2025 ANNUAL REPORT

SBM OFFSHORE

TRUE.
BLUE.
TRANSITION.

2.5 RISK AND COMPLIANCE

GOVERNANCE

The Management Board is responsible for identifying and analyzing the risks related to the Company's strategy and business activities as well as defining the Company's risk appetite. Based on its risk assessment, the Management Board designs, implements and maintains adequate internal risk management and control systems and periodically assesses their effectiveness. The outcome of this review is discussed with the Audit Committee and reported to the Supervisory Board. This oversight covers all operational, compliance and reporting risks. Among other considerations, attention is given to observed weaknesses, instances of misconduct and irregularities, indications from whistle blowers, lessons learned and findings from the internal auditor and the external auditor.

As part of their tasks, the Management Board oversees the operation of SBM Offshore's Compliance Program, which provides policies, training, guidance and risk-based oversight and control of compliance, to ensure ethical decision-making.

MANAGEMENT APPROACH

The Group General Counsel and Chief Compliance Officer has managerial responsibility for compliance and legal matters. The Compliance Function, headed by the Group Compliance Manager, has a leadership role in proactively advising the Management Board and Management on acting with integrity and in a compliant manner, both from a strategic and an operational perspective.

The Compliance Function comprises a globally diverse team of experienced compliance professionals located within the Company's most prominent locations worldwide. Business leadership has accountability and responsibility to manage compliance and integrity risks within their fields of management control.

2.5.1 DESIGN AND OPERATION OF THE RISK MANAGEMENT AND INTERNAL CONTROL ENVIRONMENT

Group Risk and Control empowers the business to identify and manage risks and opportunities effectively, ensuring alignment with the Company's Risk Appetite (see section 1.4.1) in order for the Company to achieve its strategic goals and objectives. The Risk Assurance Committee (RAC) brings together the heads of assurance functions and reviews the significant risks faced by the Company and its relevant control measures. It also oversees the integrated risk management approach.

DESIGN AND OPERATION OF THE RISK MANAGEMENT AND INTERNAL CONTROL ENVIRONMENT

The Management Board reviewed and assessed its Internal Risk Management and Control System framework and discussed it with the Supervisory Board. This is performed against five related components which are derived from COSO's framework 'Enterprise Risk Management – Integrating with Strategy and Performance'*. Its relevance to SBM Offshore is explained in Key features, Achievement in 2025, Maturity assessment and the Company's Future ambitions.

Component	Key features	Achievements in 2025	Maturity assessment according to Management Board	Future ambitions
Governance and culture	• Management identifies risks assesses and treats in line with strategy and the Risk Appetite. • The Risk Assurance Committee (RAC) oversees risk treatment and the internal control Framework, ensuring alignment with the Risk Appetite. • Internal audit independently tests the internal control environment,ensuring governance. • Develop ICoESG within global internal control framework.	• Aligned risk management in identifying and treating risks coordinated with the strategy and risk appetite. • Enhanced oversight, through the RAC in aligning risk and opportunities management with organizational standards procedures. • Strengthened governance with independent audits to ensure effective three lines of defense.	Management decisions are driven by a risk-aware and control-focused approach.	• Reinforce governance and risk policies to promote a risk awareness and culture. • Further integration with strategic goals monitoring and improved risk oversight. • Enhance internal controls environment and accountability across the company.
Strategy and objective setting	• The Management Board sets the Risk Appetite, which is endorsed by the Supervisory Board. • Financial and non-financial risk-bearing processes are identified and incorporated into the Internal Control Framework. • Implement the ICoESG matrix and test it • Roll out the harmonization of Financial Authority Levels (FAL) to apply across both IFS and legacy systems.	• ESG risks, impacts, and opportunities are assessed and monitored periodically. • The risk appetite was revised in the course of 2025 to keep the alignment with strategic objectives. • FAL was fully implemented in July, establishing a transparent framework seamlessly connected to the JCR, while ensuring zero disruption to business operations.	Strategy and its Material Topics are well integrated into the Company's Risk Management and Internal Control Framework	• Continue to integrate risk and internal controls at both strategic and operational levels • Enhance risk monitoring through collaboration of strategic oversight and risk & control functions • Strengthen ESG-related non-financial controls • Keep focusing on emerging Risks • Expand FAL connectivity beyond JCR to include IFS, LUCY, NADIA, and other core platforms.

