shearwater

Shearwater Geoservices

# SUSTAINABILITY REPORT 2024

A message from the CEO

# COMMITTED TO SUSTAINABILITY AND INNOVATION

Balancing energy security, affordability and sustainability is one of the key challenges facing today's societies. As the world needs more energy, the industry which Shearwater is a part of has a duty to meet that demand. High-quality geophysical data, responsibly and efficiently gathered, help derisk decision making and support solutions to optimize value creation and minimise impact on the environment and societies.

As the owner of the largest and most diverse fleet of seismic vessels, we have a clear commitment to bringing the latest advances in geophysics to the market and to provide our clients with technology, services and data that improve their understanding of the earth's properties. We are positioned to generate significant returns for all stakeholders as better earth data is a key enabler for a better global energy system.

For us, sustainability starts with a strong and resilient business model as a basis for building long-term client relationships, joint value creation and creating a surplus for reinvestment in technology, operational improvements and reduced environmental footprint. Shearwater's strategy reflects this and is further informed by our sustainability framework and the material impacts, risks and opportunities identified in our double materiality assessment.

### Responsibly meeting growing energy demand

Key pillars of our strategy are to diversify into new markets, bring new innovative technologies to the market and develop new commercial models. We recognise that meeting the world's demand for energy in a responsible manner will require production from all sources of energy in combination with the establishment of low-carbon solutions to mitigate impact. The services, technology, assets and expertise under our control play a role in solving this challenge.

Shearwater's integrated value chain spans research, engineering, manufacturing and service delivery. It is supported by a team of dedicated employees with extensive expertise and experience. I am proud to claim that this combination provides Shearwater with a toolkit that is relevant and deployable to existing core markets and in new markets that directly contribute to the energy transition. We are already a leader in applying geosciences to enable large scale offshore carbon capture and storage (CCS) solutions and marine seismic is increasingly applied in offshore wind (OFW). Both markets are recognised as key contributors to climate change mitigation.

## Reduced seismic footprint

We challenge ourselves to continuously drive down the carbon intensity of the data we acquire through innovation and new technologies, and through sharpening our operational focus and capturing efficiencies without compromising on safety. We extend this challenge to our peers and our clients. Certain improvements can only be achieved through industry-wide collaborations that address factors such as long and unnecessary transits, and tendering processes that often place limited or no value on lower carbon options. Our ambition is to motivate the seismic industry to drive down emissions.

Our 2024 sustainability report sets out the actions we are taking to meet this challenge. We also report transparently on our impact on the environment and the societies around us, for which we do our part in ensuring secure access to resources. I would like to share some highlights for the year.

- Improved safety performance with reduced Total Recordable Injury Rate and Lost Time Incident Frequency
- Using the SW Tasman`s unique seismic source and dual ROV node capability to execute the industry's first single vessel deepwater OBN survey with our Pearl node, reducing vessel emissions and survey footprint
- Being the first-ever shipowner regardless of market segment to install a new turbocharger and camshaft design which contribute to an emission reduction of up to 600 tons of CO2 per vessel per year
- Reducing Scope 2 emissions by 90% by converting to solar based energy at our production facilities in Penang, Malaysia
- Supporting people living outside the power grid in Malaysia with access to solar based clean energy
- Completing the first employee engagement survey with 72% average favorable score in relation to the working environment, career development, leadership direction and remuneration

### A responsible partner

Long-term, both energy majors and national E&P companies need to offset years of underinvestment in energy production amid growing demand and focus on security of supply in the current geopolitical and macro-economic environment. While stakeholder management, public opinion and regulatory decision makers have created uncertainty about the longevity of our client's core business, there is now clear expectations from the same stakeholders that investments in more production are needed for many years to come.

As always, we remain a responsible partner in the energy value chain, committed to safeguarding the environment in which our people and clients live and work.

Going forward, we will continue to implement technical and operational efficiency initiatives and actively collaborate with our suppliers to reduce our Scope 1 and 3 emissions. In addition to actively managing impacts and risks, Shearwater will continue to explore opportunities for growth and value creation by applying our capabilities to climate mitigation activities such as CCS and offshore wind. We will also facilitate processes to further strengthen the corporate social responsibility engagement across the organisation.

**Irene Waage Basili**
**CEO, Shearwater Geoservices AS**

Sustainability performance at a glance

# 2024

## Environmental Impact

**42.9%**

Reduction in CO2e intensity over 2019 levels achieved against our 2030 target of 35%.

**5010 MWh**

Renewable electricity purchased resulting in 3162 tCO2e emissions avoidance at our product center in Penang, Malaysia.

**40%**

R&D budget spent on initiatives reducing the environmental footprint of our operations.

**54.2 TONS**

Of marine debris picked up from the sea by our offshore fleet.

**78.1**

Tons of CO2e emissions avoided by repairing 331 IsoMetrix sections offshore.

**1040.2 TONS**

Retired Assets
- 875.5t recycled at certified facilities
- 164.7t responsibly disposed of

## People and Society

**4%**

Lower Total Recordable Injury Rate (TRIR) vs 2023.

0.36 calculated per 200,000 Manhours
1.82 calculated per 1,000,000 Manhours

**12%**

Lower Lost Time Incident Frequency (LTIF) vs 2023.

0.12 calculated per 200,000 Manhours
0.61 calculated per 1,000,000 Manhours

**7%**

Female Offshore against our 2030 target of 10%

**23% FEMALE**

In the 3 highest management level positions onshore against our 2026 target of 30%

**3**

Corporate Social Responsibility initiatives providing health aid to Ukraine, education for casteless children in India, and solar energy access for an Indigenous village in Malaysia.

**1,000,000**

Working hours without any recordable incidents at our product center in Penang, Malaysia.

## Responsible Business

**3**

Whistleblowing incidents reported.

**0**

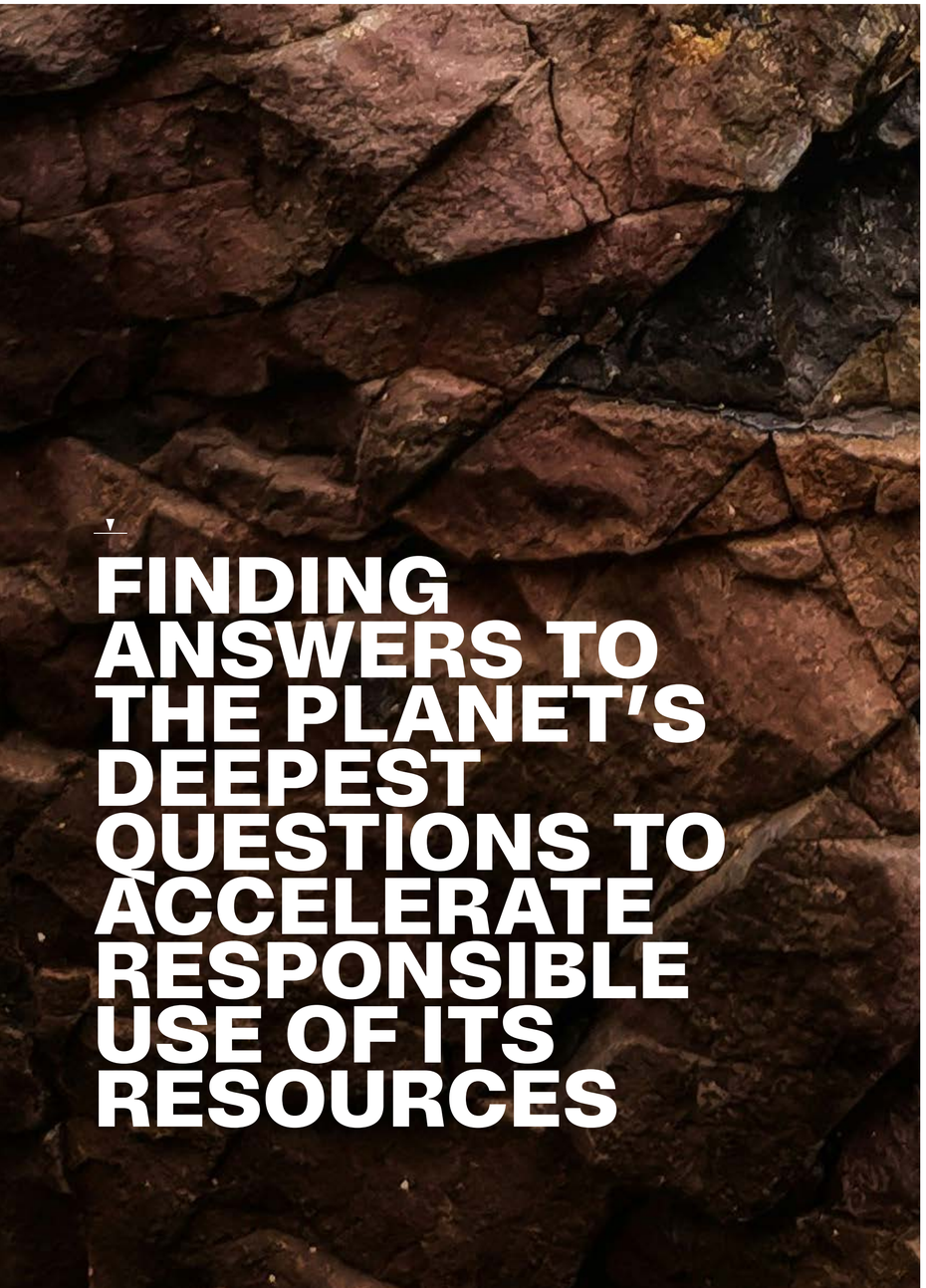
Facilitation payments recorded.

**93%**

Completion of bribery and corruption training of our own workforce.

**100%**

Code of Conduct acknowledgement & compliance commitment from all suppliers.



# FINDING ANSWERS TO THE PLANET'S DEEPEST QUESTIONS TO ACCELERATE RESPONSIBLE USE OF ITS RESOURCES

# CONTENTS



# GENERAL DISCLOSURES

# BASIS FOR PREPARATION

*ESRS 2 BP-1 General basis for preparation of the sustainability report*

*The Shearwater sustainability statements have been prepared in line with the requirements of the EU Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).*

As a privately owned company, Shearwater was required to comply with ESRS for 2025 prior the launching of EU Omnibus I . In this report we have taken further steps from our 2023 sustainability report towards becoming fully compliant against the 2023 ESRS standards.

The 2024 report covers the period 1 January 2024 to 31 December 2024 and has been prepared on a consolidated basis with our 2024 financial statement. Thus, the consolidated quantitative ESG data comprises the parent company Shearwater Geoservices Holding AS and entities controlled (subsidiaries) by Shearwater Geoservices Holding AS. Associates and joint ventures are not included in the consolidated ESG data points.

Consolidation of all quantitative ESG data follows the same principles above, unless otherwise specified in the accounting policy placed next to each reported data point in the tables.

The report includes our double materiality assessment (DMA) and is a product of extensive research, data analysis, and stakeholder engagement. The DMA process described in the IRO-1 section of this report, includes impacts, risks and opportunities that cover Shearwater's own operations and upstream and downstream value chains. The extent to which Shearwater`s policies, actions, targets, and metrics extend to our value chain is described in the sections related to the topical standards.

This report and its references form Shearwaters Communication on Progress (CoP) to United Nations Global Compact (UNGC) and reflects our CEO's commitments to support the implementation of the UN Sustainable Development Goals (UNSDG).

To get further insight into our sustainability work and standards, including our contributions to the UNSDGs targets, we recommend reading the report in parallel with the Impact & Responsibility section on our website.

## Changes in the preparation or presentation of sustainability information

*ESRS 2 BP-2 Disclosures in relation to specific circumstances*

Shearwater started a voluntary implementation of the CSRD/ESRS in our 2023 Sustainability Report. The implementation and compliance process continued through 2024, building on the foundational work laid the previous year. As part of this effort, we restructured our sustainability report to align with the ESRS cross-cutting and topical standards, based on the material topics identified.

### Time Horizons

Shearwater has adopted time horizons consistent with our financial reporting (0-1 years), business strategy cycle (1-3 years) and the expected operational life of the majority of our fleet (3-15 years). These short-, medium- and longterm intervals were applied during our DMA.

### Emissions across the Value Chain

Our sustainability report includes value chain emission disclosures under the E1 Climate Change section. Of the fifteen categories of Scope 3 GHG emissions defined by GHG Protocol, five are currently most relevant and reported by Shearwater: Category 1: Purchased goods and services, Category 3: Fuel and energy related activities (not included in Scope 1 or 2), Category 4: Upstream transportation and distribution, Category 6: Business travel and Category 7: Employee commuting.

We are actively reviewing all Scope 3 categories and remain committed to improving the accuracy and completeness of our value chain emissions accounting and reporting. This supports our strategic goal to collaborate with suppliers and clients to address climate impacts throughout the value chain. For more details, refer to the E1 Climate Change Accounting Policies section.

### Data Revisions and Thresholds

As we continue to gain access to additional data, we recognize that previously reported figures may require correction or expansion. A 5% threshold has been established to determine whether recalculation of reported sustainability performance data or base year values is warranted.

### Incorporation by Reference

This report includes information in reference to the Norwegian Transparency Act. A complete index of ESRS disclosure requirements is available in the Appendix section of the Sustainability Report.

# SUSTAINABILITY GOVERNANCE

*ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies*
*ESRS 2 GOV-2 Information provided to, and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies*

## Role and Composition of Administrative, Management and Supervisory bodies

Responsibility for ESG matters at Shearwater sits with the Board of Directors (BoD), which has delegated authority to the CEO. The Management's role is delegated to the SVP Strategy & New Markets and the Global ESG Manager who report regularly to the BoD and the Management team on the progress and developments in our sustainability initiatives, identified risks and opportunities.

To ensure effective oversight of sustainability matters, roles and responsibilities are delineated as shown in the sustainability governance structure displayed on this page.

The Management team oversees the setting of targets related to material impacts, risks, and opportunities by reviewing our business strategy on an annual basis. This is supported by departmental strategies where annual KPIs are set and followed up quarterly by the Management team.

The BoD has approved this report, including the material topics contained within it. The BoD has seven directors, two females (29 %) and five males (71%). Three of the Board members (43%) are independent.

The Management team forms eight members, four females (50%) and four males (50%).

The Board and our Management team represent extensive experience from the Oil & Gas business as well as the Seismic industry and the members have in- depth knowledge of the sustainability matters material to Shearwater. In 2024 our Board and Management team representatives were provided with CSRD and ESRS familiarization by a third party assessor prior to reviewing and approving the DMA.

The progress of our sustainability performance is supported or facilitated by dedicated resources in the organization such as the Global ESG Manager, Internal Audit & ESG Reporting Manager and ESG Analyst.

The majority of our Business Units are represented in the ESG Committee which discuss, review and action ESG initiatives, risks and opportunities on a monthly basis.

## Actions, resources, and targets in relation to material sustainability matters

Shearwater calls for action on sustainability matters through our business strategy supported by strategies for each business unit. We set annual KPIs on all strategic levels associated with ESG initiatives which are measured and reviewed on a quarterly basis.

