



2023 ANNUAL REPORT



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Corporate Governance Code. The Corporate Governance Code provides that the severance payment will not exceed a sum equivalent to one times annual base salary. This also applies in a situation of a change in control.

Loans

SBM Offshore does not grant loans, advance payments or guarantees to its Management Board members.

3.3.2 2023 MANAGEMENT BOARD REMUNERATION

The Supervisory Board is responsible for ensuring that the remuneration policy is appropriately applied and aligned with the Company's objectives. The remuneration level is determined by the Supervisory Board using a comparison

with Dutch and international peer companies, as well as internal pay ratios across the Company.

REFERENCE GROUP

In order to determine a competitive base salary level and to monitor total remuneration levels of the Management Board, a reference group of relevant companies in the industry (the 'Reference Group') has been defined. Pay levels of the Management Board members are benchmarked to the Reference Group. In the event a position cannot be bench-marked within the Reference Group, the Supervisory Board may benchmark a position to similar companies. For 2023, the Reference Group consisted of:¹⁷

¹⁷ Compared to RP 2022 the reference group has changed. Due to changes such as bankruptcy and delisting, Boskalis, Superior Energy Services and RPS Group are no longer part of the reference group.

Aker BP ASA	IMI Plc	RPC, Inc.
Aker Solutions ASA	John Wood Group Plc	Tecnicas Reunidas SA
Arcadis NV	Noble Corp. Plc	Transocean Ltd.
CGG	Oceaneering International, Inc.	Tullow Oil Plc
Fugro NV	Orron Energy AB	Vallourec SA
Helmerich & Payne, Inc.	Petrofac Ltd.	
Hunting Plc	Royal Vopak NV	

In 2023, there were no changes in the base salary of the Management Board members.

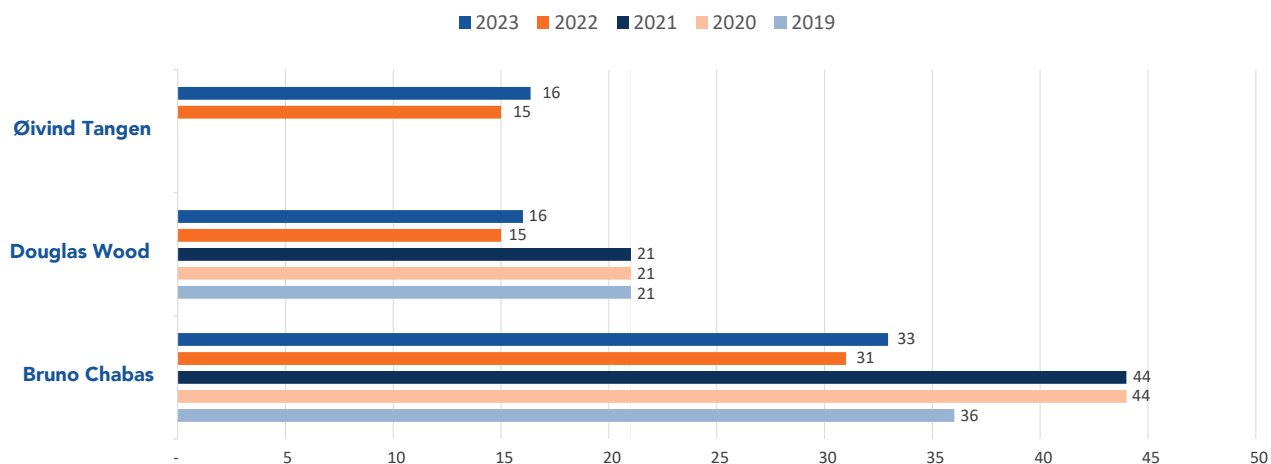
PAY RATIO

The pay ratio shows the developments in the annual total remuneration of the Management Board members and the average remuneration on a full-time-equivalent basis of employees of the company.¹⁸ The average total employee and contractor costs per FTE in 2023 was EUR136 thousand.

The pay ratios of each of the Management Board members over the period of 2019 to 2023 are displayed in the following graph.

¹⁸ The pay ratio is calculated as the total accounting costs of remuneration for each of the Management Board members expressed as a multiple of the average overall employee benefit and contractor expenses for a given year (excluding employees working for non consolidated JVs and associates).

PAY RATIO



TOTAL REMUNERATION OVERVIEW

The table below provides insight into the costs for SBM Offshore for Management Board reward in 2023

(based on RP 2022) and presents an overview of the remuneration of the Management Board members who were in office in 2023.

Remuneration of the Management Board

in thousands of EUR

Name of Director, Position	Year	Fixed remuneration		Variable remuneration			Total remuneration	Proportion of fixed and variable remuneration
		Base salary	Other benefits	STI ¹	Value Creation Stake	Pension expense		
Bruno Chabas, CEO	2023	960	241	1,152	1,697	276	4,327	34%/66%
	2022	960	231	816	1,512	297	3,815	39%/61%
	2021	960	250	1,279	1,797	294	4,580	33%/67%
	2020	960	213	1,176	1,965	296	6,721	22%/78%
	2019	800	165	916	1,372	245	6,293	19%/81%
Douglas Wood, CFO	2023	544	36	490	962	136	2,167	33%/67%
	2022	537	42	342	850	134	1,906	37%/63%
	2021	518	50	517	968	129	2,182	32%/68%
	2020	518	44	475	1,071	129	3,293	21%/79%
	2019	484	41	415	845	121	3,422	19%/81%
Øivind Tangen, COO	2023	518	145	466	916	130	2,175	36%/64%
	2022	558 ²	346	256	695	121	1,975	52%/48%

¹ STI based on accrual accounting, taking into consideration that this reflects the STI to be paid over the performance of that year.

