SBM
OFFSHORE

TURRITELLA

EXPERIENCE MATTERS

2016
ANNUAL REPORT

6 NON-FINANCIAL DATA

and performance. General standard disclosure and aspects of lesser priority are included in the Global Report Initiative Table (see GRI Table).

Stakeholder engagement

The table below shows per stakeholder group their expectations of SBM Offshore.

	Shareholders, Investors & Loan Providers	Employees	Clients, JV and Business partners	Classification Society	NGOs & Assocations	Suppliers
Technological innovation to maintain a leading position and support the energy transition	√	√	√	√	√	√
Compliance with all relevant laws and regulations, concerning the full scope of economic, ethical, social and environmental issues	√	√		√	√	
Maintenance of a high standard regarding anti-bribery and corruption procedures, Code of Conduct and business ethics	√	√		√	√	√
Predictable cash flows and liquidity	√					
Contribution to local development, protection of human rights, ethical business, behaviour and culture	√	√	√	√	√	√
Sustainable Business Creation	√				√	
Focus on health safety and process safety	√	√	√	√		√
Attention to the search and retention of talent, including talent development	√	√		√		√
An increase of renewables in the energy mix for the future					√	
Efficiency in the use of energy and natural resources and care for the protection of the environment	√	√		√	√	
Efficiency in SBM Offshore operations, with an cost effective sustainable supply chain to support this			√	√	√	√
Focus on calculating the total life cycle costs of product	√		√	√		√
Project Performance	√	√	√	√		√

SBM OFFSHORE VALUES YOUR OPINION

SBM Offshore would like to know more about which economic, social and environmental issues are important to its stakeholders.

Would you like to participate in SBM Offshore's 2017 Stakeholder Engagement or provide feedback for the 2016 Stakeholder Engagement? Please write to us at sustainability@sbmoffshore.com.

6.1.5 REPORTING BOUNDARIES

The performance indicators include Financial, Social, Health, Safety, Security and Environmental data, which are included in the following pages of the report.

HSSE data are presented for the calendar years 2015 and 2016 to allow for comparison. Human Resources data are presented for 2016. For certain key data the last five years have been published to show the Company's long history of data collection and disclosure. PricewaterhouseCoopers Accountants N.V. has provided limited assurance on the safety indicators LTIFR and TRIFR and environmental data reported for the years 2010 until 2013 based on a separate report on selected key

sustainability indicators prepared by SBM Offshore. From 2014 to 2016, PricewaterhouseCoopers Accountants N.V. provided limited assurance on all HSSE and Human Resources data. The financial data have been audited as part of the annual financial reporting process.

For Health, Safety and Security information is provided in relation to SBM Offshore's direct activities and also includes impacts outside the organization by reporting on contractors and contractor's subcontractors.

For Environment and Human Resources, information is provided in relation to impacts within the Company.

For some performance indicators the Company makes a split between onshore and offshore activities.

For Health, Safety, Security and Environment, onshore includes all SBM Offshore employees (including agency staff) in the offices, yards and installations vessels and contractors/subcontractors in the yards. Offshore includes all fleet, support shore bases and the Monaco office supporting the offshore fleet.

For Human Resources, onshore includes all SBM Offshore employees and contractors working in all the Company's offices, shore bases (supporting the offshore fleet), construction yards and Operations employees based in Monaco. Offshore includes all crew employees operating on vessels. This breakdown does not include Construction Yard employees which are treated separately.

6.1.6 HEALTH, SAFETY AND SECURITY REPORTING

The Health, Safety and Security performance indicators scope takes into account:
- **Employees** which include all permanent employees, part-time employees, locally hired agency staff ('direct contractors') in the fabrication sites, offices and offshore workers, i.e. all people working for the Company.

- **Contractors** which include any person employed by a Contractor or Contractor's Subcontractor(s) who is directly involved in execution of prescribed work under a contract with SBM Offshore.

HSS incidents are reported and managed through the Company's Single Reporting System (SRS) database. SRS is a web-based reporting system that is used to collect data on all incidents occurring in all locations where the Company operates.

The SRS system records safety, environmental, security incidents, loss of containments, equipment failure and damage only incidents.

Safety incidents are reported based on the incident classifications as defined by the IOGP Report 2015 – Jan 2016. Health incidents are reported based on the occupational illnesses classification given in IOGP Report Number 393 – 2007.

The Company also reports incident data from Contractor's construction facilities if the incident is related to an SBM Offshore project.

The Company uses records of exposure hours and SRS data to calculate Health and Safety performance indicators set by SBM Offshore.

The Loss of Primary Containment (LOPC) reporting is managed through the Company's Single Reporting System (SRS) database. LOPCs are reported based on the definitions and thresholds from IOGP report 456 and API standard RP 754. In 2016, a LOPC volume calculator tool has been included in SRS to assist personnel in determining quantities released based on known factors and improve accuracy of reported volumes.

KPIs used by the Company include the number of LOPCs, the number of Tier 1 Process Safety Events and the number of Tier 2 Process Safety Events.

LOSS OF PRIMARY CONTAINMENT (LOPC)
A LOPC is defined as an unplanned or uncontrolled release of any material from primary containment,