Our Policies adopted to manage sustainability matters are addressed in the report under their relevant subchapters and are reviewed on an annual basis.

In the case where Shearwater has not yet set any measurable outcome-oriented targets, we are committed to maintaining transparency and accountability in our sustainability journey.

Our approach is grounded in a thorough analysis of the potential impacts, risks, and opportunities associated with each sustainability matter as we mature our DMA.

Shearwater remains committed to tracking the effectiveness of our policies and actions concerning material sustainability-related impacts, risks, and opportunities. We are utilizing both qualitative and quantitative indicators to evaluate progress from a baseline established in 2019.

**Sustainability governance structure, roles and responsibilities**


*ESRS 2 GOV-5 Risk management and internal controls over sustainability reporting*

Shearwater's sustainability reporting is exposed to the risk of material misstatement due to human error or incomplete data. The risk management process adheres to the ISM Code and ISO 9001, which includes an Enterprise Risk Register to identify, evaluate and score risks.

ESG risks are included in the Enterprise Risk Register which are reviewed by our Management and the BoD twice a year.

Since 2023, carbon footprint data has been captured in one centralized carbon accounting platform. The platform provides us with access to any relevant emission factors, which are updated annually and applied across all locations.

This centralised approach to reporting allows us to verify data input into the software platform and to identify and rectify any inconsistencies or errors in data submitted by the business units.

All sustainability information is collected through a dedicated sustainability reporting software system that provides transparency and traceability of data and information.

In addition, accounting principles based on ESRS requirements have been adopted for sustainability data presented in the Sustainability report.

The Audit and Sustainability committee keeps the supervision on the integrity of the Company's sustainability reporting.

*ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes*

Sustainability performance measures are currently not linked to the Company's incentive schemes.

*ESRS 2 GOV-4 Statement on due diligence*

Following the guidelines outlined in ESRS 1 Chapter 4, Shearwater has instituted a robust sustainability due diligence process that serves as a cornerstone in assessing the material impacts, risks, and opportunities associated with our business operations. This process is not confined to our immediate operations but extends to both upstream and downstream elements of our value chain and stakeholders, encompassing our products, services, and business relationships.

The core elements of our due diligence process, as reflected in the disclosure requirements set out in ESRS 2 and the topical ESRS, are illustrated in the Statement of Due diligence table.

# STATEMENT OF DUE DILIGENCE

| Core elements of Due Diligence | Addressed under ESRS topic | Sections in the Sustainability Report | Page |
|---|---|---|---|
| a) Embedding due diligence in governance, strategy and business model | ESRS 2 GOV–1 The role of the administrative, management and supervisory bodies<br>ESRS 2 GOV-2: Information provided to, and sustainability matters addressed by the undertaking`s administrative, management, and supervisory bodies.<br><br>ESRS 2 GOV-3: Integration of sustainability-related performance in incentive schemes.<br>ESRS 2 GOV-5 - Risk management and internal controls over sustainability reporting | Sustainability governance | 07 |
| | ESRS 2 GOV-4 - Statement on due diligence | Statement of Due Diligence | 08 |
| | ESRS 2 SBM-3: Material impacts, risks, and opportunities and their interaction with strategy and business model. | Materiality assessment process<br>E1 Climate Change<br>E2 Pollution<br>E5 Resources Use and Circular Economy<br>S1 Own Workforce<br>S2 Workers in the Value Chain<br>G1 Business Conduct | 12<br>14<br>18<br>20<br>24<br>30<br>33 |
| b) Engaging with affected stakeholders | ESRS 2 GOV-2: Involvement in governance processes. | Sustainability governance | 07 |
| | ESRS 2 SBM-2: Addressing the interests and views of stakeholders. | Strategy | 10 |
| | ESRS 2 IRO-1: Specific requirements pertaining to stakeholder engagement. | Materiality assessment process | 11 |
| | ESRS 2 MDR-P: Policies adopted to manage material sustainability matters. | Strategy | 10 |
| | Topical ESRS: Reflecting the different stages and purposes of stakeholder engagement throughout the due diligence process. | E1-2 Climate Change<br>E2-1 Pollution<br>E5-1 Resource Use and Circular Economy<br>S1-1 Own Workforce<br>S2-1 Workers in the Value Chain<br>G1-1 Business Conduct | 14-17<br>18-19<br>20-21<br>24-29<br>30-31<br>33-35 |
| c) Identifying and assessing adverse impacts on people and the environment | ESRS 2 IRO-1: Including application requirements related to specific sustainability matters in the relevant ESRS. | Materiality assessment process | 11 |
| | ESRS 2 SBM-3: Addressing the identification and assessment of negative impacts. | Materiality assessment process<br>E1 Climate Change<br>E2 Pollution<br>E5 Resources Use and Circular Economy<br>S1 Own Workforce<br>S2 Workers in the Value Chain<br>G1 Business Conduct | 12<br>14<br>18<br>20<br>24<br>30<br>33 |
| d) Taking action to address those adverse impacts on people and the environment | ESRS 2 MDR-A: Guidelines on actions to be taken to address negative impacts.<br><br>Topical ESRS: Reflecting the range of actions, including transition plans, through which impacts are addressed. | E1-3-9 Climate Change<br>E2-3-6 Pollution<br>E5-3-6 Resource Use and Circular Economy<br>S1-5-17 Own Workforce<br>S2-5 Workers in the Value Chain<br>G1-4-6 Business Conduct | 14-17<br>18-19<br>20-21<br>24-29<br>30-31<br>33-35 |
| e) Tracking the effectiveness of these efforts and communicating | ESRS 2 MDR-M: Guidelines on monitoring the effectiveness of actions taken.<br><br>ESRS 2 MDR-T: Setting and tracking metrics and targets.<br><br>Topical ESRS: Detailed guidelines on metrics and targets to track the effectiveness of efforts. | E1-3-9 Climate Change<br>E2-3-6 Pollution<br>E5-3-6 Resource Use and Circular Economy<br>S1-5-17 Own Workforce<br>S2-5 Workers in the Value Chain<br>G1-4-6 Business Conduct | 14-17<br>18-19<br>20-21<br>24-29<br>30-31<br>33-35 |

A Global Marine Geoscience and Technology Business

# STRATEGY

*ESRS 2 SBM-1 Strategy, business model and value chain*

## Business model

Our main activity is to operate our fleet of seismic vessels worldwide collecting data for our clients and partners so they can study what lies beneath the ocean floor. This allows them to build an understanding of the subsurface and informs their decisions regarding resource potential, investment, and risk characterization.

To deliver our services we develop and produce advanced and ground-breaking technology at our Technology & Innovation facilities in Oslo, Norway and our production facilities in Penang, Malaysia.

We develop, use and license our own data processing software, Reveal, to convert the raw data collected into images used by experts to understand the earth's properties.

Oil & gas related activities represented 95% of our revenue in 2024.

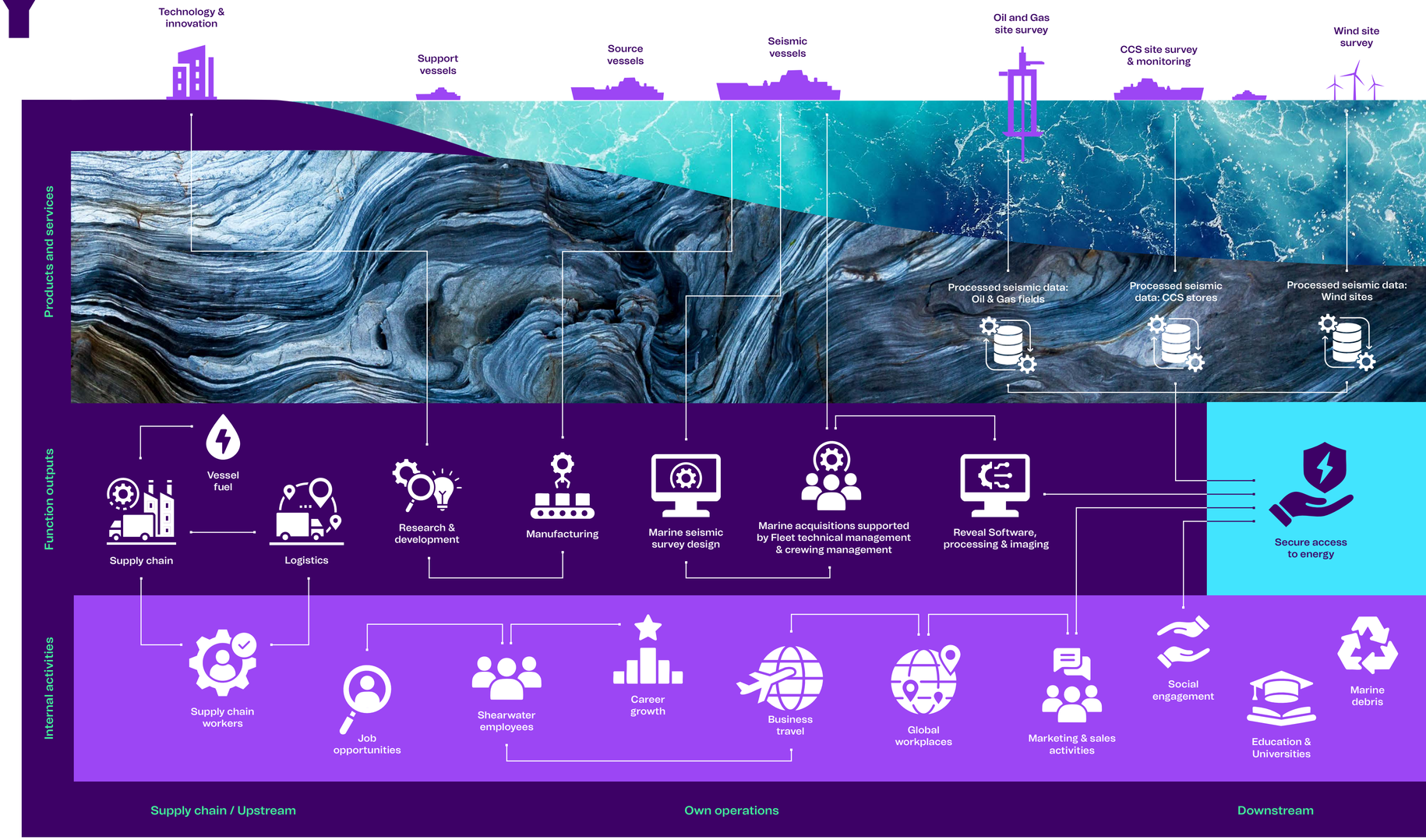
In addition to delivering seismic services in support of oil and gas exploration, we deliver seismic for carbon storage (for CCS) and continuously explore other applications for our technology and assets.

CCS and other income such as external funding to research and development projects represented 5% of our revenue in 2024.

## Strategy

In 2023 we revised our corporate strategy to stay in step with macro developments reflecting a growing demand for reliable, sustainable and secure energy and a call for production of energy from all viable sources. Expansion into new markets where our technology, capabilities and assets help to meet this demand, is key to us building resilience in an evolving energy landscape and is a strategic priority.

Shearwater has defined a set of clear strategic priorities for long-term value creation.



## Lead in our core

Continually enhance our TSS, OBN and SP+I services.

## Diversify

Leverage our integrated value chain to expand to new markets.

## Disrupt for good

As a strategic partner to our clients, our people shape the future.

Our strategy is captured under three primary pillars, leading in our core business, diversifying and disrupting for good. As leaders in our core markets, our focus is on reducing our carbon intensity knowing that any increases in activity will result in an increase to our absolute emissions. We have committed to reduce our carbon intensity by 35% by 2030 compared to the baseline year of 2019. Our initiatives and progress are addressed in the Environmental Impact section of this report.

Our clients can also influence the emission intensity of our operations by accepting and sharing the costs of mitigating options such as Biofuel, alternative configuration of streamers and longer-term planning horizon for our services. So far, the industry as a whole has been slow to take up these measures. Under our strategic pillar of disrupting for good we aim to motivate the industry to adopt initiatives and measures that access these carbon savings.

Diversifying into new markets such as CCS and offshore wind, using our current technology and assets, makes us a potential positive contributor to climate change mitigation. Currently, these business activities have a modest impact on our revenue, but our analysis indicates a long-term opportunity which can become material to Shearwater.

*ESRS 2 SBM-2 Interests and views of stakeholders*

At Shearwater we have identified several key stakeholders, including employees, investors, customers, suppliers and communities. Our engagement with these stakeholders is not sporadic but occurs at regular intervals, ensuring a continuous flow of feedback and insights as described in the ESG Stakeholders and engagement table.

*ESRS 2 MDR-P Reflecting various stages and purposes of stakeholder engagement throughout the due diligence process*

We are aware of the pivotal role that stakeholder engagement plays in sculpting a resilient and sustainable business model. Our stakeholder engagement is crafted to foster open dialogue and collaboration, thereby facilitating the seamless incorporation of diverse perspectives into our business strategy. This strategy is reviewed by the Management team on an annual basis taking feedback from our stakeholder dialogues and experience from our collaboration with suppliers and clients when making our strategic priorities and KPIs. In 2024, we performed a stakeholder survey based on the ESRS topics and subtopics to collect first-hand information on what they consider material to Shearwater. The output from the survey will be included in the annual strategy review.

We keep constructive dialogues and hold workshops focusing on ESG with our critical suppliers. This stakeholder group is key in our constant work on reducing our Scope 3 emissions, which have a positive influence on our total emission target towards 2030.

