Ethics

TGS is committed to complying with all applicable laws, including fair competition and antitrust, export controls and trade sanctions, anticorruption and anti-bribery, and insider trading. We engage in ethical and fair business practices with our clients, partners, suppliers and other third parties. In return, TGS expects the highest levels of personal conduct and fair dealing from all its employees, the Board of Directors, partners and any third parties retained on behalf of the Company. TGS believes in competition and endeavors to not take an unfair advantage in a business situation by acting illegally, unethically or by abusing or misusing confidential information.

**Governance.** TGS' Compliance Officer reports to the Board of Directors, provides updates on at least a quarterly basis and participates in the Audit Committee meetings. The Compliance Officer sits on the Executive Leadership Team and participates in regular leadership meetings, annual planning sessions and departmental business reviews. The TGS Code of Conduct sets the standard of responsible conduct and fair business practices for every TGS employee and serves as the Company's ethical roadmap to ensure all employees perform their duties with honesty, integrity, and in accordance with the law.

**Employee Awareness.** Employees are educated on compliance risks as well as TGS policies and procedures, on key topics within our Code of Conduct, through in-person workshops and mandatory e-learning sessions that employees must complete each year. In 2022, 100% of TGS employees completed the Code of Conduct training and certified their compliance to TGS' Code of Conduct. This training includes components on anticorruption and anti-bribery, trade controls and sanctions, human rights and modern slavery, as well as discrimination and harassment. In 2021, TGS assessed employee understanding of their obligations by conducting an employee-wide compliance assessment that focused on TGS employees' (i) perception of TGS' compliance program and the ethical leadership of TGS; (ii) understanding and daily enactment of TGS' Code of Conduct and compliance program; (iii) perception of TGS' compliance challenges; and (iv) willingness and comfort with reporting concerns. 71% of employees participated in the assessment, and the results were predominately favorable, with over 95% of participants agreeing that:

- TGS values compliance and conducting business in an ethical manner.
- Their manager provides a good example of ethical business behavior.
- TGS' compliance program is effective in ensuring TGS is compliant with the law and ethics.
- Employees receive appropriate training and guidance on the compliance risks relevant to TGS and their jobs.
- TGS provides sufficient reporting channels to raise concerns regarding non-compliance.
- Employees know where to go if they have questions about the Code of Conduct or TGS' compliance program.

Due to the acquisitions of Magseis Fairfield, Prediktor and ION assets and resulting changes to TGS' workforce and commercial operations, TGS will conduct a new compliance assessment in 2023 following the integration to ensure the workforce continues to maintain a strong understanding of TGS' compliance program.

**Reporting.** TGS provides multiple avenues for TGS' internal and external stakeholders to report potential non-compliance, raise concerns and seek advice, including TGS' publicly available compliance hotline that allows anonymity, and a dedicated Compliance Officer and department to advise business units and employees on compliance matters. TGS' Code of Conduct expressly prohibits retaliation against those who report or cooperate in an investigation. All reported potential violations of the law and Code of Conduct are investigated, including discrimination and harassment, insider trading, conflicts of interest, financial fraud and corruption issues. All reports are addressed based upon the findings of the subsequent investigation, and the findings are reported internally. In 2022, one matter was reported directly or indirectly to the Compliance Officer, compared to five in 2021. The predominant reporting method continues to be directly to the Compliance department, which is supported by the responses to the 2021 Compliance Assessment in which 78% of respondents indicated that they were comfortable raising compliance matters directly to the Compliance department and over 90% feel comfortable raising concerns regarding non-compliance without fear of retaliation. TGS had no significant issues of non-compliance with any laws or regulations, including those related to human rights, insider trading, antitrust and anticompetition, corruption, trade controls or sanctions, or financial fraud and did not receive any fines or penalties for non-compliance with the aforementioned compliance laws or regulations in 2022.

## 1.7 Anticorruption Efforts

TGS recognizes that preventing bribery and corruption in its operations is essential in today's business environment. TGS works to ensure that its employees, as well as partners and third parties, understand and are sensitive to the legal requirements that apply to the Company's operations. These include the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, the OECD Convention on Combating Bribery of Foreign Public Officials in International Business, and the anti-bribery and anticorruption laws of the various countries in which TGS operates or conducts projects.

**Employee Awareness.** TGS has a variety of policies and procedures to ensure compliance with anticorruption laws, including TGS' Anticorruption Policy and Supplier Code of Conduct, as well as procedures that address training and social welfare provided as part of government obligations, engagement of high-risk third parties, giving or receiving gifts or entertainment. TGS' Anticorruption policy expressly prohibits bribery, kickbacks and other illegal payments, as well as facilitation payments and political contributions on behalf of the Company. In 2022, all TGS employees received anticorruption training through their annual Code of Conduct training, and TGS had no confirmed instances of corruption in 2022 (same as 2021).

**Project Management.** TGS conducts a risk-based analysis that assesses the potential anticorruption risks of projects. This analysis includes a review of the scope of the project; the countries in which it will take place; the use of any partners, consultants, suppliers or vendors; and the necessary mitigation measures to combat the corruption risk. Only a small portion of TGS' revenues (<1%) derive from projects located in the 20 countries ranked lowest by Transparency International in its Corruption Percentage Index.

**Third-Party Management.** In 2022, TGS conducted due diligence on partner and third-party relationships (based upon various risk factors including geographic location and nature of services) at the outset of the relationship and updated the information on a regular basis throughout the relationship and incorporated compliance provisions in the agreements that prohibit bribery and corruption. The Company continued to require these third parties to certify their compliance with TGS' Anticorruption policy and complete online anticorruption training. TGS also reviewed payments made by these third parties. All of TGS' international agents were assigned anticorruption training and a compliance certification. TGS had no reported anticorruption violations by its international agents in 2022.



## 1.8 Cybersecurity

TGS' Board of Directors and Leadership Team oversee TGS' cybersecurity strategy and receive periodic reports on TGS' data security efforts and any notable information security incidents from TGS' Cybersecurity department. TGS' cybersecurity risks and strategy are evaluated on an annual basis as part of TGS' annual risk enterprise program.

TGS aligns its cybersecurity practices with the NIST Cybersecurity Framework. Annual assessments are conducted to evaluate the current maturity state and aid in the development of the cybersecurity program. The company promotes cybersecurity awareness and education throughout the organization through training and special in-person sessions for employees on the topics of data sensitivity, spear phishing, strong password practices, fraud, etc. In 2022, TGS grew its Cybersecurity team to strengthen its capabilities around Incident Detection & Response, Vulnerability Management, Identity & Access Management and other areas. The frequency of Anti-Phishing campaigns increased to quarterly to measure the effectiveness of the security training and awareness program, the results of which are shared with senior leadership. TGS completed multiple acquisitions in 2022, which were successfully integrated into our security program. One of those acquisitions, Prediktor, obtained ISO 27001 certification in December, indicating their commitment to compliance with international information security standards. TGS also continues to maintain a robust cyber insurance program. As a result of TGS' cybersecurity efforts, the company was not impacted by many high-profile cybersecurity events of 2022 (Log4Shell, Spring4Shell, Google Chrome Zero-Day, ProxyNotShell, etc.).



## 1.9 Tax

As part of its global operations TGS is exposed to different kinds of taxes, including income taxes, withholding taxes, sales taxes, customs and social security taxes, and is committed to complying with the letter and spirit of tax laws and regulations in the countries in which it operates. TGS' Tax policy is set by the Board and managed by the Finance department's tax manager who reports to the CFO, participates in Audit Committee meetings and engages with external and local tax consultants who are independent from our auditors, when necessary. Given that TGS operates globally and conducts projects in different jurisdictions, TGS assesses the different tax risks as part of the project approval process so that the company understands its exposure to these risks, including double taxation, and structures the project to optimize tax consequences. TGS does not use tax havens or offshore tax centers, nor do we transfer value created to lower tax jurisdictions solely for a more favorable tax regime. TGS paid USD 36.2 million in taxes in 2022, and below is a summary of the taxes paid in 2022 in TGS' key jurisdictions.

Country (All amounts are in USD 1,000s unless noted otherwise)	Taxes Paid in 2022*
Norway	(21,978)
United States	390
United Kingdom	1,553
Brazil	(11,445)
Canada	(2,048)
Singapore	2
Australia	(1,828)
Qatar	(5)
Guyana	(812)

\*Included in these amounts are (i) payment of income tax following the 2021 income tax filing; (ii) prepayments of 2022 taxes; and (iii) indirect taxes. The amounts in parentheses represent taxes paid and the positive amounts are tax credits received.

## 1.10 Looking Forward

In 2023, TGS will reassess and update its policies and procedures to ensure they address the compliance, anticorruption, cybersecurity and other governance risks as well as work to educate and train employee to ensure consistent governance and understanding of TGS' policies and practices following the three acquisitions. TGS will continue to ensure business ethics and cybersecurity remain a priority for the company in 2023 through the frameworks established above. This includes identifying and managing these risks through risk assessments, training and awareness campaigns, monitoring of information systems, oversight of projects and operations in regions that present a higher risk of corruption, while ensuring that employees and other stakeholders are empowered to raise concerns through the various channels provided by the organization.



## 2. ENVIRONMENT

### 2.1 New Energy Solutions

In 2022, TGS advanced its New Energy Solutions business. This group is working closely with TGS' Data & Analytics and Well Data Products business units as part of our Digital Energy Solutions group to create an ecosystem that supports the full project life across the energy value chain with data, insights and software solutions. As a result of these efforts, TGS launched several new projects, including Wind Axiom, a new insight platform to help wind developers explore high-value areas, prepare bids and develop leases, as well as the first multi-client offshore wind measurement campaign in the New York Bight area. This campaign is the first of many planned by TGS aimed at providing floating LiDAR wind measurements, data and insights on a subscription basis to customers within the region.

TGS also intends to grow and develop this business through partnerships and inorganic growth. As part of the growth strategy, in May 2021 TGS acquired 4C Offshore Ltd., which offers a broad suite of data, analytics and services for the offshore wind industry, and, in June 2022, Prediktor, which offers asset management and real-time data management solutions to renewable and energy asset owners. These acquisitions provide TGS with the capability to offer key data and insights for the development and operations of offshore wind farms as well as asset and data management services to solar farms and other energy asset owners.

