



2023 ANNUAL REPORT



Grievance Mechanism

SBM Offshore's Speak Up Line, managed by an independent third party, is available 24 hours a day, 365 days a year, supports multiple languages and allows anonymous and confidential reporting and any appropriate follow-up. This process is foundational to SBM Offshore's grievance mechanism. SBM Offshore tracks and monitors progress on corrective actions through specific action plans. Furthermore, SBM Offshore tracks the awareness, trust and effectiveness of its measures and grievance mechanisms based on progress and the feedback that SBM Offshore receives from stakeholders.

One of the actions taken, based on feedback, was the improvement of the accessibility of grievance mechanisms to subcontracted workers, who may not use or distrust conventional channels. In 2023, SBM Offshore continues to use alternative channels at a yard site, such as hotlines, available to all workers.

Another issue raised through the grievance mechanism at a yard was related to workers paying fees to a third party to procure visas for their relatives. The visas, however, were not procured. After engagement by SBM Offshore, the yard's management intervened and ensured repayment to the workers.

Remedy

In early 2021, SBM Offshore took action when a third-party assessment of one of its suppliers in South America revealed issues related to indicators of forced labor. As part of the due diligence process, SBM Offshore engaged with the supplier, and a third-party human rights expert. The team communicates regularly to guide and oversee the implementation of a remediation plan.

By mid 2023, most remediation activities were completed. This included assisting the supplier in establishing competence and training procedures, implementing scheduling policies, digital time recording, and payment systems to ensure both wellbeing and training opportunities for their workers. To close the assessment, a close-out audit was conducted to gather feedback from the workers. This project provided valuable insight into SBM Offshore's supply chain and demonstrated its approach of effective remediation practices.

SBM Offshore set a target for 2023 to deliver two worker welfare initiatives per region that contribute to remedying human rights impacts aligned with SBM Offshore's Human Rights Standards, including current salient issues. SBM Offshore is pleased to report that it was able to achieve the target. Some examples of results include: removal of abusive termination procedures in Brazil;

provision of paid health checks in China; and improved personal protection equipment distribution in Singapore.

Capacity Building and Training

SBM Offshore actively promotes human rights training and awareness through classroom sessions, webinars, and safety moments. In 2023, SBM Offshore provided a specialized awareness session on human rights as part of Life Day, with 1,695 SBMers attending this online session worldwide. Additionally, 91% of target employees have completed online training on business and human rights. In December, 348 own workforce, value chain workers attended the Worker Welfare Day training.

Industry Collaboration

SBM Offshore teams up with others to make a meaningful contribution, with the following initiatives being key:

- Active member of *Building Responsibly*, to raise the bar in promoting the rights and welfare of workers across the industry.
- Continuous dialogue with its customers, other contractors, and suppliers to ask for collaboration and support in addressing human rights issues.
- In 2023, SBM Offshore worked with other companies to improve the rights and welfare of migrant workers in its supply chains, which is central to responsible business conduct and a just transition. As a first step, the companies drafted a set of principles and guidelines in consultation with suppliers and civil society organizations. The aim is to improve accommodation and transport for migrant workers, drive the 'employer pays' principle and implement effective grievance mechanisms. The next step is to pilot the principles and guidelines in fabrication yards in Singapore.

FUTURE

SBM Offshore continues to progress on its human rights journey and the need to strengthen certain parts of its internal work processes. This includes performing further due diligence on medium-risk suppliers, in-depth analysis for regional suppliers and developing professionals within different disciplines that have the competency and confidence to communicate SBM Offshore's human rights expectations in a compelling way.

SBM Offshore will prepare for any requirements in the light of the Corporate Sustainability Due Diligence Directive (CSDDD) which is expected to become effective in 2026.

2.1.4 OPERATIONAL EXCELLENCE AND QUALITY

SBM Offshore recognizes that in order to be a high-performance company, it must strive for excellence. SBM Offshore maintains a dedicated Operational Excellence organization at Group level, incorporating

2 PERFORMANCE REVIEW AND IMPACT

resources with diverse expertise in operational, technical and process fields.

performance of the supply chain, costs of non-quality and certifications.

Key performance indicators for Operational Excellence and Quality include: uptime of the fleet, delivery of projects,



2.1.4.1 OPERATIONAL EXCELLENCE AND QUALITY

Operational Excellence and Quality includes themes such as 'Operational Governance' (section 3.7) and 'Target Excellence' focusing on 'No Harm, No Defects, No Leaks'. This creates an environment to share SBM Offshore's experiences by leveraging collective knowledge, improving organizational learning and fostering collaboration.