## ESG STAKEHOLDERS AND ENGAGEMENT

| | Employees | Investors | Customers | Suppliers | Community |
|---|---|---|---|---|---|
| **Stakeholders** | Permanent employees, Contractors, potential employees, students | Owners, banks, analysts | National Oil Companies (NOCs), International Oil Companies (IOCs), Oil Majors | Ship & logistic suppliers, support vessels, port agents, ship chandlers, shipyards, bunker suppliers, insurance companies | Government, regulators, media, general public, business associations, seminars, conferences, social media |
| **Main Topics** | Safe & healthy working environment Engagement<br>ESG ownership<br>Training & development<br>Career & personal development<br>Recruiting & onboarding | Safety, Quality and ESG performance<br>Emissions data | Safety, Quality and ESG performance<br>Emissions<br>Satisfaction<br>Data handling | Safety, Quality and ESG performance<br>Contribution to emissions reductions, Human Rights impact, waste, circularity | Climate and social impact, safety & security,<br>Energy transition,<br>Governance, Compliance, employment |
| **Engagement** | Internal communication<br>Line Managers & annual appraisals<br>ESG initiatives & workshops<br>Works Council & Unions<br>Quarterly Labour Committee meetings<br>Policies<br>Online training programs<br>Social Committees and activities<br>Annual Offshore employee conferences<br>Quarterly Townhalls<br>Whistleblowing system<br>Vessel and site visits<br>Internships<br>Mentoring programs<br>Trainee programs | Annual and quarterly reports<br>Bank and Capital market days<br>Press releases<br>Investor meetings<br>Road shows | Emission reports<br>Sustainability rating submissions<br>Daily dialogue<br>Industry events | Policies<br>Pre-qualifications// Screening<br>Responsible Procurement<br>ESG workshops<br>Code of Conduct principles<br>Supplier visits<br>Contracts<br>Audits<br>Event reporting and handling<br>Procurement collaboration | Participation in associations and partnerships,<br>Shipowners˜ Association,<br>Visits, presentations,<br>Active media and social media contact,<br>Signatory and collaboration with UNGC,<br>Website and reporting,<br>dialogue with and support to NGOs, visits and collaborations with educational institutions |

# MATERIALITY ASSESSMENT PROCESS

*ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities*

## Introduction

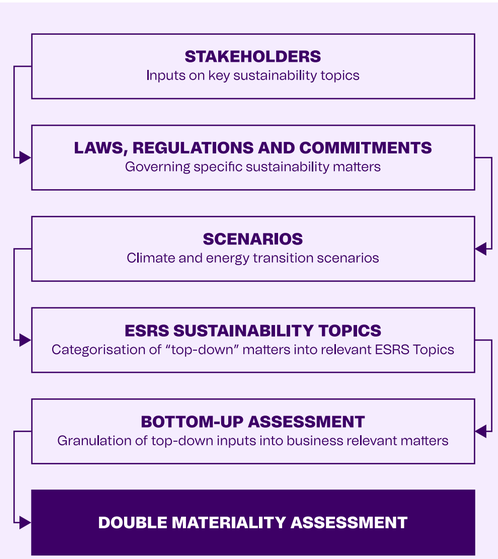
In 2023, we performed our first Double Materiality Analysis (DMA) based on the draft "Implementation guidance for the materiality assessment," as issued by the European Financial Reporting Advisory Group (EFRAG) in November 2023.

The double materiality assessment was built on the work done by Shearwater in 2022, using our Task Force on Climate-related Financial Disclosures (TCFD) disclosures and learnings from the Stakeholder Materiality Survey. This work continues to have the same relevance for the DMA. Details of the prior work can be seen in our 2022 Sustainability Report.

In 2024 we revised and updated our DMA in line with the implementation guidance, knowledge gained from the 2023 DMA work, an external assessment of our DMA process and the 2024 Stakeholder survey referred to in the SBM - 2 section of this report.

The Impacts, Risks & Opportunities (IROs), were assessed by key stakeholders in the organization and reviewed by Senior Managers, members of the ESG Committee and the Management team prior to being reviewed and approved by our Board of Directors.

The process has been assessed by a third party and reflects the initial DMA and the subsequent update.




## Sources of inputs and input hierarchy:

The DMA has used five different sets of inputs to determine materiality:

1. Stakeholder inputs
2. Laws, regulations, and commitments
3. Climate and energy transition scenarios
4. ESRS Sustainability topics
5. Bottom-up operational inputs

This approach ensures that a comprehensive range of topics are considered and provides a good level of granularity to make the findings directly relevant to the Company's strategy and business model. The 2024 Stakeholder survey gave a good and updated insight into what the different groups consider material to Shearwater.
To identify sustainability matters, we considered the context of Shearwater's activities and business relationships, value chain and affected stakeholders as outlined in ESRS 1, paragraph AR16.

Sustainability topics and sub-topics that were not relevant to our business model were omitted from the review.

## Risk Management

The Enterprise Risk Management (ERM) consists of an overall risk assessment which is reviewed twice a year, where the main corporate risks are identified and rated based on their severity to our business, how they have developed, in addition to assessing ongoing and new mitigating actions. The review looks at the following risk categories: financial, legal & compliance, QHSE, strategy & ESG, operational and technology. During each review, input is collected from across the organisation and within all business lines. This includes outcome from the annual due diligence assessment of our business' impact on human and labour rights, in accordance with the Norwegian Transparency Act and the UK Modern Slavery Act.

Each ERM review is discussed at Management level and presented to the BoD.

Risk assessments related to the above-mentioned categories are also conducted on a project basis in our Corporate Risk Committee, which consists of stakeholders from all relevant departments. Material risks are raised at Management level before moving on with the specific project.

## Materiality scoring approach

The materiality assessment's scoring methodology and criteria were made in accordance with the requirements in ESRS 1, applying the principle of double materiality which comprises of:

**Impact materiality**
Impact materiality related topics are classified as either actual or potential impacts. All impacts are assessed for scale, scope and irremediability. The combination of these factors represent the severity of the impact. For actual impacts, materiality is determined by severity only. For potential impacts, the likelihood of the impact is also assessed before determining the materiality.

**Financial materiality**
A financial impact assessment of the sustainability-related risks and opportunities has been conducted by using a scoring model.

The financial impact considers the effect on enterprise value over short-, medium-, and long-term horizons. The financial impact is adjusted by a time-weighted factor, with greater emphasis on the short-term. By combining the financial impact with the likelihood of occurrence, each sustainability matter is given an overall financial materiality score. Sustainability matters with a score above a defined threshold are considered financially material.

## Decision-Making and Internal Controls

Critical decisions in the process included identifying stakeholder representatives, scoring IROs by the selected stakeholder, and the final assessment of sustainability matters which was undertaken by the responsible Management team executive and the ESG team.

Following our internal controls, a sustainability matter was considered material if the sustainability matter was identified by a stakeholder and had an associated IRO. Every IRO was documented with a detailed description of the basis for its materiality.

## Moving Forward

This materiality assessment forms the cornerstone of our strategic sustainability initiatives for the coming years and will be continuously updated. Over time, our process will undergo revisions to incorporate feedback from stakeholders and lessons learned from previous experiences. These revisions are aimed at enhancing the effectiveness and relevance of our materiality assessment, ensuring that it remains aligned with the evolving sustainability landscape.

*ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model*

The material impacts, risks and opportunities identified during the materiality assessment are described and presented below alongside the topical standards E1 Climate Change, E2 Pollution, E5 Resource Use and Circular Economy, S1 Own Workforce, S2 Workers in the Value Chain, and G1 Business Conduct and Entity Specific in this Sustainability report.

Our assessment process identified 48 impacts and 59 risks and opportunities. Of the identified matters, 33 impacts and 15 risks and opportunities were deemed material.

## Shearwater Materiality Matrix

Materiality distribution of ESRS subtopics

Shearwater Geoservices Sustainability Report 2024

# ENVIRONMENTAL IMPACT

# E1
# CLIMATE CHANGE

| E1 Climate Change | Actual/potential +/- impact, risk or opportunity | Value Chain Location | | | Time Horizon | | | E1-4 Targets related to climate change mitigation and adaptation |
|---|---|---|---|---|---|---|---|---|
| | | Upstream | Own Operations | Downstream | Short Term (0-1 year) | Medium Term (1-3 years) | Long Term (3-15 years) | |
| **Greenhouse gas (GHG) emissions and climate impact including matters of adaptation, mitigation and energy.**<br><br>The IMO decarbonization strategy states that shipping represents 2-3% of global CO2 emissions. Shearwater is working towards reducing emissions in alignment with the IMO decarbonization strategy for the maritime industry. We will focus on the solutions available today in parallel of working with relevant stakeholders to find alternative energy or emission mitigating solutions for our own operations and across our value chain.<br><br>Offshore Carbon Capture and Storage (CCS) is recognized as a key emission mitigation initiative and identified as an opportunity for Shearwater, in addition to new energy solutions such as ultra-high resolution seismic for determination of safe placement of offshore wind farms. | Actual negative impact<br>Actual positive impact<br>Risk<br>Opportunity | X | X | X | X | X | X | Work towards the maritime industry`s achievement of the IMO indicative checkpoints in 2030 and 2040.<br><br>Accelerate global emissions reductions by delivering six vessel focused initiatives in 2025 supporting 2030 emissions targets and enhancing operational efficiency.<br><br>Diversify our business into CCS and ultrahigh resolution seismic for wind farm markets. |

Sustainability requires a balance of environmental, societal equity and economic demands on our planet. Shearwater acknowledges our responsibility to recognize and proactively address and consider sustainability. This means for example making commitments toward continued development of innovative technologies which will foster sustainable economies.

Our activities have an impact on the environment, but also contribute to affordable and reliable energy which is essential to good standard of living, good health, good education, and good prospects for communities.

## Strategy

*E1-1 – Transition plan for climate change mitigation*

As our business encompasses vessel operations, manufacturing, research & development, equipment handling & storing, software development & data analytics, our environmental impact is multifaceted.

The Shearwater Scope 1 emission reduction targets are aligned with the International Maritime Organization (IMO's) revised decarbonization strategy (2023) to reach a net zero greenhouse gas (GHG) emission for the maritime industry by or around 2050. IMO support the UN Sustainable Development Goal 13 to take action on climate change and its impacts in line with the 2015 Paris Agreement to cut GHG emissions.

Our market is project-based subject to our Clients' capital allocations at all times. This gives Shearwater a relatively short time horizon on fleet utilization and future direct emissions. We therefore set targets for our Scope 1 and 3 emissions based on intensity.

Reaching zero emission by 2050 is subject to available zero emission technology and fuel alternatives for the next generation of seismic vessels allowing us to safely operate to our clients' requirements and international regulations.

To access the latest knowledge about technological development, we actively engage with the maritime community such as the Green Shipping Program and their Pilots focusing on establishing the world`s most efficient and environmentally friendly shipping.

95% of the Shearwater revenue comes from oil & gas exploration. The company is therefore excluded from the EU Paris - aligned Benchmarks as per Article 12 of the Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020.

## Material impacts, risks and opportunities

*ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model*

The materiality assessment described in disclosure requirement IRO-1 identified actual negative impacts of marine seismic as part of the energy sector, and the fossil fuel consumption from our operations. The assessment also identified actual positive impact of resource efficiencies initiatives and risks and opportunities reducing our carbon intensity in offshore operations.

To balance the deliverables on climate change with reliable access to energy, we seek to minimize the environmental impact of our operations. This is a critical component of our business strategy through Diversify & Disrupt for good. Material impacts, risks and opportunities and their interaction with strategy and business model is described in the Strategy section of this report.

## Impact, Risk and Opportunity Management

*Disclosure Requirement E1-2 – Policies related to climate change mitigation and adaptation*

Environmental management is integrated within the overarching Shearwater Management System to ensure that environmental risks are appropriately identified, assessed, controlled and monitored. Continuous improvement is integral to the framework.

The Code of Conduct clearly acknowledges our responsibility to limit the impact our activities may have on climate and the environment. This is enforced through our ESG and QHSE Policies which seek to minimize and mitigate our environmental impact.

The policies are available on our website.

*Disclosure Requirement E1-3 – Actions and resources in relation to climate change policies*

There are various measures we can deploy to reduce the carbon intensity of our activities, some applicable to maritime in general, others more specialized to our marine seismic acquisition techniques. Some measures will also have cost benefits, resulting in a positive financial impact.

We also take into consideration the end use of our services. Acknowledging that our core services traditionally result in extraction of oil and gas, we welcome the transition opportunity to increase our market share in CCS (Carbon Capture & Storage) and offshore wind.

Recognizing that the offshore vessel operations are the largest source of our GHG emissions, we have identified and categorized four areas where reduction initiatives can be implemented offshore: operational initiatives, equipment and geophysical upgrades, vessel upgrades and industry collaborations. On average, 82% of a typical vessel year is spent performing on-site activities, 12% transit, and 6% is spent alongside. This knowledge helps us focus on what measures we can take to achieve the most significant impact.

We participate in a Joint Industry Project (JIP) with the ambition to develop relevant metrics to monitor energy and emission efficiency for the seismic sector. This project has deepened our understanding of how the types of activities performed contribute to the intensity of the emissions caused.

In 2022, we set a 35% emission intensity reduction target, approved by the Board of Directors, from our Well to Wake (WtW) offshore operations by 2030 relative to 2019. We will achieve this target through deployment of technical & operational efficiency initiatives and innovative solutions.

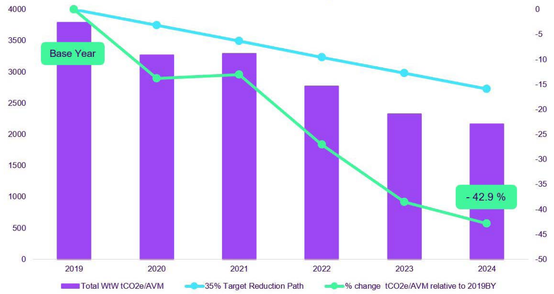
Examples of our ongoing and newly implemented initiatives offshore are maintenance of fairing and wide-tow equipment, main propeller cleaning and polishing and increasing engine loads by use of closing switchboard bustie. We are continuing to work on development of better towing simulation software, which aims to incorporate emission estimations based on our seismic equipment configuration. In 2024 we installed energy saving propeller caps on Amazon Conqueror which we expect will lead to a 2% emissions saving.

Onshore at our manufacturing center we identified the presence of SF6 used as an electrical insulator in our in-sea ICP equipment as a concern. When ICP equipment is returned for repair, instances of leakage were identified. As SF6 is a highly potent greenhouse gas we have taken measures to quantify this leakage, and to find a suitable non GHG alternative. We estimate up to 444 tCO2e have been released from 2022-2024. We have tested with success, a combination of helium gas with a parylene C coating as a suitable replacement and from 2025 onward all incoming units for repair will be refilled with helium instead of SF6.

Our manufacturing center swapped from diesel to electric powered forklifts.

The actions taken throughout 2024 have resulted in a 42.9% reduction of carbon intensity (CII) from our offshore operations compared to 2019. This reduction surpasses our 2030 target, but we do expect fluctuation over the coming years due to varying market demand for our services.

**Offshore Carbon Intensity Reduction**




This metric, tons of CO2 equivalent emission / Active Vessel Month (tCO2e/AVM), is influenced by the type of activity taking place and the presence of seismic personnel onboard illustrated in the CII% graph (change relative to 2019 base year).

Our Scope 2 emissions clearly highlight the impact we can make by transitioning to a renewable grid source of energy at our manufacturing center in Penang. In 2023 we investigated the most effective way to implement a positive change. We concluded on applying to Green Energy Tariff (GET), the Malaysian government renewable energy certificate (REC) program. In 2023 we were able to secure RECs for 5MWh. In 2024 we have increased this subscription to purchase 5010MWh renewable electricity resulting in 3162 tCO2e emissions avoidance. By supporting the GET program, our manufacturing center Scope 2 emissions were reduced over 96%.

In 2024 we included Scope 3 logistic measures from our onshore and offshore sites (purchased goods and services, transportation & distribution and waste generated).

## Moving forward

Projects we have in progress or under review include investigation of our combinator curves and gear box selections to reduce cavitation, possible use of biofuels and hybrid battery upgrades, efficient steaming management by utilizing optimized transit routing. We will continue to promote responsible energy consumption at all sites onshore and offshore. We will increase our focus on the end use of our services, helping to identify suitable storage sites for carbon and nuclear waste. We will also aim to develop new markets for our services, supporting the development of renewable energy sources.

