Attachment to Agenda Item 6.2
Amendment of the Remuneration Policy of the Management Board

The current Remuneration Policy was adopted by the Annual General Meeting of Shareholders on 15 May 2008 and governs the remuneration of the Management Board (i.e. the statutory directors – *"leden van de Raad van Bestuur"*) of SBM Offshore N.V. (the Company). This remuneration policy was also applied to all non statutory directors of the Company who, together with the statutory directors, constitute the Company's Board of Management.

In 2010, the Appointment & Remuneration (A&R) Committee conducted a detailed review of the policy to ensure continued alignment with Company's strategic priorities, remuneration principles, external market developments and best practices.

Based on the outcome of this evaluation, the Supervisory Board, acting on the advice of the A&R Committee, identified the following proposed changes to the 2008 Remuneration Policy (RP2008), for incorporation into the new remuneration policy (RP2011):

	RP 2008	**RP 2011**	**Reasons for Change**
Peer group	Two peer groups: • International peer group of oil & gas services companies, and • Dutch general industry peer group	One peer group of international oil & gas services companies	• Align with the relevant international market for hiring and retaining management talent, reflecting current business reality
Short-term incentive plan	*Performance measure:* • 100% Economic Profit *STI opportunity* • 100% (target)-200% (maximum) of base salary	*Performance measures:* • 70% Economic Profit, 30% individual performance • Addition of CSR multiplier *STI opportunity* • CEO: 100% (target)-200% (maximum) of base salary • Other statutory and non-statutory Directors: 100%(target) - 150%(maximum) of base salary	• Strengthen the link between pay and performance by incorporating individual performance element • Recognize the importance of CSR • Shift focus from cash to share based remuneration
Long-term incentive plan	*Performance measure*: • 100% on EPS Growth *LTI opportunity* • 100% (target)-150% (maximum) of base salary	*Performance measure:* • 50% on EPS Growth • 50% on relative TSR *LTI opportunity* • CEO: 125%(target)-250%(maximum) • Other statutory Directors: 125%(target) – 187.5%(maximum) • Non-statutory Directors:100% (target) – 150% (maximum)	• Improve shareholder alignment by adding relative TSR • Shift focus from cash to share based remuneration • Improve alignment with peer group LTI levels
Pension	Defined Benefit Plan	Defined Contribution Plan	• Cost effectiveness • Align with market trends

STI: Short term incentive
LTI: Long Term Incentive
EPS: Earnings Per Share
TSR: Total Shareholder Return
CSR: Corporate Social responsibility

Proposal to amend the Remuneration Policy of the Board of Management
The Supervisory Board, acting on the advice of the A&R Committee, proposes to adopt the updated RP2011 for the Board of Management set forth below. This resolution includes an approval for a certain number of shares to be part of the remuneration as further described in the RP2011.

Remuneration governance
The RP2011 and any subsequent amendments to it as applicable to the Management Board (the statutory directors of the Company) are subject to adoption by shareholders at the Annual General Meeting.

Remuneration principles
The Board of Management is responsible for executing the Company's Strategic Plan. The A&R Committee ensures that the performance metrics used in the Company's variable remuneration incentive plans hold the Board of Management members accountable for the successful delivery of the Strategy Plan. Therefore, it is the A&R Committee's view that both STI and LTI plans should be directly linked to the Company's financial results and to shareholder value creation. Under RP2011, the key metric for the STI plan is Economic Profit, which measures the Company's true economic profit, i.e. the additional value created for the shareholders. The LTI plan is partly based on EPS growth, a measure that is most widely used by investors to evaluate the Company's financial performance, and partly based on relative TSR that measures the value delivered to the shareholders relative to the Company's peer group.

The key principles of the RP2011 will be cascaded down as appropriate to the Company's senior management at the level below the Board of Management to ensure alignment between the Board of Management and senior management remuneration.

