

2022
ANNUAL
REPORT



TRUE.
BLUE.
TRANSITION.

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 companies' 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 BRASA Yard in Brazil and 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 count of 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, 2022.

In principle, reporting on headcount includes the Contractors, while turnover only includes Direct Hires (no Contractors). Turnover has been calculated as the number of employees who have left SBM Offshore in 2022 (between January 1 and December 30, 2022) compared with the aggregate of the headcount on December 31, 2021 and December 31, 2022; divided by 2, with the result multiplied by 100.

Concerning Equal Remuneration, we only consider Direct Hires (excluding Joint Ventures and Internships) and the breakdown concerns Monaco, the Netherlands, Brazil, Malaysia, Switzerland and Porto. The Gender Pay Gap has been calculated as such: average compa-ratio female/ average compa-ratio male.

For fleet operations, engagement and development of the local workforce are the main indicators for successful implementation of the local content development plan. SBM Offshore monitors the percentage of local workforce (excluding Contractors) – the percentage of nationalization per region (the majority of SBM Offshore's offshore population are located in Brazil, Angola and Guyana, as shown below) – and invests in training to increase or maintain the targeted level of nationals. For example, specific programs in the countries mentioned below focus on education and training of nationals to facilitate them entering the workforce with the required level of qualifications and knowledge.

- 89% of Brazilian direct hire workforce consists of Brazilian nationals.
- 82% of Angolan direct hire workforce consists of Angolan nationals.
- 48% of Guyanese direct hire workforce consists of Guyana nationals.

PERFORMANCE MANAGEMENT

In order to ensure personal development and the optimal management of performance within SBM Offshore, SBM Offshore conducts annual performance reviews for all employees. Globally, SBM Offshore uses a common system to rate and evaluate all employees. For the reporting on Performance Appraisals, SBM Offshore included all Permanent Staff, Temporary (only from Brazil and the Netherlands) and JV Staff (apart from *FPSO Kikeh*) of all employees that joined SBM Offshore before October 1, 2021 and that were still with SBM Offshore on December 31, 2021.

COLLECTIVE BARGAINING

Within SBM Offshore, three entities conduct a yearly bargaining process: Angola, Brazil and the Schiedam entity in the Netherlands. In the other entities of SBM Offshore, direct hire employees are commonly represented by internal representatives that are elected on yearly basis and according to the respective countries' labor practices. In the few places where employee representation is not organized, SBM Offshore considers the employee handbook as a valid labor agreement between the employee and the employer.

5.2.5 COMPLIANCE REPORTING

SBM Offshore reports on significant fines paid by SBM Offshore and all affiliate companies. To define a significant fine the following threshold is considered (subject to final assessment by Management Board on a case-by-case basis): operational fines of a regulatory and/or administrative nature which exceed US\$500,000.

5 NON-FINANCIAL INFORMATION

5.3 NON-FINANCIAL INDICATORS

5.3.1 HEALTH, SAFETY AND SECURITY

Health, Safety & Security

	Year to Year		2022 – By Operating Segment	
	2022	2021	Offshore	Onshore
Exposure hours				
Employee ¹	19,277,860	15,657,445	5,217,070	10,582,744
Contractor ²	33,591,887	28,463,290	3,478,046	33,591,887
Total Exposure hours	52,869,747	44,120,735	8,695,116	44,174,631
Fatalities (work related)				
Employee	0	0	0	0
Contractor	1	0	0	1
Total Fatalities	1	0	0	1
Fatality Rate (Total)³	0.004	0	0	0.005
Injuries				
Serious work-related Injury Employee ⁴	0	0	0	0
Serious work-related Injury Contractor ⁵	1	0	1	0
Serious work-related Injury Rate Employee ⁶	0	0	0	0
Serious work-related Injury Rate Contractor ⁶	0.006	0	0.02	0
Serious work-related Injury Rate (Total)⁷	0	0	0	0
Total Recordable Injury Employee	4	9	3	1
Total Recordable Injury Contractor	27	4	15	12
Total Recordable Injury Rate Employee⁸	0.04	0.11	0.12	0.02
Total Recordable Injury Rate Contractor⁸	0.16	0.03	0.86	0.07
Total Recordable Injury Frequency Rate (Total)⁸	0.12	0.06	0.41	0.06
Occupational Illness				
Employee	0	0	0	0
Contractor	0	0	0	0
Total Recordable Occupational Illness Frequency Rate (Employees only)⁹	0.00	0	0.00	0

1 Direct hires, part-time employees, locally hired agency staff ('direct contractors') in the fabrication sites, offices and offshore workers, i.e. all people working for SBM Offshore.

2 Any person employed by a contractor or contractor's sub-contractor(s) who is directly involved in execution of prescribed work under a contract with SBM Offshore.

3 Fatalities per 200,000 exposure hours.

4 Work-related injury that results in an injury from which the Employee cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months, excluding fatality.

5 Work-related injury that results in an injury from which the Contractor cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months, excluding fatality.

6 Serious work-related injuries per 200,000 exposure hours.

7 Total Serious work-related injuries per 200,000 exposure hours.

8 Recordable injuries per 200,000 exposure hours.

9 Occupational illnesses per 200,000 exposure hours.

Process Safety

	Year to Year		2022 – Regional Breakdown			
	2022	2021	Brazil	Africa	Guyana / North America	Asia
API 754 Classified Materials (by TIER)						
Tier 1 incidents (number)	4	1	2	1		1
Tier 2 incidents (number)	8	3	3	1	2	2