



› Excellence Logging  
ESG Report 2022

**EXLOG**  
EXCELLENCE LOGGING

# Introduction

Excellence Logging Group is a specialist energy services company providing surface data logging, light well intervention, and data & consulting services for customers in the oil and gas industry. We operate in more than 30 countries and employ over 1,400 people of 55 nationalities. Our services provide our customers with the highest levels of operational safety in the delivery of technically advanced geological data, surface formation evaluation, drilling monitoring and production technologies.

Excellence Logging is a young and growing company, operating in a dynamic industry. We are experts in those businesses where our expertise and focused competence make a material difference to customer performance. Being dedicated to innovation and continuously pursuing excellence in action through our people-driven organisation, we deliver superior service backed by our operational resilience, high standards, and a clear environmental, sustainability and governance (ESG) commitment.

Formed in 2015 through the combination of a series of small- and medium-sized specialized companies—each with strong regional presence—Excellence Logging benefits from an experienced management team, and innovative research and engineering capabilities that provide a collaborative approach to exceeding customer needs. Our heritage lies in the individual companies from which our organization was created.

## ABOUT THIS EXLOG REPORT

Our first ESG report is designed to give our investors, banks, customers, and other stakeholders details of our ESG-related activities together with specific financial information. The report has been prepared in accordance with the framework established by the Sustainability Accounting Standards Board (SASB) for Oil and Gas Services.



# Strategic Direction



Excellence Logging seeks to provide the very best in service and technology to enable our customers to deliver energy—safely, securely and sustainably. We believe that our industry will prove resilient in meeting the hydrocarbon-based energy needs of today while simultaneously developing the decarbonized energy supplies increasingly needed for positive climate action and sustained economic growth in the future.



As the energy transition accelerates, we are focused on reducing the carbon footprint of our oilfield services while monitoring, limiting and balancing our own carbon emissions with the most efficient offset measures appropriate to the geography and infrastructure where we work—making net-zero operations our ultimate goal. In parallel with this, we are targeting those sectors of the low-carbon energy market—including hydrogen and geothermal—that offer the greatest opportunities for our technology and expertise to be of value and application to customers and consumers.



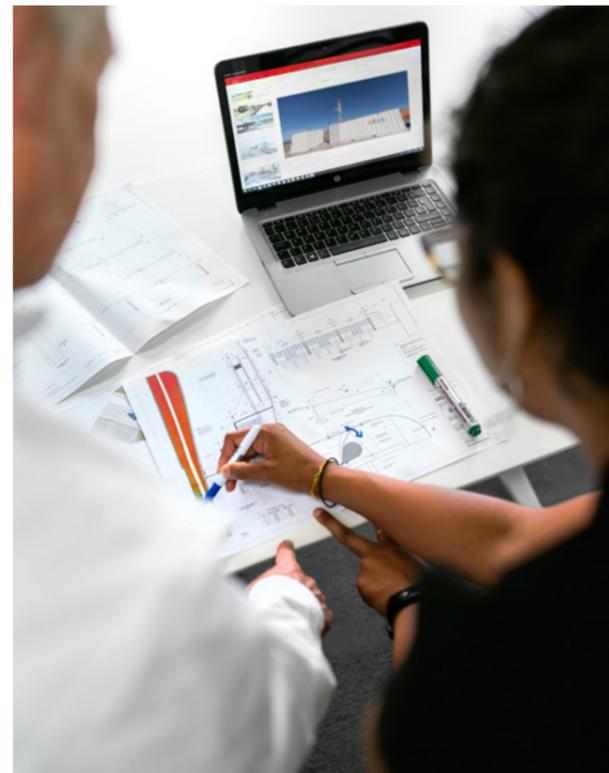
We are therefore committed to the policies and systems that actively monitor all aspects of our ESG performance—with specific concern for employee and contractor health and safety, care for the environment, respect for the communities in which we live and work, good ethical behaviour and strong business governance. We continually identify and assess the risks associated with our activities to be able to put the most appropriate management, mitigation and control measures in place.

Our strategic direction is backed by the integral elements and policies of our management system. These support our goals to comply with all relevant health and safety standards in the countries in which we operate; protect the environment through best environmental practices; achieve and maintain excellence in all quality aspects of our operations; develop and sustain irreproachable ethical behaviour in every country in which we conduct business; and optimize security—including cybersecurity—to minimize exposure of personnel, assets and information to potential threats.

## FOCUSED COMPETENCE: THE EXCELLENCE LOGGING WAY

**Our combination of highly experienced energy professionals and innovative technologies is proven to create value. Our global network of bases and resources means we are positioned to deliver quickly, safely, and efficiently—regardless of location, regardless of project complexity.**

**By focusing on innovative technology and operational excellence, we continuously strive to provide superior services.**



# From the CEO

## Welcome to the first Excellence Logging ESG report.

In the seven short years of our existence, we have seen the excitement of our initial growth severely challenged by the global Covid pandemic with its effects on energy demand and business resilience. The commitment of our workforce and the return of more favorable business conditions have now permitted us to look into the future and plan more extensively. We have the resources in place to develop our business, invest in new technology, and define our environmental, social and governance (ESG) ambitions.

Oil and gas companies are increasingly embracing the energy transition while practicing tighter capital discipline and transforming business models to boost performance. The longer-term outlook for our industry demands a global shift to a more sustainable future. While oil and gas supplies remain essential as energy transitions to more renewable and lower-carbon sources, we must manage our activities even more rigorously to meet accepted environmental goals, take needed climate action, and meet more ambitious sustainability targets.

We intend to encourage and support as many ESG initiatives as possible, but the size of our company means

the things we undertake must necessarily start from small beginnings. Our overriding commitment, however, is to make a meaningful contribution wherever we live and work around the world. The global footprint and large scale of our industry represent a force for long-term good through the societal impact of ESG actions on education, employment, health and safety.

Against this background we launched our ESG actions and initiatives in 2021. Our approach is fully described in our ESG Charter, which is included in this report. By its very nature, this first report largely contains the framework to which we will work. A number of early results and key achievements, however, are already visible and offer us the ability to focus on the metrics that matter. At the same time, we have an increasing portfolio of ESG actions and projects to which our employees, managers, and operating teams are enthusiastically contributing.

