

# 2019

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**ENVIRONMENTAL**

**SOCIAL**

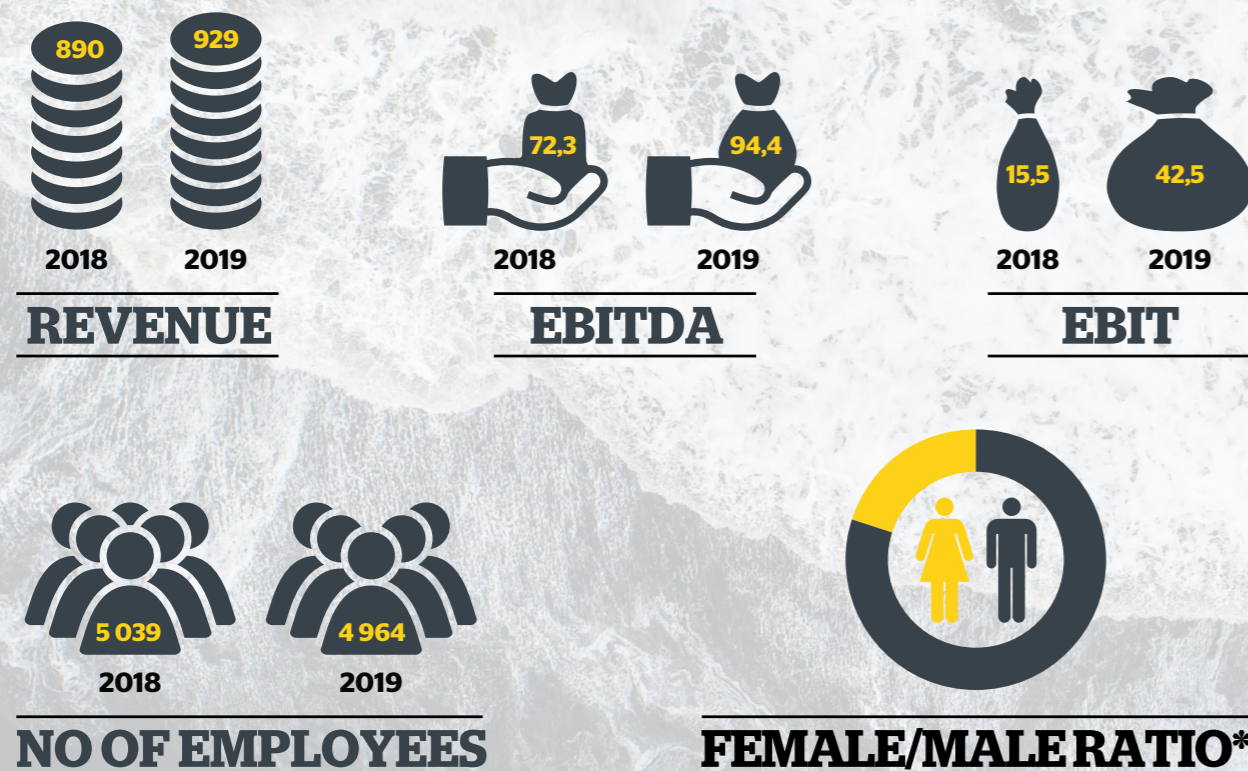
**GOVERNANCE**

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THIS REPORT HAS BEEN PREPARED BASED ON  
THE REQUIREMENTS OF THE SUSTAINABILITY  
ACCOUNTING STANDARDS BOARD



## Archer in numbers



### Safety statistics

Area	2018		2019	
	Loss Time Injuries	Medical Treatment Cases	Loss Time Injuries	Medical Treatment Cases
Eastern Hemisphere	3	17	12	15
Western Hemisphere	1	6	5	5
Archer total	4	23	17	20

\*Archer onshore organization

## 1. INTRODUCTION

### About Archer

Archer is a global oil services company with a heritage that stretches back over 40 years, with a strong focus on safety and delivering the highest quality products and services. Archer operates in 40 locations providing drilling services, well integrity & intervention, plug & abandonment and decommissioning to its upstream oil and gas clients.

