



2023 ANNUAL REPORT



2 PERFORMANCE REVIEW AND IMPACT

Metrics

The number of employees eligible to file the Annual Compliance Statement in 2023 was lower than in 2022 (4,625 employees in 2023 versus 4,936 in 2022). The number of compliance training courses completed in 2023 decreased comparing with 2022, due to less face-to-face trainings was done (7,613 training courses in 2023 versus 11,960 in 2022).

Annual Compliance Statements	Designated Staff ¹
Number of employees per year-end	4,625
Onshore Completion ratio	89%
Offshore Completion ratio	87%

¹ Designated Staff reflects all onshore staff and offshore leadership.

Compulsory Compliance Task Completion ¹	All Staff
Number of employees per year-end	6,911
Onshore Completion ratio	91%
Offshore Leadership Completion ratio	70%
Offshore non-Leadership Completion ratio	71%

¹ Including Code of Conduct, theme based e-Learning courses and annual compliance statements.

Overall number of Compliance Trainings conducted in 2023 worldwide	Trainings	Training hours
Face-to-face trainings ¹	1,229	1,172
e-Learnings ²	6,384	4,749
Total	7,613	5,921

¹ An employee can have attended multiple face-to-face trainings.

² An employee can have completed multiple Compliance e-Learning courses.

Face-to-face training categories	Trainings	Training hours
Annual Code of Conduct training	34	51
Targeted Compliance topic training ¹	1,195	1,121
Training of third parties	0	0
Total	1,229	1,172

¹ Training on relevant Compliance topics for risk based target audiences.

Speak Up Line reports	Total
Reports received under SBM Offshore's Speak Up Policy	194

FUTURE

In 2024, SBM Offshore aims to continue to drive initiatives to establish, develop and promote a compliance culture as well as policies and procedures with respect to business conduct matters.

- Promoting a speak-up culture and responsible business conduct.
- Updating compliance policies and processes.
- Upgrading digital tools.
- Increase monitoring and reporting capabilities by progressing to data-driven compliance.

- Applying a risk-based approach to third-party due diligence and monitoring.

2.1.2 EMPLOYEE HEALTH, SAFETY AND SECURITY

MANAGEMENT APPROACH

Due to the nature of its business, SBM Offshore is committed to safeguarding the health, safety and security of its employees, contractors, subcontractors and assets, as well as minimizing the impact of SBM Offshore's activities on local ecosystems and proactively protecting the environment.

In line with SBM Offshore's HSSE Human Rights and Process Safety Policy statement endorsed by the Management Board, SBM Offshore defines its HSSE requirements related to its hazard exposure in compliance with applicable legal requirements and ISO standards, as well as international oil and gas practices.

SBM Offshore is continuing the journey towards 'Target Excellence', with the objectives of No Harm, No Defects, No Leaks. For the No Harm goal, SBM Offshore expects employees and contractors to intervene in unsafe acts, unsafe conditions and non-compliance with the Life Saving Rules, to stop work if they feel anything is unsafe and report any interventions and incidents.

To manage, prevent and mitigate potential negative health and safety impacts, SBM Offshore applies controls and safeguards based on a lifecycle hazard management process and an integrated management system, the Global Enterprise Management System (GEMS). The hazard management process applicable to all SBM Offshore projects consists in, first, working in the hazard identification, then selecting and conducting actions to eliminate the hazard or, if elimination is not reasonably practicable, reducing risks to acceptable levels following the hierarchy of controls approach and, later, monitoring, reviewing and recording the lessons learned. SBM Offshore delivers specialized training to ensure process effectiveness.

Promoting and supporting employee health and wellbeing is at the heart of SBM Offshore, being part of one of SBM Offshore's core values, 'Care'. At SBM Offshore, Health and Wellbeing is managed as a Group function, reporting directly to the Group HSSEQ & Sustainability Director. This ensures the embedding of the topic in day-to-day operations and culture. More on employee wellbeing is explained in section 2.1.5.

2023 PERFORMANCE

SBM Offshore assesses company HSSE performance through a set of indicators. The following table provides the **targets** set for 2023 and the performance achieved:

Indicator	2023 Target	2023 Performance	Details
Total Recordable Injury Frequency Rate (TRIFR)	<0.14	0.08 ¹	section 5.3
Significant Injuries and Fatalities (SIF)	na	0 ¹	section 5.3
Tier 1 PSE with more than 3 severity weight points as per API 754	< or equal to 3	1	section 5.3
Occupational Illness Frequency Rate (OIFR) ²	na	0.01	section 5.3
Security incidents	na	9	na

¹ In November 2023 a fatality happened on *FPSO KIKEH*. Until the disclosure of this annual report, the incident was still under investigation to define the work or non-work relatedness. As such, the TRIFR results presented in this report do not include this event. Regardless of the outcome of the investigation, interim actions and recommendations were defined and implemented.

² For employees.

SBM Offshore continued to expand HSSE initiatives in 2023, including:

- Implemented the Serious Injuries and Fatalities (SIF) Prevention program and its related initiatives.
- Continued rolling out the Hazards and Effects Management Process (HEMP) in operation and execution scopes. The HEMP is the name of SBM Offshore's approach to managing the risk of Major Accident Hazards (MAHs) and their associated potential Major Accident Events (MAEs) associated with the operations of the fleet. The HEMP runs throughout the lifecycle of an asset.
- Completed the roll-out of the Incident Management/ Corrective Action Preventive Action (IM/CAPA) module in the new Company ERP system, to upgrade the existing system.
- Maintained security controls on SBM Offshore's activities.
- Maintained compliance with certification requirements on shore bases and offshore units. Organized the company-wide Life Day.
- Continued the implementation of the MedFit Program, a medical examination program administered by SBM Offshore in partnership with International SOS.
- Increased health and wellbeing awareness, training and health programs, including on preventable diseases.