Scope 1 represents 77.6% of our emissions. The main contribution of this is carbon dioxide (CO2) from offshore vessel operations. The nature of vessel activities will vary between projects, and the configuration of seismic equipment or mode of operations will have a different impact on our emissions. We continue to learn how these various configurations can contribute to our overall footprint and which elements we can leverage to improve on.

Scope 2 represents 1.7% of our emissions and comes from purchased electricity at our onshore locations. In 2022 we expanded our scope 2 reporting to cover all Shearwater locations. We now have access to consumption data or reasonable estimates of consumption from locations globally, and report on our offices, warehouses, manufacturing center and data center consumption. We report Scope 2 using both market-based and location-based methods of calculation.

Scope 3 represents 20.7% of our value chain emissions. In 2024 we expanded reporting to include Category 3 upstream emissions of purchased electricity, and Category 4 upstream transportation and distribution, which covers the inbound and outbound logistics services provided by a third party at our global locations. Sites covered include onshore and offshore offices, warehouses, manufacturing center and vessels.

*E1-7 – GHG removals and GHG mitigation projects financed through carbon credits*

Shearwater does not directly manage GHG removals or GHG mitigation projects financed through carbon credits. As the carbon credit market matures and as Shearwater reduces most of its emissions through reduction initiatives, we may consider GHG removals and GHG mitigation projects in the future.

We are however granted voluntary carbon credits by some of our purchased good and services. In 2024 we participated in Lenovo's' voluntary CO2 offsetting service for purchase of computers, resulting in 5tCO2e savings.

*E1-8 – Internal carbon pricing*

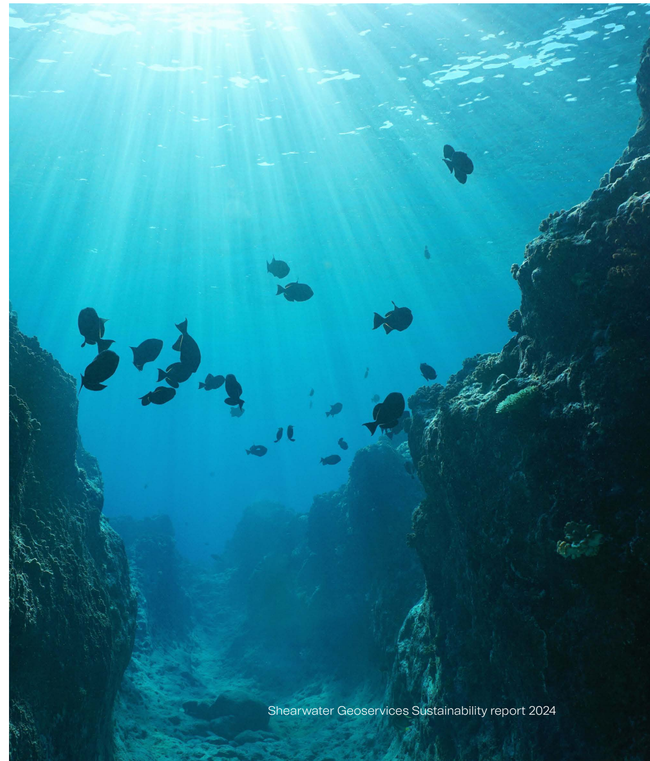
Shearwater does not apply internal carbon pricing schemes in its business.

*E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities*

**Physical Risk**
Chronic physical risk has also been identified as a material risk for all parts of operations in areas likely to observe more extreme weather in the longterm. This might impact on the processing time of our projects and by that the utilization of our fleet.

**Transition Risk**
Climate change mitigation is considered a material transition risk, more specifically access to, and cost of, capital, together with changing consumer behaviour. This risk mainly concerns new projects within oil and gas developments through increased capital constraints which may lead to missed opportunities and reduced future earnings.

**Opportunities Related to Climate Change**
The 2024 DMA also identified opportunities related to climate change. Shearwater sees a medium- to long-term potential to develop and increase new business opportunities within floating offshore wind and carbon capture and storage, representing significant potential financial impact.



## E1 Performance Metrics

| E1-5 Energy consumption and mix | 2023 | 2024 | % vs LY |
|---|---|---|---|
| Fuel consumption from coal and coal products, MWh | 0 | 0 | - % |
| Fuel consumption from crude oil and petroleum products, MWh | 1,349,297.15 | 1,019,488.41 | (24)% |
| Fuel consumption from natural gas, MWh | 0 | 0 | - % |
| Fuel consumption from other fossil sources, MWh | 0 | 0 | - % |
| Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources | 14,386.93 | 9,950.67 | (31)% |
| **Total fossil energy consumption, MWh** | 1,363,684.09 | 1,029,439.08 | (25)% |
| **Share of fossil sources in total energy consumption, percentage** | 99.92% | 99.51% | 0.42% |
| **Consumption from nuclear sources, MWh** | 0 | 0 | - % |
| **Share of consumption from nuclear in total energy consumption, percentage** | - % | - % | - % |
| Fuel consumption for renewable sources, including biomass, MWh | 0 | 0 | - % |
| Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources, MWh | 1,063.92 | 5,099.05 | 379% |
| The consumption of self-generated non-fuel renewable energy, MWh | 0 | 0 | - % |
| **Total renewable energy consumption, MWh** | 1,063.92 | 5,099.05 | 379% |
| **Share of renewable sources in total energy consumption, percentage** | 0.08% | 0.49% | 532% |
| **Total energy consumption, MWh** | 1,364,748.01 | 1,034,547.03 | (24)% |

| E1- Entity specific metrics, Well to Wake | 2023 | 2024 | % vs LY |
|---|---|---|---|
| Offshore Carbon Intensity, Vessel Operations, tCO2e/AVM | 2,327.87 | 2,164.70 | (7.01)% |
| Carbon Intensity per Project Type 2D, tCO2e/km | 0.61 | 0.52 | (14.36)% |
| Carbon Intensity per Project Type 3D, tCO2e/km | 2.15 | 1.96 | (8.84)% |
| Carbon Intensity per Project Type 4D, tCO2e/km | 2.51 | 2.67 | 6.37% |
| Carbon Intensity per Project Type MC, tCO2e/km | 2.60 | 5.21 | 100.38% |
| Carbon Intensity per Project Type OBS, tCO2e/km | 1.00 | 1.40 | 40.00% |
| Carbon Intensity per Project Type 3D, tCO2e/km2 | 3.05 | 3.44 | 12.86% |
| Carbon Intensity per Project Type 4D, tCO2e/km2 | 4.59 | 8.57 | 86.53% |
| Carbon Intensity per Project Type MC, tCO2e/km2 | 2.90 | 6.95 | 139.66% |
| Carbon Intensity per Project Type OBS, tCO2e/km2 | 11.06 | 19.86 | 79.57% |

| E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions, tonnes CO2e | Base Year | Base Year tonnes $CO_2e$ | 2023 $tCO_2e$ | 2024 $tCO_2e$ | % vs LY |
|---|---|---|---|---|---|
| **Scope 1 GHG Emissions** | | | | | |
| Gross Scope 1 GHG Emissions | 2019 | 270,596.73 | 348,087.02 | 263,004.10 | (24)% |
| Carbon Dioxide (CO2) | 2019 | 266,863.81 | 343,870.68 | 259,818.36 | (24)% |
| Nitrous Oxide (N2O) | 2019 | 12.26 | 15.55 | 11.75 | (24)% |
| Methane (CH4) | 2019 | 3.18 | 3.48 | 2.63 | (24)% |
| **Scope 2 GHG Emissions** | | | | | |
| Gross location based Scope 2 GHG Emissions | 2020 | 2,780.83 | 3,856.32 | 3,489.02 | (10)% |
| Gross market based Scope 2 GHG Emissions | 2020 | 5,061.76 | 8,223.12 | 8,998.58 | 9% |
| Net market based Scope 2 GHG Emissions | 2020 | 4,507.82 | 7,833.35 | 5,802.01 | (26)% |
| Energy Attribute Certificates (EAC) | 2020 | 553.94 | 389.77 | 3,196.57 | 720% |
| **Scope 3 GHG Emissions** | | | | | |
| Total Gross Scope 3 GHG Emissions | 2022 | 90,594.44 | 92,676.13 | 74,575.82 | (20)% |
| 1: Cloud services | 2023 | 115 | 115 | 88 | (23)% |
| 3: Purchased electricity | 2020 | 753.08 | 1,143.28 | 990.8 | (13)% |
| 3: Well to Tank | 2019 | 59,135.81 | 79,783.39 | 60,281.94 | (24)% |
| 4: Upstream transportation and distribution | 2022 | 2,117.66 | 2,116.76 | 3,287.36 | 55% |
| 6: Business Travel: Airline, Offshore | 2019 | 7,191.11 | 9,760.16 | 8,135.06 | (17)% |
| 6: Business Travel: Airline, Corporate | 2019 | 308.89 | 1,717.95 | 1,642.40 | (4)% |
| 6: Business Travel: Hotel Stays | 2022 | 105.29 | 150.59 | 142.52 | (5)% |
| 7: Working from Home | 2020 | 2.44 | 5.74 | 7.75 | 35% |
| **Total GHG Emissions** | | | | | |
| Total GHG Emissions (location based) | 2020 | 428,791.91 | 444,619.47 | 341,068.94 | (23)% |
| Total GHG Emissions (market based) | 2020 | 431,072.84 | 448,986.27 | 346,578.50 | (23)% |

Refer to E1 Accounting Policies for further details on base years and calculations.

| E1 GHG Intensity based on net revenue | 2023 | 2024 | % vs LY |
|---|---|---|---|
| Total GHG emissions (location-based) per net revenue, tCO2e/ mUSD | 484.75 | 550.27 | 13.52% |
| Total GHG emissions (market-based) per net revenue, tCO2e/ mUSD | 489.06 | 554.00 | 13.28% |

## E1 Accounting Policies

The following table discloses the accounting principles of Shearwater's E1 metrics and data points.
Shearwater defines its organizational boundary using the operational control consolidation method. All entities in its corporate structure and all vessels owned or chartered have been included regardless of length of charter.
2019 remains our base year for Scope 1. 2020 is our base year for Scope 2 emissions due to data availability. Our Scope 3 reporting categories have continuously developed over time and therefore have varying base years presented in E1-6 of this document.

| Disclosure Requirement | Accounting Policy |
|---|---|
| **Direct GHG Emissions (Scope 1)**<br>Shearwater includes direct consumption data for all owned and short term chartered vessels involved in our offshore operations. The decision to include vessels on short term charter (such as support and guard vessels) in our scope 1 boundary is based on the level of control exercised by Shearwater over all vessels during our operations. | Scope 1 emissions are reported based on the GHG Protocol and include direct GHG emissions from the consumption of energy in our offshore operations.<br><br>Shearwater does not have significant direct consumption of energy at our onshore locations.<br><br>Scope 1 based emissions are calculated as the fuel consumed multiplied by fuel specific emission factors to yield CO2, N2O, CH4 in CO2e.<br><br>Shearwater uses Position Green carbon accounting software to calculate direct emissions using annual emission factors sourced from DEFRA. |
| **Indirect GHG Emissions (Scope 2)**<br>Shearwater Scope 2 emissions include data from our offices, warehouses, manufacturing and data center locations. | Scope 2 emissions are reported based on the GHG Protocol and include indirect GHG emissions from the generation of electricity purchased and consumed by Shearwater. Shearwater does not consume energy from purchased heat.<br><br>At our locations where purchased electricity data is not available, Shearwater estimates are based on a conversion factor of 32.5 kWh/m2 per year.<br>Scope 2 market based emissions are calculated as the electricity purchased multiplied by country specific emission factors, considering any available energy attribute certificates (EACs).<br><br>Scope 2 location based emissions are calculated as the electricity purchased multiplied by average country-specific emission factors.<br><br>Shearwater uses Position Green carbon accounting software to calculate indirect emissions using annual emission factors sourced from AIB, DEFRA, IEA. |
| **Indirect GHG Emissions (Scope 3)**<br>Shearwater Scope 3 emissions are screened based on the 15 Scope 3 categories identified by the GHG Protocol Corporate Standard and GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. We continue to expand our Scope 3 reporting capacity. | Scope 3 emissions are reported based on the GHG Protocol. Shearwater considers the principles and provisions of the GHG Protocol accounting and reporting standard.<br><br>The five significant categories currently reported on are 1: Purchased Goods and Services, 3: Fuel and energy related activities (not included in scope 1 or scope 2), 4: Upstream transportation and distribution, 6: Business travel and 7: Employee commuting. |
| Category 1: Purchased Goods and Services<br>- Cloud Services | Category 1: Reporting boundary is defined as our Google Cloud services. Emission data is calculated by Google Cloud according to GHG Protocol and provided to Shearwater via invoice. |
| Category 3: Fuel and energy related activities (not included in scope 1 or 2)<br>- Well to Tank and Purchased Electricity | Category 3: Shearwater uses Position Green carbon accounting software to apply fuel specific emission factors to collected fuel consumption data, and country-specific emission factors to collected or extrapolated electricity consumption data. |
| Category 4: Upstream Transportation and Distribution<br>- Logistics Transportation | Category 4: Reporting boundary is defined as our inbound and outbound logistics services provided by GAC at our onshore and offshore offices, warehouses, manufacturing center and vessels.<br><br>Emission data is calculated by GAC according to GHG Protocol by applying annual DEFRA freighting goods conversion factors to our shipment data. Emission data is available to Shearwater via GACs Sustainability Reporting software. |
| Category 6: Business Travel<br>- Corporate and Offshore airline and hotel stays. | Category 6: Shearwater collects business travel data provided by our travel agencies for corporate and offshore airline travel and hotel stays.<br><br>ATPI supplied emission information from 2019 to 2021 is calculated using UK DEFRA conversion factors for business travel-air and hotel stays. From 2022 onward, ATPI supplied emission data is calculated using the Thrust Carbon methodology.<br><br>AMEX-GBT supplied emission information is calculated by CHOOSE using the IATA CO2 Connect with UK BEIS RF methodology. |
| Category 7: Employee Commuting<br>- Working from Home | Category 7: Shearwater uses Position Green carbon accounting software to calculate emissions from homeworking including emissions from electricity, the use of office equipment, heating and cooling.<br><br>Emission data is calculated by applying annual DEFRA homeworking conversion factors. |

# E2 POLLUTION

| E2 Pollution | Actual/potential +/- impact, risk or opportunity | Value Chain Location | | | Time Horizon | | | E2-3 Targets related to pollution |
|---|---|---|---|---|---|---|---|---|
| | | Upstream | Own Operations | Downstream | Short Term (0-1 year) | Medium Term (1-3 years) | Long Term (3-15 years) | |
| **Pollution including matters of air, water, living organisms and food resources.**<br><br>In 2019 Shearwater made a principal decision to use only Marine Gas Oil (MGO) on all its vessels to meet IMO Sulphur Emission regulations. Shearwater does not use Heavy Fuel Oil (HFO) nor employ scrubbers. Shearwater operates vessels carrying oil, chemicals and equipment made by plastic materials. Spill or loss of equipment create an inherent risk of pollution to water, and we diligently adhere to Ballast Water and Waste Water Management IMO regulations. Shearwater has developed innovative ways to reduce excess seismic noise while still delivering the clearest of images. We continue to lead in the seismic source market with progressive ventures into marine vibroseis technology, developed in collaboration with major industry players. | Actual negative impact<br>Potential negative impact<br>Risk | X | X | X | X | X | X | Zero spills to sea.<br><br>Zero entry to Marine Protected Areas.<br><br>Innovation of Marine Sources. |

### Material impacts, risks and opportunities

*ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model*

The materiality assessment described in disclosure requirement IRO-1 identified actual or potential negative impacts of air pollution, marine environments from operations, noise emissions, significant equipment/ vessel damage, ballast water management, waste water management and, risks of fines, loss of reputation or operational restrictions due to spills to sea.

