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Dear Management Board, dear Supervisory Board,

The Dutch Shareholders' Association ("VEB") attaches great importance to a public dialogue between shareholders with the company. The upcoming season of shareholder meetings promised to give a qualitative boost to that dialogue due to new laws and regulations that impose requirements on shareholder involvement and transparency and accountability of companies.

The current situation as a result of the COVID-19 pandemic has radically rolled over conditions. A regular dialogue in person cannot take place under the current circumstances. However, the VEB is counting on a virtual interaction between shareholders and representatives of the company during the meeting.

Below you will find several questions, of which we would like to receive substantive answers during the upcoming annual general meeting (AGM). We would also like to receive these answers in writing. Besides, we assume that the questions and answers provided will also be recorded in the minutes.

First of all, the VEB draws your attention to a few issues that should help the company and its stakeholders to deal with the current crisis as best as possible. You will find these points for attention in the separately enclosed document 'Algemene aandachtspunten in crisistijd' (in Dutch).

## **QUESTIONS VEB**

### GOING CONCERN AND FUTURE

1. In the Annual Report, it is noted that up to 35 FPSO projects could come to the market (FID). What impact does the current crisis have on this expectation?
2. A materiality matrix is set out on page 22 of the Annual Report, presenting 31 topics and their impact on the SBM business and its stakeholders. A Pandemic is not mentioned separately. What topics, besides Employee Health and Safety (11), are directly exposed to the pandemic? If the matrix was drawn again today, would you consider including pandemic threats as a separate topic, and where would it be placed in the matrix?

3. Can you provide an interim figure for the Production Uptime of the fleet? And if not, can you give a prognosis of this performance indicator for the full year 2020 (99,4% in 2019)?
4. Do the lease contracts for FPSO's contain articles or clauses that may be triggered by the current crisis and have a negative impact on SBM and its stakeholders?
5. What would happen to SBM if government regulations banned deep-sea oil and gas? Clearly, there would be zero new orders, but could the existing backlog become stranded as well, and what would be the impact on cash flow and the balance sheet?
6. What would be the impact on the expected number of new tenders if oil prices would structurally remain below 10 USD, 20 USD or 30 USD?
7. To what degree could the existing backlog become stranded if oil prices would structurally remain below 10 USD, and what would be the impact on cash flow and the balance sheet?
8. To what degree have these kinds of fundamental/existential scenario's been discussed with the supervisory board?
9. Has PwC performed or reviewed any scenario analysis, where the risk profile and resilience of SBM was tested in case oil prices would structurally drop below 10 USD or when government regulations banned deep sea oil and gas?
10. If yes, what were the outcomes, and why weren't these documented in the annual report? If not, why not?
11. SBM is piloting opportunities for the floating wind and wave energy segments. How many years will SBM need before the pilots can be marketed? What's the impact of the current crisis on developing the current pilots?

## CAPITAL ALLOCATION

12. Will SBM stick to its dividend distribution proposal? Why (not)?
13. Will SBM refrain from issuing new shares, or at least commit to not issuing such shares at a discount compared to the market price?



14. Is SBM considering repurchasing shares? If so, does that compromise its risk profile?

#### GOVERNANCE AND OTHER

15. Is it wise to propose increasing the base salary of the CEO from € 800k to € 960k, considering the current crises (both Corona, and oil prices collapsing)? VEB is against any increase.

16. Is the Supervisory Board considering to use their discretionary power to reduce or slash all or any variable components in variable payments, for instance, because the pay-for-performance relation is weaker than ever in the current turbulence?

17. Is it wise for the CEO to have two non-executive roles at listed companies? VEB is not in favour of executives with more than one non-executive positions.

#### **To conclude**

The VEB is well aware of the significant challenges you currently face. It is for this reason that we expressly send you the questions above prior to the AGM.

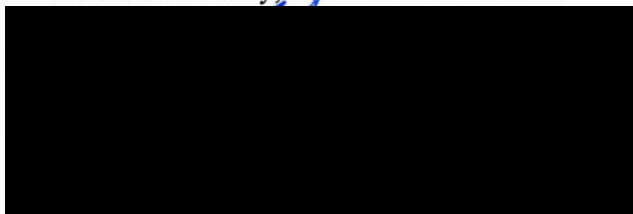
VEB also attaches great importance (and par excellence) to the dialogue between shareholders and companies in the AGM under these exceptional circumstances.

The VEB is convinced that the interaction between shareholders on the one hand and directors and supervisory directors on the other will benefit purity in decision-making at this special remote meeting. There are no technical obstacles to interaction during this virtual meeting in 2020.

The VEB, therefore, invites you to address the questions and issues raised in this letter during the AGM.

We wish you all the strength in this period and look forward to receiving your reply to the above questions.

Yours sincerely,



Deputy Managing Director