

SBM Offshore N.V.  
Attn the Management Board and the Supervisory Board  
Evert van de Beekstraat 1-77  
NL-1118 CL Schiphol

BY EMAIL

Date: 5 April 2019  
Reference: 2019 042  
Subject: VEB/SBM – Questions further to SBM’s press release dated 29 March 2019 further to intended AFM fine

Dear Sirs, Madams,

I am writing to you further to the press release issued by SBM Offshore N.V. (“**SBM**”) on 29 March 2019 titled “*SBM Offshore to challenge AFM fine related to timing of disclosures between 2012 and 2014*” (“**the Press Release**”).

The Press Release mentions the intention on the part of the Dutch Authority for the Financial Markets [*Stichting Autoriteit Financiële Markten*, “**AFM**”] to fine SBM for its failure to inform the market in a timely manner of – the findings of – the internal investigation into fraudulent acts by the company and/or officers associated with the company.

Over the past few years, the VEB has repeatedly consulted with SBM on behalf of investors regarding facts, circumstances and developments in relation to the said fraudulent acts, for which SBM has already had to pay hundreds of millions of euros to avoid prosecution. SBM has repeatedly emphasized the importance of timely transparency and declared that it had followed up on this conviction in practice and stringently. Considering all this, the VEB would put the following questions to you.

- Why did SBM see fit to publish the AFM’s provisional fine – challenged by SBM – now?
- Apart from the company, have – former – directors been – provisionally – fined by the AFM? If so, who, and why is the Press Release not clear on this?
- It follows from the amount of the fine of EUR 2 million that there were four moments at which SBM may not have informed the market or may not have done so in full. What four moments and what disclosures are these?
- Experience teaches that measures taken by the AFM are preceded by periods of extensive investigations of and ditto correspondence with the companies in question.

Why did SBM not consider it necessary to disclose the fact that the company and, possibly, its directors were the subject of investigation any sooner? Any information about any such investigation is in any case absent from SBM's successive annual reports.

- Did the Audit Committee discuss the AFM's investigation with the auditor? If so, what has been the consideration here to not disclose the investigation sooner?

SBM's Press Release shows that the AFM's investigation pertained to the period between 27 March 2012 and 12 November 2014, the day on which SBM disclosed the settlement with the Dutch Public Prosecution Service [*Openbaar Ministerie*].

Mr Sietze Hepkema, currently a Supervisory Director, was a member of SBM's Management Board from 10 April 2012 (appointed during the Extraordinary General Meeting of Shareholders dated 27 June 2012) until 15 April 2015. As Chief Governance and Compliance Officer, he was responsible for the internal investigation into corruption. Moreover, as such, he performed a pivotal role in terms of informing the market about the said investigation.

- How did the Supervisory Board ensure that Mr S. Hepkema, one of the Supervisory Directors, did not influence a discussion (or decision) within the Supervisory Board about his own past performance as a Managing Director?

Mr Hepkema's reappointment has been placed on the agenda for the General Meeting of Shareholders to be held on 10 April 2019.

- Has the AFM's investigation, which led to the provisional fine, been part of the internal discussion regarding Mr Hepkema's possible reappointment to the Supervisory Board?
- Why does SBM see no obstacle in Mr Hepkema's reappointment in the light of the AFM's investigation and the conclusions that culminated in the – provisional – sanction?

I am looking forward to receiving your written response within 14 days of the date of this letter. However, the VEB will feel free to also submit for discussion a few of the questions posed above during the General Meeting of Shareholders of 10 April 2019.

A copy hereof will be posted on the VEB's website.

Yours faithfully,

P.M. Koster

Director