



2023 ANNUAL REPORT



developments in the renewables market and SBM Offshore's ESG ratings performance. The effectiveness of actions related to these metrics is monitored through the regular business reporting cycle involving the Management Board.

SBM Offshore's strategy addresses material topics, aiming for a leadership position, from an economic, environmental and societal stand point. Through market positioning, SBM Offshore addresses the competitiveness risks mentioned in section 1.4.2.

2023 PERFORMANCE

Performance is detailed in subsections of 2.1. The following achievements were made in 2023:

- FEED contract award for FSO project: Trion.
- FEED contract award for FPSO project: *Whiptail*.
- The FPSO *Liza Unity* purchase option was exercised by ExxonMobil Guyana.
- A 10-year agreement with ExxonMobil Guyana for the operations and maintenance of the Guyana FPSO fleet. The lease terms and durations remain the same for all units. SBM Offshore will operate the units through an Integrated Operation Model, which encompasses an organization model including seconding ExxonMobil Guyana employees in some key onshore and offshore positions. This model will combine both companies' experience and resources to increase team efficiency and foster synergies.
- Fleet size of 16: 15 FPSOs and 1 Semi-submersible. (Including FPSO *Prosperity*).
- 388.4 years of cumulative operating experience.
- Five FPSO projects under construction and two Fast4Ward® multi-purpose floaters, including MPF #7 allocated to the *Whiptail* development project.
- Contract award for the marine installation for both Trion projects, the semisubmersible-based Floating Production Unit and the FSO, which will be SBM Offshore's largest ever installation scope.
- Launch of digital solution platform, SBM+, designed for offshore asset management. SBM+ delivers services based on solutions currently deployed and tested on SBM Offshore's fleet. It unlocks the full potential of data to transform offshore asset operations by empowering clients to optimize their assets' performance and leverages SBM Offshore's proven track record, industry expertise, operational framework and innovative digital solutions.
- Solid sustainability rankings – most notably in S&P Global, CDP and Sustainalytics (section 2.2).
- Part of Euronext's AEX® ESG Index, an index of shares of Dutch-listed companies with a strong ESG performance (25 best-in-class performer).

FUTURE

In 2024, SBM Offshore's focus remains the safe and reliable execution of its ongoing projects and operation of its fleet. SBM Offshore also continues to engage early with clients and vendors to make further progress on the emissionZERO® program and enable the energy transition by leveraging SBM Offshore's unique capabilities in floating solutions. To further advance the energy transition and SBM Offshore's role in this, SBM Offshore will continue to seek innovation in line with stakeholders' needs and offer digital solutions to the market.

2.1.12 DECOMMISSIONING

MANAGEMENT APPROACH

SBM Offshore is committed to the safe and environmentally sound recycling of assets at the end of their lifecycle, performed in compliance with SBM Offshore's Responsible Recycling Policy, applying the Hong Kong Convention rules and the principles of the EU Ship Recycling Regulation 1257/2013 or equivalent.

The processes surrounding the end-of-life recycling of products are vital to sustainability and SBM Offshore works to ensure that responsible recycling is carried out and that internationally-recognized regulations are followed. SBM Offshore has a 'Vessel Decommissioning and Recycling Process', which details the key steps in conducting the responsible recycling of an offshore production facility.

SBM Offshore works with recycling facilities that have suitable infrastructure, an adequate management system, including health and safety procedures in place, and trained staff. SBM Offshore's process includes inspecting all vessels for hazardous materials identification and ensuring a controlled removal and disposal of such materials as part of the decommissioning and recycling of the vessel. SBM Offshore considers the environmental and social impacts related to the decommissioning and recycling activities of each vessel, with the objective of minimizing adverse impact while pursuing maximization of the circular economy.

2023 PERFORMANCE

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.

The recycling of Deep Panuke is being performed locally in Nova Scotia, Canada. Recycling is progressing as per plan and nearing 100% by end of 2023. Of the total mass of the Deep Panuke facility, 97% has been recycled, reused, or repurposed. The remaining 3% consists of waste, which was safely disposed of, meeting the environmental