



# TGS 2018 CORPORATE SOCIAL RESPONSIBILITY

*"TGS is responsible to our customers, our employees, the communities in which we live and work, to the world community and to our shareholders. Living the TGS Values every day, in everything that we do, helps us to meet or exceed the expectations of our stakeholders both today and in the future, and is critical to delivering sustainable growth over the long term."*

**- Hank Hamilton, Chairman**

# Corporate Social Responsibility

## Our Commitment to Corporate Social Responsibility

The term corporate social responsibility (CSR) is often used interchangeably with corporate sustainability. The Dow Jones World Sustainability Index defines corporate sustainability as “a business approach that creates long-term shareholder value by embracing opportunities and managing risks deriving from economic, environmental and social developments.”

TGS has prepared a CSR report to communicate to stakeholders how it integrates sustainability priorities within its business operations and strategy. Specifically, the report covers TGS’ CSR policies, actions, results and future ambitions and plans, focusing on our people and our conduct, namely anti-corruption, health & safety, and environmental efforts within the Company and towards our stakeholders. Our commitments, activities and performance on the priorities we have identified are set out in the case studies, facts and figures below. It is the opinion of the Board of Directors that this report complies with the CSR requirements of the Norwegian Accounting Act section 3-3c.

## Our Commitment to Our Stakeholders

TGS believes that corporate social responsibility is a fully compatible, integrated, and necessary part of conducting business successfully. TGS has been a member of the UN Global Compact since 2016 and we continue to incorporate its ten principles on human rights, labor, environment and anti-corruption into our strategy, culture and operations. Competition is integral to our success and we commit to a lawful, principled and ethically justifiable approach when dealing with our clients, partners, and other third-parties with whom we do business. Our success is contingent upon engaging in ethical and fair business practices across all our activities.

The foundation of the Company’s superior business performance is built on TGS’ fair business conduct and long-standing values of honesty, integrity, accountability and respect for others. In order for TGS to prosper, we need the trust and respect of our customers, shareholders, employees and the communities in which we work and live. These values have long been a fundamental part of how TGS has chosen to do business and the Company has

### TGS’ Multi-client Business Model Supports Sustainability

TGS believes its multi-client business model not only benefits customers commercially but is a more sustainable, environmentally-friendly business model than proprietary acquisition. Allowing multiple companies to license the same set of data over a region decreases the need for each client to acquire the same or similar data on a proprietary basis. By reducing the demand for multiple operations sourcing the same geoscience data in an area, the multi-client approach not only has the potential to lessen the environmental impact to a region, it also has the potential to minimize the likelihood of health & safety or compliance risks.



developed and refined these values over time. The purpose of TGS’ Statement of Values is to provide a moral and ethical compass to assist and guide the Company in business situations that arise every day. These standards apply to all of our activities in every market that TGS serves.

#### **TGS is responsible to its customers.**

Through quality and service, the Company consistently strives to meet or exceed the expectations of customers, both promptly and profitably.

#### **TGS is responsible to its employees.**

Our single greatest asset is our employee base. The Company considers each employee as an individual and recognizes and respects the dignity, culture and merit of each employee. We aim to provide equal opportunity for employment, development and advancement. The Company’s human resources policies are designed to ensure fair and equitable treatment and to encourage personal growth. The TGS Health, Safety and Environmental (HSE) Management System (HSE-MS) is designed to ensure that all Company operations are conducted in a manner that eliminates significant risk by continuously identifying and controlling hazards which may arise through any aspect of the Company’s operations.

**TGS is responsible to the communities and environment** in which it operates and works and to the world community as well. TGS monitors its environmental performance versus plans and is dedicated to the continuous improvement of its environmental programs and standards for all its operations. TGS works with its suppliers to ensure that their HSE standards are consistent with that of TGS. The Company actively supports reputable charitable programs and organizations, as well as local social welfare programs within the countries in which seismic data acquisitions are performed, that serve people and communities in need. In addition, TGS has implemented a program that encourages employees to donate their time and energy to help those in society who are less fortunate. TGS supports the United Nations Universal Declaration of Human Rights and strives to apply the declaration's principles regarding the freedom, rights, dignity and worth of the human person and promotion of equality irrespective of gender, race or religion throughout business operations.

**TGS is responsible to its shareholders** and when we operate according to our principles, they should realize a fair return over the long term. The Company understands that its main contribution to society comes from operating and growing a profitable and thriving business that creates value over the long term.

As reflected in the aforementioned values, honesty, integrity and fairness form the cornerstones of TGS' relationships inside and outside the Company.