Archer was formed in 2011 through the merger of two well specialist companies - Seawell and Allis-Chalmers Energy - each with a deep heritage in delivering wells and improving well performance.

Strengthened by experience and an outstanding record for safety and efficiency, Archer drilling teams secure production on more than 42 offshore platforms across two continents and operate over 84 mobile land rigs in Latin America.

Our comprehensive drilling and workover services include platform drilling, land drilling, oiltools, wireline, modular rigs, fluids, engineering and equipment rentals, as well as a select range of well delivery support services and products.

Archer is publicly traded on the Oslo Stock Exchange under the ticker ARCHER. Our main operations currently take place in the major basins within Europe, North and South America, and we are expanding throughout the Middle East and Asia Pacific.

### About Archer's ESG report

We publish this ESG report to provide investors, banks and other stakeholders with easy access to extra-financial information. This report has been prepared in accordance with the framework established by the Sustainability Accounting Standards Board (SASB) for Oil and Gas Services. This allows us to identify, manage and report on material Environmental, Social and Governance (ESG) factors specific to our industry. The report and data covers the period 1 January 2019 to 31 December 2019.

As the standards issued by SASB for Oil and Gas Services mainly apply to our Land Drilling operations in Argentina and Bolivia, most of the quantitative data gathered is for this part of the business. For a full list of assumptions, see Chapter 7.

### ESG being institutionalized in Archer

Health, Safety and the Environment has long been a focus for Archer, and part of our Key Performance Indicators. As of 2020, we have implemented tailored ESG targets relative to each business unit and management responsibility, with particular focus on energy management. We will during 2020 map out our strategy and tactics to further institutionalize our improvement agenda. We have empowered our global teams to include relevant ESG focus in product development, business development and delivery.

As 2019 marks the first year of ESG reporting for Archer, our reporting and targets will mature as we progress our ESG journey. Despite being at an early stage in our process, Archer has many elements to be proud of in terms of making our industry safer and more sustainable.



Dag Skindlo  
Chief Executive Officer, Archer Limited

## 2. SUSTAINABILITY ACCOUNTING STANDARDS DISCLOSURES

Topic	Accounting Metric	Unit of Measure	Data	Code
Emissions Reduction Services & Fuels Management	Total fuel consumed	Gigajoules (GJ)	854,753	EM-SV-110a.1
	Percentage renewable fuel	%	10%	
	(1) % fuel consumed by on-road equipment and vehicles	%	2%	
	(2) % fuel consumed by off-road equipment	%	98%	
	Discussion of strategy or plans to address air emissions-related risks and impacts	See chapter	4	EM-SV-110a.2
	Percentage of engines in service that meet Tier 4 * compliance for non-road diesel engine emissions	Percentage (%)	0%	EM-SV-110a.3
Water Management Services	(1) Total volume of fresh water handled in operations	Thousand cubic meters (m³)	45,3	EM-SV-140a.1
	(2) Percentage of water recycled	%	4%	EM-SV-140a.2
	Discussion of strategy or plans to address water consumption and disposal-related risks, opportunities, and impacts	See chapter	4	
Chemicals Management	Volume of hydraulic fracturing fluid used	Thousand cubic meters (m³)	N/A	EM-SV-150a.1
	Percentage hazardous	Percentage (%)	N/A	EM-SV-150a.1
	Discussion of strategy or plans to address water consumption and disposal-related risks, opportunities, and impacts	See chapter	4	EM-SV-150a.2
Ecological Impact Management	(1) Average disturbed acreage per oil well	Acres	0.04	EM-SV-160a.1
	(2) Average disturbed acreage per gas well	Acres	0.04	
	Discussion of strategy or plan to address risks and opportunities related to ecological impacts from core activities	See chapter	4	EM-SV-160a.2