## 2.2 Climate Impact

### 2.2.1 TGS' Climate-related Strategy

TGS has been a supporter of the "Task Force on Climate-related Financial Disclosures" (TCFD, set up by the Financial Stability Board) since 2020. The following chart addresses the financial impacts of climate risks and opportunities.

Below are TGS' status and goals with respect to climate risk outlined in accordance with the TCFD framework:

#### GOVERNANCE

#### STRATEGY

#### RISK MANAGEMENT

#### METRICS AND TARGETS

##### TGS Board Oversight

TGS' Board of Directors oversees TGS' strategy and efforts in assessing the financial, business and operational risks, and opportunities associated with climate change on TGS. The risks and opportunities related to climate change and its impact on TGS, either directly or indirectly, and the energy industry, oil price, customer behavior and technology advancement are all considered by the Board as part of the annual risk enterprise assessment. The Board also holds annual strategy sessions in which it evaluates TGS' business strategy considering changes to the industry, market conditions, customer behavior and technology brought on by the impact of climate change. The Board also receives regular operational updates that highlight the impact climate risk has on operations, as there are changes in environmental legislation, increased reporting requirements and greater need for stakeholder engagement. Finally, the Compensation Committee reviews and approves climate goals and objectives related to executive compensation and TGS' employee bonus plan.

##### TGS Leadership's Role

TGS' EVP, People and Sustainability, is responsible for overseeing TGS' sustainability strategy which includes assessment of the climate-related risks and opportunities and putting in place a strategy to reduce Scope 1 and 2 emissions. TGS' VP Operations Support & Special Delivery and VP of QHSE are responsible for measuring emissions in operations and working with business units to develop and design surveys with minimal environmental impact. TGS' EVP Digital Energy Solutions is responsible for providing products and services that assist our customers in addressing their climate impact through carbon capture and storage and transitioning to other energy sources like wind or geothermal. Finally, TGS' entire Leadership Team participates in the annual risk assessment and strategy sessions, implements the action plans related to these exercises, and assesses and evaluates all relevant risks, including the impact of climate change, on projects and corporate strategy.



*TGS' Climate-related Strategy*

## GOVERNANCE

## STRATEGY

## RISK MANAGEMENT

## METRICS AND TARGETS

TGS' strategy to address climate impact is influenced by the following key factors: impact of market conditions and the oil price, shifts in customer behavior, advancements in technology and changes in legislation and policy. TGS regularly reviews and adjusts its strategy to mitigate and account for the impact of these key factors. In 2021, TGS modified its strategy to diversify its business and revenue stream to serve carbon capture and storage, deep sea mining, geothermal energy, wind energy and solar energy. This adjusted strategy addresses the potential financial impact to the changes in oil and gas exploration and provides business opportunities for new revenue streams, products and services. TGS aims to achieve this strategy through both organic and inorganic growth.

**Risks**

Short-term (3–5 years) risks include increased environmental legislation and permitting requirements, changing customer behavior, uncertainty in the market. Medium-term (5–10 years) risks include carbon pricing mechanisms, mandates and regulations on existing products and services, transition to lower-emissions operations, technology advancements.

**Opportunities**

Short- and medium-term (5–10 years) opportunities include access to new markets and expansion of data and service offerings.



*TGS' Climate-related Strategy*

## GOVERNANCE

## STRATEGY

## RISK MANAGEMENT

## METRICS AND TARGETS

Risks and opportunities are identified, assessed and managed at the overall corporate level, department level and project level. These risk assessments analyze changes in our industry and market, customer behavior, environmental legislation and industry practices, and developments in technology.

**Identifying Risks**

Climate-related risks are identified at a corporate level through the annual risk assessment process which includes consideration of the energy industry, energy mix, oil price, customer behavior, technology advancement, and legal and regulatory changes. The impacts of climate-related risks are assessed as part of the project development and management process to understand the impact local rules or regulations may have on permitting, address concerns to local communities and environments with respect to project impact, assessing technology solutions. These are identified through environmental impact assessments (EIAs), site surveys, public or social consultations, engaging with environmental consultants, participation and membership in industry trade organizations (e.g., EnerGeo, IOGP), project-specific hazard assessments and consultation with regulators and permitting agencies.

**Managing Risks**

TGS commissions EIAs to understand potential impacts on the environment it may operate in. TGS also employs protected species observers (PSOs) and utilizes passive acoustic monitoring (PAM) on its operations to ensure our operations do not have a detrimental effect on the environment in which we operate. TGS employs various other environmental mitigation measures including conducting soft starts or ramp-ups and placing buffer zones around environmentally sensitive areas. TGS also coordinates with relevant stakeholders (i.e., customers, local communities, government agencies, industry trade organizations, partners, suppliers, etc.) to ensure we are addressing concerns and mitigating risks as appropriate.

**Integrated Risk Management**

Risk management is integrated throughout the organization at the corporate level, department level and project level. TGS' annual risk enterprise program incorporates environmental and climate-related risks, as well as TGS' mitigation measures. TGS' Board and Leadership Team also look at the climate-related risks and opportunities as part of its regular strategy sessions to ensure that TGS' short-term and long-term strategies account for all relevant risks and opportunities. TGS also receives regular feedback from its stakeholders, including investors and clients, and incorporates such feedback into how TGS manages its climate-related risk.

## TGS' Climate-related Strategy

## GOVERNANCE

## STRATEGY

## RISK MANAGEMENT

## METRICS AND TARGETS

## 2022

**Scope 1 emissions: < 1 mt CO<sub>2</sub>e**

- The above accounts for total Scope 1 emissions over which TGS has financial control

**Scope 2 emissions: 9,776.1 mt CO<sub>2</sub>e**

- The above accounts for total Scope 2 emissions over which TGS has financial control

**Scope 3 emissions (operations): 119,870 mt CO<sub>2</sub>e**

- The above accounts for emissions derived from fuel consumption by our vendors for our marine and onshore seismic operations in 2022

**Targets**

**Scope 1 and 2 short-term CO<sub>2</sub>e target:** remain below the baseline levels established in 2020 (12,355 mt CO<sub>2</sub>e) and aim for a 10% reduction year-over-year

- Combined Scope 1 and 2 emissions for 2022 is 9,776.43 mt CO<sub>2</sub>e, which is a 13% decrease from 2021 and a 21% decrease from 2020

**Scope 1 and 2 long-term target:** Net Zero CO<sub>2</sub>e emissions by 2030

TGS follows the Greenhouse Gas Protocol in classifying, deriving and calculating its emissions. The Scope 1 emissions calculations are based on UK DEFRA – Conversion Factors 2021 using a distance-based calculation, and using IPCC Fourth Assessment Report (AR4) for global warming potential. Scope 2 emissions calculations are based upon the IEA International Electricity Factors (2020), UK DEFRA – Conversion Factors (2021), US EPA – eGRID 2019 Sub Region and US EPA – Emissions Factor Hub 2020. Scope 3 marine and onshore field emission calculations are based on fuel emission factors from UK DEFRA – Conversion Factors 2021, using IPCC Fourth Assessment Report (AR4) for global warming potential.



### 2.2.2 Scope 1 and 2 Emissions

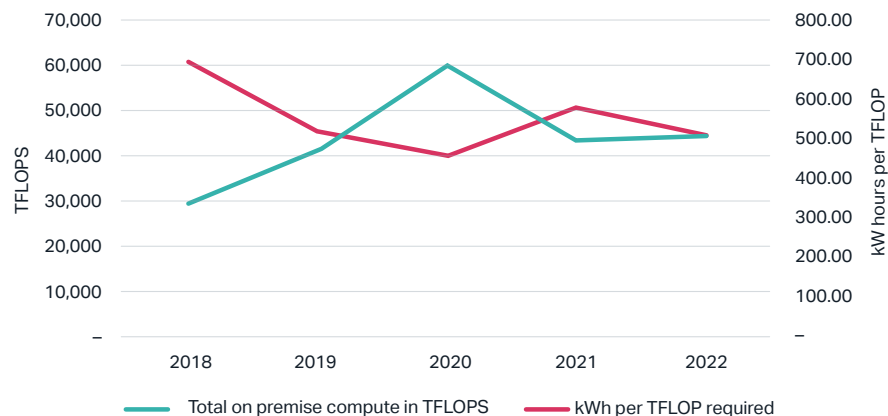
TGS leases office space for our employees in the United States, United Kingdom, Norway, Brazil, Australia and Canada, and does not operate or own vessels, manufacturing plants or factories. TGS' Scope 1 emissions are not material to our overall emissions and are solely related to two vehicles maintained by the company for local deliveries in Houston and Oslo. TGS does not consider the impact of either our water usage or waste from our office operations to be material; however, recycling bins for paper and cardboard, glass, plastic, batteries and print toner cartridges are available in TGS offices, and employees are encouraged to follow proper recycling procedures. In 2022, TGS' Houston Operational Headquarters (which is the Company's largest office with approximately two-thirds of the workforce) composted 13 tons of waste and recycled 2.2 tons of trash, diverting a total of 15 tons of waste (36% of total waste) from being deposited in a landfill.

Scope 1 Emissions <sup>1</sup>	CO <sub>2</sub> e (mt)	CO <sub>2</sub> (mt)	CH <sub>4</sub> (kg)	N <sub>2</sub> O (kg)
<b>2020 (Baseline)</b>	337.75	337.12	.45	.18
<b>2021<sup>2</sup></b>	.67	.66	0	0
<b>2022</b>	.33	.32	0	0

<sup>1</sup> TGS Scope 1 emissions include all its operations except for the Magseis Fairfield acquisition. Relevant emissions data related to this acquisition will begin to be incorporated into TGS' reporting in 2023. The acquisitions of ION and Prediktor did not have a material impact on TGS' Scope 1 emissions.

Neither TGS' Scope 1 nor Scope 2 emissions contain significant NOx, SOx, persistent organic pollutants (POP), volatile organic compounds (VOC) or hazardous air pollutants (HAP), and as such they are not included in the above calculations.

<sup>2</sup> The drop in Scope 1 emissions in 2021 is due to TGS no longer owning the Bedford office facility.