## Our Social Responsibility Priorities

In identifying CSR priorities for TGS, it is important that the Company considers how its business impacts stakeholders across the value chain, from planning projects and consulting with local communities and regulatory authorities (including permitting requirements), to selecting and working with partners, agents and contractors, managing HSE risks on geophysical operations and in TGS offices, and ensuring compliance with the TGS Code of Conduct and anti-corruption program by our employees and in dealings with third parties. TGS seeks feedback and input through regular meetings with shareholders, customers and other stakeholders. We participate in bettering the industry through, in part, our activities and support of the International Association of Geophysical Contractors (IAGC).

TGS conducts an annual risk assessment process, whereby risks from across the business (including risks related to sustainability) are assessed by a pool of key TGS employees across all offices and departments. These individuals rank the top ten risks they perceive the Company will face in the coming year, taking into account the current mitigation measures TGS has in place, and score these risks based on their impact to TGS and probability of occurring. From these responses,

the TGS Board of Directors and the Management Team are able to identify risk trends year-on-year and prioritize the top risks to TGS where further action may be needed. TGS, through the Management Team, then implements action plans to address these risks and evaluates the success of its action plan in the following year's risk assessment. In addition, all TGS departments - including Human Resources, Compliance, and HSE - set annual goals for each year and TGS' Management Team and Board of Directors participate in reviews of compliance and HSE performance on at least a quarterly basis.

From these inter-related processes, we identified our CSR priority areas and set the CSR goals, plans and actions for 2018, as detailed below.

- **People:** Engaging our workforce so that employees feel passionate about their work, are committed to the organization and demonstrate a willingness to provide discretionary effort when needed
- **Human Rights:** Ensuring responsible labor practices for our employees and encouraging our vendors and suppliers to do the same
- **Health, Safety & Environment:** Ensuring safe, healthy and environmentally sustainable and sound practices, both within the company and by our vendors and suppliers
- **Anti-Corruption:** Employing best practices to ensure anti-corruption compliance in all our operations, including anti-corruption compliance by third parties in our operations

## TGS' Commitment to the UN Global Compact

TGS is committed to the UN Global Compact and its universal sustainability principles. In 2018, TGS established an Environmental, Social & Governance Committee ("ESG Committee") that includes the CEO, the Compliance and HSE departments, and employees from various departments and offices around the globe, for the purpose of developing and defining sustainability-related initiatives and strategies. One of the key objectives of the ESG Committee includes identifying sustainable development goals (SDGs) relevant to TGS' business. It then proposes strategies for TGS to implement that address these goals. Following an analysis of TGS' strengths, weaknesses, opportunities and threats, the ESG Committee identified the following SDGs:

- **Industry, Innovation & Infrastructure**
- **Climate Action**
- **Life Below Water**

In the coming years, TGS, with the help of the ESG Committee, will develop and implement strategies to address these SDGs and report on its progress.

## Our Commitment to Our People

TGS strives to promote and maintain a work environment in which our people are treated with dignity, decency and respect. TGS expects all relationships among persons in the workplace will be business-like and free of unlawful bias, prejudice and harassment. It is TGS' policy to ensure equal employment opportunity without discrimination or harassment on the basis of race, color, national origin, religion, sex, age, disability, or any other status protected by law.

The TGS Code of Conduct prohibits discrimination and harassment in the workplace, and all TGS employees receive annual training on TGS' anti-discrimination and anti-harassment policies.

### What We Do

Employee engagement is critical to the long-term sustainability of TGS. We seek to maintain high levels of employee engagement while complying with labor rights

and providing favorable working conditions. Following analysis of the results of our 2017 Employee Engagement survey, TGS identified the following focus areas to help improve engagement and develop action plans to target those areas: (i) communication, (ii) training & development, and (iii) compensation & rewards.

In 2018, TGS focused on enhancing its employees' digital communication experience, primarily through ODIN, the Company's intranet site which serves as a platform to communicate globally with all employees. Through this platform, TGS' CEO announced the Company's 2018 corporate goals, industry updates and company programs. In addition, we implemented a new approach to goal-setting with the ambition to set annual goals for all employees that tie into the Company's communicated corporate goals, thereby driving greater alignment and a common purpose in the work environment.