Topic	Accounting Metric	Unit of Measure	Data	Code
Workforce Health & Safety	(1) Total recordable incident rate (TRIR)	Rate	0.58	EM-SV-320a.1
	(2) fatality rate	Rate	0	
	(3) near miss frequency rate (NMFR)	Rate	4.7	
	(4) total vehicle incident rate (TVIR)	Rate	0.015	
	(5) average hours of health, safety, and emergency response training for (a) full-time employees (b) contract employees (c) short-service employees	Hours	(a) 12,5 (b) N/A (c) N/A	EM-SV-320a.2
	Description of management systems used to integrate a culture of safety throughout the value chain and project lifecycle	See chapter	5	
	Amount of net revenue in countries that have the 20 lowest rankings in Transparency International's most recent Corruption Perception Index	Reporting currency	USD 2,283,090	
Business Ethics & Payments Transparency	Description of the management system for prevention of corruption and bribery throughout the value chain	See chapter	6	EM-SV-510a.2
	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	See chapter	6	EM-SV-530a.1
Management of the Legal & Regulatory Environment	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	See chapter	6	EM-SV-530a.1
Critical Incident Risk Management	Description of management systems used to identify and mitigate catastrophic and tail-end risks	See chapter	4	EM-SV-540a.1

### Activity measures

ACTIVITY METRIC	UNIT OF MEASURE	DATA	CODE
Number of active rig sites	Number	47	EM-SV-000.A
Number of active well sites	Number	229	EM-SV-000.B
Total amount of drilling performed	Meters	593,334	EM-SV-000.C
Total number of hours worked by all employees	Hours	12,821,291	EM-SV-000.D

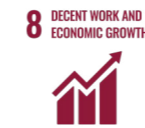
### 3. ESG GOVERNANCE

In order to ensure consistent management of ESG factors, Archer has established a set of policies and control processes for effective management of sustainability related factors. Our employees and partners are to abide by the established policies to guide them in conducting their daily assignments for Archer, and we have implemented a system to monitor compliance. In accordance with the recommendations set out in the corporate governance code from the Oslo Stock Exchange, Archer has established an Audit Committee, which monitors reports and complaints received by the company relating to internal controls and compliance. Furthermore, the Committee ensures that policies with respect to ethics, risk assessment and risk management are adequate at all times.

Material issue	Internal governance documents
Emissions Reduction Services & Fuels Management	Environmental Policy Procedure for identification of environmental aspects and impacts
Water and Chemicals Management	Environmental Policy Chemical management process Waste management procedure
Ecological Impact Management	Environmental Policy Waste management procedure
Workforce Health & Safety	Health Policy Safety Policy HSE processes and procedures
Business Ethics & Payments Transparency	Code of Conduct & Authority Matrix Contracting Procedure Archer's Supplier Approval Procedure Archer's Procedures for the Retention of Third Party Representatives
Management of the Legal & Regulatory Environment	Code of Conduct & Authority Matrix Contracting Procedure Environmental Policy HSE processes and procedures
Critical Incident Risk Management	Risk management process Emergency response plan

In addition to the governance documents highlighted above, we are in 2020 working on an Energy Management Policy and Social Responsibility Policy to be issued during 2020.

As part of addressing sustainability in a broader perspective we have identified four UN Sustainable Development Goals (SDGs) we believe Archer can contribute to: We have selected SDG 8, 12, 14 and 16 as these goals are closely tied to the industry we are a part of and they represent material topics for our business.



Archer operates in many countries globally. A key goal wherever we work is to provide a safe working environment that fosters productive local employment and workforce development at competitive terms, which enables the countries that we operate in to benefit in a local and sustainable fashion.



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 efficient and more safely.



Archer has a selection of proprietary tools which help to protect the marine environments we work in. Our well intervention tools detect leaks in the well with great accuracy, as well as provide a safe and reliable barrier to ensure no leakages of any kind escape from the well. Archer is also a proud sponsor of the Ocean Cleanup Project



Archer has strong anti-corruption and business ethics 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.



