



OFFSHORE

ENERGY. COMMITTED.

ANNUAL REPORT 2020

4.8.1 REPORTING ABOUT NON-FINANCIAL INFORMATION

This Annual Report has been prepared in accordance with the GRI standards : Core option. The Company has used the GRI Standards to determine material aspects for this year's Annual Report .

4.8.2 MATERIALITY METHODOLOGY

SBM Offshore conducts materiality analysis according to the GRI Standards in order to include the topics in the Annual Report that can reasonably be considered important for reflecting the organization's economic, environmental, and social impacts, or influencing the decisions of stakeholders.

For the Company it is critical to understand the interest our stakeholders take and the impact SBM Offshore has on them. This understanding is raised through continuous dialogue and through our Materiality Analysis. This process delivers insight into which topics are considered a) most important to our stakeholders and b) to have the highest impact on the business context. Insight is obtained through materiality interviews, which aim to validate the Company's strategy and derive an updated overview of topics with high stakeholder and business impact (Material Topics).

UPDATE MATERIAL TOPICS

SBM Offshore conducted the following steps to assess the material topics in order to ensure the Report contains the level of information required by stakeholders.

- Step 1: Stakeholder Map & Long Listing of Topics
- Step 2: Short Listing of Topics with SBM Offshore Stakeholder Group Owners
- Step 3: Stakeholder Interviews & Surveys
- Step 4: Analysis & Reporting
- Step 5: Action for Strategy & Planning

As part of Step 1 the Company considered frameworks like GRI and SASB and looked at peers, clients and best practice. Above includes Management Board approval process as part of Step 4.

2020 MATERIAL TOPICS

In 2020, SBM Offshore applied a forced ranking approach in order to ensure only the most important topics were labeled as 'material'. This method also allowed for deeper engagements on the material topics selected. Topics were selected from a long list based on industry standards, market assessments and external expert views. From a long list of 40 topics, 20 were selected by SBM Offshore's stakeholder group owners as being the most relevant. These 20 topics are considered as key to company long-term value creation. The 20 topics formed a basis for engagement with our stakeholders resulting in 10 Material Topics, which are explained in section 1.2.2 in the Materiality Matrix. These topics enjoy the highest stakeholder interest with impact on the business context and therefore the ability to create and sustain value over time. The other 10 topics can be considered as key topics.

Details on how the matrix corresponds to GRI and reporting boundaries can be found in section 4.11.