

# CGG SERVICES (UK) LIMITED UK MODERN SLAVERY ACT – STATEMENT 2016

This statement is made on behalf of the Board of CGG Services (UK) Limited in accordance with the Modern Slavery Act 2015. It makes public the policies and processes in place within CGG Services (UK) Limited and its subsidiaries to ensure that modern slavery offences are not taking place in either their business or their supply chain.

## **Organisation Structure and Business**

CGG Services (UK) Limited is a subsidiary of the French CGG SA Group, a leader in providing cutting-edge geoscience services. CGG provides its clients worldwide and brings them a unique range of technologies, services and equipment designed to acquire extremely precise data and images of the Earth's subsurface. CGG also provides state-of-the-art software and services for analysing that data and developing a deeper understanding of the subsurface for exploration, production and optimisation of natural resources including potential and existing oil and gas reservoirs.

Within the CGG Group of Companies, CGG Services (UK) Limited provides geological services as outlined above. In particular, it offers associated services including seismic data acquisition, data processing, integrated interpretations, acquisition and processing of marine magnetic, gravity and bathymetry data, in conjunction with seismic surveys or stand-alone. CGG Services (UK) Limited has a multi-client library of data available for licence. Its activities are mainly office and laboratory.

CGG Services (UK) Limited had a 2016 turnover of more than £36 million.

### **CGG's Supply Chains**

CGG Services (UK) Limited's supply chain encompasses rental and maintenance of its facilities, IT equipment and operating costs of its seismic acquisition vessels.

The supply chains are mainly based in the UK: 74% of CGG Services (UK) Limited's purchasing is done with British suppliers.

In 2016, CGG Services (UK) Limited purchased 96% of supplied goods and services from suppliers based in countries which have signed all eight International Labour Organisation ("ILO") fundamental labour conventions about forced labour, child labour, discrimination and freedom of association.

CGG Services (UK) Limited

Tel: +44 (0)1293 683000 Fax: +44 (0)1293 683010 Email: cgg.uk@cgg.com cgg.com Crompton Way, Manor Royal Estate, Crawley, West Sussex, RH10 9QN, United Kingdom.



# **CGG Policies on Modern Slavery**

To manage the risk of modern slavery and human trafficking in its supply chain, CGG Services (UK) Limited is following the CGG Group policies and management systems, which function in line with the Modern Slavery Act requirements.

The <u>Business Code of Conduct</u>, available in nine languages, sets out the rules and expected behaviour to enable the Group to conduct its business with integrity. All employees must adhere to its principles and requirements. In this code, CGG commits to respect ILO's Declaration on Fundamental Principles and Rights at Work, including two ILO fundamental conventions on elimination of all forms of forced and compulsory labour. CGG expects all of its subcontractors and suppliers to respect the same principles.

Furthermore, the Group's Sustainable Development Policy stipulates that CGG, as a member of the United Nations Global Compact (UNGC) since 2007, acknowledges and promotes UNGC ten principles derived notably from the Universal Declaration of Human Rights, including Principle 4 concerning the elimination of all forms of forced and compulsory labour.

In addition, CGG Human Resources standard policy prohibiting child labour clearly states that the minimum age to work for CGG or for one of its service providers is 16 or more, subject to locally applicable legislations defining minimum age. Young workers aged 16–18 working directly or subcontracted are an exception within the CGG Group (i.e. cadets in our Marine operations). They benefit from additional supervision and specific precautionary measures aimed at protecting their health, safety and integrity. Such measures include advanced job induction and training, prohibiting all exposure to hazardous work, ensuring adequate planning of activities undertaken and taking appropriate rest.

### **Due Diligence Process to Identify Risk Related To Modern Slavery**

As part of the initiative to identify risks inherent and relevant to its activities, CGG conducts every three years a <u>Sustainability Materiality analysis</u>. The last two ones have classified human rights as a moderate risk within the Group. However, due to the specific nature of CGG Services (UK) Limited's activities, the risk of modern slavery or human trafficking in our supply chains is considered as very low.