Component	Key features	Achievements in 2025	Maturity assessment according to Management Board	Future ambitions
Performance	• Business achieves its objectives through adequate Risk Management and Internal Control support • Activities are performed according to the annual Strategy Cycle and disclosure requirements.	• Implemented key risk indicators (KRIs) providing improved insight and control over strategic and operational risks. • Strengthened ESG and Reporting Controls with ESG KPIs and related internal controls.	• Risk Management and Internal Control are adequately performed, providing information for discussion and prioritization of assurance.	• Further develop key risk indicators (KRIs) and financial metrics within the integrated risk and control framework. • Improve the monitoring of ESG KPIs and associated internal controls, incorporating non-financial reporting controls. • Advance the ICoESG RCM framework by introducing residual risk scoring and embedding ESG/ regulatory requirements, supported by digital tools for continuous monitoring.
Review and revision	• The Risk Assurance Committee (RAC) meets monthly to ensure an integrated assurance approach. • Management Board, Audit Committee and Supervisory Board monitors on quarterly basis, the Company's risk profile and associated internal control.	• Policies and tooling were regularly reviewed and improved with the RAC. • Integrating risk mitigation with business objectives. • Applications mapping exercise completed to anticipate changes as result of new ERP.	Risk Management and internal control policies, procedures and tooling are annually discussed and reviewed with the RAC and Supervisory Board.	• Improve activities based on internal review and external feedback. • Continue to adapt risk and internal control framework based on company strategy.
Information, communication and reporting	• The Company keeps track of its risks, controls, and actions in appropriate digital solutions. • Results are disclosed according to relevant regulatory frameworks, including ESG. • Strengthen local and functional risk and internal control. environment and raise awareness. • Further integration within the Management Report of risk opportunities review.	• Quarterly Risk Report of Company's Risk Appetite measurement and main risks and related mitigating actions. • Improved disclosure of climate change related risks and opportunities. • Continue training and awareness about internal risk and control management systems across locations.	Disclosure of information, internal and external, through digital support and solutions operates adequately.	• Enhance existing digital solutions (e.g., data analytics tools to improve analysis and KPIs to monitor thresholds). • Consider adoption of digital tool aiming to improve risk and control efficiency.

** Committee of Sponsoring Organizations of the Treadway Commission (COSO) is dedicated to providing thought leadership through the development of frameworks and guidance on ERM, designed to improve organizational performance, oversight and to reduce the extent of fraud.*

2.5.2 COMPLIANCE PROGRAM

STRATEGY

SBM Offshore is dedicated to ensuring that employees and business partners make informed and ethical decisions, underscoring its commitment to integrity throughout the organization. To support this objective, the Company has established a Compliance Program that applies across the SBM Offshore Group.

SBM Offshore's Compliance Program is designed to foster an ethical culture across the organization and provide clear guidance to management, employees and contractors ('SBM Offshore workforce') for making decisions aligned with core values. The program enhances the Company's management control systems to prevent, identify, and address compliance risks or potential violations of laws, the Code of Conduct, and other forms of misconduct.
SBM Offshore's leadership is accountable for upholding these standards, ensuring that all personnel act in accordance with established values and policies while maintaining an environment where concerns can be raised openly. To facilitate this, the Compliance function delivers support through targeted guidance, regular training initiatives, and communication resources such as newsletters and customized e-learning modules.

2025 PERFORMANCE

New Compliance Program elements

In 2025, several enhancements were introduced to strengthen the Compliance Program:

- A fully revamped Code of Conduct incorporating new chapters and updated guidance.
- Updated and new policies, including a new Business Ethics Policy (replacing the former Anti-Bribery & Corruption Policy), a new Privacy Policy and a new Speak Up Policy.
- Four new digital modules released on the SBM Offshore Digital Compliance Platform, including Third Party Risk Management, Gifts Hospitality & Entertainment, Conflicts of Interest, and Donations & Sponsorships.
- New Speak Up framework supporting consistent, risk–based and timely case management.

Alongside these, the other key elements of the Compliance Program are:

- Involvement of the Management Board and the Supervisory Board in compliance oversight.
- Oversight and autonomy of the Group Compliance Manager supported by adequate and qualified Compliance resources.
- Regular communication, training and continued guidance and advice.
- Continuous monitoring of compliance risks, mitigating measures, incidents and related actions.
- A structured third-party management process, including a dedicated Validation Committee reviewing due diligence outcomes for high-risk third parties before engagement.
- Independent verification activities, including compliance audits.
- Compliance-related internal financial controls, aligned with ICOFR principles.
- Engagement with third parties who commit to equivalent standards of responsible conduct, communicated prior to any contractual engagement.
- Confidential reporting channels, including non-retaliation safeguards and data privacy protection through a Speak Up Line, and internal investigations aligned with the EU Whistleblowing Directive.
- Annual compliance statements for designated staff to confirm adherence to the Code of Conduct and its associated policies.
- Business conduct-related questions included in the annual employee engagement survey to monitor culture and awareness.

Speak Up

In 2025, a new Speak Up Policy in full compliance with the EU Whistleblowing Directive was implemented, including:

- Creation of a new Speak Up investigation framework featuring risk-based triage, defined roles, and clear responsibility separation to streamline the process and speed up report closure.
- A revamped independently managed Speak Up Line, available 24/7, enabling both internal and external stakeholders to report concerns anonymously and confidentially. The Integrity Committee oversees the handling of Speak Up reports.
- Timely communication to reporters, including acknowledgment of receipt within seven days and feedback within a reasonable time frame, not exceeding three months after receiving the report. If the investigation needs to be extended beyond three months, reporters will be informed about it. It is not mandatory for the investigations to be concluded within three months, namely in light of the complexity or the characteristics of the investigation.