



2022

ESG Report

Table of Contents

Letter from Our CEO

ENVIRONMENTAL

Management of Environmental
Risks and Opportunities

Carbon and Climate

Natural Resources

Waste and Toxicity

SOCIAL

Human Rights

Conflict Minerals

Labor, Health and Safety

Stakeholders and Society

Product Safety, Quality and
Brand

GOVERNANCE

Board Structure

Shareholder Rights

Audit/Risk

Forward Looking Statements



\$90 M
MARKET CAP

13.2M
SHARES
OUTSTANDING

\$3.76 – \$7.26
52-WEEK RANGE

58%
INSTITUTIONAL
OWNERSHIP

Sept. 30
YEAR END

632
FULL-TIME
EMPLOYEES

As of 9 March 2023

The data presented in this report largely references our U.S. operations, which contains the most significant portion of our business.

LETTER FROM OUR CEO



For those investors and stakeholders who are interested in our stewardship toward the environment, social issues and governance, we are pleased to publish our second annual ESG Report. Building on our inaugural report published last year, we've expanded our disclosures to improve transparency on many aspects of our business which already support ESG perspectives. Further, we've been working to expand our measurement capabilities in areas where our organization is well aligned with ESG elements.

In this year's report, new additions include greater transparency in our cyber security practices as well as those addressing global human rights. Our company has been working diligently to monitor and comply with various international business and ethical standards which align with ESG areas. This year as an outgrowth of our initiative to implement Conflict Minerals standards, we also developed and implemented policies for human rights. As a global organization working with vendors, partners and customers worldwide, we value and advocate for strong human rights policies across our supply chain.

Also, this year's report touches on the issue of climate and the energy transition more directly. As a manufacturer of solutions for energy exploration, we've sought to make contributions that improve the

efficiency of exploration activities. Through improved efficiency, energy companies are able to lessen their impact. More recently, we've been involved in the growing movement toward an energy transition through the development of technology solutions to support emerging energy applications such as Carbon Containment and Storage (CCS) and geothermal energy.

In closing, we strive to be solid corporate citizens in the communities where we live and work as well as being responsible global corporate citizens. It is our desire to improve our ESG processes each year and provide appropriate disclosure of those efforts to the many interested shareholders and stakeholders. I extend my appreciation to our employees worldwide who make contributions toward our ESG best practices daily.

A handwritten signature in black ink that reads "Rick Wheeler". The signature is written in a cursive, flowing style.

Walter "Rick" Wheeler
CEO



ENVIRONMENTAL

From an environmental perspective, Geospace abides by three key pillars. Firstly, we seek to comply with environmental regulations and procedures where applicable. Next, we continuously and consistently evaluate and improve environmental performance across the organization. Lastly, we take a proactive approach to prevent pollution, minimize waste, and reduce costs related to waste.

Our environmental goals cover air, water and land targets. For the environmental goals associated with air quality, we seek to maintain compliance by ensuring production activities do not exceed de minimis levels of emissions. From an environmental impact to the land, we continue source reduction and waste minimization initiatives that decrease Hazardous and Class 1 Industrial Solid Waste. We continue emphasis on recycling of production scrap as well as employee driven recycling of paper, cardboard and plastic. For our water quality goals, we minimize impact to local

water supply by continued compliance and best practices related to our Multi Sector General Permit.

These environmental goals for land, air and water as well as our stated pillars translate into everyday practices across our organization to:

- Making our employees' health and safety and protecting the environment top priorities.
- Developing and improving programs/procedures to ensure compliance with applicable laws and regulations.
- Creating a culture where staff health and safety and environmental protection is considered in all operating decisions, including those related to planning and acquisitions.
- Striving to properly train and provide employees with the appropriate safety equipment.
- Working toward reuse and recycling practices and exploring feasible opportunities to minimize the amount of waste generated.
- Seeking to use energy efficiently throughout our operation
- Communicating our HSE commitment and encouraging personal accountability to emphasize compliance with standards and best practices during employee training.

Management of Environmental Risks & Opportunities

Geospace Technologies maintains ISO certifications for Environmental, Quality, and Aerospace from the World Certification Services, an accredited certifying body.

ISO 14001:2015 specifies the requirements for an environmental management system, which organizations such as Geospace use to enhance environmental performance. At Geospace, we use the certification standards to systematically manage aspects of our environmental responsibilities and contribute to our environmental pillars of sustainability.

Carbon and Climate

In November 2021, Geospace and its subsidiary Quantum Technology Sciences established a Joint Industry Partnership with Carbon Management Canada. Through the partnership, the organizations have been able to refine and validate the performance of passive seismic technologies for real-time monitoring of underground containment operations. Ensuring stored CO₂ can be accurately monitored helps gas storage companies reduce their risk and increase their operational efficiencies.