Human rights violation risk is covered in the Group Operating Management System for Health, Safety, Security, Environment and Social Responsibility (HSE-OMS). The HSE-OMS applies to all of the Group's activities in the domains of health, safety, security, social responsibility and the protection of the environment, in all Group sites and projects, including those under CGG Services (UK) Limited's management and responsibility. Its scope extends to CGG permanent staff, seasonal employees, and subcontractors operating within our prevailing influence.

Risk management is central to the HSE-OMS. The Group maintains a structured approach aimed at identifying, assessing and controlling risks, based on a common Group-wide methodology and model for risk management. They incorporate incident history drawn from the Group's database as well as the database shared with our industry association (International Association of Geophysical

CGG Services (UK) Limited

Tel: +44 (0)1293 683000 Fax: +44 (0)1293 683010 Email: cgg.uk@cgg.com cgg.com Crompton Way, Manor Royal Estate, Crawley, West Sussex, RH10 9QN, United Kingdom.

Registered in England & Wales – Company Reg. 06923682 – VAT Reg. GB 903 0687 42 Registered Office: Crompton Way, Man Royal Estate, Crawley, West Sussex RH10 9QN, United Kingdom



Contractors - IAGC), which covers several decades of incidents. Through systematic risk assessments, and in particular the targeted identification of high-risk activities, we determine the necessary controls to manage risks.

From 2017 on, every new project/site risk assessment conducted will include a review of potential social impacts, including potential human rights infringements, and will define preventive and corrective measures to apply if necessary.

To support our HSE-OMS, a robust HSE-OMS internal audit program ensures that CGG policies and key processes are implemented and complied within all its activities. All audits verify the application of the fundamental rights at work, such as eliminating forced labour and child labour. Potential audit observations concerning respect for human rights are reported to management and are included in the projects assessments.

Finally, the Group has established an <a href="Ethics Committee">Ethics Committee</a> which can be contacted (anonymously or not) by employees and third parties concerning matters related to its Business Code of Conduct. The CGG Ethics Committee endorses and communicates the Business Code of Conduct, ensuring that our standards are widely distributed and that all CGG employees are properly trained on this topic. Employees are regularly reminded of ways to contact our Ethics Committee.

# **CGG Suppliers' Adherence to Our Values**

As stated in the Business Code of Conduct, CGG is committed to managing suppliers and subcontractors to ensure their respect of human rights. The Purchasing department has therefore developed methods and tools, among which the <u>Supplier Code of Conduct</u>, which describes the minimum social and environmental standards expected from CGG suppliers, in particular with regard to compliance with fundamental conventions on labour and human rights.

## **Training to Raise Awareness**

CGG trains personnel and partners to ensure a high level of understanding of the risks of modern slavery and human trafficking in its supply chains and business.

For several years, the Group has pursued a program to educate and train employees regarding ethical practice and the contents of our Business Code of Conduct. Endorsed by the Ethics Committee, it has been reinforced by the implementation of an e-learning for all the employees of the group in March 2012. As of December 31 2016, 91% of UK employees had followed this e-learning course.

Additionally, training courses about the HSE-OMS for the HSE community and line management include a component related to human rights.



# CGG's Effectiveness in Combatting Slavery and Human Trafficking

In 2016, among the very limited cases reported to the Ethics Committee worldwide, none related to forced or compulsory labour.

In 2016, the Group was once again the only geoscience company to be included in the Dow Jones Sustainability World SRI Index<sup>1</sup>, and was ranked among industry leaders on specific "Labor Practice Indicators and Human Rights" indicator.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending December 31, 2016. It was approved by the Board of CGG Services (UK) Limited.

Crawley, 6<sup>th</sup> July 2017

Peter Whiting Chairman

CGG Services (UK) Limited

<sup>&</sup>lt;sup>1</sup> SRI Indices select and rate companies based on their sustainable development performance.