SBM OFFSHORE

ENERGY. COMMITTED.

ANNUAL REPORT 2021

5 NON-FINANCIAL INFORMATION

5.1 SCOPE OF NON-FINANCIAL INFORMATION

5.1.1 REPORTING ABOUT NON-FINANCIAL INFORMATION

This Annual Report has been prepared in accordance with the GRI standards: Core option. SBM Offshore has used the GRI Standards to determine material aspects for this year's Annual Report.

5.1.2 MATERIALITY METHODOLOGY

SBM Offshore conducts a materiality analysis according to the GRI Standards in order to include the topics in the Annual Report that can reasonably be considered important for reflecting the organization's economic, environmental, and social impacts, or influencing the decisions of stakeholders.

For SBM Offshore it is critical to understand the interest SBM Offshore's stakeholders take and the impact SBM Offshore has on them. This understanding is raised through continuous dialogue and through SBM Offshore's Materiality Analysis. This process delivers insight into which topics are considered a) most important to SBM Offshore's stakeholders and b) to have the highest impact on the business context. Insight is obtained through materiality interviews, which aim to validate SBM Offshore's strategy and derive an updated overview of topics with high stakeholder and business impact (Material Topics).

UPDATE MATERIAL TOPICS

SBM Offshore conducted the following steps to assess the material topics in order to ensure the Report contains the level of information required by stakeholders.

- Step 1: Stakeholder Map & Long Listing of Topics
- Step 2: Short Listing of Topics with SBM Offshore Stakeholder Group Owners
- Step 3: Stakeholder Interviews & Surveys
- Step 4: Analysis & Reporting
- Step 5: Action for Strategy & Planning

As part of Step 1 SBM Offshore considered frameworks like GRI and SASB and looked at peers, clients and best practice. The basis for identifying and selecting stakeholders for engagement during this process resides in the importance of these stakeholders to the Company and their interest in the Company's activities. Above includes Management Board approval process as part of Step 4.

PROCESS

Every four years SBM Offshore executes a revision of its Materiality Analysis. This was done in 2020. In the years in between, SBM Offshore conducts interviews based on the same list of key and material topics, asking stakeholders for changes in rankings and potential additional topics emerging.

In 2020, SBM Offshore applied a forced ranking approach in order to ensure only the most important topics were labeled as 'material'. This method also allowed for deeper engagements on the material topics selected. Topics were selected from a long list based on industry standards, market assessments and external expert views. From a long list of 40 topics, 20 were selected by SBM Offshore's stakeholder group owners as being the most relevant. These 20 topics are considered as key to company long-term value creation. The 20 topics formed a basis for engagement with SBM Offshore's stakeholders resulting in 11 Material Topics, which are explained in section 1.2.2 in the Materiality Matrix. These topics enjoy the highest stakeholder interest with impact on the business context and therefore the ability to create and sustain value over time. The other 9 topics can be considered as key topics.

In 2021 SBM Offshore followed up on the above validating Material Topics and learning from stakeholders about any changes and/or emerging topics. This was done through video calls with the same stakeholders as in 2020. In these meetings, topic rankings from 2020 were discussed. Also stakeholders were asked for any additional topics emerging in the past year. Outcomes of interviews were captured in an analysis file. The outcomes of the analysis are validated by the Management Board and reflected in the updated list of material topics below – most notably the addition of Human rights – and the Materiality Matrix shown in section 1.2.2. Details on how the matrix corresponds to GRI and reporting boundaries can be found in section 5.4.