



2024 ANNUAL REPORT



TRUE.
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TRANSITION.

2.3 REMUNERATION REPORT

Letter from the Chair of the Appointment and Remuneration Committee for remuneration matters

Dear shareholder,

The Company has over the past year delivered a good business performance in terms of Profitability, Growth and Sustainability. As a consequence, the Management Board variable compensation (STI) has been awarded accordingly.

In 2024, leadership of the Company has evolved with the establishment of a two-person Management Board effective from April 12, 2024, featuring Øivind Tangen (CEO) and Douglas Wood (CFO).

In the accounting of our implementation of the Management Board Remuneration Policy, transparency around information and presentation of this report remains an area of focus. We have given further insights in our presentation on STI targets and performance realized. At the end of this report, you find our outlook for 2025 in terms of remuneration.

Pursuant to Dutch law, remuneration policies are submitted to the general meeting for adoption every four years. Therefore, we have submitted the Supervisory Board Remuneration Policy to the AGM in 2024. As a Committee we are pleased that it was adopted with over 97% of the votes.

The Management Board Remuneration Policy was last adopted at the 2021 AGM, where it received 91% of the votes. As required, the policy is subject to renewal. The preparation hereof has been one of our focus areas in 2024. After thorough preparation and stakeholder engagement, the policy (RP 2026) will be presented for adoption at the 2025 AGM.

In the review of RP 2022, we concluded that it works satisfactory towards the policy principles set. We have proposed to the Supervisory Board to maintain the current remuneration structure based on RP 2022 and make only minor updates to the policy. We appreciated the valuable exchange with various stakeholders as part of the process of reviewing RP 2022 and preparing RP 2026. During these meetings, we experienced a continued support for RP 2022 and the proposed minor updates.

Below you find a full account of our remuneration policies and how we implemented them in 2024. We look forward to engage with you on this report and thank you for your support.

On behalf of the Appointment and Remuneration Committee,
Allard Castelein, Chair for remuneration matters

2.3.1 MANAGEMENT BOARD REMUNERATION POLICY

Introduction

The Remuneration Policy 2022 (RP 2022) became effective January 1, 2022 after being adopted by shareholders with 91% of the votes on April 7, 2021. Full details and the principles and rationale for the RP 2022 are available on SBM Offshore's website ([who-we-are/Corporate Governance](#)). Pursuant to Dutch law, the Management Board Remuneration Policy will be submitted for adoption at the 2025 AGM. Reporting in this remuneration report takes place on the basis of RP 2022 as it was effective in 2024.

The Company remunerates members of the Management Board for long-term value creation. RP 2022 is 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 written based on the EU Shareholder Rights' Directive (SRD II) as implemented in the Netherlands.

Explanation of RP 2022

SBM Offshore is the world's deepwater ocean-infrastructure expert and delivering a True. Blue. Transition. – advancing decarbonization and the energy transition while diversifying to support more industries with its marine capabilities. In executing the strategy, SBM Offshore is guided by its Core Values: Integrity, Care, Collaboration 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 sustainable long-term value creation for SBM Offshore through the Value Creation Stake balanced with pay for performance through the short-term incentive (STI).

The Company's strategy revolves around excellence in the execution of ocean infrastructure while reducing costs and emissions of oil and gas production and, in parallel, developing new sustainable technologies to enter and expand as part of the energy transition and with unwavering commitment to health, safety, and protection of the environment. In RP 2022, pay is linked to the strategic goals through the STI performance areas of Profitability, Growth and Sustainability performance through annual financial, non-financial and sustainability targets for the respective performance year. As such, Management Board remuneration is directly linked to the success of the Company and the value delivered to

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shareholders. Sustainability is an integral part of the strategy, and is explicitly expressed through the

Sustainability performance area and also through the underpin test for the Value Creation Stake.

REMUNERATION POLICY STRUCTURE MANAGEMENT BOARD

REMUNERATION POLICY		DETAILS
Base Salary	Fixed component	Level set based on both internal and external benchmarks
STI	Percentage of Base Salary as short-term cash incentive (100% at target for CEO and 75% for other Management Board members)	Identical targets for all Management Board members (based on profitability, growth and sustainability performance)
Value Creation Stake	Award of locked-in shares: 175% of Base Salary	This award is conditional upon Supervisory Board approval – Immediate vesting plus 5-year holding requirement
Pension	Pension allowance equal to 25% of Base Salary	Management Board members are responsible for their own pension arrangements
Benefits	Benefits include car allowance and health/life insurance	Other benefits depend on individual circumstances and may include a housing allowance

Employment conditions and pay of employees within SBM Offshore are 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 because their responsibilities are on a different level. The principles of the remuneration policy are used as a guideline for remuneration at SBM Offshore as a whole.

