SBM OFFSHORE

ENERGY. COMMITTED.

ANNUAL REPORT 2021

MATERIAL TOPICS DEFINITIONS

Digitalization	Develop secure digital applications to generate new business, improve operational excellence and reduce cost base through process redefinition, IT integration, IT infrastructure and development of digital services.
Economic performance	Economic value generated by considering total life cycle and operating costs in order to be able to distribute to stakeholders including employees, shareholders and capital providers.
Emissions	Manage Scope 1, 2 and 3 emissions (GHG and Non-GHG emissions, like methane, NOx, SOx emissions, etc.) to reduce as much as possible.
Employee health, safety and security	Providing a safe, secure and reliable work environment for all employees, promoting good health, adequately protecting from infection diseases and providing a secure work environment.
Energy transition	Maintain leading market position throughout the energy transition through portfolio management, sustainable development and adaptation to external trends.
Ethics and compliance	Being a trustworthy organisation by complying to rules, regulations and SBM Offshore's code of conduct, including anti-corruption policy, procedures and mechanisms.
Human Rights	Providing a work environment for employees in which basic human rights for all employees are respected and maintained. Ensure social dialogue with regards to labor conditions and impacts on communities
Innovation	Development of new technologies, particularly low and non-carbon technologies to maintain a leading position and support the energy transition.
Market positioning	SBM Offshore's position in the market and global presence, engaging in emerging markets, adapt to present and future market developments and product differentiation.
Operational excellence and quality	Achieving operational excellence and deliver projects and operations safely, on time and of high quality in all areas of SBM Offshore's business and it's supply chain.
Retaining and developing employees	Providing a healthy work environment for employees, provide training and education, regular performance feedback and enable them to grow through SBM Offshore with meaningful employment.

5.1.3 STAKEHOLDER ENGAGEMENT

SBM Offshore maintains open and active engagement with its external stakeholders through regular business interactions, including the Annual General Meeting, analyst and investor roadshows/meetings, analyst webcast presentations, press releases, website updates, surveys and desktop research.

The feedback obtained during the Materiality Analysis explained in section 1.2 forms a key element of the backbone of SBM Offshore's stakeholder engagement program. The program is complemented by other interactions with stakeholders, in order to validate findings and the feedback received feeds into management's approach to Materiality and long-term value creation.

Would you like to participate in SBM Offshore's 2022 Stakeholder Engagement or provide feedback for the 2022 Stakeholder Engagement? Please write to SBM Offshore at sustainability@sbmoffshore.com.

5.1.4 TASKFORCE FOR CLIMATE-RELATED FINANCIAL DISCLOSURE (TCFD)

MANAGEMENT APPROACH

Mitigating the impacts of climate change while meeting the needs of the future by facilitating the energy transition are key for SBM Offshore. The Climate Change Risk & Opportunity assessment is embedded in the portfolios of the CEO and CGCO. The Global Sustainability Director – who reports to the CSO in the CEO portfolio – prepares Climate Change scenarios whereas the Group Risk Manager – reporting to the CGCO – facilitates expert sessions to identify Risks & Opportunities for each scenario. This has been done with risk management professionals and SBM Offshore's Group Strategy team first, followed by validation with business owners and the Risk Assurance Committee.

Frameworks from the TCFD have been used to structure the assessment, more specifically the TCFD's Technical Supplement. SBM Offshore has applied the following steps:

1. Ensuring Governance to integrate Climate Change Scenario analysis into Strategic planning and Enterprise Risk Management (ERM).
2. Assessment of the Materiality of Climate Change related risks and opportunities with business- and functional experts.
3. Identification and definition of range of Climate Change scenarios.
4. Evaluation of business impact per scenario together with business owners.
5. Identification of potential responses.
6. Documentation in a Climate Change outcome presentation and embedding in SBM Offshore's ERM system as well as Disclosure as per this Annual Report and internal presentations.