



OFFSHORE

ENERGY. COMMITTED.

ANNUAL REPORT 2021

3.3 REPORT OF THE SUPERVISORY BOARD

Composition

In 2021, Laurence Mulliez stepped down after the 2021 AGM after six years of service. Following the departure of Andy Brown, Francis Gugen took over as Vice-Chairman of the Supervisory Board. The Supervisory Board welcomed Ingelise Arntsen who was newly appointed at the 2021 AGM for a period of four years, until the 2025 AGM. In 2021 the Supervisory Board also announced its intention to nominate Hilary Mercer as member of the Supervisory Board. In accordance with best practice 2.2.2 of the Corporate Governance Code, the profile, the competencies and background of the Supervisory Board members already in function, as well as the Diversity Policy for the Supervisory Board, were closely observed for nominations made.

Independence

As per year-end, six out of seven Supervisory Board members are independent from the Company within the

meaning of best practice provisions 2.1.7 to 2.1.9 inclusive of the Corporate Governance Code. The exception is Jaap van Wiechen in view of his position as member of the Executive Board of HAL Holding N.V./director HAL Investments B.V. Sietze Hepkema who was a Management Board member of SBM Offshore until this appointment as Supervisory Board member in April 2015, qualifies as independent Supervisory Board member as of April 16, 2020.

Meetings

In 2021, the Supervisory Board held seven scheduled meetings, one additional meeting and some ad hoc calls. Due to the COVID-19 pandemic, Supervisory Board members mostly participated in the meetings via video conferencing. The Supervisory Board assessed that its members have adequate time available to give sufficient attention to the Company. In 2021, the attendance percentage of the Supervisory Board for the meetings was 98.21%. The table below shows the overview of the attendance in 2021 at scheduled meetings for the individual members out of the number eligible to attend.

Members ¹	Supervisory Board	Audit and Finance Committee	Technical and Commercial Committee	Appointment and Remuneration Committee
Roeland Baan (Chairman)	8/8	-	-	5/5
Francis Gugen (Vice-Chairman)	8/8	5/5	-	-
Ingelise Arntsen	6/6	-	3/3	-
Bernard Bajolet	8/8	-	6/6	-
Sietze Hepkema	8/8	3/3	-	5/5
Cheryl Richard	8/8	-	-	5/5
Jaap van Wiechen	7/8	4.5/5	6/6	-
Laurence Mulliez	2/2	2/2	3/3	-

¹ Where a Supervisory Board member retired from or was appointed to the Supervisory Board, stepped down from a Committee or was appointed throughout the year, only meetings during his/her tenure were taken into account

The Management Board prepared detailed supporting documents as preparation for all meetings and several representatives of senior management were invited to give presentations on specific topics within their area of responsibility. The Supervisory Board and Committee meetings were usually held over two days to ensure time for review and discussion. The Management Board attended all scheduled meetings of the Supervisory Board. The customary informal pre-board dinner was cancelled in most instances in 2021 due to the COVID-19 pandemic. Several informal meetings and contacts among Supervisory Board members and/or Management Board members took place. Prior to the scheduled meetings, the Supervisory Board met outside the presence of the Management Board to reflect on agenda items and discuss potential items requiring attention during the meeting. The Supervisory Board also received regular updates from the Management Board outside meetings on relevant developments within the Company.

In 2021, a repeat subject on the agenda of the Supervisory Board meeting was the challenges that came with the COVID-19 pandemic. The Supervisory Board was regularly informed about the impact of COVID-19 on SBM Offshore, its employees, projects, supply chain and fleet operations, as well as measures implemented in relation herewith. In addition, recurring standard items on the agenda of the Supervisory Board meetings were the Company strategy, the commercial activities/projects and the market environment, the operational performance, the financial performance and liquidity position, treasury topics, investor relations topics, compliance, risk management and internal controls, SBM Offshore organisation and culture including diversity and inclusion, corporate governance, succession planning of the Management Board, Supervisory Board and senior management of the Company, remuneration for senior management and the Management Board and ESG topics including SBM Offshore's approach hereto.

