2024 ANNUAL REPORT

SBM OFFSHORE

TRUE.
BLUE.
TRANSITION.

1.5 BUSINESS PERFORMANCE

ECONOMIC IMPACT

The main financial highlights of the year and their associated financial impact are reported in section 4.1.4 Financial Review Directional.

OPERATIONAL EXCELLENCE AND QUALITY

SBM Offshore recognizes that in order to be a high-performance company, it must strive for excellence. Operational Excellence and Quality includes themes such as 'Operational Governance' section 2.7 and 'Target Excellence' focusing on 'No Harm, No Defects, No Leaks'. This creates an environment to share experiences by leveraging collective knowledge, improving organizational learning and fostering collaboration.

SBM Offshore remains committed to full compliance with all applicable laws and regulations, delivering products and services meeting regulatory requirements and applicable specifications and requirements imposed by relevant stakeholders by:

- Promoting a quality and compliance culture.
- Maintaining SBM Offshore's certification to the ISO 9001:2015 Standard.
- Providing systematic identification of applicable regulatory requirements and ensuring their implementation.
- Achievement and maintenance of conformity, compliance and acceptance of SBM Offshore's products and services.
- Supporting continuous improvement of business processes and ways of working.

A key aim of the Operational Excellence function is to create a culture of continuous improvement. The function works in close collaboration with the Turnkey, Operations and Global Resources and Services organizations – for instance on the analysis of past performance and definition of lessons learned. These feed improvement of business processes and tools within the organization.

Through the above, SBM Offshore mitigates risks related to project execution, process safety, human capital, changes in laws and regulations and operational risks such as loss of integrity of aging assets, loss of certificate of class and disruption to the supply chain.

During 2024, all SBM Offshore's offshore facilities were accepted by all relevant authorities and regulators, with all related permits, licenses, authorizations, notifications and certificates duly granted and maintained – with the exception of the temporary suspension of two facilities by local regulators which were subsequently lifted. Offshore facilities have also remained in Class at all times, as required from both statutory and insurance perspectives. SBM Offshore incurred no operational fine that exceeded the threshold for the category of fines considered 'significant' (see section 3.9).

Furthermore, SBM Offshore actively promoted 'Target Excellence' through – amongst others – work front engagements, stand downs at yards, vessels and offices. SBM Offshore is proud of:

- Maintenance of SBM Offshore's ISO 9001:2015 certification.
- Effective use of independent third parties for inspection, verification and assurance services related to execution and operations activities.
- Implementation of the 'Quality Journey' program.
- Organization of a global 'World Quality Week'.
- The extension of the learning from experience process to quality incidents.
- The further improvement of the Learning from Performance process within Projects, and Fleet Operations.
- Implementation of applicable lessons learned in the tendering and the set-up for future FPSO projects.
- Further digitalization of project and function performance dashboards.

1.5.1 OCEAN INFRASTRUCTURE

1.5.1.1 PROJECTS

SBM Offshore continues to focus on the development of its portfolio of ocean infrastructure solutions to deliver high performance and 'best in industry' products and services aligned with customer needs, building on SBM Offshore's technology expertise and track record. The success of projects is determined by performance against a budgeted schedule, cost and quality within the HSSE and Target Excellence objectives. KPIs are set accordingly and managed through SBM Offshore's Project Directorate and Project Dashboards.

The management approach remains based on (i) early engagement with customers; (ii) standardization in product design and execution to improve competitiveness, quality and time-to-market and to reduce emissions; and (iii) an increasing focus on the energy transition, using SBM Offshore's core competencies to develop affordable, low-carbon solutions in the FPSO market, as well as in the alternative energy and other blue economy markets.

2024 PERFORMANCE

Our project portfolio progressed as per plan. All the project teams maintained their focus on project delivery and safe operations, while working together, across time zones, with customers, yards and suppliers, to deliver the project portfolio on time and on budget, whilst ensuring the health

and safety of everyone involved and the environment. SBM Offshore is grateful to all the project stakeholders for making this happen.

FPSO and FSO

- *FPSO Almirante Tamandaré* – The FPSO was completed, commissioned successfully and then sailed-away from China in August 2024, with the FPSO installation and first oil from the field achieved on February 15, 2025.
- *FPSO Alexandre de Gusmão* – The FPSO was completed, commissioned successfully and sailed away from China in December 2024. The voyage and installation are planned for early 2025 with first oil expected in the second quarter of 2025.
- FPSO *ONE GUYANA* – The FPSO is under completion and commissioning. First oil is expected in the third quarter of 2025.
- *FPSO Jaguar* – Detailed engineering and supply chain activities are progressing as per plan. The FPSO sail-away is planned for early 2027, with first oil expected by the end of that year.
- *GranMorgu FPSO* – The detailed engineering and supply chain activities are progressing as per plan. The MPF C will be delivered in the first quarter of 2025 for dry dock and outfitting of riser balconies and mooring porches.
- FSO Trion – Execution activities have started for the FSO hull and the disconnectable Turret Mooring System. Detailed engineering and procurement activities are progressing as per plan.

