



Sustainability. AT OUR CORE.

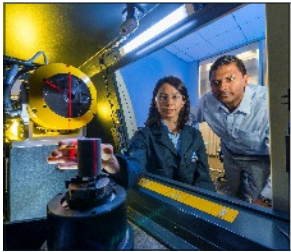
2 0 1 8

Sustainability Report





# Contents



## Core Lab Overview

- 4 Commitment to Sustainability
- 7 Our Company
- 8 Business Model
- 17 Board of Supervisory Directors



## Environment

- 42 Community and Environmental Impact
- 48 Reduction Efforts
- 49 Our Changing Climate



## Core Values and Ethics

- 22 Core Values and Business Ethics
- 23 Code of Ethics
- 24 Programs and Supply Chain
- 26 Discrimination and Harassment Policy



## Safety Performance

- 51 Executive Summary
- 52 Goals for a Safer Work Environment
- 53 Incident Performance



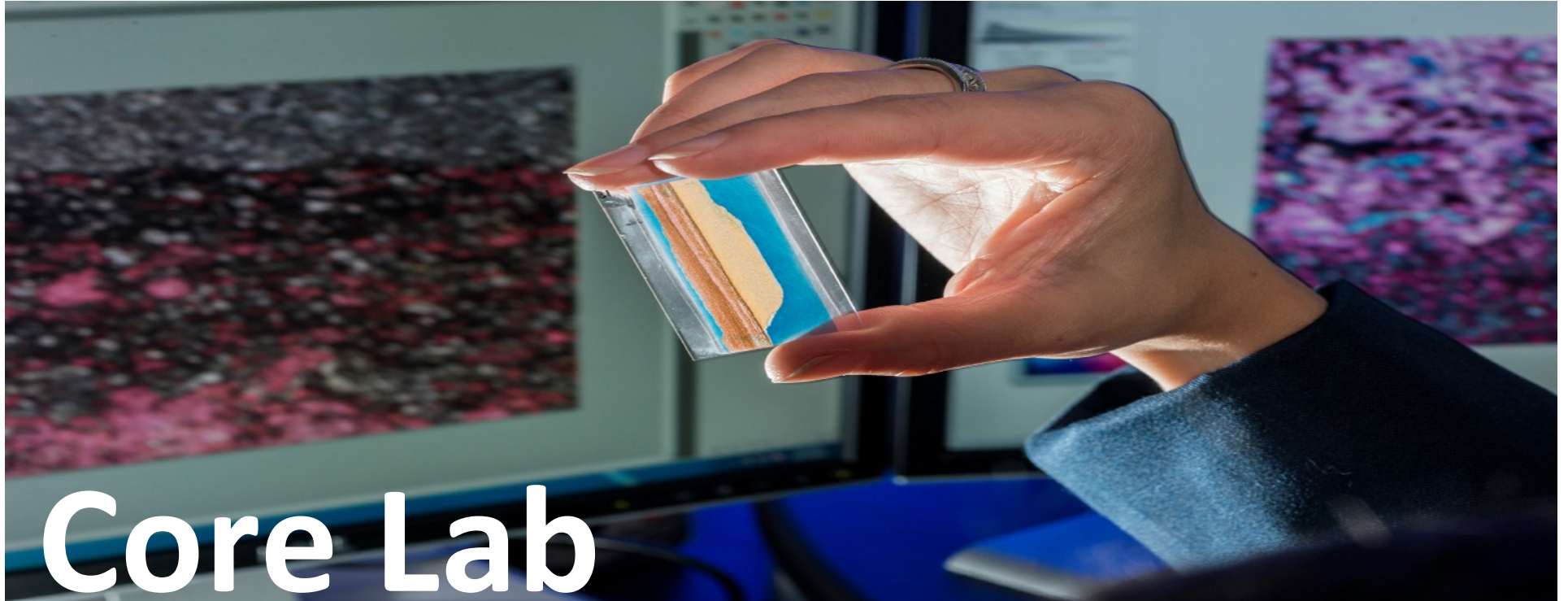
## Empowering People

- 28 Human Rights
- 29 Corporate Citizenship
- 33 Our Global Workforce
- 40 Total Rewards



## Reporting

- 61 Financial Results that Fuel Sustainability
- 63 GRI - Environmental, Social and Governance
- 77 Report Parameters



# Core Lab Overview





# Commitment to Sustainability



**David Demshur**

Chairman of the Board and  
CEO



## WELCOME FROM OUR CEO

Welcome. We are pleased to introduce Core Lab's 2018 Sustainability Report (CSR), which shows how we have grown and continue to create sustainable value for our stakeholders.

For over 80 years, we have provided advanced innovative technology to enhance our customer's crude oil production. We have stayed committed to delivering on our three financial strategies: maximizing free cash flow, maximizing return on invested capital, and returning excess capital to our shareholders. Our business success is powered by our people and their commitment to achieving top results each and every day for Core's clients. As a leading technology service and product provider with a global presence and impact, together we strive to respect the communities and environments in which we do business.

2018 was a year of recovery for the oil and gas industry. With the rise of global oil prices, confidence within the industry continues to grow. We continue to focus on optimizing our business which led to a simplification of our structure, representing our business into two reporting segments. We remained focused on generating maximum amounts of Free Cash Flow, which resulted in the highest revenue to free cash flow conversion ratio among comparable service companies.

## ENVIRONMENT AND SAFETY

We are committed and strive for a zero accident environment, which makes safety first in all of our

locations and those of our clients. Throughout our longstanding history, Core Laboratories has built a solid and reliable reputation among our clients, communities, employees and investors. The principles of integrity and ethical conduct are paramount in everything we do and we take this responsibility very seriously. Our continued success depends on a culture of high integrity, ethical and safety standards to get results the right way.

## SUSTAINABLE RECOGNITION

During 2018, Core Lab was recognized for its Corporate Responsibility efforts and financial performance. In January of 2018, Bloomberg announced that Core Lab was one of the 104 companies out of over 5,000 publicly-traded companies from ten sectors, representing 24 countries and regions, to join the inaugural 2018 Bloomberg Gender-Equality Index ("BGEI"). The BGEI, with the focus on gender equality in the workplace, is yet another metric by which investors can gauge a company's commitment to environment, social and governance ("ESG") factors across industries.

These are just a few of the ways in which we demonstrate our commitment to driving transparent and sustainable value. Core Lab will continue to maintain transparency with our stakeholders while remaining true to the strategies that have sustained us. Thank you for taking the time to learn more about Core Laboratories. We encourage you to ask us questions, tell us how we're doing and let us know what we can do to improve.





## Awards and Recognition

At Core Lab, we are committed to ways of advancing our environmental, social and governance performance. To demonstrate our continued focus, we have been recognized for the following:



Environment  
and  
Workplace  
Safety



Advancing  
Women's  
Leadership  
Globally



Top Performance In  
Corporate Social  
Responsibility  
in Sector





# The Reservoir Optimization Company™

Core Laboratories is a limited liability company incorporated in The Netherlands and publicly traded in the United States on the New York Stock Exchange and in The Netherlands on the Euronext Amsterdam stock exchange.

We were established in 1936 and are one of the world's leading providers of proprietary and patented reservoir description and production enhancement services and products to the oil and gas industry. These services and products are directed toward enabling our clients to improve reservoir performance and increase oil and gas recovery from their producing fields. We continue to develop new technologies that complement our existing services and products, and we disseminate these technologies throughout our global network. We have over 70 offices in more than 50 countries and have approximately 4,700 employees.

We operate our business in two reporting segments. These complementary segments provide different services and products and utilize different technologies for improving reservoir performance and increasing oil and gas recovery from new and existing fields.



**Reservoir Description:** To maximize the production and total recovery of hydrocarbons, oil companies must have a complete understanding of the reservoir rocks and fluids present in their producing fields. Core Laboratories is the only global provider of services that characterize the porous reservoir rock and all three reservoir fluids.

**Production Enhancement:** Includes services and products relating to reservoir well completions, perforations, stimulations and production. We provide integrated services to evaluate the effectiveness of well completions and to develop solutions aimed at increasing the effectiveness of enhanced oil recovery projects.

Core Laboratories has taken extensive measures to ensure the services, products and data provided by all of our worldwide locations are of the highest quality and integrity. Our commitment to applying and developing new technologies to optimize reservoir performance is unsurpassed in the oilfield service industry. This commitment to technology and to our clients' bottom line makes Core Laboratories, The Reservoir Optimization Company™.



# Our Company

## Our Stakeholders

Our stakeholders consist of four groups: clients, employees, shareholders, and communities we operate in around the globe.

## Clients

Core Laboratories provides services and products to the world's major, national and independent oil companies.

## Employees

Core Laboratories has approximately 4,700 employee workforce today in over 50 countries providing technology to enhance our clients' production in major oil-producing provinces around the world.



## Shareholders

The Company's loyal investors, some of whom have owned shares since our initial public offering (IPO) in 1995, have been rewarded with a share price that has outperformed all of our peers. In addition, the Company has paid quarterly dividends since 2008. Moreover, the insider ownership of Core Laboratories stock continues to be at a very high level for publicly traded oilfield service companies.

Core's executive and senior management and scientists and its Board of Supervisory Directors (Board) own over \$100 million worth of Company shares. Accordingly, Core's

management is closely aligned with independent shareholders, driving management and investment decisions that maximize shareholder value.

## Communities

Core Laboratories supports local communities where we operate all over the world through our contributions of resources and the involvement of our employees, particularly when we can leverage our technical capabilities to provide a higher level outcome for those that we are supporting. We prefer to support efforts aimed at improving education in science, technology and business.

It's our way of giving back to the community which we feel is very important in order to improve career and social opportunities for young adults around the globe. Core Laboratories does not contribute or donate cash or any of its resources to any political parties or political candidates.







# Company and Business Model

## Value Chain

Core Laboratories' main asset is our workforce and the intellectual property they have developed on our behalf. We are primarily a company which provides services to international, national and independent oil companies to help them produce more hydrocarbons each day from their reservoirs as well as increase the hydrocarbons they produce over the life of the reservoir (incremental barrels).

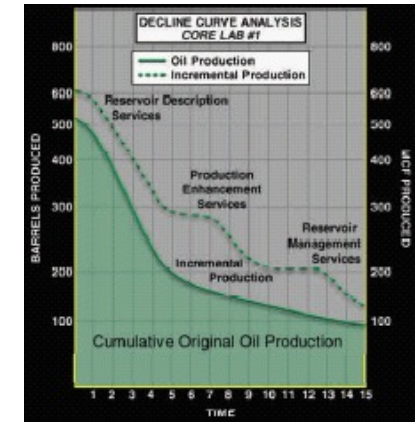
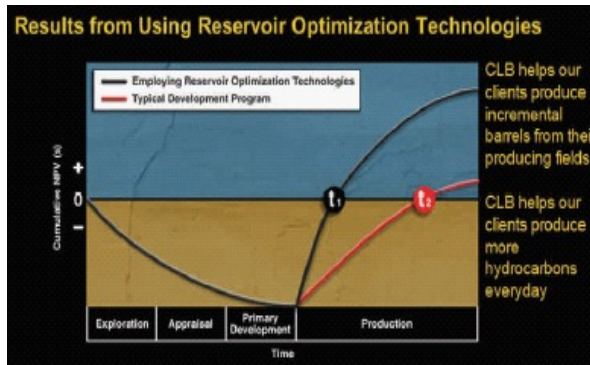
Our main category of suppliers are vendors which supply both services and materials used in the production of our products. Our primary service vendors provide us with services related to the acquisition of human capital including temporary and contract labor. Our primary manufacturing vendors provide us with materials, parts and shipping used in production.

Core Laboratories' operational focus remains on crude-oil field development projects, with growing emphasis on delivering technology to our clients to assist in their efforts to maximize the return from their conventional and unconventional developments whether, onshore or offshore.

Our business model, including company profile, value chain, process of value creation, operating context, risk factors and strategic context are described in the following pages.

## Our Goal

Every day that an oilfield produces, the dynamics of the reservoir changes. Our mission is to use patented and proprietary technology and expertise to enable our clients to improve reservoir performance and increase oil and gas recovery from producing fields. Core Lab scientists precisely measure data from reservoir rock, fluid, and gas samples from analyses that our technicians perform in the company's laboratories. From this, we can evaluate the effectiveness of well completions and develop solutions aimed at increasing the ultimate recovery. Improving production and lessening the decline rate of a reservoir just a few percentage points can make a tremendous positive economic difference over the lifetime of the reservoir.



## Technology Innovation

Core Lab provides proprietary and patented services and products through its two operating segments at points all along the decline curve. These services and products focus on maximizing daily production rates and greater ultimate hydrocarbon recovery from reservoirs to maximize our clients' return on their investments.

Our strategic choices are designed to create value for our stakeholders, a process which is based on careful and balanced decision-making.



# Business Strategies

## Our Unique Position

Core is well positioned as the most technologically advanced, uniquely focused provider of technologies that optimize reservoir performance by altering the production decline curve throughout the life of an oil and natural gas field. Core's technological leadership in helping oil companies produce incremental barrels positions the Company well for the challenges facing the industry.

## Growth Strategies

Our long-term growth strategies were set in 1994, the year before we made our initial public offering, and they have not changed. We continue to keep our operational focus on crude-oil field development projects, with a growing emphasis on delivering technology-driven data and results to our clients to assist them in maximizing their returns on conventional and unconventional developments whether onshore or offshore. The following three strategies have been essential ingredients to our growth for more than two decades.

## 1 Develop New Reservoir-Optimizing Technologies

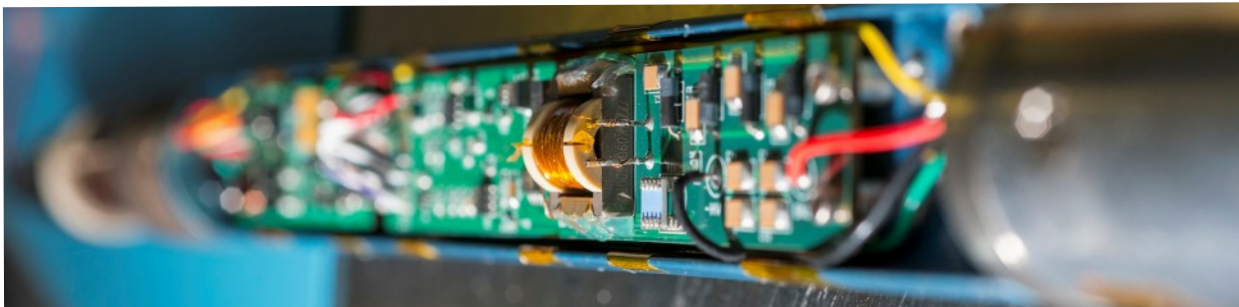
Core Laboratories' technologies and services are essential to successful evaluation and production of oil and natural gas fields around the world. The knowledge of the reservoir we deliver makes it possible to optimize reservoir performance throughout the life of the field and to maximize the production of incremental barrels, the most economical production in the field.

Application of our patented and proprietary technologies enables alteration of the production decline curve to help our clients maximize:

- daily production
- ultimate hydrocarbon recovery
- cash flow
- net present asset value
- shareholder value

## Our Mission

**Core Laboratories is a leading provider of proprietary and patented Reservoir Description and Production Enhancement services and products. Core Laboratories is dedicated to providing the technology our customers need to enhance their production; maximizing the return of our shareholder's investment in our company; and investing in our most valuable assets, our employees, by providing a safe business environment free of harassment and discrimination while being environmentally and socially responsible.**





## 2 Leverage our International Office Network

Core Laboratories has over 70 offices in more than 50 countries and is located in every major oil-producing province the world. Core Laboratories provides its services to the world's major, national, and independent oil companies.

## 3 Acquire Complementary and Strategically Positioned Technologies

We continually review potential acquisitions to add key services and technologies, enhance market presence or complement existing businesses.



### Global Presence. Global Impact.



#### Advanced Technology Centers

★ Aberdeen ★ Abu Dhabi ★ Calgary ★ Houston ★ Kuala Lumpur ★ Rotterdam

#### Selected Regional Operating Centers

● Perth, Australia ● Jakarta, Indonesia ● Bangkok, Thailand ● Xiamen, China  
● Muscat, Oman ● Doha, Qatar ● Kuwait City, Kuwait ● Alexandria, Egypt ● Aktau, Kazakhstan  
● Moscow, Russia ● Durban, South Africa ● Port Harcourt, Nigeria ● Luanda, Angola  
● Edmonton, Alberta ● Bakersfield, California ● Anchorage, Alaska ● Bogota, Colombia

In the third quarter of 2018, Core Laboratories completed the acquisition of Guardian Global Technologies Ltd. ("Guardian"). Guardian, based in Pyle, Wales, is a technologically sophisticated designer and manufacturer of downhole instrumentation utilized by international oil and gas operators for well completions. Guardian's downhole technologies are designed to systemize, simplify, automate, and de-risk the deployment of perforating systems. With over 20 years of technology development for the worldwide oil and gas industry, these downhole technologies will significantly enhance Core's Production Enhancement operations and its ability to bring new and innovative product offerings to Core's clients.

The acquisition of Guardian expands Core's portfolio of proprietary and patented Production Enhancement technologies. The acquired technologies fully complement Core's integrated approach to perforating oil and gas wells, allowing Core to provide a proprietary top to bottom perforating tool string. Core Lab expects Guardian's addressable downhole capabilities, combined with Core's differentiated perforating systems and energetics, to lead to the introduction of disruptive product solutions in 2019, expanding its participation in the multi-billion dollar perforating market.



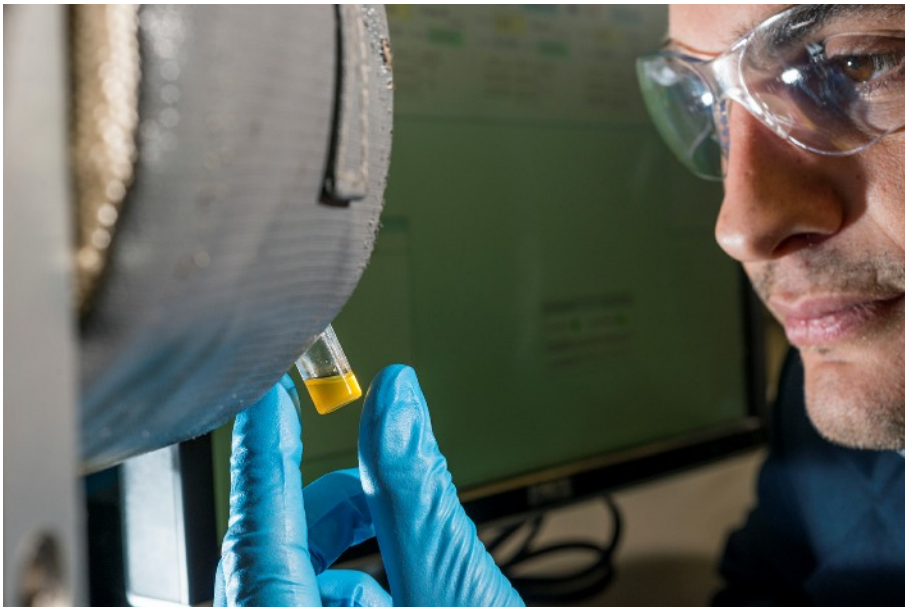
# Financial Strategies

Core continues to follow the three financial tenets that have led to our industry-leading total shareholder returns over the long term.

## 1. Maximize Free Cash Flow (FCF) through Fiscal Discipline

Core follows a strict discipline for allocating capital for investment in growing our business, which are focused on generating high returns and positive free cash flow. The quality of a company's earnings is typically supported with cash flow from operations, and value is created with the ability to generate cash flow in excess of what is required for capital investments to maintain and grow the business.

We believe measuring the ratio of FCF generated from revenue is an important metric for shareholders when comparing companies' financial results, particularly for those shareholders who utilize discounted cash flow models to assess valuations.. This discipline towards capital investments produced a conversion ratio of 16% for our Revenue into Free Cash Flow during 2018 placing Core Lab at the top of our peer group. Core will continue to demonstrate strict fiscal discipline in 2019 and beyond.