3 GOVERNANCE

In February 2021, the Supervisory Board approved the 2020 Financial Statements and the proposal to the General Meeting of an all cash dividend distribution. In the same meeting, the 2021 operating plan was approved in its final form. The Supervisory Board also nominated PricewaterhouseCoopers for re-appointment as external auditor. In August, the Supervisory Board approved the launch of a EUR150 million share buyback program. On various occasions during the year, the strategy, progress on the implementation thereof, as well as the risks related to its realization, were reviewed and discussed. As an example, these discussions included the strategic position of the Company in the energy transition for its clients and the fast-developing floating offshore wind market. The Long-Term Strategic Plan was discussed and approved in December. The Supervisory Board annually discusses the Company's risk appetite. In addition, the Supervisory Board frequently discussed the elements of the Management Board remuneration policy. The feedback of shareholders

and institutional investors lead to a proposal to the General Meeting of a revised remuneration policy for the Management Board (RP 2022), which the General Meeting approved. The SBM Offshore organisation in relation to the challenges in relation to the COVID-19 pandemic and in general were regularly discussed. The results of the 2021 Pulse Survey (employee satisfaction survey) and action plans were presented and reviewed. Furthermore, time was spent on talent management and leadership development.

THE SUPERVISORY BOARD COMMITTEES

The Supervisory Board has appointed three committees which are formed from among its members. These committees have advisory powers, share the main considerations and conclusions of their meetings in the Supervisory Board meeting and provide recommendations for decision by the Supervisory Board. The composition of each committee as at December 31, 2021 is detailed below.

Members	Appointment and Remuneration Committee			
	Audit and Finance Committee	Technical and Commercial Committee	Appointment matters	Remuneration matters
Roeland Baan (Chairman)			Chairman	√
Francis Gugen (Vice-Chairman)	Chairman			
Ingelise Arntsen ¹		√		
Bernard Bajolet		√		
Sietze Hepkema	√ ²		√	√
Cheryl Richard			√	Chairman
Jaap van Wiechen	√	Chairman ³		

¹ Appointed as per April 7, 2021

² Appointed as per April 7, 2021

³ Appointed as per January 24, 2021

There is an open invitation to join committee meetings for those Supervisory Board members who are not a member of specific committee. This invitation is regularly made use of.

Audit and Finance Committee

Sietze Hepkema succeeded Laurence Mulliez as member of the Audit and Finance Committee from April 2021. The Audit and Finance Committee convened five times in 2021. The attendance percentage of the Audit and Finance Committee meetings was 96.7%. The Chairman of the Audit and Finance Committee reported to the Supervisory Board on the principal issues discussed, on actions arising and the follow-up of such actions and made recommendations on those matters requiring a decision by the Supervisory Board. The Management Board, the Group Internal Audit Director, the Group Controller and the external auditor attended the meetings. After each meeting, the Audit and Finance Committee met with the external auditor outside the presence of the Management Board. The Chairman of the Audit and Finance Committee regularly held meetings with the CFO, and separately with

SBM Offshore's Group Internal Audit Director and again separately with PricewaterhouseCoopers.

The Audit and Finance Committee prepares the Supervisory Board's decision making regarding the supervision of the integrity and quality of the Company's financial reporting and the effectiveness of the Company's internal risk management and control systems. Standard agenda topics in 2021 were financial performance, compliance, risk management and internal controls, Internal Audit activities and IT (including cybersecurity). In addition, other items discussed included: the COVID-19 pandemic, funding and liquidity, dividend proposal, share repurchase proposal, functioning of and relationship with the external auditor including the quality of the audit, financing strategy and the SBM Offshore's approach to tax policy and specific tax issues.

The external auditor participated in all meetings of the Audit and Finance Committee. Discussions were held with PricewaterhouseCoopers about the audit plan, management letter, audit report and financial statements

including managerial judgements and key accounting estimates. Additionally, the Audit and Finance Committee formally evaluated the external auditor and discussed its re-appointment, also in view of the change in lead audit partner as from the financial year 2021. The outcome of the evaluation was positive.