In closing, we are committed to avoiding inflated claims on what we achieve, and to justifying our results with the facts, figures and evidence that show we can make a difference. I look forward to communicating our progress versus these ambitions to you in future reports.



**JOHN LECHNER**

John Lechner has been Chief Executive Officer of Excellence Logging since April 2020, after joining the company as Chief Operating Officer in October 2019.

## KEY ESG ACHIEVEMENTS

ESG principles and guardrails became fully embedded in the Excellence Logging culture during 2021 through building awareness and harnessing the involvement of everyone in our worldwide organization.

Key steps were taken to define strategies, collect data, and target initiatives. While several of these represent building blocks, others form the foundation on which we will build our future performance.

### Key steps delivered 2021–2022:

- Excellence Logging ESG charter established
- ESG performance baseline established and audited
- New policies defined on Diversity, Climate Change and Energy Usage
- Compliance strengthened on Zero Accident Control training
- Cybersecurity levels, training and awareness reinforced
- Air travel drastically reduced with promotion of remote meetings when possible
- COVID-19 resilience effort and ability proven with active management of workforce
- Field initiatives launched in Argentina, Colombia, Congo, Tunisia and Italy
- First major contract secured with full ESG performance targeted

# The Excellence Logging ESG Charter

Excellence Logging seeks to make a positive impact on sustainable development in its industry and community through the application of its technologies, operations, processes and practices to the projects on which it works.

The Excellence Logging ESG Charter expresses this ambition and establishes the framework of measurable targets as the company works to respond to climate change and other major global development challenges.

Our Charter is built on industry standards and practices in support of the United Nations Sustainable Development Goals (UNSDG) and is further underpinned by the Excellence Logging Management System. This structure reflects our belief that sustainability ambitions must go beyond business as usual to provide a defense against inflated claims of impact or effect. Linked in this way, the UNSDGs, which are long term by definition, provide a strategic axis for us to demonstrate continuous progress in our operations, standards, services and products.

Five pillars make up our Charter:

- CLIMATE CHANGE & ENERGY USAGE
- SOCIAL COMMITMENT
- ENVIRONMENT
- SAFETY, HEALTH & SECURITY
- GOVERNANCE & BUSINESS ETHICS

Our chosen pillars are directly mappable to the UNSDG. This framework provides the basis for a defined Excellence Logging ESG project portfolio that demonstrates the impact we can make. Our target is to contribute in a meaningful manner to each of the projects within this portfolio.

*\*to be benchmarked with EcoVadis survey which took place at the same time with a score of 54%.*

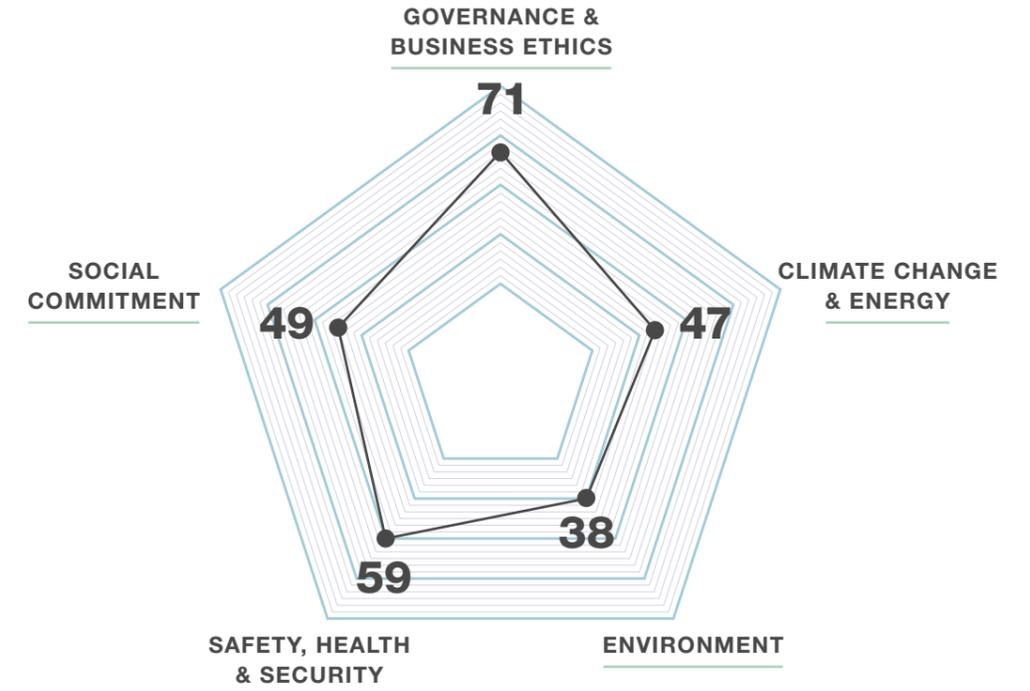
Management sets the strategic guardrails for the portfolio, and measures our progress within the scope of each of the five modules. We have begun by selecting those projects that have greatest impact around the world, with these projects serving as the foundation on which we can build.

Project selection is based on the impact we expect the project to make within an initial five-year period. Further projects will be added to our ESG leadership portfolio by targeting specific projects in a given geographic region that contribute to sustainability initiatives.

A first assessment of our position took place late in 2021 and this established the baseline for each of the ESG pillars as defined in the guidance documents of Ipieca, the global oil and gas association dedicated to advancing environmental and social performance across the energy transition. Our overriding commitment is to make a meaningful contribution wherever we live and work around the world.

**We are committed to avoiding inflated claims on what we achieve, and to justifying our results with facts.**

Overall ESG score:\*



 <b>ENVIRONMENT</b>	 <b>CLIMATE CHANGE &amp; ENERGY</b>	 <b>SOCIAL COMMITMENT</b>
<p>Actions to measure energy and water consumption, waste management and recycling</p> <p>Plans to be established at location levels</p>	<p>Overall approach to be defined versus company global ISO certifications</p> <p>Monitoring of wellsite operations under Excellence Logging control</p>	<p>Actions within local communities to be identified and planned</p> <p>Diversity and employee retention initiatives to be implemented</p>
 <b>SAFETY, HEALTH &amp; SECURITY</b>	 <b>GOVERNANCE &amp; BUSINESS ETHICS</b>	
<p>IT security and assessment of IT recovery to be defined</p> <p>ERP in place with reinforcement and assessment to be planned</p>	<p>Policies and standards to incorporate Ipieca areas of relevance</p> <p>Energy Consumption Policy to be defined</p>	

For each pillar, action plans are defined in those areas in which Excellence Logging seeks to increase the impact made.



