



2023 ANNUAL REPORT



5 ESG INFORMATION

Restatement – Scope 1 and Scope 2 emissions

During 2023, SBM Offshore gained access to new data related to energy consumption. It concerned the consumption of gas in the laboratory site in France and the use of back-up generators for power consumption by the owner of the building in Angola. This resulted in an increase in Scope 1 disclosure data. For 2022 numbers, the restatement represents an increase of 365 tonnes of CO₂e – from 172 tonnes to 537 tonnes of CO₂e.

For Scope 2 emissions, SBM Offshore found a miscalculation in its Netherlands energy consumption, impacting emissions as well. The location-based emissions for 2022 have changed from 2,140 tonnes of CO₂e to 2,039 tonnes, the market-based emissions from 1,280 to 1,351 tonnes of CO₂e and energy use in offices from 26,082 GJ to 31,182 GJ.

5.2.3 PROCESS SAFETY REPORTING

A Loss of Primary Containment (LOPC) is defined as an unplanned or uncontrolled release of any material from primary containment, including non-toxic and non-flammable materials (e.g. steam, hot condensate, nitrogen, compressed CO₂ or compressed air).

A Tier 1 PSE is defined as an LOPC from a process system that meets criteria defined in API RP 754.

LOPC events are reported in SBM Offshore's reporting system as highlighted in sections 2.1.2 and 5.3. This system includes a built-in calculation tool to assist the user in determining the release quantity of LOPC events. All LOPCs are analysed to identify those considered to be PSEs as per API RP 754. Process Safety KPIs used by SBM Offshore include the number of Tier 1 PSEs.

SBM Offshore encourages employees and contractors to report the PSE minor LOPC (weeps an seeps) and precursors (e.g. integrity conditions, losing items), using them as a basis for leading initiatives aiming at minimizing the probability of major events occurring.

For the purposes of incident reporting, SBM Offshore reports against the three levels of incident Tier used by IOGP 456/ API 754. Tier 1: All events having actual severity of 4 or 5 as defined in the Common Thresholds Matrix. Tier 2: All events having an actual severity of 3 as defined in the Common Thresholds Matrix. Tier 3: All events having actual severity of 1 or 2 as defined in the Common Thresholds Matrix.

5.2.4 HUMAN RESOURCES REPORTING

SBM Offshore's Human Resources (HR) data covers the global workforce and is broken down by region (continents) and employment type. The performance indicators report on the workforce status at year-end December 31, 2023. They include all staff assigned on unlimited or fixed-term contracts, employee new hires and departures, the total number of locally-employed staff from agencies and all crew working on board the offshore operations units and shore bases.

HEADCOUNT, TURNOVER, EQUAL REMUNERATION AND NATIONALIZATION

Human Resources considers:

- a 'Direct hire' employee 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 SBM Offshore (including joint ventures). Direct hires perform mainly managerial, engineering and support activities.
- a 'Contractor' as an individual performing work for or on behalf of SBM Offshore. A contractor is not recognized as an employee under national law or practice (contractors do not form part of any of SBM Offshore's company payroll. Contractors issue invoices for services rendered). Contractors work on projects using their expertise to perform engineering or technical activities, especially on site.
- a 'Subcontractor' as an individual excluded from the headcount because subcontractors are not considered as staff in the HR headcount breakdown structure. Subcontractors are managed as a temporary service and are not covered by HR processes and policies. Yet, SBM Offshore has rigorous processes and procedures in place for subcontractors.

SBM Offshore includes 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.

SBM Offshore's headcount figures are based on the number of people, as individuals, that are working for SBM Offshore at a specific given time. Headcount includes all types of staff independently from their contract or their work schedule. The Annual Report figures are based on the headcount at December 31, 2023.

In principle, reporting on headcount includes contractors, while turnover only includes direct hires (no contractors). Turnover has been calculated as the number of employees who have left SBM Offshore (between January 1 and December 31, 2023) compared with the aggregate of the