# THE GLOBAL GOALS



## 4. ENVIRONMENT

Archer's business spans several market segments in the upstream oil and gas services industry from manning services, well intervention technology to drilling operations using our own land rigs. Central to our strategy is an approach that evaluates the effectiveness of the sustainable environmental practices within our operations, our supply chain and how we partner with our customers to achieve their environmental and social impact goals. That encompasses limiting our carbon footprint, ensuring safe handling of chemicals, and minimizing the ecological footprint of our operations.



### Emissions Reduction

In line with Archer's environmental policy, all business activities are to be conducted in an environmentally sustainable manner. We safely and effectively deliver high quality services, products and innovative solutions in support of our customers' development of their oil and gas assets. By doing so, we proudly support our customer's increasing efforts to reduce greenhouse gas emissions and environmental impact.

Over the last couple of years, Archer has increased its focus on improvement initiatives related to our carbon footprint. Examples include:

- We are planning to procure 15 new light vehicles for use in Argentina that meet the EURO 5 emissions standard
- During 2020 we will begin to evaluate alternatives and prepare business cases for conversion of electrical power in the land drilling bases to solar
- We will evaluate sourcing of diesel fuel with higher percentage of renewable fuel (>10%) in Argentina
- We will measure emissions of stationary engines in Argentina to develop and evaluate effectiveness of maintenance, operating practices and use of new technology
- We seek to use suppliers that have better carbon footprint through sustainable materials and supply chain
- We minimize travel through strict travel approvals, state of the art conference and video solutions, and by the use of Integrated Operations centre onshore to seamlessly perform work offsite limiting the amount of travel
- We cross train our offshore crews to ensure that we send the minimal amount of persons offshore
- We supply free charging for electric vehicles at our Stavanger office, and encourage our employees to use public transport or bike to work.
- We have initiated a Mandatory Energy Management awareness training program across the organization.

### Water Management

Archer recognizes the value and importance of water and the need to protect this resource and use it in a sustainable manner. We are committed to helping our customers reduce the volume of fresh water utilized in drilling operations, and to ensure that no contaminated water is discharged into the environment during our operations.

In 2019 we installed a waste water treatment plant in our Neuquén, Argentina base to recycle wash-down water. The success of this initiative has led to plans for another waste water treatment plant in our Comodoro Rivadavia, Argentina base. In addition, we will reduce fresh water usage in field-based living quarters in Argentina by

improving maintenance of treatment systems, as well as controlling and reducing leakage from fresh water circulation systems.

### Chemicals Management

Archer uses chemicals in certain operations and is dedicated to ensuring they are managed in a safe and sustainable manner to limit any negative impact on the global environment and the health of Archer employees.

A key initiative to control and reduce the total exposure to chemicals is to limit the number of different chemicals used in our operations. We seek to achieve this through substitution of chemicals with less dangerous substances (both from an environmental and a health perspective). Any employee who uses dangerous chemicals must evaluate whether the same results may be achieved using less dangerous chemicals, no chemicals, or by using a different method.

Employees who handle chemicals are required to complete chemical handling training in order to familiarize themselves with the health and environmental hazards of the chemicals and biological substances.

Our government approved and vetted contractors dispose any chemicals in a safe manner compliant with all applicable laws.

### Ecological Impacts

In line with the Archer environmental policy, one of our top priorities is to prevent accidental discharges. To control the risk and ensure we limit the negative ecological impact, Archer has put in place processes to ensure discharges are avoided, both from an operational and from a maintenance perspective.

For our Argentinian land business, we will in 2020 conduct a thorough evaluation of the environmental impact of drilling base operations in Comodoro Rivadavia and Neuquén, with the aim of setting actionable goals to minimize our ecological footprint.

In 2019, we had 0 recordable spills.

