



2024 ANNUAL REPORT



TRUE.
BLUE.
TRANSITION.

client in 2023. The change in consolidation method of FPSOs *N'Goma*, *Saxi Batuque* and *Mondo* for the Operational scope, triggered by the completion of the acquisition of shares from Sonangol EP, also contributed to this increase.

'Depreciation, amortization and impairment' increased compared with the prior year, mainly driven by movements in impairment losses, following the US\$39 million *FPSO Cidade de Anchieta* impairment (refer to paragraph 4.3.13 Property Plant and equipment) the year-on-year effect of which is partially offset by an impairment of a funding loan provided to some equity-accounted entities recognized in 2023.

Expenses related to short-term leases and leases of low-value assets amounted to US\$5 million (2023: US\$6 million).

The increase of 'Other costs' is mainly driven by the overall ramp-up of activities and the change in consolidation method of FPSOs *N'Goma*, *Saxi Batuque* and *Mondo*.

4.3.6 EMPLOYEE BENEFIT EXPENSES

Information with respect to employee benefits expenses are detailed as follows:

	<i>Note</i>	2024	2023
Wages and salaries		(503)	(420)
Social security costs		(67)	(57)
Contributions to defined contribution plans		(40)	(39)
Contributions to defined benefit plans		(2)	(2)
Share-based payment cost		(30)	(26)
Contractors' costs		(212)	(197)
Other employee benefits		(140)	(100)
Total employee benefits	4.3.5	(995)	(842)

Wages and salaries increased due to (i) *FPSO Prosperity* and *FPSO Sepetiba* joining the fleet during the last quarter of 2023 and early 2024 respectively, (ii) the full ramp-up on *FPSO Almirante Tamandaré* in December 2024 (before producing and being on hire) and (iii) the change in consolidation method of FPSOs *N'Goma*, *Saxi Batuque* and *Mondo* for the Operational scope.

Contractors' costs include expenses related to contractor staff not on the Company's payroll, linked to the Company's strategy of aiming to maintain flexibility in its workforce management. Other employee benefits mainly include commuting, training, expatriate and other non-wage compensation costs.

DEFINED CONTRIBUTION PLAN

The contributions to defined contribution plans include Company participation in the Merchant Navy Officers Pension Fund (MNOF). The MNOF is a defined benefit multi-employer plan, which is closed to new members. The fund is managed by a corporate trustee, MNOF Trustees Limited, and provides defined benefits for 21,281 (December 31, 2023: 21,936) Merchant Navy Officers and their dependents, out of whom 33 are SBM Offshore former employees.

The trustee apportions its funding deficit between participating employers, based on the portions of the fund's liabilities, which were originally accrued by members in service with each employer. When the trustee determines that contributions are unlikely to be recovered from a participating employer, it can re-apportion the deficit contributions to other participating employers.

Entities participating in the MNOF are exposed to the actuarial risk associated with the current and former employees of other entities through exposure to their share of the deficit of those other entities' default. As there is only a notional allocation of assets and liabilities to any employer, the Company is accounting for the MNOF in its financial statements as if it was a defined contribution scheme. There are no contributions to the plan agreed at present.