# The Excellence Management System

## LINKING THE CHARTER TO THE EXCELLENCE LOGGING MANAGEMENT SYSTEM

To ensure consistent management of ESG performance, our ESG Charter is linked to the policies and control processes that make up our Management System.

This safeguards the management of sustainability-related factors with employees and partners being required to abide by our policies when they are performing their duties. Ultimately the chief executive officer and executive management team ensure that the right policies are in place at all times. Health, Safety, Environment, Quality, Business Ethics, Security and Business Continuity are all integral elements of the Excellence Logging Integrated Management System.

Policies are revised regularly to ensure they are coherent with corporate strategy. They provide the framework for setting attainable objectives and performance is monitored to improve the effectiveness of the Excellence Logging Management System.

Excellence Logging benefits from the individual heritage of each component company, with its specific geography, technology, or technical expertise. No action can be too small, and in many ways we are all champions of our own performance. We believe that we can bring the same energy and creativity that enabled the company to become a technology leader to our ESG ambitions—and that we will be seen as ESG innovators in the countries in which we live and work.

18 management policies and statements underpin the Excellence Logging ESG Charter. In addition, Cybersecurity and Quality, which are not ESG Pillars, are included in response to ISO standards.

ESG PILLAR	POLICY
All	Social Responsibility Statement from the CEO
Environment	Environment Protection Policy Waste Management Policy
Climate Change & Energy	Climate Change & Energy Use Policy
Safety, Health & Security	Health & Safety (H&S) Policy STOP Policy Driving Policy Covid Policy Security Policy Drug Alcohol & Tobacco Policy
Governance & Business Ethics	Business Ethics Policy Improper Payment Policy Supply Chain Policy
Social Commitment	Human Resources (Social Commitment) Policy Diversity Policy
Cybersecurity	IT Security & Data Integrity Policy
Quality	Quality Policy



EXLOG scientists and engineers work to develop new technologies at the Colombes, France, product development center. →

# Sustainability Accounting Standards Disclosure

Excellence Logging is a new company created in 2015 by the merger of several companies, each with their own policies and standards. A primary focus over the first seven years of the company's history has been the convergence of these processes across all of our operations.

With the launch of our ESG initiative in the second half of 2021, no year-on-year numbers related to emissions reduction, water usage, chemical waste management or ecological impact have yet been established. Our goal is to use the baseline established in 2022 to set our 2023 targets and drive our ESG goals.

TOPIC	ACCOUNTING METRIC	UNIT OF MEASURE	2020	2021	2022	NOTE
Activity	Total headcount	Number	1,161	1,266	1,422	EXLOG is still acquiring and aggregating data for this disclosure section. Topics and figures will be added and updated over time.
Activity	Total man-hours	Number (thousands)	2,275	2,274	2,810	
Workforce Health & Safety	Lost Time Incident Frequency (LTIF)	Rate	0.00	0.09	0.14	
Workforce Health & Safety	Total Recordable Incident Rate (TRIR)	Rate	0.18	0.18	0.36	
Business Ethics & Payment Transparency	Amount of net revenue in countries with the 20-lowest ratings in the Transparency International Corruption Perception Index	Reporting Currency (millions)	9.1	7.6	8.5	
Business Ethics & Payment Transparency	Description of the Management System for corruption and bribery	See Page	N/A	N/A	21	
Management of the Legal & Regulatory Environment	Description of corporate position related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	See Page	N/A	N/A	15 16 17	
Critical Incident Risk Management	Description of the management systems used to identify and mitigate catastrophic risks	See Page	N/A	N/A	19 20	

# United Nations Sustainability Goals

## LINKING THE CHARTER TO THE UN SUSTAINABILITY GOALS

In addressing sustainability in a broader perspective, we have identified six UN Sustainable Development Goals (UNSDGs) where we believe Excellence Logging has a direct impact.

will bring opportunities to address other UN goals with the company's ESG Charter framework. The materiality of these topics enables us to identify and prioritize sustainability issues across our company. For example, in our Social Commitment module, actions and ambitions are targeted in areas of employee health and safety; labor practices; employee engagement, diversity and inclusion; and human rights and community relations. Other topics such as the energy transition; waste and hazardous materials management; greenhouse gas emissions; and ecological impacts are linked to a combination of modules that include Climate Change and Energy Usage as well as the Environment.

Accordingly, UNSDGs 3, 5, 7, 8, 12 and 16 have been linked to the five Excellence Logging ESG Charter Pillars: The Environment; Climate Change & Energy Usage; Social Commitment; Safety, Health & Security; and Governance & Business Ethics. Future Excellence Logging ESG actions

### INDUSTRY MAP

EXLOG's initial focus on six UNSDGs has been guided by the IPIECA oil and gas industry map of oil and gas industry activities.



## SUSTAINABLE DEVELOPMENT GOALS



### GOOD HEALTH AND WELLBEING

We at Excellence Logging care about our employees and want to create both a healthy, happy working environment and improve our employee satisfaction. Wellbeing is strongly linked to higher personnel performance and organizational success. One example of this is the experience gained during the Covid pandemic, which provided valuable insight into how communication could enhance individual wellbeing. As a result, ideas and suggestions on how to mitigate stress, anxiety and depressions were assembled and circulated throughout the company using the Employee Newsletter.



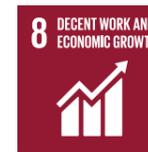
### GENDER EQUALITY

Excellence Logging is committed to diversity and equality in all areas and all levels of its operations. Diversity means those attributes which may differ from person to person, including gender, age, ethnicity, and cultural background. To measure our progress in meeting this commitment, formal guidance on hiring practices has been established and the process by which workforce diversity will be monitored has been defined. In setting the ESG gender-diversity baseline, the percentage of female employees was reported as 20% overall, and 17% within the senior management group.