Revenue to Free Cash Flow Conversion Rate	
Company	Conversion %
Core Laboratories NV	16.0%
Oil States International Inc	9.0%
Schlumberger Ltd	0.0%
Halliburton Co	5.3%
Wood Group (John) PLC	3.4%
Oceaneering Intl Inc.	2.2%
RPC Inc	1.0%
Franks International NV	0.6%
Average	-0.2%
TechnipFMC PLC	-0.3%
Superior Energy Services Inc	-3.3%
Fugro NV-CVA	-4.6%
Forum Energy Technologies Inc	-8.2%
Baker Hughes a GE Co	-8.5%
Weatherford International PLC	-10.8%
Nabors Industries Ltd	-20.0%
CARBO Ceramics Inc	-24.0%
Helix Energy Solutions Group	-30.9%

Source: Bloomberg and company filings, 12 month trailing revenue and free cash flow as reported through March 5, 2018.



## 2. Maximize Return on Invested Capital

Core's Board has initiated an incentive compensation program for the executive and senior management teams based on the Company achieving a leading relative ROIC performance compared with the oilfield service companies listed as Core's Comp Group by Bloomberg Financial.

Core's Board believes that stock price performance over time is directly related to ROIC. The following table lists ROICs for major oilfield service companies as recently calculated by Bloomberg Financial.

Core's leading ROIC was more than nine times the next highest peer in 2018. Note that Core is the only company showing returns above their Weighted Average Cost of Capital ("WACC") and the other oilfield service companies shown have ROICs below their WACC, a product of over-investment in their company or vast overpayment for perceived growth via acquisitions.

Core strives to have the industry leading ROIC through capital discipline and continued execution of our three Growth Strategies.

We believe that our commitment to this approach will result in a continued dominance of long-term share price performance by Core versus other oilfield service companies.

### Return on Invested Capital, %

Company	Return on Invested Capital	Weighted Average Cost of Capital (WACC)	Returns Above WACC
<b>Core Laboratories NV</b>	<b>26.4%</b>	<b>10.1%</b>	<b>16.3%</b>
Halliburton Co	2.8%	8.4%	-5.6%
TechnipFMC PLC	2.5%	8.5%	-6.0%
Oceaneering Intl Inc	-0.5%	10.3%	-10.8%
Schlumberger Ltd	-2.1%	8.8%	-10.9%
Wood Group (John) PLC	-0.7%	10.5%	-11.2%
Nabors Industries Ltd	-4.4%	7.4%	-11.7%
Baker Hughes a GE Co	-2.7%	9.0%	-11.8%
Helix Energy Solutions Group	-1.2%	10.9%	-12.0%
Fugro NV-CVA	-4.1%	9.2%	-13.3%
<b>Average</b>	<b>-4.3%</b>	<b>9.9%</b>	<b>-14.2%</b>
Forum Energy Technologies Inc	-5.5%	12.4%	-17.8%
Oil States International Inc	-7.1%	12.5%	-19.6%
Superior Energy Services Inc	-10.6%	9.5%	-20.1%
Frank's International NV	-20.4%	13.2%	-33.6%
CARBO Ceramics Inc	-28.7%	10.3%	-39.0%
Weatherford International PLC	-30.1%	9.8%	-39.9%

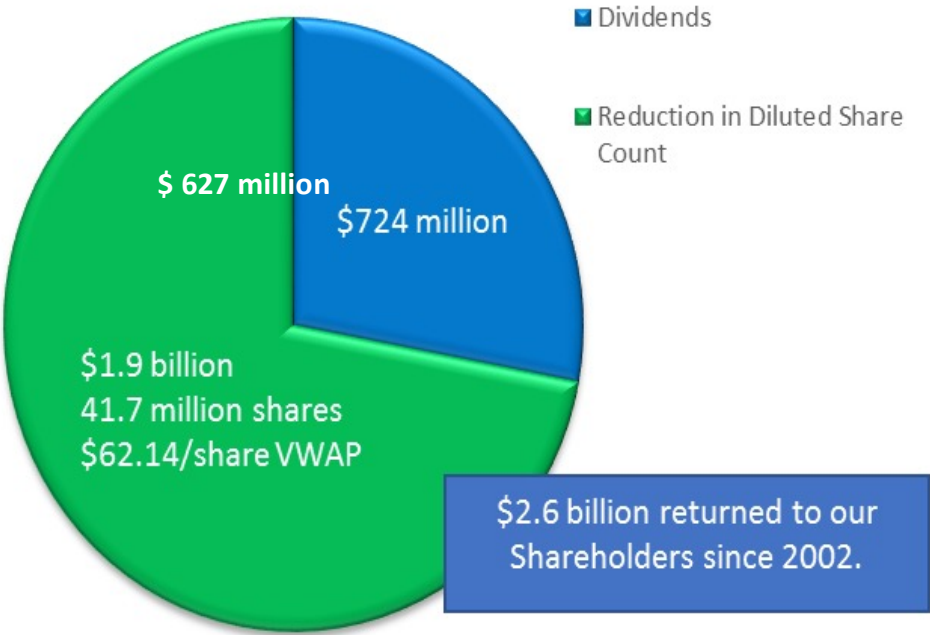
Source: Bloomberg and company filings, Return on Invested Capital and Weighted Cost of Capital reported through March 5, 2018.

3. Return Excess Capital to our Shareholders

Since October 2002, Core Laboratories has returned our excess capital to our shareholders in the form of share repurchases, warrant settlements, dividends, and special dividends, totaling \$2.5 billion, or approximately \$56.12 per share.

As the energy markets continue to mend, the Company will continue to return our excess capital to our shareholders via dividends, as well as possible share repurchases depending on the stability of the industry recovery.

Use of Free Cash Flow



Stakeholders Ask

Q

How will Core Lab’s financial tenets and growth strategies drive sustainability?

A

Core Lab's three financial tenets and growth strategies were put into place during our IPO in 1995. Since that time we have followed a strict discipline to produce results for our shareholders. These financial tenets and growth strategies are in combination with our views and commitment to corporate sustainability.

We will continue to allocate capital only if the investment will grow our business and reflects our sustainability commitment. This disciplined focus has resulted in industry-leading results.





# Corporate and Social Responsibility Strategies



## Ethics and Equality

To ensure that the Company and its employees operate at the highest level of ethical conduct and behavior. We have established:

- Company-wide Ethics Program and Code of Ethics and Corporate Responsibility
- Full-time Compliance Officer
- Full-time (24/7) Helpline to the Compliance Officer available for reporting any suspected wrongdoing or for obtaining answers on ethical, technical or other questions
- Annual training and certification of compliance with the Code of Ethics and Corporate Responsibility
- Enforcing Company policy against retaliation
- Posters at each office with our Code of Ethics and Corporate Responsibility and Helpline access information
- Zero tolerance on unethical conduct, including termination
- Annual reporting of conflicts of interest and reportable transactions.



- Employee review of the Law Departments' Anti-Bribery and Export Control Presentation on an annual basis



## Environmental

To protect the environment and its natural resources. It is the goal of Core Laboratories to be recognized by our clients, employees, and community as a responsible business committed to reducing impact on the environment in all business activities. We will:

- Comply with all applicable local, state, and federal environmental laws and regulations
- Be responsible for protective environmental management
- Focus on research and development of products that minimize impact on the environment
- Educate all employees on their roles and responsibilities for protecting the environment



## Safety

To provide a safe work environment for all. Safety does not just happen; it requires commitment by everyone from management to our field teams. Safety starts with a strong leadership team that is committed and accountable. It is our management's responsibility to set the tone and be the example. Core Laboratories' goal is to eliminate injuries from the work environment. We will:

- Continually provide training and education
- Achieve a zero incident culture
- Systematically identify risks, addressing them and follow up to closure



## Health

To protect the health, lives and security of our employees, and those around us we carefully assess and mitigate the risks of our business to make sure everyone is aware of the environment in which they operate. We will:

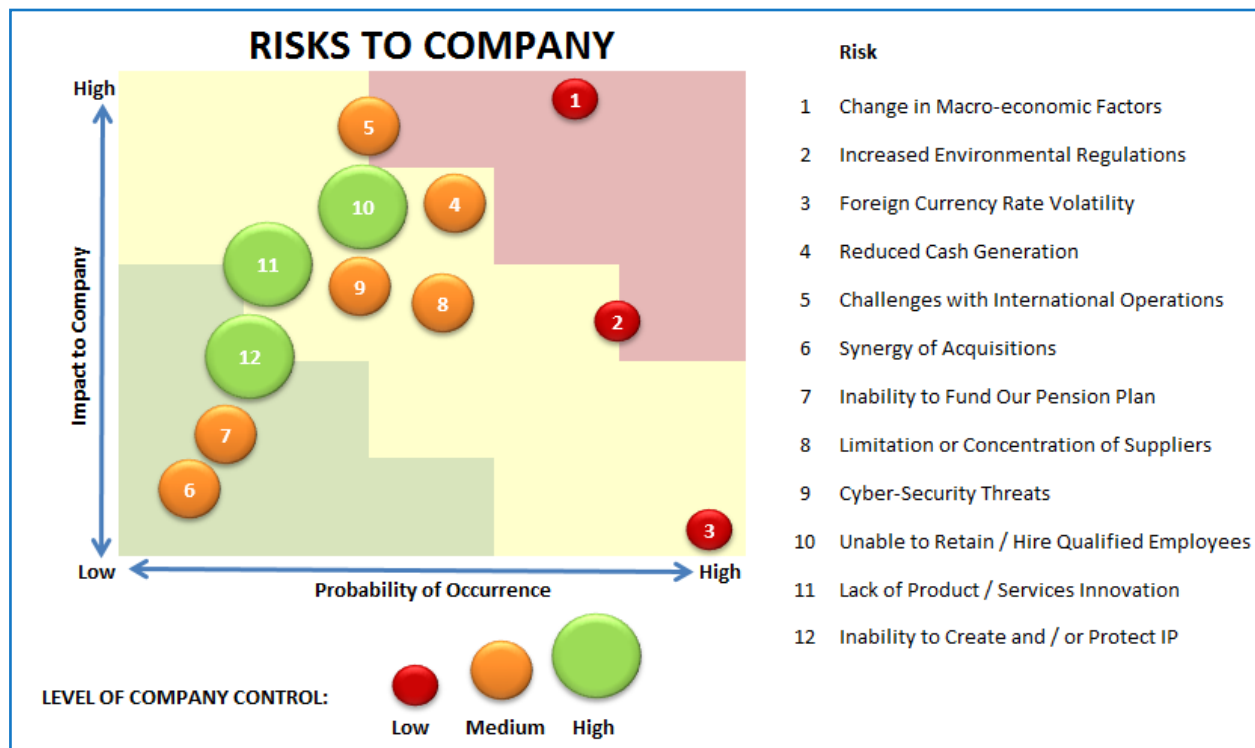
- Take a behavior based approach to Health and Safety
- Engineer better solutions and improvements on our existing services and products
- Empower employees to make smart decisions

# Trends and Developments

Our business and operations are substantially dependent upon the condition of the global oil and gas industry. Future downturns in the oil and gas industry, or in the oilfield services business, may have a material adverse effect on our financial position, results of operations or cash flows.

## Nature of Oil and Gas Industry

The oil and gas industry is highly cyclical and has been subject to significant economic downturns at various times as a result of numerous factors affecting the supply of and demand for oil and natural gas, including the level of capital expenditures of the oil and gas industry, the level of drilling activity, the level of production activity, market prices of oil and gas, economic conditions existing in the world, interest rates and the cost of capital, environmental regulations, tax policies, political requirements of national governments, coordination by the Organization of Petroleum Exporting Countries ("OPEC"), cost of producing oil and natural gas, and technological advances. Potential changes in the business environment are not expected to have any effect on our business model, corporate strategies, management approach or value chain.



## Risk Factors

Please see the Risk Factors discussion on pages 29-34 of our 2016 IFRS Annual Report for a company and sector specific description of risks.

Please see page 27 of our IFRS Annual Report, "Risk Management Approach & Financial Reporting Risks - Best practice provisions II.1.4 and II.1.5" and pages 53-55, Footnote 3, "Financial Risks and Risk Management" for an explanation of how risks are managed by the company.

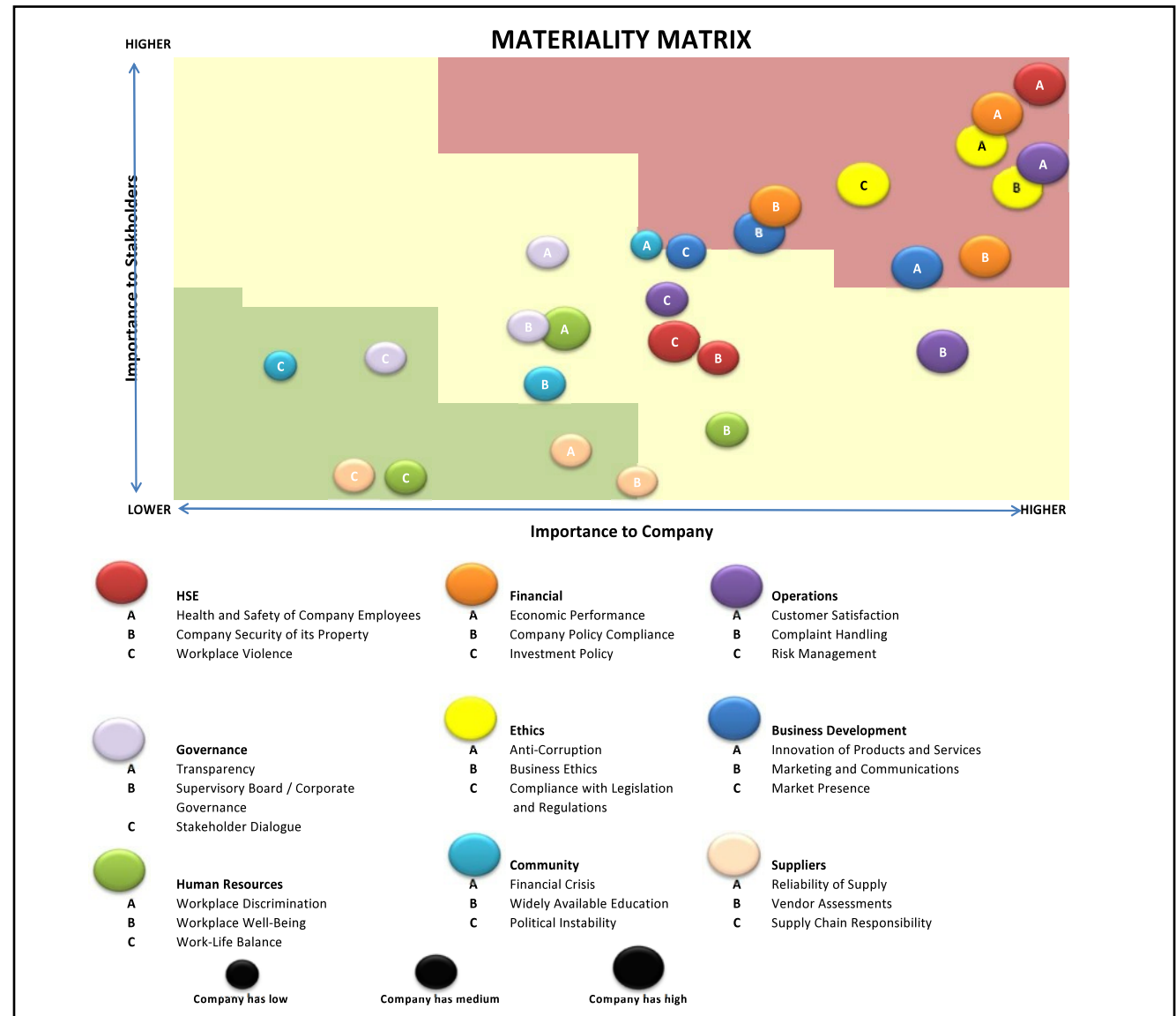


# Our Priorities

## Material Issues for the Company

We selected a list of themes of varying importance to the company and its sustainability. Alongside traditional priorities such as social and economic aspects, our stakeholders are increasingly interested in environmental aspects and innovation. The list of themes below represent a wide range of topics of interest, and were used to survey the Company's management team and employees to measure:

- 1) importance to stakeholders,
- 2) importance to the company and
- 3) degree of control maintained by the company.





## Board of Supervisory Directors



**David M. Demshur,**  
**Chairman of the Board**  
*Chief Executive Officer*



**Lawrence Bruno,**  
**Director & Officer**  
*President , Chief Operating Officer*



**Martha Carnes, Director**  
*Former Chief Executive,  
PriceWaterhouseCoopers LLP*



**Charles L. Dunlap, Director**  
*Former Chief Executive Officer,  
Transmontaigne Partners*



**Lucia van Geuns, Director**  
*Senior Consultant, The  
Netherlands Organization  
for Applied Scientific Research  
(TNO)*



**Margaret A. van Kempen,**  
**Director**  
*Managing Director,  
Van Kempen Associates*



**Jan Willem Sodderland,**  
**Lead Director**  
*Chairman of the Supervisory  
Board, Bank of Tokyo-  
Mitsubishi UFJ (Holland) N.*



**Michael Straughen,**  
**Director**  
*Former Chief Executive of the  
Engineering Division John  
Wood Group PLC*



**Board of Supervisory  
Directors Public Page**





## Structured to Drive Success

### Board Structure

The Company has a two-tier board structure consisting of a Management Board and a Supervisory Board, each of which must consist of at least one member under the Company's Articles of Association. Under Dutch law, the Supervisory Board's duties include supervising and advising the Management Board in performing its management tasks. The Management Board consists of one managing director, Core Laboratories International B.V. ("CLIBV"), an affiliate of the Company. As a Managing Director, CLIBV's duties include overseeing the management of the Company, consulting with the Supervisory Board on important matters and submitting certain important decisions to the Supervisory Board for its prior approval.

### The Supervisory Board

The Supervisory Board currently consists of eight Supervisory Directors.

The Supervisory Directors are expected to exercise oversight of management with the Company's interests in mind. The Supervisory Board is divided into three classes, with each class subject to re-election every third year by the shareholders at the annual meeting.

Mr. David M. Demshur serves as the Company's Chief Executive Officer and as Chairman of the Supervisory Board. Given the size of the Company, we believe our shareholders are well

served by having Mr. Demshur hold the Chief Executive Officer role along with being Chairman of the Supervisory Board of the Company and that this is the most effective leadership structure for us at the present time. We also note that within our industry, the common practice is for the same person to hold both positions. We believe this structure has served us and our shareholders well for many years.

### The Lead Director

During sessions without the Chairman, Mr. Jan Willem Sodderland conducts the meetings of directors in the role of our Lead Director. The Lead Director has leadership authority and responsibilities and sets the agenda for, and leads, all executive sessions of the independent directors, providing consolidated feedback, as appropriate, from those meetings to the Chairman.

### The Board and Risk Management

In its role in the risk oversight of the Company, the Supervisory Board oversees our stockholders' interest in the long-term health and the overall success of the Company and its financial strength. The Supervisory Board is actively involved in overseeing risk management for the Company, and each of our Supervisory Board committees considers the risks within its areas of responsibilities. The Supervisory Board and each of our Supervisory Board committees regularly discuss with



potential financial impact on us and the steps we take to manage them.

### Shareholder Rights and Engagement

To support shareholder rights and ongoing engagement with our investor community, we have expanded our disclosures held within this annual Sustainability Report, implemented enhancements in our Proxy Statement and Annual Report to clearly outline our efforts with communicating with our shareholders when they have questions and/or feedback regarding Core Lab.

In addition to our Annual Shareholder Meeting, Proxy Statement, and Sustainability Report communication, the financial investment and shareholder communities can make inquiries at any time via our Company website. Our company communication page is made available to anyone seeking to ask a question regarding our two Business Segments, Corporate Responsibility, Investor Relations, Human Resources or general inquiries. We review all inquiries and make appropriate and timely responses.