The RP2011 is designed based on the following remuneration principles:

1. Remuneration should be competitive with global peer companies that may compete with the Company for business opportunities and talent;

2. The remuneration policy should contain an appropriate balance between fixed and variable pay, between short- and long-term incentive, to adequately link remuneration levels with the achievement of annual and longer-term performance targets and it should discourage unjustified risk-taking;

3. Remuneration structure and performance metrics should be generally consistent for Board of Management and senior managers to build a cohesive culture, facilitate international rotation of management, encourage teamwork and establish a common approach to drive Company success;

4. The STI plan should reward for individual performance as well as for Company performance to foster a strong pay-for-performance culture;

5. The LTI plan should reward superior long-term corporate financial performance and shareholder returns and enhance management retention and commitment;

6. The remuneration policy should encourage management share ownership in order to align the interests of the Company's management with those of its other shareholders.

7. Pension scheme offered needs to be competitive and avoid future undefined liabilities; i.e. it should be a defined contribution scheme.

8. Remuneration policy should be kept as simple, clear and transparent as possible.

Summary overview of remuneration elements
The RP2011 consists of the following key elements:

Remuneration element	Description	Objective
Base salary	▪ Fixed cash compensation based on level of responsibility and performance	▪ Attraction ▪ Reward for performance of day-to-day activities
Short-term incentive (STI)	▪ Variable annual remuneration element paid 80% in cash and 20% in Company shares (bonus shares), sale of which is restricted for a 3-year period ▪ At the end of the 3-year restriction period subject to continued employment, Company awards an additional unrestricted matching share for every bonus share held (1:1 match)	▪ Reward previous year's Company and individual performance ▪ Promote continued employment ▪ Share ownership
Long-term incentive (LTI)	▪ Variable remuneration element paid in Company shares ▪ Vesting of shares is based on meeting 3-year Company performance objectives ▪ Two year lock-up after vesting	▪ Drive and reward long-term Company performance: – Increase shareholder value – Focus on long-term financial success ▪ Promote continued employment ▪ Share ownership
Pension	▪ Defined benefit plan to be replaced by defined contribution plan in 2011	▪ Provide competitive post-retirement benefits

Base salary
Base salaries for the Board of Management are determined by the Supervisory Board upon the recommendation of the A&R Committee after consideration of various factors:

- External market benchmark data for a peer group of similar-sized (based on revenue and market capitalization) international oil and gas services companies referred to as the "Peer Group" to ensure competitiveness with the market,
- Internal Company salary benchmark to ensure equity and alignment of pay within the Company,
- Level of salary increases within the Company generally,
- Assumption of new responsibilities, if any,
- Company performance,
- Individual performance, and
- General economic conditions.

The A&R Committee generally targets base salaries and total remuneration to be at the median of the Peer Group and, where necessary, aims to gradually bring the current remuneration levels in line with the Peer Group.

Peer Group

The Company operates internationally. About 11% of its staff is employed in The Netherlands and 20% in the rest of Europe. 69% of the staff is employed outside Europe and staff numbers increase mainly outside Europe. The Peer Group is selected to represent both the Company's peer companies from a performance perspective as well as the market for executive talent in which the Company competes. The individual companies comprising the Peer Group are approved by the Supervisory Board acting on the advice of the A&R Committee.

The Peer Group consists of similar-sized (based on revenue and market capitalization) international oil and gas services companies. Around 50% of the companies listed in the Peer Group are listed in the U.S.A. since the offshore Oil & Gas services market is mainly concentrated in the U.S.A.

For 2011, the Peer Group consists of the following 18 companies:

Peer Group		
Aker Solutions ASA	Fugro N.V.	Oil States International
Amec PLC	Helix Energy Solutions	Petrofac LTD
BW Offshore LTD	Jacobs Engineering Group	Subsea 7 Inc
Chicago Bridge & Iron Company	KBR	Technip
FMC Technologies	McDermott International	Wood Group PLC
Foster Wheeler AG	Oceaneering International	WorleyParsons

Each year, the A&R Committee evaluates the Peer Group based on market circumstances (mergers, acquisitions, de-listings, etc.) and recommends adjustments to the Supervisory Board for approval.

Short-term Incentive (STI)

The STI is designed to reward the previous year's Company and individual performance of the Board of Management members. Threshold, target and maximum STI opportunities (payout between threshold and target and between target and maximum is linear) for the Board of Management as a percentage of base salary are as follows:

Board of Management	Threshold STI	Target STI	Maximum STI
CEO	40%	100%	200%
Other Directors	40%	100%	150%

70% of the STI opportunity is based on Company performance, 30% is based on individual performance objectives.