MANAGEMENT APPROACH

The topic of Operational Excellence is embedded in SBM Offshore's projects, supply chain and fleet operations, and supported by the Operational Excellence Function and the Quality and Regulatory Function.

SBM Offshore remains committed to full compliance with all applicable laws and regulations. SBM Offshore delivers products and services meeting regulatory requirements and applicable specifications and requirements imposed by relevant stakeholders, by:

- Promoting a quality and compliance culture.
- Maintaining SBM Offshore's certification to the ISO 9001:2015 Standard.
- Providing systematic identification of applicable regulatory requirements and ensuring their implementation.
- Achievement and maintenance of conformity, compliance and acceptance of SBM Offshore's products and services.
- Supporting continuous improvement of business processes and ways of working.

A key aim of the Operational Excellence function is to create a culture of continuous improvement within SBM Offshore. The function works in close collaboration

with the Product Lines, Global Resources and Services and Operations organizations – for instance on the analysis of past performance and definition of lessons learned. These feed improvement of business processes and tools within the organization.

Through the above, SBM Offshore mitigates risks related to project execution, process safety, human capital, changes in laws and regulations and operational risks such as loss of integrity of aging assets, loss of certificate of class and disruption to the supply chain.

2023 PERFORMANCE

During 2023, all SBM Offshore's offshore facilities were accepted by all relevant authorities and regulators, with all related permits, licenses, authorizations, notifications and certificates duly granted and maintained. Offshore facilities have also remained in Class at all times, as required from both statutory and insurance perspectives. SBM Offshore incurred one operational fine that exceeded the threshold for the category of fines considered 'significant' (see section 5.2.5).

Furthermore, SBM Offshore actively promoted 'Target Excellence' through – amongst others – workfront engagements, stand downs at yards, vessels and offices. SBM Offshore is proud of:

- Renewal of SBM Offshore's ISO 9001:2015 certification.
- Effective use of independent third parties for inspection, verification and assurance services related to Execute and Operate activities.
- Development and launch of the 'Quality Journey' program.
- Organization of a global 'World Quality Week'.

- The further improvement of the Learning from Performance process within Projects, and Fleet Operations.
- Implementation of applicable lessons learned in the tendering and the set-up for future FPSO projects.
- Further digitalization of project and function performance dashboards.

The outcomes in SBM Offshore's projects, supply chain and fleet are described in the following sections. In 2024, SBM Offshore will build on this and put focus on the delivery of the 'Quality Journey' program.

2.1.4.2 PROJECTS

MANAGEMENT APPROACH

SBM Offshore continues to focus on the development of its portfolio of floating solutions to deliver the best projects aligned with customer needs, building on SBM Offshore's technology expertise and track record. The success of projects is determined by performance against a budgeted schedule, cost and quality within the HSSE and Target Excellence approaches mentioned in sections 2.1.2 and 2.1.4. KPIs are set accordingly and managed through SBM Offshore's Project Directorate and Project Dashboards.

The management approach remains based on (i) an early engagement with customers; (ii) standardization in product design and execution in order to improve competitiveness, quality and time to market and to reduce emissions; and (iii) an increasing focus on the energy transition, using SBM Offshore's core competencies to develop affordable, low-carbon solutions in the FPSO as well as in the renewable and other alternative energy markets.

2023 PERFORMANCE

In early 2023, the COVID-19 pandemic situation improved, with the lifting of all restrictions in China.

The main challenges in 2023 for SBM Offshore were the high workload of the main vendors (equipment and bulk) and construction yards leading to increased schedule pressure from the yards. Project teams maintained their focus on project delivery and safe operations, while working together, across time zones, with customers, yards and suppliers, to limit delivery delays. SBM Offshore is grateful to all the project stakeholders for making this happen.

FPSOs

- *FPSO Sepetiba* – The FPSO safely produced first oil at the end of 2023 with a zero-flaring target in less than 60 days, which has still to be achieved. The FPSO was formally on hire as of January 2, 2024. Petrobras will

lease the FPSO for 22.5 years, under a contract signed in 2019.