## Committees of the Supervisory Board

The Supervisory Board has three standing committees, the identities, memberships and functions of which are described below:

### **Audit Committee**

The current members of the Audit Committee are Ms. Martha Carnes (Chairman), Mr. Michael Straughen and Mr. Jan Willem Sodderland. The Audit Committee's principal functions, which are discussed in detail in its charter, include: (i) making recommendations concerning the engagement of the independent registered public accountants, (ii) reviewing with the independent registered public accountants the plan and results of the engagement, (iii) approving professional services provided by the independent registered public accountants and (iv) reviewing the adequacy of our internal accounting controls. Each member of the Audit Committee is independent, as defined by Section 10A of the Exchange Act and by the corporate governance standards set forth by the NYSE and, to the extent consistent therewith, the Dutch Code. Each member of the Audit Committee is financially literate and qualifies as an audit committee financial experts under the rules promulgated pursuant to the Exchange Act. The Audit Committee held 6 meetings in 2018.

### **Compensation Committee**

The current members of the Compensation Committee are Mr. Michael Straughen (Chairman) and Ms. Margaret van Kempen. The Compensation Committee's principal functions, which are discussed in detail in its charter, include: (i) a general review of our compensation and benefit plans to ensure that they are properly designed to meet corporate objectives, (ii) reviewing and approving the compensation of our Chief Executive Officer and our senior executive officers, (iii) granting of awards under our benefit plans and (iv) adopting and changing major compensation policies and practices. The Compensation Committee also regularly discusses a succession plan for the Chief Executive Officer and other senior executive management. In addition to establishing the compensation for the Chief Executive Officer, the Compensation Committee reports its recommendations to the whole Supervisory Board for approval. Pursuant to its charter (see below), the Compensation Committee has the authority to delegate its responsibilities to other persons. The Compensation Committee held 2 meeting in 2018.



The Compensation Committee periodically retains a consultant to provide independent advice on executive compensation matters and to perform specific project-related work. The consultant reports directly to the committee, which pre-approves the scope of the work and the fees charged. The Committee communicates to the consultant the role that management has in the analysis of executive compensation, such as the verification of Executive and Company information that the consultant requires.

# Committees of the Supervisory Board

## Nominating, Governance and Corporate Responsibility Committee

The current members of the Nominating, Governance and Corporate Responsibility Committee (“NGCR Committee”) of our Supervisory Board are Mr. Charles Dunlap (Chairman) and Ms. Lucia van Geuns. The NGCR Committee's principal functions, which are discussed in detail in its charter, include: (i) recommending candidates to the Supervisory Board for election or appointment as Supervisory Director, (ii) advising about, and recommending to the Supervisory Board, an appropriate set of corporate governance and social responsibility practices, (iii) reviewing and overseeing compliance with the Company’s corporate governance and social responsibility policies, and (iv) leading the Supervisory Board in its annual review of the performance of the Supervisory Board, its committees and management. Each member of the NGCR Committee is independent as defined by the corporate governance standards of the NYSE. The NGCR Committee held 2 meetings in 2018.

## Supervisory Director Independence

In connection with determining the independence of each Supervisory Director of the Company, the Supervisory Board inquired as to any transactions and relationships between each Supervisory Director and his or her immediate family and the Company and its subsidiaries, and reviewed and discussed the results of such inquiry. The purpose of this review was to determine whether any such relationships or transactions were material and, therefore, inconsistent with a determination that a Supervisory Director is independent, under the standards set forth by the NYSE and, to the extent consistent therewith, the Dutch Corporate Governance Code (the "Dutch Code"). Under the Dutch Code, the Supervisory Board is to be composed of members who are able to act critically and independently of each other and of the Management Board.

Articles of Association	Corporate Governance Guidelines
Code of Ethics and Corporate Responsibility	Code of Ethical Conduct for Senior Financial Officers
Insider Trading Policy	Supervisory Board Prohibits Loans to Exercise Options or Other Transactions
Audit Committee Charter	Compensation Committee Charter
Nominating, Governance and Corporate Responsibility Committee Charter	



# Core Values and Ethics



# Core Values and Business Ethics

## Core Values

Core Laboratories has taken extensive measures to ensure the services and data provided by all of our worldwide companies are of the highest quality and integrity. Our Ethics Program is designed to ensure that all business operations comply with applicable industry standards and government regulations. Management commitment, ethics training and internal and third party audits are an integral part of our Ethics Program.

To ensure the Program's success, we create awareness through an annual and periodic

training and communication campaign throughout the Company. In addition to our annual training, we provide periodic presentations targeting key topics such as workplace harassment, anti-bribery, contract governance, export controls and fraud prevention.

When appropriate, disciplinary action up to and including termination is taken in response to breaches of our ethical standards. Additionally, our clients, vendors, temporaries and contractors are held to the same standards.

## Ethics Hotline Program

We monitor and enforce compliance with the Code of Ethics, Corporate Responsibility and other corporate policies through confidential and non-confidential reporting mechanisms. An anonymous hotline, mail, and email are the primary means for reporting fraud, human rights or ethics violations in a confidential manner. Face-to face meetings are also encouraged with the Company's General Counsel. Independent arbitration is also supported.

All issues are sorted and categorized (legal, ethics or other) by the Ethics & Compliance Officer, who reports to the General Counsel. All calls of a legal nature are handled by the General Counsel. These reporting procedures have been made available to all employees of the Company.

## "Whistle Blower" Policy

A hotline has been established that is an anonymous way for an employee to provide information to the Company concerning issues that he/she might feel need to be addressed. This information is reviewed by the General Counsel and appropriate action is taken on the information. The General Counsel ensures that there is no retaliation against any employee who has utilized our reporting mechanism to report an illegal act by his co-worker, supervisor or management.



# Code of Ethics

Core Laboratories maintains a corporate self-governance and compliance program that is specifically structured to ensure that the Company and its employees operate at the highest level of ethical conduct and behavior. Core Laboratories' Ethics Program has been recognized as a model for other private and regulatory organizations.

This Code of Ethics and Corporate Responsibility covers a wide range of ethical business practices and corporate social responsibility matters. It does not cover every issue that may arise, but it sets out basic principles to guide all employees and all non-employee Management Board and Supervisory Directors.

## Conduct Business in a Legal Manner

First and foremost, obey the law, both in letter and in spirit. This is the foundation on which the Company's ethical standards are built.

## Respect for Others

Core Lab promotes a work environment that encourages trust, mutual respect, support, honesty, accountability and responsibility. This includes respecting all those we work with whether fellow employees, clients, vendors and the community.

## Corporate Responsibility

Being a good corporate citizen expands beyond the walls of our workplace. Awareness of human rights, fair employment practices and protection of the environment are integrated into our business strategy and decision making.

## People and Safety

We accept responsibility for the health and safety of our workplace. We are committed to conducting our business in compliance with all environmental and worker health and safety laws. Our goal is to drive an accident-free workplace through our various safety programs and initiatives.

## Conduct Business in an Ethical Manner

Through our exceptional technology offerings and hard working talented employees, we strive to earn our clients' business through excellent service, products and fair dealing. This goes so far as to ensure that our suppliers and contractors also have policies and procedures in place that meet the Core Lab Standards.

## Safeguarding Information and Assets

Honesty and accuracy in data reporting is paramount in driving consistent record keeping. All employees are committed to protecting the company's assets including proprietary information and ensuring their efficient and proper use.

## Employee Reporting Process

To drive awareness and action to supporting the Code of Ethics and Corporate Responsibility within the company, all employees, no matter the level, are accountable for reporting any illegal or unethical behavior. Core Lab is committed to addressing and reporting any violations should they arise.



## Fraud Prevention

### Fraud Prevention and Detection Program

Core Laboratories believes it promotes a positive workplace environment through the following:

- Background investigations and reference checks - These investigations, which include verifying a candidate's education, employment history, criminal record, and professional references, are performed for all individuals being considered for employment.
- Delegation of Responsibility - Management has developed policies and procedures to ensure that employees to whom significant responsibility has been delegated have the necessary skills and experience.
- Effective HR- HR manages Company directives and related practices inclusive of training and regular performance evaluations.
- Management and development - The Company has a Human Resources department that promotes the management and development of effective human resources programs.

Presentations and training are provided throughout the Company during the year regarding the following topics: Anti-Bribery, Contract Governance, Export Controls, and Fraud Prevention.



### Deterrence, Detection, & Remediation of Fraud

The Company's anti-fraud program and controls have been implemented throughout the Company and are considered an entity-level control which management relies upon to establish the Company's "tone at the top" relative to fraud and financial reporting. The program and controls address each element of the COSO framework. Accordingly, it is tested at Corporate, at Level 1 locations, and Level 2 locations selected for entity-wide testing and through the use of an internal control

Evaluation of the design effectiveness of the anti-fraud program has been performed through a detailed analysis of specific organizational policies and procedures. Discussions with management identify documentation critical to establishing the Company's "tone at the top" (e.g., Code of Conduct, ethics hotline policy, etc.) and each item is compiled and reviewed for appropriateness and availability to appropriate personnel.

## Conflict Minerals

The term "conflict minerals" refers to certain minerals being tin, tantalum, tungsten and gold, the metal ores from which these minerals are extracted, or their derivatives. The "conflict minerals" term originates from the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Act") and associated rule issued by the U.S. Securities and Exchange Commission ("SEC"). The SEC rule and related parts of the Act were issued in response to violence and human rights violations in the mining of those minerals from the Democratic Republic of the Congo ("DRC") and adjoining countries (the "Conflict Region").

The SEC rule requires SEC registrants to disclose, on an annual basis, whether the products they manufacture or contract to manufacture contain conflict minerals that are "necessary to the functionality or production" of those products, and if so, certain information about the source of those conflict minerals.

### Importance of Supply Chain

In response to the Act, we formed a multi-disciplinary task force early in 2014 to examine all products that we either directly manufacture or contract with third parties to manufacture to determine which of our products, if any, contain conflict minerals. The review of our supply chain associated with these conflict minerals is now included in our routine review of suppliers and the supply chain management policy and process.



During this process, we evaluated 100% of the parts and materials necessary to the functionality or production of products, manufactured by us or contracted to be manufactured for us, and have concluded that, while some of our products contain conflict minerals, the information we obtained shows that all of those conflict minerals came from countries outside of the Conflict Region.

### Alignment to Vision

The ethical sourcing of minerals is an important part of our mission to ensure safe and fair working conditions in our supply chain. We strive to use only conflict-free minerals in our products.



[Link to Specialized Disclosure Report](#)



## Valuing Differences

### Policy against workplace discrimination and harassment:

At Core Laboratories, each and every employee, supervisor, manager and executive is responsible for preventing harassment by:

- Treating others with courtesy and respect in all work relationships.
- Eliminating harassing conduct, including unwanted touching, or comments or behavior that is sexual, sexist, racially or religiously based, or otherwise discriminatory.
- Reporting harassment to the Human Resources Department, the Corporate Compliance Officer or the Law Department so that each concern is investigated promptly and resolved appropriately.

Core Laboratories recognizes that ascertaining whether a particular action or incident is purely a personal, social relationship without a discriminatory employment effect will require a factual determination based on all facts in the case. Therefore, Core Laboratories diligently investigates every alleged harassment claim and effectively remedies them when an allegation is determined to be valid.



Core Lab's Code of Ethics and Corporate Responsibility includes an Equal Employment Opportunity Policy which states, in part:

It is the policy of Core Lab to provide equal employment opportunity in conformance with all applicable laws and regulations to individuals who are qualified to perform job requirements.



**Code of Ethics and  
Corporate Responsibility**



# Empowering

# People

# Human Rights

Core Laboratories is committed to the optimum utilization of human resources. The Company is committed to providing positive, productive and supportive work environments throughout its global operations. The Company has established programs to attract, develop and retain a highly talented workforce that is representative of the regions in which it operates.

## Our Approach

Core Lab is located and does business in various environments and diverse cultures. Wherever Core Lab operates, certain principles consistently apply to the Company's relationships with its employees and its expectations of conduct in the workplace.

Core Lab's Code of Ethics and Corporate Responsibility provides a worldwide framework for responsible operations and is consistent with the spirit and intent of the Fundamental Principles and Rights at Work of the 1998 International Labour Organization (ILO) Declaration. The ILO Declaration sets an obligation on Member States to promote and realize the following principles:

- Freedom of Association and effective recognition of the right to collective bargaining
- Elimination of all forms of forced or compulsory labor
- Effective abolition of child labor
- Elimination of discrimination in respect of employment and occupation



## Freedom of Association

Core Lab recognizes and respects its employees' right to join associations and choose representative organizations for the purpose of engaging in collective bargaining in a manner consistent with applicable laws, rules and regulations as well as local customs as appropriate.

As of December 31, 2018, less than 10% of our workforce had elected to be represented under collective bargaining agreements or similar-type labor arrangements, the majority of which are outside the United States.



## Policy Against Forced or Compulsory Labor

Core Lab does not utilize forced or compulsory labor. Core Lab recruits its employees and provides working conditions and hours, and payment of wages and benefits that comply with applicable laws and regulations. Management will focus on reducing excessive overtime.

## Policy Against Child Labor

Throughout Core Lab's worldwide operations, we prohibit the use of children in our workforce. All Core Lab employees are at or above the legal employment age in the country of their employment.





## Corporate Citizenship

Core Laboratories supports local communities all over the world through our contributions of resources and the involvement of our employees, particularly when we can leverage our technical capabilities to provide a higher level outcome for those that we are supporting. We prefer to support efforts aimed at improving education in science, technology and business. It's our way of giving back to the community which we feel is very important in order to improve career and social opportunities for young adults around the globe.

Core Laboratories does not contribute or donate cash or any of its resources to any political parties or political candidates. Examples of support provided to community groups and organizations include those involved with secondary education initiatives and financial literacy, workforce readiness and entrepreneurship, among others.





## Building Sustainable Communities



Jet-Net - Youth and Technology Network Netherlands - is a joint venture between Dutch companies and pre-college schools in the Netherlands. Jet-Net companies help schools enhance the appeal of their science curriculum by using a great variety of activities and also allow students to gain a better understanding of their future career prospects in industry and technology.

We actively participate in the initiative by giving guest lectures and supporting a Beta Market where students can get acquainted with technical professions.

We also allow students to work on their thesis on an energy related topic, which is part of their graduation criterion.



Junior Achievement is a nonprofit organization that brings awareness to the community about the importance of educating our students on the concepts of financial literacy, workforce readiness, and entrepreneurship. Junior Achievement currently reaches students by implementing fun, experiential programs taught by volunteers from local businesses, organizations, and individuals from the surrounding community.

Core Laboratories' employees have volunteered to become role models who show students how to achieve personal and professional success. By making a commitment to be a volunteer in elementary, middle, or high school, we make a difference! As a Junior Achievement volunteer we have the unique opportunity to make a positive impact on a student's life, and that difference may lead to their future success.



Joint Aid Management (JAM) is a South African based non-profit organization working in Mozambique since 1984. The JAM program seeks to empower communities and school children with agricultural skills and at the same time building resilient communities in food security programs.

Core Laboratories has continued to partner with JAM to design, facilitate and sponsor the rehabilitation of school dwellings and desks and establishing two school gardens with the goal of quality education and nutritional supplement for primary school aged children.



## Building Sustainable Communities

Supporting organizations dedicated to improving lives and building stronger communities.



Hands on support of science based education and learning opportunities.



Supporting youth development of leadership, success and responsibility.



BOY SCOUTS OF AMERICA®

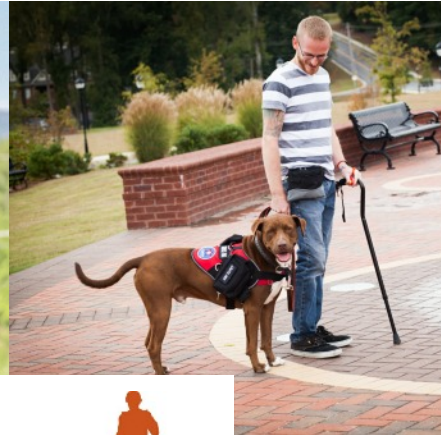
Supporting organizations that connect people with diverse needs to their community.







## Faces of Freedom



SINCE 2013  
**1.14 M**  
RAISED

Core Lab's monetary and fund raising contributions and program commitment supported the training and placement of approximately 11 out of 30 service dogs in 2017.

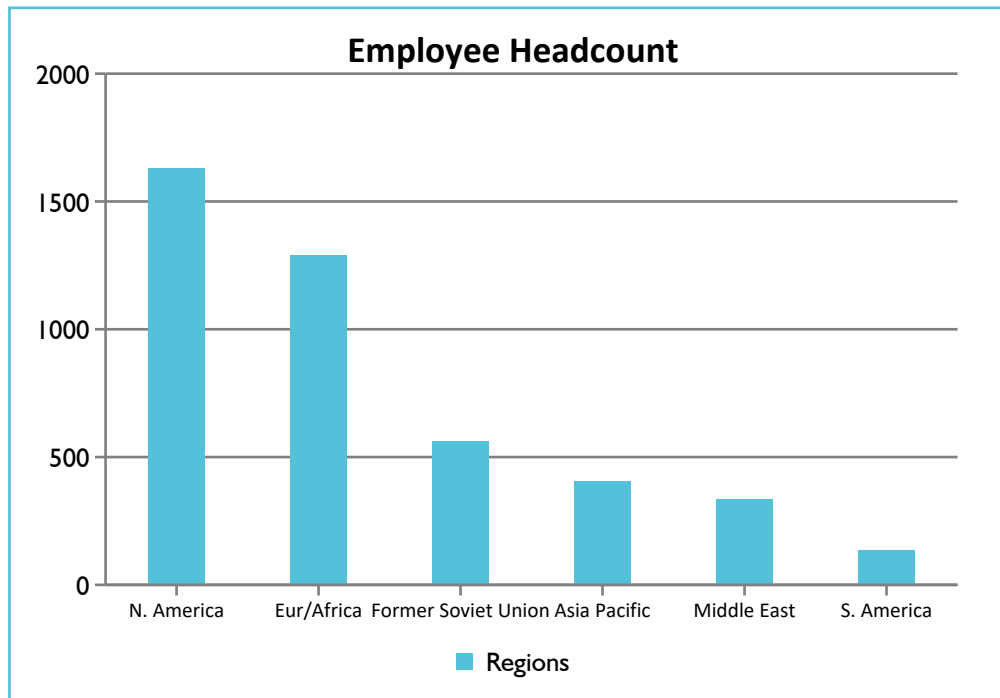
Freedom Service Dogs transforms shelter dogs into highly specialized service dogs for returning veterans in need; helping them find a new level of independence when transitioning back into society.



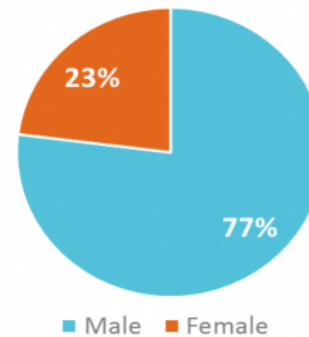
# Our Global Workforce

## Who We Are

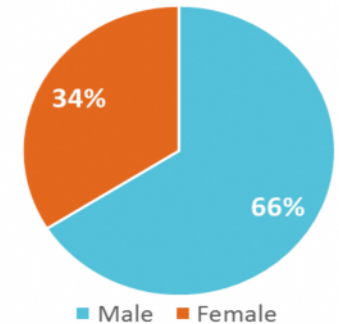
Scientific innovation, industry leading technology, diversity of solutions - it's who we are. Our talented workforce is as diverse as our business presence. The Core Lab community is represented on 6 continents in more than 50 countries around the world. We have approximately 4,700 employees and speak over 30 languages. Each one of us is different; our talented people bring their own experiences, backgrounds and perspectives which is paramount to our success.