Over the course of the last year, Quantum and Carbon Management Canada scientists collaborated in delivering several technical papers and presentations on the role of

passive seismic technologies for long term monitoring of stored CO2 at the gigaton level, which many experts believe will be necessary to meet NetZero Carbon goals globally.

Natural Resources

With its acquisition of Aquana, LLC., a smart water IoT company, Geospace entered into a more engaged position in the water conservation and management conversation. Aquana is an active member of the American Water Works Association, an international non-profit, scientific and educational association founded to improve water quality and supply.

Through the use of smart water valves, Aquana offers a comprehensive monitoring and control system for water in both commercial and residential scenarios. Unknown water leaks, cycling toilets and other hidden issues contribute to significant unnecessary water usage and waste annually. The US Environmental Protection Agency estimates that

household leaks waste approximately nearly 900 billion gallons of water annually nationwide. By notifying and in some cases shutting off water, the Aquana products offer practical solutions to these waste issues.

Waste and Toxicity

As a manufacturing organization, we strive to reuse or recycle waste materials from our business and production operations. Waste recycled includes Aluminum, Brass, Copper, Stainless Steel, Steel, and Titanium as well as armored cable, film, lithium batteries, PCB boards and solder paste in addition to traditionally recycled paper goods.

Our Health, Safety & Environmental team works closely with our manufacturing department to use best practices in managing waste. Recently, an Environmental Dashboard was added to the Company’s intranet to help ensure accurate and consistent communication regarding recycled material and waste management.

Recycled Materials	2020	2021	2022
Scrap	224,185	90,342	140,548
Compactor	20	16	84
e-Waste	-	-	-
Total	224,205	90,359	140,634

Waste Removed	2020	2021	2022
Scrap	224,185	90,342	140,549
Compactor	177	69	179
e-Waste	8,640	3,870	2,500
Total	233,002	94,281	143,228

Units in U.S. Pounds (lb)

Recycled Waste Rate	
<u>2022</u>	98.19%
<u>2021</u>	95.84%
<u>2020</u>	96.22%



Recycled materials include all metals, batteries, umbilical cables, electronics, paper, cardboard and plastics



Increased recycle rate up to 30%



Reduced hazardous waste generation by 25% in 5 years



SOCIAL

We believe that our products and solutions deliver valuable and positive benefits to society in the supply of global energy, safety and security, and access to water resources. As part of our commitment to socially relevant solutions, we continually evaluate and review to determine the best approach to enrich our contribution to our communities where we live and work. We believe that working through external initiatives and partnerships offers the most effective way to address shared challenges.

Human Rights

In 2022, Geospace introduced a Human Rights Policy Statement. This statement demonstrates our commitment to supporting and promoting human rights that benefit our stakeholders, including our customers, employees, shareholders, investors, and the communities in which we live and operate. We respect and strive to adhere with internationally recognized human rights as defined in

such statements as the International Bill of Human Rights, and the International Labour Organisation Declaration on Fundamental Principles and Rights at Work. We continuously seek to maintain and improve upon our adherence to the highest standard of human rights practices. The Human Rights Policy Statement, published on the company website, encompasses how Geospace incorporates a focus on human rights both into our ethical business operations as well as throughout our supply chain. We work to provide a healthy and safe workplace while fostering diversity and inclusion. We will not tolerate forced labor, child labor or human trafficking, discrimination or harassment in our operations or supply chain.

Conflict Minerals

We are committed to support the aims and objectives of the U.S. legislation on the supply of “conflict minerals”, avoid knowing procurement of specified metals that originate from facilities in the “Conflict Region” that are not certified as “conflict free” and ensure compliance with these requirements and ask our suppliers to undertake reasonable due diligence with their supply chains to assure that specified metals are being sourced only from mines and smelters outside the “Conflict Region”, or mines and smelters which have been certified by an independent third party as “conflict free” if sourced within the “Conflict Region”.

Our due diligence includes having our suppliers provide documentation that raw materials used to produce gold, tin, tantalum and tungsten, used in the manufacture of components and products supplied to us, originate from outside the “Conflict Region” or if they originate from within the “Conflict Region”, such other further due diligence as is required by applicable law and regulation to determine source and chain of customer of such raw materials.

Our goal is to ensure that only “conflict free” materials and components are used in products that we procure. If we discover the use of these minerals produced in facilities that are considered to be “nonconflict free”, in any material, parts or components we procure, we will take appropriate actions to transition the product to be “conflict free”.

Labor, Health and Safety COMPENSATION

We provide competitive compensation and benefits programs to help meet the needs of our employees. These benefits programs (which vary by country/region and employment classification) include an incentive compensation plan, a retirement plan, healthcare and insurance benefits, paid time off, family leave, tuition assistance and on-site services, among others. We use targeted equity-based grants with vesting conditions to facilitate retention of key personnel.