- *FPSO Prosperity* – The vessel is the first that SBM Offshore is delivering under the long-term FPSO supply agreement signed with ExxonMobil in 2019. The FPSO safely started production in November 2023 with gas-injection start-up in an industry record time. Awarded the SUSTAIN-1 notation by the American Bureau of Shipping.
- *FPSO Almirante Tamandaré* – The topsides modules lifting campaign is progressing along with their integration. The FPSO delivery continues to be on track for 2024 and the client is expecting first oil from the field in early 2025.
- *FPSO Alexandre de Gusmão* – Detailed engineering and supply chain activities are almost complete. The hull has been outfitted with riser balconies and mooring porches and left drydock end-June 2023 for final outfitting and topsides integration. Topsides fabrication in Brazil is complete and under completion in China. First oil is expected in 2025.
- *FPSO ONE GUYANA* – Detailed engineering and supply chain activities are under completion in the Schiedam office. The hull has been outfitted with riser balconies and mooring porches and will leave drydock beginning-2024 for final outfitting and topsides integration. Topsides fabrication in Singapore and China is on-going and will be completed by mid-2024.
- *FPSO Jaguar* – SBM Offshore started the Front-End Engineering Design (FEED) phase for ExxonMobil Guyana on the Whiptail development project, ExxonMobil Guyana's sixth FPSO. This project is subject to Guyana government approvals and project sanction and release of the second phase of work by the client. SBM Offshore will design and construct the FPSO using its industry-leading Fast4Ward® program, allocating SBM Offshore's seventh new-build MPF hull combined with several standardized topsides modules. The FPSO will be designed to produce 250,000 barrels of oil per day, will have associated gas treatment capacity of 540 million cubic feet per day and water injection capacity of 300,000 barrels per day. First oil is expected in 2027.

Fast4Ward® MPF hulls

- In 2023, two Fast4Ward® MPF hulls were delivered: MPF B in CMHI for *FPSO Almirante Tamandaré* and MPF 4 at SWS for *FPSO Alexandre de Gusmão*.
- Two MPF hulls are under fabrication: MPF 5 at SWS for *FPSO Jaguar* and MPF C in CMHI for a future potential FPSO project.

Turret Mooring Systems

Following successful installation of the Turret Mooring System (TMS) modules on to the Johan Castberg FPSO, SBM Offshore has been supporting its client Equinor to

2 PERFORMANCE REVIEW AND IMPACT

progress the turret integration activities in Norway, and this year has seen the successful installation of the swivel stack, a specialized product developed by SBM Offshore to transfer fluids from the wells to the production facility onboard.

In addition to supporting SBM Offshore's own FPSO Projects, providing expertise on mooring system designs, the TMS product line also started a FEED for a turret moored FSO for the Trion project.

New Energies

Provence Grand Large

SBM Offshore has installed its first pilot project in floating offshore wind. The three floaters for the Provence Grand Large project, jointly owned by EDF Renewables and Maple Power, will account for approximately 10% of the globally installed floating wind electricity generation capacity in 2023. This is the first floating offshore wind project installed in France and the first project worldwide using tension leg mooring technology, which has minimal motion and seabed footprint. This technology enhances electricity generation and reduces maintenance costs. It is also the first floating wind project financed by commercial banks. Lessons learned have been integrated into SBM Offshore's Float4Wind® concept, which is optimized for mass production and competitiveness for large offshore floating wind farms.

Installation

As part of its offshore installation services, SBM Offshore successfully and safely concluded several offshore operations, including the Coral FLNG hook-up, the mooring installation campaign for FPSO *Prosperity* for ExxonMobil Guyana, the installation three floaters for the Provence Grand Large project and other projects.

FUTURE

SBM Offshore will continue to standardize its products in line with the Fast4Ward® program while seeking to produce environmentally friendlier solutions in line with its emissionZERO® program. In addition, SBM Offshore will continue to fine-tune its product offering to offer competitive and industrialized solutions to the floating offshore wind and other alternative energy markets. SBM Offshore is in the energy transition business and will continue to develop new products to serve its mission by leveraging SBM Offshore's unique capabilities in floating solutions.

2.1.4.3 SUPPLY CHAIN

MANAGEMENT APPROACH

SBM Offshore's supply chain activities are a key contributor to Quality and Operational Excellence in its projects and

operations. The Supply Chain department's ambition is to provide the best value to SBM Offshore's overall goals and objectives. SBM Offshore expects its suppliers to act responsibly, in line with the Code of Conduct and its Supply Chain Charter. The latter provides expectations and guidance to address environmental, social and governance related impacts – in line with SBM Offshore's material topics. The supplier qualification process adopts a risk-based approach in assessing suppliers for SBM Offshore's business needs as well as screening for environment and social risks such as climate targets and human rights.