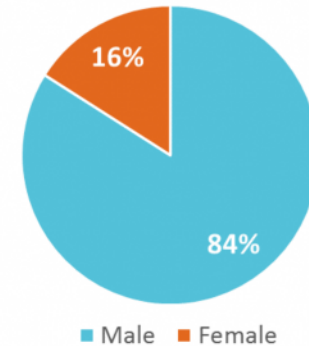
Global Population



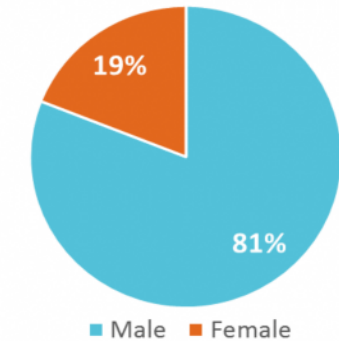
Science and Technology



Executive/Senior Management



Middle/Other Management



## Our Global Diversity and Inclusion Strategy

We aspire to attract a diverse group of employees and to create an inclusive work culture where differences are valued. We want all of our employees to have the support they need to collaborate, learn and grow at the company.



# Building a Talented Workforce

**Core Lab's talented workforce is as diverse as our business presence. We respect diversity and strive to ensure an equal employment opportunity environment and an environment free of harassment and discrimination. Our commitment to diversity promotes and fosters attracting and maintaining a highly diverse and talented workforce.**

## Core's Workforce Programs

Our priority is to ensure we have the ability to attract and retain a talented workforce. And this is without regard to race, ethnicity, color, national origin, religion, creed, gender, sexual orientation, marital status, and ancestry. It is also without regard to disability, age, political affiliation, or any other legally protected status.

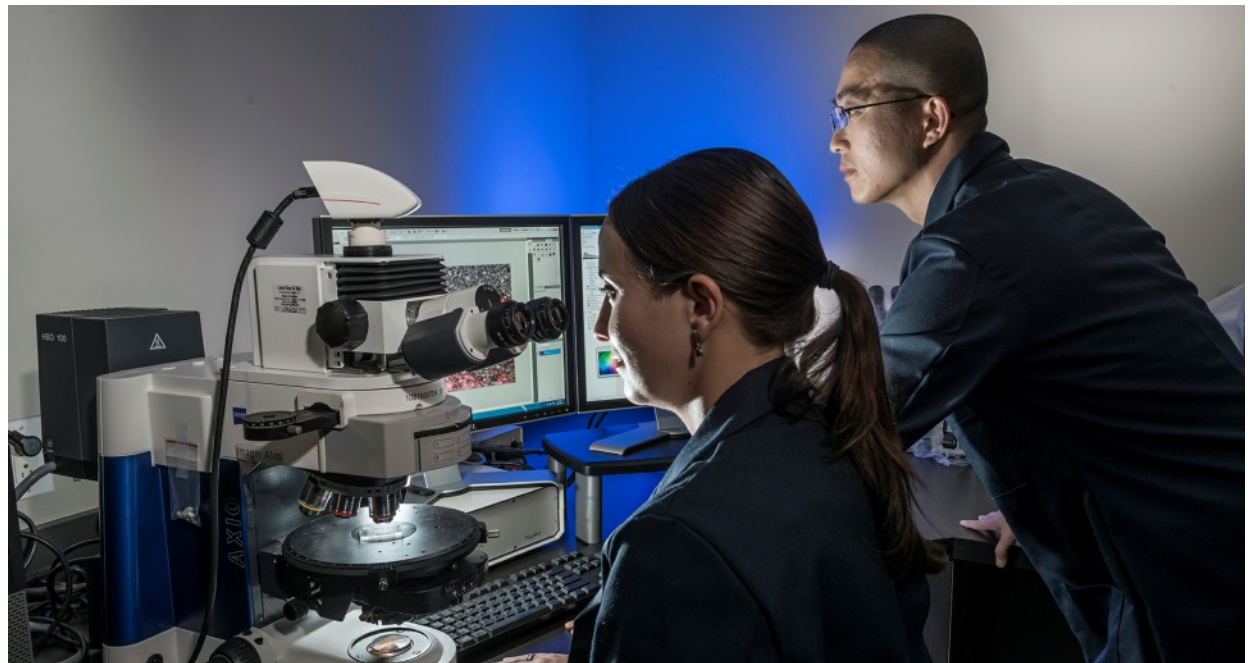
To ensure our programs have employee access and execution standards and objectives, we utilize a Talent Management System which provides our employees an online suite of integrated tools designed to support the workflow and processes of five key areas of talent management: Recruitment, Succession Management, Performance Management, Learning Management and Total Rewards.

## Organizational and Employee Development

At Core Laboratories, we have two priorities: one, providing superior customer service and two, investing in our most valuable assets, our employees.

Our talented workforce is as diverse as our business presence. We respect this diversity and strive to ensure we create an equal opportunity environment. Our commitment to diversity creates our competitive advantage

which promotes and fosters attracting and retaining talent. We make a commitment to support our workforce in multiple ways to be proactive toward their personal development and their career.



## Talent Management

Core Lab's Talent Management System gives the employees access to an on-line suite of tools that supports the "Employee Lifecycle" in five key areas of talent management: Recruitment, Succession Management, Performance Management, Learning Management and Total Rewards. By creating visibility in these areas, we are driving consistency and clear expectation towards the execution of business strategies, goals and objectives.

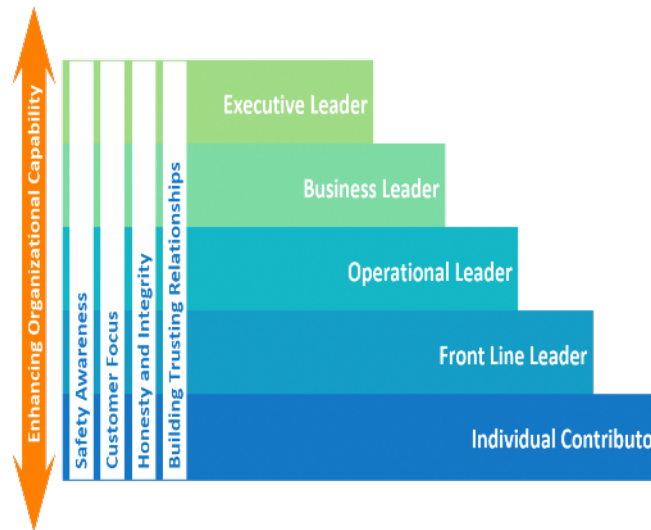
### Leadership Competencies

Our framework of leadership competencies provides the foundation for driving excellence. Each of our five defined leadership levels (Executive Leader, Business Leader, Operational Leader, Front-line Leader and Individual Contributor) has relevant competencies assigned to it.

Four Core Competencies are driven throughout each Leadership Level and communicate the Company's core values. The competencies help us identify and describe the behaviors, skills, knowledge, attitudes and abilities, that as a company we use to promote a development culture, while strengthening the organization's capability to meet future challenges and needs. We actively encourage competency development as essential towards professional and career development.



The Core Lab Leadership Competency Model is designed to illustrate knowledge, skills and abilities for every position scope within the Company.



### Stakeholders Ask

Q

**What is Core Lab doing to ensure their employees grow and develop within the company?**

A

Core Lab is committed to our talent's growth and development for the long-term. We are a people service company with innovative strengths. As such, we focus on attraction, development and retention of talent. It starts with the Employee Life Cycle - Recruitment, Succession Management, Learning Management, Performance Management and Total Rewards. Through these priority areas, our programs are built and deployed through the company. We track our progress with metrics, which are evaluated on a quarterly basis. As a result, we will improve employee programs and processes accordingly to ensure their effectiveness.

## Performance Management and Career Development Planning

### Goal Tracking

Continued reviews are encouraged, to track progress and to reset goals as necessary. Employees are not only assessed on specific business goals; interpersonal characteristics and behaviors are also part of the performance measurement criteria.

### Coaching and Feedback

Managers are actively encouraged to provide on-going coaching and feedback throughout the year; to ensure a successful outcome for business and development goals. Training is offered to managers to help them successfully implement and execute Performance Management. Our Total Rewards package is also linked with the Performance Management process.

### Employee Development

Throughout the year, we actively encourage our employees to focus on their professional and career development needs. An on-line competency-based development plan template is available through the Talent Management System. It is designed to be an on-going plan that lives with the employee as they continue their career with Core Lab.

Employees work with their line managers to create their plan, focusing not only on current development needs but also development needs for any possible future positions.

At Core Laboratories, we have an established Performance Management Program that enables employees and their supervisors to annually set and review performance goals, aligned with corporate strategy and objectives.







## Succession Planning

Core Lab has a formal process for Succession Management driven through our Talent Management System.

### The Process

The process starts following performance review, goal setting and development planning. The process enables us to be proactive around strategic human capital planning and career development. We focus on assessing talent capabilities, identifying successors for critical positions and ensuring candidate readiness in the organization. Talent Calibration Meetings are held throughout the organization to review key talent, agree on succession plans and identify key actions to prepare employees for their next position.

We make choices for successors based on consistent criteria, utilizing and linking to our competency model.

### Targeted Development Plans

In addition, we assess the risk of talent attrition. Targeted development plans are also included in the process for all people included in the talent pool. The development plans tie to our Learning Management System where we can leverage the learning curriculum and assign training based on leadership level and development needed.



## Stakeholders Ask

**Q**

**How is Core Lab focused on developing future leaders to fill business critical roles?**

**A**

We have undertaken to identify 5 leadership levels with accompanying competencies.

Leaders are assessed as part of our Succession Management program against these competencies. We are then able to focus on assessing talent capabilities and identifying successors for critical roles.

Through development planning we understand the risk and development opportunities to ensure our employees are prepared for the opportunities of tomorrow.



## Learning and Development

At Core Lab, we offer a wide range of development opportunities both non-technical and technical. A core range of courses and programs primarily focus on building the capabilities of the organization to apply and develop our defined competencies. As well as leadership development, our course offering also includes training on our Code of Ethics and Corporate Responsibility as well as Anti-Bribery and Export Controls. All employees must complete this training and are required to complete refresher training each year. Safety training is also one of our primary focus areas.

### Educational Assistance Program

The Company's Educational Assistance Program supports the employees' desire for continued career growth and development by reimbursing a portion of employee's tuition costs.

### Core Leadership Essentials I

Our Core Leadership Essential Program introduces first time managers, supervisors, field and team leads to the essentials needed to build the foundation to manage and lead teams. This four day program focuses on the following topic areas: Behavioural Awareness, Communication, Delegation, Motivation and Coaching.

**Core Lab is also committed to empowering our employees to continue their educational development in order to grow their career potential.**

### Core Leadership Essentials II

Our Core Leadership Essentials II is a Global program for mi-level managers. It focuses on the leadership skills needed to support their transformation from leading teams to leading managers. This four day program focuses on building skills in the areas of, Strategy, Change, Storey Telling, Finance and Adaptive Leadership.

### Business Leadership Program

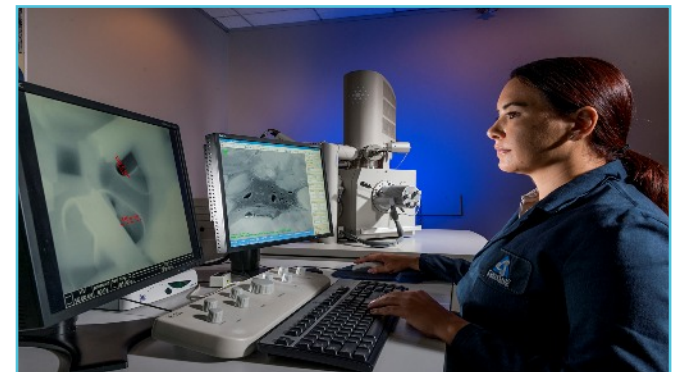
Our senior business leaders are offered the chance to join the Core Laboratories Business Leadership Program. This program is designed to build our leaders capability to lead Core Laboratories into the future. We work in partnership with the University of Rotterdam Erasmus School of Management to deliver this program.

The nineteen day program is delivered over a nine month period. This allows participants time to digest the information which will enable them to apply newly learned skills back in the workplace immediately. Topic areas include: Leadership, Strategy and Customer Focus, Financial Management and Change Management. All of our leadership development programs are

sponsored by Senior Executives and supported by all leaders within the Company.

### Learning Management System

Core Lab's Learning Management system allows our employees to manage their learning on-line through their personalized transcript. They are able to browse for relevant training opportunities, register and complete course evaluations through the system. Knowledge Bank is a central hub and library for extended learning and supports continuous learning through collaboration and sharing of information documents and other resources.





# Engaging Employees

## Why It's Important

We are a people driven company and as a result our employees are our greatest asset. We are committed to engaging our employees on our progress and core values that define us as a company.

We believe that the more our people feel engaged and aligned to our business and goals, the more likely they are to invest and contribute to our success. We would not be the company we are today without our talented network of employees, it is critical that we demonstrate to them the importance of their contributions and value.



## myCORE Experience

To drive understanding of our employment culture the Company connected with various employees and managers around the globe to understand the Core Lab experience from their perspective. The results created a snapshot of the employee experience. It defines who we are and is used within the Company and publicly to tell our story.



## Core Connect

Core Connect is a communication initiative to drive connection and engagement between employees and executive leadership through various mediums. The initiative has been branded as Core Connect and shares information in different forms with the goal of continuous engagement.



## Core Lab Facebook Page

Our vision is to attract, connect and engage in a meaningful way with customers, employees, the global community and future talent by sharing the Core Lab story through social media partnerships. We want to grow our following using social media as a medium to share all the great things we accomplish.



## Stakeholders Ask

**Q**

**What is Core Lab doing to ensure their employees are engaged and connected to the company?**

**A**

The Core Lab story is as long as it is diverse. Our rich history forms the foundation of our future. We are proud of who we are and we want our employees to feel connected to what it means to work at the Company.

You can never communicate enough. Through our internal and external communication programs we look to further connect employees to executive leadership and the organization as a whole.

## Core's Total Rewards Approach and Performance Management

### Total Rewards

At Core Lab, we use a Total Rewards approach which is aligned to our business strategy and country-specific market influences. The basic foundation of our Total Compensation model is hinged on our three financial tenets, which have consistently driven our business results throughout our Company's history. We offer competitive compensation and benefit programs in each country where we operate.

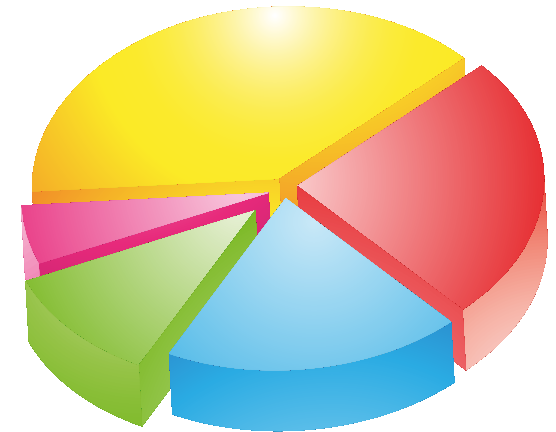
Total Rewards at Core Lab not only encompasses competitive compensation and benefits, but also personal and professional growth opportunities within a global performance culture.



### Performance Management

As part of our workforce engagement strategies, Core Lab has an established Performance Management process. The objective of our process is to provide:

- Timely and planned feedback regarding performance in relation to the requirements of the position.
- Serve as a management tool designed to ensure that organizational requirements are met by measuring, tracking, and ultimately improving employee productivity and development.
- Provide a structured opportunity for management and the employee to discuss individual capabilities, career interests, and training and development requirements/needs.
- Provide an objective basis for salary change recommendations related to the annual merit process or promotion considerations.
- Our goal is to ensure our local leaders have the tools for attracting, motivating and retaining a talented workforce that can achieve business results.
- Our benefits programs are country-specific enabling our compensation programs to be designed to deliver competitive base salaries and variable pay.


[Total Reward Summary](#)

[Performance Management Review](#)





# Environment

# Performance





# Respecting and Minimizing Community and Environmental Impact



We recognize the diversity of the communities and people where we operate. We commit that we will act responsibly and will obey all applicable laws, minimize the impact of our operations on the environment, protect the communities' health and safety and respect cultural backgrounds.

## Environmental Performance

The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption. By doing so, business, as a primary driver of globalization, can help ensure that markets, commerce, technology and finance advance in ways that benefit economies and societies everywhere. This ever-increasing understanding is reflected in the Global Compact's rapid growth. With over 8,700 corporate participants and other stakeholders from over 130 countries, it is the largest voluntary corporate responsibility initiative in the world. The Global Compact is global and local; private and public; voluntary yet accountable.

The Global Compact incorporates a transparency and accountability policy known as the Communication on Progress ("COP") which is mandatory to communicate to our stakeholders.

In 2002, certain operations within our Reservoir Description business segment joined the UN Global Compact.

## Alternate Energy Sources

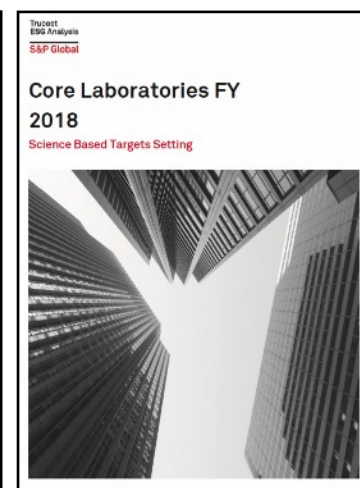
In FY2017, approximately 15% of the electricity used in the ATCs was sourced from renewables, a significant improvement over the 1% sourced from renewables in 2016. In FY2018, this increased slightly to 16% of the ATC's total combined electricity from renewable sources, as per previous years associated with both Aberdeen and Houston partially sourcing electricity from renewable sources. Market-based scope 2 emissions have decreased by 5.9%, and 7.3% for location-based. Across all 22 sites, 8% of electricity is sourced from renewables.



## Environmental Training

Core Lab provides guidance to managers and employees regarding environmental issues. The Company provides employee training and conducts audits to ensure compliance. Each employee will be responsible for performing his/her job function with constant consideration of Core Lab's commitment to this policy.

[Click below for Trucost Reports Online](#)



**Core**  
IMPACT



## Managing our Environmental Impact

### Environmental Policy

Consistent with the requirements of Global Compact membership, it is the policy of Core Lab to conduct its business in a manner consistent with applicable environmental regulations.

In areas where environmental regulations do not exist, Core Lab will exercise practical care in its efforts to protect employees and preserve the environment. Country managers will manage their business in a manner consistent with established Company policies and applicable laws and regulations.

Managers have a responsibility to maintain a safe working environment for their employees and to implement programs and procedures as necessary to ensure that their operation meets the environmental goals of the company and applicable regulatory requirements.

### Our Locations

Our operations outside of our offices are conducted on our clients' property. Although those operations are not conducted within our own facilities while we are on our clients' property, we continue to follow our corporate policies regarding health, safety and the environment as well as our Code of Ethics and

Corporate Responsibility. Before opening a new location, impact to the environment and community are considered. For the most part, we remain in our locations for extended periods of time, decades in many cases.

In the event we do leave a particular location, we ensure that the land and building are properly returned to their agreed condition. We also take steps to ensure that any potential environmental conditions have been dealt with as required by local regulation and standards.

### Biodiversity - Natural Lands

Our impact on biodiversity and the ecosystem where we operate is limited as we do not have locations that are in a natural, rural environment. Our biodiversity protection efforts are focused on ensuring we comply with good international industry practice ("GIIP") as well as local laws and regulations. In the event we do choose to add to our existing facilities or open new locations, our senior operating managers consider local biodiversity issues to ensure we exceed GIIP where possible. This biodiversity assessment is then reviewed by senior management before final approval is given for the new location.



## Stakeholders Ask

**Q**

**What is Core Lab's public policy on Environmental concerns?**

**A**

We recognize the diversity of the communities and people where we operate. We commit that we will act responsibly and will obey all applicable laws, minimize the impact of our operations on the environment, protect the communities' health and safety and respect cultural backgrounds.