### AFFORDABLE AND CLEAN ENERGY

As the energy transition accelerates, we are focused on reducing the carbon footprint of our oilfield services appropriate to the geography where we work while balancing our carbon emissions with the most efficient offset measures to make net-zero operations our ultimate goal. In parallel with this, we are targeting those sectors of the clean energy market—specifically hydrogen and geothermal—that offer the widest opportunities for our technology and expertise to be of value and application to customers and consumers.



### DECENT WORK AND ECONOMIC GROWTH

A key goal wherever we work is to provide a safe and decent working environment that fosters productive, healthy local employment and workforce and supplier development on competitive terms. Currently, the company has operations in more than 30 countries. With an organization built on the strong foundations of a group of well-established specialist companies, Excellence Logging believes that culture and history can encourage superior working environments that benefit employer and employee while promoting a favorable climate for future development.



### RESPONSIBLE CONSUMPTION AND PRODUCTION

We have environmentally sound and efficient chemical and waste management systems in place and seek to ensure a sustainable supply of products and services through developing solutions that ensure we work faster, more efficiently and in as safe a manner as possible while promoting positive climate action. Among the examples that exist, the deployment of new technologies in surface data acquisition systems has eliminated the use of the vast majority of paper logs and prints through their replacement by digital data that can be rapidly transmitted. This has reduced shipping of suppliers and consumption of paper and inks.



### PEACE, JUSTICE AND STRONG INSTITUTIONS

Excellence Logging has strong anti-corruption policies in place, and we enforce strict supplier and customer due diligence to ensure fair and just business practices are followed. We engage with local communities and unions to achieve consent for matters of local importance. These and other aspects of business conduct are expressed in the company's Code of Conduct, first issued in 2017. A formal training program has been established and all employees, contractors, suppliers and business partners are required to become familiar with the required conduct. Records are kept of training and acceptance of the Code's requirements.

# Excellence Logging Technology

With mounting pressure on the oil and gas industry to retain public and government confidence through the energy transition, we are committed to technology with positive ESG impact—both in oilfield applications and in the development of new, lower-carbon energy supplies.

Our approach to technology development begins in research and development with a systematic approach to reduce personnel footprint, lower maintenance and improve durability.

In oilfield applications, we focus on reducing the carbon footprint of our services while balancing our emissions with the offset measures most appropriate to the geography where we work. In new energy applications, we target those sectors of the market—including hydrogen and geothermal—that offer the greatest opportunities for our technology and expertise to be of value.

Applied engineering and product applications are performed in EXLOG facilities worldwide. ↓



## LOWER-CARBON TECHNOLOGIES

With new digital technologies, however, further reductions become possible.

The XView platform is the core acquisition system of Excellence Logging surface data logging services. It is the first layer of data acquisition allowing wellsite crews to deliver standard services as well as acquire and process critical parameters at the wellsite. XView technology also allows advanced modules to be added for specific customer demands for ease of deployment and to make the overall system highly adaptable.

The rapid development and implementation of digital technologies across the energy space, however, brings greater opportunity to reduce emissions, limit footprint, and increase safety. SkyView is Excellence Logging's digital platform that interfaces with XView systems to allow customers to connect remotely to wellsite operations and visualize ongoing operations in real time. It also offers real-time operational support and data quality control as well as advanced technical support and remote data interpretation. Taken together, this means that deployment to the wellsite of both customer and Excellence Logging personnel can be reduced.

Crew training offers similar opportunities. In a people-intensive service business, the continuous training of active personnel or the onboarding of newly hired personnel is key to service quality success. While in-person training is sometimes unavoidable, remote training can be used to reduce travel and carbon footprint. Virtual XView training classes have therefore been developed and have already been implemented to remotely train operators assigned to XView jobs.

Virtual XView machines can be activated any time and remain active to allow trainees to follow the training and practice applications. Since the implementation of this approach, more than eight virtual classes and training sessions have been held with over 40 staff participating.

Excellence Logging XView acquisition technology has also been extended to offer an online display function that provides instant up-to-date access to drilling, master and coring logs from any rigsite location. A new drill-bit tracking option has also been added to automatically adjust log scrolling while the bit is moving in the wellbore. Last but not least, the XView monitoring module allows logs to be displayed and synchronized at bit depth with real-time parameters, even on the rig, for safer, more efficient operations. As a result, the need for paper prints to be made can be eliminated, saving time, materials and logistical planning.

# New Energy Technologies

Geothermal energy and natural hydrogen usage are an economic reality and have begun to play a vital and growing role in the global energy transition. Drilling wells for geothermal energy or to access natural hydrogen requires specific answer products.

Excellence Logging has developed and adapted surface data logging formation evaluation technologies to address the challenges of these low- or zero-carbon energy resources by being able to log high-temperature geothermal wells as well as operate in natural hydrogen environments.

## GEOTHERMAL ENERGY

The success of geothermal exploration relies on the capacity to provide long lasting high temperature pressured water to the surface for home heating or to produce electricity. In this respect, an understanding of the hydrodynamic and geological contexts as well as the chemical interactions of reactive brines with the surrounding rocks is necessary. By bringing its technology and leveraging its expertise in the field of geothermal energy, Excellence Logging is increasingly involved in many geothermal projects in Europe, Turkey, and Asia.

Excellence Logging surface data logging technology helps by detecting fractures linked to fluid mobility by studying cuttings. Excellence Logging also evaluates and maps variations in pH, salinity and alkalinity together with the temperatures of the produced and recirculating waters to monitor and minimize possible reactions that may generate problematic tubing scaling and potential well production destabilization.

The expertise that Excellence Logging has gained over past operations in complex settings enables geothermal projects to operate within recommended local regulations and monitors the impact of recovered subsurface rocks on health hazards. This is a necessary step of geothermal well management in and around populated areas.

Excellence Logging is at the forefront of the energy transition with optimized services for geothermal and hydrogen exploration projects.

## NATURAL HYDROGEN

The energy transition from fossil to low-carbon fuels has picked up momentum over the past 10 years. One significant source is [hydrogen](#), which as the most energy-rich gas is expected to play a determinant role as a clean energy carrier. Hydrogen can either be manufactured at some cost, or produced naturally from subsurface reservoirs.