In order to achieve these ambitions and standards, SBM Offshore has set the following targets for its supply chain activities.

- Strengthen the performance of the Supply Chain function on a global scale to include all areas of business.
- Incorporate a strategic mindset into tendering activities.
- Optimize resource management and include regional talent to retain a Product Lifecycle approach.
- Continually seek environmentally sound solutions.
- Digitize and modernize ways of working using current tools/systems.

To address the above, SBM Offshore defined six pillars in 2022 that enable Supply Chain to continue to address the above topics. The supply chain organization contributes to SBM Offshore's strategy as described in section 1.3.2 and is part of the Global Resources and Services organization explained in section 1.3.3.

2023 PERFORMANCE

The supply chain organization has continued developing further around six strategic pillars described below to enhance the resilience of the function as a whole.

Supply Chain Excellence

Strengthened the performance of the function on a global scale to include Projects, Operations and non-Project-related business with the following activities:

- Implemented a new inspections process for main and sub-suppliers on projects for effective quality control to minimize non-conformity and carry-over work in the construction yards.
- Implemented new global supplier qualification process to reduce time taken to qualify while adopting a global risk-based approach towards the qualification of new suppliers.
- Diagnosis of a global supplier performance assessment methodology and process which will drive SBM Offshore towards a more automated and efficient solution.
- Implemented revamped post-order management processes to remove inefficiencies and address the three key aspects of cost, quality and schedule.

- Driven key global issues such as data capabilities, human rights and sustainability goals within the Supply Chain community.

Strategic Sourcing

- Strategic early engagement with suppliers combined with development and implementation of new ways of working during the proposal phase of SBM Offshore's projects to enable a structured, transparent and strategic approach to Supply Chain inputs into its tenders.
- Joint product workshops with key suppliers on supply chain efficiencies, new technology and energy transition initiatives.

Product and Lifecycle Focus

- Optimized resource management on SBM Offshore's projects to maximize utilization of skill-sets, for example by using its piping procurement hub in India and incorporating in-house quality control personnel into project organization.
- Further alignment with the Product Line organization with dedicated capabilities for FPSOs, and renewable projects, and strengthening post-order management capabilities.
- Partnership with an industry leader in predictive inventory management to achieve >90% inventory accuracy in warehouses supporting SBM Offshore's operating fleet.

SUPPLY CHAIN ORGANIZATION PRINCIPLES



Supply Chain Excellence

Continuing to strengthen performance of the function on a global scale to include Projects, Operations and non-Project related business by implementing new processes for inspections, supplier qualification, supplier performance assessment, post order management.



Strategic sourcing

Strategic early engagement with suppliers combined with development and implementation of new ways of working during proposal phase of SBM Offshore's projects.



Product & Lifecycle focus

Optimizing resource management to maximize utilization of internal and external skill sets for effective post order execution and inventory management.



Energy transition

Assessing current scope 3 emission levels from product manufacturers to set basis for collaborative work towards development of new designs and technologies to reduce GHG emissions whilst continuing to support renewable energy projects.



Regional Supply Chain Development

Diversifying and developing the supply chain talent pool across all SBM Offshore's centers to integrate regional skills and expertise into SBM Offshore's core business activities.



Digital transformation

Modernizing data management and reporting tools to increase reporting accuracy for effective performance monitoring along with migration to the new ERP system.

Energy Transition

- Worked with key suppliers to co-develop technologies for carbon capture.
- Analyzed scope 3 emissions disclosures from product manufacturers for SBM Offshore's FPSOs and worked with them to explore avenues to reduce GHG emissions.
- Supported renewable product focus for development of new energy projects.
- Tracked CO₂ emissions for international freight shipments for SBM Offshore's operating fleet.

Regional Development

- Utilized regional supply chain skills and market knowledge by continuing to develop local talent in Bangalore (India), Rio de Janeiro (Brazil) and Shanghai (China).

Digital Transformation

- Major contribution to the design and implementation of SBM Offshore's global ERP system.
- Worked with the external supply chain community to support digital-twin objectives.