Fast4Ward® MPF hull

- In 2024, one Fast4Ward® MPF hull was delivered: MPF 5 in SWS for *FPSO Jaguar*.
- Two MPF hulls are under fabrication: MPF C for *GranMorgu FPSO* project and MPF D in CMHI for a future potential FPSO project.

Turret Mooring

Engineering and procurement activities have started, concentrated in Europe and China, for the above mentioned FSO Trion disconnectable Turret Mooring System (TMS), which will operate in Mexico.

Additionally, SBM Offshore has been supporting the commissioning of the TMS developed and delivered for the Johan Castberg FPSO, in preparation for its sail-away. After the FPSO reached its final destination in the Barents Sea, SBM Offshore supported the installation campaign, mooring hook-up and risers pull-in.

Further to the awards of the FSO Trion bare-boat charter, which will operate in Mexico, SBM Offshore has started the execution activities of the hull and the disconnectable TMS, where most of the activities are concentrated in Europe and China. Detailed engineering and procurement activities are currently progressing as per plan.

Terminals

Imodco has been working on projects in Qatar and Nigeria (a total of five CALM terminals) where Fast4Ward® principles are being used to deliver a better time frame for the end client. As a first mover on the concept of ammonia terminals, Imodco tested the technology this year with classification society and validated it at TRL4, ready to be offered to the market.

Imodco has also provided worldwide support for SBM Offshore's own fleet and clients' units, ranging from studies to executing life-extension scopes, performing critical interventions offshore and supplying full EPC services for capital spares. Further, Imodco is developing and implementing new sealing technologies and repair methodologies as well as early engineering for field electrification services.

Installation

In 2024, SBM Offshore successfully concluded the pre-installation of the mooring system for FPSO *ONE GUYANA* in Guyana, using its dedicated installation vessel the Normand Installer, and also supported the offshore installation of the mooring lines and hook-up for *FPSO Almirante Tamandaré* in Brazil.

In addition to supporting SBM Offshore's own FPSO installation, SBM Offshore Installation services also supported the replacement of the top chains of Bonga FPSO mooring lines in Nigeria, and various other offshore operations for its fleet, such as riser pull-in on *FPSO Sepetiba* and the Gas-to-Energy project in Guyana.

SBM Offshore also secured the full transport and installation contract for deepwater mooring installation for the Raia Project in Brazil.

Floating Offshore Wind

The three floating offshore wind turbines that were installed by SBM Offshore at the end 2023 for the Provence Grand Large project, jointly owned by EDF Renewables and Maple Power, were fully commissioned and started production in 2024. This is the first floating offshore wind project installed in France and the first project worldwide using tension leg mooring technology. While this pilot project represents approximately 10% of the globally installed floating wind capacity in 2024, approximately 60GW is forecast to be installed by 2040. All activities related to this nascent floating offshore wind market will be carried out in the future exclusively by Ekwil, a 50/50 joint venture created by SBM Offshore and Technip Energies in July 2024.

The joint venture brings together the industry-leading expertise and experience of two energy transition leaders to create Ekwil, a player solely in floating offshore wind. Its approach includes the development of two primary technology families: the Float4Wind® Tension Leg Platforms and the INO15 semi-submersible platforms.

Ekwil aims to set a new standard for reliable, cost-effective renewable energy solutions, making floating offshore wind energy a key resource in the quest for net zero emissions by 2040.

FUTURE

SBM Offshore remain committed to its core operations while advancing towards a net zero future and a just transition. SBM Offshore will continue to advance the decarbonization of its core ocean infrastructure solutions and increase their standardization through its emissionZERO® and Fast4Ward® programs. At the same time, SBM Offshore applies its unique capabilities in ocean infrastructure to help enable the energy transition and deliver innovative solutions as a responsible partner within the blue economy for a sustainable future.

1.5.1.2 OPERATIONS

The SBM Offshore fleet encompasses 15 FPSOs and 1 semi-submersible unit, geographically distributed across the globe. To support the energy transition, the fleet aims to provide traditional hydrocarbon energy with the lowest possible carbon emissions during the production phase. The fleet adheres to, and applies, the management approach of the wider SBM Offshore organization. Key to this are policies, commitments and mechanisms described in sections 3.5.2 and 1.5. There is a sharp focus on continuous improvement. This is achieved by identifying learning opportunities and embedding the resultant lessons into SBM Offshore's corporate memory; the Group Enterprise Management System (GEMS) and Group Technical Standards (GTS).