Accounting Metric	Unit of Measure	Data
<b>Emissions Reduction Services &amp; Fuels Management</b>		
Total fuel consumed	Gigajoules (GJ)	854,753
Percentage renewable fuel	%	10%
(1) % fuel consumed by on-road equipment and vehicles	%	2%
(2) % fuel consumed by off-road equipment	%	98%
Percentage of engines in service that meet Tier 4 * compliance for non-road diesel engine emissions	Percentage (%)	0%
<b>Water Management Services</b>		
(1) Total volume of fresh water handled in operations	Thousand cubic meters (m³)	45,3
(2) Percentage of water recycled	%	4%
<b>Chemicals Management</b>		
Volume of hydraulic fracturing fluid used	Thousand cubic meters (m³)	N/A
Percentage hazardous	Percentage (%)	N/A
<b>Ecological Impact Management</b>		
(1) Average disturbed acreage per oil well	Acres	0,04
(2) Average disturbed acreage per gas well	Acres	0,04

## Archer is creating a safer and more efficient oil service industry through class leading technology

### Secure and efficient Plug and Abandonment of wells

Archer's **Stronghold® Barricade®** is a perforate, wash and cement placement system that reduces plug and abandonment (P&A) cost and rig time by creating a rock-to-rock barrier in one trip.

By leaving tubulars in the ground the technology has a positive environmental effect by avoiding to retrieve special waste back to surface, no transport, no waste management and disposal is required.



**STRONGHOLD®**  
Permanent Caprock Integrity

When sealing wells for suspension or abandonment, barrier failure can prove disastrous—for rig teams, the local environment and an operator's reputation.

There is mounting pressure on our industry to rebuild public and government confidence, in both the technology we use and the level of protection it provides.

The advanced technology behind Archer's **LOCK®** series of well suspension plugs provides the assurance and protection the industry needs.



**LOCK®**

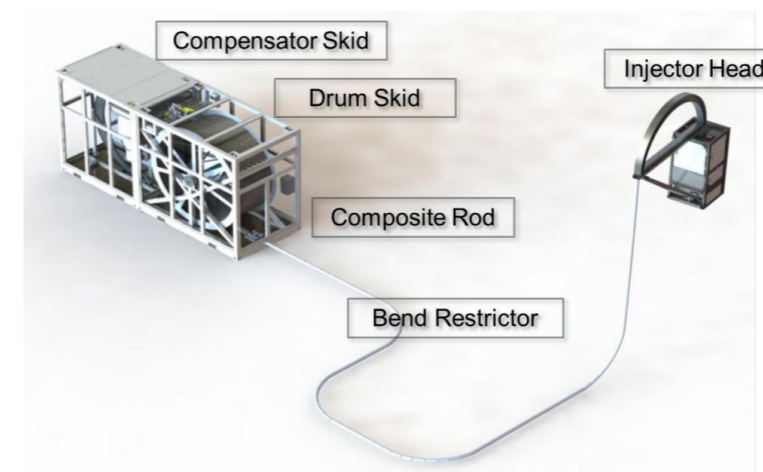
Detecting even the smallest leaks **VIVID™** acoustic listening platform – a patented, highly sensitive, acoustic technology that detects, investigates and locates leaks in real-time, verifies cement barrier seals and characterizes downhole events with unparalleled precision.

**VIVID™**



**ComTrac®** is designed to meet an evolving selection of conveyance challenges by the innovative application of composite materials in a revolutionary, cost efficient intervention system. With all-electric drive and grease-less pressure control eliminating the need for hydraulic fluid and sealant grease, the increased payload per intervention, along with extended reach capability, enables operating companies to economically develop their valuable assets while minimizing environmental impact.

**ComTrac®**





## 5. HEALTH, SAFETY AND RISK MANAGEMENT

### Health and Safety

Working on both onshore and offshore installations has inherent health and safety risks. These must be managed to safeguard the crews, assets and the environment in which we operate. Archer's HSE philosophy is to establish and maintain an incident-free work place where accidents, injuries or losses are always seen as preventable.

