

# 2017

## ANNUAL REPORT



**EXPERIENCE MATTERS**

## 2.7 QUALITY AND REGULATORY

### MANAGEMENT APPROACH

SBM Offshore is committed to performing its business in full compliance with all applicable laws and regulations and to delivering products and services meeting all related regulatory requirements as well as any applicable specifications and requirements imposed by relevant stakeholders (including but not limited to clients).

As part of the Group Execution Functions, the combined Quality & Regulatory Management function is dedicated to ensuring that such objectives are consistently met in the Company's core business, notably through:

- Promoting a Quality and Compliance culture across the organization and ensuring appropriate behaviors
- Ensuring compliance of GEMS with relevant International Standards (including but not limited to ISO 9001)
- Providing systematic identification of regulatory requirements applicable to its core business activities and ensuring their implementation within the organization
- Ensuring that conformity, compliance and acceptance of the Company's products and services are effectively achieved and maintained throughout their lifecycle

### 2017 PERFORMANCE

#### Key achievements

- Strengthened organization for quality and regulatory leadership.
- Active promotion of quality and regulatory compliance through communication campaigns and events (combined with HSSE and Process Safety).
- 3-yearly renewal of SBM Offshore's ISO 9001 certification including transition to ISO 9001:2015 – being the latest revision of the ISO 9001 Standard (from ISO 9001:2008).
- Revamping of the Company's 'Management Review' process (based notably on ISO 9001 requirements) for a more integrated and effective approach.
- Development of a revised approach to audit planning across disciplines and business entities for implementation in 2018.
- Quality improvement initiatives in the context of SBM Offshore's 'Journey to Excellence', focusing notably on Costs of Non-Quality and Quality Rules.

- Regulatory watch and research as required to support the Company's Win, Execute and Operate activities.

All Company offshore facilities were duly accepted by all relevant Authorities and Regulators, with all related permits, licenses, authorizations, notifications and certificates duly granted and maintained valid. Offshore facilities have also remained in Class at all times as required from both statutory and insurance perspectives.

### FUTURE

#### Targets and Strategy

The following objectives have been set for 2018:

- Leading contribution to the Company's 'Journey to Excellence', notably with respect to quality and regulatory compliance culture, leadership and behaviors
- Development and implementation of a Communication, Awareness & Training (CAT) program for this purpose (in coordination with HSSE and Process Safety)
- Reduction of Costs-of-Non-Quality through systematic tracking, investigations and pilot initiatives to both prevent and mitigate future occurrences across the Company's Win, Execute and Operate activities
- Leveraging ISRS to effectively support ongoing optimization and transformation
- 'Smarter & Leaner' management system, assurance activities, ways of working
- Development of an integrated Product Assurance approach, with specific focus on construction quality in 2018
- Implementation of the revised approach to audit planning and activities across all assurance functions and business entities for a more effective use of resources and a less disruptive interface
- Maintenance of an effective regulatory watch and interface with Regulators, supporting ongoing business, innovation and new ventures
- Further quality improvement initiatives