2022 WORKFORCE STATISTICS

White	37%
Asian	32%
Hispanic or Latino	23%
Black or African American	7%
Two or more races	1%

Veterans	6%
Women in Leadership	30%

OCCUPATIONAL HEALTH & SAFETY

	2020	2021	2022
CONTRACTOR/ EMPLOYEE FATALITIES	0	0	0
EMPLOYEE RECORDABLE INCIDENTS	2	3	5
TOTAL RECORDABLE INCIDENT RATE	0.51	0.83	1.31
EMPLOYEE HSE TRAINING	100%	100%	100%

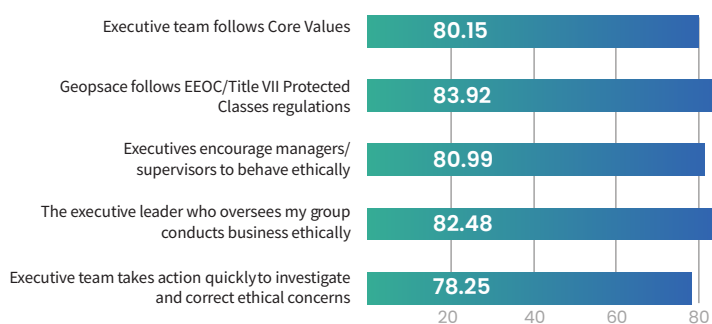
Stakeholders and Society

LOCAL & IMPACTFUL PHILANTHROPY

At Geospace Technologies, we engage in our local communities through both competitive hiring practices and philanthropy. By providing paid time off for volunteerism as well as a corporate match on charitable giving, we encourage our team to become good corporate citizens. Further, we strive to hire local talent wherever possible as a way to foster a stronger, more economically stable community.

REINFORCING CORE VALUES

In addition to annual training in our Business Code of Conduct, we engage our employees in an annual Core Values Survey. Through this survey employees provide confidential feedback to management regarding a wide range of topics including:



Product Safety, Quality and Brand

CYBERSECURITY

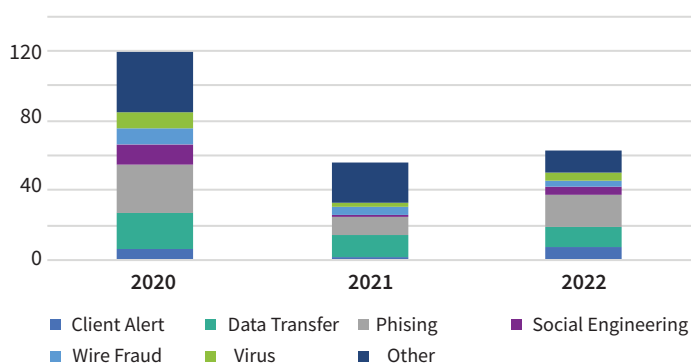
The Geospace cybersecurity program is overseen by the Chief Information Officer (CIO) and an Information Technology Steering team (consisting of the Chief Executive Officer, the Chief Financial Officer, and other key employees) on a quarterly basis. Our Cybersecurity program is tested by a third party consulting firm, of which test results are review by internal audit and external audit in alignment with our internal controls. Lastly, the company's CIO provides a cybersecurity risk assessment to the Board of Directors on an annual basis, which includes metrics, security incidents, key risk indicators, and risk mitigation plans.

The Company aligns to the National Institute of Standards and Technology (NIST) Cyber Security Framework and adopts a variety of cybersecurity best practices across the enterprise. Critical Company IP data is maintained on segmented, access-controlled data stores.

The Company has established response procedures for cyber-security incidents and tests the procedures on a periodic basis. The Company provides robust computer-based Cybersecurity and wire fraud / phishing awareness training to all new employees as well as training to existing employees on an annual basis.

The Company has not experienced material information security incidents in the last three years nor has it incurred any material expenses related to penalties and/or settlements related to a material breach. Nevertheless, the company does carry a cybersecurity insurance policy.

CYBERSECURITY INCIDENTS DETERRED





GOVERNANCE

Geospace Technologies prides itself on the ethical and transparent standards upon which the company was founded more than 40 years ago. As a responsible partner in the communities Geospace serves, the Company has built a reputation as a trusted leader and an ethical member of society. Established policies, best practices and corporate beliefs drive the Geospace mission every day.

Board Structure

Our Board of Directors is chaired by a highly experienced, independent Director whose position is wholly separate and divided from the role of the Chief Executive Officer. Unlike organizations where the two leadership roles are intertwined, this distinction helps ensure varying viewpoints designed to deliver improved returns for the shareholders

we serve and the communities in which we operate. The chairs of the audit, compensation, and nominating and governance committees are all independent directors.