2 PERFORMANCE REVIEW AND IMPACT

- Modernized data management and reporting tools to increase reporting accuracy and monitor performance across all aspects of Supply Chain's support to the business.

Performance Measurements:

- 884 new suppliers were qualified in 2023 of which 100% have signed SBM Offshore's Supply Chain Charter.
- 90.4% of the new suppliers qualified were screened for Human Rights.
- Approximately 68% of reduction in supplier qualification duration since October 2022 using the new supplier qualification process and modernized digital tools.

FUTURE

Supply Chain will continue its evolution towards a value-added globalized function to achieve and maintain high standards of performance across all areas of its business including, but not limited to, supporting human rights, climate change measures, digitalization, quality assurance and quality control, resource and talent management across all SBM Offshore's centers, enterprise management systems, supplier performance and qualification assessments, and energy transition measures.

2.1.4.4 FLEET

MANAGEMENT APPROACH

The 'Ocean Infrastructure' value platform encompasses a fleet of 15 FPSOs and 1 semi-submersible unit, geographically distributed across the globe. To support the energy transition, the fleet aims to provide traditional hydrocarbon energy with the lowest possible carbon emissions during the production phase. The fleet adheres to, and applies, the management approach of the wider SBM Offshore organization. Key to this are policies, commitments and mechanisms described in sections 2.1.2 and 2.1.4. There is a sharp focus on continuous improvement. This is achieved by identifying learning opportunities and embedding the resultant lessons into SBM Offshore's corporate memory; the Group Enterprise Management System (GEMS) and Group Technical Standards (GTS).

An experienced workforce comprising of more than 3,600 personnel ensures the safe, reliable and efficient operation of SBM Offshore's offshore assets, generating predictable and sustainable revenue and operating cash-flows for the business.

The SBM Offshore fleet had the following historic performance:

- Over 7.2 billion barrels of production cumulatively to date.
- 10,840 oil offloads cumulatively to date.

- 388.4 cumulative contract years of operational experience⁶.

SBM Offshore employs a proactive, risk-based approach to asset management, leveraging digital reliability and integrity solutions to automate surveillance, enabling a more optimized deployment of resources and increased efficiency and availability of safety, production and marine systems. To ensure that SBM Offshore's activities have a positive and sustainable impact on the local communities in which SBM Offshore is present, the fleet has several programs, aligned to the UN Sustainable Development Goals, focused on wellbeing and personnel development, emission reduction and protecting the environment.

FLEET PERFORMANCE

HSSE and Process Safety Performance

There has been an exceptionally high volume of activity in 2023 due to a number of integrity campaigns performed across the fleet. These campaigns leveraged a large external workforce and this, combined with the type of activities performed, has, in part, led to higher incident rates in the fleet this year.

The majority of these incidents have been relatively minor in nature and the number of events with potential for significant injury or Process Safety consequence have reduced as a result of ongoing focus on leading activities targeting areas of most risk.

Initiatives and developments to enhance operational safety, process safety, quality and efficiency were progressed throughout the year:

- Ongoing deployment of the health and wellbeing program.
- Maintained focus on Process Safety Management, barrier management and enhanced Marine Safety.
- Development and piloting of an enhanced Operational Assurance Program.
- Implementation of a revised online Competence Assurance System.

Development of Operations

- In 2023, two new units were delivered:
 - FPSO *Prosperity* joined the fleet in Guyana, achieving first oil on November 14, 2023.
 - FPSO *Sevetiba* joined the fleet on January 2, 2024, achieving first oil on December 31, 2023.
- In Brazil, decommissioning of FPSO *Capixaba* continued, the unit is scheduled to depart Brazilian waters early in 2024.

⁶ The cumulative contract years of operational experience is calculated based on the number of days in operations from first oil for each unit until the last day that SBM Offshore has operated and continue to operate, divided by 365.