Natural hydrogen has been observed in various geological settings. It is found in hydrothermal systems, mid-oceanic ridges, ophiolites and the continental crust. Current research debates on the origin of subsurface hydrogen and its generation mechanisms that include radiolysis, chemical redox reactions with water and iron, mineral decomposition of ultramafic rocks, and ammonium decomposition. Excellence Logging is at the forefront of the energy transition and provides optimized surface data logging services for natural hydrogen exploration projects.

An increasing number of regions for natural hydrogen exploration have been targeted in Europe, Australia, the United States, Brazil, and Mali. Mali is the first country to have explored for hydrogen and produces it today. The reservoirs contain more than [95% pure](#) hydrogen and are thought to be recharged through both fractures and the matrix rock.

The natural hydrogen produced currently provides electrical power to the Bourakébougou village without any greenhouse emissions. In Mali, one customer has already chosen Excellence Logging to perform advanced gas monitoring in the drilling of natural hydrogen wells.

## HYDROGEN

Hydrogen is the most energy-rich gas in its role as a clean energy carrier.

95%

Reservoirs contain over 95% pure hydrogen.



**ESG PILLAR:**

# The Environment

**Excellence Logging has a formal environmental policy that defines its environmental management systems, the environmental impact of its products and services, and its approach to climate change.**

Through this policy, Excellence Logging is committed to protecting the environment using products, techniques and services that respect sound environmental practices. Specific plans have been established for the most significant impacts of waste management, energy usage, reuse of materials, air pollution and transportation.

Our objectives take account of suitable environmental practices in carrying out safe and efficient waste management, using approved standards of care and diligence to avoid contamination of any kind resulting from our activities and preserving air, water, animal and plant life as much as possible. Excellence Logging follows the guiding principles of ISO 14001:2015 in its environmental management system and evaluates environmental factors and impacts in a risk-based analysis.

As a central aspect of our overall environmental performance, we are committed to an efficient and safe waste management program. We seek not to produce any more waste than necessary through the 3R concept of Reduce, Reuse, Recycle, while impeding uncontrolled discharge of waste into the environment and disposing of unavoidable waste in an environmentally acceptable manner. We are also committed to supporting our customers in reducing methane emissions in well abandonment, reducing the volume of fresh water utilized in operations, and ensuring that no contaminated water is discharged into the environment.

### ENERGY EFFICIENT INITIATIVES

In addition to our offshore and field work locations, Excellence Logging has multiple offices and workshops. One of our main goals is to continuously reduce the energy consumption of these facilities. We began to monitor resource consumption in 2021 and introduced basic initiatives to control and improve energy performance, such as adapting inside temperatures and controlling lights to save energy.

A significant portion of our carbon footprint that lies within our direct control is related to transportation of personnel and equipment. By optimizing our planning in close cooperation with transportation suppliers, we can consolidate and increase efficiency of the transportation methods that we employ. Key performance indicators that we will measure in this initiative include vehicle type, fuel usage and number of trips.



**We must manage our activities rigorously to meet accepted environmental goals.**



### MEASURING CARBON FOOTPRINT OF MUD LOGGING OPERATIONS IN COLOMBIA

In 2022, EXLOG in Colombia began to measure the carbon footprint of its surface data logging operations. This has been designed so that our program will link ground transportation and air transportation providers to provide the external information for our measurement. The first year's objective is to define the greenhouse gas (GHG) emissions baseline, so that reduction goals can be set in future years. Over time, we intend to achieve more sustainable operations with lower GHG emissions.

### REDUCING CARBON FOOTPRINT OF TECHNOLOGY DEVELOPMENT

The use of specialized technology at the wellsite has an impact on the environment well beyond oilfield operations. Carbon emissions, for example, begin in equipment manufacturing through shipping and final deployment. At the same time, different customers have different approaches to the services they require requiring service providers such as EXLOG to offer a range of technology options. To avoid duplication of systems and efforts, EXLOG has developed a fluid logging portfolio that has been designed on the same hardware and software platform to cover customer needs from standard services to advanced techniques. This avoids deploying multiple fluid logging systems at the wellsite, not only to limit transportation carbon emissions through standardization and operational flexibility, but also reduce carbon footprint reduction at the manufacturing stage by streamlining equipment production. The same principle has been adopted in other EXLOG services lines, where technologies have been harmonized across the legacy companies that built today's operations.

### RETHINKING RECYCLING MATERIALS

Rags are intensively used during well intervention operations. In order to reduce waste, a program began in 2021 to recycle and reuse such rags. Consumption dropped by almost 15% between the beginning and end of the year and a number of positive environmental impacts were realised in addition to the basic cost saving. Deliveries from the recycler, for example, are combined with deliveries to other rag consumers, saving transportation carbon dioxide emissions. The rags used are now made of a more ecologically friendly material, while the washing processes consume as little water and energy as possible, using bio-degradable detergents. Water is re-used several times, residual heat recovered, and the dirt and oil removed from the recycled rags disposed of in an environmentally acceptable manner.



### OFFSETTING CO2 EMISSIONS IN ARGENTINA

Since 2021, EXLOG Argentina has been measuring the carbon dioxide emissions of a 37-vehicle fleet that includes trucks, pick-ups and cars. During the first year of the program, we recorded 291 tons of CO2 emitted by the fleet. The data are acquired from tracking devices installed in each vehicle, which are reported to a database and then aggregated and analyzed online.

The second part of this initiative is to offset our carbon emissions. To support this, we are partnering with ReforestArg, an NGO dedicated to reforesting Patagonia areas through volunteer efforts where fires have occurred. So far, we have planted 968 new trees, with each new tree expected to offset 0.3 tons of CO2.

### GEOHERMAL OPERATIONS IN INDONESIA

EXLOG Indonesia is providing surface data logging on an integrated services contract for a geothermal survey in Indonesia. This is a challenging project because the operations are in a remote area, close to one of the most active volcanoes in Indonesia. The technology being used has been developed to work in the high temperatures of geothermal areas.

