

2022
ANNUAL
REPORT



TRUE.
BLUE.
TRANSITION.

2 PERFORMANCE REVIEW AND IMPACT

2.1.8 DIGITALIZATION

MANAGEMENT APPROACH

The purpose of digitalization in SBM Offshore remains focused on improving the efficiency of the organization and leveraging data to learn from events. The related value creation is carefully monitored, and the benefits are reaped by the introduction of optimized work processes, the reduction of costs and emissions, the transformation of SBM Offshore's core products and ways of working and the creation of new digital services.

In 2022, SBM Offshore reorganized its IT and digital ecosystem through a more consolidated structure, leveraging four main pillars: Smart Enterprise, Smart Win and Execution, Smart Operations and Smart Services. The four pillars rely on a solid Information Technology infrastructure and a dynamic Enterprise and Product Lifecycle Data Management.

Digitalization gives new skills to employees, new services to clients and new business for suppliers. New functions within the organization are filled by new hires and experienced SBMers receive education and on-the-job training. Management of any impacts associated with cyber security is described in section 1.4.2.

2022 PERFORMANCE

Smart Enterprise: A resilient and responsive organization operates efficiently while providing better customer and business services using the latest enterprise applications. It enables better workplace productivity and enables a workforce to respond promptly to changes. In 2022, the main achievements under this pillar were:

- Deployment of the new ERP system in Brazil.
- Deployment of the Incident Management ERP module.

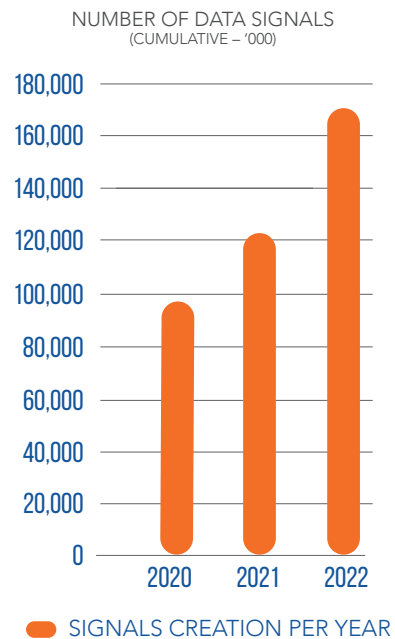
Smart Win and Execution: Increased Win and Execution data availability, quality and continuity from structured data and integrated digital solutions. The main achievements under this pillar in 2022 were:

- 3D Construction methods now well deployed at construction yards (three times more than in 2021).
- Engineering collaborative environment further developed and deployed, and staggered to further improve productivity of engineering data management and deliverables.

Smart Operations: An Operational Intelligence and Performance Optimization Center staffed with industry experts. Digital surveillance as the first line of defense to reinforce operational excellence and contribute to net-zero objectives. Remote monitoring, abnormal behavior detection, predictive operations and maintenance based on SBM Offshore-developed applications as well as

industry standard solutions. Signals captured from operations – used for data science – have increased by 41% during the year, driven by the addition of FPSO *Liza Unity*. The other main achievements under this pillar in 2022 were:

- Deployment of six new intelligent agents (artificial intelligence), supporting operational optimization and targeting new value creation.
- Fleet deployment of the Abnormal Behaviors Tracking Tool.



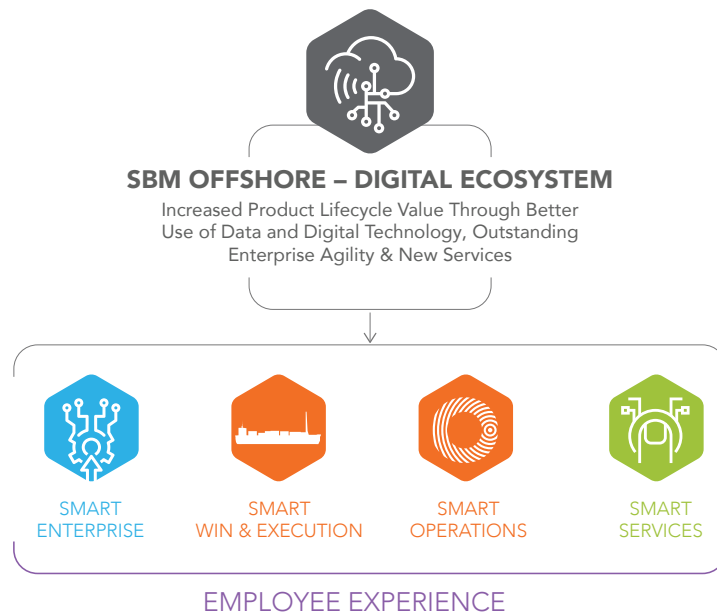
Smart Services: the New Energy and Services Product Line has a portfolio of services maximizing reliability, integrity and performances of offshore assets. Those services, such as Ex-integrity services, are tested on the SBM Offshore fleet to demonstrate their value before being commercialized. The 2022 main achievements under this pillar are:

- Deployment of intelligent agents (artificial intelligence) on third-party assets.

- Providing client access to the IDEA digital platform, which delivers design and historical data of CALM systems, sharing O&M best practices through live operational data.

SBM Offshore has also consolidated the transformational digital development functions and innovation activities into a **Digital Factory**, encompassing competencies such as data science and digital solutions development.

DIGITAL TRANSFORMATION AT SBM OFFSHORE



FUTURE

New technologies are rapidly evolving. SBM Offshore will benefit from these new technologies and will develop the skills and capacity necessary to adopt them.

2.1.9 INNOVATION

MANAGEMENT APPROACH

The key objective of innovation at SBM Offshore is to bring valuable new solutions to market that support SBM Offshore's energy transition strategy. All parts of the organization are encouraged to contribute to innovations in their field of expertise, from ideation to final implementation.

The development of new technologies is managed by the Group Technology Department. All innovation programs are aligned with the long-term strategies of the Product Lines and with key programs such as emissionZERO®, Fast4Ward® and Float4Wind®. Development roadmaps are kept up-to-date with technical and market developments through regular reviews.

SBM Offshore brings new technology to market through a structured stage-gate process to ensure that the technology is validated before being deployed. This Technology Readiness Level (TRL) process is based on American Petroleum Institute standards (API RP17N) and includes prototype testing and full FEED level definition of new systems as part of the qualification requirements.

SBM Offshore manages its IP portfolio by registering patents and trademarks, as well as through securing trade secrets and know-how. To ensure IP integrity, SBM Offshore manages the classification of documents and non-disclosure agreements with partners to restrict access to technology-sensitive documents. Freedom-to-operate checks are conducted to respect third-party rights.

As a result of this management approach, innovation is stimulated while risks associated with new technology deployment are mitigated (see section 1.4.2).