### Employee Statistics

Total # of Employees at Year End

	2018	2017
Total # of Employees at Year End	547	597
New Hires	30	31
Internal Job Fill	54%	47%
Employee Turnover	6%	6%

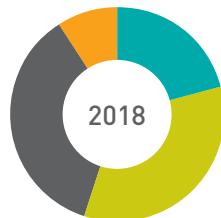
New Hires

Internal Job Fill

Employee Turnover

### Tenure

0 - 5	2017 / 29%	2018 / <b>21%</b>
5 - 10 years	2017 / 29%	2018 / <b>34%</b>
10 - 20 years	2017 / 35%	2018 / <b>36%</b>
+20 years	2017 / 7%	2018 / <b>9%</b>



### Gender – Total Employee Population



2018 / Male 63%  
2017 / Male 59%



2018 / Female 37%  
2017 / Female 41%

### Gender – Management



2018 / Male 71%  
2017 / Male 71%



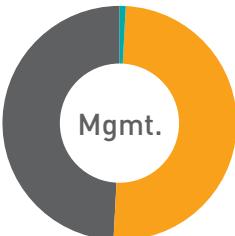
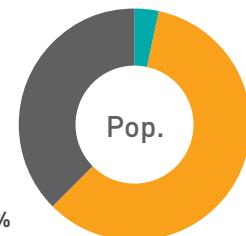
2018 / Female 29%  
2017 / Female 29%

### Age / 2018

- 30 y/o Total Pop. / **3.5%** Mgmt. / **1%**

30 - 50 y/o Total Pop. / **59%** Mgmt. / **50%**

50+ y/o Total Pop. / **37.5%** Mgmt. / **49%**



## Compensation & Rewards

TGS is committed to ensuring fair and equitable compensation for all employees. In 2018, TGS:

- Re-benchmarked all positions using a calibrated and more thorough benchmarking process, which involved applying best practice and the use of multiple benchmarking database subscriptions. This provided us with a better understanding of compensation trends within the industry and will now allow the Company to better identify and prioritize compensation issues
- Improved manager and employee understanding of TGS' compensation approach by providing director compensation training, employee lunch-and-learns, and ensuring employees had access to the terms of TGS' bonus plan
- Approved an Employee Share Purchase Plan, which was implemented in early 2019 for four countries
- Revamped our employee reward program to incorporate recognition of culture and team-work, in addition to exceptional performance

## Training and Professional Development

TGS is committed to strengthening its employee base through a number of employee development initiatives, including providing professional development opportunities and training, talent development, and an executive mentoring program.

TGS employees participate in an annual Performance Development Program, whereby each employee and his/her manager discuss the progress of the last year's goals, establish goals for the upcoming year, evaluate the employee's performance over the past year, review the employee's career aspirations and identify opportunities for further development. We also encourage managers and employees to meet quarterly to discuss these goals in order to foster more cohesion between employees and the Company objectives. TGS recognizes that this process is critical to ensuring that our employees continue to develop the necessary skills to grow along with the Company.

In 2018, the Company's training and development efforts for employees focused on the development and improvement of management skills through the continuation of our DiSC assessments for employees (a tool used to facilitate discussions based on understanding people's behavioral differences in the workplace, especially within teams and business units). By the end of 2018, 70% of employees had received a DiSC assessment, providing information to both managers and employees so they can work together more effectively. Further efforts have focused on enhancing the performance development process which concentrates on an employee's performance and includes quarterly feedback from managers. The Company also provided situational leadership training to emerging leaders in the Company.

In an effort to expand employee's understanding of the company, TGS provides departmental cross-training opportunities to employees and, where possible, secondments to other departments. TGS continues to ensure our employees receive technical training and have opportunities to improve their imaging and geoscience skills. This year employees participated in over 1,950 hours of in-house geological and imaging courses and lunch-and-learn sessions (compared to 1,124 hours in 2017).

## TGS' Commitment to Enhancing Scientific & Technological Research

It is imperative that our employees not only understand the latest data and technological developments within geoscience and data analytics, but also share and collaborate with other geologists, geoscientists and engineers to encourage innovation within our industry. TGS hosts, sponsors, and/or presents at numerous, collective geoscience events designed to share advancements in imaging, data analytics, and geoscience technologies at major industry events such as the National Association of Petroleum Engineers (NAPE) Summit, the Society of Exploration Geophysicists (SEG) International Exposition and Annual Meeting, and the European Association of Geoscientists & Engineers (EAGE) Leadership Summit. Some other key highlights of TGS' collaborations in 2018 include:

- TGS' Salt Identification Challenge, to pinpoint salt deposits beneath the Earth's surface, hosted on Kaggle, a data science platform for predictive modeling and analytics competitions
- Exclusive unveiling of the MSGBC Basin Petroleum System Studies on behalf of the authors of the First Exchange Corporation MSGBC Studies
- Sponsoring and presenting at the first European Associate of Geoscientists and Engineers (EAGE) / Sociedade Brasileira de Geofísica (SBFG) Workshop on Least Squares Migration in Rio de Janeiro
- Hosting the Lower Paleozoic Reservoirs in the Delaware Basin and Leveraging Cloud and Machine Learning to Transform How Geoscientists Work seminars in Midland, Denver and Oklahoma City
- Participating in university consortia such as the Applied Geodynamics Laboratory (AGL) Salt Tectonics Consortium; the Center for Subsurface Imaging and Fluid Modeling, with King Abdallah University of Science and Technology; the Center for Wave Phenomena at Colorado School of Mines; the Microseismic Industry Consortium, Signal Analysis and Imaging

## **Looking to the Future**

TGS recognizes the value of having an engaged workforce and will continue to actively identify opportunities to improve engagement, provide professional development, encourage career discussions, and maintain open communication in 2019. TGS will use the results of the 2018 Employee Engagement Survey to identify areas for improvement and actions that can be taken at all levels in the organization to improve employee engagement. In 2019, our ambition is to enhance our Human Resources Information System (HRIS) to be able to provide better data and improve productivity. Additionally, we will incorporate employee feedback and continue to enhance our internal communication platform, ODIN, to enable employees to better communicate with each other, provide timely feedback and allow for more project collaboration - both vertically and horizontally - throughout the organization.

## **Our Commitment to Human Rights**

TGS supports the UN Universal Declaration of Human Rights and aims to apply its principles throughout its business operations. These principles include recognition of the freedom, rights, dignity and worth of the human person and promotion of equality irrespective of gender, race or religion. We will not use or support child labor or slavery in any of our offices or operations. TGS also works with contractors and vendors to ensure that field and seismic vessel operators abide by the UN Universal Declaration of Human Rights and that they do not use or support child labor or slavery in their operations for TGS. To that end, TGS requires vendors, contractors and suppliers to provide TGS with their policies regarding human rights and labor practices so that we may review and ensure that they maintain the same commitment to human rights as ourselves.

## **Our Commitment to Healthy and Safe Operations**

### **What We Believe**

TGS is dedicated to the continuous improvement of health, safety and security standards for its employees and insists that its contractors have similar, satisfactory standards. The company has defined safe operating procedures and guidelines in its HSE Management System. These procedures are 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'. TGS actively engages with relevant trade associations and authorities to develop, implement, and update our HSE standards.

TGS maintains a high level of safety awareness through regularly scheduled

safety meetings, internal auditing, HSE review meetings and general company-wide communications. All employees and contractors are actively encouraged to participate in the conduct, management and continuous improvement of safety. TGS requires all employees and contractors to be accountable for, and committed to, their own health & 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.

Both TGS' HSE Managers and Senior Management are responsible for the communication and implementation of TGS health & safety policies, including the provision of information, training and resources to employees.

### **What We Do**

TGS conducts quarterly and end-of-year-HSE reviews with the Executive Team. We continue to promote a top-down message of health & safety by making all TGS Executive Team members conduct at least one HSE facility inspection and they were responsible for ensuring that all employees completed at least two HSE training modules during 2018 (100% training compliance in 2018 by TGS employees). In addition, all office locations performed two HSE-related lunch-and-learn activities, which included topics such as first aid / cardiopulmonary resuscitation (CPR) training, stress awareness, and Home Safety.

There were no lost-time incidents (LTIs) for TGS' contractor field crews or employees in 2018. The total recordable incident rate (TRIR) for employees for 2018 was 0.00 and the combined rate with contractors was 0.68 (per 200,000 man hours). The 2018 motor vehicle accident rate (per 1,000,000 miles) was 1.32.

There were 30 field visits by senior management and operations managers during 2018, and we also achieved full compliance with vessel and land crew against audit requirements. Additionally, 43 inspections were performed at TGS office locations globally.

Comparing contractor HSE statistics between 2017 and 2018, man-hours or exposure hours were slightly lower (214,025 less) in 2018 and there was also a reduction in LTIs and LTI frequency. With respect to the contractor medical treatment cases, five additional cases were recorded in 2018 for a total of nine cases (five for marine- and four for land-based projects). This 2018 increase in contractor medical treatment cases resulted in an increase in the recordable frequency rate for contractors. When examined over an extended time frame, the overall statistics are still within the HSE targets and parameters set by TGS. Nevertheless, we continue to monitor our operations and our contractors for each project and year-on-year to identify any trends and work with contractors to ensure all operations are conducted in a safe and healthy manner.