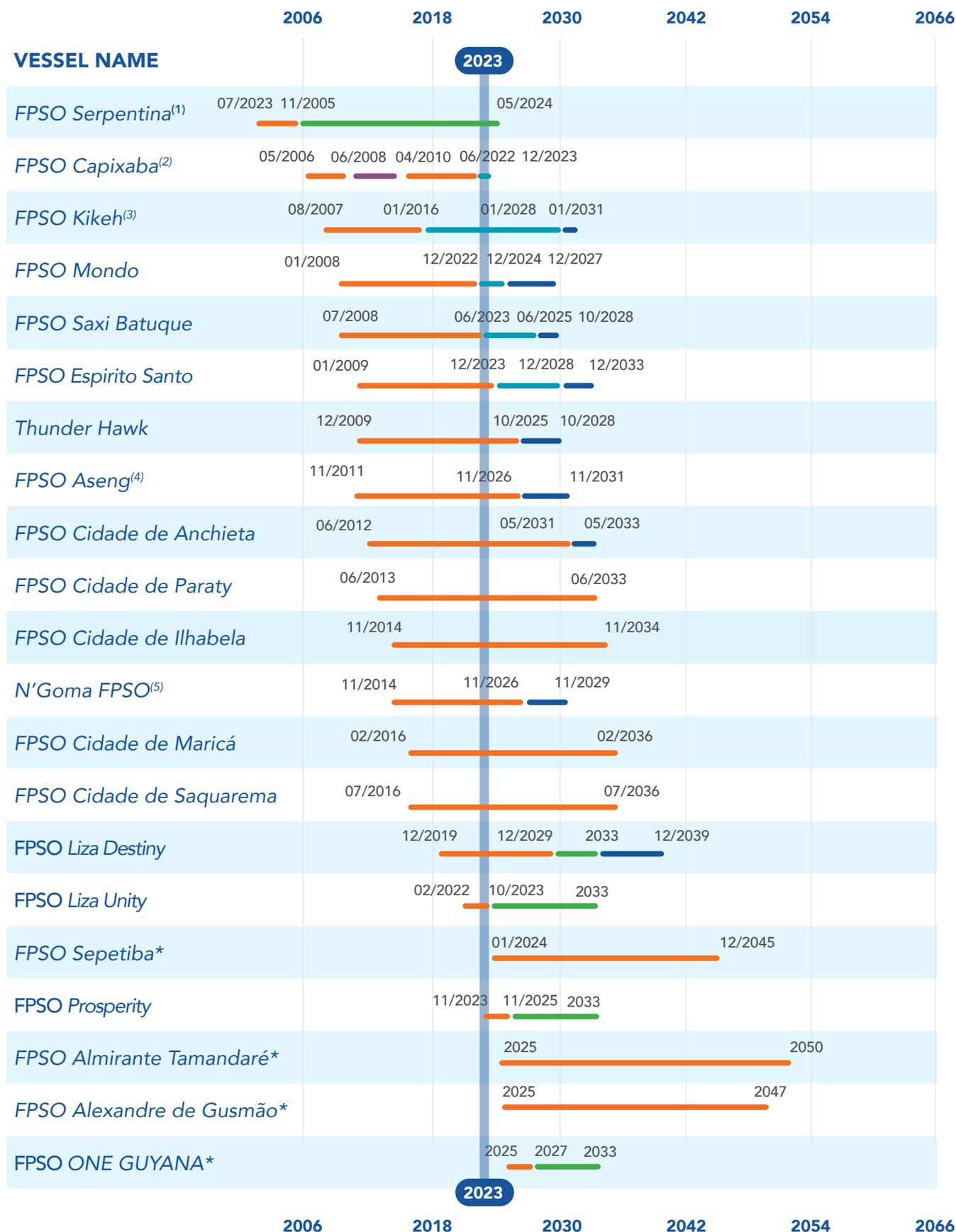
- In Angola, SBM Offshore signed two Share Purchase Agreements with its partner Sonangol EP for the acquisition of Sonangol's equity shares in the lease and operating entities related to *FPSOs N'goma, Saxi Batuque and Mondo*.
- In Guyana, SBM Offshore and ExxonMobil Guyana implemented a new integrated operating model:
 - On May 2, 2023, SBM Offshore announced it has signed a 10-year Operations and Maintenance Enabling Agreement with Esso Exploration & Production Guyana Ltd. for the operation and maintenance of the fleet of FPSOs in Guyana.
 - A transformation program was established to develop and implement an integrated operating model supported by fully defined and sustainable organization construct, processes and tools.
 - This strategy supports SBM Offshore's long-term business vision in Guyana, enabling SBM Offshore to perform local and sustainable investments in people and infrastructure as well as to deploy its digital and operational technologies to the Guyana fleet.
- In Porto, the Operations tactical center, implemented in 2022, became more established in 2023 with continued growth and increased remote support capabilities.
- The Digital Function has been consolidated to facilitate development of digital solutions and to unlock synergies in IT and Digital Ecosystem across the full product life-cycle.
- The deployment of SBM Offshore's new ERP system continued in Guyana. The system is now generating structured data that is used to identify further efficiency and performance improvement opportunities.
- SBM Offshore's 5-year Robotics Program, initiated in 2022, now has a dedicated team that has worked on three initiatives this year, of which one is in co-development with its client. The program aims to create a new technical discipline that will develop and deploy robotics technology in the fleet, following three key objectives: improve human safety, optimize working practices and enhance asset integrity.
- A new Brownfield Project Services (BPS) product line was formed to provide the following services in support of SBM Offshore's and its clients' fleets:
 - Brownfield project execution
 - Fleet support services
 - Production optimization feasibility studies
 - Shutdown management and planning
 - Decommissioning and responsible recycling services