## Managing our Environmental Impact

### Our Footprint

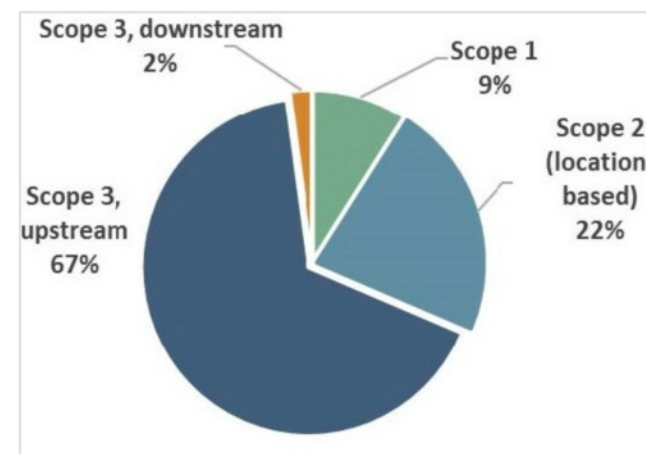
To better understand the Company impact, we engaged Trucost, a sustainability data company. With their expertise, we are able to assess Core Lab's operational and value chain greenhouse gas emissions in line with the World Resource Institute ("WRI")/World Business Council for Sustainable Development ("WBCSD") Corporate Standard (Scope 1 and 2) and Corporate Value Chain (Scope 3) Guidelines (GHG Protocol). The assessment allows us to report Scope 1, 2 and 3 GHG emissions in annual accounts and to the Carbon Disclosure Project ("CDP") Climate Change Questionnaire. In 2018 our CDP score increased to B- from our initial score in 2014 of D.

We have already been reporting company-wide Scope 1 and 2 GHG emissions to the CDP since 2014. Engaging Trucost allows us to improve our operational (Scope 1 and 2) GHG emission quantification methodology by integrating primary data. Furthermore, Trucost quantified Scope 3 GHG emissions according to the fifteen Scope 3 categories outlined in the Guidelines to help understand and disclose its Scope 3 emissions from a deep dive into our suppliers. In 2017 Core Lab increased our data collection boundary from the 6 Advanced Technology Centers (ATCs) to 22 locations world wide. This increased collection has allowed Core Lab to begin carbon pricing and better understand our carbon impact thus better understand risk and opportunities as well.

Impact	Scope	FY2016	FY2017	FY2018	Change
Direct	Scope 1	2,122	2,277	2,869	26%
Indirect	Scope 2 (location-based)	7,013	6,564	4,551	-31%
Value Chain	Scope 3, upstream	9,716	11,516	10,429	-9%
	Scope 3, downstream	1081	611	937	53%
Total		19,932	20,968	18,786	-10%

Finally, Trucost has helped us set science-based targets for its Scope 1 and 2 emissions. Science based targets aim to help companies to work towards limiting the increase in global average temperatures to below 2°C, a limit agreed upon by leading climate scientists and governments to ensure long-term sustainability and profitability.

The charts present the results and findings of the Trucost assessment of operational and value chain GHG emissions for the 2018 financial year.



### 2018 tCO<sub>2</sub>e Emissions

Scope 1: 2,869

Scope 2: 4,551

Scope 3: 11,336

### [TRUCOST Value Chain](#)

### [Reports - Environmental](#)

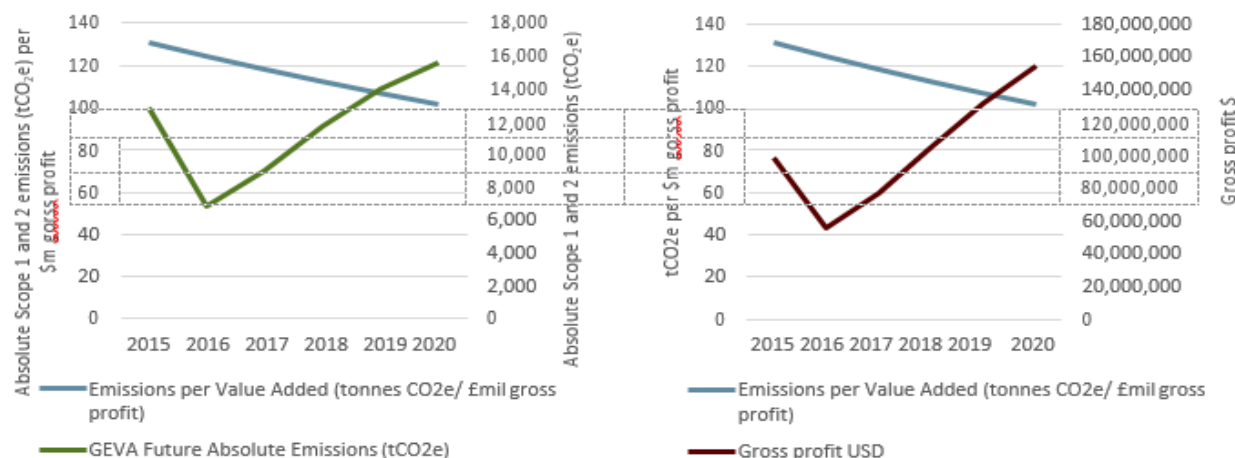
### [Focus Page Link](#)



## Managing our Environmental Impact

### Science Based Target

According to GEVA, until 2020 Core Lab's Scope 1 and 2 emissions can increase by 21% to 15,585 tCO<sub>2</sub>e. The figures to the right show that the intensity (GHG emissions per \$m gross profit) consistently decreases over the 5- year period the emissions increase in line with the gross profit because the increase in gross profit is larger than the decline in emissions.



Impact	2015	2016	2017	2018	2019	2020
Scope 1 and 2 GHG emissions (tCO <sub>2</sub> e)	12,853	9,135	8,841	7,420		
Emissions per Value Added (tCO <sub>2</sub> e/ \$m gross profit)	131.23	125	118	113	107	102
GEVA (1.7% reduction year on year)		-5.00%	-5.00%	-5.00%	-5.00%	-5.00%
GEVA Absolute Emission Reduction (tCO <sub>2</sub> e)	12,853	6,881	9,035	11,732	13,986	15,585

Impact	Scope	Source	2015	2016	2017	2018
Direct	Scope 1	Natural Gas Heating (stationary energy)	1,968	1,549	1,093	1,206
		Vehicle Fuel Use (mobile transport)	44	128	426	426
		Refrigerants (fugitive emissions)	3,631	445	758	1,237
Indire ct	Scope 2	Electricity (location-based)	7,211	7,013	6,564	4,551
		Electricity (market-based)	7,570	8,060	7,593	7,865
Total Operational Footprint(location-based)			12,853	9,135	8,841	11,179

### Renewable Energy Procurement

In FY2017, approximately 15% of the electricity used in the ATCs was sourced from renewables, a significant improvement over the 1% sourced from renewables in 2016. In FY2018, this increased slightly to 16% of the ATC's total combined electricity from renewable sources, as per previous years associated with both Aberdeen and Houston partially sourcing electricity from renewable sources.



## Managing our Environmental Impact

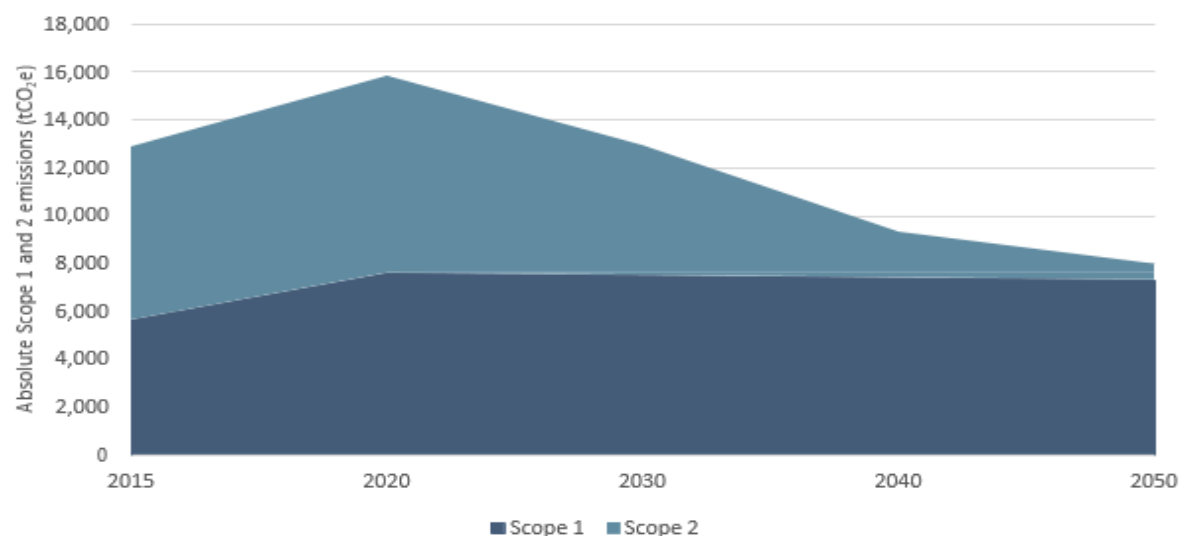
As the figure below shows, with an increase of emissions between 2015 and 2020 the decrease until 2050 must be larger, suggesting that gradually reducing the emissions from 2015 to 2050 would be a more efficient long term strategy.

Both methods provide almost identical forecasts (with 1% difference) of absolute Scope 1 and 2 GHG emissions and show an increase in absolute Scope 1 and 2 emissions until 2020.

Changes in economic outlook, increased boundary collection and improved supplier data has indicated a need to update Science Based Targets. Core Lab, with assistance from Trucost, will re-evaluate 2018 value chain footprint data to establish new 5 year targets in line with these changes.

We are demonstrating our commitment to reduce emissions and help mitigate global warming.

Impact	Base Year	Target Year	% Increase
	2015	2020	
Scope 1 emissions (tCO <sub>2</sub> e)	5,642	7,598	35%
Scope 2 emissions (tCO <sub>2</sub> e)	7211	8,207	14%
Scope 1+2 emissions (tCO <sub>2</sub> e)	12,853	15,806	23%





## Managing our Environmental Impact

### Value Chain GHG Emissions 2018

In 2018, Core Lab's value chain (ATC's Scope 3) was responsible for the emissions of 11,366 metric tons of GHG emissions (tCO<sub>2</sub>e), about 60% of its total GHG inventory. The majority of its value chain emissions came from upstream sources.

### Value Chain GHG Emissions 2018

Please see in the table below a detailed breakdown of Core Lab's full value chain GHG emissions per Scope 3 category, highlighting the most relevant categories for Core Lab.

Data below represent the 6 ATC's for year over year comparison. Scope 3 data for all of the locations measured in 2017 and 2018 by Trucost are available in the full Core Laboratories: Value Chain Footprint Financial Year 2018 Report on our [Environmental focus page](#).

Value Chain Category (Scope 3)	2016 GHG Total tCO <sub>2</sub> e	2017 GHG Total tCO <sub>2</sub> e	Share %	2018 GHG Total tCO <sub>2</sub> e	Change %
Purchased goods and services	2,184	2,161	17.75%	2,542	18%
Capital goods	320	258	2.12%	327	27%
Fuel and energy related activities	2,856	3,615	29.69%	3,229	-11%
Upstream transportation and distribution	1,777	2,867	23.54%	2,477	-14%
Waste generated in operations	79	75	0.62%	67	-11%
Business travel	1,403	2,106	17.29%	1,386	-34%
Employee commuting	455	327	2.69%	322	-2%
Upstream leased assets	263	157	1.29%	78	-50%
Downstream transportation and distribution	N/A	N/A		N/A	0
Processing of sold products	N/A	N/A		N/A	0
Use of sold products	N/A	N/A		N/A	0
End of life treatment of sold products	N/A	N/A		N/A	0
Downstream leased assets	988	611	5.02%	N/A	53%
Franchises	N/A	N/A		937	0
Investment	N/A	N/A		N/A	0
Total	10,325	12,087		11,366	-5.97%





# Corporate Carbon Pricing Tool: Results Dashboard

## Enterprise Carbon Pricing Risk Metrics

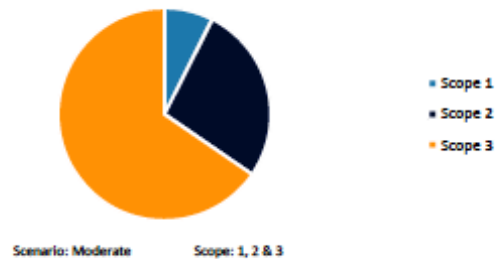
How could future increases in regulated carbon prices affect company financials?

Scenario		2018			2020			2030		
		Low	Moderate	High	Low	Moderate	High	Low	Moderate	High
Total Carbon Pricing Cost Exposure	\$US Million	\$0.32	\$0.55	\$1	\$0.57	\$0.91	\$2	\$4	\$6	\$11
Total Carbon Pricing Risk	\$US Million	\$0.13	\$0.23	\$0.45	\$0.24	\$0.40	\$0.85	\$2	\$3	\$8
Forecast Operating Expenditure Multiplier	Ratio	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Forecast Change in Operating Margin	%	0%	0%	0%	0%	0%	-1%	-1%	-2%	-5%

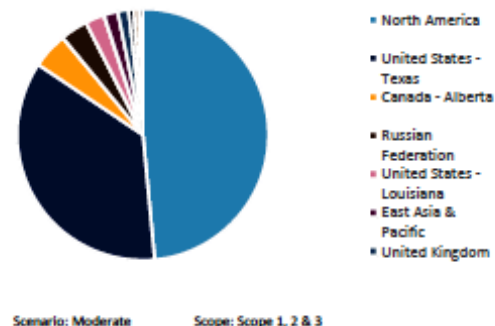
Scope: Scope 1, 2 & 3

## Carbon Pricing Risk Profile

Which emissions scope could contribute most to carbon pricing risk in 2030?

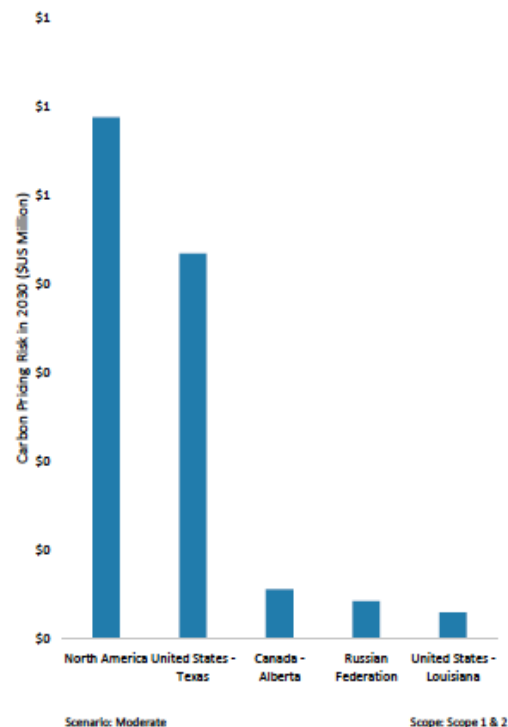


Which emissions geographies could contribute most to carbon pricing risk in 2030?



## Top 5 Operating Geographies at Risk in 2030

Which operating geographies are at greatest potential risk due to rising carbon prices?



## Benchmark Internal Carbon Price

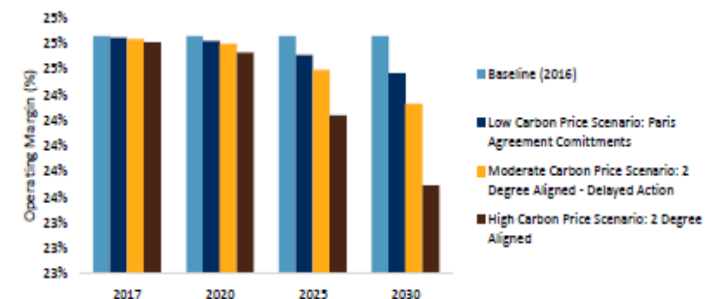
Benchmark internal carbon price designed to account for future potential increases in carbon pricing regulation across operating geographies

Scenario	Low	Moderate	High	
2020	\$2	\$4	\$9	\$/Tonne CO2e
2030	\$19	\$35	\$77	\$/Tonne CO2e
2040	\$30	\$54	\$115	\$/Tonne CO2e

Scope: Scope 1, 2 & 3

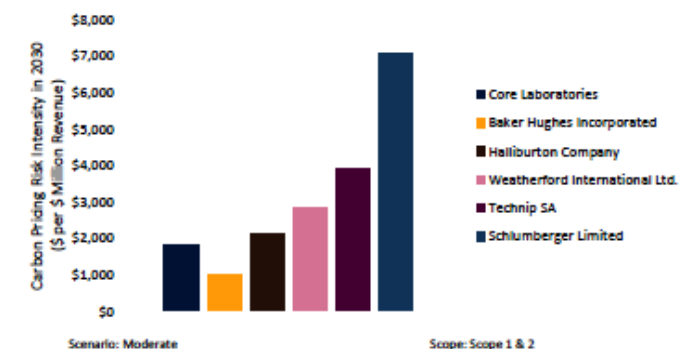
## Business Model Stress Test

How could future carbon prices affect operating margins?



## Competitor Analysis

How does my 2030 carbon pricing risk compare to my competitors?



Prepared for Core Laboratories by:



Trucost by  
S&P Dow Jones Indices  
ESG Analysis





## Climate Change Data Center Operation

Core Laboratories partners with Switch to operate our data platform 100% green. In 2017 Switch retired 175 Geothermal and Solar Renewable Energy Credits. Since January 1, 2016, Switch data centers have run on 100% renewable energy.

## Carbon Capture

Core Laboratories Provides Technologies to Mitigate the Risks of Carbon Emissions.

Core Lab offers high-technology services that provide scientific data used when designing projects involving the injection of CO<sub>2</sub> into oil fields.

In our laboratories, we study how CO<sub>2</sub> interacts with other fluids in the reservoir as well as how the CO<sub>2</sub> mobilizes residual oil within the reservoir. This provides two benefits which help our environmental eco-system:

First, CO<sub>2</sub> can be captured from industrial complexes and injected into oil fields, effectively sequestering the CO<sub>2</sub> underground and reducing the amount of CO<sub>2</sub> emitted into the atmosphere.

Second, the CO<sub>2</sub>, once injected into the reservoir can improve the recovery rate of hydrocarbons from the reservoir - making the reservoir as efficient as possible by minimizing the amount of hydrocarbons trapped within that reservoir.

The positive impact to the environment is not only the reduction of CO<sub>2</sub> in the atmosphere, but also greater recovery from an existing reservoir.

THIS CERTIFICATE IS PRESENTED TO



**Core Laboratories LP**

## Switch Sustainability Certificate

Core Laboratories LP is awarded this Sustainability Certificate for using 100% Renewable Energy within the Switch ecosystem. This certificate demonstrates that Switch retired 175 Geothermal and Solar Renewable Energy Credits in 2017 on behalf of Core Laboratories LP, making their energy consumption 100% Green at Switch's data center facilities.