## Employee Health & Safety Statistics

	2018	2017
Man-hours	937,044	991,765
Fatalities	0	0
Lost Time Injuries (LTI)	0	0
Medical Treatment Cases	0	0
Restricted Work Cases	0	0
Recordable Case Frequency*	0.0	0.0
LTI Frequency*	0.00	0.00
Working Days Lost	1,135	1,421
Sickness Absence Frequency	0.97%	1.15%

\*Per million man-hours

## Looking to the Future

TGS management will continue to champion TGS' HSE training initiatives by increasing management's on-site presence, for both land and marine operations and by conducting facility inspections at TGS' offices. All TGS land and marine contractors will participate in our Contractor Management System for both land and marine surveys and we will monitor their HSE performance for each project. Additionally, during 2019, all TGS employees will be required to complete one HSE training course and each office location will host two HSE lunch-and-learn events. Finally, regarding HSE targets for 2019, we have set a goal of recording zero lost-time injuries across all of our operations; a total recordable incident rate of less than 2.0; a motor vehicle accident rate goal of less than 2.0 for land seismic operations; and a total recordable incident rate of less than 3.0 for marine operations.

## Our Commitment to the Environment

### What We Believe

TGS is committed to leading the industry in minimizing the impact of its activities on the environment. To achieve this, we continually assess our potential effect on the environment and endeavor to plan operations which minimize their environmental impacts. Prior to initiating seismic data acquisition, TGS typically conducts environmental impact assessments as part of the permitting process. The company monitors its environmental performance against plans and we are dedicated to the continuous improvement of our environmental programs and standards for all of our operations.

TGS strives for zero spills or unplanned releases to the marine environment

## Contractor Health & Safety Statistics

	2018	2017
Man-hours	2,607,162	2,821,187
Fatalities	0	0
Lost Time Injuries (LTI)	0	1
Medical Treatment Cases	9	4
Restricted Work Cases	3	3
Recordable Case Frequency*	4.60	2.84
LTI Frequency*	0.00	0.35

\*Per million man-hours

on offshore operations, and zero reportable spills in the onshore environment. Through TGS's charters of seismic vessels, we require that contractors comply with all applicable environmental laws and regulations. Seismic vessels chartered by TGS undergo audits by the International Marine Contractors Association/Offshore Vessel Inspection Database (IMCA/OVID), either conducted by TGS, the vessel, or another third-party, that evaluates compliance with all applicable HSE regulations and industry requirements, and ensures that all necessary HSE permits and certificates are valid.

TGS understands the importance of working with local governments, regulatory authorities, and non-government organizations and, therefore, TGS maintains positive communication with regulatory authorities and other governmental and non-governmental organizations to help identify, understand and mitigate environmental risks associated with geophysical activities. Finally, we promote environmental awareness across our offices by encouraging employees to minimize waste and manage waste output, minimize carbon emissions by survey design, guard against accidental and operational pollution, and mitigate any active or operational pollution.

### What We Do

TGS continues to monitor environmental issues by capturing data on the topic through IMCA/OVID accredited audits on all chartered seismic vessel and monitors spills and unplanned releases during seismic operations. We assess and report on biologically-important areas, including marine mammal migration paths, spawning grounds, sanctuary areas, or other ecologically sensitive locations where TGS has activities. No recordable spills or unplanned releases to the marine environment and no reportable spills or releases to the onshore environment occurred in TGS operations in 2018.

TGS actively supports the IAGC, both financially and through employee participation, in committees and projects to positively influence sensible and sustainable legislation and address environmental misconceptions associated with the geophysical industry. We also support the IAGC's efforts to create standards and protocols for seismic operations in frontier areas. We continue to liaise with stakeholders (including local fishing industries) and plan seismic surveys so that environmental implications are appropriately mitigated. In 2018, TGS employees, including the SVP Onshore, General Counsel, Director Marine Acquisition and HSE Director actively served and participated in IAGC boards and committees. TGS is also involved with the International Association of Oil & Gas Producers (IOGP) and supports its efforts to improve safety, environment and social performance, and promote responsible and sustainable operations within the oil & gas industry. Each year, TGS participates in IOGP's global forum - which includes both clients and competitors - to share best practices and to troubleshoot issues that may arise in the industry.

In terms of environmental efforts by TGS offices and their employees, we encourage sustainability through several initiatives. For example, recycling bins for paper and cardboard, glass, plastic, batteries and print toner cartridges are available, and employees are encouraged to follow proper recycling procedures, which are displayed above the associated recycling bins. TGS reduces energy consumption in its offices by utilizing light sensors when spaces are not in use. TGS' UK offices encourages employees to cycle to work, unplug electricity-consuming devices when they are not in use, and use reusable bags (available on site) for shopping or transport needs to cut down on the use of plastic bags.

