

2017

ANNUAL REPORT



EXPERIENCE MATTERS

5 NON-FINANCIAL DATA

5.1 SCOPE OF NON-FINANCIAL INFORMATION

5.1.1 REPORTING ABOUT NON-FINANCIAL INFORMATION

This 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 report. For SBM Offshore, it is important to have assurance on financial as well as non-financial information, to obtain assurance on the reliability of information presented to its stakeholders. SBM Offshore has asked our auditors PwC to provide limited assurance on our non-financial information.

5.1.2 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.

To be consistent and complete in its reporting over 2017, SBM Offshore has chosen to only add or delete material topics compared to 2016 when required by either:

1. Significant changes in reporting frameworks and guidelines;
2. Strategic management decisions, in order to better align with the topics that reflect the organization's significant economic, environmental, and social impacts;
3. Significant changes in the topics that influence the assessments and decisions of stakeholders;
4. Significant changes in risks assessment.

UPDATE MATERIAL TOPICS

SBM Offshore conducted the following steps to re-validate and update the material topics in order to ensure the report contains the level of information required by stakeholders.

- Step 1: Update the list of potential material topics
- Step 2: Stakeholder engagement survey
- Step 3: Analysis of operating environment
- Step 4: Validation in management board meeting

For the material topics of 2017 the company chose to only rephrase the material topics of 2016 in order to be more in alignment with its strategy and business practise. The management board has decided to:

1. Update the material topic 'Health, Safety & Security' to include 'Quality'.
2. 'Renewables' is changed to 'Gas and renewables' and the management approach is discussed in Technology.
3. 'Flaring' is changed to 'Emissions reduction' and part of the strategic paragraph environment.

The material topics have been consolidated in a table in section 1.7. This table visualizes how the topics relate to the strategic priorities in section 2 and with that their corresponding management approach.

2017 MATERIAL TOPICS

The results of the materiality assessment can be found in the materiality matrix, which can be found in section 1.7 Materiality-based Value Creation. Details on how the matrix corresponds to GRI and reporting boundaries can be found in section 5.1.4 Reporting Boundaries. General standard disclosure and aspects of lower priority are included in the GRI Content Index.

5.1.3 STAKEHOLDER ENGAGEMENT

IDENTIFYING AND SELECTING OF STAKEHOLDERS

To shape stakeholder engagement, SBM Offshore identified key stakeholders by mapping the level of influence on and level of interest in the Company. Main stakeholders are the Company's employees, shareholders, the investor community, clients, business partners and suppliers. Other important stakeholders are lenders, export credit agencies, governments in operating areas, non-governmental organizations (NGOs), oil and gas industry associations, universities, researchers and potential investors. Throughout the year SBM Offshore engages with these stakeholders on a continuous basis as part of regular operations and captures that information.

Internally, SBM Offshore organizes regular Town Hall meetings where top management share business updates and establish a dialogue with staff; including participation in worldwide Company events such as Life Day. SBM Offshore also regularly shares information and updates on strategies, projects and people with its employees through the company's intranet site and via its internal monthly newsletter.

The Company maintains open and active engagement with its external stakeholders through regular business interactions, including the annual shareholders meeting, analyst and investor road shows/meetings, a Capital