Energy usage in our offices and data centers makes up TGS' Scope 2 emissions. Energy consumption for data processing and high-performance computing are responsible for the bulk of the emissions related to the generation of purchased energy (Scope 2), with our Houston data centers comprising 94% of Scope 2 emissions and 91% of kwh usage. As a result of this, over 99% of TGS emissions and 96% of kwh usage occurs in TGS' U.S. offices and data centers.

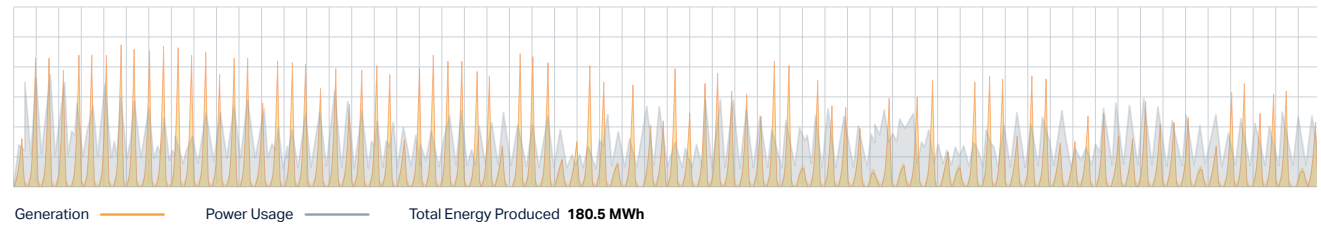
Scope 2 Emissions <sup>1</sup>	kwh	CO <sub>2</sub> e (mt)
<b>2020 Total (Baseline)</b>	<b>33,634,278</b>	<b>12,558.61</b>
Offices	3,645,301	1,378.58
Data Centers	29,988,977	11,517.51
<b>2021 Total</b>	<b>28,564,309</b>	<b>11,215.16</b>
Offices	2,420,961	769.67
Data Centers	26,143,348	10,466.16
<b>2022 Total</b>	<b>25,329,072</b>	<b>9,776.1</b>
Offices	2,253,363	626.15
Data Centers	23,075,709	9,149.3

<sup>1</sup> TGS Scope 2 emissions include all its offices and data centers except for those leased or maintained by Magseis Fairfield. Relevant emissions data related to this acquisition will begin to be incorporated into TGS' reporting in 2023. The acquisitions of ION and Prediktor did not have a material impact on TGS' Scope 2 emissions.

Neither TGS' Scope 1 nor Scope 2 emissions contain significant NOx, SOx, persistent organic pollutants (POP), volatile organic compounds (VOC) or hazardous air pollutants (HAP), and as such they are not included in the above calculations.

As the above chart shows, there was an 11% decrease in kwh usage between 2021 and 2022 and a 13% decrease in CO<sub>2</sub>e emissions. Office emissions dropped by 19% while data center emissions dropped by 13%. The data center emissions decrease is notable because our on-premise compute remained flat from 2021 to 2022. The chart below illustrates how on-premise compute capability measured in teraflops (TFLOPS) has evolved from 2018–2022 (left axis). The right axis shows an overall trending decrease in the amount of kWh required to run 1 teraflop for a year. As the graph portrays, TGS is becoming more energy efficient in our compute capabilities at our on-premise data centers.

Data from TGS' solar panel project dashboard showing CO<sub>2</sub> offsets and energy production and consumption during a 3-month period



TGS also transitioned its Houston headquarters to 100% renewable energy in 2022 by installing 15 solar arrays covering 210 spaces in the employee parking lot that are comprised of 1,650 modules that produce over 900,000 kilowatt hours of energy annually and supplementing with renewable energy provided by the Texas power grid. Any excess energy produced by TGS' solar arrays is also provided back to the Texas energy grid, thus helping provide energy security to residents of Texas. This office now joins TGS' Oslo headquarters and Rio office as being powered by renewable energy.

POWER EQUIVALENT



16.1

Homes' energy use for one year

MONEY SAVED



\$26K

CO<sub>2</sub> OFFSET EQUALS



317,517

Miles driven by avg. gasoline-powered passenger vehicle

CO<sub>2</sub> OFFSET



2,115

Tree seedlings grown for 10 years



### 2.2.3 Scope 3 Emissions – Operations

TGS tracks emissions generated through its field operations, the majority of which are generated by marine seismic vessels. These emissions are classified as Scope 3 emissions (purchased goods and services) because TGS' field operations are acquired by geophysical contractors that specialize in land, marine and airborne geophysical operations. Tracking, reporting and developing a strategy to reduce and/or offset these emissions is a critical part of both TGS' and the industry's sustainability strategy. As one of the largest buyers of seismic acquisition capacity, TGS has a unique opportunity to influence and contribute to ongoing industry efforts to standardize GHG emission tracking and reporting, but our strategy requires coordination with our contractors who own or operate the equipment and field crews.

**Industry Collaboration.** TGS participates in, and contributes to, the EnerGeo's marine emissions working group, which is a collective effort supported by marine seismic contractors and E&P companies to define industry standards and guidance for the seismic industry on carbon emissions recording and reporting. This working group published an EnerGeo factsheet in 2021 that outlined the industry's strategy towards understanding and defining emissions in marine geophysical operations, including our ambitions towards successfully managing, tracking and reporting on GHG emissions. In August 2022, EnerGeo's working group published a comprehensive guidance document that set the standards for collecting, tracking and calculating emissions in the marine geophysical industry. TGS is aligned with the newly released marine emissions guidance and will continue to support EnerGeo on developing similar resources for onshore geophysical operations.

**Marine Operations.** TGS contractually requires all marine contractors to report their carbon emissions and the factors used to derive emissions from fuel consumption. As illustrated in the following charts, the type of survey and field operations directly impact the carbon emissions of a project. The majority of TGS' 2022 Scope 3 emissions are from marine seismic projects, which are categorized as either 2D, 3D or nodal (OBC/OBN). While TGS did not acquire 2D marine surveys in 2022, these types of surveys use smaller vessels that tow less in-sea equipment, resulting in a lower carbon footprint than other marine seismic acquisition methods. 3D or nodal seismic surveys require a combination of larger vessels and additional in-sea equipment, which accounts for a higher emissions output per square kilometer (2.81 mt CO<sub>2</sub>e/km<sup>2</sup> for 3D and 11.26 mt CO<sub>2</sub>e/km<sup>2</sup> for nodal surveys). The other factors that impact the fuel consumption of a marine survey include

weather and sea state, ocean currents, fuel type, survey design, transit time during mobilization periods, and the type and amount of in-sea seismic equipment being towed.

In 2022, TGS announced the world's first multi-client offshore wind measurement campaign, launching an advanced floating LiDAR system (FLS) buoy in the New York Bight area off the U.S. East Coast. Compared to emissions generated through marine seismic operations, emissions related to the deployment and maintenance of the FLS buoys are significantly lower and accounted for 0.02% of all reported 2022 marine emissions (0.17 mt CO<sub>2</sub>e/day).

**Onshore Operations.** TGS' field contractors track their fuel consumption data based upon the fuel types and field equipment, which may include helicopters, seismic vibrators, ATV/UTVs, passenger vehicles, etc. A 3D land survey involves laying out a patch of data recording nodes in the ground and using seismic vibrators or other conventional seismic sources to generate a 3D cube of subsurface data. In these types of surveys, fuel consumption and emissions are impacted by the size of the survey, the equipment and vehicles used, the local environment and geography, and use of helicopters for equipment transport, scouting or portable heli-drilling. While TGS did not acquire any onshore seismic data in 2022, fuel consumed by passenger vehicles utilized during field permitting and surveying activities was collected and is reported, below.

2022 Scope 3 Survey Emissions - Summary by Project Type <sup>1</sup>	CO <sub>2</sub> e (mt)	CO <sub>2</sub> (mt)	CH <sub>4</sub> (mt)	N <sub>2</sub> O (mt)
3D Marine Seismic	99,778.71	98,427.86	24.86	1,325.98
FLS Buoy	27.96	27.58	0.01	0.37
OBN/OBC Marine Seismic	20,060.65	19,789.06	5.00	266.59
Subtotal Marine Operations	119,867.32	118,244.50	29.86	1,592.94
Subtotal Land Operations	2.75	2.74	0.01	0.01
<b>Total 2022 Scope 3 Emissions</b>	<b>119,870.07</b>	<b>118,247.24</b>	<b>29.87</b>	<b>1,592.95</b>

2022 emissions reported for marine operations include mobilization and all vessels used in the survey (primary, chase, support vessels, etc.). 2022 emissions reported for land operations are related to driving passenger vehicles for conducting surveying and permitting activities, as no onshore seismic data was acquired during 2022.

2022 FLS buoy emissions, which account for 0.02% of all marine operational emissions (CO<sub>2</sub>e), are generated by the vessels that were used for deploying the buoy and performing maintenance at sea.

Emissions are calculated in Persefoni (3rd-party carbon accounting system) by deriving daily fuel consumption figures into emissions. Scope 3 marine and onshore field emission calculations are based on fuel emission factors from UK DEFRA – Conversion Factors 2021, using IPCC Fourth Assessment Report (AR4) for global warming potential

<sup>1</sup> TGS Scope 3 survey emissions include all its operations except for the Magseis Fairfield acquisition. Relevant emissions data related to this acquisition will begin to be incorporated into TGS' reporting in 2023. The acquisitions of ION assets and Prediktor did not have a material impact on TGS' Scope 3 survey emissions.

### 2022 Scope 3 Survey Emissions - Intensity Figures by Survey Type

	Distance/ Area Acquired	Unit	CO <sub>2</sub> e (mt/unit)	CO <sub>2</sub> (mt/unit)	CH <sub>4</sub> (kg/unit)	N <sub>2</sub> O (kg/ unit)
2D Marine Seismic	None in 2022	km	–	–	–	–
3D Marine Seismic	35,549.93	sq km	2.81	2.77	0.70	37.30
OBN/OBC Marine Seismic	1,782.08	sq km	11.26	11.10	2.80	149.59
3D Land Seismic	0.00	sq km	–	–	–	–

## 2.3 Marine Operations

TGS is committed to protecting marine and coastal ecosystems while ensuring that our marine seismic contractors share this commitment. As noted above in our materiality chart, this issue is material to both TGS and to our stakeholders. TGS recognizes that if proper mitigation measures are not imposed or enforced, seismic operations and the towing of acoustic arrays through the marine environment has the potential to disrupt or impact the marine environment through possible unplanned spills, pollution or disruption of marine mammal migration paths, spawning groups or other ecologically sensitive locations. Both the geophysical industry and TGS impose stringent measures to effectively lessen or negate these potential impacts to the environment.

