

2024 ANNUAL REPORT

SBM OFFSHORE

TRUE.
BLUE.
TRANSITION.

system that is used to collect data on all incidents occurring in all locations where SBM Offshore operates. In 2021, SBM Offshore developed and began using the IFS Incident Management/Corrective Action Preventive Action (IM/CAPA) module for Brazil operations. In 2022, the IFS IM/CAPA module was rolled out to Guyana, Angola and Malaysia operations as well as projects. In 2023, it was further rolled out to the remaining company locations, with the exception of *FPSO Serpentina*.

Safety incidents are reported based on the incident classifications as defined by the IOGP Report 2022s-June 2023. Occupational injuries and illnesses are reported based on the Occupational Safety and Health Administration (OSHA) definition and described in IOGP Report Number 393 2023 – Health Performance Indicators. The main type of work-related injury categories are related to line of fire and slips, trips and falls. Investigations, based on the type, criticality and severity of the event, are performed by specifically identified personnel using methods such as TapRoot® and 5 Whys. SBM Offshore is ISM certified for offshore production fleet and operation offices, as well as being compliant with ISO 45001 as per certification and classification table (section 5.5).

Employees are provided with HSS training to familiarize themselves with SBM Offshore's health, safety, and security rules and regulations. The training topics are based on the hazards identified through the above identification process as well as safety studies and regulatory requirements. The promotion of a speak up culture – as described in section 2.5.2– contributes to the identification process. Inclusion and non-retaliation are part of the Speak Up Policy.

Process Safety

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 CO_2 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 3.5.2 and 3.9. This system includes a built-in calculation tool to assist the user in determining the release quantity of LOPC events. All LOPCs are analyzed 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 and 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.

3.9.4 GOVERNANCE

ETHICS AND COMPLIANCE

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 the Management Board on acase-by-case basis): operational fines of a regulatory and/or administrative nature which exceed US$500,000.