2025 ANNUAL REPORT

SBM OFFSHORE

TRUE.
BLUE.
TRANSITION.

3.2.3 DECOMMISSIONING

ESRS 2 SBM-2; SBM-3; IRO-1; MDR-P; MDR-A; MDR-M; MDR-T

SBM Offshore has identified key material impacts, risks, and opportunities (IRO) related to decommissioning resulting from the DMA. This information guides SBM Offshore in continuously improving the management of decommissioning in its operations, as further discussed in this section.

Decommissioning material impacts, risks, and opportunities

IRO	IRO description	Value chain position	Time horizon
Decommissioning			
Positive impact	Developing a safer removal of hazardous materials plan that helps to increase responsible decommissioning practices in SBM Offshore's value chain and reduce potential environmental impacts.	own activities	short- and medium-term
Opportunity	Applying the circularity principles in the decommissioning plan in order, for example, to maximize the circularity and possible mitigation of operational and financial exposure.	own activities	short- and medium-term
Negative impact	Potential occurrence of negative environmental and social impacts during the decommissioning process, including those related to hazardous materials removal and waste generation.	own activities	short- and medium-term
Risk	High cost of a responsible decommissioning process, including potential delays due to compliance with Legal and Regulatory Framework	own activities	short- and medium-term

OUR APPROACH

Policies and Governance

SBM Offshore is committed to the safe and environmentally responsible recycling of assets at the end of their lifecycle. This commitment aligns with its Responsible Recycling Policy, which adheres to the International Convention for the Safe and Environmentally Sound Recycling of Ships (the 'Hong Kong Convention')[26], as well as the EU Regulation 1257/2013[27] on ship recycling or equivalent standards. To achieve this, SBM Offshore collaborates with specialized suppliers and ship recycling facilities that meet strict requirements. These include having the appropriate infrastructure, qualified personnel, demonstrating compliance with the United Nations Guiding Principles on Business and Human Rights (UNGP) and applicable international regulations, and having an effective management system in place that incorporates satisfactory health and safety procedures.

During each project, experts inspect assets to identify hazardous materials and oversee their controlled removal and disposal. Through these measures, SBM Offshore aims to minimize negative environmental and social impacts while maximizing opportunities for circular economy practices in vessel decommissioning and recycling. SBM Offshore has established processes that outline the key steps for safely decommissioning offshore production facilities and supporting responsible recycling.

SBM Offshore provides for the demobilization costs associated with the vessels and floating equipment at the end of their operating lease periods, in accordance with contractual terms. These provisions are disclosed in the Financial Statements[28].

The Decommissioning and Recycling subject matter expert is assigned to the Group Decommissioning Manager, while governance on the topic is overseen by the Managing Director of Operations, who is also a member of the Executive Committee.

PERFORMANCE

In 2025, SBM Offshore advanced its approach to responsible asset lifecycle management by strengthening project preparation and reducing execution risks. SBM Offshore developed strategic decommissioning and recycling plans for offshore production facilities expected to cease production by 2029, excluding the *Thunder Hawk* FPU and *FPSO Aseng* units, whose divestment was completed in December 2025. These plans provided key evidence supporting the 2025 Decommissioning and Recycling Group Balance Scorecard (GBSC) performance. The related metric definitions were reviewed by both the Management Board and the Supervisory Board.

Additionally, after completing the Deep Panuke MOPU Production Field Center recycling project in 2024,

[26] The Hong Kong Convention aims to ensure safe and environmentally sound recycling of ships. It was developed with input from International Maritime Organization (IMO) Member States and non governmental organizations, and in co-operation with the International Labour Organization and the Parties to the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal. Detailed information is available at IMO website

[27] Regulation (EU) No 1257/2013 of the European Parliament and of the Council of 20 November 2013 on ship recycling and amending Regulation (EC) No 1013/2006 and Directive 2009/16/EC Text with EEA relevance.

[28] The balance for demobilization provisions is documented in section 4.3.24, and the accounting policy for demobilization obligations is informed in 4.2.7.

SBM Offshore advanced its activities in 2025 by progressing with the recycling of *FPSO Capixaba*. This project is currently underway, following industry-leading policies and best practices.

FPSO Capixaba

The *FPSO Capixaba* was successfully towed in 2024, in compliance with applicable regulations, including the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, and the EU Regulation 1013/2006[29] on shipments of waste. The vessel was delivered to the M.A.R.S. ship recycling facility at the Port of Frederikshavn in Denmark, which holds an International Ready for Recycling Statement of Compliance issued by the American Bureau of Shipping.

Recycling activities progressed throughout 2025 under the oversight of SBM Offshore, with the vessel safely moored and allocated on the ramp as planned. The project has now entered its final phase, which includes decontamination, disposal, and dismantling, with completion anticipated in 2026. The *FPSO Capixaba* recycling project marks a significant milestone for SBM Offshore, reflecting the collective efforts and investments of employees, partners, and suppliers to facilitate efficient and environmentally responsible decommissioning.

Industry Collaboration

SBM Offshore actively participates in decommissioning and recycling forums to share expertise and insights with key stakeholders. Since 2023, SBM Offshore has co-chaired the IOGP FPSO Decommissioning Expert group and, in 2025, joined the IOGP Decommissioning Standing Committee, which aims to develop and promote best practices for safe, environmentally responsible, and cost-efficient decommissioning of O&G assets. Key activities at the IOGP decommissioning working groups include:

- Sharing best practices and lessons learned from the experiences of IOGP members.
- Developing guidelines for FPSO decommissioning and recycling.
- Enhancing supply chain availability and readiness by compiling decommissioning demand forecast data.
- Collaborating with external experts, NGOs and stakeholders to align expectations and establish common standards, decommissioning policy and guidance worldwide.

[29] Regulation (EC) No 1013/2006 of the European Parliament and of the Council of 14 June 2006 on shipments of waste.

FUTURE

In 2026, SBM Offshore will advance its commitment to safe and environmentally responsible recycling of the *FPSO Capixaba* in Denmark. SBM Offshore aims to improve the decommissioning and recycling performance of its fleet by focusing on rigorous project planning, streamlining and standardizing management systems, and incorporating best practices for continuous improvement. These efforts reinforce SBM Offshore's strategic focus on sustainability, operational excellence, and risk mitigation in all of its decommissioning and recycling operations.

3.2.4 EU TAXONOMY DISCLOSURES

ESRS E1

DISCLOSURES PURSUANT TO ARTICLE 8 OF REGULATION 2020/852/EU (TAXONOMY REGULATION)

The Taxonomy Regulation establishes a common classification system within the EU to identify environmentally sustainable activities. These activities must support at least one of the six environmental objectives: climate change mitigation, climate change adaptation, protection of water and marine resources, promotion of a circular economy, pollution prevention and control, and protection of biodiversity and ecosystems.

In conformity with the Regulation, SBM Offshore identifies activities that are eligible under the Taxonomy, assesses their alignment with the technical screening, do no significant harm (DNSH), and the minimum safeguard criteria, and discloses the proportion of its Turnover, CAPEX, and OPEX linked to Taxonomy-eligible activities. Details on how SBM Offshore evaluates the eligibility and alignment of its activities, along with the methodology and definitions of the Taxonomy financial KPIs, can be found in section 3.7.2.

TAXONOMY AT SBM OFFSHORE

The following table shows the proportion of EU Taxonomy-eligible economic activities for SBM Offshore in 2025 and 2024 across the three financial KPIs: Turnover, CAPEX, and OPEX.