**Project Management.** When planning and designing surveys, TGS commissions environmental impact assessments (EIAs) to identify marine mammal migration paths, spawning grounds, sanctuary areas or other ecologically sensitive locations that may be present in and around the survey area. TGS engages with stakeholders, such as fisheries and local communities, to understand their concerns and ensure ongoing communication throughout the duration of the seismic surveys. During the acquisition phase of a survey, TGS employs protected species observers (PSOs) and utilizes passive acoustic monitoring (PAM) to ensure that our field operations do not have a negative effect on cetaceans, turtles, marine mammals, etc. When operating in environmentally sensitive or high risk areas, TGS employs third-party HSE advisors who are tasked with managing all aspects of health, safety and the environment onboard their respective vessels, ensuring that full compliance with all environmental regulations and permit stipulations is achieved.

**Audits and Reporting.** To ensure compliance with the International Convention for the Prevention of Pollution from Ships (MARPOL), the Company requires all vessel contractors to report all spills to TGS, regardless of quantity and substance, and whether the spill entered the marine environment or was contained onboard a vessel. TGS has consistently met its goal of zero Reportable Quantity spills to the marine environment in our offshore operations since 2014, with 2022 being no exception. TGS requires all vessel contractors to comply with all applicable environmental laws and regulations and undergo audits from the International Marine Contractors Association or Offshore Vessel Inspection Database (IMCA or OVID). These audits are conducted by trained and accredited third-party auditors and inspectors, evaluate compliance with all applicable health, safety and environmental regulations and industry requirements, and ensure that all required health, safety and environmental permits and certificates are valid. TGS also conducts additional HSE inspections and audits throughout the acquisition phase of a seismic survey. In 2022, TGS chartered 34 vessels, including seismic, support, node layout and source vessels, and each of these vessels underwent the required audits and/or HSE inspections.

**Ghost Net & Marine Debris Removal Initiative.** TGS supports EnerGeo's Ghost Net & Marine Debris Removal Initiative (GNI) and removed a total of 5.5 metric tons (12,125 lbs.) of debris from the marine environment through its 2022 operations. This initiative is an industry-wide effort to remove and collect ocean debris and fishing gear while conducting marine seismic surveys, with the goal of creating and promoting a healthier marine environment and ecosystem. This debris is removed from the marine environment to reduce the harm it presents to ocean life such as turtles, birds, mammals or fish. Since 2020, TGS requires all vessels on TGS projects to report their marine debris removal efforts to EnerGeo and TGS on a project-by-project basis.

## 2.4 Land Operations

As with our marine operations, addressing and mitigating the potential disruption that onshore seismic surveys may cause to the onshore environment is a material issue to both TGS and to our stakeholders. Onshore seismic surveys have the potential to cause pollution, physical damage or disturb vegetation or wildlife if these matters are not properly addressed when planning and executing the survey.

**Project Management.** TGS engages with local communities to discuss potential environmental impacts, as TGS recognizes the importance of working with local communities, stakeholders and landowners to understand their concerns and ensure

minimal disturbance to their land. In planning its onshore seismic operations in Canada and the United States, TGS has continuously implemented a range of environmental mitigation measures and precautions beyond those set by law or regulation, including:

- Utilizing high-resolution imagery and LiDAR data during pre-planning stages to help identify environmentally sensitive areas, chart routes of least or minimal impact and avoid tree cutting and vegetation disturbance.
- Washing equipment to mitigate the potential spread of noxious plants or invasive species.
- Planning operations away from riparian areas to minimize potential impacts on aquatic areas.
- Working with biologists around designated wildlife-sensitive areas and abiding by any potential timing restriction related to wildlife migration periods.
- Completing archaeological reviews of proposed survey areas prior to starting operations and ensuring that archaeologists clear off-road access to protect cultural resources.
- Minimize fuel consumption and emissions by utilizing accommodations near the project area and reducing crew exposure hours.
- Blocking certain access points to recreational traffic within the survey area to allow vegetation to regenerate naturally and working exclusively on foot in designated areas to maintain a zero-impact footprint on the environment.
- Utilizing existing train access and roads to minimize surface disruption and compaction and suspending vehicle operations during wet ground conditions to prevent surface deformation.
- Maintaining regulatory compliance throughout continuous state and federal inspections.
- Reducing waste, promoting recycling practices, burning or burying all biodegradable solid domestic waste without contaminating water bodies during operations.
- Carrying out reclamation programs to rehabilitate areas disturbed by vehicles operations.

**Audits and Reporting.** TGS requires documented audits of field equipment and HSE procedures for all new surveys to ensure that all equipment is in proper working order and that HSE procedures adequately mitigate potential impacts. Every spill, regardless of the amount or substance, must be reported to TGS, cleaned up and properly disposed of. TGS tracks all spills through its HSE management software system, and there were no Reportable Quantity spills in 2022 during TGS' onshore permitting and surveying operations.

## 2.5 Looking Forward

In 2023, TGS will continue its efforts to minimize its potential climate and environmental impacts. TGS has set the target of ensuring its Scope 1 and Scope 2 emissions remain below the 2020 baseline levels and to achieve its overall goal of Net Zero in Scope 1 and 2 emissions by 2030. TGS will continue its collaboration with the industry to develop unified carbon accounting standards for seismic operations.

The Company will continue with several key initiatives in both its marine and offshore operations and ensure that its contractors abide by TGS' environmental standards. This will include requiring participation in EnerGeo's Ghost Net Initiative (GNI) for marine acquisition projects, aiming for zero Reportable Quantity spills to the environment during seismic operations, requiring documented audits for each project and/or vessel. TGS will continue to track its marine field emissions and will also integrate and track emissions generated through Magseis Fairfield's nodal operations in 2023. Further, TGS will continue to explore options to optimize survey design and planning, while continuing to analyze the emissions data that we continue to collect.

### 3. PEOPLE

#### 3.1 Investing in Human Capital

TGS' workforce largely consists of highly educated, office-based workers in the fields of geoscience, geophysics, technology, business and data sciences. TGS predominantly utilizes contractors for its offshore and onshore seismic operations, data analytics and technological software development, and imaging services. Given the composition of TGS' workforce and contractors, TGS focuses on ensuring it provides a workplace free from discrimination; the right to freedom of association and to collective bargaining; a safe and healthy working environment; grievance mechanisms for employees, contractors and third parties; total compensation that is market competitive; and training and development opportunities for our employees. Given the different composition of this workforce, TGS will reassess its human rights and workforce programs in 2023 to ensure it is properly addressing its workforce's needs and concerns.

TGS' Board of Directors oversees TGS' workforce and health and safety practices. TGS' Executive Vice President, People and Sustainability is responsible for managing and implementing TGS' workforce strategy, including recruitment, retention, total compensation, training and development, diversity and inclusion, prevention of discrimination and harassment, and ensuring compliance with local labor laws. The EVP, People and Sustainability, sits on TGS' Executive team and participates in each of the TGS Board of Directors' Compensation Committee meetings. TGS' Vice President of QHSE is part of TGS's broader Leadership Team and is responsible for managing and implementing TGS' health and safety program for its workforce and in its operations. TGS' VP of QHSE reports to the Board on a quarterly basis as well as presents to the Board during its annual strategy session.

TGS was largely in a period of transition through 2022 with a strong focus on business and cultural integration given the significant organic and inorganic growth to the workforce in 2022. To measure progress during the period of transition with the acquisition of Prediktor and hiring of employees from ION, TGS conducted short surveys throughout the year on specific topics, such as integration, leadership, communication and resource needs. The results were largely positive and areas of improvement identified to be addressed as appropriate. TGS will conduct a more detailed Employee Engagement Survey in 2023 following the completion of the integration of the Magseis Fairfield workforce.



In 2022, the Company focused on maintaining and further developing TGS' culture in light of the need to integrate so many new employees. Engagement activities returned to pre-COVID levels with regular employee gatherings for breakfast, lunch and snack information sharing sessions, holiday parties and other culture-building events. Additionally, the CEO and leadership teams continued to hold regular townhall sessions both by department and company-wide to continue to reinforce the culture and facilitate communication flow within the company. TGS continued to invest in technology to facilitate communication across the global offices and among employees with hybrid working schedules. Employee support programs [like the external Employee Assistance Program (EAP)] remained in effect to help ensure employee wellbeing.

Employee Statistics	2022	2021	2020	2019
Total # of Employees at Year-End	578	443	462	666
New Hires	62	47	49	64
Employee Turnover	10%	10%	11%	8%

Employee Tenure	2022	2021	2020	2019
Less than 5 years with TGS	38%	37%	33%	28%
5 to 10 years with TGS	19%	23%	31%	33%
10 to 20 years with TGS	32%	29%	27%	31%
More than 20 years with TGS	11%	11%	10%	8%

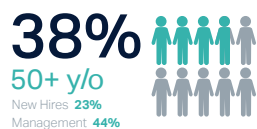
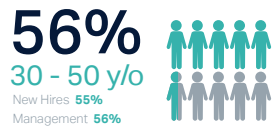
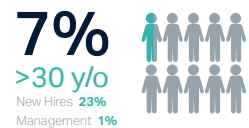
### 3.1.1 Diversity and Equality

TGS strives to promote and maintain a work environment in which our people are treated with dignity, decency and respect, as outlined in TGS' Commitment to Diversity and Inclusion published in 2021. TGS expects the workplace to be free of unlawful bias, prejudice and harassment, and that employment decisions should be made on merit and not on the basis of race, color, national origin, religion, sex, disability or any other status protected by law. TGS also commits to being transparent in its progress and ensuring Board and Leadership oversight of its diversity and inclusion efforts. TGS' policies against discrimination and harassment in the workplace are also reiterated in TGS' Code of Conduct and local employee handbooks. Employees may report violations in accordance with the reporting procedures outlined above. Finally, all TGS employees receive annual training on TGS' policies prohibiting discrimination, harassment, bullying and retaliation in the workplace and how to promote a diverse and more inclusive working environment.