To accomplish this Archer employs The Compass, our ISO certified Management System. The purpose of this management system is to act as a top level governing document in Archer. The CEO is responsible for the management system and the responsibility is delegated down the organization to all managers and process owners. The line management is responsible for ensuring that all employees adhere to and act in accordance with the management system. All employees are responsible for the adherence to the management system and contribution to its continuous improvement.

External and internal audits, verifications, inspections and management visits offshore are carried out to measure compliance with Archer, client, and legal requirements. The outcome of the audits and inspections is used in the preparation of the annual QHSE Focus Plans developed on a business unit and installation level. The annual QHSE Focus Plans include project specific goals, but will also reflect common Archer goals.

Results are monitored constantly and systematically. A selection of Key Performance Indicators (KPIs) reflecting Archer's policies and objectives are monitored down to installation level and reported to the management on a monthly basis. The close monitoring of the KPI results enable analysis of trends and causes, thus enabling management to implement corrective actions if and when required. Trends seen are used as topics in campaigns focusing on risk areas and health exposure.

To help employees contribute to achieving Archer's goals and objectives, and to develop their skills and reach their goals, the Performance Management Review (PMR) has been developed. The PMR is carried out to ensure objectives are aligned across the organization and will strengthen the Archer

values throughout the whole organization.

An important part of the Archer HSE program is the Archer training and competence system. To ensure all work is conducted in a safe and efficient manner, Archer has implemented a comprehensive system for training and competence. All employees/roles have a defined set of training requirements that they need to go through as a part of their induction program. In addition to this, Archer also has a competence assurance program, to ensure that people using equipment at work are adequately trained and competent before operating equipment without supervision.

Compared with 2018, the 2019 TRIF trend had a slight increase. Based on this trend and looking at the root causes, Archer has decided to focus on the following four main elements in 2020

- Compliance
- Risk Management
- Leadership
- Sustainability

In addition, Archer will in 2020 continue to focus on reducing workplace accidents and making improvements to our health & safety programs to address issues of accident prevention and hazard recognition.

### Risk Management

Archer has a holistic approach to risk management encompassing the identification, assessment, and prioritization of risks followed by coordinated and focused application of resources to minimize, monitor, and control the probability and/or impact of harmful events.

In order to be able to identify and mitigate catastrophic and tail-end risks, Archer makes use of the Archer Risk Management process. The Archer Risk Management process is designed to ensure that risks related to our operations and business processes are analysed, controlled and monitored in a consistent manner. The context of the risk management process must be adjusted to the nature of the activity, and is supported by several procedures based on what is under evaluation. The governing principle is that the risk shall be reduced



to a level as low as reasonably practicable (ALARP). The risk factor for all tasks are plotted in a risk matrix, where we seek to lie within the green (low risk) area of the matrix.

The general hierarchy of risk reducing measures in Archer is:

1. Prevention
2. Detection
3. Control
4. Mitigation
5. Emergency response

Particular attention will always be given to risk reducing measures which have the effect of eliminating or reducing the probability of hazards occurring.

Once the risk assessment is completed, the main focus is to control the remaining risk. From an operational perspective, the remaining risk is controlled and communicated via the use of Archer procedures and checklists. Whilst the procedure contains an overall description of how the activities are managed, the checklist contains all the elements that are considered to have a 'rest risk'. These are the risks that the employee needs to be aware of and control.

The procedures/checklists are relevant at all times. The checklists are continuously updated

and the procedures revised whenever there are changes, or when risk assessments are carried out and improvements made that have an impact on the risk picture. Such changes may include changes in work processes, organisational structure, equipment or substances used, technical knowledge, and legislation or standards.

To ensure we are well prepared in the event of an emergency, we conduct periodic drills for response to catastrophic events such as blowouts, rescue at heights, fire and medical evacuations.