### ENERGY SAVINGS IN EXLOG

Companies in the energy industry are well-placed to focus on the reduction of their environmental impact. By measuring our own energy consumption, water management, greenhouse gas emissions, and safety data across operations and supply chains, we can set an example to every part of our company. Within our organisational regions, pilot projects have been launched in a number of countries. These projects offer the variation and opportunity to focus on the metrics that matter in setting future goals.

- ▶ In Colombes, France, our teams have decreased electricity usage by 20% year-on-year in 2020 and a further 14% in 2021.
- ▶ In thirteen countries in which we operate, electricity consumption is now being monitored with air conditioning and heating settings set to 28 and 19 deg C respectively.
- ▶ In nine countries we have begun regularly monitoring water usage to establish a baseline to set future consumption targets once a full year's consumption has been measured.

### ESG PILLAR:

# Climate Change and Energy Usage

**Excellence Logging is committed to assessing the company's climate-related risks and opportunities, evaluating the significance of these, and addressing them through risk mitigation, new technology development and management through the energy transition.**

The mechanism for this is being developed as a five-year plan where each geographic region of the company defines and implements meaningful solutions that contribute to overall goals—sharing solutions globally across the company to leverage individual local success.

Excellence Logging's objectives require each region to contribute to sustainable development initiatives in climate change and energy usage. These initiatives include building collaborations or partnerships with NGOs, universities, institutions and international organizations that address climate-related risks and opportunities as well as nature-based solutions such as reforestation and enhanced forest management. They also include implementation of future technology and research investment and seizing opportunities minimizing the impact of climate-related risks. We are quantifying the GHG reduction benefits that might be achieved while ensuring all vehicles in our fleet are fitted with the emission reduction technology.

Our goals are to promote a culture whereby personal responsibility for energy efficiency is second nature; to comply with all relevant statutory regulations to promote energy efficiency; to aim for continuous improvement in energy management through communication, consultation and ownership; to reduce the volume of emissions caused by energy consumption; and to use fuels as efficiently as possible.



**We cannot reduce usage if we do not measure consumption.**



### ESG PILLAR:

# Social Commitment

**Excellence Logging develops focused competence and a culturally sensitive working environment as enablers for employees to optimally support the company's business activities and culture. Further, the company is committed to the development of diversity and inclusion in all functions and positions.**

Our goals are to provide every employee with an essential role to play in promoting the company as the leading surface data logging, data & consultancy and well intervention services company. This over-arching goal extends to the implementation of clear roles, responsibilities and requirements within the organisation. This includes engagement programs to develop employees' understanding and commitment to a high level of client service delivery as well as the identification and anticipation of talent gaps, the promotion of internal career advancement, and the recognition and reward of merited employee performance. Employee wellness is promoted through effective health benefit plans while ensuring our personnel work in compliance with relevant local legislation. In addition, we seek to guarantee social cohesion and actively contribute to the economic development of the countries in which we operate, particularly through recruiting and training.

Our objectives are to ensure all our employees are properly trained and certified in accordance with our certified competency program; to make sure the diversity program is monitored and improved all the time; to recruit and develop nationals where we operate; and to ensure all our employees are working in the best environment to protect their health and security. The human resources organization has the responsibility to function as the guardian of fair and equitable treatment of employees and ensure that the workplace environment is conducive for employees and managers to conduct our business to the highest ethical standards.

Excellence Logging is committed to diversity and equality in all areas and all levels of its operations. Diversity means those attributes that may differ from person to person, including gender, age, ethnicity, and cultural background. Our goals are to promote a culture whereby personal responsibility for diversity is second nature and to aim for continuous improvement through communication, consultation, and ownership. We recognize and respect that the strength of our business is built on the understanding of individual strengths and differences.

Our objectives are to work towards an anti-discriminatory environment, based on open discussions with employees, customers, suppliers, and others on perceptions of discrimination and by ensuring that our practices reflect relevant legislation and good practice. We understand that there can be workplace issues and concerns for people of different cultures, and we seek to provide a working environment that is culturally sensitive and supportive for all employees.



**We seek to guarantee social cohesion and actively contribute to economic development.**



### EMPLOYEE WELLBEING DURING THE COVID-19 PANDEMIC

The Covid pandemic has had economic ramifications through higher rates of stress, anxiety, and depression on people around the world. Beyond supporting our personnel around the world and enabling operations to be conducted in accordance with customer restrictions and global health requirements, the internal company newsletter was used to circulate wellness suggestions, drive communication and provide tips to help personnel manage their environment and their physical and mental health.

The foundation for this was based on the company's belief that the incorporation of healthy habits during working hours, such as stepping away for fresh air, checking in with a friend or a colleague, and reducing meeting times is a positive in uncertain times. Ideas to help employees take care of their mental well-being were developed as the basis of the initiative and communicated via regular webinars.

These included finding ways to connect with others to share experiences and exploring ways to pass the time when confined through art and craft, yoga, writing and meditation.

The positive effect of physical activity was also emphasized by encouraging employees to keep active through dance, exercise or workouts. And to combat anxiety, depressions or moodiness, personnel were encouraged to try mindfulness, set realistic goals, play games or complete puzzles.

**Through our people-driven organization, we deliver superior service backed by our operational resilience, high standards, and a clear environmental, sustainability and governance commitment.**



### KEY 2021 SAFETY FIGURES

EXLOG finished 2021 with a Lost Time Incident Frequency (LTIF) of 0.09 and a Total Recordable Incident Rate (TRIR) of 0.18. These figures are the same as in 2020. Considering that we started a lot of new projects in 2021, and that some field crews were not in practice for a while during the Covid pandemic, this performance exceeds expectations.

### EXLOG STOP CARD SYSTEM

EXLOG operates a safety card system to develop HSE awareness and prevent serious incidents and injuries. The system includes stop cards to halt operations when a dangerous situation is observed. This requires the operation to stop and a safety meeting to be held before operations continue. In 2022, 16 stop cards were recorded worldwide. One example in Argentina led to a rig crew being notified of a leak by an EXLOG employee on the rig during drilling. The area was secured by blocking the pressurized section of the pipe before line pressure was relieved. After repair, the area was observed to be free of leaks and operations were resumed.