Appointment and Remuneration Committee

The Appointment and Remuneration Committee had five scheduled meetings in 2021. The attendance rate of the Appointment and Remuneration Committee meetings was 100%. In addition to scheduled meetings, various ad hoc meetings took place to prepare and discuss the Management Board remuneration policy. The Appointment and Remuneration Committee consists of two parts as prescribed by the Corporate Governance Code: a part for Selection and Appointment matters and a part for Remuneration matters. During the Supervisory Board meetings, the respective Chairperson reported on the selection and appointment matters and on the remuneration matters reviewed by the Committee, on actions arising and the follow-up of such actions. They made recommendations on those matters that require a decision from the Supervisory Board. The meetings were attended by the Management Board and the Group HR Director, except where the Appointment and Remuneration Committee chose to discuss matters in private.

The main remuneration matters discussed by the Appointment and Remuneration Committee in 2021 were: determination of the relevant remuneration of the Management Board (Short-Term Incentive target setting and realization, and the Value Creation Stake award) and the Remuneration Policy for the Management Board. On Management Board remuneration matters, the views of the Management Board members on their own remuneration have been noted.

The main selection and appointment matters discussed were: succession planning, the proposal to nominate Douglas Wood for re-appointment as member of the Management Board, the proposal to nominate Ingelise Arntsen for appointment as member of the Supervisory Board, talent management, the SBM Offshore organizational structure, employee well-being (Pulse Survey) and culture.

Technical and Commercial Committee

In 2021, Jaap van Wiechen was elected as Chairman of the Technical and Commercial Committee due to the departure of Andy Brown. As from April 2021, Ingelise Arntsen became a member of the Committee. The Technical and Commercial Committee convened six times in 2021. The attendance rate of the Technical and Commercial Committee for these meetings was 100%. The

Chairman of the Technical and Commercial Committee reported to the Supervisory Board on the principal issues discussed, on actions arising and the follow-up of such actions and made recommendations on those matters requiring a decision. The meetings were attended by the Management Board, and relevant senior management representatives who gave presentations on specific topics within the remit of the Technical and Commercial Committee.

The main subjects discussed by the Technical and Commercial Committee were the following: the COVID-19 pandemic and the impact on the fleet and operations, Health, Safety, Security and Environment and Process Safety performance, operational performance and strategy, project resourcing and execution, sales, marketing and tender activities, client relationships, technology and innovation developments.

INDUCTION, TRAINING AND PERFORMANCE ASSESSMENT

Following appointment to the Supervisory Board, new members receive a comprehensive induction tailored to their needs. This includes sessions with members of the Management Board and senior management in which they are informed on all relevant aspects of the Company as well as site visits. Furthermore, during the first year of appointment, new members often are present at the meetings of committees of which they are not a member. In 2021, SBM Offshore welcomed one new member to the Supervisory Board. Due to the COVID-19 restrictions, the induction program took place in the form of sessions with the Management Board and senior management, as well as participation in the annual mid-year Strategy Seminar. Regrettably, site visits were not possible in 2021.

Both the Management Board and the Supervisory Board spent time on deep dives on various relevant subjects, for example the energy transition and the role of the Company herein. In addition, Supervisory Board members participated in various e-Learnings via the SBM Offshore Compliance platform. Site visits are seen as an opportunity for continuing education. In December a virtual site tour by means of a pre-recorded video was organised for the Supervisory Board to review the progress of the Provence Grand Large project. Site visits in physical form are to be continued if and when is possible.

In August 2021, the Supervisory Board assessed the profiles and the competencies of the individual Supervisory Board members. Annually, an assessment on the functioning of the Supervisory Board, its Committees and its members is performed. In principle this is done with an external advisor every three years. As the 2019 performance evaluation was done with an external advisor, the Supervisory Board conducted a self-assessment in November 2021 via a survey which was completed by the members of the Supervisory

3 GOVERNANCE

Board and the Management Board. Questions asked regarded institutional and procedural matters, the performance of the Supervisory Board members, and the Management Board performance and collaboration with the Supervisory Board. The outcome was discussed by the Supervisory Board in December 2021. The overall feedback from the assessment was positive. The Supervisory Board and the Management Board have discussed how to further enhance and optimise discussions around the strategy. Some practical suggestions on the organization of the meetings were also made and will be implemented, such as a further optimization of the annual schedule of topics to be addressed in the Supervisory Board and Committee meetings. The Chairman of the Supervisory Board frequently spoke with the CEO and other Management Board members outside the meetings. The Management Board reviewed its functioning as a whole and that of the individual Management Board members on various occasions throughout the year. During these sessions, its role and responsibilities, meeting efficiency and the relationship with the Supervisory Board and senior management was also discussed. Overall, it was concluded that both the Supervisory Board and the Management Board function properly and effectively and that the relationship is constructive.