Accounting Metric	Unit of Measure	Data
Workforce Health & Safety		
(1) Total recordable incident rate (TRIR)	Rate	0.58
(2) fatality rate	Rate	0
(3) near miss frequency rate (NMFR)	Rate	4.7
(4) total vehicle incident rate (TVIR)	Rate	0.015
(5) average hours of health, safety, and emergency response training for (a) full-time employees (b) contract employees (c) short-service employees	Hours	(a) 12.5 (b) N/A (c) N/A



## 6. ANTI-CORRUPTION AND BUSINESS ETHICS

### Business Ethics & Payment Transparency

At Archer, integrity is one of our core values and conducting our business honestly, lawfully, and ethically is fundamental to our continued success. 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 issues we take a zero tolerance approach to.

We believe that our aim to deliver value to our shareholders is best accomplished through operating with the highest ethical standards and employing stringent corporate governance. Archer expects and requires that all our employees, contractors, suppliers, partners and clients observe the highest standards of integrity when conducting business.

Archer has a zero-tolerance policy towards bribery and corruption as stated in our Code of Conduct. This applies to all group companies and all officers, directors, employees, third-party consultants, and anyone acting on our behalf, wherever they are located.

Assessing and monitoring business processes, training and controls are fundamental tools in implementing our anti-corruption policy. We perform regular risk based diligence, analysis, and monitoring of all our business activity to ensure compliance. Appropriate risk-based communication and training on bribery, corruption, and our Code of Conduct is provided to employees and business partners as part of their on-boarding and ongoing development.

Any suspected deviation from our policies, Code of Conduct, or any applicable laws, rules, or regulations is to be reported in accordance with the Code of Conduct, through line management or by submitting a complaint through our whistleblower hotline. Reported concerns are evaluated and investigated by our Internal Audit, HR, and/or Legal Department as appropriate. Investigation reports and call statistics, anonymized where appropriate, are shared with the Audit Committee on a quarterly basis.

Archer's management system and due diligence procedures for assessing and managing corruption risks internally and associated with business partners are as set forth in the following policies:

- **Code of Conduct:** sets forth the expectations and requirements from Archer's management to all Archer employees and contractors. This includes chapters on accounting and financial reporting, corruption and bribery, conflicts of interest, facilitation payments, gifts and entertainment, international sanctions, insider trading, export controls, competition and anti-trust, political contributions, and whistleblowing and reporting.
- **Authority Matrix:** sets forth the approval limits from the board of directors of Archer Limited to the employees of Archer, including assuming risk in relation to tendering and entering into joint ventures, and third party representation agreements.
- **Archer's Supplier Approval Procedure:** sets forth the approval, due diligence, and quality control process suppliers must undergo in our supply chain before they are approved suppliers, including adherence to our Code of Conduct.
- **Archer's Procedures for the Retention of Third Party Representatives:** sets forth an approval and due diligence process before any third party representative may act on behalf of Archer anywhere we do business (including our diligence questionnaires, compliance declarations, and business case evaluation tools).
- **Archer Contract Procedure:** sets forth a detailed threshold of contractual risk, above which executive approval is required.
- **Archer Employee Handbook:** every employee of Archer is subject to this, with versions for each country, region, or employee location (onshore or offshore). It addresses equal opportunity, harassment and bullying, collective agreements, performance management, grievance procedures, and adherence to the Code of Conduct.



### Management of the Legal & Regulatory Environment

Our industry is subject to numerous sustainability-related regulations and an often rapidly changing regulatory environment. Changes to the legal and regulatory environment are managed by all stakeholders in the network of companies that form a field development, maintenance, operations, or decommissioning project.

The regulatory environment related to relevant environmental and social factors may continue to develop this year, including to non-greenhouse / greenhouse gas emissions, water and effluents, chemical use, ecological impacts, employee health and safety, business ethics and payments transparency. We do not have any particular knowledge of imminent policy change that would affect our business.

