



2024 ANNUAL REPORT



TRUE.
BLUE.
TRANSITION.

3.5.3 HUMAN RIGHTS

OUR APPROACH

Policies

SBM Offshore is committed to embedding human rights principles throughout the organization. This commitment aligns with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPR), including the principles and rights set out in the fundamental conventions outlined in the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights. By implementing comprehensive policies and procedures across all operations, SBM Offshore aims to ensure the safety and well-being of employees and workers in the value chain, striving to achieve a 'no harm' approach while conforming to the minimum safeguards in economic activities undertaken.

The above international guidance drives SBM Offshore's corporate values, Code of Conduct, Sustainability Policy and also supports the alignment of SBM Offshore's Human Rights program with United Nations Sustainable Development Goals (SDGs). The Human Rights Standards express SBM Offshore's commitment on issues such as – among others – forced labor, child labor, human trafficking, working and living conditions, living wage and freedom of association.

The Supply Chain Charter, which covers environmental, social and governance criteria, together with the Human Rights Standards, help establish the best way to drive the business. They identify and address the main human rights impacts affecting Our People and value chain workers, and also communicate SBM Offshore's purposes and Human

Rights commitments, defining the principles expected to be upheld by Our People, suppliers of any tier and business partners.

SBM Offshore updates its Modern Slavery Statement annually to reflect the changing business environment and highlights its activities to prevent modern slavery, trafficking in human beings, forced or compulsory labor and child labor within the organization and supply chain.

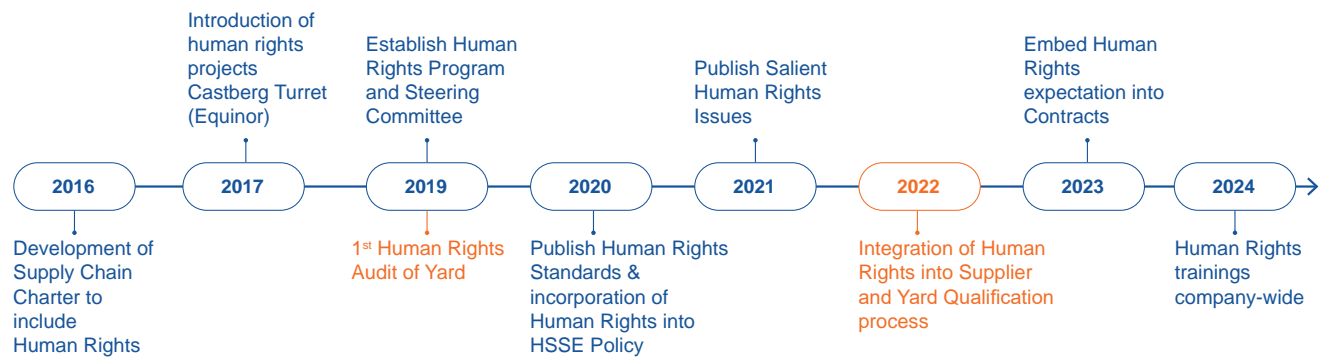
When setting or updating policies, SBM Offshore considers the outcomes of regular stakeholder engagement and other processes, such as due diligence and salience, to understand and include the impacts and interests of main stakeholders.

As one of the ESG material topics, human rights risk performance targets are developed in line with SBM Offshore's risk appetite (section 1.4.1) and monitored on a quarterly basis. Potential human rights risks are captured in SBM Offshore's risk management system.

The governance of human rights is the responsibility of the Group HSSEQS Director, part of the Executive Committee, and the group sustainability team with the functional ownership and activities to embed human rights in the organization to mitigate negative and increase positive impact include:

- Continuous improvement of internal procedures and guidelines;
- Setting targets with business functions and assessing the effectiveness of the results;
- Developing human rights training for the organization;
- Facilitating stakeholder engagement;
- Monitoring and reporting the due diligence progress.