### Impact, Risk and Opportunity Management

Our operations risk impacting environmental health by carrying invasive species in our ballast water and through hull fouling. Our seismic activity may also impact marine mammals.

*E2-1 – Policies related to pollution*

Our Code of Conduct clearly acknowledges our responsibility to limit the impact our activities may have on climate and environment.

This is enforced through our ESG and QHSE Policies that address our priorities to minimize and mitigate our environmental impact.

The policies are available on our website.

## Our performance

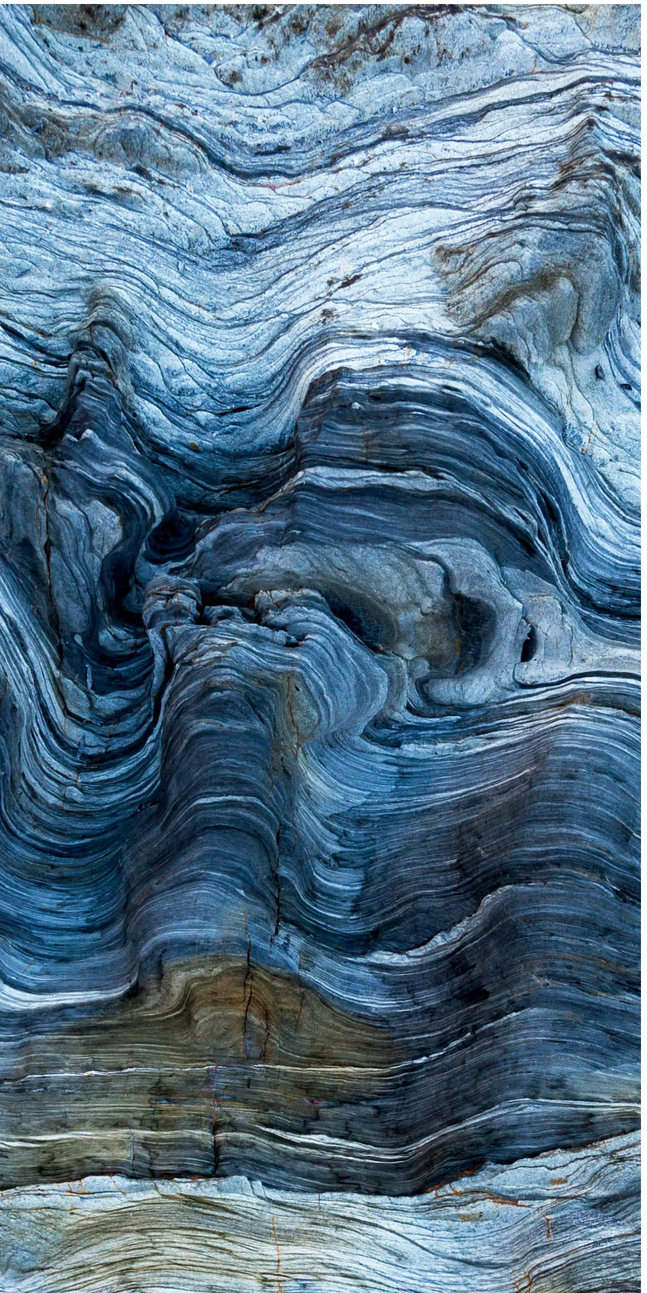
As shipowner, operating and managing our own fleet, Shearwater must relate to external international regulations and conventions which impact our performance on pollution. Shearwater is ISM certified, and we maintain appropriate procedures in our safety management system to safeguard our compliance.

The company performs annual internal audits of the shore management and all vessels in operation to ensure compliance and that all external and internal procedures are fully implemented and followed. The company is audited against the ISM Code by a third party annually with a renewal audit every five years. The vessels are certified for five years with an intermediate audit between year two and three. The procedures we obey fulfil the requirements of IMO MARPOL regulations and its technical Annexes with the latest amendments. The Convention includes regulations aimed at preventing and minimizing pollution from ships - both accidental pollution and that from routine operations - and currently includes six technical Annexes. Special Areas with strict controls on operational discharges are included in most Annexes.

MARPOL Annex I Regulations for the Prevention of Pollution by Oil - covers the prevention of pollution by oil from operational measures as well as from accidental discharges. Pollution control also requires the reporting of any spill to sea, what and how much was spilled, contained and breached.

MARPOL Annex II Regulations for the Control of Pollution by Noxious Liquid Substances in Bulk. This is not applicable for Shearwater.

MARPOL Annex III Prevention of Pollution by Harmful Substances Carried by Sea in Packaged Form - contains general requirements for the issuing of detailed standards on packing, marking, labelling, documentation, stowage, quantity limitations, exceptions and notifications.



Annex IV Prevention of Pollution by Sewage from Ships - contains a set of regulations regarding the discharge of sewage into the sea from ships, including regulations regarding the ships' equipment and systems for the control of sewage discharge, the provision of port reception facilities for sewage, and requirements for survey and certification.

MARPOL Annex VI Prevention of Air Pollution from Ships - sets limits on sulphur oxide and nitrogen oxide emissions from ship exhausts and prohibits deliberate emissions of ozone depleting substances; designated emission control areas set more stringent standards for SOx, NOx and particulate matter. A chapter adopted in 2011 covers mandatory technical and operational energy efficiency measures aimed at reducing greenhouse gas emissions from ships.

In 2019, Shearwater made a principal decision to use only Marine Gas Oil (MGO) on all vessels to meet IMO Sulphur Emission regulations.

*E2-2 – Actions and resources related to pollution*

Shipping has been identified as a major pathway to introduce invasive non-native aquatic species to new environments in the marine ecosystems. Ballast water is critical to control vessel stability, but we also recognize the risk to biodiversity this can pose. Shearwater adheres to the IMO International Convention for the Control and Management of Ships' Ballast Water and Sediments (BWM), to prevent the spread of harmful aquatic organisms from one region to another.

Shearwater complies with strict adherence to any environmental permitting requirements received from government or regulatory bodies, obeying entry to areas based on migration routes, fishing and spawning seasons and hosting local Fisheries Officers onboard. In 2022 we implemented a way to log our proximity/entry to Marine Protected Areas, with zones defined as Inside, Adjacent (<1km), Close (1-5km) and in the vicinity (5-20km). We have zero recorded proximity to work performed near any Marine Protected Area in 2024.

Shearwater acknowledges that our operations contribute to noise emissions. This includes noise caused by the ships' propellers and noise caused by our energy sources. We comply with all local guidelines and regulatory bodies regarding noise emissions and mitigation.

Our project management, in collaboration with our clients, includes planning phase mitigations such as review and exclusion of survey times when cetaceans are present, definition of no survey zones, identification of periods with low biological sensitivities, and modelling of exclusion zones.

Real time noise emission mitigation measures include the presence of onboard Marine Mammal Observers who maintain visual watches, Passive Acoustic Monitors who maintain acoustic monitoring, both ensuring mitigation measures such as soft start procedures, and pausing of sources as required are strictly adhered to during the surveys.

Shearwater takes our responsibility to the marine ecosystem seriously. We strive to provide innovative solutions that will reduce our noise emission impact with offerings such as the reduced high frequency e-Source and enhanced low frequency signal with Harmony.

Steps are taken to reduce our impact on the environments we operate in, specifically regarding the equipment in use. We clean and apply antifouling coatings to the hull and seismic equipment which reduces growth of algae and barnacles. We attach turtle guards to equipment to prevent entrapment, and we attach covers to connection areas on the streamers to help prevent barnacle attachment and growth. We also perform barnacle cleaning in tropical areas, to maintain the buoyancy of the equipment.

## Moving Forward

Continuing with the development of our BASS marine vibroseis venture, 2024 saw Petrobras and Shearwater enter into a multi-year collaborative technology agreement. The partnership is set to evolve operational efficiency, seismic data quality and reduced noise emissions when compared to traditional methods.

### E2 Performance Metrics

| E2-4 Pollution of air and water | 2023 | 2024 | % vs LY |
|---|---|---|---|
| Nitrogen Oxides (NOx), Metric tons | 5,318.59 | 4,159.31 | (22)% |
| Sulphur Oxides (SOx), Metric tons | 196.20 | 117.45 | (40)% |
| Volume of Spills to Sea, Spilled, Litres | 111.80 | 82.50 | (26)% |
| Volume of Spills to Sea, Contained, Litres | 86.20 | 81.50 | (5)% |
| Volume of Spills to Sea, Breached, Litres | 25.60 | 1.00 | (96)% |
| Number of Spills to Sea, Number | 15 | 5 | (67)% |

NOx and SOx reductions due to lower fuel consumption.

### E2 Accounting Policies

The following table discloses the accounting principles of Shearwater's E2 metrics and data points.

| Disclosure Requirement | Accounting Policy |
|---|---|
| Nitrogen oxides (NOx) | NOx emissions are calculated as the fuel consumed multiplied by vessel specific emission factors to yield NOx.<br>Vessel specific NOx emission factors are calculated as per the Norwegian NOxFund recommendations. |
| Sulphur Oxides (SOx) | SOx emissions are calculated as the fuel consumed multiplied by fuel specific emission factors to yield SOx.<br>SOx emission factors are derived from the Sulphur ppm content of the fuel. |

# E5
# RESOURCE USE AND CIRCULAR ECONOMY

| E5 Resource Use and Circular Economy | Actual/potential +/- impact, risk or opportunity | Value Chain Location | | | Time Horizon | | | E5-3 Targets related to resource use and circular economy |
|---|---|---|---|---|---|---|---|---|
| | | Upstream | Own Operations | Downstream | Short Term (0-1 year) | Medium Term (1-3 years) | Long Term (3-15 years) | |
| **Resource outflows related to products and services and waste management.**<br><br>We have a good understanding of the waste coming from our offshore vessels. This is well documented and highly regulated by IMO and MARPOL Annex V. Shearwater ensures compliance with international conventions for vessel recycling. Onshore, Shearwater has inherited vast amounts of outdated and obsolete seismic, technical and safety equipment stored in multiple warehouses and at our production facilities. We produce our own seismic equipment such as streamers and nodes. Our R&D division and our production facilities are collaborating to ensure we use recycled or recyclable material in our products where possible. We operate our vessels in waters which are infected by marine debris such as ghost fishing nets and other marine debris. | Actual positive impact | | X | X | X | X | X | Zero plastic disposal into sea.<br><br>Zero garbage disposed overboard.<br><br>Recover and responsibly dispose of marine debris from the sea.<br><br>Optimize the global inventory, responsible recycling, and readiness for future operations by the end of 2025 in line with our onshore storage strategy.<br><br>Reuse components from Pearl (Q2 2025), building on existing IsoMetrix recovery efforts to boost circularity, minimize waste, and reduce environmental impact. |

### Material impacts, risks and opportunities

*ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model*

The materiality assessment described in disclosure requirement IRO - 1 identified positive impact by recycling obsolete equipment and vessels and recover and properly disposing of marine debris.

### Impact, Risk and Opportunity Management

*E5-1 – Policies related to resource use and circular economy*

Our Code of Conduct clearly acknowledges our responsibility to limit the impact our activities may cause on climate and environment. This is enforced through our ESG and QHSE Policies that addresses our priorities to minimize and mitigate our environmental impact.

Shearwater does not have a policy which specifically address resource use and circular economy,

*E5-2 – Actions and resources related to resource use and circular economy*

Shearwater supports responsible consumption with respect to the operation of our fleet, and the production of our seismic equipment. With the vast accumulation of asset inventories during recent expansions, we acknowledge the requirement to streamline this equipment, while responsibly recycling and/or properly disposing of any obsolete or end of life equipment.

Recycling and/or reusing any waste that is generated benefits the environment by lessening the need to extract resources and lowers the potential for contamination. It also has a positive impact on our cost base.

Our global activities also give us an opportunity to positively contribute to the marine environment by cleaning the sea of marine debris and waste we come across.

Shearwater has identified the need to better understand, measure and manage our waste management systems.

We have a good understanding of the waste coming from our offshore vessels, as this process is well documented and highly regulated by IMO and MARPOL Annex V (Prevention of Pollution by Garbage from Ships). Our commitment to comply with and action these regulations is stated in our Code of Conduct and enforced in our ESG and QHSE Policies.

Shearwater ensures that any vessel recycling is carried out in compliance with international conventions and at a ship recycling facility which complies with 2009 Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, EU Regulation (EC) No 1013/2006 and Regulation (EU) No 1257/2013 on ship recycling; and all local and national rules and regulations.

In 2023 we started a campaign to catalogue, consolidate and recycle our obsolete asset inventories onshore. The equipment is stored in multiple warehouse locations and has a negative impact on our environmental footprint. This consolidation and reduction of stored equipment will reduce waste, emissions, and cost. We expect this campaign to last for several years and have continued our efforts in

2024 due to the sheer volume of the equipment and the capacity of our partners to recycle it in a responsible manner.

We strive to find alternative uses for equipment we have acquired that is not suitable for our use. In some cases, we donate to others who can benefit from taking over this equipment rather than seeing it become waste.

## Our performance

We obey the requirements of IMO MARPOL and its technical Annexes. MARPOL Annex V Prevention of Pollution by Garbage from Ships deals with different types of waste and specifies the distances from land and the manner in which they may be disposed of. The most important feature of the Annex is the complete ban imposed on the disposal into the sea of all forms of plastics. In Shearwater no garbage is disposed overboard.

Our offshore fleet must carry a garbage management plan, log and report the volume and type of waste from the vessels using the garbage record book by categories of Delivered to Shore, Incinerated Onboard and Organic Waste to Sea.

Onboard our vessels we take action to responsibly dispose of our waste types. For example, instead of disposal of e-waste at a port where it might be difficult to recycle, our e-waste will be held onboard until the vessel can offload at a port facility where it will be responsibly transferred to a certified facility for proper handling and preparation for re-use purpose of the components.

In 2024 our onboard IsoMetrix streamer repair team was able to repair 52% of damaged sections onboard. That means 331 sections totalling 33.1km in length, or 9 shipping containers of streamer did not require any shipment for repair, a large savings of both emissions and cost.