An experienced workforce comprising more than 3,900 personnel ensures the safe, reliable and efficient operation of SBM Offshore's offshore assets, generating predictable and sustainable revenue and operating cash-flows for the business.

The SBM Offshore fleet had the following historic performance:

- Over 7.6 billion barrels of production cumulatively to date.
- 11,510 oil offloads cumulatively to date.
- 403.8 cumulative contract years of operational experience[1].

SBM Offshore employs a proactive, risk-based approach to asset management, leveraging digital reliability and integrity solutions to automate surveillance, enabling a more optimized deployment of resources and increased efficiency and availability of safety, production and marine systems. To ensure that SBM Offshore's activities have a positive and sustainable impact on the local communities in which SBM Offshore is present, the fleet has several programs, aligned with the ESG Material Topics, focused on well-being and personnel development, emissions reduction and protecting the environment.

2024 PERFORMANCE

HSSE and Process Safety Performance

Despite a high volume of activity in 2024, similar to 2023, due to numerous integrity campaigns across the fleet, the incident rates have decreased this year. The majority of incidents were relatively minor in nature and the number of events with potential for significant injury has reduced, as a result of an ongoing focus on leading activities targeting areas of most risk.

Initiatives and developments to enhance operational safety, process safety, quality and efficiency were progressed throughout the year:

- Ongoing deployment of the health and well-being program.
- Maintained focus on process safety management, barrier management and enhanced marine safety, including piloting a live bow-tie barrier model.
- Deployment of an enhanced Operational Assurance Program.
- Deployment of a revised online Competence Assurance System.

Development of Operations

Brazil

- *FPSO Almirante Tamandaré* achieved first oil on February 15, 2025.
- *FPSO Sepetiba* reached its full nameplate production in Q3 2024, with 180,000 barrels of oil per day.
- The decommissioning of *FPSO Capixaba* continued, the unit safely arrived in Frederikshaven, Denmark on May 5, 2024, with handover to the M.A.R.S. ship recycling facility accomplished upon arrival.

Guyana

- *Prosperity* is in its first full year of operations, with production at full nameplate capacity achieved in Q1 2024, and debottlenecking allowed for optimized production levels in Q2 2024, less than nine months after start-up.

[1] The cumulative contract years of operational experience is calculated based on the number of days in operations from first oil for each unit until the last day that SBM Offshore has operated and continue to operate, divided by 365.

1 BUSINESS ENVIRONMENT

- All three FPSOs, *Liza Destiny*, *Liza Unity* and *Prosperity,* safely achieved optimized production levels, following thorough and controlled change management whilst maintaining exceptional uptime performance.
- The 4Ward Transformation program, launched in 2023, was continued and closed at the end of 2024, after having put in place a groundbreaking integrated operation model, which is now established and in sustainment mode for the years to come. This integrated approach enables long-term strategic alignment between ExxonMobil Guyana and SBM Offshore for an optimum asset management over the full field lifecycle.

Rest of the world

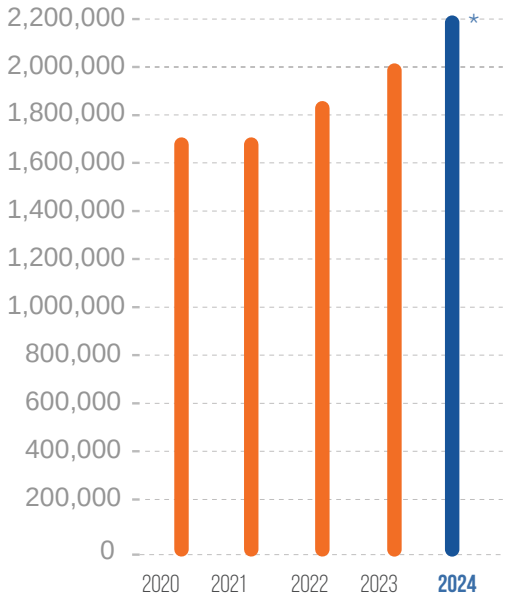
- In Angola, SBM Offshore finalized the acquisition of Sonangol EP's equity shares in the lease and operating entities related to *N'Goma FPSO*, *FPSO Saxi Batuque* and *FPSO Mondo*.
- The *FPSO Serpentina*, which has operated in Equatorial Guinea since 2003 under Gepsing, a joint venture between SBM Offshore (60%) and national oil company GEPetrol (40%), for the vessel owner Mobil Equatorial Guinea Inc. (MEGI), has just officially departed from the SBM Offshore fleet, and begun a new phase of its operational life.
- SBM Offshore and ExxonMobil Guyana Ltd. completed, in November 2024, the transaction related to the purchase of the FPSO *Prosperity*. ExxonMobil Guyana assumed the ownership of the unit while SBM Offshore has a contract in place to continue to operate and maintain the FPSO up to 2033.
- SBM Offshore and ExxonMobil Guyana Ltd completed, in December 2024, the transaction related to the purchase of the FPSO *Liza Destiny*. ExxonMobil Guyana Ltd. assumed the ownership of the unit while SBM Offshore has a contract in place to continue to operate and maintain the FPSO up to 2033.
- SBM Offshore signed two Share Purchase Agreements with its partner MISC Berhad for:
  - The total acquisition of MISC Berhad's entire effective equity interest in the lease and operating entities related to the *FPSO Espirito Santo* in Brazil; and
  - The full divestment to MISC Berhad of SBM Offshore's effective equity interest in the lease and operating entities of the *FPSO Kikeh* in Malaysia.
- This transaction furthers SBM Offshore's efforts to maintain focus and excellence in its operating portfolio. The Share Purchase Agreements were completed on January 31, 2025.