TGS respects national and local laws on freedom of association in the communities in which we do business and the right of all people to join or not join a trade union to bargain collectively. 2.8% of our workforce was covered by a collective bargaining agreement in 2022. The decrease in percentage is due to relatively flat headcount in our Brazil office while the TGS employee population as a whole grew.

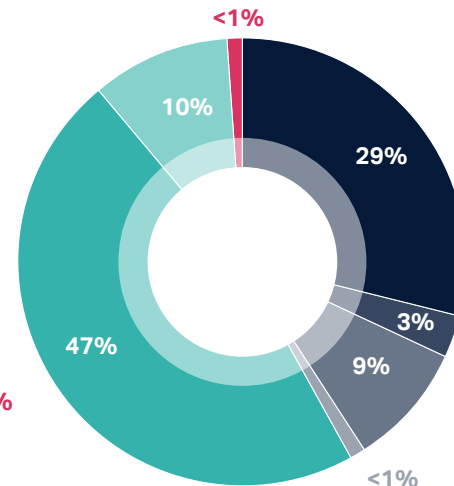
TGS is committed to improving diversity, and in particular gender diversity, within the organization as well as working with other organizations to ensure women are given equal opportunity for development and advancement. The energy, energy information and technology industries historically lean towards employee bases that are more male than female. TGS is committed to being a representative workforce of the future. This is reflected in our new hire gender ratios and leadership ratios. As an organization, TGS is committed to increasing the female representation within STEM and leadership positions. For this reason, we've started tracking the ratio for trending and comparison purposes.

#### 2022 Age Total Workforce



#### 2022 U.S. Workforce By Race

- Asian **29%**
- Black or African American **3%**
- Hispanic or Latino **9%**
- Two or More Races **<1%**
- White (not Hispanic or Latino) **47%**
- Not Disclosed **10%**
- American Indian or Alaska Native **<1%**



57% of TGS' workforce is located in the U.S., and we are working to understand and improve the racial diversity of our U.S. workforce.

#### 2022 Employee Gender Breakdown



2021 / Male **73%** / New Hires **68%**  
 2020 / Male **71%** / New Hires **65%**



2021 / Female **27%** / New Hires **32%**  
 2020 / Female **29%** / New Hires **35%**

	Male	Female
Board of Directors	60%	40%
Executives	71%	29%
Senior Leaders	64%	36%
Middle Managers	71%	29%
Individual Contributors	73%	27%

As part of the plan to increase gender diversity, TGS has implemented a new Parental Leave policy in the United States that more closely aligns with international policies. In the U.S., all new parents are able to take advantage of the program which allows for up to 12 weeks of 100% paid time off for the care of and bonding with a new child. When combined with paid time off through insurance, birth mothers are able to take a full 16 weeks of 100% paid time off. In the U.S. during 2022, we had 7 employees (3 female, 4 male) take advantage of this leave, representing ~2% of the local workforce. In Norway, TGS follows the statutory parental leave of 49 weeks (15 reserved for each parent) with 100% coverage or 59 weeks (19 reserved for each parent) with 80% coverage. In Norway during 2022, 3 employees (2 female, 1 male) took advantage of this leave, representing ~4% of the local workforce. Finally, TGS is part of the 2023 Bloomberg Gender Equality Index for the third year in a row and has formally adopted the United Nation's Women's Empowerment Principles. TGS continues to be encouraged by the increase in female hires in 2021 and 2022 as compared to 2019 as well as the decrease in voluntary turnover among women in the organization. TGS will need to re-assess and modify its strategy aimed at increasing gender diversity in light of the addition of offshore employees as part of TGS' workforce in 2023, as this has largely been a male-dominated profession.

Understanding the average age and tenure of our workforce helps ensure we are continuing to be an attractive company for those just starting out in the job market. The average age of a TGS employee is 46 and the average age of the TGS Executive and Senior Leadership team is 49.

### 3.1.2 Training and Development

In 2022, TGS maintained the focus on employee engagement through training and development. The Company provides departmental cross-training opportunities to employees and continues to ensure its employees receive technical training and have opportunities to improve their imaging and geoscience skills. This year, employees across all divisions participated in over 6,760 hours of in-house geological and imaging courses and lunch-and-learn sessions and 963 hours of software training. TGS also provided additional professional development training opportunities for all employees through an external training partner, offering a diverse range of training and development programs developed by top universities and companies. Our employees were encouraged to use this platform through the inclusion of a training and development goal in their 2022 Performance Development Plan. A total of 171 unique courses were taken, accruing over

2,330 hours of training. Additional online professional certificate courses were provided in partnership with Google. Informal opportunities through attendance at relevant conferences and workshops are also encouraged. The number of hours of training per employee increased slightly from 18.6 in 2021 to 21.6 in 2022.

During the summer of 2022, TGS launched a revamped Internship Program to help identify and recruit strong junior talent into the organization. This program was mostly focused on in-demand technology positions within the Data & Analytics and Research & Development teams. Development for interns included structured mentorship with identified subject matter experts in relevant departments and each intern was assigned a project that could potentially have a lasting, positive impact to company business. There were 11 interns of whom two of the top performers became employees. In 2023, the intention is to continue to expand the program with a broader global presence and internships in more departments.

TGS redesigned the Performance Development Plan (PDP) process for the 2021–2022 cycle (completed in 2022) with the intent to empower employees and managers to focus on meaningful performance and development conversations, ensure employees continue to develop the necessary skills to grow, and set goals around personal growth and alignment with corporate strategy. Six core competencies have been identified as essential development areas and have been incorporated into the PDP process: communication, technical and job-specific knowledge, project and task management, teamwork and leadership, business acumen and understanding, and passion and motivation. These competencies provide a framework for managers and employees to evaluate performance and development needs in a more focused manner, leading to more targeted development goals and training. The organization had a greater than 99% PDP completion rate for employees.

TGS is committed to a stable workforce that is developed over time. Over 90% of the workforce in Norway is full-time. TGS believes that the investment in employees is reflected in two key statistics: average tenure and percent of senior-level positions filled with internally trained and developed employees.

**10.49** Years  
Average Employee Tenure

**81%**  
Director and above  
positions filled internally

### 3.1.3 Compensation

TGS is committed to compensating its employees fairly and in accordance with all applicable labor laws. TGS' compensation philosophy is based upon market conditions that are reviewed on an annual basis by the Compensation Committee of the Board of Directors. Employee compensation includes base salary, insurance and retirement benefits programs, and a profit-sharing bonus plan based on the Company's performance and, in certain cases, stock-based, long-term incentive awards.

As TGS' profit-sharing bonus plan is a key component of employee compensation, TGS incorporated a strategic component in addition to profitability component in the 2022 profit-sharing bonus. The strategic component is based upon key performance indicators linked to emissions reduction, health and safety, and advancements in our Imaging Performance and Digital and New Energy Solutions. TGS' long-term incentive program continues to incorporate sustainability metrics, such as health and safety and emissions targets (see TGS' 2022 Executive Remuneration Report).

TGS' lowest salary is significantly above the national minimum wages. The table below shows TGS' CEO is paid between 8.98 to 11.73 times the median target compensation in each of TGS' main offices. The below compensation analysis only includes employees who have base salary and 2022 bonus targets, and as such, excludes new hires or employees who were not bonus eligible in 2022.

	Norway	U.S.	UK
<b>Median TGS Target Compensation</b>	\$120,864	\$152,090	\$116,432
<b>TGS CEO Pay Multiple</b>	11.30x	8.98x	11.73x

The raw average female total cash compensation as a percentage of male total cash compensation at TGS, without taking into account position, geographical pay differences or department, is 79%. The following charts provide a more detailed gender compensation analysis by department and by position within TGS, without taking into account geographical pay differences in compensation. These charts only include employees who have base salary and 2022 bonus targets, and as such, excludes new hires or employees who were not bonus eligible in 2022, to provide a more precise comparison.

Department	Percentage of Workforce	Percentage Female	Average Female Total Cash Compensation as a % of Average Male Total Cash Compensation
Digital Energy Solution	22%	34%	75%
Multi-client	15%	35%	83%
Imaging	39%	14%	86%
Operations	7%	20%	109%
Corporate, Staff and Support	17%	57%	80%

Management Level	Percentage of Workforce	Percentage Female	Average Female Total Cash Compensation as a % of Average Male Total Cash Compensation
Executive	2%	33%	60%
Senior Leader	3%	36%	97%
Middle Manager	20%	31%	83%
Individual Contributor	76%	28%	73%

### 3.2 Health and Safety

#### 3.2.1 Integrating Health and Safety into TGS

TGS is committed to providing a safe, healthy and sustainable workplace for our employees, contractors, vendors and clients; and as noted at the outset of this report, safe and healthy operations are considered a significant material issue to TGS and its stakeholders. TGS management continually strives to eliminate risk and reduce hazards, but successful operations can only be achieved through the full cooperation and commitment of all TGS employees and contractors.

**Governance.** TGS promotes a top-down message of health and safety and each member of TGS' Executive Management conducts at least one HSE facility inspection and one field visit per year. In 2022, TGS executives achieved 100% participation and completion. TGS also actively engages with relevant trade associations and authorities to develop,

implement and update our HSE standards. TGS' VP of QHSE is responsible for managing and implementing TGS' HSE-Management System (HSE-MS) and reports directly to senior management, providing quarterly updates to both TGS Leadership and the Board of Directors.

**Employee and Contractor Awareness.** The VP of QHSE provides HSE information, training and resources to employees through regularly scheduled safety meetings, internal inspections and audits, HSE review meetings and general company-wide communications. TGS requires all employees and contractors to be accountable for, and committed to, their own health and safety, as well as for those they work with. Employees and contractors are empowered to intervene and STOP any operation or activity that they feel is unsafe or hazardous, with the knowledge that such action will be supported by management. All employees completed one HSE training module during 2022 (99.8% training compliance) covering workplace safety. At the beginning of 2022, TGS' VP of QHSE reinstated the office HSE representative program, assigning one employee per TGS office location to assist with quarterly office inspections, incident investigations, HSE training opportunities, identifying workplace hazards, etc. Additionally, TGS' internal HSE webpage was revamped in 2022, providing company-wide access to a range of HSE information including access to TGS' HSE-Management System, travel safety information, contact information for TGS' HSE representatives, etc. Finally, during the summer of 2022, TGS' HR and HSE departments kicked off the 2nd inaugural "TGS Around the World Challenge" to create a fun and engaging event for its employees, while focusing on health benefits and safe practices. Like the inaugural challenge in 2021, the 2022 challenge involved employees tracking individual distances achieved through various exercise types (hiking, running, cycling, kayaking, etc.), with the goal of traveling a total of 33,239 km from Perth, Australia to Rio de Janeiro, Brazil, making stops at each TGS office location around the world.