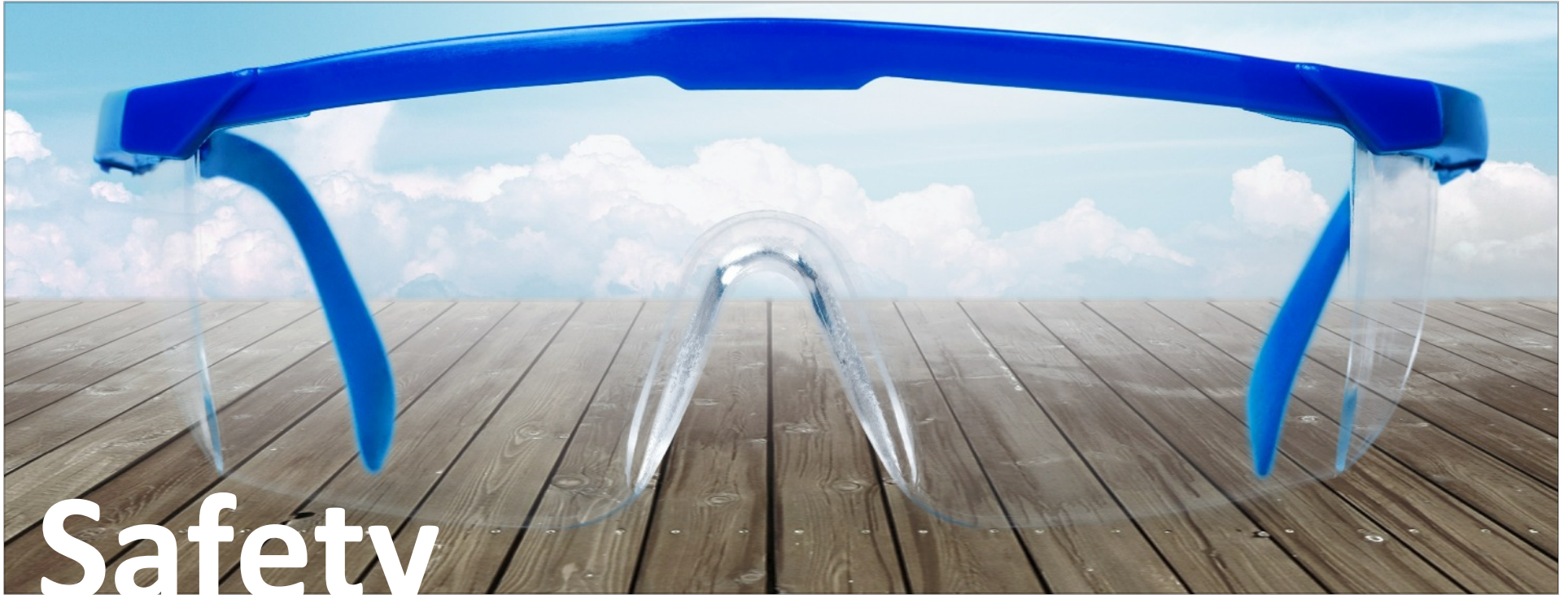
These Renewable Energy Credits comply with Greenpeace's principles of locality, additionality, and sustainability, and were generated by Nevada solar farms and geothermal power plants in 2017.

**Together, we can ensure that the data running our planet doesn't ruin the planet.**



Carbon Capture to Improve  
Hydrocarbon Recovery





# Safety Performance





# Safety Performance **Safety Starts Here**

## Executive Summary

Core Laboratories is committed and accountable for promoting a culture centric on the health and safety of our employees and the environment. We are pro-active towards identifying and managing risks through recognition, evaluation, and education. We empower our employees by fostering a sense of responsibility for managing their own work environment through open communication, and a management supported "zero accident" culture.

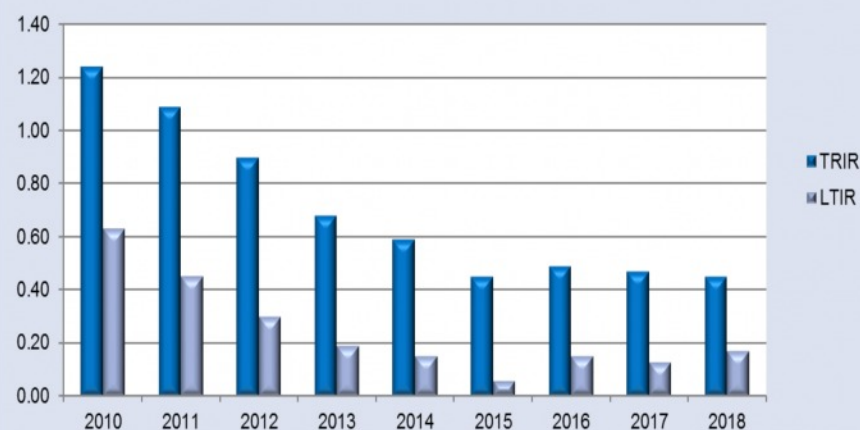
Core Lab is a leading service provider to oil and gas operations with a global presence and impact; we strive to respect the communities and environments in which we do business. We are committed and strive for a zero accident environment, which makes safety first in all of our locations and those of our clients. Core Laboratories 4,500 employees operate in over 50 countries around the globe and in 2018 these employees worked 9.4 million man hours. In 2018 Core Lab recorded one of its best safety years matching our lowest ever TRIR of 0.45 in 2015 and having the lowest ever number of recordable cases.

In particular our Reservoir Description Segment, representing 75% of our employees, recorded and outstanding TRIR of 0.14 and LTIR of 0.06.

Increased market activity in our Production Enhancement Segment resulted in a personal increase of 20% and resulted in a short service worker incident rate 62% higher than any other year.

Safety Performance	2015	2016	2017	2018	2016 - 2018 Average	2019 Goal
<b>TRIR</b>						
Lost time, restricted duty, medical treatment incidents and fatalities per 200,000 hours worked	0.45	0.49	0.47	0.45	0.47	0.43
<b>LTIR</b>						
Lost time incidents per 200,000 hours worked	0.06	0.15	0.13	0.17	0.15	0.12
<b>Number of Recordable Incidents</b>						
Number of lost time, restricted duty, medical treatment incidents and fatalities	22	23	22	21	21.6	19

**Core Laboratories NV - Total Recordable and Lost Time Incident Rates 2010-2018**



## Most Importantly

Core Lab recorded another year without a fatality or incident resulting in hospitalization. The number one goal of Core Laboratories is to prevent all incident, but especially those with significant impact to the environment, our employees and their families.



## Path to Zero

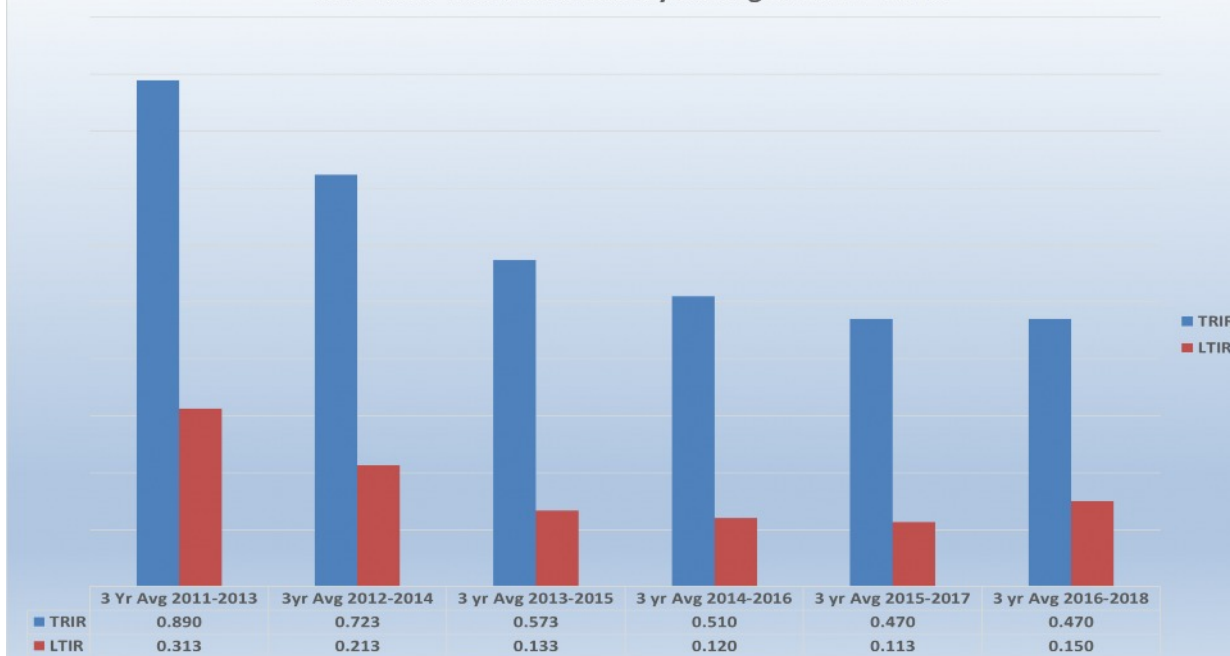
### Goals

Core Lab will establish goals and targets based on 3 year averages. It is our view that sustainability of our safety program must be measured over longer periods of time and that high performance safety cultures display solid downward trends over time.

Trends for both LTIR and TRIR have showed movement towards growing sustainable safety cultures within all business units.

Core Lab firmly believes trending of three-year averages best shows the sustainability of the safety program over time by removing the short term peaks and valleys. This provides a more stable and measurable TRIR or LTIR, avoiding safety expectations on performance based on just one good or bad year. Core Lab goals are set with the expectation of driving down three-year averages. We will again set realistic aggressive goals aimed at improving the 3 year averages in 2019.

Core Lab 3 Year Sustainability Averages 2011 - 2018



## Stakeholders Ask

Q

**Are Zero incidents achievable?**

A

We believe it is. Keeping the focus on safety training, strong leadership and hiring the right employees that make safety a priority is the recipe for success.



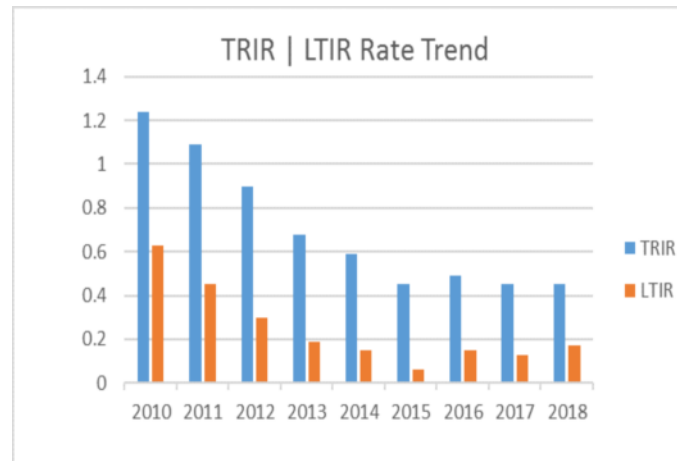
## Core Lab Incident Performance

### Continued Improvements

Core Laboratories 4,550 employees operate in over 50 countries around the globe. In 2018 these employees worked 9.4 million man hours. Our committed employees achieved one of the best safety performance ever having the fewest total accident and record low TRIR.

Safety gains were driven by exceptional results from the largest Companies in our Reservoir Description Segment, representing 75% of our employees, setting record low results of TRIR 0.14 and LTIR 0.06. Increased activity in our Production Enhancement segment resulted in a personnel increase of 20% (298 new hires) and resulted in a short service worker incident rate of 62% higher than any other year.

In 2017 Core Laboratories business segments achieved the lowest three year average in both TRIR and LTIR. Of these incidents there has been some improvement with severity dropping significantly in the number of restricted cases.



### INCIDENT CLASSIFICATION



#### FATALITY

Completed the last 3 years without a fatality in any Segment.



#### LOST TIME

LTIR cases trended up from 6 cases in 2017 to 8 in 2018. Lost days increased by 157 days year over year. However, 151 days are attributed to 1 case and the remaining to the other 7 cases.



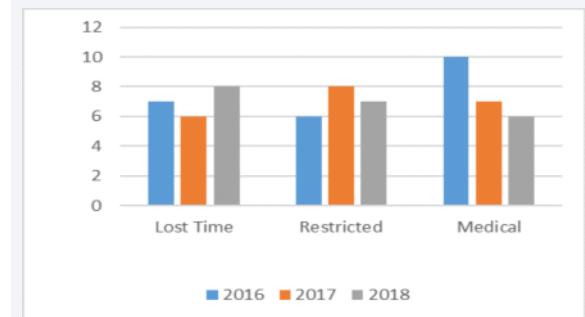
#### RESTRICTED TIME

Restricted time injuries trended down slightly from 8 in 2017 to 7 in 2018. Restricted days also decreased by 367 days year over year.

#### MEDICAL TREATMENT



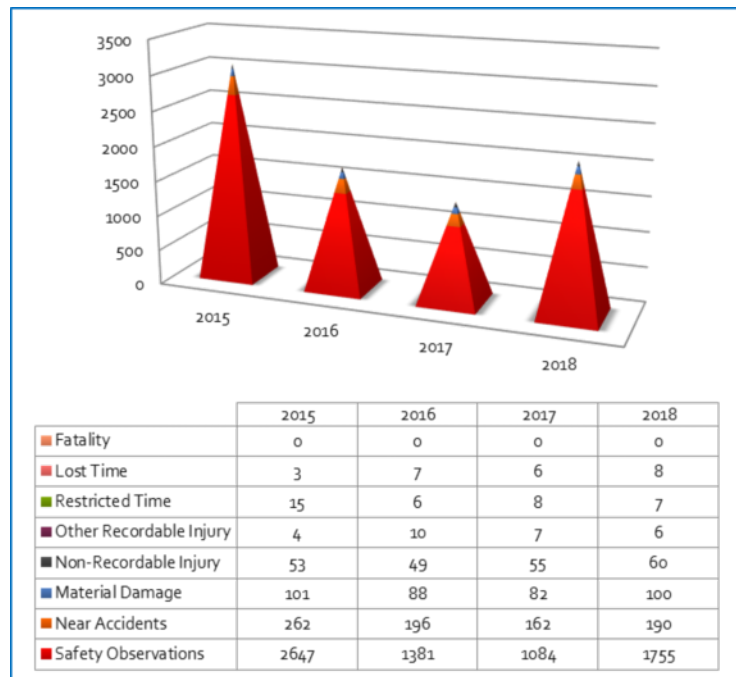
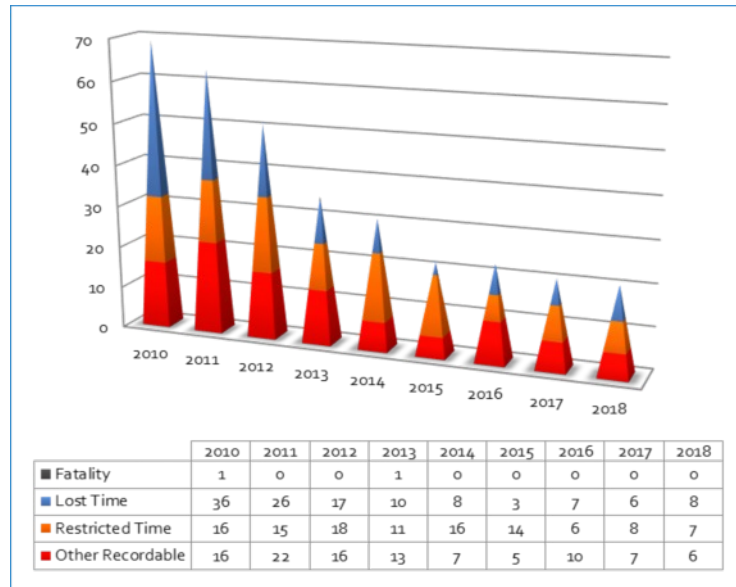
Medical treatment cases trended down slightly from 7 in 2017 to 6 in 2018. Results are due to increased global awareness of safety reporting and case management.



### 3 YEAR GOALS

	2016	2017	2018
LTIR	0.12	0.12	0.11
TRIR	0.5	0.45	0.43

## Incident Pyramid 2010 - 2018



The incident pyramid continues to align in the expected trend that you will have a reduced number of incidents by severity from medical treatment cases up to fatality. Moving from a paper reporting system to an online database Core Lab is now better positioned to take advantage of lower level safety incident reporting in real time. This information is more accessible, reliable and accurate.

### Creating Efficiencies

Management, Supervisors and Safety Officers receive immediate email alerts for employee incident entries. This enables us to react quickly to injuries while also informing us of safety observations, near accidents (misses) or material damage cases.

The collection of data will assist evaluating the safety programs and employee attitudes globally down to the location level . A dashboard was released during 2017 to quickly display and organize real time safety. This has been a valuable tool to assist with reaction to safety and operational trends in the work place. Core Lab considers time crucial to proper case management, and injury prevention.







## Incident Type 2010 - 2018

### Slips, Trips and Falls

The number of incidents from ST&F have increased slightly from 7 (33%) in 2017 to 9 (43%) in 2018. While still an improvement since 2010 ST&F has gradually increased over the past 2 years.

### Lifting

Lifting incidents decreased slightly with 4 in 2017 and 3 (14%) 2018.

Back strains continue to account for the majority of high cost cases with lost and restricted days.

Despite the low number of cases year over year significant safety improvement opportunities exist in training and ergonomics.

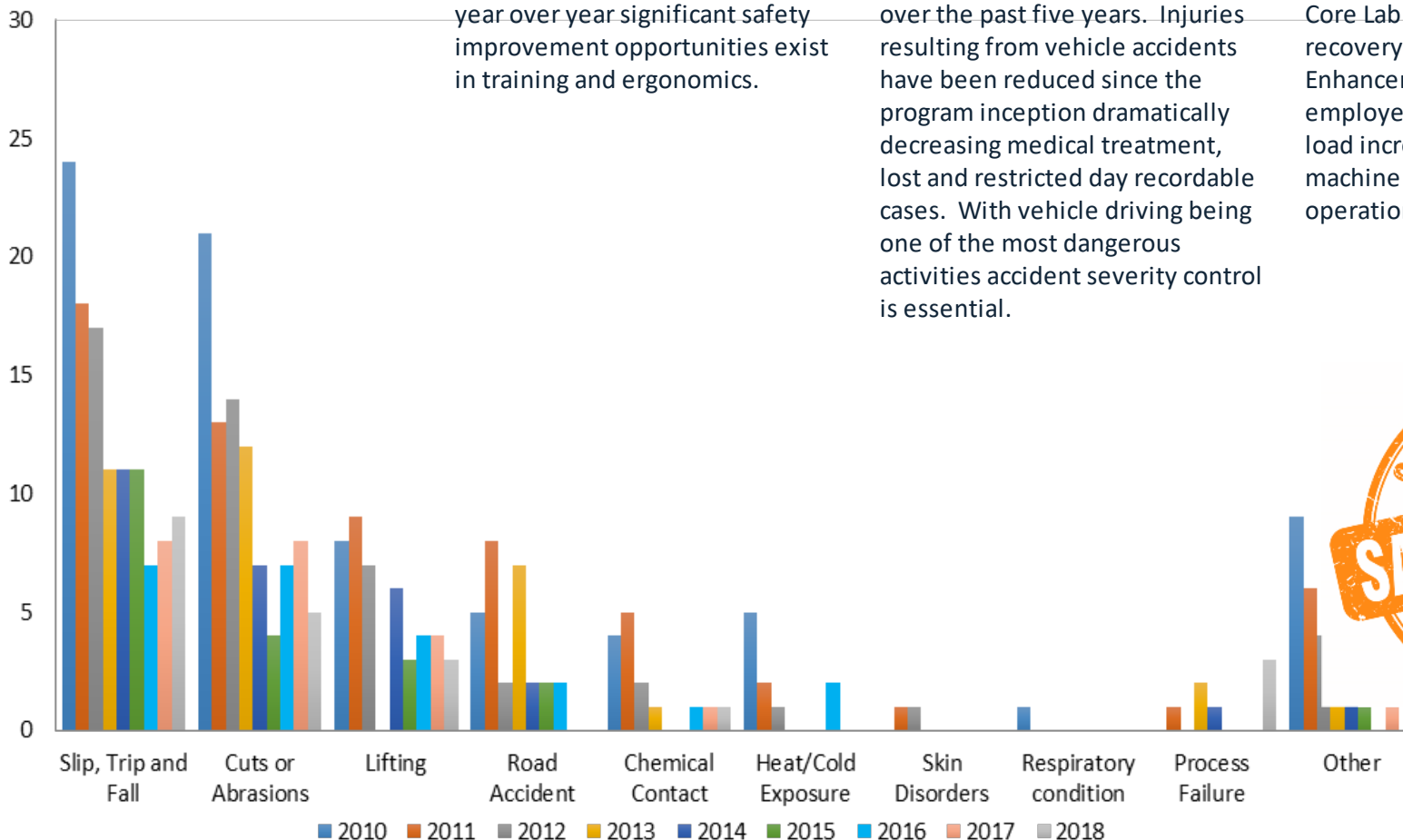
### Road Accidents

For the 2nd year in a row the Company recorded ZERO recordable injuries resulting from vehicle accidents. The continuing AlertDriving program has had a major impact on driver awareness over the past five years. Injuries resulting from vehicle accidents have been reduced since the program inception dramatically decreasing medical treatment, lost and restricted day recordable cases. With vehicle driving being one of the most dangerous activities accident severity control is essential.