Onshore as part of our ongoing campaign to catalogue, consolidate and recycle obsolete asset inventories, we have continued to track our progress. In 2024 we have responsibly disposed of over 875.4 tons of obsolete seismic equipment by delivering it to our preferred recycling facilities at five locations worldwide. These facilities prioritize recycling whenever possible, including through a new collaboration with a recycling facility in Norway. Proper disposal has been fully documented to meet any regulatory requirements, including certificates of destruction for controlled items such as hydrophones.

In 2024 we also expanded our reporting to include data on disposal from our 4 warehouse locations, logging an additional 164.7 tons of waste.

New initiatives that have taken place at our manufacturing center with focus on resource reuse and elimination of waste include Tau cable reuse, Fin cable rework, T6 GC Board improvement, DSN Conversion and Food Waste Composting.

We are proud participants of the EnerGeo Alliance Sustainable Seas Initiative. This is an ocean debris removal project that all members participate in by recovering encountered marine debris or ghost nets during our projects, when safe to do so. These items are safely recovered and properly disposed of, removing the threats posed to marine life and their habitats.

In 2024, Shearwater has safely recovered and properly disposed of 54.2 tons of ghost nets and marine debris. Since we started our registration in 2019, our fleet has recovered and properly disposed 183.3 tons of ghost nets and marine debris and we have released 27 marine animals captured in the debris.

## Moving forward

We will continue to improve by taking steady steps in measuring our waste generated within our operations both offshore and onshore, so we can effectively reduce the amount of waste generated. We will focus on collaboration with our preferred recycling facility locations.

In 2025 we plan to increase our capacity to efficiently refurbish and repair our in-sea equipment by expanding our onshore cable repair services to our Den Helder warehouse facility.

We will continue to promote substitution of any products used at our locations with alternatives made from recycled plastics, ocean-bound plastics, or any other more sustainable product.

We will include a circular approach when making new products during the research and development phase and strive to find ways to refurbish or reuse components in our equipment.

**E5 Performance Metrics**

| E5-5 Resource outflows | 2023 | 2024 | % vs LY |
|---|---|---|---|
| Non-hazardous waste directed to disposal by landfill, 1000m3 | 3.25 | 2.52 | (23)% |
| Non-hazardous waste directed to disposal by incineration, 1000m3 | 1.06 | 0.70 | (34)% |
| Offshore Vessel Waste, Incinerated Onboard, 1000m3 | 1.06 | 0.70 | (34)% |
| Offshore Vessel Waste, Delivered to Shore, 1000m3 | 3.25 | 2.52 | (23)% |
| Offshore Vessel Waste, Organic Waste to Sea, 1000m3 | 0.02 | 0.00 | (83)% |
| Offshore Vessel Waste, Total, 1000m3 | 4.34 | 3.23 | (26)% |
| Onshore Asset Disposal Total, mt | 717.48 | 1,040.25 | 45% |
| Onshore Asset Disposal to Waste Facilities, mt | 667.91 | 875.50 | 31% |
| Onshore Asset Disposal from Warehouses, mt | 49.58 | 164.75 | 232% |
| Recovered Ghost Nets / Marine Debris, mt | 40.93 | 54.25 | 33% |

Onshore Asset Disposal tracking includes additional reporting sites in 2024.

# EU TAXONOMY

The EU Taxonomy is a classification system designed to promote sustainable economic activities. It aligns with the EU's commitment to climate protection, environmental sustainability, and achieving climate neutrality by 2050.

The EU Taxonomy covers six environmental objectives:

1. Climate Change Mitigation
2. Climate Change Adaptation
3. Sustainable Use and Protection of Water and Marine Resources
4. Transition to a Circular Economy
5. Pollution Prevention and Control
6. Protection and Restoration of Biodiversity and Ecosystems

Shearwater's business operations have been assessed in relation to the EU Taxonomy and the economic activities outlined in the Climate- and Environmental Delegated Acts. The assessment was supported by a third party and included stakeholders representing all business lines in Shearwater. The process started with a preliminary screening of the defined economic activities in the Regulations against our company activities and related financial transactions to identify activities that could potentially be in scope of reporting when fully reviewed. Thereafter, workshops and in-depth interviews were held with the relevant business lines to make a detailed assessment against the activities' definitions.

Shearwater has identified eligible economic activities falling under the objectives climate change mitigation, climate change adaption and transition to a circular economy.

### Eligible activities

Our identified eligible economic activities for the financial year 2024 are:

*Climate change mitigation*

3.6. Manufacture of other low carbon technologies: Manufacture of seismic technology aimed at substantial GHG emission reduction

4.6. Electricity generation from geothermal energy: electricity from geothermal energy in data center

5.5. Collection and transport of non-hazardous waste in source segregated fractions: collection and transportation of scrap equipment for recycling

5.12. Underground permanent geological storage for CO2: Carbon capture storage projects

7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings): charging stations for electric vehicles in warehouse

8.1. Data processing, hosting and related activities: Data center activities

8.2. Data-driven solutions for GHG emissions: Carbon Capture Storage seismic 4D technology

9.1. Close to market research, development and innovation: Research and experimental development of Carbon capture storage technology

*Climate change adaptation*

4.6. Electricity generation from geothermal energy: electricity from geothermal energy in data center

5.12. Underground permanent geological storage for CO2: Carbon capture storage projects

7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings): charging stations for electric vehicles in warehouse

*Transition to a Circular Economy*

2.3. Collection and transportation of non-hazardous and hazardous waste: collection and transportation of scrap equipment for recycling

5.1. Repair, refurbishment and re-manufacturing: repair of seismic equipment

### Taxonomy-eligble revenue, capex and opex

For the identified eligible economic activities Shearwater has established processes to collect relevant quantitative data for the reporting of revenue, Capex and Opex. For 2024, the taxonomy related Capex and Opex figures are so low that they have not been considered material for reporting. In 2025 we will continue to develop our process and set KPIs to measure our performance.

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# PEOPLE AND SOCIETY

# S1 OWN WORKFORCE

At Shearwater, we are committed to engaging our workforce actively and integrating their interests and views into our business strategy. Shearwater's success is inherently linked to the safety, well-being and satisfaction of our employees, contractors and non-employees working at our facilities.

As of 31 December 2024, Shearwater employed 1273 permanent employees globally. In addition to this, 566 contractors were engaged to perform work that could be otherwise carried out by an employee, these individuals are engaged through third-party agencies that provide employment services. 90% of the contractors engaged perform work related to offshore and manufacturing operations.

Our activities, particularly offshore operations, expose our people to safety risks. This is why safety is the number one priority in our operations.

The Shearwater Behavioural Framework defines how all employees can contribute to the success of the Company, providing a set of core behaviours that provide clarity on how our employees are expected to approach their work.

Our values of Empowerment, Action, Curiosity and Responsibility actively demonstrate how Shearwater employees have fostered the foundations of our workplace environment and brought to life in words what this looks like across all our global operations.

### Material impacts, risks and opportunities

*ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model*

The materiality assessment described in the disclosure requirement IRO - 1 identified potential negative impacts on health and safety through accidents, injuries or occupational health issues, workplace harassment and skewed gender balance, or the company not respecting the freedom of association. The assessment also identified positive impact of creating job opportunities by offering equal opportunities for all, and potential risks of human rights violations and lack of safety awareness within our workforce.

### Impact, Risk and Opportunity Management

*S1-1 Policies related to own workforce*

Healthy employees demonstrate a healthy organization. It is important for our business to ensure all people engaged in our operations are working in a healthy environment.

| S1 Own Workforce | Actual/potential +/- impact, risk or opportunity | Value Chain Location | | | Time Horizon | | | S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities |
|---|---|---|---|---|---|---|---|---|
| | | Upstream | Own Operations | Downstream | Short Term (0-1 year) | Medium Term (1-3 years) | Long Term (3-15 years) | |
| **Working conditions involving health and safety matters, social dialogue and freedom of association.**<br><br>Our activities, offshore operations in particular, expose our people to safety risks. This is why safety is the number one priority in our operations. We have set clear targets and actions to ensure that all employees and workers in our value chain are safe. Healthy workers demonstrate a healthy organization. It is important for our business execution to ensure all people engaged with our operations are working in a safe and healthy environment. | Potential negative impact<br>Risk | | X | | X | X | X | Zero Loss Time Injuries. |
| **Equal treatment and opportunities for all, including gender equality and equal pay, training and skills development, employment and inclusion of persons with disabilities, measures against violence and harassment in the workplace, diversity.**<br><br>Shearwater, being a global company where everyone's opinion matters, take pride in our diverse workforce. It represents 70 different nationalities who bring value to our company with their different background and competence where they feel engaged and included. We firmly believe this balance makes Shearwater a more robust, innovative and sustainable organization. Investing in employee development drives our company forward, motivates our employees and stimulates ambition. | Actual negative impact<br>Potential negative impact<br>Risk<br>Actual positive impact<br>Opportunity | X | X | | X | X | X | 30% gender diversity in the three highest management level positions onshore by 2030.<br><br>10% gender diversity offshore by 2030.<br><br>Leverage the diversity we have within our workforce and securing engagement from our people for long-term outcomes. |
| **Other work-related rights such as child labour and forced labour.**<br><br>Our global presence means we operate in numerous regions and countries where we can have an impact on people`s well-being. We seek to make a positive impact for our people in all our areas of operation. | Potential negative impact<br>Risk | X | X | | X | X | X | No violation of human rights related to our business and where we can have an impact. |

Our Code of Conduct emphasizes that all activities shall be planned and executed in a safe manner to ensure protection of human life and health, and that we are all responsible for ensuring we maintain a strong safety culture. This is enforced through our QHSE Policy addressing how we shall create a QHSE Culture, Our Lone working Policy, our Risk Management Standard and our Occupational health standard. Our QHSE committee and internal and external audits, oversee improvements across all locations.

The People Policy sets Shearwater expectation for our culture and behaviour within our workforce. The policy aligns with our Behavioural Framework, which outlines expected practices to ensure fair and equitable treatment for all employees and drive inclusion.

The Company Code of Conduct states that discrimination of any kind is not tolerated. Our goal is to have a workplace that is free from all discrimination and harassment. This is further supported by our Workplace Bullying and Harassment Policy, which is applicable to employees and contractors engaged to work with Shearwater.

Our vessels are MLC – 2006 (Maritime Labour Convention) certified and hold an ITF (International Transport Workers) Blue Certificate to ensure that our maritime employees and contractors are secured fair employment. Our manning agencies commit to comply with our appropriate policies and standards, and the agencies providing maritime contractors must be MLC-2006 certified.

*S1-2 Processes for engaging with own workforce and workers' representatives about impacts*

How we generally engage with our own workforce about impacts is addressed in ESRS 2 SBM -2 of this report.

In 2024 Shearwater launched its first global employee engagement survey for all permanent employees. 65% of employees responded to the survey with participation from all business lines and levels within the organisation.

Following the survey, we are now working with leaders to roll out action planning activities to empower both managers and employees to take ownership by responding to and investigating suggested improvements.

Shearwater employees also participate in regular activities that facilitate the exchange of information on topics that impact their work tasks and environment. This is achieved through quarterly townhalls for all employees and monthly local townhalls, which always include Q&A sessions. In addition, ad-hoc interaction sessions are scheduled during Management team site and vessel visits to enable them to learn about topics that have the greatest impact on our employees at that time.

Shearwater has cultivated an environment where our leadership provide communication that not only celebrates success but also shares what has been learnt in situations that have caused a negative impact on our employees and what will be done differently in the future. This style of leadership is intrinsic in our values and demonstrates that when we say we are taking our responsibility to act in the best interest of our people and the planet, we mean it.

*S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns*

Shearwater has established channels for employees and other stakeholders to raise concerns related to health & safety (Incident reporting, Stop Card), bullying and harassment (Whistleblowing, Grievance procedure) and matters related to our human rights commitments.

Our offshore personnel can also raise concerns to the highest levels of Shearwater Fleet Management via the Designated Person Ashore (DPA).

The Code of conduct and HR Policies state our intent to ensure that those raising reports of wrongdoing or concerns do not receive retaliation as a result.

As part of our commitment to continuous improvement, we analyse both successes and setbacks. Our workforce shows their commitment to safe practice through increased proactive measures such as robust reporting, audits, risk assessments, inspections, and corrective actions. Additionally, we provide comprehensive training.

One of the key initiatives driving our performance is our behavioural safety observations and intervention process. This process empowers our workforce to address at-risk behaviours proactively and intervene to prevent recurrence.

In 2024, Shearwater implemented its revised Global People Strategy. Objectives are set for all employees within the HR function to drive alignment with the core priorities set and we measure achievement against those goals on a bi-annual basis.

The Global People Strategy and goals are reviewed on an annual basis and adjusted in the event that new impacts or business needs develop.

Further information about Shearwater's handling of ethical and integrity issues is set out in the Governance section of this report.

*S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions*

All permanent employees receive regular performance and career development reviews, and benefit from a range of wellness services.

Our Head of Compensations and Benefits, ensure balance in benefits and fair treatment across the markets we operate in.

The occupational health team initiates and follow up actions related to the employees' health & well-being.

Shearwater also have safety representatives in offices in line with the Norwegian Working Environment Act and similar national regulations in the countries we operate in. Their role is to look after the interests of employees in matters concerning the working environment and maintain a dialogue with the management on these matters.

*S1-6 & 1-7 Characteristics of employees and non-employees in own workforce*

In Shearwater, being a global company where everyone's opinion matters, we take pride in our diverse workforce. It represents 70 different nationalities who bring value to our company with their different backgrounds and competence.

*S1-9 Diversity metrics*

While our industry has an overweight of male employees, Shearwater supports equal opportunities across genders. Gender diversity and gender pay-gaps are considered material, and the continuous improvement of our people solutions are designed to embed principles of equal treatment and opportunities for all


employees, and we encourage gender equality both in recruitment and career advancement.

We continuously improve our solutions to develop current and future talent. We are confident that through ongoing investment in targeted initiatives for early careers, increasing our female population, and improving access to employees with restricted mobility or physical disabilities, we will improve the balance in, and performance of our organization.

To support the understanding and modern practice of inclusion and equality, we provide mandatory online training on Unconscious Bias.

Ardenna is our first DEI (Diversity, Equity, and Inclusion) network. Established in 2021 and born from an idea conceived offshore, the Ardenna network`s mission is to act as thought leaders to help inform the rest of the business about inclusivity best-practice and development. The network is based on a "by employees, for employees" approach.

*S1-10, S1-11 & S1- 12 Adequate wages, Social protection and Persons with disabilities*

Being a responsible employer includes ensuring our workforce receives adequate wages and is covered by appropriate social protection benefits.

*S1-13 Training and skills development*

In 2024 the management team developed a talent philosophy to set out the company's vision for what performance shall look like at Shearwater, how we will recognise, drive accountability for, and discuss it with our employees. The talent philosophy has enabled the documentation of the principles we believe are essential for making sure the way we manage our people reflect our values and actions aligned with our behavioural framework.

The global performance standard creates consistent guidelines for performance management. This has been rolled out to all managers and employees and includes an e-learning module to provide education on how to apply the practices in their daily work. In addition, we have revised the questions within our performance review template to drive an increased focus on behaviours and career development discussions between the employee and manager.