**HSE-Management System.** TGS defines safe operating procedures and guidelines in its HSE- Management System (HSE-MS) designed to meet or exceed all appropriate legal requirements and, in the absence of any defined standards, to meet or exceed industry-wide best operating practices. In 2022, TGS completed a full update of its HSE-Management System, providing access to the documents to all of its employees through TGS' internal HSE webpage. Additionally, TGS' VP of QHSE provided all TGS employees with information about the HSE-MS, outlining its purpose, how it's organized and where to find information. Lastly, TGS' Canada Land Operations division received 95% on the Government of Alberta's

Certificate of Recognition, marking the 6th consecutive year in a row that TGS has scored 90% or higher on an external audit of its health and safety program.

**Contractor Management.** TGS engages with its subcontractors in reviewing a range of HSE-related documents, including HSE project plans, hazard assessments, crew HSE plans and emergency preparedness documents. TGS monitors and assesses contractor performance by tracking and reviewing a range of leading and lagging HSE indicators to ensure adequate and correct incident information was collected and the situation remedied. TGS requires contractors to report all near-miss and high-potential events to identify and share lessons learned, ensure adequate mitigation measures were implemented, and to safeguard personnel and equipment. Where necessary, TGS assists and participates in incident investigations. HSE performance is tracked and catalogued through TGS' HSE-MS software application, allowing TGS to continuously monitor its contractors' performance over time. Upon completion of a survey, TGS reviews all aspects of HSE performance to identify and discuss areas for improvement, lessons learned and additional hazards identified during the acquisition phase. HSE statistics and performance are reviewed with the senior management team on a quarterly basis. In 2022, TGS achieved full compliance with vessel HSE audit requirements, and TGS Project and HSE Managers ensured that all outstanding action items were properly rectified before the start of acquisition. Additionally, TGS conducted HSE-MS audits of its field contractors to verify that their procedures and approach to managing HSE on field operations were aligned with industry standards and expectations.

### 3.2.2 COVID-19 Related Efforts

**Office Operations.** At the onset of the COVID pandemic in 2020, TGS enacted its business continuity plan and established global and local response teams, with oversight from members of the Executive team, to monitor the pandemic and implement a successful response strategy. In 2022, TGS' COVID response teams continued to monitor guidance from health and government authorities and adapted their local response plans accordingly. TGS continued to encourage its employees to stay home when feeling ill, while continuing to provide its employees with access to cleaning supplies, hand sanitation stations, etc.

**Field Operations.** Prior to commencing field operations, TGS continued to liaise closely with marine and onshore contractors regarding their COVID travel and mitigation plans, while ensuring clients and other relevant stakeholders were kept abreast of TGS' actions



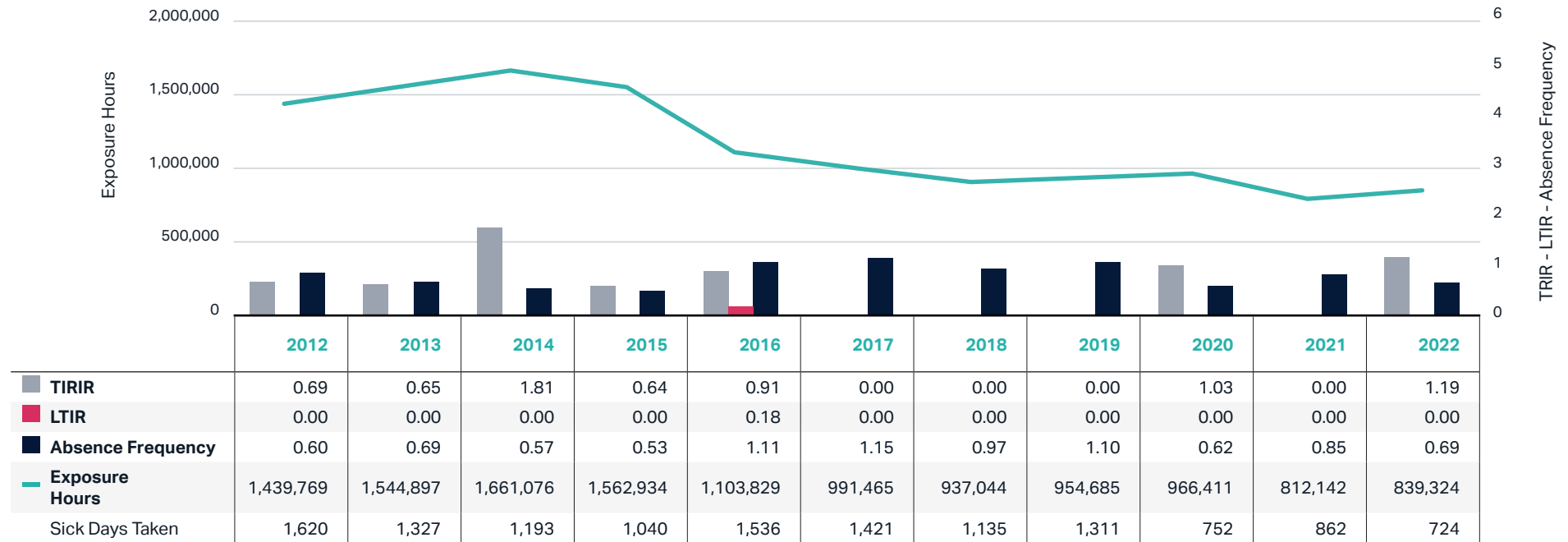
## Sustainability Report

regarding COVID. Contractors progressively relaxed their COVID mitigation strategies throughout 2022, easing or lifting in-country quarantine periods, pre-board testing requirements and other restrictions. Instead, vessel contractors focused on adequately responding to COVID situations identified onboard, on isolating positive cases and providing care, and on enforcing enhanced COVID mitigation measures during and after crew changes.

### 3.2.3 2022 Health and Safety Key Performance Indicators

**Employees.** There were no lost time incidents reported for TGS employees in 2022 (LTIR = 0). There was 1 medical treatment case (MTC) involving a trip & fall incident in a TGS employee parking lot, resulting in an annual TRIR of 1.19. The number of sick days taken and the sickness absence frequency values showed a decrease from 2021 to 2022, which is possibly due to employees choosing to work from home when feeling mildly ill.

### TGS Employee HSE Statistics: 2012-2022<sup>1</sup>

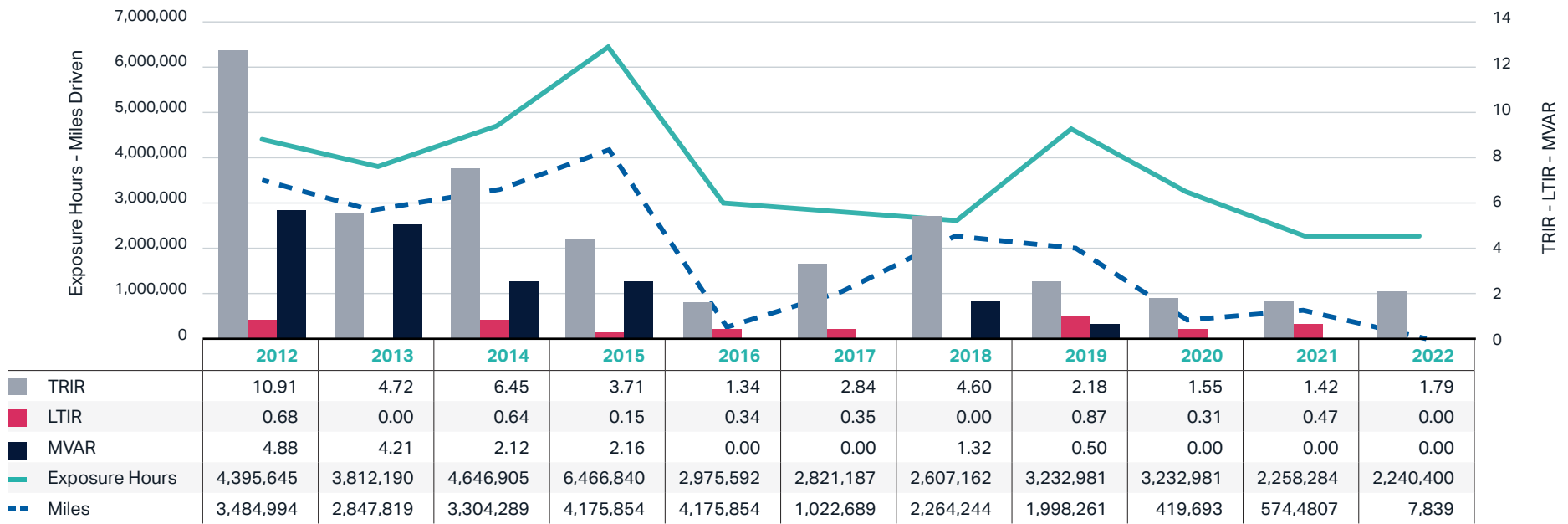


Total Recordable Injury Rate (TRIR) & Lost Time Injury Rate (LTIR) are calculated per 1 mil. exposure hours

<sup>1</sup> Employee HSE statistics include exposure hours related to all TGS employees (including Prediktor and ION) except for the Magseis Fairfield employees. That data will begin to be incorporated into TGS' reporting in 2023

**Contractors.** In 2022, TGS operated with several established marine and onshore seismic contractors, all of which were selected based on their experience, technology, sustainability, commitment to the environment, HSE performance and track record.

**Field Contractor HSE Statistics: 2012-2022<sup>1</sup>**



Total Recordable Injury Rate (TRIR) and Lost Time Injury Rate (LTIR) are calculated per 1 mil. exposure hours. Motor Vehicle Accident Rate (MVAR) is calculated per mil. miles driven. TGS records 24 hours of exposure for marine crews, and 12 hours of exposure for onshore and airborne crews.