Following the 2022 Health and Wellbeing Survey that served to understand baseline wellbeing levels and risks, SBM Offshore kicked off the Wellbeing Matters Program. The program addresses feedback from the survey and is focused around mental health, presentism, work-life balance, job stress and workplace injury/illness. The Wellbeing Matters Program offers various sources of support for employees' physical and mental health and wellbeing, such as Employee Assistance Program (EAP), occupational health services and company instructions and training in fatigue management and mental health.

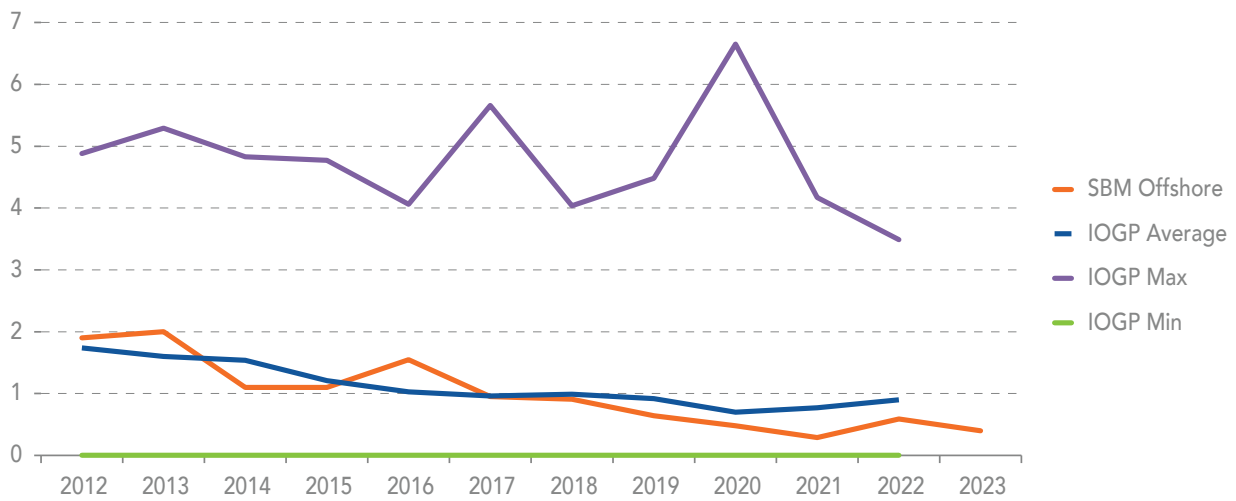
In the journey to Target Excellence, SBM Offshore has engaged with workers and representatives to improve HSSE standards and ways of working – through Inherent Safety Design, a solid Permit to Work system and the Safety Leadership program across SBM Offshore.

The following graph shows that SBM Offshore's Total Recordable Injury Frequency Rate has remained below the International Association of Oil and Gas Producers' (IOGP) average since 2018⁵. This is part of SBM Offshore's journey towards its aim to be top 10% in the IOGP benchmark by 2030.

⁵ For this graph normalized per 1 million exposure hours; includes IOGP Contributing Members (maximum, average, minimum).

2 PERFORMANCE REVIEW AND IMPACT

TOTAL RECORDABLE INJURY FREQUENCY RATE (normalized per 1 million exposure hours)



FUTURE

SBM Offshore has defined the following 2024 targets:

- Zero serious injuries or fatalities.
- TRIFR < 0.12.
- Number of PSE Tier 1 with more than 3 severity points equal or below 2.

SBM Offshore has planned the following key initiatives for 2024:

- Progress in Occupational Safety with the SIF prevention program and its related initiatives.
- Drive improvements on Process Safety tools, procedures and practices.
- Maintain security controls on SBM Offshore's activities.
- Maintain compliance with certification requirements on shore bases and offshore units.
- Organize the company-wide Life Day.
- Continue increasing health and wellbeing awareness, training and related programs, with a special focus on supporting employee mental health and addressing workplace stress.

As part of the Wellbeing Matters Program, SBM Offshore will focus in 2024 on:

- Establishing wellbeing champions in each company location, and train and communicate to support employees and the wellbeing agenda.
- Developing training material (e-Learning) on fatigue management and mental health.
- Roll out the Wellbeing Survey to continuously improve in supporting employees' health and wellbeing.

2.1.3 HUMAN RIGHTS

MANAGEMENT APPROACH

SBM Offshore uses United Nations Guiding Principles on Business and Human Rights (UNGPs), International Labour Organization (ILO) Conventions and best practices as a guide to embed human rights within SBM Offshore to achieve no harm to its own workforce and workers in the value chain.

Human Rights targets and performance align with SBM Offshore's adoption of the United Nations Sustainable Development Goals (SDGs) and are in line with SBM Offshore's risk appetite (section 1.4.1). Potential human rights risks are captured in SBM Offshore's risk management system.

SBM Offshore has published Human Rights Standards and a Modern Slavery Statement since 2020, in which SBM Offshore expresses its commitment on issues such as – amongst others – forced labor, working and living conditions, living wage and freedom of association. In 2023, SBM Offshore updated its Human Rights Standards, further strengthening commitments on access to grievance mechanisms and subsequent grievance resolution.

The above commitments and standards are embedded in SBM Offshore's corporate values, Code of Conduct, Health Safety, Security and Environment (HSSE), Human Rights and Process Safety policy, and its Supply Chain Charter. Policies and standards set out the principles that SBM Offshore expects to be upheld by its employees, contracted workers, suppliers of any tier and business partners wherever in the world SBM Offshore operates.