Brownfield Project Services

The Brownfield Project Services (BPS) product line is now well-established and is providing services in support of SBM Offshore's and its clients' fleets. The main achievements for 2024 were:

- The debottlenecking of Guyanese FPSOs, safely brought all three units, *Liza Destiny*, *Liza Unity* and *Prosperity,* to oil production levels beyond their original investment basis.
- The ongoing tank repair and the capacity increase of Personnel on Board (POB) on *FPSO Cidade de Anchieta*.

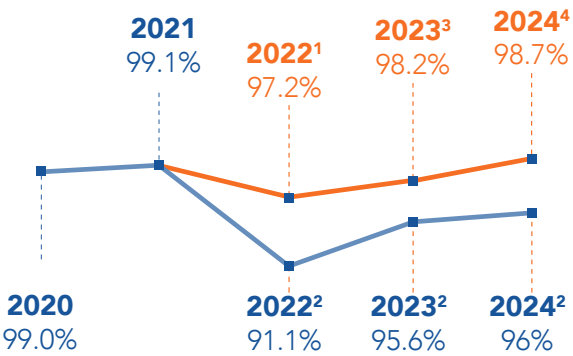
FLEET OIL PRODUCTION CAPACITY (bopd)



The fleet capacity of oil production per day in 2024 was **2,229,000 barrels** of oil per day .

* includes *FPSO Serpentina*'s capacity – 110kbd that left the fleet in May 2024

FLEET UPTIME DATA
FOR PERIOD 2020 – 2024



1. Fleet uptime without *FPSO Cidade de Anchieta*
2. Actual combined fleet uptime
3. Fleet uptime without *FPSO Mondo*
4. excluding the ANP interdiction days for CDP and CDA

Asset management

As offshore installations age, the original coating systems become less effective, leading to an increase in the

integrity scope over time. Capacity to accommodate resources onboard is limited and maintaining the integrity of aging assets is a major challenge for the industry.

In 2024, SBM Offshore continued to prioritize major integrity inspection and repair scopes, and these efforts have led to a significant reduction in backlog and more control over fabric maintenance, Class and piping inspections. In addition, SBM Offshore has been successful in improving its inspection execution by using new technologies and having more accurate planning. A maintenance optimization project was completed for the Brazilian fleet and, in 2024, SBM Offshore began the same exercise for its growing fleet in Guyana, where, in 2024, a 10% reduction of maintenance work orders was achieved.

SBM Offshore's endeavors to improve the balance between offshore scope and capacity have evolved and consolidated into a new program named MIR: 'Maintain the long-term Integrity and Reliability of the fleet'. The driving principle behind it is to better define and manage all integrity and reliability scopes, ways of working and the design of assets to ensure long-term integrity and reliability. The program consists of selected initiatives that will improve the definition of scope in SBM Offshore's new ERP, increase capacity offshore, increase execution efficiency and to design and work smarter.

Responsible recycling

SBM Offshore is committed to the safe and environmentally sound recycling of assets at the end of their lifecycle, performed in full compliance with SBM Offshore's Responsible Recycling Policy, applying – amongst others – the principles of the EU Ship Recycling Regulation 1257/2013 or equivalent.

During 2024, there were two decommissioning projects; the decommissioning and preparing for recycling of *FPSO Capixaba* and the completion of recycling of the Deep Panuke MOPU PFC.