Company performance element

Company performance is measured by Economic Profit (EP). EP is defined as the amount by which (in percentage terms), the Return on Average Capital Employed (ROACE), adjusted for non-operating debt, exceeds the Weighted Average Cost of Capital (WACC) adjusted as appropriate for exceptional items and extraordinary circumstances. The methodology for calculating EP is laid down in writing and is audited by the Company's external auditor. At the beginning of each financial year, the Supervisory Board, acting on the advice of the A&R Committee, sets the threshold (minimum performance level below which there is no STI pay-out), target and capped out-performance level for the EP.

CSR multiplier

In addition to delivering financial performance, SBM Offshore is committed to being a responsible and sustainable company. Therefore, every year the A&R Committee evaluates the Company's CSR performance against CSR commitments outlined in the Company's annual Sustainability Report and recommends to the Supervisory Board a CSR multiplier (ranging from 95%-105%) to be applied to the Company performance element of the STI opportunity.

Individual performance element

At the beginning of each financial year, the Supervisory Board, acting on the advice of the A&R Committee, establishes individual performance objectives for each member of the Board of Management. These individual objectives are relevant to the individual's specific area of responsibility and can be financial or non-financial (e.g. strategic, operational or behavioral)..

STI payout calculation

At the end of the year, the Supervisory Board, acting on the advice of the A&R Committee, reviews Company and individual performance against the pre-set targets and approves the STI pay-out level based on the achieved performance level. The threshold level has been increased to 70% of the target level.

STI payment

The STI is payable in cash (80% of the STI payment) and in shares (20% of the STI payment – 'bonus shares'). The 20% STI payment in bonus shares is non-optional. Bonus shares are subject to a 3-year restriction period during which they cannot be sold. At the end of the 3-year restriction period, the Company will award a number of unrestricted matching shares equal to the number of bonus shares subject to continued employment with the Company. These matching shares are an integral part of the STI payout for STI performance, and are deferred and paid in shares in order to improve shareholder alignment and to discourage short-termism.

Long-term incentive (LTI)

The long-term incentive is designed to reward superior long-term corporate financial performance and shareholder returns and to enhance management retention and commitment.

The target LTI opportunity that serves as a basis to calculate the number of performance shares for the Board of Management as a percentage of base salary is as follows:

Board of Management	Threshold LTI	Target LTI as % of base salary	Maximum LTI as % of base salary
CEO	50%	125%	250%
Other Statutory Directors	50%	125%	187.5%
Non Statutory Directors	50%	100%	150%

The target number of performance shares conditionally awarded is determined by dividing the LTI opportunity outlined in the table above by the average closing price of Company share over the five trading days following the date of publication of the final results for the previous financial year.

Vesting of the target number of performance shares conditionally granted is subject to meeting the following performance conditions:

- 50% of the LTI award vests based on EPS Growth adjusted for exceptional items if so determined by the Supervisory Board, acting on the advice of the A&R Committee, and
- 50% of the LTI award vests based on TSR relative to the Peer Group. The Company uses the same Peer Group for benchmarking remuneration as well as comparing the TSR performance.

Vesting schedule

Vesting of the EPS Growth based LTI award

At the beginning of each 3-year performance period, the Supervisory Board, acting on the advice of the A&R Committee, establishes demanding threshold, target and capped out-performance goals for EPS Growth. The extent to which the EPS Growth based 50% of the LTI grant will vest will be determined by achievement against these pre-set EPS Growth goals. For the year 2011, the EPS Growth targets have been set at 5% (threshold), 10% (on target performance) and 20% (capped out-performance).

Vesting of the TSR based LTI award

TSR is defined as the percentage of total return to shareholders on the Company's shares over each 3-year performance period, assuming that all dividends paid during the performance period are reinvested in shares of the Company.

