



2023 ANNUAL REPORT



5 ESG INFORMATION

5.1 SCOPE OF ESG INFORMATION

5.1.1 REPORTING ABOUT ESG INFORMATION

This annual report has been prepared in accordance with the latest GRI Standards, the revised 2021 Universal Standards and Oil & Gas Standards. SBM Offshore has used the GRI Standards to determine material aspects for this year's Annual Report. The Sustainability Statement was developed, based on the methodologies and disclosure requirements of the Global Reporting Initiative Standard, and organized into chapters that address the most relevant environmental, social and economic matters. In anticipation of European Sustainability Reporting Standards (ESRS) requirements, SBM Offshore ran a double materiality assessment, a gap analysis and included additional disclosures in this report. The Sustainability Statement is prepared on a consolidated basis, aligned with the consolidation of SBM Offshore financials. Specific explanations of the scopes can be found in this chapter. The Sustainability Statement covers impacts within the upstream and downstream value chain of SBM Offshore, explained in the below paragraphs.

5.1.2 MATERIALITY METHODOLOGY

SBM Offshore conducts a materiality assessment in order to include the topics in the Annual Report that can reasonably be considered important for reflecting the organization's economic, environmental and social impacts, or influencing the decisions of stakeholders.

For SBM Offshore, it is critical to understand the context of the company and the interest of its stakeholders and the impact on them, the environment and society. This understanding is raised through continuous dialogue and through SBM Offshore's Materiality Assessment. Insight is obtained through materiality interviews and risk identification, which aim to validate SBM Offshore's strategy and derive an updated overview of topics with high stakeholder interest and impacts.

PROCESS

Every four years, SBM Offshore executes a revision of its Materiality Assessment. In the years in between, SBM Offshore conducts updates to its Materiality Assessment, to follow the understanding of the surrounding context, including changes in economic, environmental and societal impacts.

In 2023, the revision of the Materiality Assessment was done also with the objective to be ready for CSRD compliance, i.e. the 'Double Materiality' as explained in section 1.2.2. In this sense, SBM Offshore designed a double materiality process with an impact materiality assessment in accordance with GRI standards and a

financial materiality based on ESRS requirements.

SBM Offshore conducted the following steps to assess the material topics from both perspectives, in order to ensure actions for strategy and planning the most relevant issues, as well as reporting the level of information required by stakeholders in the Annual Report.

Step 1 – Stakeholder Map and Long Listing of Topics:

This step is part of an understanding of SBM Offshore's context – as per the strategic planning process, leveraging external economic sources and existing guidance on potential environmental and societal impacts inherent to the industry. Peer and client benchmarking and best practices, as well as different standards and guidelines (such as GRI, SASB, IPIECA and ESRS), were used for the definition of each topic and correlation with their respective subtopics. The basis for identifying and selecting stakeholders for engagement during this process resides in the importance of these stakeholders to SBM Offshore and their interest in SBM Offshore's activities.

Step 2 – Define Impact Materiality with Internal and

External Stakeholders: A survey – under internal experts – where the topics from the long-list were ranked on scope, scale, irremediability and likelihood for potential impacts. The ranking methodology was designed based on the risk matrix used in SBM Offshore's ERM. The 'Impact Materiality', as defined by ESRS, is considered aligned with the GRI requirement to perform a Materiality Assessment.

Step 3 – Define Financial Materiality with Strategy, Risk, Finance and Sustainability professionals:

This methodology was aligned with the current processes and thresholds used in risk and financial analyses carried out by SBM Offshore, as well as with a perspective of analyses per capital.

Step 4 – Validation:

Engagement with key stakeholders and senior management to validate areas of impact (as per the materiality process). For internal and external stakeholders this was done through video calls. In these meetings, outcomes of the 'Impact Materiality' were validated. Senior management engagement occurred in meeting, discussing and validating the list of material topics. The Management Board approved the final list of material topics. The list was also presented to the Supervisory Board.