



OFFSHORE

ENERGY. COMMITTED.

ANNUAL REPORT 2021

1.3.2 AMBITION AND STRATEGY

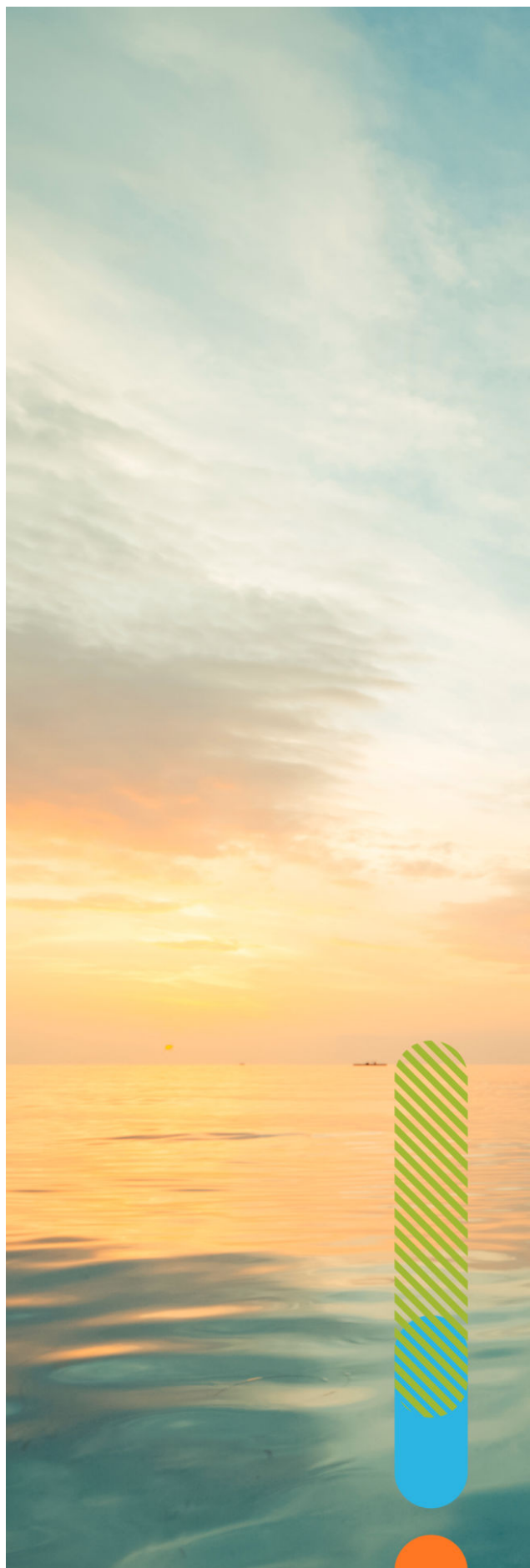
SBM Offshore has developed its ambition and a strategy framework by developing a strong understanding of mega trends, with associated scenario-planning and detailed strategies. Combined with feedback from stakeholders, as defined in 1.2.2, SBM Offshore's strategy ensures stakeholder needs are addressed.

SBM Offshore's ambition between now and 2030 is to grow and create long-term value for its stakeholders. We refer to this as Ambition 2030. In order to do so, it has set targets and indicators in three main areas: grow free cashflow over the period, ensure a steady flow of new contracts within SBM Offshore's core business (2+ FPSOs a year) and position SBM Offshore in the gas and renewables market (to achieve >2 gigawatt (GW) floating offshore wind installed or under construction by 2030).