<sup>1</sup> Contractor HSE statistics include exposure hours related to all TGS contractors except for the Magseis Fairfield contractors. That data will begin to be incorporated into TGS' reporting in 2023.

TGS tracked a similar count of contractor exposure hours in 2022 compared to 2021. No lost time incidents occurred on any TGS field operation (LTIR = 0). Three restricted work cases (RWCs) and 1 medical treatment case (MTC) were recorded for marine contractors, bringing the total number of recordable incidents to 4 for 2022 (compared to 3 for 2021). There were no incidents recorded for onshore field operations. TGS' MVAR came under the 2022 target of <2.0 for onshore operations, as there were no motor vehicle accidents recorded (MVAR = 0.0). TGS' 2022 TRIR for marine and onshore operations came under the target of <9.0 (TRIR = 1.79).

### 3.3 Human Rights

TGS is committed to respecting fundamental human rights, providing decent working conditions, avoiding infringing upon the human rights of others and addressing adverse human rights impacts as part of its operations in accordance with the Norwegian Transparency Act, United Nations Guiding Principles on Business and Human Rights and UN Universal Declaration of Human Rights. TGS also respects the International Bill of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work and undertakes to operate in recognition of the freedom, the rights, the dignity and the worth of the human person and promotion of equality irrespective of gender, race or religion.

TGS' Statement of Values and Code of Conduct define the expectations of ethical behavior of TGS' Board of Directors, employees, vendors and suppliers. TGS embraces diversity and equality in its workforce and suppliers and will not use or tolerate child labor or slavery in any of its offices or operations. As set forth in TGS' Modern Slavery Act Transparency Statement, Supplier Code of Conduct and Human Rights policy (each available on [www.tgs.com](http://www.tgs.com)), TGS sets policies at the group level and is committed to ensuring that there is no modern slavery or child labor used in its operations or by its supply chain.

**Materiality and Risk Management.** TGS analyzes human rights and modern slavery risks within the organization and our supply chain as part of our annual corporate risk enterprise program. In 2021, TGS evaluated our employees' perception of human rights and modern slavery risks at TGS, both in the office and in the supply chain, and experience with incidents of modern slavery or violations of human rights laws in the past year. TGS will repeat this exercise in 2023 following the significant changes to the workforce and operations that occurred in 2022. As previously noted, TGS' employees are highly skilled and educated and predominantly based in offices and as such, TGS considers the risk of child labor or modern slavery in its workforce to be low. As with any company that predominantly relies upon contractors for its operations, the potential risk for human rights violations is greater within TGS' supply chain. However, given that TGS conducts its operations through a limited pool of suppliers, many of which have operated with TGS for many years, and that geophysical operations require a skilled and certified workforce, TGS feels the measures outlined below properly mitigate this risk.

**Supply Chain.** TGS expects its supply chain to share its commitment to human rights and modern slavery laws. As part of its due diligences process, TGS requires suppliers to

disclose their policies with respect to human rights and modern slavery and management of human rights issues in its supply chain and any human rights or modern slavery investigations, lawsuits or violations involving the supplier. TGS contractually requires suppliers and vendors to comply with human rights, modern slavery and labor laws, as well as TGS' Supplier Code of Conduct and Human Rights policy, to ensure their supply chains do the same, in their work for TGS, and to notify TGS of any potential or actual violation of these laws. TGS has the contractual right to audit a supplier or vendor to ensure compliance with human rights laws as well as the right to terminate for violation of these laws or TGS' policy. Finally, high-risk third parties, suppliers and vendors also complete a certification of compliance on an annual basis that addresses their compliance with human rights, labor and modern slavery laws, TGS' Human Rights policy and Supplier Code of Conduct. TGS had no cause to audit or terminate a supplier for failure to comply with the law or TGS' human rights policies in 2022.

**Reporting.** TGS provides multiple avenues for TGS' internal and external stakeholders to report potential non-compliance with the law or TGS' Code of Conduct, including modern slavery or human rights abuses. These mechanisms include the TGS hotline, which allows for anonymous reporting, and TGS' prohibition of retaliation. No incidents of child labor or forced labor were reported in 2022.

**Community Engagement.** TGS actively supports reputable charitable programs and organizations that serve people in need in countries where TGS has offices or projects by providing ongoing financial donations, as well as encouraging employees to donate their time and energy to help those in society who are less fortunate. TGS is committed to supporting local, nonprofit community organizations and charities that focus their services on people and are dedicated to (i) providing access to healthcare, medical services and helping to fight disease; (ii) assisting underprivileged, underrepresented or at-risk communities or groups; (iii) providing humanitarian aid or disaster relief; (iv) addressing environmental issues; or (v) promoting geophysics and geoscience educational experiences to children. In 2022, TGS supported organizations that provided resources to women, children and families escaping domestic violence in the U.S., organizations that provided relief to Ukrainians and refugees impacted by the war in Ukraine, local food banks and the SEG Foundation's Geoscientists without Borders program.

### 3.4 Innovation

TGS believes in collaboration with other geologists, geoscientists, data scientists and engineers to encourage innovation within our industry and within the Company.

TGS capitalized USD 12.1M (USD 11.4M in 2021) corresponding to 1.7% of net revenues (IFRS). TGS hosted, sponsored and/or presented virtually or in-person at over 105 geoscience and engineer industry events (compared to 34 in 2021) designed to share advancements in imaging, data analytics, geoscience, well data technologies and solutions for the energy transition – notably carbon capture, geothermal and wind energy. Significant events included the National Association of Petroleum Engineers (NAPE) Summit, the combined annual meeting and conference for the Society of Exploration Geophysicists (SEG) and American Association of Petroleum Geologists (AAPG) and the European Association of Geoscientists and Engineers (EAGE) Annual Meeting. TGS presented 43 technical papers (compared to 56 papers in 2021) at conferences and published in other industry publications during 2022, covering topics relevant to the industry, including key developments in acquisition and imaging technologies and the use of these technologies in different basins or regions and for the energy transition. TGS works with academia and universities around the world to provide data to further their research; and in 2021, TGS supported research projects and consortia at the Imperial College London, Memorial University of Newfoundland, Colorado School of Mines, Oklahoma State University, University of Louisiana at Lafayette, Heriot-Watt, University of Houston, Royal Holloway and Bedford New College, Oxford University, the University of Oslo and the University of Bergen.

Additionally, in conjunction with our partners CGG and PGS, TGS launched a unified ecosystem for accessing multi-client seismic data across multiple vendors called Versal. Versal is an independent, secure, cloud-based ecosystem that allows clients easy access to all their data and entitlements in one place. It will improve decision-making by reducing uncertainty and provide access to over 70% of the seismic multi-client market through a single vendor-neutral system.

Continuing TGS' commitment to innovation and social responsibility, TGS developed and open-sourced a new file format for storing SEG-Y called MDIO. MDIO allows for seismic data to be stored in a manner that makes it easily accessible not only for traditional data usage, but also makes the data accessible to ML/AI initiatives without having to make copies of the data. TGS has also realized a 30%+ reduction in disk space necessary for storing our data on hard disks vs storing the data in the industry standard SEG-Y format.

MDIO also serves as the foundation for our new suite of cloud tools. These tools take advantage of the ability to only turn on compute resources when necessary instead of the traditional method of having servers waiting for job submissions. This not only reduces TGS' need to purchase new hardware, it greatly reduces TGS' overall electrical usage for delivering data.

### 3.5 Looking Forward

Given the significant growth in the TGS workforce over the past year, integration along with retention of key employees will be a key focus for 2023. This includes maintaining TGS' strong culture around performance and teamwork, ensuring we create a work environment focused on inclusion, and provide multiple communication channels to share information and resources. TGS will also re-evaluate its workforce-related policies and procedures as well as compensation and benefits to ensure it remains competitive in the relevant markets and suits the needs of its workforce.

In 2023, TGS will undertake a gap analysis of its current HSE-MS against Magseis Fairfield's HSE-MS. TGS is aiming to complete this exercise by the end of Q2 2023 and will release the final management system by the end of Q3 2023. TGS intends to integrate the two management systems in a well-planned and systematic manner, with a goal to produce a final QHSE management system that is designed to ensure that all of TGS' operations are conducted safely, while meeting or exceeding industry-wide best practices and standards. TGS' Health and Safety goals for 2023 include aiming for a Total Recordable Case Frequency (TRCF, per 1,000,000 man-hours) below 6.0, taking into account TGS offices and all field operations. The Company will also continue with its update of local emergency response plans and crisis management plans. Contractor management on operations remains a key material issue and focus for TGS in 2023, and the Company has incorporated key performance indicators related to this in its 2023 employee bonus program.

#### 4. ABOUT THE REPORT, DATA SUMMARY AND INDEX

This Sustainability Report communicates to our investors, customers, suppliers and other stakeholders how TGS incorporates sustainable practices into our operations and strategy. This report covers the activities and operations of TGS ASA and all its wholly owned subsidiaries in 2022 with the exception of Magseis Fairfield, for the reasons noted in footnote 1. It is the opinion of the Board of Directors that this report complies with Norwegian statutory requirements for annual reporting and its obligations under the Norwegian Transparency Act. The remainder of the annual report includes additional information on TGS' business, financial and operation performance, shareholder information and corporate governance.

**EU Taxonomy.** TGS does not fall under the (EU) 2021/2139 (EU Taxonomy). TGS will have to report in accordance to the regulation as of the financial year 2023. TGS have for 2022 conducted an analysis of its operations and revenues to assess whether any of its activities are considered eligible activities under the EU Taxonomy. TGS specifically focused on whether any of its operations or revenue aligned with the screening criteria for climate change mitigation and climate change adaptation as defined by the EU Taxonomy. At this time, TGS does not have any activities that meet the screening criteria under Turnover KPI under the EU Taxonomy; we have not for the financial year 2022 analyzed purchased capital expenditure (e.g., leasing of office space) or operational expenditure. Thus TGS has no revenue, operational expenditures or capital expenditures to report under the Taxonomy. However, TGS will update its analysis in 2023 as the Company continues to expand and diversify its offerings into renewable energy sources and to find ways its products and services can support our customers' energy transition efforts.