### CYBERSECURITY

We operate in a global industry with vulnerable assets and the more we rely on technology to collect, store and manage information, the more vulnerable we become to severe security breaches.

Human errors, hacker attacks and system malfunctions can cause great financial damage and potentially jeopardize our reputation. We are therefore developing resilience in cybersecurity by identifying, correcting and communicating the risks associated with the use of our IT systems.

For these reasons, a number of security measures were reinforced in 2021 and a series of actions were defined to help mitigate such security risks. These were outlined in the EXLOG IT Cybersecurity policy and communicated to all employees through the company management system and through the new quarterly newsletter.

The recommended measures included regarding customer data to be a key asset, reporting cybersecurity attacks and suspicious emails, protecting company and personal assets and changing logins and passwords on a regular basis.

By integrating cybersecurity awareness deep within our corporate culture, we strive to provide our customers with service excellence that includes the pledge that data security is a top company priority.

### ESG PILLAR:

# Safety, Health and Security

**Safety is a critical piece of any company's social framework. Excellence Logging conducts business in a way that protects both the occupational health and the safety of people.**

Maintaining clean, safe and secure work environments is one of the main pillars of our ESG Charter. We believe this to be fundamental to best-in-class service and industry practice. The company's actions are defined by an extensive occupational health and safety management system that includes certification and audit, emergency training, accident monitoring, employee illness and stress management together with the steps required to maintain a healthy working environment.

Health and safety values cannot and will not be compromised. No job is so important, and no task so urgent that the necessary steps and preparations cannot be taken to perform safely. Everyone is encouraged to identify risks and opportunities.

We are determined to provide the necessary resources to achieve our goals and will support initiatives for continuous improvement of the Excellence Logging Management System.

Our goals are to prevent work-related accidents and illnesses; minimize or suppress the health and safety risks associated with our activities; respect all applicable local legislation and regulatory requirements; involve management in health and safety activities; and engage employees in health and safety matters.

Our objectives are to carry out evaluations of risks; identify appropriate measures to be implemented; communicate mitigation steps to those persons that could be impacted; communicate assessed risks to appropriate management levels; empower every individual to intervene if there are any concerns that health or safety are being jeopardized; deliver programs to continue increasing health and safety awareness and competence levels within all layers of the organisation; and build a positive safety culture across the organization.

From the perspective of quality, our goal is primarily intended to enhance customer satisfaction. This is done through the standards and processes necessary for operations, continuous improvement, conformity to customer requirements and to applicable legal requirements.

An important aspect of this is the identification and mitigation of the cybersecurity risks associated with the use of our IT systems. By integrating cybersecurity awareness deep within our corporate culture, we strive to provide our customers with service excellence that includes the pledge that data security is a top company priority.

### RISK MANAGEMENT

Excellence Logging is committed to identify risks as part of our emergency and crisis response planning that defines escalation procedures and risk mitigation plans.

**The risks associated with our activities are directly related to the sustainability of Excellence Logging as a company.**

They may have impacts on the health and safety of our people, the environment in which we work, the security of our business and even our ability to operate. If risks are badly managed, they can affect or materially impair our operation and negatively affect our reputation.

Risk management is facilitated through horizon scanning. This is the systematic examination of potential threats, opportunities and future developments, which may have the potential to create new risks or change the character of risks already identified.

Excellence Logging risk mapping is conducted by the executive management team together with nominated representatives from the HSE, Quality, Legal and IT security organizations. Excellence Logging also draws upon the experience of government agencies, private sector lawyers, information agencies and insurance and risk management experts.

The horizon scanning process leads to the corporate risk map, which is presented in the standard event category matrix format defined in the company integrated management system. This map is updated annually under the responsibility of the chief executive officer.

The standards and processes of Excellence Logging apply whenever the company has direct management control of activities. Whenever activities are not directly managed by Excellence Logging, related risks must always be managed at the appropriate level. This is particularly important when working in partnerships or when collaborating with local communities.

Excellence Logging seeks to make a positive impact on sustainable development within its industry and its community through the application of its technologies, operations, processes and practices to the projects on which it works.

The Excellence Logging ESG Charter expresses this ambition and establishes measurable targets as the company works to respond to major global development challenges.



**Health and safety values cannot, and will not, be compromised.**



**RISK ASSESSMENT**

The corporate risk map tracks the top threats to the organization, evaluates their severity, and guides response plan actions.

		LIKELIHOOD (FREQUENCY)			
		Rare	Unlikely	Possible	Likely
SEVERITY (CONSEQUENCES)	Low	1	2	3	3
	Medium	5	6	7	8
	High	9	10	11	12
	Very High	13	14	15	16

Air travel represents a significant risk and makes up a large part of our environmental footprint. Offshore survival training and remote operations deployments mitigate risk and reduce field personnel travel. +

Typically, events that lie in the green or yellow areas of the matrix represent local emergencies that can be handled by Excellence Logging management in country. These may include accidents to people and equipment, flooding, fires and similar emergencies. Excellence Logging locations worldwide are required to have emergency response plans in place that provide not only for the immediate response but also for escalation to higher management levels that ultimately lead to the corporate Crisis and Emergency Plan.

At the corporate level, the internal and external risks events that could materially impair the company, its reputation and/or its ability to operate are identified and mapped.

This is an annual exercise. External risks vary from severe threats to company personnel to natural catastrophes and global pandemics. Internal threats on the other hand include major operational failures, loss of key customer business and breaches of compliance that can severely restrict operating capability. The corporate plan caters for the escalation of local emergencies that extend beyond the control of the local level as well as global threats that may not be evident at the local level.

Crises are associated with highly complex problems, the solutions to which may have severe consequences for any organization. Exceptional demands are placed on managers and their support teams, which can make the running of the business in parallel with managing a crisis difficult to achieve. For this reason, Excellence Logging has developed emergency and crisis management scenarios at multiple levels of the organization and these plans are discussed with response team members to ensure readiness and familiarity with required actions.

The global Covid pandemic that began in late 2019/ early 2020 provided a company-wide environment in which to test and practice the methodologies that form part of the corporate plan. In particular, recording data on the spread of the pandemic among those employees affected and communicating the recommended mitigation measures to the global workforce while providing medical support where required proved the robustness of the process. It also provided management group board members with the tools to meet and operate multiple times per week to agree the actions to take to ensure personnel safety and guarantee the company's ability to operate.