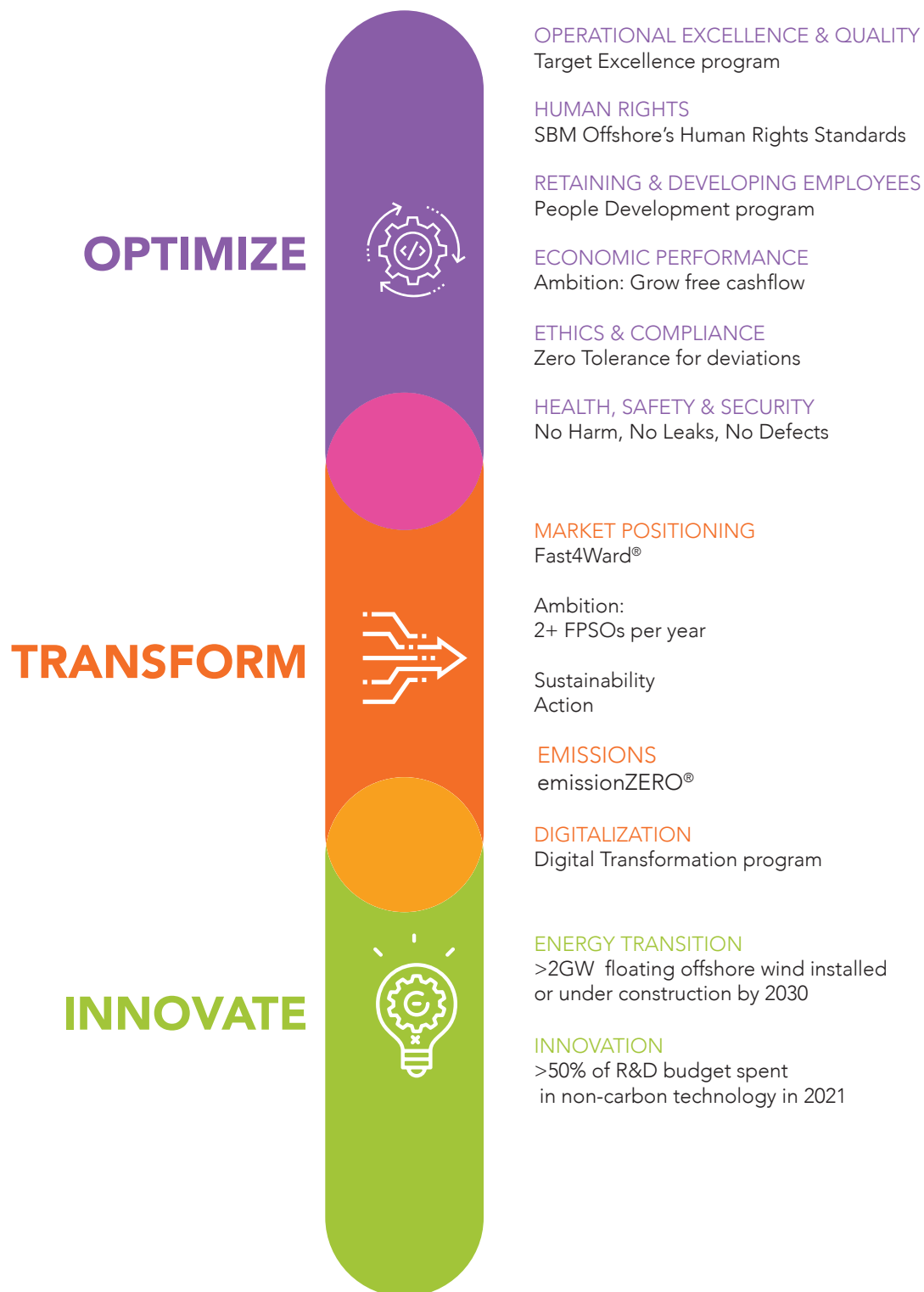
In line with its vision and ambition, SBM Offshore's strategy is based on three strategic pillars: Optimize, Transform and Innovate:

- Optimize – Improving competitiveness and delivering the backlog, with HSSE and process safety as main priorities; ensuring the highest standards of compliance, operational excellence and quality; focusing on business continuity and on cash generation and preservation.
- Transform – Investing in transformation programs and unlocking value for SBM Offshore's stakeholders: Fast4Ward®, Digital Transformation, Sustainability and emissionZERO®.
- Innovate – Preparing for the future, investing in technology and innovation, and focusing on the energy transition.

SBM Offshore manages its performance through a balanced scorecard framework.



OUR STRATEGY AND MATERIAL TOPICS



1.3.3 VALUE CREATION

Supplying safe, sustainable and affordable energy from the oceans is the basis for long-term stakeholder value, which is defined by the 11 material topics and which form the basis for sustained value creation. Value is defined by the results achieved on the material topics, the associated benefits for SBM Offshore's stakeholders and the impact SBM Offshore has on Sustainable Development Goals. The outcomes are described in sections 2.1 and 2.2.

In order to create value for stakeholders, SBM Offshore assigns resources to activities along the project lifecycle. The value creation model, below, connects stakeholder expectations with SBM Offshore's activities and its overall impact on the external environment. For each material topic, the model describes how SBM Offshore deploys capital, which flows into the various activities of the business model. The outputs from the business model create value for stakeholders and have SDG contributions.