FUTURE

New Fast4Ward® assets will join the fleets in Brazil and Guyana, leading to growth offshore and onshore:

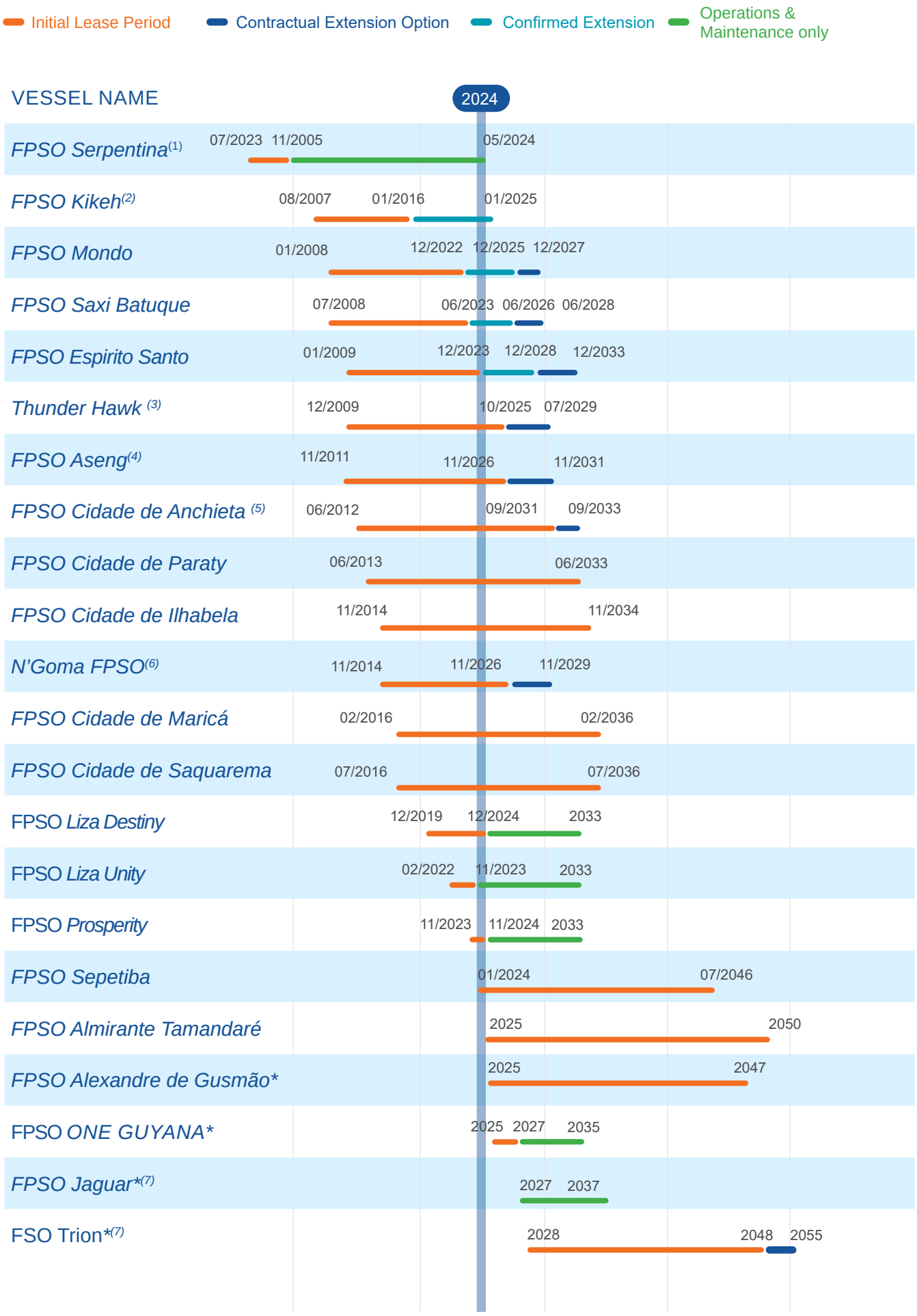
- In Guyana, *ONE GUYANA* will start in 2025. SBM Offshore continues to expand and embed its presence in-country, working with the local community on several social and environmental projects.
- In Brazil, *FPSO Almirante Tamandaré* achieved first oil on February 15, 2025 and *FPSO Alexandre de Gusmão* is expected to start in the second quarter of 2025, both units will be supported from the Rio de Janeiro office.

SBM Offshore will continue to develop digital solutions to enhance its surveillance and predictive capabilities. These digital solutions are being utilized to reduce the scope required to maintain the reliability of SBM Offshore's assets. This will enable more resources to be deployed on integrity inspection, fabric maintenance and repair scopes. In parallel, proactive actions are being taken to reduce corrosion on SBM Offshore's assets and consequently reduce the overall fabric maintenance and repair scopes.

SBM Offshore has set long-term targets for emissions reduction in downstream leased assets that will support SBM Offshore's contributions to climate change mitigation and path to net zero, as explained in sections 3.4 and 3.4.2. One of the commitments is to engage with clients and joint-venture partners to ensure the fleet is aligned with a path towards net zero.

