

Annual REPORT

S&B
OFFSHORE

2015



7 Sustainability

7.1 Scope of Sustainability Information

7.1.1 Materiality

SBM Offshore discloses its performance indicators to its stakeholders to inform them of its sustainability policies, targets and performance.

SBM Offshore's stakeholders include employees, shareholders, investment community, clients, business partners, export credit agencies, suppliers, loan providers, NGOs and governments.

The performance indicators disclosed for 2015 are based on topics identified as material for SBM Offshore. General standard disclosure and aspects with less of a reporting priority are included in the 7.3 GRI Table. The Disclosures on Management Approach (DMA) for material aspects can be found in the in the section 7.1.2 Disclosures on Management Approach.

SBM Offshore together with several stakeholders, has performed a materiality analysis to identify the aspects that are material to the 'license to operate' and the 'license to grow'. Details about how SBM Offshore performed the materiality analysis and the outcomes can be found in chapter 3.4 Sustainability. The 2015 materiality determination resulted in a confirmation of the already existing aspects on 'license to operate' elements of the Sustainability Framework and the Company continues its performance reporting on these aspects.

7.1.2 Disclosures on Management Approach

Economic Disclosure on Management Approach

a. Why is the aspect material?

The SBM Offshore business model will for the coming decades be supported by global demand for oil, gas and energy. With its business and revenues SBM Offshore provides for salaries to its employees, value for shareholders and expenditures that benefit suppliers and governments.

Details on why this aspect is material can be found in the following sections: 2.1 Introduction, 2.4 Value Driver: Financial & Commercial, 2.6 Value Driver: Talented people, 2.7.6 Strategic sourcing and cost-effective Supply Chain.

b. How does SBM Offshore manage this aspect or its impact?

How SBM Offshore manages its economic performance can be found throughout the annual report and particularly in the following sections: 6.1.2 Financial Review, 2.7.6 Strategic sourcing and cost-effective Supply Chain, 3.2.1 SBM Offshore's Technology Strategy.

c. How does SBM Offshore evaluate the way it manages this aspect?

The economic/financial performance of SBM Offshore is frequently monitored through a large number of KPI's. SBM Offshore's annual report elaborates on this aspect by disclosing information on revenues, operating costs and wages among other financial information, see section 6.1.2 Financial Review for more details.

Technology Disclosure on Management Approach

a. Why is the aspect material?

The Company's success is driven by its reputation in the industry for being at the forefront of technology, providing market-driven, pioneering solutions for almost 60 years. See section 2.5 Value Driver: Technology for more details on why this aspect is material.

b. How does SBM Offshore manage this aspect or its impact?

SBM Offshore maintains its technology focus thanks to the Company's Technology Team engaging externally with its clients and internally with its product line divisions, to identify, understand and analyze the key technical and business trends in the offshore industry. SBM Offshore details how it manages the impact of its technological developments in section 3.2.1 SBM Offshore's Technology Strategy.