The extent to which the TSR based 50% of the target performance shares will vest will be determined by comparison of the Company's TSR during the performance period with the TSR of the companies in the Peer Group, in accordance with the following vesting table:

Position of the Company's TSR relative to Peer Group	CEO	Other Statutory and Non Statutory Directors
Below 25th percentile	0%	0%
At 25th percentile	50%	50%
Between 25th percentile and median	Between 50% and 100% on a straight line basis	Between 50% and 100% on a straight line basis
At median	100%	100%
Between median and maximum	Between 100% and 200% on a straight line basis	Between 100% and 150% on a straight line basis
At maximum	200%	150%

<u>LTI payment</u>
The vested performance shares are subject to an additional 2-year lock-up period, or until termination of employment if this occurs sooner, during which they cannot be sold. As the date of the unconditional award lies three years after the date of the conditional award and the Managing Director has to retain the shares for at least two subsequent years, the period before the Managing Director obtains full rights to the shares will be five years in total which complies with the Dutch Corporate Governance Code. In so far as taxation is due in respect of the unconditionally awarded shares, the members of the Board of Management will be allowed to sell such shares with a value equal to the amount of the tax due.

<u>Enhanced share ownership</u>
Assuming on target STI performance and on target vesting of the LTI grants, the combined STI and LTI share ownership of statutory directors will build to a total of over 7 years of base salary for statutory directors and six years of base salary for non-statutory directors.

<u>LTI Rules</u>
LTI Rules will be developed, based on the above principles, which will apply, subject to the approval of the Supervisory Board acting on the recommendation of the A&RC, and may be amended from time to time. The LTI Rules will, in addition, contain provisions dealing with Change of Control situations. The LTI Rules will be published on the Company's website.

Pensions
During the course of 2011, Board of Management members who have a defined benefits scheme will move to a defined contribution scheme. Retirement benefits under the new defined contribution plan will be set in the context of the base salary for each member of the Board of Management taking into account the relevant country competitive practice, tax and legal environment.

Scenario analysis
The Dutch Corporate Governance Code requires that the Supervisory Board "shall analyse possible outcomes of the variable income components and the effect on the Managing Board remuneration". This scenario analysis will be conducted on an annual basis to test whether the level of remuneration that could be earned at different levels of performance (threshold, target and maximum), and at different Company share price levels (low, average and high

growth) is fair and appropriate in the context of value delivered to shareholders. Based on the analysis, the A&R Committee, if necessary, will recommend remuneration policy amendments to the Supervisory Board.

Periodical revision of the remuneration
The Supervisory Board will determine annually ahead of the AGM retroactive to January 1st of each year, the total remuneration level for that calendar year. The remuneration will be determined by the Supervisory Board acting upon the recommendations of the A&R Committee within the limits of the applicable remuneration policy. An increase or decrease, as the case may be, of the base salary, the STI or the LTI, or any other part of the remuneration of a Board of Management member, may be determined by the Supervisory Board at its sole discretion in order for the total remuneration to remain within the confines of the applicable remuneration policy.

Employment conditions for statutory directors
The following policy statements apply to the members of the Management Board (i.e. the statutory directors) only and are included in the existing employment agreements in accordance with the best practices of the Corporate Governance Code.

Terms of the employment agreements
The employment contracts of Mr A. Mace, CEO, and Mr M. Miles, CFO, who were appointed to the Management Board at the Annual General Meeting of Shareholders of 15 May 2008 for a period of four years scheduled to end on 15th of May, 2012, were drafted in accordance with the relevant principles and best practice provisions of the Code and the Remuneration Policy 2008.

In case of reappointment by the shareholders, the reappointment period will be for a maximum of four years or shorter if the statutory director concerned reaches retirement age earlier.

Adjustment and claw-back
The contracts provide for an adjustment clause stipulating the discretionary authority of the Supervisory Board to adjust upwards or downwards the payout of any variable remuneration component conditionally awarded if such component would produce an unfair or unintended result as a consequence of extraordinary circumstances during the period in which the pre-determined performance criteria have been or should have been achieved. In addition, a claw-back provision is included in the employment contracts enabling the Company to recover variable remuneration components on account of incorrect financial data.

Severance arrangements
The Supervisory Board acting on the advice of the A&R Committee will determine the appropriate severance payment provided that the severance payment will not exceed a sum equivalent to one times annual base salary, or if this is manifestly unreasonable in the case of dismissal during the first appointment term, two times the annual base salary.

Change of control
If an individual's employment ends due to change-in-control, the Supervisory Board acting on the advice of the A&R Committee will determine the appropriate severance payment provided that the severance payment will not exceed a sum equivalent to one times annual base salary, or if this is manifestly unreasonable in the case of dismissal during the first appointment term, two times the annual base salary.