HUMAN RIGHTS PROGRAM: OUR JOURNEY



Due Diligence Process

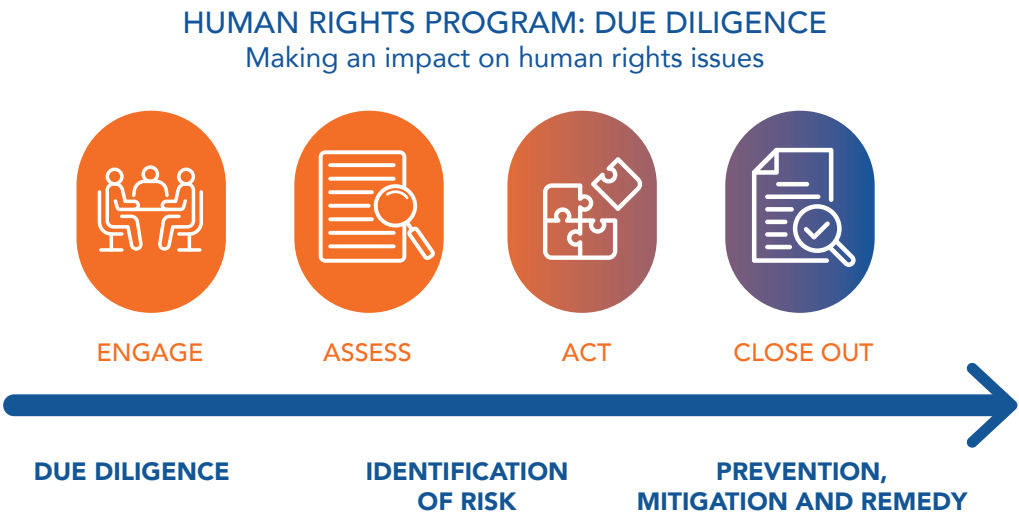
Key to SBM Offshore's approach to human rights is the due diligence process. Demonstrated in the illustration below,

the due diligence is supported by a performance management process with action trackers, dashboards and

3 SUSTAINABILITY STATEMENT

reporting to senior management. SBM Offshore recognizes that, despite having strong human rights policies, some subcontractors’ activities occasionally fall short of expectations, especially in areas with diverse local

regulations. To address this, SBM Offshore pre-assesses suppliers, conducts human rights assessments and performs due diligence within its operations and supply chain.



Engagement

For human rights, SBM Offshore’s key stakeholders include workers in SBM Offshore’s Tier 1 suppliers and construction yards. SBM Offshore engages with suppliers and yards through various activities, such as:

- Leadership site visits and management-level discussions by the HSSEQS director and other leadership members.
- Regional Vendor Days involving local supply chain leadership and suppliers, for example, Brazil annual vendor day and Guyana bi-annual vendor day and annual worldwide Life Day.
- Industry collaboration with peers and ongoing dialogue to address human rights issues together at regular meetings (i.e. Dutch Human Rights Practitioner Group and the Contractor Leadership Forum, which periodically includes human rights on the agenda).

Assessment

Since 2022, SBM Offshore has enhanced its supplier and yard qualification process to go beyond basic standards. The updated process now includes a questionnaire which includes environmental, human rights and governance information. In 2023, these questionnaires were made accessible in four languages – English, French, Portuguese, and Chinese – to further improve inclusion.

In 2024, SBM Offshore hired ABS to perform a gap analysis between the current Supply Chain Management System and the requirements of the ISO 20400 Sustainable Procurement Guidance. Starting with dedicated training for the supply chain community, the action plan derived from the gap analysis will enhance the management of Supply

Chain and further contribute to implementation of the Corporate Sustainability Due Diligence Directive (CSDDD).

Construction yards, due to their type of work and workforce makeup, are considered more prone to human rights risks. Human rights assessments for yards have been conducted since 2019, and in 2024, on-site visits with human rights specialists became part of the qualification process. This has helped SBM Offshore identify key human rights risks in yard construction activities, notably:

- Indicators of forced labor (as defined by ILO) mostly in relation to payment of recruitment fees.
- Excessive overtime and limited rest periods.
- Substandard living conditions.
- Mental health issues.

SBM Offshore has deepened the understanding of value chain workers through this assessments. For example, yard workers in Asia and Southeast Asia, especially those in lower-skilled, lower-paid, or subcontracted roles, have potentially greater vulnerability and risk of exploitation or exposure to key human rights risks.