### **Looking to the Future**

TGS intends to continue its work with the IAGC and IOGP in an effort to develop and ensure environmentally sound practices in the seismic industry. As a longstanding goal from year to year, TGS will aim for zero spills and unplanned releases to the marine environment during seismic vessel operations, and zero reportable spills in the onshore environment. TGS will require that each chartered vessel undergoes an IMCA/OVID audit within six months of hire, and every twelve months thereafter. For onshore operations, an audit is to be completed within four weeks of the start of recording activities. Finally, TGS will continue to ensure that its marine and land contractors participate in and abide by the environmental standards set forth in TGS' Contractor Management System.

### **TGS' Energy Consumption**

TGS is an office-based company that does not operate or own vessels, manufacturing plants, or factories. Nevertheless, TGS is committed to working towards understanding the energy consumption and greenhouse gas emissions in its operations and finding ways to reduce its impact. In 2018, we started tracking our electricity usage and vehicle emissions with the aim of establishing more robust and complete reporting and goal-setting of our scope 1 and scope 2 emissions in the coming years.

2018 Electricity Usage	(kWh)	(kTonnes)
Offices	4,380,081	3.1
Data Centers	21,676,330	15.3
<b>Total</b>	<b>26,056,411</b>	<b>18.4</b>

2018 Vehicle Emissions	CO <sub>2</sub> (kTonnes)	CH <sub>4</sub> (kg)	N <sub>2</sub> O (kg)
	.03	1.8	1

\* Calculations based upon the United States Environmental Protection Agency's Greenhouse Gas Equivalencies

### **TGS' Commitment to Environmentally-Sound Operations**

TGS is committed to working with stakeholders - including regulatory authorities and other governmental and non-governmental organizations - to identify, understand and mitigate environmental risks associated with its geophysical activities. Some examples of TGS' efforts in 2018 included:

- During the 2018 summer season in the Norwegian Sea, TGS (i) worked in close cooperation with the Ocean Research Institute to avoid seismic operations within sensitive spawning areas; (ii) coordinated its activities with the Norwegian Fishery Directorate and Norwegian Coast Guard; and (iii) adopted and applied Norwegian Oil & Gas recommended guidelines for co-existence with the fishing sector while conducting seismic surveys. As a result of TGS' cooperation with these entities, a No-Go fishing zone was introduced and TGS accommodated and amended its plans in order to avoid any potential conflict with spawning areas, fishermen and authorities.
- In Australia, TGS received approval from the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) for the NW Shelf Renaissance North multi-client marine seismic survey Environment Plan (EP). TGS agreed to (i) meticulously consulting with stakeholders; (ii) react positively and proactively on the regulator's feedback and concerns; (iii) reduce the scale (survey area reduced by 70%) and duration (validity reduced by 60%, from five years down to two years); (iv) reposition the coastal-side perimeter so acquisition would not occur in waters shallower than 200m (previously 150m); and (v) restrict the size of individual surveys to further reduce any potential environmental impacts. This EP gave TGS additional agility and flexibility

in the competitive Australian market and will allow 3D surveys to be positioned within the EP polygon in a cost-efficient and environmentally sound manner.

- In Canada, TGS and its partners liaised with the authorities and fishing unions to minimize operational conflicts and to ensure ongoing communication throughout the duration of the seismic surveys. This included time area closures, accommodating a Fishing Liaison Officer on board all vessels and ensuring that all reporting requirements were fulfilled on time.

## Our Commitment to Business Ethics

### What We Believe

TGS is committed to complying with all applicable laws, including fair competition and antitrust, export controls and trade sanctions, anti-corruption 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 of our 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.

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 – ensuring all employees perform their duties with honesty and integrity and in accordance with the law. In 2018, TGS updated its Code of Conduct to ensure that it continues to address key ethical and legal concerns in today's operations, including conflicts of interest, anti-corruption and anti-bribery, antitrust and fair competition, insider trading, data security and data privacy, trade controls and sanctions. Following this update, 100% of TGS employees completed an annual certification that reinforced each employee's personal pledge that he or she has read, understood and will uphold the Code of Conduct in his or her business activities and participated in live Code of Conduct trainings – either held in-person or via video link.

TGS' Compliance Program endeavors to foster an open, transparent and ethical environment centered around our Code of Conduct. The TGS Compliance Officer reports to the Board of Directors and the CEO and provides updates on at least a quarterly basis. The Compliance Officer aims to educate TGS employees on potential compliance concerns, as well as implement policies, procedures, and guidelines to detect and prevent potential compliance concerns. In January of each year, an annual letter from the CEO is issued to all TGS employees that outlines the company's expectations regarding business ethics across our operations.

