

2025 ANNUAL REPORT

SBM OFFSHORE

TRUE.
BLUE.
TRANSITION.

3.7 REPORTING BOUNDARIES

ESRS 2 BP-1; BP-2; GOV-4; SBM-1; SBM-2; SBM-3; IRO-1, and ESRS E1; S1; S1-14; S2; G1

This section describes the boundaries of SBM Offshore's sustainability statement which, aligned with the financial statements scope, discloses information from January 1 to December 31, 2025 on a consolidated basis for SBM Offshore N.V. and subsidiaries.

3.7.1 GENERAL INFORMATION

CHANGES IN PREPARATION OR PRESENTATION OF SUSTAINABILITY INFORMATION

SBM Offshore follows a continuous improvement approach to enhance transparency, consistency and precision over time. In 2025, the methodology used to calculate work hours was revised to enhance accuracy, replacing the previously applied approach.

REPORTING ERRORS IN PRIOR PERIODS

SBM Offshore is not including in this report any restatement to correct material errors in prior periods. No material ESRS disclosure requirement was omitted on the grounds of it being classified or sensitive information.

EXTERNAL VALIDATION

SBM Offshore seeks to use metrics and set targets based on recognized standards, sectorial guidelines and benchmarks, science-based approach (when available), certifications, despite this the measurement of the metric is not specifically validated by an external body.

USE OF THIRD-PARTY INFORMATION

SBM Offshore incorporates third-party data when calculating KPIs for Scope 3 emissions under Category 1 (Purchased Goods and Services (PG&S) and Category 6 (Business Travel), as well as work hours data. Variations in data quality and reporting practices among suppliers may give rise to a degree of data limitations and related uncertainties, as prescribed under ESRS 1. However, these do not materially affect the completeness or reliability of the consolidated disclosures.

In addition, updates to SBM Offshore's calculation methodologies (e.g., Work hours) and the use of estimation techniques–applied in line with ESRS requirements for estimations and data proxies–may also introduce minor uncertainty. However, these uncertainties are assessed as non–material at the aggregated reporting level and do not compromise the faithful representation of the information. SBM Offshore also utilizes widely recognized emission factors and industry benchmark data sets to ensure accuracy and consistency in greenhouse gas (GHG) calculations.

A BRIEF DESCRIPTION OF THE DOUBLE MATERIALITY ASSESSMENT

The following steps were conducted in the 2023 DMA to assess impact and financial materiality perspectives, aiming to obtain a broad and accurate picture of SBM Offshore's most relevant impacts, risks and opportunities (further information on the materiality process conducted in 2023 is also available in section 3.3 of the 2024 Annual Report.)

Step 1 – Stakeholder map and long-listing of topics

This step is an analysis of SBM Offshore's context, as per the strategic planning process, leveraging external sources and existing guidance on potential environmental, social and governance impacts inherent in the industry. Peer and client benchmarks, best practices, general and sector standards and international guidelines (such as the GRI, SASB, IPIECA and the existing ESRS draft version) were used to define the topics, and respective subtopics, to be assessed. The basis for identifying and selecting stakeholders for engagement during each step of this DMA process resides in their relevance, expertise, impact and interest in SBM Offshore activities.

Step 2 – Define impact materiality with internal and external stakeholders

Through an extensive questionnaire, internal experts identified and ranked actual, potential, positive and adverse impacts related to a list of 23 topics, evaluating the scope, scale, irremediability and likelihood of the impacts. The ranking methodology was designed, based on the risk matrix used in SBM Offshore's Enterprise Risk Management (ERM) process. This impact materiality, as prescribed by ESRS, is considered aligned with other well recognized international reporting standards (as GRI and others) to perform a materiality assessment.

Step 3 – Define financial materiality with strategy, risk, finance and sustainability professionals

Financial Materiality aims to evaluate material financial effects via an evaluation of how the long list of topics, and their related risks and opportunities, generate potential financial effects for SBM Offshore. The financial materiality methodology was aligned with the current processes and thresholds used in SBM Offshore's regular risk and financial analyses, as well as the input from analyses per capital (financial, manufactured, intellectual, human, social and relationship, natural).

Step 4 – Threshold application

Once the topics were ranked on both – an impact and a financial – lens by relevant stakeholders, the scores were cross-referenced. SBM Offshore then applied a materiality threshold to the scores in order to determine which of the assessed topics should be considered double material for the organization[1].

Step 5 – Validation

Key internal and external stakeholders and senior management were engaged to validate areas of impact through the steps above. For internal and external stakeholders, the engagement was done through unrecorded video calls, allowing them to freely express their views on impact materiality. In 2023, the Management Board approved the DMA outcome (based on the GRI and ESRS draft version) with the 12 material topics to be used as the basis for strategy, target setting, performance management and reporting. The outcome was also presented to the Supervisory Board.

Step 6 – Update

In 2024, to comply with ESRS requirements and enable a clearer differentiation and a comprehensive and meaningful narrative, the Management Board has updated the DMA outcome resulting in considering out of the twelve:

- six topics purely business and strategic ones but not material as per ESRS, namely: Market position; Economic impact; Energy Transition; Operational Excellence and Quality; Innovation and Digitalization which are included in chapter 1 and
- six material topics as per ESRS namely: Emissions, Decommissioning, Our People, Health, Safety and Security, Human Rights and Ethics and Compliance which are included in this sustainability statement (chapter 3).

1 To ensure a focused and relevant disclosure, a threshold was set based on quantitative criteria considering the ranking of the impact and financial materiality assessment. Topics that do not meet this threshold were not considered material and are therefore not subject to detailed reporting under the ESRS framework.

