

Attachment 1 to the Agenda of the AGM to be held on April 11, 2018

SBM Offshore Remuneration Policy

The SBM Offshore Remuneration Policy is subject to shareholders' approval at the Annual General Meeting of Shareholders on April 11, 2018 and will be effective from January 1, 2018. The remuneration policy of SBM Offshore N.V. (hereafter: Company) has the objective to support long-term value creation of the Company. It is built on six remuneration principles.

<i>Simple:</i>	The remuneration policy is simple, clear and transparent.
<i>Flexible:</i>	The remuneration policy provides flexibility for the Supervisory Board to reward the Management Board in a fair and equitable manner, allowing for discretion and judgement.
<i>Predictable:</i>	Remuneration is predictably aligned to the performance of SBM Offshore.
<i>Competitive:</i>	Remuneration is in line with global peer companies that may compete with SBM Offshore for business opportunities and/or talent.
<i>Drive right results:</i>	Remuneration encourages a culture of long-term value creation balanced with pay for performance.
<i>Aligned:</i>	These remuneration principles are used as a guideline for remuneration at SBM Offshore as a whole.

The following paragraphs indicate how these principles are applied in the remuneration package for the members of the Management Board.

Remuneration Levels - method

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. The labor market reference group includes industry competitors, as talent for the Management Board and other key positions at SBM Offshore tend to have a background at these companies. It also includes some Dutch multinationals active in related industries. The reference group is composed of the following companies:

Amec Foster Wheeler	IMI	RPS Group
Arcadis	McDermott International	Superior Energy Services
Boskalis	Noble Corporation	Transocean
Diamond Offshore Drilling	Oceaneering International	Volker Wessels
EnSCO	Petrofac	Vopak
Fugro	Rowan Companies	Wood Group
Helmerich & Payne	RPC	WS Atkins

The Supervisory Board will regularly assess the SBM Offshore pay levels in relation to pay levels, revenue, market capitalization and the number of employees of each individual reference group company.

In addition to the external comparison, the internal pay ratios will be included in the assessment. This is not one ratio, but a comparison of the Management Board total remuneration with that of each employee grade level in countries where the Company has a material presence such as the Netherlands, Switzerland, Monaco, Malaysia and the United States (Houston).

The final determination of pay levels for the Management Board includes extensive scenario analyses to assess the impact of different performance levels and share price developments on the total remuneration paid.

Remuneration for the Management Board

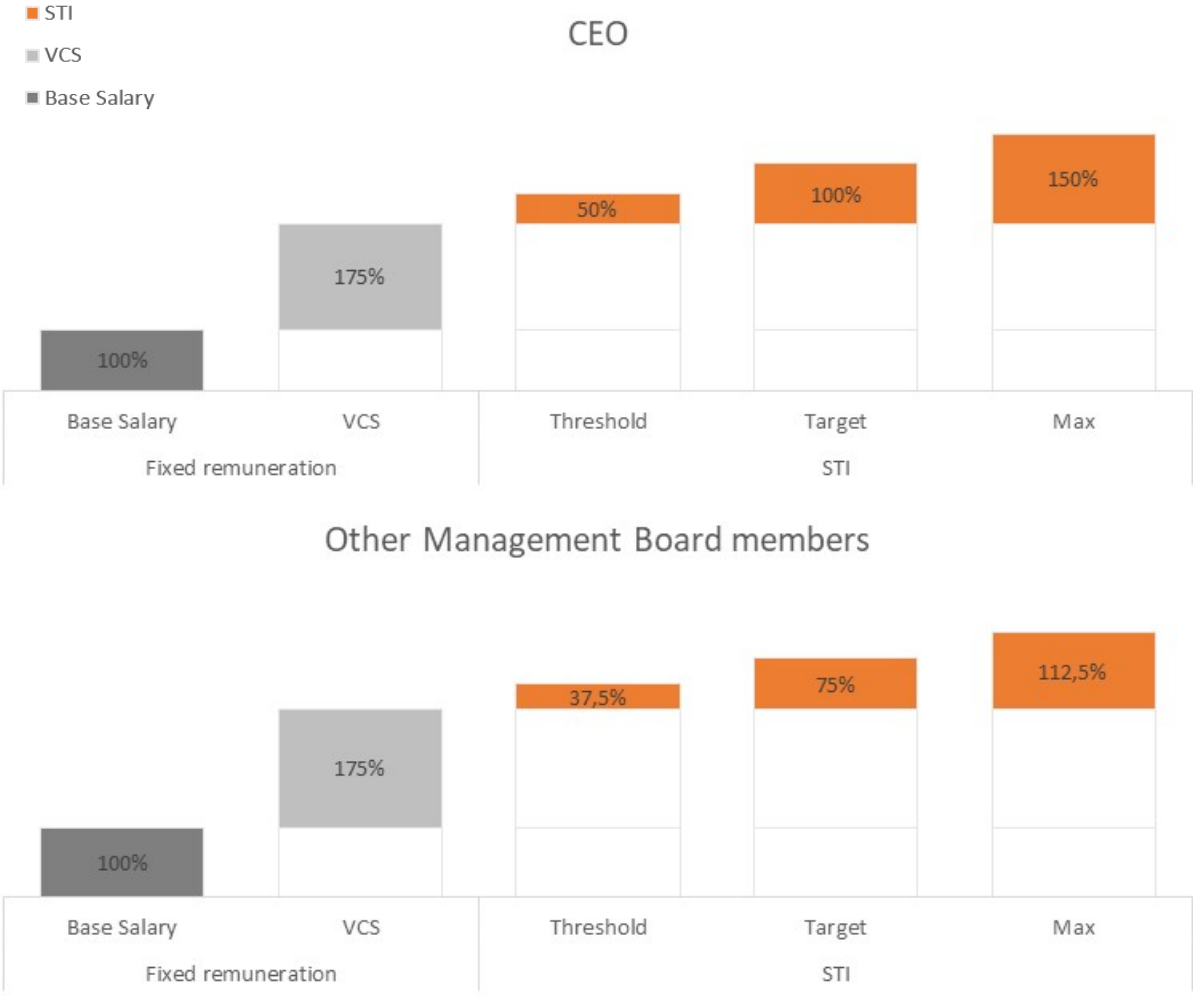
The primary remuneration package consists of three main elements:

- Base salary: fixed component paid in cash as a representation of complexity of position and strategic importance to the Company
- Value Creation Stake: fixed component paid in locked-in shares to create direct alignment with long-term shareholder value
- Short-term incentive: conditional variable component paid in cash to create rigorous pay-for-performance relation

The remuneration levels as set for 2018 are as follows and may be adjusted each year within reason, depending on market movements and remuneration adjustments of senior management.

	Base salary (EUR x1,000)	Value Creation Stake (% of base salary)	STI target (% of base salary)	Total target remuneration (EUR x1,000)
CEO	800	175%	100%	3,000
CFO	450	175%	75%	1,575
COO	551	175%	75%	1,929
CGCO	450	175%	75%	1,575

The remuneration package for the Management Board is represented in the figure¹ below, including threshold, target and maximum entitlements and excluding share price movements.



¹ All remuneration elements are expressed as a percentage of base salary. The exact salary level may change over time but is equal to the number displayed in the table on page two at the time of policy implementation.

Value Creation Stake

The Company has a unique and combined business model composed of a Turnkey and Lease & Operate division that both operate under different dynamics. In this setting traditional consolidated long term performance metrics provide insufficient strategic guidance and relative shareholder return is distorted due to the limited comparability of the business model with existing industry competitors.

The Supervisory Board believes that success of SBM Offshore is ultimately expressed in the long-term value created for its shareholders, making this the primary objective for the Company and its management. True alignment with this objective is achieved by the Value Creation Stake.

The Value Creation Stake is a remuneration component that creates full alignment with shareholders, and rewards long-term corporate performance. It is the most direct form of making the Management Board long-term shareholders of the Company and has a simple and predictable nature.

It is an annual award of locked-in shares that will need to be held onto for at least five years. After retirement or termination, the shares cannot be sold for the duration of the claw-back period, which is two years. To further enhance share ownership, all members of the Management Board are required to build up a shareholding in the Company of at least 3.5 times their gross base salary. The value of the share ownership is determined at the date of grant.

The gross annual grant value for each of the Management Board members is 1.75 times base salary. The number of shares is determined by a four-year average share price (volume weighted). Shares will be granted each year and are subject to a sell-to-cover approach. As an underpin, the Supervisory Board retains the discretion not to award the Value Creation Stake in exceptional market or business circumstances.

Short-Term Incentive

The objective of the short-term incentive (STI) is to provide a direct alignment of pay with short-term operational performance. It is an annual conditional cash award with annual performance measures. The performance measures are focused on three key performance areas:

- Profitability
- Growth
- Health, Safety, Social and Environment (HSSE)

Underlying and directional EBITDA is used as an indicator of overall short-term profitability. This indicator is used and understood across SBM Offshore and the primary operational driver of performance. Number of FEEDs (Front End Engineering Design) or Order Intake is used as an operational indicator of top line growth. Its relative weight for the STI payout is lower, as growth should never be at the detriment of profitability. HSSE performance combines key performance areas to ensure discipline in how SBM Offshore operates. These areas are composed by a combination of leading and lagging indicators, to be selected by the Supervisory Board each year depending on measurability and priorities.

If the Supervisory Board is of the opinion that another measure would be more qualified as an indicator for profitability, growth or HSSE, it will inform the shareholders in the remuneration report. Performance

measures will never be retrospectively adjusted. The Supervisory Board may adjust the outcome of the STI up or down by 10%. Any such adjustment will be explained in the remuneration report.

Performance Measure	Weight
EBITDA (underlying and directional)	40% - 60%
Number of FEEDs/ Order intake	20% - 40%
HSSE performance	15% - 25%
Total	100%

The Supervisory Board determines the specific performance targets for each of the performance measures before the start of the performance year. Targets are set to be challenging but achievable. At the end of the performance year, the performance is reviewed by the Supervisory Board and the pay-out level is determined. Both the details and the results regarding the performance measures are published in the remuneration report following the performance period. The STI will be subject to an adjustment and claw-back clause.

The STI is set at a target level of 100% of the base salary for the CEO and 75% of the base salary for each of the other Management Board members. 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.

Other benefits and pensions

Management Board members may be granted other specific benefits such as housing or travel allowance. The award of such benefits will be disclosed in the remuneration report.

The employer pension contribution is 25% of the Management Board member's gross base salary and regularly reviewed to be in line with market practice.

Service Contracts for Members of the Management Board

Each of the Management Board members has entered into a, in principle four year, service contract with the Company, the terms of which have been disclosed in the explanatory notice for the General Meeting of Shareholders at which the Management Board member was appointed.

Adjustment and Claw-back

The services contracts contain an adjustment clause giving discretionary authority to the Supervisory Board to adjust upwards or downwards 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. In addition, a claw-back provision is included in the services contracts enabling the Company to recover the Value Creation Stake and/ or STI on account of incorrect financial data.

Severance Arrangements

The Supervisory Board will determine the appropriate severance payment for newly appointed Management Board members provided 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.