Yards will continue to undergo periodic human rights audits by third-party consultants. Additional ESG audits, linked to SBM Offshore’s project financing, have been conducted and assessed against IFC Performance Standards. These audits cover human rights and social issues, with any identified concerns integrated into SBM Offshore’s ongoing monitoring by its HSSE and Human Rights teams.

SBM Offshore started social impact assessments in Brazil, Guyana and Angola in 2024, including logistics warehouses, local communities and value chain workers in order to:

- continuously improve the understanding of local contexts, impacts, risks (including severe issues as forced and child labor) and opportunities in the countries where the fleet operates;
- be able to deliver better impacts for value chain workers.

Act and Close Out

If there are potential human rights risks identified, SBM Offshore will reach out to the supplier or yard to understand, raise awareness and seek improvement, to prevent and mitigate the risk. This could entail, for example, embedding human rights topics in contract agreements, aiming at making improvements in suppliers' internal process.

SBM Offshore works actively with yards on their human rights performance. So far no severe human rights incidents have been identified connected to the upstream and downstream value chain. After conducting the risk assessment and audits, SBM Offshore collaborates with the yards to develop worker welfare action plans to prevent, mitigate and/or remedy identified impacts, ultimately aiming to resolve (close out) the issue(s).

SBM Offshore has a global team of HSSE advisors who assist projects and yards in implementing action plans. This team currently monitors worker welfare action plans for five active yards and meets several times a year to review progress. Ongoing initiatives include:

- Worker Welfare Listening Tours – Regular 1-on-1 interviews with yard workers to gather feedback on specific topics, such as accommodation or food quality.
- Care Committee – Collaboration between clients and suppliers to address feedback and initiatives from value chain workers.
- Yard Accommodation Visits – Participation in inspections of workers' accommodation.

Grievance Mechanism

SBM Offshore's primary grievance mechanism, the Speak Up Line (see more information about the channel and processes related in section 2.5.2), is used to monitor and gather feedback on human rights in the value chain. Additionally, SBM Offshore has an operational grievance mechanism for workers in the value chain called the 'Voice Box', which is available at some active yards. A QR code enables workers to submit both positive and negative feedback, which can be managed by the local team or escalated as needed. The Voice Box addresses project-specific issues such as food quality, timely payments, the work environment and accommodation.

PERFORMANCE

Target

Human rights have been a key focus for SBM Offshore and have been part of the Code of Conduct since 2012. SBM Offshore has communicated the commitments and values to suppliers through the Supply Chain Charter since its inception in 2017. A significant advancement in integrating human rights into SBM Offshore's operations occurred in 2020 with the inclusion of human rights in SBM Offshore's HSSE Policy and the establishment of the Human Rights Standards directive. Since then, SBM Offshore has enhanced its due diligence processes for both suppliers and its own operations, improving the qualification process and conducting Human Rights Impact Assessments. SBM Offshore will continue to communicate human rights requirements to clients and suppliers, to continue reducing adverse impacts, promote positive impacts and manage material risks and opportunities.

The overall target regarding human rights is to integrate the topic into daily business and reporting to achieve no harm. In 2024, the dedicated targets were:

- 100% of active yards have undergone a human rights due diligence assessment;
- 100% of active yards with non-conformity items have an action plan;
- 100% of suppliers qualified during the year have signed the supply chain charter²²;
- 100% of ABCD²³ criticality suppliers qualified during the year have been assessed on human rights as part of supplier qualification process.

Capacity Building and Training

SBM Offshore promotes human rights awareness through on-boarding sessions and training, achieving 1906 training hours in 2024. During the year SBM Offshore launched two training courses for Our People:

- Human Rights Basics: raises awareness of human rights for all SBM Offshore employees.
- Human Rights for Supply Chain: develops expertise among within the Supply Chain community to identify and address human rights violations, particularly with suppliers.

Additionally, two internal HSSE staff members received Social Accountability audit certifications, enhancing SBM Offshore's capacity to identify human rights risks in Asia as SA8000 auditors.

²² Suppliers from all criticality classes are included.

²³ Criticality 'E' is defined for suppliers and items which have no criticality in criteria such as Health and Safety, Environment, Cost, Schedule and Reputation as these items fall outside the requirements of the severity and likelihood criticality rating process. In 2024, the ABCD criticality suppliers are around 66% of total suppliers qualified.