CONCLUSION

The Financial Statements have been audited by the external auditor, PricewaterhouseCoopers Accountants N.V. Their findings have been discussed with the Audit and Finance Committee and the Supervisory Board in the presence of the Management Board. The external auditor have expressed an unqualified opinion on the Financial Statements.

The members of the Supervisory Board have signed the 2021 Financial Statements pursuant to their statutory obligations under article 2:101 (2) of the Dutch Civil Code. The members of the Management Board have signed the 2021 Financial Statements pursuant to their statutory obligations under article 2:101(2) of the Dutch Civil Code and article 5:25c (2) (c) of the Financial Markets Supervision Act. The Supervisory Board of SBM Offshore N.V. recommends that the General Meeting adopts the Financial Statements for the year 2021.

Supervisory Board

Roeland Baan, Chairman
Francis Gugen, Vice-Chairman
Ingelise Arntsen
Bernard Bajolet
Sietze Hepkema
Cheryl Richard
Jaap van Wiechen

Schiphol, the Netherlands
February 9, 2022

3.4 REMUNERATION REPORT

In this report, the remuneration for the Management Board and Supervisory Board is described. The first part contains a description of the remuneration policy for the Management Board, how it was implemented for the Management Board members over 2021 and various other Management Board remuneration information. The second part describes the remuneration policy for the Supervisory Board and how it was implemented over 2021.

3.4.1 MANAGEMENT BOARD REMUNERATION POLICY

At the 2021 AGM, the Remuneration Policy 2022 (RP 2022) was adopted (90.98% in favor). This policy became effective January 1, 2022. Over 2021, the former policy, RP 2018, still applied. RP 2018 was adopted at the 2018 AGM and became effective January 1, 2018. Full details and the principles and rationale for the RP 2018 are available on SBM Offshore's website in the remuneration policy section under Corporate Governance Documents.

The Company remunerates members of the Management Board for long-term value creation. RP 2018 and RP 2022 are both based on competitive remuneration aligned with the long-term performance of SBM Offshore. It is built on six reward principles: simplicity, flexibility, predictability, competitiveness, alignment and, most importantly, driving the right results.

This remuneration report has been drafted in accordance with the EU Shareholder Rights' Directive (SRD II) as implemented in the Netherlands.

Explanation of RP 2018 and RP 2022

SBM Offshore believes the oceans will provide the world with safe, sustainable and affordable energy for generations to come. Our mission is to share our experience to make it happen. In executing our strategy we

are guided by our Core Values: Integrity, Care, Entrepreneurship and Ownership.

The underlying principles of the remuneration policy of the Management Board of SBM Offshore N.V. support the vision and ambition and aim for long-term value creation of the Company through the Value Creation Stake balanced with pay for performance through the Short-Term Incentive (STI). Sustainability¹¹ is an integral part of the STI performance areas (through Health, Safety, Security and Environment).

The Company's strategy is aimed at optimizing, transformation and innovation of SBM Offshore's business processes in order to grow in size and create value. This is reflected in the STI performance areas of Profitability, Growth and Sustainability Performance. Through the STI performance areas, Management Board remuneration is directly linked to the success of the Company and the value delivered to shareholders.

Employment conditions and pay of the Company's employees within SBM Offshore are being taken into account when formulating the remuneration policy, for instance through the internal pay-ratio analysis. Employment conditions for Management Board members may differ from those applicable to employees, also because Management Board members have a service contract rather than an employment relationship. The principles of the remuneration policy are used as a guideline for employment conditions at SBM Offshore as a whole.

The four components of the remuneration package of Management Board members under RP 2018 and RP 2022 are: (1) Base Salary, (2) STI, (3) Value Creation Stake and (4) Pension and Benefits.

¹¹ In this report, the STI performance area 'HSSE' in RP 2018 is also referred to as 'Sustainability Performance'.