² Including unwinding of rights as employee prior to the Management Board nomination.

1. BASE SALARY

The 2023 and 2022 base salary levels of the Management Board members are shown in the table above: Remuneration of the Management Board.

2. SHORT-TERM INCENTIVE

RP 2022 indicates that for the STI, the performance areas are Profitability, Growth and Sustainability. As the Company now revolves its strategy around the strategic pillars Environment, Social and Governance, the Supervisory Board deemed it appropriate that the STI performance measures can also be linked to these pillars.

The Supervisory Board set the metrics and the detailed targets (reflected as Threshold/Target/Max) for each of these performance areas at the beginning of the financial year. For each of these targets a scenario analysis takes

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place to ensure that the targets are suitable, supportive to the strategy and challenging. When conducting scenario analyses and establishing the metrics and detailed targets, the Supervisory Board identifies critical variables and factors that could impact the Company's performance in the relevant performance areas and could influence pay outcomes. Additionally, regular updates are given on the forecasted target realization throughout the year. These

updates are also taken into consideration in the scenario analyses when establishing the targets and detailed metrics at the beginning of the following year.

The following two tables show an overview of the 2023 target realization and the related 2023 STI for the individual Management Board members.

Performance area	Performance indicator	Relative weight	Threshold	Target	Max	Actual performance	Actual in % of target
Profitability	Underlying directional EBITA (USD mln)	50%	1,020	1,050	1,080	1,075 ¹	55.4%
	Project Execution performance						
Growth	Order intake, Energy transition	30%	Commercially sensitive			Between Target and Max	36.0%
Sustainability	Safety		T1 Process Safety Incidents with > 3 in severity score=3			1	
	Operational Excellence on gas flared	20%	average MMscft/day per unit=1.48			1.18	28.3%
	Injury frequency rate		TRIFR<0.14			0.08	
	SDG contribution		SDG #3, #4; #7; #8; #9, #10; #12; #13; #14 completion 100%			110%	
Weighted performance on all indicators		100%					119.7%

¹ Underlying EBITDA reflects the following adjustments: i. impact of the sale of Liza Destiny earlier than planned; ii. implementation costs of an optimization plan related to the Company's support functions; and iii. impact of the delay in commencement of a charter by a client notwithstanding the on-target delivery of the vessel by the Company.

2023 STI Performance

Name of Director	Position	Base salary in EUR	Threshold STI	On Target STI	Maximum STI	Actual Performance in %	Actual Performance in EUR
Bruno Chabas	CEO	960,000	50.0%	100%	150.0%	120%	1,152,000
Douglas Wood	CFO	544,000	37.5%	75%	112.5%	90%	489,600
Øivind Tangen	COO	518,000	37.5%	75%	112.5%	90%	466,200

3. VALUE CREATION STAKE

The Supervisory Board decided to grant the Value Creation Stake for 2024 to the Management Board members in accordance with RP 2022. The underpin test as explained in section 3.3.1 was applied to this grant. As per RP 2022, the granted Value Creation Stake vests immediately. The gross annual value for each of the Management Board members is 175% of base salary. The number of shares was based on the four-year average share price (volume weighted) at the date of the respective grant. The cost of the granted Value Creation Stake is included in the table at the beginning of this section 3.3.2. The number of shares vested under the Value Creation Stake can be found in section 3.3.3 of this remuneration report under Conditions of and information regarding share plans.

4. SHAREHOLDING REQUIREMENT MANAGEMENT BOARD

The following table contains an overview of shares held in SBM Offshore N.V. by members of the Management Board at December 31, 2023.

Shares held by members of the Management Board

	Shares subject to conditional holding requirement	Other shares	Total shares at 31 December 2023	Total shares at 31 December 2022
Bruno Chabas	330,965	987,740	1,318,705	1,254,864
Douglas Wood	176,470	123,716	300,186	264,009
Øivind Tangen ¹	78,250	94,854	173,104	129,792
Total	585,685	1,206,310	1,791,995	1,648,665

¹ Management Board member since April 6, 2022.

All Management Board members met the share ownership requirement, which is set at an equivalent of 350% of their base salary. Section 3.3.3 contains more information about the (historical) share plans for the Management Board.

5. PENSIONS AND BENEFITS

Management Board members received a pension allowance equal to 25% of their base salary. In case these payments are not made to a qualifying pension fund, Management Board members are individually responsible for the contribution received and SBM Offshore withholds wage tax on these amounts. For the CEO, two pension arrangements (defined contribution) are in place and its costs are included in the table at the beginning of this section 3.3.2.

The Management Board members received several allowances in 2023, including a car allowance, a housing allowance as well as school fees. The value of these elements is included in the table in section 3.3.2 under item Other Benefits.