### Doing Things The Right Way is the TGS Way

TGS wants to know about potential problems before they become serious, and policies are in place that prohibit retaliation against reporting employees. TGS investigates all potential violations of the law and its Code of Conduct, such as insider trading, conflicts of interest, financial fraud, and corruption issues. TGS will also engage internal or external legal counsel as needed in dealing with possible violations of its corporate policies.

TGS provides multiple avenues for internal and external stakeholders to discuss or report potential non-compliance. Employees are encouraged to report any violation of TGS' values or policies to their supervisor, the Compliance Officer, or through the TGS hotline, which allows employees to report anonymously suspected instances of non-compliance.

In 2019, TGS will be updating its hotline system to allow for both telephone and web reporting of incidents, allow those who file a report to track its progress, and better manage reported incidents.

### Anti-Corruption and Anti-Bribery Efforts

TGS recognizes that preventing bribery and corruption in its operations is essential in today's business environment. TGS works to ensure that all employees - as well as our partners and third-parties - understand and are sensitive to the legal requirements that apply to the Company's operations, including 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 anti-corruption laws of the various countries in which TGS operates or conducts projects.

TGS' Anti-Corruption policy, which applies to both TGS employees and all third-parties acting on our behalf, expressly prohibits bribery, kickbacks and other illegal payments, as well as facilitation payments and political contributions on behalf of the company. Review and prior approval are required for gifts, entertainment, or travel expenses provided to government officials, as well as charitable or social welfare contributions to be made by or on behalf of TGS. TGS requires that key employees and managers who interact with government officials or work on high-risk projects complete annually an online anti-corruption training and certification program. In 2018, every active TGS employee completed the online anti-corruption training and certification (same as 2017). Finally, TGS periodically conducts assessments of its policies, procedures, and guidelines to identify weaknesses and areas for improvements.

## TGS' Commitment to Working with Ethical Third Parties

TGS expects its partners and third-parties (suppliers, vendors, agents and consultants) to share its commitment to ethical, lawful conduct and takes a zero-tolerance position with third-parties who fail to understand and abide by their compliance obligations. To that end, TGS works with its partners and third-parties, particularly those assessed as presenting a higher compliance risk, to stress the importance of operating ethically and in compliance with international anti-corruption laws and anti-bribery laws. In 2018, TGS's efforts with respect to such higher risk parties included:

- Conducting due diligence on partner and third-party relationships based upon various risk factors (geographic location and nature of services) at the outset of the relationship and updating that information on a regular basis throughout the relationship
- Incorporating compliance provisions in agreements to prohibit bribery and corruption
- Requiring TGS's third-parties to certify their compliance with TGS's Anti-Corruption policy and complete online anti-corruption training. All but one of TGS's international agents completed their certification and training in 2018 (100% compliance in 2017), and TGS terminated the relationship with the agent who failed to comply with this requirement
- Conducting quarterly reviews of payments to third-parties
- Reporting regularly to the Board and the Audit Committee about the status of and payments to these third-parties

TGS will remain focused on ensuring compliance with anti-corruption and anti-bribery laws and standards in its partner and third-party relationships to ensure its operations are conducted under the highest ethical standards.

## Looking to the Future

TGS will remain active in monitoring the international developments and best practice in anti-corruption compliance. In addition, TGS will conduct a policy review of key compliance policies - including the anti-corruption policy - to ensure it continues to address the key areas and best practices in anti-corruption compliance. TGS will aim for 100% compliance by both key TGS employees and international consultants with TGS' anti-corruption training and certification requirements. Finally, TGS will conduct an internal compliance assessment and survey of its operations to evaluate each business group's understanding and implementation of TGS' compliance policies and procedures, and implement action plans as needed within those groups to address any identified weaknesses or areas for improvement.