In 2021, as the corporate plan was rolled out across Excellence Logging worldwide, scenarios were reviewed across the organization, and table-top exercises designed to develop response plans.



**ESG PILLAR:**

# Governance and Business Ethics

**Excellence Logging is committed to developing and sustaining strong governance and irreproachable ethical behaviour in every country in which we conduct business.**

Integrity drives everything we do, and is critical to upholding our reputation in the marketplace. Issues like corruption and business ethics are more important than ever in our industry, and are issues for which we adopt a zero-tolerance approach. We seek to actively contribute to the economic development of the countries where we operate—particularly through recruiting and training local staff—while ensuring that our business decisions and actions comply with applicable laws, regulations, and practices as well as our own standards. We deal fairly and honestly with all stakeholders and address diversity and inclusion at all times.

Excellence Logging maintains a permanent awareness of the specific processes and associated risks applicable for embargoed countries; avoidance of bribery and conflict of interest in any form; anticipation of the need to protect individuals and the company from illegal or damaging actions; never to solicit or maintain business in illegal ways; and act immediately should this policy be violated. We seek to govern and manage sustainability issues when engaged in business partnerships including joint ventures and consider advocacy and lobbying on sustainability issues in a fair manner.

Our management systems and due diligence procedures for assessing and managing corruption and bribery risks are as set forth in our Code of Conduct together with specific policies on anti-bribery, corruption and tax evasion. Other procedures cover sanctions, contract management, delegation of authority, knowledge of customers. All policies, systems and procedures are connected to an irregularity reporting process that ultimately leads to the Excellence Logging chief compliance officer. It is clearly specified in our Code of Conduct that Excellence Logging is committed to respect the human rights principles enshrined in international agreements. We act according to laws in the jurisdictions we operate, in particular we condemn all forms of child and forced labor wherever we do business. Excellence Logging pursues a company culture that respects and promotes human rights.

In managing our business, we are committed to ensuring that an effective and efficient supply chain is driven by a consensus process to provide product and services that meet business and customers' requirements while adopting an irreproachable ethical behaviour in every country in which we conduct business. We seek to apply the same standards to our contractors and suppliers as well apply to ourselves. Only by adhering individually to the highest legal, moral, and ethical standards can Excellence Logging progress and maintain the respect of all stakeholders. We are determined to provide the necessary resources to achieve our goals and will support initiatives for continuous improvement of our Governance and Business Ethics standards and policies.



**Integrity drives everything we do.**



**SUPPLY CHAIN MANAGEMENT**

EXLOG pursues an active supply chain management system to ensure that technology components and general supplies are always available. Many of the company's 1,500 individual suppliers have worked with EXLOG in the last two years, during which close working relationships and strong levels of mutual respect have been developed. Nevertheless, a tiering system has been introduced that partitions the supply chain into three distinct tiers. This enables EXLOG to ensure sustainability of supply and to apply the same ESG standards to its supply chain as it applies to itself.

Organizing the supply chain in this manner helps stimulate the necessary communication between company and supplier, ultimately leading to a level of supply chain management that can evaluate supply chain risk management and yield the best possible performance for both parties. Levels of tiering reflect how far away each individual supplier may be from the final product or service being delivered by EXLOG. Tiering the supply chain is a typical engineering and manufacturing company process.

Tier 1 suppliers are the most important for the business. They are usually the only suppliers that EXLOG will communicate with directly and are the major focus of supply chain management. Acquisition systems, gas sensors, winch equipment, power packs and downhole equipment materials all fall within Tier 1 supplies. Tier 2 suppliers include those companies who supply the Tier 1 organizations. For example, a gas chromatograph supplier will source its components from Tier 2 suppliers. In other words, Tier 2 suppliers are essential to the success of EXLOG's Tier 1 companies. In the same way, Tier 3 suppliers are essential to the success of Tier 2 companies. The raw materials needed to manufacture a Tier 2 component, such as a printed circuit board, would usually be supplied by a Tier 3 supplier.

To ensure compliance with EXLOG ESG standards, a compliance matrix has been developed. This is defined within the company's Management System and relates required levels of performance to a set of standards dependent on the tiering level within which an individual supplier falls. Performance is evaluated on factors that include criticality, export control requirements, standard terms and conditions, auditing requirements, quality control and annual pricing reviews. More than 900 companies are currently active within the EXLOG supply chain.

# Excellence Logging in Action

Excellence Logging is a young and growing company, built from of a series of specialist companies in different geographies across the world. Each of these foundations provides a springboard for the development of growing operational excellence backed by a strengthening international culture. The company's ESG Charter is a key part of this development.

**The charter is a three-fold approach, integrating seamlessly with the company's management system and linking to the UN Sustainable Development Goals.**

First, its pillars provide the means for us to measure and target environmental, social and governance performance. Baseline assessments have shown strengths in the areas of Governance and Business Ethics and in Safety, Health and Security, while weaknesses have been recognized on the Climate Change & Energy, Environment, and Social Commitment axes. Action plans have been defined to address these areas. Measurement of energy and water consumption, more effective waste management and recycling, and better monitoring of wellsite emissions during operations form part of these plans.

Second, we have chosen to select the best-in-class ESG projects across the company to help communicate our approach and demonstrate success by example. This provides the basis for an ESG project portfolio that clearly shows the impact that can be made. Our goal is to contribute in a meaningful manner to each of the projects within this portfolio for which management has set strategic guardrails and will measure progress against the five pillars over a five-year period.

Third, a key Excellence Logging belief is the desire to live where we work and assume an active role in the sustainability of the community in which our business operations are conducted. This ambition is defined within the perimeter of health, safety and the environment, and involves activities from education to community interaction. In Argentina, for example, Excellence Logging enables geological sciences students to perform professional internships with the company in order to promote the introduction of students to the oil and gas industry. In countries where malaria is present Excellence Logging provides self-test kits and guidance to its employees and to their families.

Above all, we are committed to avoiding inflated claims on what we achieve, and to justifying our results with the facts, figures and evidence that clearly demonstrate we are making a difference where we live and work.