OPERATIONS FLEET

VESSEL NAME	CLIENT	COUNTRY	1ST OIL/GAS DATE
FPSO Serpentina[1]	MEGI	E.GUINEA	2003
FPSO Kikeh[2]	PTTEP	MALAYSIA	2007
FPSO Mondo	EXXONMOBIL	ANGOLA	2008
FPSO Saxi Batuque	EXXONMOBIL	ANGOLA	2008
FPSO Espirito Santo	SHELL	BRAZIL	2009
Thunder Hawk [3]	QUARTERNORTH/DAA	USA	2009
FPSO Aseng[4]	NOBLE ENERGY	E.GUINEA	2011
FPSO Cidade de Anchieta [5]	PETROBRAS	BRAZIL	2012
FPSO Cidade de Paraty	PETROBRAS	BRAZIL	2013
FPSO Cidade de Ilhabela	PETROBRAS	BRAZIL	2014
N'Goma FPSO[6]	ENI	ANGOLA	2014
FPSO Cidade de Maricá	PETROBRAS	BRAZIL	2016
FPSO Cidade de Saquarema	PETROBRAS	BRAZIL	2016
FPSO *Liza Destiny*	EXXONMOBIL	GUYANA	2019
FPSO *Liza Unity*	EXXONMOBIL	GUYANA	2022
FPSO *Prosperity*	EXXONMOBIL	GUYANA	2023
FPSO Sepetiba	PETROBRAS	BRAZIL	2024
FPSO Almirante Tamandaré	PETROBRAS	BRAZIL	2025
*FPSO Alexandre de Gusmão**	PETROBRAS	BRAZIL	2025
FPSO *ONE GUYANA**	EXXONMOBIL	GUYANA	2025
*FPSO Jaguar**[7]	EXXONMOBIL	GUYANA	2027
FSO Trion*[7]	WOODSIDE	MEXICO	2028



1 SBM Offshore handed over the operations of the *FPSO Serpentina* to the national oil company of Equatorial Guinea, GEPetrol. The *FPSO Serpentina* was owned by the client and operated by Gepsing, a subsidiary between SBM Offshore (60%) and GEPetrol (40%).

2 The full divestment to MISC Berhad of SBM Offshore's effective equity interest in the lease and operating entities of the *FPSO Kikeh* in Malaysia was agreed during 2024, with the transaction completed on 31st January 2025.

3 Lease only

4 Noble Energy EG Limited is now a wholly-owned indirect subsidiary of Chevron Corporation

5 Extension of the contract corresponding to the period of shutdown beyond the initial lease end date

6 ENI Angola SpA merged with BP to form a new incorporated Joint Venture in Angola ('Azule Energy')

7 Operating and Maintenance scope agreed in principle

* Under construction

1.5.2 WIN AND GROW

MARKET POSITIONING

Market positioning is about having a global presence, adapting to market developments and engaging in emerging markets. New business development is seen as strong indicator of a successful management approach, with a key metric being the number of projects awarded. Through market positioning, SBM Offshore addresses the competitiveness risks mentioned in section 1.4.2.

The following achievements were made in 2024:

- EPCI contract award for ExxonMobil's Whiptail development offshore Guyana (*FPSO Jaguar*), with SBM Offshore expected to operate the FPSO for 10 years under the O&M Enabling Agreement signed in 2023 with ExxonMobil Guyana Ltd.
- EPCI and 20-year lease contract award for Woodside's Trion FSO offshore Mexico. The new build FSO will be equipped with a disconnectable Turret Mooring System designed by SBM Offshore.
- EPCI contract award for TotalEnergies' *GranMorgu FPSO* development offshore Suriname, in partnership with Technip Energies.
- Installation contract award by TechnipFMC for the mooring's pre-installation of the Raia FPSO for Equinor offshore Brazil. This is the deepest installation project ever executed by SBM Offshore, in water depths of 2,600 and 2,900 meters.

In 2025, SBM Offshore will continue to engage early with clients and vendors to further improve project development concepts, time-to-market and cost-efficiency.

ENERGY TRANSITION

Product development for new products to support the energy transition is addressed through SBM Offshore's Technology and Product Development function, in collaboration with the business. An important step in this process is the development of concepts, prototypes and pilot projects, which can also be undertaken as co-development projects with partners and/or customers. SBM Offshore closely monitors its commercial pipeline.

With this management approach to energy transition, SBM Offshore is addressing the significant risks of oil price dependency, portfolio risks and climate change, described in section 1.4.2. SBM Offshore reports in line with the EU Taxonomy regulation and leverages the framework to set targets for, and report on, the energy transition. Disclosures are found in chapter 3.