**Sustainability Standards.** TGS uses key sustainability frameworks to guide our non-financial disclosures, with reference to the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board Standards (SASB), Task Force on Climate-Related Financial Disclosures (TCFD) Recommendations, UN Sustainable Development Goals, UN Guiding Principles on Business and Human Rights Reporting Framework, IPIECA and the World Economic Forum core set of ESG metrics. We view this report to be our Communication on Progress to the United Nations (UN), and this report identifies actions taken by TGS to specifically address the UN Sustainable Development Goals material to our operations. We also engage with several third-party firms that collect and report on ESG performance including Bloomberg, CDP, S&P Global's CSA, Sustainalytics and MSCI ESG. TGS' 2022 ESG evaluations are included following the index.

Category	Topic	Metric	Reporting Standard (SASB, GRI, UN SDG)	Section Number
Governance	Materiality	List material topics and process followed to determine material topics	GRI 3-1, GRI 3-2(a)	Section 1.3
Governance	Risk Management	Description of management systems used to identify and mitigate catastrophic and tail-end risks	EM-SV-540a.1	Section 1.2
Governance	Stakeholder Engagement	Describe approach to engaging with stakeholders	GRI 2-29	Section 1.3
Governance	Business Ethics	Reporting mechanism and number of matters reported in 2022	GRI 2-26, GRI 2-27	Section 1.6
Governance	Business Ethics	Amount of net revenue in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	EM-SV-510a.1	Section 1.7
Governance	Business Ethics	Description of the management system for prevention of corruption and bribery throughout the value chain	"EM-SV-510a.2 GRI 205-1(b)"	Section 1.7
Governance	Business Ethics	Number of employees and third parties who have received training on TGS' Code of Conduct and anticorruption policies and procedures	GRI 205-2	Sections 1.6 and 1.7
Governance	Business Ethics	Confirmed incidents of corruption	GRI 205-3	Section 1.7
Governance	Membership Organizations	Report industry and membership organizations in which the company participates in a significant role	GRI 2-28	Section 1.3
Governance	Tax	Approach to tax, governance, control and risk management, and country-by-country report of tax	"GRI 207-1, GRI 207-2 GRI 207-4"	Section 1.9
Environmental	Affordable & Clean Energy	Efforts related to advancements in renewable energy	SDG 7	Section 2.1
Environmental	Ecological Impact	Discussion of strategy or plan to address risks and opportunities related to ecological impacts from core activities	"EM-SV-160a.2, GRI 304-2 SDG 14, SDG 15"	Sections 2.3 and 2.4
Environmental	Climate Impact	Discussion of strategy or plans to address air emissions-related risks, opportunities and impacts	"EM-SV-110a.2 SDG 13"	Section 2.2
Environmental	Climate Impact	Scope 1, Scope 2 and Scope 3 emissions and targets	"GRI 305-1, GRI 305-2 GRI 305-3, GRI 305-4 GRI 305-5, SDG 13"	Section 2.2
Social	New Employee Hire and Turnover	Report of new hires and employee turnover	GRI 401-1	Section 3.1.1
Social	Collective Bargaining Agreements	Percentage of total employees covered by collective bargaining agreements	GRI 2-30(a)	Section 3.1.1
Social	Workforce Diversity	Percentage of workforce by age, gender, tenure, and race (for US employees)	GRI 405-1	Section 3.1.1
Social	Gender Diversity	Proportion of women in managerial positions	SDG 5	Section 3.1.1
Social	Compensation	Ratio of total annual compensation of CEO to median annual total compensation and wage levels	GRI 2-21(a)	Section 3.1.3
Social	Health & Safety	Description of health and safety management systems	"GRI 403-1 EM-SV-320a.2"	Section 3.2
Social	Health & Safety	Hazard identification, risk assessment and incident investigation	GRI 403-2	Section 3.2
Social	Health & Safety	Worker participation, training and promotion of health and safety within the workforce	"GRI 403-5 GRI 403-6"	Section 3.2
Social	Health & Safety	Work-related injury and illness statistics	"GRI 403-9 EM-SV-320a.1"	Section 3.2.3
Social	Training & Development	Average hours of training per year per employee and programs for upgrading employees skills and development	"GRI 404-1 GRI 404-2"	Section 3.1.2
Social	Human Rights	Description of human rights and prevention of modern slavery including number of incidents of forced or child labor	"GRI 409-1 SDG 8"	Section 3.3
Social	Innovation	Percentage of research and development expenditure as a proportion of revenue	SDG 9	Section 3.4

\*TGS does not operate wells or drills, nor do we engage in operations related to hydraulic fracturing or drilling. Therefore, the following SASB metrics within Oil & Gas - Services are not material or relevant to our operations or the services we provide: EM-SV-110a.3 (percentage of engines that meet Tier 4 compliance for non-road diesel engine emissions); EMV-SV-140a.1 and a.2 (water consumption in operations providing hydraulic fracturing, completion, drilling and/or water management services); EM-SV-150a.1 and a.2 (volume of hydraulic fracturing fluid used, percentage hazardous; strategy or plans to address chemical-related risks, opportunities and impacts); EM-SV-160a.1 (average disturbed acre per (i) oil and (ii) gas well site); EM-SV-000A (number of active rig sites); EM-SV-000.B (number of active well sites); EM-SV-000.C (total amount of drilling performed)



**KPMG AS**  
Sankedalsveien 6  
Postboks 7000 Majorstuen  
0306 Oslo

Telephone +47 45 40 40 63  
Fax  
Internet www.kpmg.no  
Enterprise 935 174 627 MVA



To the management of TGS ASA

## Independent Limited Assurance Report on TGS' 2022 sustainability reporting

### Scope of the engagement

We have been engaged by the management of TGS ASA ('TGS') to provide an independent assurance report in respect of TGS's 2022 sustainability reporting ("the Report", see sections 1-4).

We have performed the assurance engagement to obtain limited assurance that the Report is prepared, in all material respects, with reference to the Global Reporting Initiative ("GRI") Standards as described in section 4 in the Report.

The scope of our limited assurance engagement excludes future events or the achievability of the objectives, targets and expectations of TGS. The scope also excludes information contained in webpages referred to in the Report unless specified in this limited assurance report.

### Our conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this limited assurance report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions.

Based on the procedures performed and the evidence obtained nothing has come to our attention, to indicate that the Report is not presented, in all material respects, with reference to the GRI Standards as described in section 4 in the Report.

### Management's responsibility

Management is responsible for the preparation of the Report, and the information and assertions contained within it, is prepared with reference to the GRI Standards as described in section 4 in the Report.

Management is also responsible for such internal control as management determines is necessary to enable the preparation of a Report that is free from material misstatement, whether due to fraud or error, and for preventing and detecting fraud and for identifying and ensuring that TGS complies with laws and regulations applicable to its activities.

### Our independence and quality control

We are independent of the Company as required by laws and regulations and the International Ethics Standards Board for Accountants' Code of International Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We apply International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Auditor's responsibility

Our responsibility is to perform a limited assurance engagement and to express a conclusion based on the work performed.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (revised) – "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board. The standard requires that we plan and perform the engagement to obtain limited assurance about whether the Report is free from material misstatement.

### Procedures performed

A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of information presented in the Report, and applying analytical and other evidence gathering procedures, as appropriate. The procedures selected depend on our understanding of the Report and other engagement circumstances, and our considerations of areas where material misstatements are likely to arise. Our procedures included:

- A risk analysis, including media search, to identify relevant sustainability issues for TGS in the reporting period;
- Inquiries of management to gain an understanding of TGS's processes for determining the material issues for TGS's key stakeholder groups;
- Interviews with senior management and relevant staff at corporate level concerning sustainability strategy and policies for material issues, and the implementation of these across the business;
- Interviews with relevant staff at the corporate level responsible for providing the information and consolidating the data in the Report;
- Reviewing relevant internal and external documentation, on a limited test basis, in order to determine the reliability of the Report;
- Reading the information presented in the Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of the TGS;
- Comparing the information presented in the Report to corresponding information in the relevant underlying sources to determine whether all the relevant information contained in such underlying sources has been included in the Report;
- Comparing the information presented in the Report to the GRI Standards as described on in section 4 of the Report; and
- Assessment of the GRI index

Offices in:

Oslo	Elverum	Mo i Rana	Stord
Ålta	Finnsnes	Molde	Straume
Arendal	Hamar	Skien	Tromsø
Bergen	Haugesund	Sandefjord	Trondheim
Bodo	Knarvik	Sandnessjøen	Tynset
Drammen	Kristiansand	Stavanger	Ålesund

KPMG AS, a Norwegian limited liability company and member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Statsautoriserte revisorer - medlemmer av Den norske Revisorforening



The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

#### Inherent limitations

Due to the inherent limitations of any internal control, it is possible that errors or misstatements in the information presented in the Report may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation of the Report, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Oslo, 24 March 2023

KPMG AS

A handwritten signature in blue ink that reads 'Julie Berg'.

Julie Berg

State Authorized Public Accountant



# TGS Office Locations



## USA

### *Operational Headquarters*

Houston, Texas | USA  
10451 Clay Road  
Houston, Texas 77041, USA

**Tel:** +1 713 860 2100  
**Fax:** +1 713 334 3308

## USA

8921 South Sam Houston  
Parkway West, Suite 100  
Missouri City, Texas 77489  
USA

**Tel:** +1 281 275 7700  
**Fax:** +1 713 334 3308

## NORWAY

### *Corporate Headquarters*

Askekroken 11, Oslo, 0277,  
Norway

**Tel:** +47 22 55 04 00  
**Fax:** +1 713 334 3308

## UK

Dukes Court, Duke Street-  
Woking, GU21 5BH, UK

**Tel:** +44 (0) 1483 730201  
**Fax:** +44 (0) 1483 762620

## BRAZIL

Av. Presidente Wilson No.  
23114o.Andar, Sala 1404  
Centro, Rio de Janeiro, CEP  
20030-021

**Tel:** +55 21 3995 3328  
**Fax:** +1 713 334 3308

## AUSTRALIA

Level 9, 220 St George's  
Terrace Perth, WA 6000,  
Australia

**Tel:** +61 8 9480 0000  
**Fax:** +61 8 9321 5312

## CANADA

Suite 720 335 8th Ave SW  
Calgary, Alberta T2P 1C9,  
Canada

**Tel:** +1 403 781 1710  
**Fax:** +1 403 781 1700

## TGS.com