### Cuts or Abrasions

Cuts or abrasions are down from 8 in 2017 to 5 in 2018 accounting for 24% of all recordable incidents in 2018.

4 of the 5 cuts or abrasions occurred in our manufacturing operations. During 2017 and 2018 Core Lab experienced the largest recovery in Production Enhancement resulting in new employee higher along with work load increases to manufacturing, machine shops and warehousing operations.





## Short Service Workers 2010 - 2018

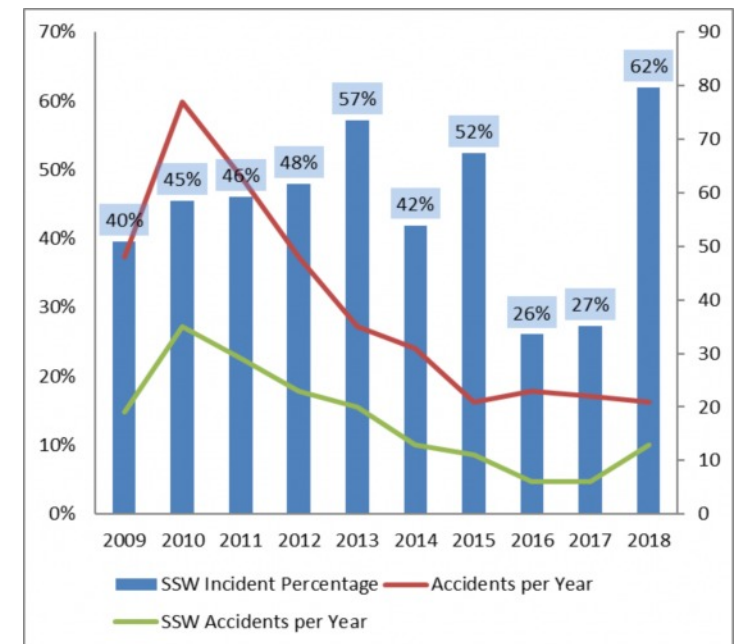
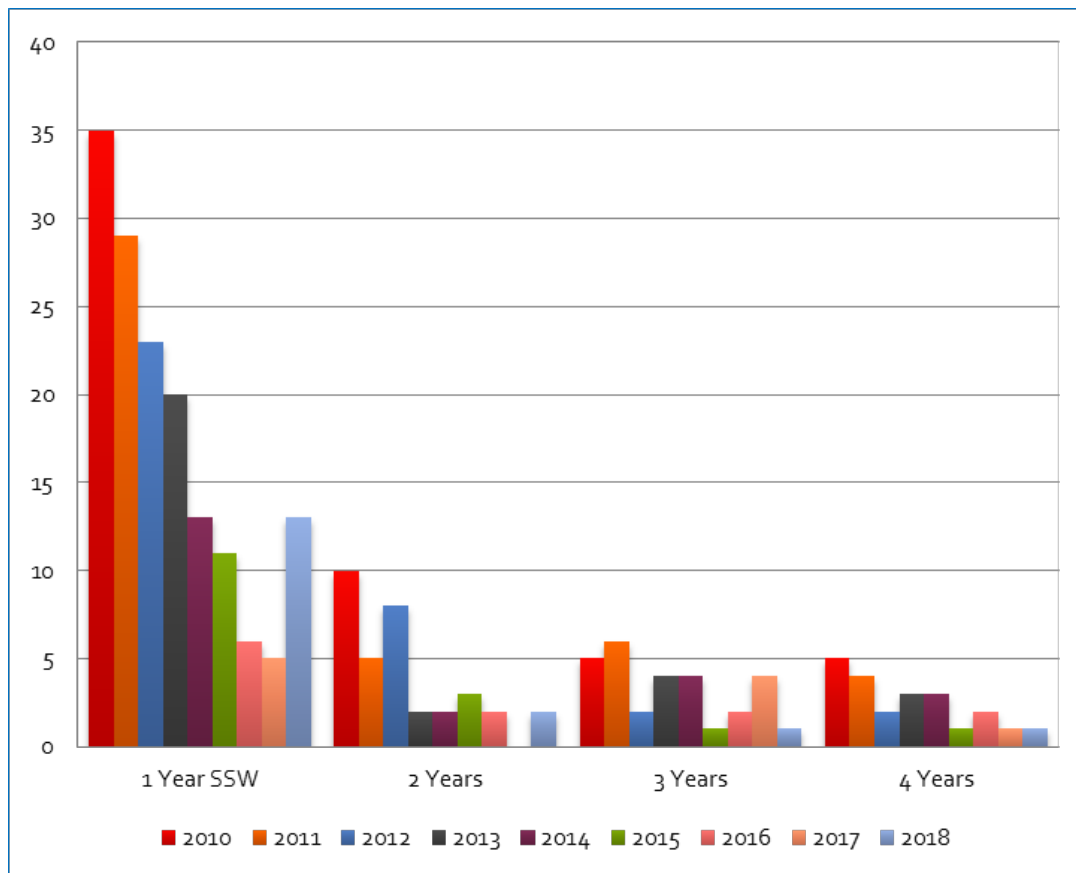
**Short Service Worker (SSW)**, incidents significantly increased in the Production Enhancement Segment. 2018 saw an increase to 13 SSW accidents or 62%. Core Lab had seen a reduction in the number of recordable SSW accidents for the 8 previous years. Of 21 total recordable accidents SSW accident are distributed in 2018 as follows: Company 13, Reservoir Description 3, Production Enhancement 9

Efforts made by Production Enhancement safety management in 2018 resulted in 0 SSW accidents in Q4. These efforts included upper level management meetings with supervisors and operations and area walk-through by Executive and local management.

Effective SSW programs remain an opportunity to improve safety performance, and guard against safety performance waning during market recovery.

An effective SSW Program at a minimum has:

- Management involvement
- Motivated mentors
- Employees that are engaged immediately with the program
- Senior employees vested in the SSW program



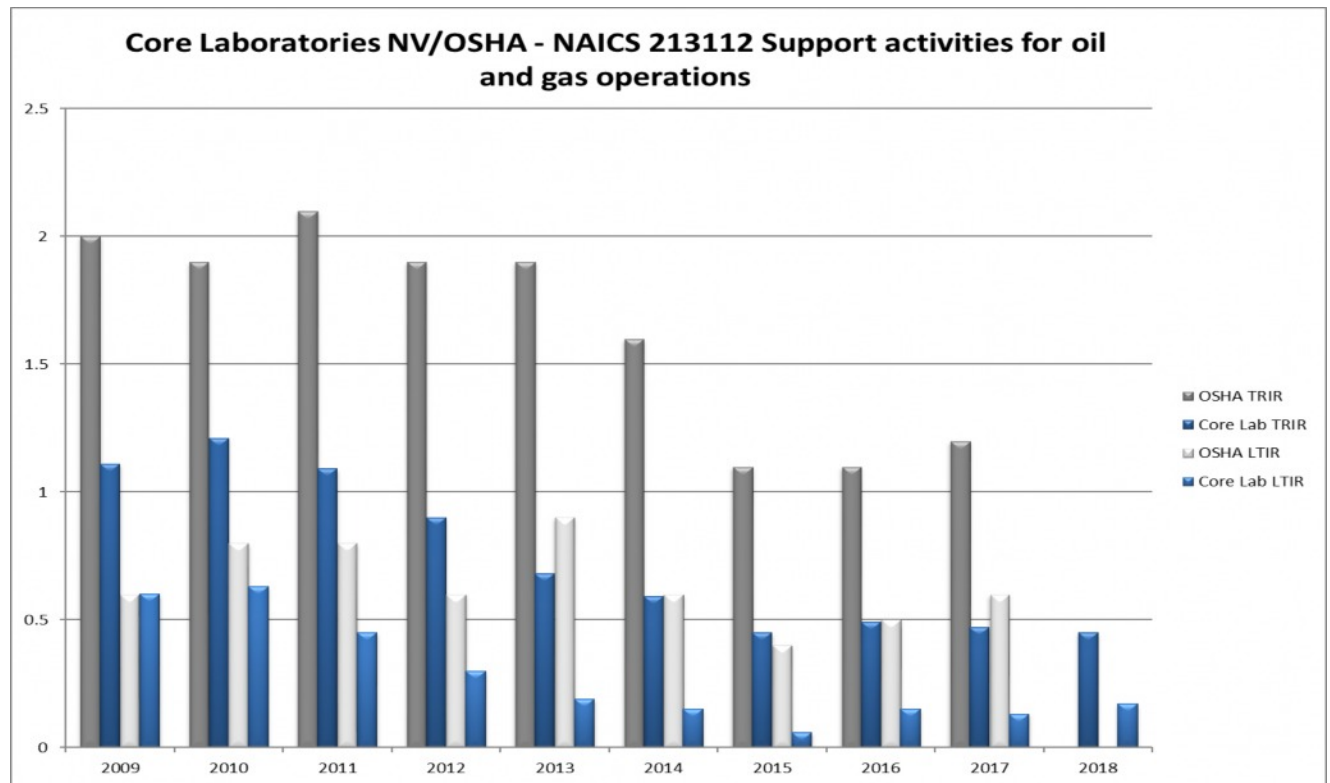
## OSHA NAICS Comparison 2008 - 2017

Core Lab reports safety statistics under North American Industry Classification System (NAICS) Code 213112 Support Activities for Oil and Gas Operations. The Bureau of Labor and Statistics (BLS) publishes safety statistics annually based on 100 employees working 200,000 hours in one year. From these published TRIR's and LTIR's Core Lab can compare itself with others performing similar work in the oil and gas industry within the United States.

Typically safety results are published in the 3rd to 4th quarter the following year.

Results from OSHA may be available earlier for 2018 as OSHA implements the electronic reporting process in the OSHA's Final Rule to Improve Tracking of Workplace Injuries and Illnesses. There is also the possibility that comparisons may change do to the improved and expanded collection along with data management capabilities in the new system. It should not be necessary to wait for the BLS to collate the data as in the past.

Core Lab has consistently outperformed the BLS published TRIR results. However, only since improvement in the incident pyramid in 2011 have we seen the same performance in LTIR Comparison. Core Laboratories now constantly performs better than its peers in TRIR and LTIR. In 2018 Core Lab outperformed TRIR by 89% and LTIR by 70%.



# Integrating Our Safety Culture

## Continuing Corrective Actions

Core Lab has taken several steps to increase safety awareness and involvement of the employees. The closer we come to zero incidents within the Company the more often the incidents are the result of "Human Factors". The vast majority of incidents in 2015 were 100% preventable by the individual or individuals involved. Corrective actions should stress good judgment, individual responsibility, commitment at all levels and the principles of behavior based safety.

"A human factor is the term used to describe the interaction of individuals with each other, with facilities and equipment, and with management systems. This interaction is influenced by both the working environment and the culture of the people involved. What may be a good system of work in one part of an organization may be found to be less than ideal in a region where culturally driven attitudes to risk taking may be significantly different." OGP Publication Human Factors - a means of improving HSE performance".

Steps taken include the following snapshot summaries that are designed to affect the behavior of individuals and communicate a stronger employee involved attitude which is supported by management at all levels.



**Corporate Safety Committee** - Organized safety committee with senior safety, training and quality personnel from all companies and regions. Committee focuses on corporate policy change, sharing best practices, communicating safety, safety alerts, incident reporting and investigation. This group has been instrumental in the success of AlertDriving and safety database successes.

**Incident Reporting** - Mandatory 24 hour incident reporting to Company President and Corporate Safety Director for all recordable classified incidents. New database has had a significant impact on timely case management.

**Corporate Safety Presentations** - Presentations focus on executive management safety commitment, incident analysis, division comparisons, human factors/ behavior effecting safety, essential programs expected and accident review.

**AlertDriving Training** - This program is designed to evaluate hazard perception, increase skills and reduce traffic accidents and violations. In this our third year all participating employees will retake the hazard perception training. This will enable us to compare 2013 results and measure for improvement.

**Continued Efforts** - The company continues its efforts in five major behavior based safety programs; Short Service Worker, Job Safety Analysis, Last Minute Risk Assessment, Stop Work Authority, and Reporting of Unsafe Conditions. Several online tools and safety process systems have been put in place by the company to increase awareness and safety observation collection.

**Safety Services** -Partnership has been expanded with Safety Services to monitor safety websites and strengthen safety policies. Current scoring in the A range for ISNetWorld.





# Integrating Our Safety Culture

## AlertDriving Training Program Results

AlertDriving will continue to provide driver training for Core Lab for the proven quality of their training tools which address specific skill sets needed by Core Lab, and whose packages are creative and interactive. Since the implementation of the drivers training program in 2014 Core Lab has experience a significant improvement in accident frequency as well as severity of injuries. Every employee who

operates a vehicle regularly on company business is required to participate in the program.

This program is designed to increase driver skills, to reduce traffic accidents and violations through an initial hazard perception evaluation and then targeted training assignments pulsed out monthly.

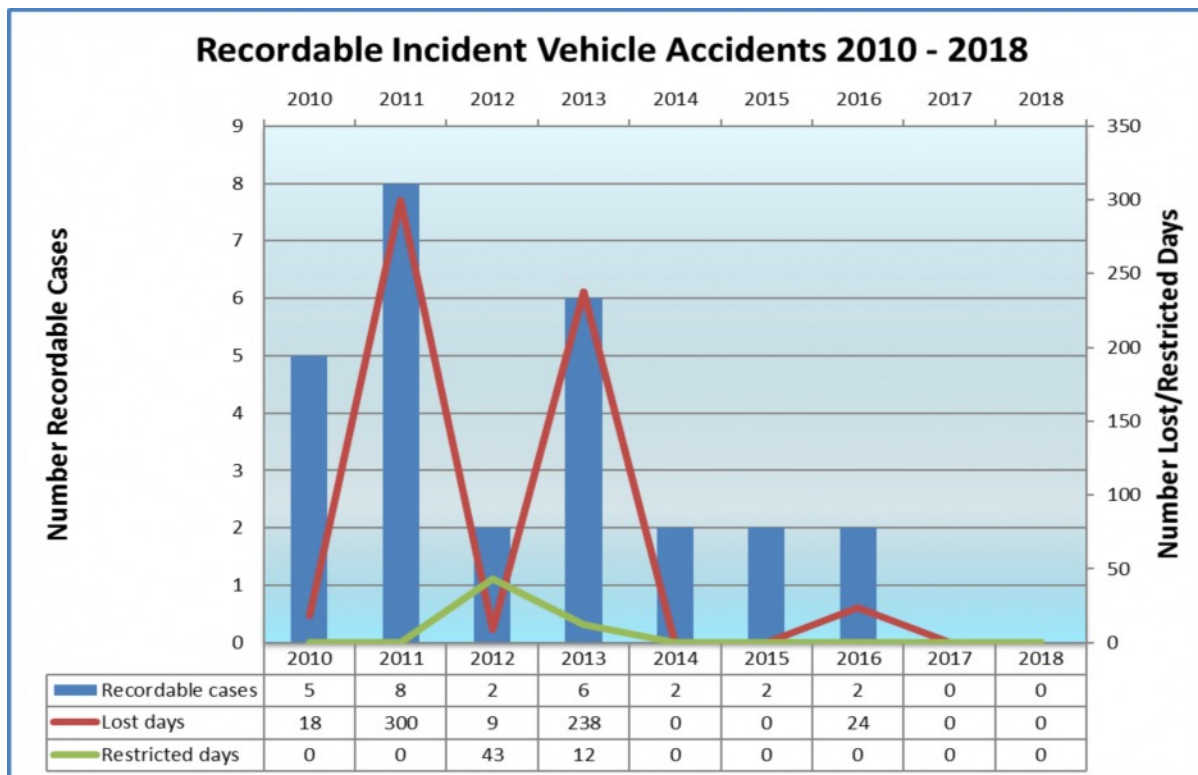
AlertDriving was selected for the quality of their training tools which address specific skill sets needed by Core Lab, and whose packages are creative and interactive. Every employee who operates a vehicle regularly on company business is required to participate in the program.

In 2016 the program was expanded to include post-accident remedial targeted training, and in 2017 we introduced MotorMind an interactive advanced training for established drivers.

Additionally only one non-recordable vehicle accident injury with minor bruises was recorded. In 2018 we again introduced targeted training and no injuries occurred from vehicle accidents in 2018.

Core Lab is committed to vehicle safety and has renewed AlertDriving for an additional 3 years starting February 2017. Again, as an added bonus one family member of each employee enrolled in the program may also take advantage of the training.

**FOR THE FIRST TIME CORE LAB CAN REPORT ZERO EMPLOYEES INJURED IN A VEHICLE ACCIDENT ON COMPANY BUSINESS FOR 2018.**







# Financial Results that Fuel Our Drive Toward Sustainability

The Company's three key financial tenets discussed on pages 11 - 13, lay the foundation for the culture of the organization and industry-leading long-term financial performance. Through these fundamentals and focused leadership, the Company has achieved superior long-term financial results in the form of industry-leading operating margins, earnings that are reinforced by cash flow, and strategic organic growth. Additionally, our continued focus on generating high levels of return on invested capital, free cash flow and returning excess capital to our shareholders has enabled the Company to remain financially strong and maximize total shareholder return through all cycles of the oil and gas industry.

## Our Employees Make our Success Happen

Core Laboratories' approximately 4,700 worldwide employees produced another successful year, despite the challenging environment, as oil companies continued to utilize Core's newest technologies to maximize their daily production of crude oil and natural gas while optimizing estimated ultimate recovery (EUR) of hydrocarbons from their aging fields. On average, the world's conventional oilfields produce only about 40% of their reserves, leaving 60% of the oil in place.

Revenue from Continuing Operations  
(\$ in millions)



Operating Profit from Continuing Operations (\$ in millions)



Earnings per Diluted Share from Continuing Operations (\$)



Free Cash Flow (\$ in millions)



Return on Invested Capital







## Industry Leading Shareholder Returns

Core continues to follow the three financial tenets that have led to our industry-leading long-term total shareholder returns over ten-year, fifteen-year, and since the Company's IPO in 1995.

Annualized Total Shareholder Return, %			
Company	10 Years	15 Years	Since CLB IPO
<b>Core Laboratories NV</b>	<b>7.4%</b>	<b>24.5%</b>	<b>18.2%</b>
Fugro NV	-13.2%	6.5%	11.0%
Oceaneering International Inc	-3.7%	9.3%	9.9%
Halliburton Co	3.0%	12.2%	8.6%
Schlumberger Ltd	-1.0%	10.0%	8.5%
Superior Energy Services Inc	-13.6%	0.7%	6.0%
Baker Hughes a GE Co	-3.9%	3.3%	4.3%
Nabors Industries Ltd	-13.1%	-6.1%	2.2%
Weatherford International PLC	-22.8%	-8.3%	1.5%
TechnipFMC PLC	0.7%	13.2%	N/A
John Wood Group PLC	2.0%	10.2%	N/A
Oil States International Inc	0.1%	9.3%	N/A
Helix Energy Solutions Group I	-15.7%	-2.5%	N/A
CARBO Ceramics Inc	-13.8%	-6.2%	N/A

Source: Bloomberg, March 5, 2018





# Environmental, Social and Governance Reporting

## What We Report

Core Laboratories strives to provide transparent and meaningful information to shareholders, employees, clients and suppliers that reflect our continuing effort to decrease our use of limited resources while at the same time improving our productivity and sustainability.