In early 2020, SBM Offshore announced the emissionZERO® program targeting near zero emissions. The development of a near zero FPSO is the first milestone and a key pillar of the emissionZERO® road map. Proposing a near zero FPSO to the market requires a suite of systems at a high technology-readiness level, aiming for improved energy efficiency and emissions reduction.

Key elements that enable SBM Offshore's success in the energy transition area are:

- The emissionZERO® program.
- Product development for alternative energies.
- Technology development supporting these product developments.

SBM Offshore recorded the following achievements in 2024:

Power

- Creation of Ekwil, a 50/50 fully dedicated Floating Offshore Wind joint venture between SBM Offshore and Technip Energies.
- SBM Offshore has formed partnerships to pursue FOW development opportunities globally. The portfolio of projects under development by SBM Offshore includes in particular the 1,400MW North Channel Wind and 1,400MW Nova East Wind projects.
- The High-Voltage swivel[2] has been qualified to TRL3. This significant milestone highlights SBM Offshore's dedication to advancing innovative technologies that support the energy transition.
- SBM Offshore signed a partnership agreement with Ocean Power AS to further the development and the commercialization of offshore power generation units with CO_2 capture and storage, with the aim of decarbonizing the offshore power generation sector.
- In addition, SBM Offshore has concluded a minority equity investment in Ocean-Power AS, and has appointed one director who has joined the company board.

emissionZERO®

- SBM Offshore is advancing carbon capture solutions for FPSOs in partnership with Mitsubishi Heavy Industries Ltd. (MHI). Following a successful feasibility study in 2023, the primary focus is on integrating carbon capture modules in onboard systems on the FPSO. The carbon capture modules are key components of the near zero FPSO, set to launch in 2025. The technology can reduce CO_2 emissions by an estimated 70%, by capturing CO_2 from onboard gas turbines.
- The seawater intake riser program, which supplies cold water from deep in the ocean to the FPSO for cooling

[2] A swivel is a mechanical device integral to offshore turret mooring systems, enabling a floating production unit to rotate freely around its mooring point. This rotation allows the vessel to align with prevailing environmental forces like wind, waves, and currents, ensuring continuous and efficient production operations. The swivel facilitates the transfer of fluids, electricity, and control signals between the stationary subsea infrastructure and the rotating vessel, maintaining uninterrupted flow and operational integrity.

systems, reducing energy use, has achieved TRL3 qualification.
- SBM Offshore continues to work on projects that address emissions reduction along the lifecycle of its business, as part of its emissionZERO® portfolio.

Carbon management
- Imodco, SBM Offshore's Terminals business unit, received 'Approval in Principle' (AiP) from ABS Group for its jetty-less solutions for CO_2 Tower Loading Unit (TLU).

Ammonia
- The ammonia swivel achieved TRL4 qualification. Imodco received 'Approval in Principle' (AiP) from ABS Group for its jetty-less solutions for ammonia, including the Catenary Anchor Leg Mooring (CALM) Soft Yoke systems, and the CALM system.

The revenues, CAPEX and OPEX associated with these projects and initiatives add to EU-Taxonomy-eligible business, as reported in the following Innovation section. SBM Offshore's commitments should lead to higher revenues from eligible business in the future, with 2024 R&D investment already reflected in the EU Taxonomy-eligible OPEX KPI stated above. These activities support the mitigation of and/or adaptation to climate change impacts.

SBM Offshore will continue to build upon these achievements and is looking to develop low carbon solutions into commercial infrastructure solutions. SBM Offshore also aims to increase its role across the value chain, unlocking new opportunities and driving growth. To make further progress on the energy transition landscape, SBM Offshore will leverage on its more than 60 years of accumulated experience and capabilities, generating value from the Blue Economy to make progress in the emissionZERO® program and create value beyond FPSOs.

INNOVATION

SBM Offshore aims to drive innovation by bringing valuable new solutions to the market, in line with its Blue Economy strategy. Every part of the organization is encouraged to contribute to innovations within their areas of expertise, from initial ideas to final implementation. All innovation initiatives are aligned with the long-term strategies and key programs such as emissionZERO® and Fast4Ward®.

SBM Offshore follows a structured stage-gate process to bring new technology to market, ensuring thorough validation before deployment. The Technology Readiness Level (TRL) process, rooted in American Petroleum Institute standards, includes prototype testing and a thorough FEED-level outline as part of the risk-based qualification requirements.

SBM Offshore manages its intellectual property (IP) by registering patents and trademarks, and protecting trade secrets and know-how. To maintain the integrity of its IP, SBM Offshore handles document classification and sets up non-disclosure agreements with partners to restrict access to sensitive technology. Thorough freedom-to-operate checks are performed to ensure third-party rights are respected. This strategic approach promotes innovation while reducing risks associated with new technology deployment (see section 1.4.2).