SWTrain is our in-house developed learning management system that provides all employees with access to a broad range of e-learning and facilitator-led course topics to support their technical and professional skill development. The portal access also include contractors, subcontractors and affiliates.

*S1-14 Health and safety*

In our corporate commitment to health and safety, we prioritize the protection of individuals. Our operations, spanning offshore and onshore activities, are conducted with a focus on mitigating health and safety risks.

Our QHSE strategy include health and safety matters. The Head of QHSE is responsible for setting improvement targets. The performance against the targets are reviewed on an annual basis, monitored and reported to the management on a quarterly basis.

We take proactive measures to assess and address potential risks inherent in our operations, aiming for optimal protection standards. Our risk management methodology targets elimination, isolation, mitigation, and control of risks, aligning with industry benchmarks such as ISO 9001, International Association OF Oil & Gas Producers (IOGP), EnerGeo Alliance, and International Marine Contractors Association (IMCA) standards.

*S1-15 Work-life balance*

As a responsible employer, Shearwater encourages a sustainable working life. To support this, we offer adequate working hours to ensure our employees can spend enough time with their families and get proper rest, vacation and time off in line with local law and regulation, compassionate and maternity leave, and flexible working hours or an opportunity to work from home where possible.

Working offshore for long periods may impact on our employees' mental health and wellbeing. To mitigate potential negative effects of working offshore, we strive to maintain a work-life balance for our employees by offering a fixed six weeks on/ off rotation schedule, professional medical onboard, wellbeing initiatives and advice by our Occupational health Manager.

*S1-16 Pay gap and total remuneration*

The analysis for 2024 is expanded from using only base salary in 2023 as the comparator to including all cash remuneration reported in the live payroll data.

The 2024 gender and equal pay analysis has shown a positive reduction in our gender pay gap from 27.7% to 24.7%. The global gender pay gap is primarily due to a higher proportion of males in the defined job families and positions that require technical expertise that is recognised with higher rates of pay compared to non-technical positions. These technical positions have historically been male-dominated fields and increasing female representation is essential to drive down our gender pay gap.

The 2024 results have shown that we are making positive progress in key areas that impact the global gender pay gap. In middle management and technical leader roles the gender pay gap reduced from 16% to 13% in the 12 month period, and upper management reduced from 15% to 12%. This has shown that matured annual pay review practices utilising external and internal benchmarks with coaching from HR partners is enabling managers to drive equitable pay for all employees.

*S1-17 Incidents, complaints and severe human rights impacts*

Our global presence means we operate in numerous regions and countries. It is therefore critical for our company and stakeholders to understand how we impact people's well-being.

This Human and labour rights section encompasses our compliance with and reporting of the requirements of the Norwegian Transparency Act and the UK's Modern Slavery Act statement, which can be seen on our website.

## S1 Performance Metrics

| S1-6 Characteristics of undertakings employees | 2023 | 2024 | % vs LY |
|---|---|---|---|
| Average number of employees in countries with 50 or more employees representing at least 10% of total number of employees, Female | 223 | 249 | 12% |
| Average number of employees in countries with 50 or more employees representing at least 10% of total number of employees, Male | 977 | 1024 | 5% |
| Average number of employees in countries with 50 or more employees representing at least 10% of total number of employees, Total | 1,200 | 1,273 | 6% |
| Number of employees who have left undertaking | 56 | 66 | 18% |
| Number of employees in countries with 50 or more employees, APAC | 182 | 182 | -% |
| Number of employees in countries with 50 or more employees, Europe | 357 | 377 | 6% |
| Number of employees in countries with 50 or more employees, NALA | 51 | 61 | 20% |
| Number of employees in countries with 50 or more employees, Offshore | 610 | 626 | 3% |
| Percentage of employee turnover | 4% | 5% | 10% |

| S1-9 Diversity metrics | 2023 | 2024 | % vs LY |
|---|---|---|---|
| Number of employees (head count) at top management level, Female | 6 | 6 | -% |
| Number of employees (head count) at top management level, Male | 20 | 20 | -% |
| Number of employees (head count) at top management level, Total | 26 | 26 | -% |
| Percentage of employees (head count) between 30 and 50 years old | 68% | 64% | (6)% |
| Percentage of employees (head count) over 50 years old | 22% | 25% | 14% |
| Percentage of employees (head count) under 30 years old | 10% | 11% | 10% |
| Percentage of employees at top management level, Female | 23% | 23% | -% |
| Percentage of employees at top management level, Male | 77% | 77% | -% |
| Percentage of employees at top management level, Total | 2% | 2% | -% |
| Percentage of employees between 30 and 50 years old | 68% | 64% | (6)% |
| Percentage of employees over 50 years old | 22% | 25% | 14% |
| Percentage of employees under 30 years old | 10% | 11% | 10% |

| S1-10 Adequate wages | 2023 | 2024 | % vs LY |
|---|---|---|---|
| Percentage of employees paid below the applicable adequate wage benchmark, APAC | 0 | 0 | -% |
| Percentage of employees paid below the applicable adequate wage benchmark, Europe | 0 | 0 | -% |
| Percentage of employees paid below the applicable adequate wage benchmark, NALA | 0 | 0 | -% |
| Percentage of employees paid below the applicable adequate wage benchmark, Offshore employees | 0 | 0 | -% |
| Percentage of non-employees paid below adequate wage, APAC | 0 | 0 | -% |
| Percentage of non-employees paid below adequate wage, Europe | 0 | 0 | -% |
| Percentage of non-employees paid below adequate wage, NALA | 0 | 0 | -% |
| Percentage of non-employees paid below adequate wage, Offshore | 0 | 0 | -% |

| S1-13 Training and skills development | 2023 | 2024 | % vs LY |
|---|---|---|---|
| Percentage of employees that participated in regular performance and career development reviews, Female | 18% | 18% | -% |
| Percentage of employees that participated in regular performance and career development reviews, Male | 82% | 82% | -% |
| Percentage of employees that participated in regular performance and career development reviews, Total | 92% | 91% | (1)% |

## S1 Performance Metrics

| S1-14 Health and safety performance metrics | 2023 | 2024 | % vs LY |
|---|---|---|---|
| Number of cases of recordable work-related ill health of employees, Employees | 0 | 0 | -% |
| Number of days lost to work-related ill health and fatalities from ill health related to employees (per 1,000,000hrs), HIPO | 0.34 | 0 | (100)% |
| Number of days lost to work-related ill health and fatalities from ill health related to employees (per 1,000,000hrs), HPI | 2 | 3 | 50% |
| Number of days lost to work-related ill health and fatalities from ill health related to employees (per 1,000,000hrs), Lost Time Injuries | 4 | 3 | (25)% |
| Number of days lost to work-related ill health and fatalities from ill health related to employees (per 1,000,000hrs), LTIF | 0.69 | 0.61 | (12)% |
| Number of days lost to work-related ill health and fatalities from ill health related to employees (per 1,000,000hrs), Medical Treatment | 4 | 5 | 25% |
| Number of days lost to work-related ill health and fatalities from ill health related to employees (per 1,000,000hrs), Number of fatalities | 0 | 0 | -% |
| Number of days lost to work-related ill health and fatalities from ill health related to employees (per 1,000,000hrs), Restricted Work Case | 3 | 1 | (67)% |
| Number of days lost to work-related ill health and fatalities from ill health related to employees (per 1,000,000hrs), TRI | 11 | 9 | (18)% |
| Number of days lost to work-related ill health and fatalities from ill health related to employees (per 1,000,000hrs), TRIR | 1.89 | 1.82 | (4)% |
| Number of days lost to work-related ill health and fatalities from ill health related to employees (per OSHA 200,000hrs), LTIF | 0.14 | 0.12 | (14)% |
| Number of days lost to work-related ill health and fatalities from ill health related to employees (per OSHA 200,000hrs), TRIR | 0.38 | 0.36 | (5)% |
| Number of fatalities as result of work-related injuries and work-related ill health of other workers working on undertaking's sites | 0 | 0 | -% |
| Number of fatalities in own workforce as result of work-related injuries and work-related ill health, Employees | 0 | 0 | -% |
| Number of fatalities in own workforce as result of work-related injuries and work-related ill health, Non-employees | 0 | 0 | -% |
| Number of fatalities in own workforce as result of work-related injuries and work-related ill health, Value chain workers on employer's sites | 0 | 0 | -% |
| Number of recordable work-related accidents for own workforce, Employees | 11 | 9 | (18)% |
| Number of recordable work-related accidents for own workforce, Value chain workers on employer's sites | 0 | 0 | -% |
| Rate of recordable work-related accidents for own workforce, Employees | 1.89 | 1.82 | (4)% |
| Percentage workforce who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines and which has been internally audited and (or) audited or certified by external party | 100% | 100% | -% |
| Percentage of the workforce who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines, Employees | 100% | 100% | -% |
| Percentage workforce who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines, Non-employees | 100% | 100% | -% |
| Percentage workforce who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines, Value chain workers on employer's sites | 100% | 100% | -% |

| S1-15 Work-life balance | 2023 | 2024 | % vs LY |
|---|---|---|---|
| Percentage of employees entitled to take family-related leave, Female | 100% | 100% | -% |
| Percentage of employees entitled to take family-related leave, Male | 100% | 100% | -% |
| Percentage of employees entitled to take family-related leave, Total | 100% | 100% | -% |
| Percentage of entitled employees that took family-related leave, Female | 54% | 44% | (19)% |
| Percentage of entitled employees that took family-related leave, Male | 46% | 56% | 22% |
| Percentage of entitled employees that took family-related leave, Total | 16% | 45% | 181% |

| S1-16 Pay gap and total remuneration | 2023 | 2024 | % vs LY |
|---|---|---|---|
| Percentage Gender pay gap, Administrative | 28% | 34% | 21% |
| Percentage Gender pay gap, Executive | 15% | 7% | (53)% |
| Percentage Gender pay gap, Manual | 7% | 8% | 14% |
| Percentage Gender pay gap, Med Man/Tech Lead | 16% | 15% | (6)% |
| Percentage Gender pay gap, Prof/ Sup | 28% | 28% | -% |
| Percentage Gender pay gap, Senior Leader | 15% | 14% | (7)% |


## S1 Performance Metrics

| S1-17 Incidents, complaints and severe human rights impacts | 2023 | 2024 | % vs LY |
|---|---|---|---|
| Information about reconciliation of material fines, penalties, and compensation for damages as result of violations regarding social and human rights factors with most relevant amount presented in financial statements | 0 | 0 | -% |
| Number of incidents of discrimination, Age | 0 | 0 | -% |
| Number of incidents of discrimination, Disability | 0 | 0 | -% |
| Number of incidents of discrimination, Ethnic | 0 | 0 | -% |
| Number of incidents of discrimination, Gender | 0 | 0 | -% |
| Number of incidents of discrimination, Nationality | 0 | 0 | -% |
| Number of incidents of discrimination, Other | 0 | 1 | 100% |
| Number of incidents of discrimination, Religion | 0 | 0 | -% |
| Number of incidents of discrimination, Sexual orientation | 0 | 0 | -% |
| Number of complaints filed through channels for people in own workforce to raise concerns, Age | 0 | 0 | -% |
| Number of complaints filed through channels for people in own workforce to raise concerns, Disability | 0 | 0 | -% |
| Number of complaints filed through channels for people in own workforce to raise concerns, Ethnic | 0 | 0 | -% |
| Number of complaints filed through channels for people in own workforce to raise concerns, Gender | 0 | 0 | -% |
| Number of complaints filed through channels for people in own workforce to raise concerns, Nationality | 0 | 0 | -% |
| Number of complaints filed through channels for people in own workforce to raise concerns, Religion | 0 | 0 | -% |
| Number of complaints filed through channels for people in own workforce to raise concerns, Sexual orientation | 0 | 0 | -% |
| Number of severe human rights issues and incidents connected to own workforce that are cases of non respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises | 0 | 0 | -% |
| Number of severe human rights issues and incidents connected to own workforce | 0 | 0 | -% |

| S1- Entity specific metrics | 2023 | 2024 | % vs LY |
|---|---|---|---|
| Emergency Response Drills Conducted, Number | 2411 | 1792 | (26)% |
| Number of workforce exposure hours, Number | 5,820,039 | 4,938,731 | (15)% |
| Percentage of female offshore, Percentage | 7% | 7% | -% |
| Percentage of male offshore, Percentage | 93% | 93% | -% |

Foster fair working conditions in the Value Chain

# S2 WORKERS IN THE VALUE CHAIN

### Material impacts, risks and opportunities

*ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model*

The materiality assessment described in disclosure requirement IRO-1 identified potential negative impacts of accidents, personnel injuries, workplace harassment and violence, and child or forced labour as risks and potential negative impact to workers in our value chain.

Workers in our value chain are primarily associated with yard workers, support vessel crew, agencies employees, maintenance & service personnel, client representatives and marine mammal observers on board our vessels in operation employed by our business partners.

Shearwater closely follows regulations for sanctions or restrictions on countries and specific companies. The Trade Compliance Team regularly screen the list of business partners for any potential sanctions related to human rights.

In addition, Shearwater conducts an extensive due diligence process before entering into a new contract with partners in areas with identified high human rights risks.

In 2024 we declined two business opportunities due to human right risks.

### Impact, Risk and Opportunity Management

Shearwater requires all our vendors to promote and maintain high safety and business ethics standards and we expect them to treat their people with respect and dignity. Shearwater is committed to paying living wages to our own employees and we expect our vendors to do the same.

When setting our policies, we consider our legal obligations, good practices, established standards and expectations of investors, clients and other stakeholders.

*S2-1 Policies related to value chain workers*

Shearwater maintains a Code of Conduct addressing Human Rights, Working Environment and safety. All vendors (Business associates) must either comply with or shall have implemented their own ethical standards at least as stringent as those set out in our Code of Conduct. The expectations are enforced by our standard terms and conditions governed by our Head of Supply Chain.

| S2 Workers in the Value Chain | Actual/potential +/- impact, risk or opportunity | Value Chain Location | | | Time Horizon | | | S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities |
|---|---|---|---|---|---|---|---|---|
| | | Upstream | Own Operations | Downstream | Short Term (0-1 year) | Medium Term (1-3 years) | Long Term (3-15 years) | |
| **Working conditions involving health and safety matters.**<br><br>Our activities, offshore operations in particular, expose our people to safety risks. This is why safety is the number one priority in our operations. We have set clear targets and actions to ensure that all employees and workers in our value chain are safe. Healthy workers demonstrate a healthy organization. It is important for our business execution to ensure all people engaged with our operations are working in a safe and healthy environment. | Potential negative impact | X | X | | X | X | X | Zero Loss Time Injuries. |
| **Equal treatment and opportunities for all, including measures against violence and harassment in the workplace and other work-related rights such as child labour and forced labour.**<br><br>Our global presence means we operate in numerous regions and countries where we can have an impact on people`s well-being. We seek to make a positive impact for people in our value chain and the areas we operate in. | Potential negative impact<br>Risk | X | X | | X | X | X | No violation of human rights related to our business and where we can have an impact. |

The Code of Conduct is supplemented by the QHSE Policy underlining Shearwater's commitment to prioritising the health, safety and security of every person involved in Shearwater's operations as well as the protection of the environment in which our operations take place. The policy applies to all our business associates, enforced and owned by our Head of QHSE.