BPS will leverage SBM Offshore's project execution expertise to serve the needs of its growing fleet. Benefits already realized include significant production increases on FPSOs *Liza Destiny* and *Liza Unity* through debottlenecking assessments and upgrades. BPS is also conducting tank repair works onboard *FPSO Cidade de Anchieta*.

OPERATIONS FLEET

VESSEL NAME	CLIENT	COUNTRY	1ST OIL/GAS DATE
<i>FPSO Serpentina</i> ⁽¹⁾	MEGI	E.GUINEA	2003
<i>FPSO Capixaba</i> ⁽²⁾	PETROBRAS	BRAZIL	2006
<i>FPSO Kikeh</i> ⁽³⁾	PTTEP	MALAYSIA	2007
<i>FPSO Mondo</i>	EXXONMOBIL	ANGOLA	2008
<i>FPSO Saxi Batuque</i>	EXXONMOBIL	ANGOLA	2008
<i>FPSO Espirito Santo</i>	SHELL	BRAZIL	2009
<i>Thunder Hawk</i>	QUARTERNORTH/DAA	USA	2009
<i>FPSO Aseng</i> ⁽⁴⁾	CHEVRON	E.GUINEA	2011
<i>FPSO Cidade de Anchieta</i>	PETROBRAS	BRAZIL	2012
<i>FPSO Cidade de Paraty</i>	PETROBRAS	BRAZIL	2013
<i>FPSO Cidade de Ilhabela</i>	PETROBRAS	BRAZIL	2014
<i>N'Goma FPSO</i> ⁽⁵⁾	AZULE ENERGY	ANGOLA	2014
<i>FPSO Cidade de Maricá</i>	PETROBRAS	BRAZIL	2016
<i>FPSO Cidade de Saquarema</i>	PETROBRAS	BRAZIL	2016
<i>FPSO Liza Destiny</i>	EXXONMOBIL	GUYANA	2019
<i>FPSO Liza Unity</i>	EXXONMOBIL	GUYANA	2022
<i>FPSO Sepetiba</i> *	PETROBRAS	BRAZIL	2024
<i>FPSO Prosperity</i>	EXXONMOBIL	GUYANA	2023
<i>FPSO Almirante Tamandaré</i> *	PETROBRAS	BRAZIL	2025
<i>FPSO Alexandre de Gusmão</i> *	PETROBRAS	BRAZIL	2025
<i>FPSO ONE GUYANA</i> *	EXXONMOBIL	GUYANA	2025

— Initial Lease Period
 — Contractual Extension Option
 — Confirmed Extension
 — Operations & Maintenance only
 — Conversion



* Under construction.

(1) FPSO *Serpentina* is owned by the client and is operated by Gepsing – a subsidiary between SBM Offshore (60%) and GEPetrol (40%).

(2) Decommissioning of FPSO *Capixaba* continued in 2023 and the unit is scheduled to depart Brazilian waters early in 2024.