Board Charter Reviews

Every twelve-months, the Board conducts both a Director and Committee assessment review to help ensure that its quality standards are met.

Executive Sessions Without Management

In order to ensure original and independent thought, non-management Board members will meet throughout the year.

Shareholder Rights

All common shareholders of Geospace are entitled to vote on all directors standing for election. The company does not have classes of stock with unequal voting rights or unequal ability to elect directors.

Audit Policies

Geospace's Audit Committee is comprised of trusted members who assist the board in monitoring the integrity of the Company's financial statements, internal controls, compliance with legal and regulatory requirements, as well as the performance of the Company's independent auditor.

Enterprise Risk Management

The Geospace Board takes an enterprise-wide approach to reviewing each of its business segments, which encompass Oil & Gas, Adjacent Markets, and Emerging Markets operations which include the Company's Security & Surveillance sector. Board members meet regularly and take an active role in evaluating the Company's enterprise risk management and other corporate governance issues. The Company prepares an annual risk assessment which is presented to the Board.

Code of Conduct

CORPORATE POLICIES

Geospace's Code of Business Conduct provides guidance on corporate policies such as diversity/inclusion, anti-harassment, anti-corruption, substance abuse, anti-trust, conflict minerals compliance, and international trade restrictions. All employees undergo annual training to inform and insure compliance with these business standards.

POLICIES AGAINST INSIDER TRADING

Geospace Technologies addresses Insider Trading and prohibits the Company's Directors, Officers and employees from engaging in policies and practices to decrease the value

2022 Board of Directors



Tina Langtry, Richard Miles, Walter “Rick” Wheeler, Chairman Gary Owens, Thomas Davis, Margaret “Sid” Ashworth, Edgar Gieisigner

of the Company’s publicly traded securities in any manner that would benefit such employee or parties affiliated to such employee.

POLICIES AGAINST HEDGING OF STOCK

The Company maintains a policy prohibiting the hedging or pledging of shares by officers or directors.

WHISTLE BLOWER POLICY

Geospace Technologies has developed a Whistle Blower program designed to protect any employee who reports valid suspicions related to the Company’s financial accounting, internal controls or like matters to management without fear of termination or similar repercussions.

CONFLICTS OF INTEREST

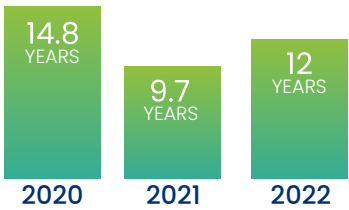
The Company encourages any employee, non-executive officer or Director to immediately report any conflict of interest to management. Any conflict of interest that is subsequently confirmed and approved by management must be written and documented.

Board Director Statistics

BOARD GENDER DIVERSITY



BOARD TENURE





FORWARD LOOKING STATEMENTS

Unless otherwise specifically stated, this report covers Geospace Technologies' performance in 2022. This report, which speaks only as of its date, is not comprehensive, and for that reason, should be read in conjunction with our 2022 Annual Report on Form 10-K and our 2022 Proxy Statement, which can be found at www.Geospace.com/investor-relations.

The goals, commitments and programs described in this report are aspirational; as such, no guarantees or promises are made that these goals, commitments and programs will be met or successfully executed. Furthermore, data, statistics and metrics included in this report are non-audited estimates, not prepared in accordance with US generally accepted accounting principles (GAAP), continue to evolve and may be based on assumptions believed to be reasonable at the time of preparation, but should not be considered guarantees or subject to future revision.

The disclosures included in this report are being provided to the public in an effort to provide transparency into our environmental, social and governance (ESG) initiatives to respond to stakeholder requests, and to further enhance our collective understanding of ESG issues. Our approaches to the disclosures included in this report are different from those included in mandatory regulatory reporting, including under SEC regulations.

This report contains forward-looking statements, which are based on our current assumptions and expectations. These statements are typically accompanied by the words “expect,” “may,” “could,” “believe,” “would,” “might,” “aim,” “strive,” “anticipates” or similar words. The principal forward-looking statements in this report include (1) our goals, commitments and programs; (2) our business plans, initiatives and objectives; (3) our assumptions and expectations; (4) the scope and impact of our corporate responsibility risks and opportunities; and (5) standards and expectations of our employees and other third parties. All such forward-looking statements are intended to enjoy the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, as amended. Although we believe there is a reasonable basis for the forward-looking statements, our actual results could be materially different. The most important factors that could cause our actual results to differ from our forward-looking statements are set forth in our description of risk factors included in Part I, Item 1A, Risk Factors of our Form 10-K for the fiscal year ended September 30, 2022, which should be read in conjunction with the forward-looking statements in this report. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update any forward-looking statement, except as required by securities laws and regulations.