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

BASE SALARY

The base salary is set by the Supervisory Board and is a fixed component paid in cash. Depending on internal and external developments such as market movements, the Supervisory Board may adjust base salary levels.

SHORT-TERM INCENTIVE

The objective of the STI is to provide a direct alignment of pay with short-term operational performance. Under RP 2022, the STI key performance indicators focus on three performance areas: (i) Profitability, (ii) Growth and (iii) Sustainability performance. The Supervisory Board, upon the recommendation of the Appointment and Remuneration Committee, determines, for each of the performance measures, the specific performance targets

and their relative weighting at the beginning of the financial year within the following margins for each area:

STI	
PERFORMANCE MEASURES	WEIGHTING
PROFITABILITY	40 - 60%
GROWTH	20 - 40%
SUSTAINABILITY PERFORMANCE	15 - 25%
TOTAL	100%
DISCRETIONARY JUDGEMENT SUPERVISORY BOARD	- 10%

The Supervisory Board will inform the shareholders in the remuneration report of the performance indicators it applies in each financial year. Performance measures will not be adjusted retrospectively.

Performance ranges – threshold, target and maximum – are set for each of the key performance indicators. The STI is set at a target level of 100% of the base salary for the CEO and 75% of the base salary for any other member of the Management Board. The threshold pay-out is at 0.5 times target and maximum pay-out will not exceed 1.5 times target. A linear pay-out line applies between threshold and maximum. Below threshold, the pay-out is zero. The Supervisory Board may adjust the outcome of the STI down by a maximum of 10%, which adjustment, if applied, will be reported on in the remuneration report.

At the end of the performance year, the performance is reviewed by the Supervisory Board and the pay-out level is determined. Target setting and realization are published ex post in this remuneration report. For order intake and project performance that are very sensitive commercially, a qualitative appraisal will be presented. The STI is payable in cash after the publication of the Annual Report for the performance year.

VALUE CREATION STAKE

The Value Creation Stake is an award of restricted shares to create direct alignment with long-term shareholder value. The awarded shares must be held for at least five years. After retirement or termination, the holding period will not be longer than two years. The gross annual grant value for each of the Management Board members is 175% of base salary. The number of shares is determined by a four-year average share price (volume-weighted). The Value Creation Stake has a variable element to the extent that the share price develops during the holding period. A performance underpin is applicable, which serves as a mechanism to ensure an acceptable threshold level of performance. Prior to the grant of the Value Creation Stake, the Supervisory Board can consider that it is withheld in whole or in part when events within the control of the incumbent Management Board have occurred that threaten the long-term continuity of the Company in case of:

- Safety event resulting in the loss of multiple lives and/or significant oil damage to the environment and/or loss of an FPSO; and/or
- Compliance issue resulting in the Company being unable to operate in one or more of its primary markets; and/or
- Significant project impairment due to insufficient oversight or gross negligence or deliberate omissions. This relates to large projects with a value exceeding US\$1 billion.

All members of the Management Board are required to build up Company stock of at least 350% of base salary. The value of the share ownership is determined at the date of grant.

PENSION AND BENEFITS

In principle, the Management Board members are responsible for their own pension arrangements and receive a pension allowance equal to 25% of their base salary for this purpose.

The Management Board members are entitled to additional benefits, such as a company car allowance, medical and life insurance and (dependent on the personal situation of the Management Board member) a housing allowance and school fees.

KEY ELEMENTS EMPLOYMENT AGREEMENTS

Each of the Management Board members has entered into a four-year service contract with the Company, the terms of which have been disclosed in the explanatory notice of the General Meeting at which the Management Board member was (re-)appointed. Next to his service contract, Bruno Chabas had an employment contract with Offshore Energy Development Corporation S.A.M., in relation to a split pay-out of his remuneration.

Adjustment of remuneration and claw-back

The service contracts with the Management Board members contain an adjustment clause giving discretionary authority to the Supervisory Board to adjust the payment of the STI, if a lack of adjustment would produce an unfair or unintended result as a consequence of extraordinary circumstances during the period in which the performance criteria have been, or should have been, achieved. However, based on earlier shareholder feedback, the Supervisory Board determined that upward adjustments will not be considered.

A claw-back provision is included in the service contracts, enabling the Company to recover the Value Creation Stake, STI and/or LTI (as granted under RP 2015) on account of incorrect financial data.

Severance Arrangements

The Supervisory Board will determine the appropriate severance payment for Management Board members in accordance with the relevant service contracts and 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, advances or guarantees to its Management Board members.