## Our Commitment to Supporting Our Communities

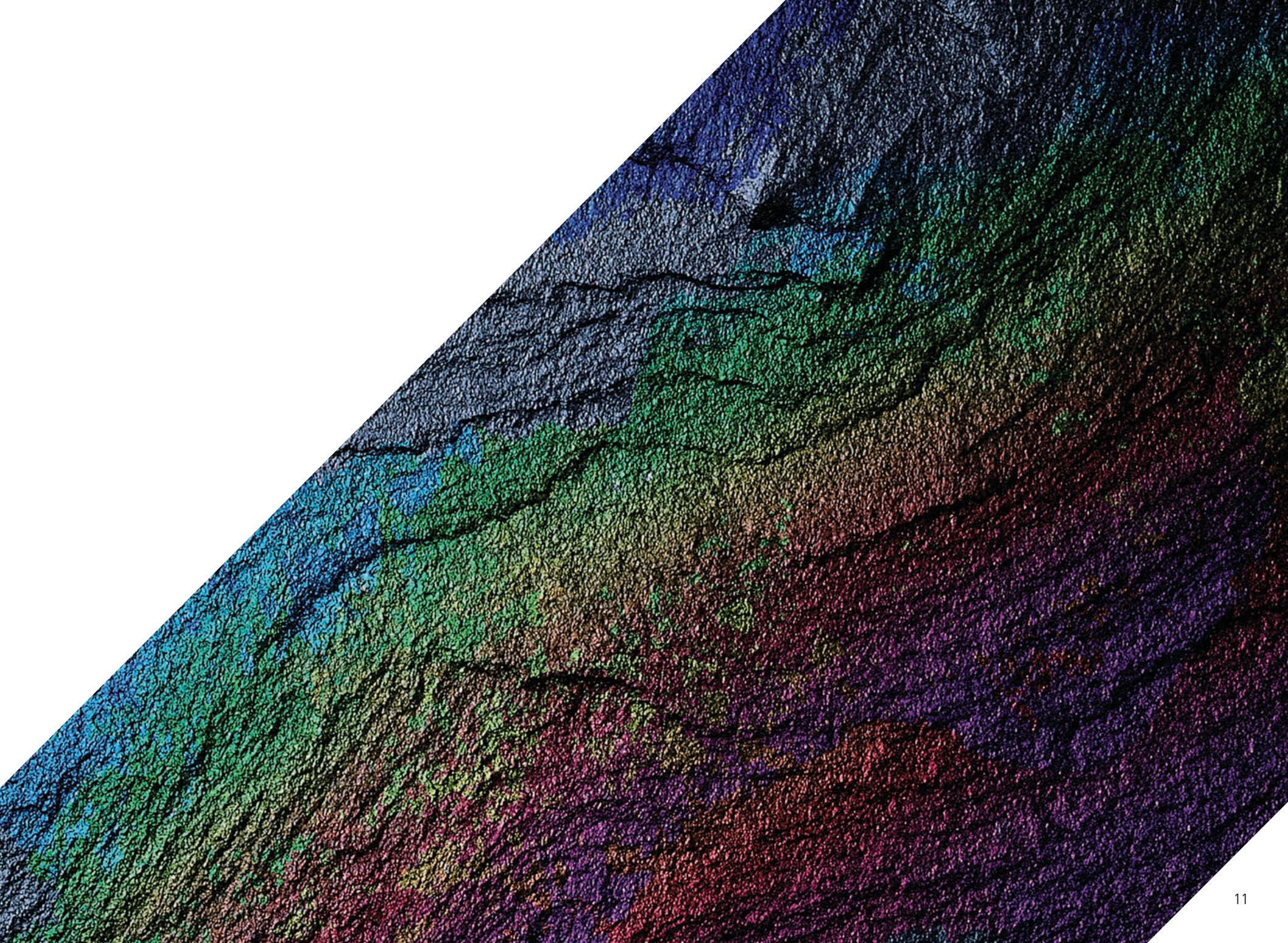
TGS actively supports reputable charitable programs and organizations that serve people in need in countries where TGS has offices or projects by providing ongoing financial donations. We also encourage employees to donate their time and energy to help those in society who are less fortunate. TGS is committed to supporting local, non-profit 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.

TGS recognizes that it has a social obligation to advance the research, development and technical capabilities in areas in which we conduct projects. As an example, TGS partners with several African governments to promote and advance their geoscience knowledge and technical capabilities. Through these partnerships, TGS provides geoscience training as well as technological resources - including software and related equipment - for the purpose of ensuring these countries are equipped to manage and promote their oil and gas resources.

## TGS Giving Back

In 2018, TGS made charitable contributions to organizations that help underprivileged youth, fund medical research and access to healthcare, provide humanitarian aid and organizations promoting geophysics and geoscience educational experiences to children in Norway, the United States, Canada, and the United Kingdom. TGS continued to recognize its employees' charitable spirit by matching employee's monetary donations or making monetary donations in recognition of an employee's work with an organization. In 2018, TGS employees:

- Participated in fun-runs to raise money for organizations dedicated to improving medical diagnostic research
- Donated their time to local food banks
- Held board positions in charitable organizations aimed at assisting underprivileged and at-risk communities
- Provided learning experiences to students and children interested in furthering their geoscience and geophysical knowledge





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