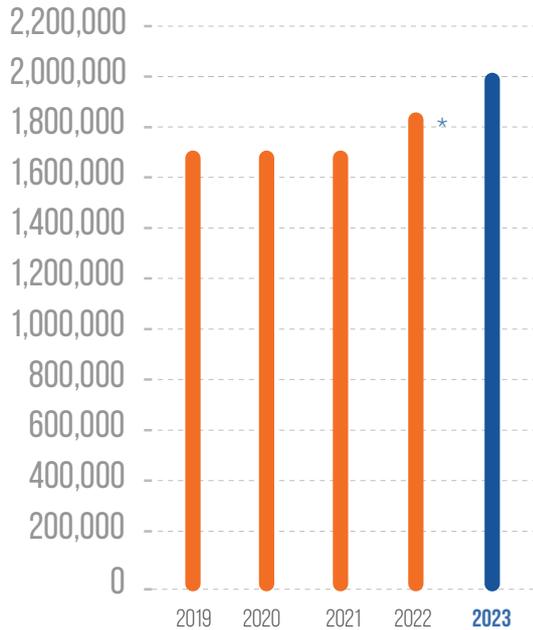
(3) Conditional contractual extension options until 2031.

(4) Noble Energy EG Limited is now a wholly-owned indirect subsidiary of Chevron Corporation.

(5) ENI Angola SpA merged with BP to form a new Incorporated Joint Venture in Angola ('Azule Energy').

2 PERFORMANCE REVIEW AND IMPACT

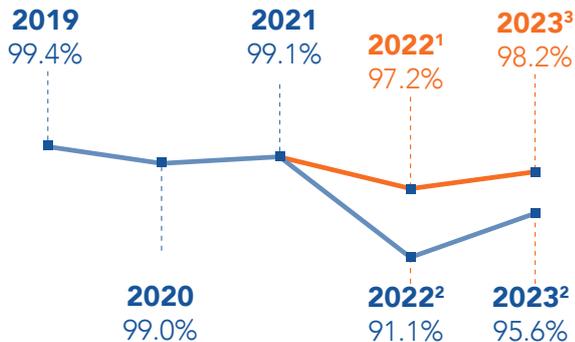
FLEET OIL PRODUCTION CAPACITY (bopd)



The fleet capacity of oil production per day in 2023 was **2,019,000 barrels of oil**.

* including FPSO Capixaba 100,000 bopd

FLEET UPTIME DATA FOR PERIOD 2018 – 2022



1. Fleet uptime without FPSO Cidade de Anchieta
2. Actual combined fleet uptime
3. Fleet uptime without FPSO Mondo

Asset Management

As offshore installations age, the original coating systems become less effective, leading to an increase in the integrity scope over time. Capacity to accommodate resources onboard is limited and maintaining the integrity of aging assets is a major challenge for the industry. Production on FPSO Mondo was shut in for 5 months to perform integrity inspections and repair scope that had accumulated through the COVID-19 period.

SBM Offshore is implementing the Pro-active Integrity Program for the fleet to avoid reoccurrence and to instill a strong integrity culture in which SBM Offshore prioritizes compliance with inspection schedules, implementation of new technologies and corrosion prevention.

The new Asset Management Philosophy introduced in 2022 was further developed in 2023 based on initial feedback. The main purpose is defined as providing maximum availability of the Production, Marine and Safety systems on SBM Offshore's assets, by ensuring reliability and integrity through the lines of defense model as follows:

1. Predict: leveraging digital and artificial intelligence solutions to perform surveillance and early identification of potential anomalies.
2. Prevent: enriched asset management tools to improve the quality and efficiency of maintenance and inspection activities.
3. Recover: robust anomaly management and response to ensure that recovery from events is addressed and in the shortest possible time.
4. Improve: continuous improvement through feedback of operational experience into the design process for new builds and the operating fleet.

The main strategic focus in 2023 was to optimize the maintenance and inspection workload offshore in order to free up resources to perform hull and piping integrity inspection and fabric maintenance campaigns on all assets. The optimization resulted in a 30% reduction in maintenance work orders and a positive trend of compliance with the class hull inspection program can be observed.

Responsible Recycling

SBM Offshore commits to the safe and environmentally sound recycling of assets at the end of their lifecycle, performed in full compliance with SBM Offshore's Responsible Recycling Policy, applying – amongst others – the principles of the EU Ship Recycling Regulation 1257/2013 or equivalent.

During 2023, two projects were in progress; the decommissioning and preparing for recycling of FPSO Capixaba and the recycling of the Deep Panuke MOPU PFC. Details on these projects and the management approach to decommissioning are provided in section 2.1.12.

FUTURE

New Fast4Ward® assets will join the fleets in Brazil and Guyana, leading to growth offshore and onshore:

- In Guyana, FPSO Prosperity has arrived and preparations are ongoing for the arrival of FPSO ONE GUYANA in 2025. SBM Offshore continues to expand and embed its