Notwithstanding this, if substantial alternations in

the current legislative and regulatory landscape are enacted the following risks may materialize: increased compliance costs, increased CAPEX for upgrades to physical assets or working methods to meet regulatory requirements, a change in technical qualifications, or an increase or reduction in work volume. In the event the changes do occur, we will respond accordingly and in accordance with applicable laws.

Opportunities which may appear due to alterations in regulations and legislation include: improved revenue through increased volume, higher rates, and more work through fewer competitors meeting new regulatory thresholds.

Archer's overall strategy in this regard is to continue our business and remain ready to respond to any changes that are enacted. Our technical, HSE, and sustainability initiatives and results are in the previous and subsequent chapters of this report.

Accounting Metric	Unit of Measure	Data
Amount of net revenue in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Reporting currency	USD 2,283,090



## 7. CORPORATE SOCIAL RESPONSIBILITY

Archer's commitment is to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.

### Corporate Social Responsibility (CSR) projects we have sponsored in 2019:



The Ocean Cleanup is a non-government engineering environmental organization based in the Netherlands that develops technology to extract plastic pollution from the oceans.

We further encourage our employees to take part in ocean clean up projects in their local communities to ensure an ocean free of waste.



Team Rynkeby is a Nordic charity cycling team. Every summer they cycle to Paris to raise money for seriously ill children.



Our Malaysia is aimed at women, offering business knowledge in combination with English training.

Our Malaysia takes a holistic approach to empowerment by focusing on 5 of the UN's Sustainable Development Goals: No Poverty, Quality education, Gender equality, Decent work and economic growth and reduced inequality. Our Malaysia is a non-profit organization where all the money earned goes directly to the person who made the product.



Donation of defibrillators (AED) to Etiqa Twins Building Management to be placed in the public area for emergency usage.

## 8. DISCLAIMER AND ASSUMPTIONS FOR THE SASB REPORTING

The information provided is based on the best data available at the time of reporting. Our Eastern Hemisphere business either operates client owned equipment, or supplies well intervention tools to clients offshore, and therefore many of the recorded metrics do not fit this part of the business. Hence, most of the SASB reporting criteria applies primarily for our Land Drilling operations in Argentina unless otherwise noted below.

The ESG disclosures should be used to understand the overall risk management of sustainability related issues, however, in some areas the data reported is based on estimates, please see comments below.

**Total fuel consumed:** Includes all fuel for vehicles and rigs in Land Drilling in Argentina, along with fuel used in operations in Norway, UK, US, Australia and Malaysia

**Percentage renewable fuel:** Fuel in Argentina is blended with 10% renewable fuel

**Total volume of fresh water handled in operations:** Fresh water usage in Argentina is based on customer estimates and delivery tickets, and includes fresh water used in operations in Norway\*, UK, US, Australia and Malaysia

\* Also includes office facilities in Stavanger, Norway.

**Percentage of water recycled:** Based on amount of water treated at camp sites

**Volume of hydraulic fracturing fluid used:** We do not use hydraulic fracturing fluid in our operations

**Average disturbed acreage per oil/gas well:** On average, a drilling rig occupies 305m<sup>2</sup>, a working unit occupies 240 m<sup>2</sup> and a pulling unit occupies 75m<sup>2</sup>. The average is calculated based on the weighted average of the active split between drilling rigs, workover units and pulling units

**Average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, (c) short-service employees:** Recorded training hours for Land Drilling employees in Argentina, along with estimate for Eastern Hemisphere.

**Number of active rig sites:** Based on number of active drilling rigs, workover and pulling units at year end 2019 in Land Drilling in Argentina.

**Number of active well sites:** Based on aggregate number of wells drilled during 2019 in Land Drilling in Argentina

**Total amount of drilling performed:** Meters of wells drilled in Land Drilling in Argentina

**Total number of hours worked:** 8,733,934 hours worked in Land Drilling in Argentina, while 4,087,357 number of hours worked in Eastern Hemisphere.



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