We provide this information through the use of the latest Global Reporting Initiative format, currently G4 Guidelines, which is included in this report. We also place internal resources on providing similar information to various SRI rating firms located in the principal marketplaces around the globe.

## Our Approach

Given our smaller size compared to most other international service companies but with a significant number of locations in more than 50 countries, the effort to accumulate, distil, and report all of the requested SRI information can be a daunting task. Our approach is to report the most meaningful information that can be reliably determined from our locations that are of any significant size. While we have locations in 50 countries, we operate through six Advanced Technology Centers which make up the majority of our environmental footprint.

Because our Advanced Technology Centers are representative of the Company as a whole, we have compiled their ESG data to be the basis for our reporting.

## The Environmental Protection Agency

The Environmental Protection Agency ("EPA") has certain annual reporting requirements related to the quantities of petroleum fuels and blend stocks imported into or exported out of regulated areas. The EPA's regulation provides specific instructions regarding methods that can be used to determine quantities for imported and exported shipments. Core Laboratories will assist clients with these measurements used for their annual reporting.

Reporting requires petroleum product suppliers to use an appropriate method developed by a consensus-based standards organization, when such a standard exists, or industry standard practices to measure the shipment quantities. In addition, suppliers of petroleum products must also ensure that equipment used to measure quantities of imported and exported fuel is calibrated and periodically re-calibrated according to the manufacturer's recommended procedures or by using an appropriate consensus-based industry standard method for calibration. Core Laboratories provides these approved measurement practices to ensure the proper reporting of greenhouse gases.





# Global Reporting Initiative

Strategy and Analysis		
Section #	Disclosures	Links/Information
G4-1	Chairman and CEO Statement	<a href="#">CEO's Message</a>
G4-2	Section 1 - Key impacts, risks, and opportunities	10-K, Item 1. Business 10-K, Item 1A. Risk Factors
G4-2	Section 2 - Impact of sustainability trends, risks, and opportunities regarding financial performance	Not Available

Organizational Profile		
Section #	Disclosures	Links/Information
G4-3	Company Name	Core Laboratories
G4-4	Primary brands, products, and/or services	<a href="#">About Core Lab</a>
G4-5	Location of Company Headquarters	Amsterdam Netherlands
G4-6	Number of Countries and significant countries in which we operate	<a href="#">About Core Lab</a>
G4-7	Nature of Ownership and Legal Form	10-K, Item 1. Business
G4-8	Markets served	10-K, Item 1. Business
G4-9	Markets served	10-K, Item 1. Business 10-K, Item 6. Selected Financial Data
G4-10	Workforce	<a href="#">Our Global Workforce</a>
G4-11	Total number and rate of employee turnover	<a href="#">Our Global Workforce</a>



Organizational Profile		
Section #	Disclosures	Links/Information
G4-12	Supply Chain	Not Available
G4-13	Significant Changes to the Organization	No significant changes in 2017
G4-14	Precautionary Principle	<a href="#">Environmental Focus</a>
G4-15	External economic, environmental, social charters, or initiatives	<a href="#">Corporate Citizenship</a>
G4-16	Memberships of Association	<a href="#">Corporate Citizenship</a>

Identified Material Aspect and Boundaries		
Section #	Disclosures	Links/Information
G4-17	All legal entities in consolidated financial statements	<a href="#">10-K, Exhibit 21.1</a>
G4-18	Aspect Boundaries and Reporting Principles for Defining Report Content	Report Parameters
G4-19, G4-20, G4-21, G4-22, G4-23	Material Aspects, report restatements or significant report changes	Not Available



Report Profile		
Section #	Disclosures	Links/Information
G4-28	Reporting Period	2018
G4-29	Date of Previous Report	Report Parameters
G4-30	Reporting Cycle	Annual

Governance		
Section #	Disclosures	Links/Information
G4-34	Governance structure of the organization, including board of directors (Board) committees	<a href="#">Corporate Governance</a>
G4-35	Process of delegating authority	<a href="#">Corporate Governance</a>
G4-36	Executive level positions	<a href="#">Management Team</a>
G4-37	Process for Consultation	<a href="#">Annual Proxy</a>
G4-38	Composition of highest governance body and its committee	<a href="#">Board of Supervisory Directors</a>
G4-39	Indication of whether chairman of the board is also an executive officer	<a href="#">Management Team</a>
G4-40, G4-41	Nomination and selection process, reporting conflicts of interest	<a href="#">Corporate Governance; Nominating, Governance and Corporate Responsibility Committee Charter</a>
G4-42	Highest governance body's and senior executive's roles	<a href="#">Board of Supervisory Directors</a>
G4-43	Measures taken to develop and enhance the Board of Director's collective knowledge of economic, environmental and social topics	<a href="#">Board of Supervisory Directors</a>





Governance		
Section #	Disclosures	Links/Information
G4-44	Process of Board of Directors Evaluation and actions taken in response to evaluation	<a href="#">Audit Committee Charter</a>
G4-45	Board of Director's role in identification of risks and use of consultation from stakeholders	<a href="#">Corporate Governance</a>
G4-46	Board of Directors role in reviewing the Company's risk management processes	<a href="#">Board of Supervisory Directors</a>
G4-47	Frequency of Board of Directors review	<a href="#">Annual Proxy</a>
G4-48	Highest committee or position that formally reviews and approves the sustainability report	<a href="#">Nominating, Governance and Corporate Responsibility Committee Charter</a>
G4-49, G4-50	Process for communicating, nature, and total number of critical concerns to the highest governance body (Board of Directors).	<a href="#">Annual Proxy</a>
G4-51, G4-52, G4-52, G4-54, G4-55	Remuneration policies for highest governance body and senior executives Stakeholders' views are sought and taken into account regarding remuneration Ratio of the annual total compensation for the organization's highest-paid individuals Ratio of percentage increase in annual total compensation for the organization's highest-paid individual	<a href="#">Annual Proxy</a>

**Ethics and Integrity**

Section #	Disclosures	Links/Information
G4-56, G4-57, G4-58	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	
	Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.	<a href="#">Core Values and Business Ethics</a>
	Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	

**Economic Performance**

Section #	Disclosures	Links/Information
G4-EC1	Direct economic value generated and distributed community investment	Annual Financial Report Worldwide Contributions
G4-EC2	Climate change financial implications, risks, and opportunities	Not Available
G4-EC3	Defined benefit plan obligations	<a href="#">Our Global Workforce</a>
G4-EC4	Financial Assistance Received from Government	Not Applicable



Environmental		
Section #	Disclosures	Links/Information
G4-EN1	Materials used by weight or volume	Not Available
G4-EN2	Percentage of recycled input materials used to manufacture the organization's primary services and products	Not Available
G4-EN3	Energy Consumption within the Company	<a href="#">Environmental Focus</a>
G4-EN4	Energy Consumed outside the organization	Not Available
G4-EN5	Energy intensity ratio	Not Available
G4-EN6	Reduction of Energy Consumption	<a href="#">Environmental Focus</a>
G4-EN7 THROUGH G4-EN28	Reductions in the energy requirements of sold services and products <ul style="list-style-type: none"><li>• Water</li><li>• Biodiversity</li><li>• Emissions</li><li>• Effluents and Waste</li><li>• Services and products</li></ul>	Not Available
G4-EN29	Significant fines and non-monetary sanctions for non-compliance with environmental laws and regulations	The Company is not aware of or identified any significant fines or non-monetary sanctions related to non-compliance with environmental laws or regulations.
G4-EN30	Significant environmental impacts of transporting goods and services	Not Available
G4-EN31	Total environmental protection expenditures and investments	<a href="#">Environmental Focus</a> <a href="#">Climate Change</a>
G4-EN31, G4-EN32	Supplier environmental assessment	Not Available
G4-EN34	Grievances about environmental impacts	The Company is not aware of any environmental grievances filed against the company.



Labour Practices and Decent Work		
Section #	Disclosures	Links/Information
G4-LA1	Total number and rate of employee turnover	<a href="#">Our Global Workforce</a>
G4-LA2	Benefits provided to full-time employees	<a href="#">Our Global Workforce</a>
G4-LA3, G4-LA4	Return to work and retention rates after parental leave Labor/Management Relations	<a href="#">Our Global Workforce</a>
G4-LA5 THROUGH G4-LA8	Occupational Health and Safety	<a href="#">Safety in our Company</a> <a href="#">Safety Performance Executive Summary</a> <a href="#">Safety Performance Incident Analysis</a> <a href="#">Safety Performance Supplemental Graphs</a>
G4-LA9, G4-LA10	Training and education	<a href="#">Training and Development Policy</a>
G4-LA11	Employee performance reviews and career development	100% of our employees receive annual performance reviews which include career development.
G4-LA12	Percentage of individuals within the organization's governance bodies by diversity category	<a href="#">Board of Supervisory Directors</a> <a href="#">Our Global Workforce</a>
	Percentage of employees per employee diversity category	
G4-LA13, G4-LA14, G4-LA15	Ratio of the basic salary and remuneration of women to men for each employee category, by significant locations of operation.	
	Percentage of new suppliers that were screened using labor practices criteria	Not Available
G4-LA16	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	
	Grievances about labor practices filed through formal grievance mechanisms during the reporting	The Company is not aware of any material labor grievances filed against the Company.





Human Rights		
Section #	Disclosures	Links/Information
G4-HR1	Percentage and total number of significant investment agreements that include human rights clauses	Not Available
G4-HR2	Hours in the reporting period devoted to training on human rights policies or procedures concerning aspects of human rights that are relevant to operations.	<a href="#">Our Global Workforce</a>
G4-HR3	Total number of incidents of discrimination during the reporting period	The Company is not aware of any formal incidents of discrimination.
G4-HR4, G4-HR5, G4-HR6	Operations and suppliers in which employee rights to exercise freedom of association or collective bargaining may be violated or at significant risk	None Identified
	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	
	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	
G4-HR7	Percentage of security personnel who have received formal training in the organization's human rights policies or specific procedures and their application to security.	Not Available
G4-HR8	Total number of identified incidents of violations involving the rights of indigenous peoples during the reporting.	The Company is not aware of any violation involving rights of indigenous peoples.
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments, by country.	Not Available



Human Rights		
Section #	Disclosures	Links/Information
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	The company does not screen its suppliers for aspects related to human rights, however we are unaware of any human rights issues with any of our significant suppliers. Additionally, the company is unaware of any grievances filed against the Company related to human rights
	Significant actual and potential negative human rights impacts in the supply chain and actions taken	
	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	
Society		
Section #	Disclosures	Links/Information
G4-SO1, G4-SO2	Percentage of operations with implemented local community engagement, impact assessments, and development programs	Core Laboratories supports local communities all over the world through our contributions of resources and the involvement of our employees, particularly when we can leverage of technical capabilities to provide a higher level outcome for those that we are supporting. We prefer to support efforts aimed at improving education in science, technology and business. It's our way of giving back to the community which we feel is very important in order to improve career and social opportunities for young adults around the globe. Although we have approximately 4,700 employees across the globe, our operations are widely spread over 70 offices and more than 50 countries. As such, we do not have a large presence in any one community.
	Operations with significant actual or potential negative impacts on local communities	



Environmental		
Section #	Disclosures	Links/Information
	Continued	<p>We do support employees participating in social community programs such as Junior Achievement (in the United States), or Jet-Net - Youth and Technology Network Netherlands, or other similar programs in other countries.</p> <p>Given that we employee locally, including trained technical personnel from the local community, to work in our local offices, we are not aware of any significant or noticeable negative impacts on the social or economic development in the communities in which we operate. On the contrary, our local support of the local communities through employment practices and social and economic development would be viewed as having positive impacts upon the communities in which we operate. We operate in 50 countries and in most instances hire our employees from the local communities. We operate in an environmental friendly manner and adhere to all local environmental regulations and best practices.</p>
G4-SO3, G4-SO4	Percentage and total number of business units analyzed for risks related to corruption  Communication and training on anti-corruption policies and procedures	100%
G4-SO5	Confirmed incidents of corruption and actions taken	The Company is unaware of any significant incidents of corruption.
G4-SO6	Total value of political contributions by country and recipient/beneficiary	The Company does not make any political contributions.



Society		
Section #	Disclosures	Links/Information
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	The Company is not aware of any legal actions brought against it for anti-competitive behavior, anti-trust, and monopoly practices.
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	The Company is not aware of any significant fines or any non-monetary sanctions brought against it for non-compliance with laws and regulations.
G4-SO9, G4-SO10	Percentage of new suppliers that were screened using criteria for impacts on society	Not Available
	Significant actual and potential negative impacts on society in the supply chain and actions taken	
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	The Company is not aware of any grievances brought against it related to impacts on society.

Product Responsibility		
Section #	Disclosures	Links/Information
G4-PR1, G4-PR2	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	<a href="#">Safety in our Company</a> <a href="#">Safety Performance Executive Summary</a> <a href="#">Safety Performance Incident Analysis</a> <a href="#">Safety Performance Supplemental Graphs</a>
	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of services and products during their life cycle, by type of outcomes	





Product Responsibility		
Section #	Disclosures	Links/Information
G4-PR3, G4-PR4, G4-PR5	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	Not Available
	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes Results of surveys measuring customer satisfaction Sale of banned or disputed products	
G4-PR6, G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	The Company is unaware of any substantiated complaints related to breaches of customer privacy and losses of customer data.
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	The Company is not aware of any grievances brought against it related to impacts on society.
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of services and products	The Company has not paid any fines relating to non-compliance with laws and regulations concerning the provision and use of our services and products.



## Glossary

### Advanced technology centers (ATC)

Core Laboratories operates through six ATCs located in Aberdeen, Abu Dhabi, Calgary, Houston, Kuala Lumpur and Rotterdam.

### Autoriteit Financiële Markten (the "AFM")

The Netherlands Authority for the Financial Markets (AFM) has been responsible for supervising the operation of the financial markets since 1 March 2002. This means that the AFM supervises the conduct of the entire financial market sector: savings, investment, insurance and loans.

### Carbon Footprint

The carbon footprint of a product or organization is the total amount of greenhouse gas (GHG) emissions caused during a defined period, or across the total or part of a product lifecycle. It is expressed in terms of the amount of carbon dioxide equivalents CO<sub>2</sub>(e) emitted. Core Laboratories provides technologies to mitigate the risks of CO<sub>2</sub> emissions.

### Code of Conduct

Our Code of Conduct defines our company values and how we work. It incorporates fundamental principles on issues such as business integrity, labor relations, health, safety, environment and community involvement.

### Corporate Citizenship

Core Laboratories' encourages our employees to get involved, hands-on, in their local communities. We support efforts aimed at improving education in science, technology and business.

### Corporate Social Responsibility (CSR)

A form of corporate self-regulation integrated into a business model functioning as a self-regulatory mechanism whereby a business monitors and ensures its active compliance with the spirit of the law, ethical standards and national or international norms.

### Earnings Per Share (EPS)

For this report, EPS is net income attributable to shareholders divided by the weighted average number of diluted common shares outstanding during the year.

### Free Cash Flow (FCF)

Free Cash Flow represents cash from operations in excess of capital expenditures. The company believes this is an important measurement because these are funds available to operate the business and fund non-discretionary obligations. Maximizing FCF is one of our financial tenets.

### GHG

Greenhouse gases include CO<sub>2</sub>, CO, CH<sub>4</sub>, N<sub>2</sub>O and HFCs, which have a global warming impact.

### 1998 International Labour Organization (ILO) Declaration

Core Laboratories' Code of Ethics and Responsibility is consistent with the spirit and intent of the Fundamental Principles and Rights at Work of the ILO Declaration.

### Leadership Levels

Core Laboratories' has five defined leadership levels: Executive Leader, Business Leader, Operational Leader, Front-line Leader and Individual Contributor.

### Lost Time Incidents Reported (LTIR)

The number of incidents resulting in lost time per 200,000 hours worked.

### Recordable Incidents

The number of incidents resulting in lost time, restricted duty, medical treatment or fatalities.

### Return on Invested Capital (ROIC)

Return on Invested Capital reflects how well a company is using its money to generate returns. The company believes that stock price performance over time is directly related to ROIC. The Board of Directors bases the incentive compensation of our executive and senior management teams on the Company's ROIC performance being in the top decile for the oilfield service industry. Maximizing ROIC is one of our financial tenets.

### Succession Planning

Core Laboratories has a formal system of succession planning to enable us to be proactive around strategic human capital planning and career development. We focus on assessing talent capabilities, identifying successors for critical positions and ensuring candidate readiness.

### Talent Management System (TMS)

Core Laboratories' uses a TMS which provides our employees an online suite of integrated tools designed to support the workflow and processes of five key areas of talent management: Recruiting, Succession Management, Performance Management, Total Rewards, and Learning & Development.

### Total Recordable Incident Rate of Injuries (TRIR)

The number of incidents resulting in lost time, restricted duty, or medical treatment per 200,000 hours worked.



# Report Boundary, Scope and Assurance

## Boundary

Core Laboratories N. V. is a limited liability company domiciled and incorporated in The Netherlands and is publicly traded on the New York Stock Exchange and the Euronext Amsterdam Stock Exchange. There were no significant changes to the size, structure or ownership of the Company in 2018. The boundaries of this report, and the information contained in it, covers our global operations for the year ending 31 December 2018, unless otherwise stated. Data is provided for our wholly-owned companies and subsidiaries. The safety and health figures cover our approximately 4,700 global employees.

## Scope

This report focuses on our corporate social responsibility (CSR) and safety performance at all of our facilities worldwide. This includes joint ventures where we have operational control.

This report's quantitative data reflects our CSR performance from January 1, 2018 to December 31, 2018 available as of this date. We last reported on progress related to our Objectives in the 2018 CSR Report, published in a midyear update July 2018. The data included in this report came from the Company's management and official reporting systems. This report is subject to internal verification by Core Laboratories' financial reporting and senior management.

There were no changes in the policies or objectives with regard to the corporate social responsibility aspects of our business practice compared to the previous reporting period. The 2018 Corporate Sustainability Report was drafted in accordance with the Reporting Guidelines of the Global Reporting Initiative, version G4.

All amounts are in U.S. dollars unless otherwise stated.

## Cautionary Statement Regarding Forward-Looking Statements

This Quarterly Report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Certain statements contained in this Management's Discussion and Analysis of Financial Condition and Results of Operations section, including those under the headings "Outlook" and "Liquidity and Capital Resources", and in other parts of this Quarterly Report, are forward-looking. In addition, from time to time, we may publish forward-looking statements relating to such matters as anticipated financial performance, business prospects, technological developments, new products, research and development activities and similar matters. Forward-looking statements can be identified by the use of forward-looking terminology such as "may", "will", "believe", "expect", "anticipate", "estimate", "continue", or other similar words, including statements as to the

## Report Parameters

Reporting Period: Calendar Year 2018

Published Date: February 22, 2019

Reporting Cycle: Semi-Annual

intent, belief, or current expectations of our directors, officers, and management with respect to our future operations, performance, or positions or which contain other forward-looking information. These forward-looking statements are based on our current expectations and beliefs concerning future developments and their potential effect on us. While management believes that these forward-looking statements are reasonable as and when made, no assurances can be given that the future results indicated, whether expressed or implied, will be achieved. While we believe that these statements are and will be accurate, our actual results and experience may differ materially from the anticipated results or other expectations expressed in our statements due to a variety of risks and uncertainties.

We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. For a more detailed discussion of some of the foregoing risks and uncertainties, see "Item 1A - Risk Factors" in our 2015 Annual Report and in Part II of this Quarterly Report, as well as the other reports filed by us with the Securities and Exchange Commission ("SEC").



**Core Lab**  
RESERVOIR OPTIMIZATION

**[www.corelab.com](http://www.corelab.com)**

### **For More Information and Feedback**

We are focused on constant improvement in our corporate sustainability reporting, and we value the feedback of all our stakeholders and investors. If you have feedback concerning the information reported in this document or, for additional information, please contact:

Gwen Schreffler, Sr. Vice President  
Corporate Development and Investor Relations  
[investor.relations@corelab.com](mailto:investor.relations@corelab.com)