MATERIAL TOPICS DEFINITIONS

Material Topics definitions

Environmental Topics	
Emissions	Manage scope 1, 2 and 3 emissions (GHG and Non-GHG emissions, such as methane, NOx, SOx emissions, etc.) to reduce them as much as possible.
Decommissioning	Decommissioning is a structured process of planning, preparation and execution for the eventual removal from service or reuse of an asset, while giving due consideration to the potential impact on the environment and communities. It includes the following activities: safe removal of hazards from an asset, recycling, restoration and remediation.
Social Topics	
Our People	Relates to all aspects of working life, from the quality and safety of the physical environment, to how workers feel about their work, their working environment, the climate at work and work organization. It covers the full life cycle – from hiring to training, development, remuneration and transitions. Providing a healthy work environment for employees, with training and education and regular performance feedback, and enabling them to grow through SBM Offshore with meaningful employment.
Health, safety and security	Occupational health and safety management system set of interrelated or interacting elements to establish an occupational health and safety policy and objectives. This includes Process Safety Management. The aim is to provide a safe, secure and reliable work environment for all employees, promoting good health, adequately protecting them from infectious diseases and providing a secure work environment.
Human rights	Human rights: rights inherent to all human beings, which include, at a minimum, the rights set out in the United Nations (UN) International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. SBM Offshore strives to provide a work environment for employees in which basic human rights for all employees are respected and maintained. Ensure social dialogue with regards to labor conditions and impacts on communities.
Governance Topics	
Ethics and compliance	Being a trustworthy organization by complying with rules, regulations and SBM Offshore's code of conduct, including anti-corruption policies, procedures and mechanisms. Ethics provide the framework for making ethical decisions and drive responsible behavior. Compliance ensures decisions and actions are aligned with the Code of Conduct and legal/regulatory requirements.

KEY INDICATORS PER MATERIAL TOPIC

Key indicators per Material Topic

Material Topic	KPI	Definition
Emissions	Average Flaring	Volume of Operational Excellence gas flared expressed in Million Standard Cubic Feet per day. This KPI relates to the portion of flaring that SBM Offshore Operations can influence and that reflects the quality of SBM Offshore's operation. This KPI applies only to the units operated by SBM Offshore.
	Scope 1, 2 and 3 GHG emissions	Greenhouse gas emissions for each scope in tonnes of CO_2 equivalents (tCO_2e)
	GHG emissions intensity	Greenhouse gas emissions from scope 3 Downstream Leased Assets in tonnes of CO_2 equivalents per '000 tonnes of hydrocarbon production (tCO_2e/1000 ton HC produced).
	Energy use	Energy consumption in GigaJoules (GJ).
	Other significant air emissions *(non-GHG emissions)*	Non-greenhouse gas emissions, which are Carbon Monoxide (CO), Nitrogen Oxides (NOx), Sulfur Dioxide (SO_2) and Volatile Organic Compounds (VOCs), in tonnes.
Decommissioning	D&R Strategic Plans developed for target units	D&R Strategic Plans developed for target units. The target units in the reporting period are the offshore production facilities with cessation of production expected by 2029.

Key indicators per Material Topic

Material Topic	KPI	Definition
Our People	Engagement score (%)	Percentage of engagement score in Pulse Survey.
	New hires (# and %)	The total number and rate of new hires during the reporting period.
	Gender pay gap (#)	The average compa-ratio female/average compa-ratio male.
	Average of training hours (#)	The average of total training hours per employee during the reporting period.
	Employee turnover ratio (%)	The number of employees who have left SBM Offshore in the current reporting year (between January 1 and December 31) compared with the aggregate of the headcount on December 31 of the previous year and December 31 of the current year; divided by 2, with the result multiplied by 100.
	Performance appraisals completion (%)	Percentage of completed performance appraisals for permanent employees, temporary employees (from Brazil and the Netherlands), and JV staff (excluding *FPSO Kikeh*), covering those who joined SBM Offshore before October 1, and were still employed on December 31 of the year preceding the reporting period.
Health, safety and security	FPI (#)	The number of fatalities and permanent impairment injuries.
	TRIFR (#)	Total Recordable Incidents of the Year x 1,000,000/Total workhours of the year.
	LTIFR (#)	Total Lost Work Day Cases of the Year x 1,000,000/Total workhours of the year.
	Tier 1 Process Safety events (#)	The number of events having actual severity of 4 or 5 as defined in the Common Thresholds Matrix.
	Tier 2 Process Safety events (#)	The number of events having an actual severity of 3 as defined in the Common Thresholds Matrix.
	Oil spills (#)	Number of oil spills above 1 bbl (IOGP definition).
	Oil-in-water discharge to % below IOGP average	Oil in water to sea from Produced Water expressed in Tons of oil to sea per million tonnes of hydrocarbon production. This KPI applies only to the units operated by SBM Offshore.
	Maintained ISO certifications	Maintain SBM Offshore's ISO certifications in the reporting period.
Human rights	Suppliers signing supply chain charter (%)	The percentage of new suppliers qualified in the reporting period that signed SBM Offshore's Supply Chain Charter.
	Suppliers who have been screened on human rights questionnaire (%)	The percentage of new suppliers categorized as criticality A, B, C, or D who have been screened using the human rights questionnaire based on SBM Offshore Human Rights Standards.
	Yards that have completed desktop screening (#)	The number of yards that have completed desktop screening in the reporting period.
	Worker welfare audits (#)	The number of worker welfare audits completed in the reporting period.
Ethics and compliance	Reports received under SBM Offshore's Speak Up Policy (#)	The number of reports received under SBM Offshore's Speak Up Policy.
	Confirmed cases of corruption (#)	The number of corruption cases confirmed.
	Compliance Training (#)	The number of face-to-face training and e-learning sessions on compliance topics.