In 2024, SBM Offshore advanced its development efforts towards emerging technologies related to decarbonization and alternative energies. SBM Offshore allocated 30% of its Group Technology R&D budget to activities eligible under the EU Taxonomy, based on eligibility KPI definitions explained in section 3.8.1.2

SBM Offshore filed 45 new patent applications to strengthen its existing portfolio of 120 patent families: in particular in the areas of renewable technologies and FPSO components. Over the course of 2024, the TRL of 29 technology development projects has been increased**,** 14 of which reached TRL4. This level indicates that the technology meets the required reliability, function, and performance criteria under the intended operating conditions, making it ready for deployment.

Key development projects undertaken in 2024 feature:
- Progression of the SBM Offshore robotics initiatives to reduce high-risk human activities and to improve the efficiency of inspection and maintenance activities on the fleet. In 2024, SBM Offshore successfully qualified two robotics initiatives, reaching a TRL level that enables robotic deployments in 2025. Additional projects are in progress, with several missions planned for 2025.
- Continued qualification of components and technologies under SBM Offshore's emissionZERO® program, demonstrating the potential for further carbon-intensity reduction based on near-market-ready technologies.
- Progressing the development and standardization of the qualified carbon capture module to capture the carbon emissions from the gas turbines onboard FPSOs. This compact modular solution allows a drastic reduction of more than 70% of the overall emissions.
- Validation of a one-year offshore deployment for its Provence Grand Large wind farm (TRL5), gathering valuable lessons for future developments.
- Progressing the development of a blue ammonia FPSO with carbon capture, to support the growing demand for clean ammonia and accelerate the transition to ammonia as a fuel.
- TRL4 achievement of swivel technology for ammonia transfer systems.

- Completion of market studies and early-stage developments in offshore ammonia transfer and production, lithium extraction, and deepwater mooring solutions for offshore photovoltaic concepts.

SBM Offshore is committed to directing a minimum of 70% of its development budgets towards decarbonization and sustainable transition initiatives, as part of its focus on technology development for the energy transition.

This allocation aims to advance technologies that significantly decrease the carbon intensity of offshore oil and gas production, supporting the emissionZERO® program. Included in these efforts are investments in the early stages of offshore hydrogen, ammonia, and lithium production studies and CO_2 value chain. Moreover, ongoing investments in robotics will enhance safety and efficiency within SBM Offshore's operational fleet.

SBM Offshore is dedicated to evaluating how its research and development projects comply with EU Taxonomy regulations. SBM Offshore will continue to explore alternative offshore technologies and focus on co-development of new technologies, in collaboration with clients and other value chain partners.

DIGITALIZATION

To grow economic value, SBM Offshore invests in data management and digital innovation, diversifying its services. Through collaboration with key external digital partners, SBM Offshore aims to expand its expertise while providing consistent foundations.

The establishment of a Microsoft Centre of Excellence, to connect SBM Offshore personnel with Microsoft, underlines its commitment to successful partnerships. Furthermore, it enables SBM Offshore to leverage artificial intelligence (AI) powered solutions and cognitive services to improve productivity with tools such as Copilot, Azure AI Translator, Azure AI Search and Azure Open AI. Deploying and providing early access to the data cataloging module of Microsoft Purview is a step forward in establishing robust global data foundations.

SBM Offshore continues its ERP deployment journey through the Integra program. After a first roll-out in Brazil in 2022, the ERP System (IFS) has been successfully deployed in Guyana and Angola offices and the offshore fleet. As a result, SBM Offshore's main operating regions and processes are integrated in the IFS Solution.

After the launch in 2023 of SBM Offshore's own digital solution platform (SBM+) designed for offshore asset management, SBM Offshore continues structuring digital products and services to enhance operational excellence.

Deployment achievements in 2024 have been:

- Microsoft 365 Copilot, Copilot Studio and Sales Copilot with a limited number of early adopters to assess business usage and value.
- Quality Observation Cards, the first digital development made globally available for the organization, built on the Microsoft Power Platform.
- Digital Fieldworker proof of concept for offshore workforce, as part of SBM Offshore's mobility program.
- Digital Twin for FPSO *Prosperity,* as part of the Guyana Enterprise program.

To keep on the trajectory to achieve Excellence, SBM Offshore will continue to invest in:

- A transparent data-driven culture, unlocking advanced analytics for value–driven decisions through end-to-end integration and automation.
- Improving the Digital Employee Experience, increasing SBMers' digital literacy and autonomy.
- Capitalizing on solid Information Technology and Services, leveraging robust Enterprise Architecture and ensuring secure infrastructure uptime.
- Modern solutions deployment, maintaining business performance and compliance with regulations.

Management of any impacts associated with cyber security is described in section 1.4.2.