



OFFSHORE

ENERGY. COMMITTED.

ANNUAL REPORT 2021

5 NON-FINANCIAL INFORMATION

crew working on board the offshore operations units and shore bases.

HEADCOUNT, TURNOVER, EQUAL REMUNERATION & NATIONALIZATION

Human Resources considers:

- 'Direct Hire' employees as a staff member holding a labor contract for either an unlimited or a defined period (or an offer letter for an unlimited period in the USA). Direct hires are recorded on the payroll, directly paid by one entity of the SBM Offshore Group (including Joint Ventures).
- 'Contractors' as an individual performing work for or on behalf of SBM Offshore, but not recognized as an employee under national law or practice (not part of SBM Offshore companies payroll, they issue invoices for services rendered).
- 'Subcontractors' are not considered as staff in the HR headcount breakdown structure. This population is managed as temporary service and are not covered by HR processes policies. Yet, we have rigorous processes and procedures in place for this population.

SBM Offshore includes the BRASA Yard in Brazil and the PAENAL Yard in Angola in its reporting scope based on partial ownership and operational control including human resource activities and social responsibility for the employees.

In principle, reporting on headcount includes the Contractors while turnover only includes Direct Hires (no Contractors). Turnover has been calculated as the number of employees who have left SBM Offshore in 2021 (between January 1 and December 30, 2021) compared with the aggregate of the headcount on December 31, 2020 and December 31, 2021; divided by 2, with the result multiplied by 100.

Concerning Equal Remuneration, we only consider Direct Hires (excluding Joint Ventures and Internships) and the breakdown concerns Monaco, Netherlands, Brazil, Malaysia & Switzerland. The Gender Pay Gap has been calculated as such: average comparatio female / average comparatio male.

For fleet operations, engagement and development of the local workforce is the main indicator for successful local content development. In this perspective, SBM Offshore monitors the percentage of local workforce (excluding Contractors) – % of nationalization per regions (included below for Brazil, Angola and Guyana as they represent most of SBM Offshore's population offshore) – and invests in training to increase or maintain the targeted level. For example, specific programs in below countries focus on education and training of nationals to facilitate them

entering the workforce with the required level of qualifications and knowledge.

- 89% of Brazilian direct hire workforce consists of Brazilian nationals.
- 83% of Angolan direct hire workforce consists of Angolan nationals.
- 46% of Guyanese direct hire workforce consists of Guyana nationals.

PERFORMANCE MANAGEMENT

In order to ensure personal development and optimal management of performance within SBM Offshore, SBM Offshore conducts annual performance reviews for all employees. Globally, SBM Offshore uses a common system to rate and evaluate all employees. For the reporting on Performance Appraisals, we included all Permanent Staff, Temporary (only from Brazil and the Netherlands) and JV Staff (apart from *FPSO Kikeh*) of all employees that entered the Company before October 1, 2020 and that were still in the Company on December 31, 2020. All employees that left during social plans (even after December 31, 2020) are not included.

COLLECTIVE BARGAINING

Collective bargaining is a process of negotiation between employers and a group of employees aimed at agreements to regulate working salaries, working conditions, benefits, and other aspects of workers' compensation and rights for workers. Within SBM Offshore, it is considered as collective bargaining: all the Direct Hires employees of which the interests are commonly represented by external or internal representatives of a trade union to which the employees belong. In case trade unions are not present in a country, we consider the employee handbook as valid labor agreement between the employee and the employer.

5.2.5 COMPLIANCE REPORTING

SBM Offshore reports on significant fines paid by SBM Offshore and all affiliate companies. To define a significant fine the following thresholds are considered (subject to final assessment by Management Board on a case by case basis):

1. Operational fines of a regulatory and/or administrative nature which exceed US\$500,000.
2. Legal and compliance fines of a criminal nature which exceed US\$50,000.

5.3 NON-FINANCIAL INDICATORS

5.3.1 HEALTH, SAFETY & SECURITY

Health, Safety & Security

	Year to Year		2021 – By Operating Segment	
	2021	2020	Offshore	Onshore
Exposure hours				
Employee ¹	15,657,445	13,964,697	8,503,814	7,153,631
Contractor ²	28,463,290	21,198,552	0	28,463,290
Total Exposure hours	44,120,735	35,163,249	8,503,814	35,616,921
Fatalities (work related)				
Employee	0	0	0	0
Contractor	0	0	0	0
Total Fatalities	0	0	0	0
Fatality Rate (Total)³	0	0	0	0
Injuries				
High-consequence work-related Injury Employee ⁴	0	0	0	0
High-consequence work-related Injury Contractor ⁵	0	0	0	0
High-consequence work-related Injury Rate Employee ⁶	0	0	0	0
High-consequence work-related Injury Rate Contractor ⁶	0	0	0	0
High-consequence Work-related Injury Rate (Total)⁷	0	0	0	0
Total Recordable Injury Employee	9	10	7	0
Total Recordable Injury Contractor	4	7	2	4
Total Recordable Injury Rate Employee⁸	0.11	0.14	0.16	0.00
Total Recordable Injury Rate Contractor⁸	0.03	0.07	0	0.03
Total Recordable Injury Frequency Rate (Total)⁸	0.06	0.10	0.21	0.02
Occupational Illness				
Employee	0	2	0	0
Contractor	0	0	0	0
Total Recordable Occupational Illness Frequency Rate (Employees only)⁹	0	0.03	0	0

1 Direct hires, part-time employees, locally hired agency staff ('direct contractors') in the fabrication sites, offices and offshore workers, i.e. all people working for the Company.

2 Any person employed by a contractor or contractor's sub-contractor(s) who is directly involved in execution of prescribed work under a contract with SBM Offshore.

3 Fatalities per 200,000 exposure hours.

4 Work-related injury that results in an injury from which the Employee cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months, excluding fatality.

5 Work-related injury that results in an injury from which the Contractor cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months, excluding fatality.

6 High-consequence work-related injuries per 200,000 exposure hours.

7 Total high-consequence work-related injuries per 200,000 exposure hours.

8 Recordable injuries per 200,000 exposure hours.

9 Occupational illnesses per 200,000 exposure hours.

Process Safety

	Year to Year		2021 – Regional Breakdown			
	2021	2020	Brazil	Angola	Africa/ North America	Asia
API 754 Classified Materials (by TIER)						
Tier 1 incidents (number)	1	3		1		
Tier 2 incidents (number)	3	4	2	1		