The Corporate Social Responsibility Policy supplement the Code of Conduct by underlining Shearwater's commitment to conducting its business ethically and in a socially accountable manner in accordance with the spirit and intent of the principles of the United Nations Global Compact.

The policy defines expectations to our business associates to comply with the International Bill of Human Rights and the ILO Declaration of Fundamental Principles and Rights at Work.

The policies are available on our website.

We expect our business associates to provide an employment environment that is free from physical, psychological and verbal harassment, or abusive conduct. Inappropriate workplace conduct, such as harassment, will not be tolerated.

Slavery, forced labour, child labour, torture and other violations of human rights are unacceptable. Business associates must not engage in human trafficking or require personnel to pay recruitment fees or deposits, or destroy, confiscate or conceal identity or immigration documents.

In accordance with applicable laws and regulations, business associates must have appropriate systems and procedures in place to ensure that accurate wages are paid and minimum wages are adhered to. They must ensure that working hours are compliant, hired labour is provided with written agreements of employment in a language understandable to the individual and that hired labour has access to effective grievance mechanisms.

Living conditions should be acceptable in relation to housing, sanitation, electricity, water supply, transport and communications.

### Engaging with Value Chain Workers

*S2-2 Processes for engaging with value chain workers about impacts*
*S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns*
*S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions*

Shearwater takes any concern related to the treatment of workers in our value chain seriously.

We have committed resources to conducting site visits and audits at facilities deemed to be at high risk of having potential negative impact on workers as part of due diligence and during the project phase. When conducted, the audits include interviews with workers about the availability and trust in local reporting mechanisms. Follow up on site visits or audits occur as needed.

We collaborate with those facilities to identify reasonable, practical, effective, and beneficial remedies to material impacts observed during vendor engagements.

In addition to physical audits, we perform an annual human and labour rights due diligence on our critical suppliers in accordance with the Norwegian Transparency Act. These are risk-based due diligence assessments, mapping the activities in our supply chain that represent the highest risk of human & labour rights violations. The assessment helps us to implement and prioritize dedicated mitigating actions, in collaboration with our vendors, aiming for increased awareness for our value chain workers.

We continue to evaluate risks to stakeholders of our activities and adapt our practices to reflect legal requirements and good practices while also considering our capacity and resources.


Shearwater Geoservices Sustainability Report 2024

# RESPONSIBLE BUSINESS

# G1 BUSINESS CONDUCT

As Shearwater's operations are global, we abide by laws and regulations in many jurisdictions regarding trade, and have no tolerance for corruption and bribery, competition and payments. We are following applicable competition regulations and related obligations.

Our ongoing governance and compliance processes, such as our mandatory training and workshops, are therefore key to ensuring compliance both as a business and as employees. Associated risks mitigated as described below.

## Impacts, Risks and Opportunities

*Disclosure requirements related to ESRS 2 SBM- 3*
*Material impacts, risks and opportunities and their interaction with strategy and business model.*

The materiality assessment described in IRO-1 and disclosure requirement IRO-2 identified potential negative impacts of workplace harassment, risks of sanctions, corruption and bribery violations and an opportunity in retaining and developing supplier relationships.

Our assessment also identified Cyber security violation as an entity specific risk.

## Ethical Business conduct

*G1-1 Corporate culture and Business conduct policies*

Shearwater adheres to all applicable international anti-corruption laws including the Norwegian Penal Code Sections 387, 388 and 389; the UK Bribery Act of 2010 (UKBA); and the US Foreign Corrupt Practices Act (FCPA) and other applicable international anti-corruption laws in the countries in which Shearwater operates.

At Shearwater we are deeply committed to fostering a corporate culture that is anchored in transparency, integrity and ethical business practices described in our Code of Conduct.

We also emphasize a strong commitment towards keeping a transparent, responsible and ethical operational framework. This framework is formalized in our Trade compliance, Corporate Social Responsibility, ESG and Intellectual Property Policies. Associated procedures are described further in guidelines on Whistleblowing, Anti-Corruption and Competition, Business Associates & sanctions, Auditing of Local Partners and Competition Law compliance. Using this framework, we can identify, manage and remediate our material impacts, risks and opportunities related to business conduct matters.

| G1 Business Conduct and Entity Specifi | Actual/potential +/- impact, risk or opportunity | Value Chain Location | | | Time Horizon | | | G1 Targets related to business conduct |
|---|---|---|---|---|---|---|---|---|
| | | Upstream | Own Operations | Downstream | Short Term (0-1 year) | Medium Term (1-3 years) | Long Term (3-15 years) | |
| **Ethical business conduct including matters of corporate culture, protection of whistleblowers and management of relationships with suppliers.**<br><br>A healthy supply chain is essential to satisfy our customers' needs. We must minimize our own sustainability risk exposure, reach our emissions reductions ambitions, meet our scope 1 emission targets, contributing to our customers' scope 3 emissions goals and ensuring compliance with new legal requirements and social expectations. | Potential negative impact<br>Risk<br>Opportunity | X | X | | X | X | X | No violation of human rights related to our business and where we can have an impact. |
| **Corruption and bribery.**<br><br>Business conduct ranks high in terms of financial materiality clearly demonstrating the importance of keeping a high standard on our governance processes. Any violation of law, regulations and ethical guidelines on part of Shearwater`s business relations, may have serious consequences for the company, and our co- workers who are subject to criminal liability. | Risk | X | X | | X | X | X | Zero corruption/ Bribe/ facilitation pay. |
| **Cyber security violation.** | Risk | | X | | X | X | X | Information Security Training for all employees. |

*G1- 3 Prevention and detection of corruption and bribery*

Any violation of law, regulations and ethical guidelines may have serious consequences for the company and our co-workers who could be subject to criminal liability.

Maintaining a high standard in ethical business conduct can also build greater trust and strengthen our relationships with our stakeholders on every level, including our clients, suppliers, employees, third-parties, investors and the communities we operate in, which we believe generate greater value over time.

We have established clear channels for identifying, reporting and investigating concerns about unlawful behaviour and/or conduct that contradicts our code of ethics. These channels include a dedicated trade compliance team, working independently with screening of suppliers, clients, owners and other business partners.

The Corporate Risk Committee, an independent committee consisting of relevant stakeholders from all departments, assesses corporate risks at project level.

Our integrated management system and online whistleblowing tool are channels open to everyone in the organisation, enabling them to report on any suspicion of corruption or bribery. The set up of all these channels are established in a manner which secure objective assessments by qualified personnel, with the conclusion and recommendation being escalated to management and board level if needed.

In line with the applicable Whistleblowing legislation, Shearwater has established procedures to promptly, independently, and objectively investigate incidents involving corrupt practices.

The management is proactive in operationalising these policies. This includes setting sustainability goals, monitoring progress and fostering a workplace culture that emphasizes ethical conduct and environmental stewardship.

The BoD Audit & Sustainability Committee oversees the company's compliance with the regulatory landscape.

We are promoting responsible behaviour, continuous development and evaluation of our corporate culture through periodic reviews, employee training and stakeholder engagements.

Regular training on business conduct is provided to our employees and suppliers. The training covers a wide range of topics such as anticorruption, ethical business practices and corporate social responsibility. This training is designed to deepen the understanding and implementation of our business conduct policies and ensure they are being followed.

An audit program of all our Commercial agents commenced in 2023 and will be completed in 2025.

Shearwater did not experience any incidents, convictions or fines of corruption and bribery in 2024.

### A healthy supply chain

*G 1-2 Management of relationships with suppliers*

Strong and transparent relationships with our suppliers are a cornerstone of a sustainable business. We engage in continuous dialogues with our suppliers to identify, assess, and manage any potential risks and impacts within our supply chain. This includes aspects such as environmental impact, human and labour rights, social governance, economic viability and criticality to our business.

We have invited all our critical suppliers to submit their response to an external provider of business sustainability ratings. The purpose is to partner with our suppliers to identify and address sustainability challenges we might have in common and share best practice.

It also gives us a great opportunity to review the health of our own Supply chain and our sustainability processes and practice, find improvement areas and act upon them.

We host sustainability workshops with suppliers who can have a significant impact on our scope 3 emissions or support us in reaching our ambitions for the reduction of our scope 1 emissions.

Shearwater actively considers social and environmental criteria in the selection of our suppliers, and we have included ESG elements in our suppliers' onboarding questionnaire. Our Code of Conduct mandates adherence to stringent environmental standards and respectful and inclusive workplace practices.

*G 1-6 Payment practices*

At Shearwater, we are dedicated to fostering positive and ethical relationships with our suppliers, which include many small and mediumsized enterprises (SMEs). We closely monitor our payment practices to ensure that we adhere to both contractual and statutory payment terms.

Payment to suppliers is governed by Shearwater's General Terms & Conditions, which is standard for all the suppliers. Supply chain request a 60 days payment term, which is our standard payment term to our suppliers. However, Shearwater also accepts other payment terms from suppliers during the supplier onboarding/contract negotiation.

In 2024, 24% of our suppliers by spend provide 45-60 days or more, 40% of suppliers by spend provide 30-45 days, 36% of suppliers by spend provide 30days.

To prevent overdue payments, especially to SMEs, Shearwater has implemented strict payment processes. The invoice approval process are managed in our procurement business support system. Approvers are frequently reminded to ensure the invoices are approved and paid by the due date.

## Moving forward

We continue to investigate opportunities for improvement in our processes to increase our efficiency, enhance regulatory compliance and minimize associated risks related to our supply chain.

In our procurement process, we are prioritizing the local purchases in the place we operate instead of importing from overseas to reduce emission from transportation. Each order request is reviewed by making sure the localizations are maximized. Orders are also being consolidated and shipped together as much as possible to reduce single urgent shipment. We are also collecting data from these practices to build a base line for KPI which will enable monitoring of its performance in the future.

We continue our dialogues with high impact suppliers such as fuel bunkers and freight forwarders to identify opportunities to reduce emissions. We will continue to maintain a strong and transparent relationship with our suppliers to achieve a sustainable business model while fulfilling our customer' needs.

## Cyber Security Risk

*ESRS 1- 1.4 Entity specific disclosures*

### Policies related to Cyber Security Risk

Our Information Security Policy outlines Shearwater's approach to information security management and provides the guiding principles and responsibilities necessary to safeguard the security of information systems. The Policy is aligned with our business goals and strategy.

The Policy is supported by a Cyber Security standard addressing responsibilities, actions, resources, and training requirements to ensure we maintain a robust safety net against cybersecurity risks. The standard complies with the IMO Guidelines on Maritime Cyber Risk Management and IMO Resolution MSC. 498 (98), Cyber Security.

### Processes to Remediate Cyber Security Risk

All employees must undergo mandatory online training on Information Security to understand the importance of data protection and learn the principles of safeguarding not only their own information but also that of others.

Shearwater continues to align its cybersecurity practices with the NIST Cyber Security Framework and mature its robust cybersecurity program to mitigate potential risks that cyber security threats can pose to our operations.

### Strengthening Cyber Security Posture

Over the past year, we have further reinforced our cybersecurity posture through several key initiatives:

We have begun the process of obtaining ISO 27001 certification, demonstrating our commitment to internationally recognised standards and best practices.

We maintain continuous partnerships with Computer Emergency Response Team (CERT) units to enhance our incident response capabilities and thirdparty threat intelligence services to proactively address emerging threats and vulnerabilities.

We leverage valuable resources like NORMA (Norwegian Online Risk Management Association) Cyber to stay informed about the evolving threat landscape and best practices in cyber security.

We have strengthened supply chain security, ensuring that all vendors and third-party service providers adhere to our cybersecurity standards and undergo regular security assessments.

### Governance and Oversight

Our Board of Directors and management team maintain active oversight of our cybersecurity strategy and receive regular reports on our security posture, including any significant incidents. In 2024, we conducted a comprehensive review of our cybersecurity strategy with the Board, focusing on the evolving cyber threat landscape.

Cybersecurity risks are evaluated annually as part of the company's enterprise risk management program, and we conduct regular assessments to measure the maturity of our cybersecurity program and guide its ongoing development.

### Data Privacy and Compliance

Shearwater is committed to protecting personal and sensitive information in compliance with General Data Protection Regulation (GDPR) and other relevant data protection laws. We ensure that personal data is processed lawfully, fairly, and transparently, with robust controls to prevent unauthorised access or misuse. Our privacy framework includes data encryption, access control mechanisms, and regular audits to maintain compliance with regulatory requirements.

### Security Awareness and Continuous Improvement

We remain committed to fostering a strong security culture through ongoing cybersecurity awareness and education initiatives across the organisation. Our comprehensive training program, coupled with regular phishing campaigns, reinforces secure behaviours and helps assess the effectiveness of our awareness efforts. The results of these campaigns are shared with senior leadership to ensure transparency and accountability.

### Cybersecurity Resilience

Due to these ongoing efforts, Shearwater was not materially impacted by any cybersecurity incidents in 2024. Our proactive measures, commitment to industry standards, and continuous improvement initiatives ensure we remain resilient in the face of evolving cyber threats.

### G1 Performance Metrics

| G1 Business Conduct | 2023 | 2024* | % vs LY |
|---|---|---|---|
| Whistleblowing Incidents, Number | 6 | 3 | (50)%* |
| Facilitation Payments Recorded, Number | 0 | 0 | -% |
| Bribery & Corruption Training, Percentage | 93% | 93% | -% |
| Competition Law, Percentage | 82% | 82% | -% |
| Number of confirmed incidents of corruption or bribery, Number | 0 | 0 | -% |
| Number of outstanding legal proceedings for late payments, Number | 0 | 0 | -% |
| Code of Conduct acknowledgement & compliance commitment, Percentage | 100% | 100% | -% |
| Trade Compliance Due Diligence, Percentage | 100% | 100% | -% |
| Number of convictions for violation of anti-corruption and anti- bribery laws, Number | 0% | 0% | -% |
| Functions-at-risk covered by training programmes, Finance, Percentage | 66% | 66% | -% |
| Functions-at-risk covered by training programmes, Human Resources, Percentage | 73% | 73% | -% |
| Functions-at-risk covered by training programmes, Sales and Marketing, Percentage | 79% | 79% | -% |
| Functions-at-risk covered by training programmes, Supply Chain Management, Percentage | 100% | 100% | -% |
| Information Security Training, Percentage | -% | 85% | -% |

*2024 Number is actual, Percentage is estimation.



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## About Shearwater

Shearwater is a global marine geoscience and technology business that specializes in collecting data offshore.
The organization uses state-of- the art seismic vessels and equipment to explore beneath the seabed and processes the data using market-leading proprietary software.
These insights help clients understand the Earth and make informed decisions about accelerating responsible use of its resources.

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