



OFFSHORE

ENERGY. COMMITTED.

ANNUAL REPORT 2018

2.9 TALENTED PEOPLE

OUR PEOPLE: OUR COMPETITIVE EDGE

SBM Offshore's employees are the main drivers of the Company's success. Their diverse skills represent an incomparable advantage for the Company.

To serve its stakeholders, SBM Offshore wants to attract and work with the best talent in the world to. The Company believes in diversity as a source of creativity and competitiveness, not only between different nationalities, but also in gender. SBM Offshore pays particular attention to developing its employees' skills, in order to speed up their career development.

As a priority, employees are assured that safe and healthy working conditions are optimized.

Competition for highly qualified management and technical personnel is intense in the Company's industry. Future success depends, in part, on SBM Offshore's ability to hire, assimilate and retain engineers, sales people and other qualified personnel.

The Company's human resources strategy is designed to create a motivating working environment that will set the conditions for employees to contribute at their best. Specific policies have been developed covering international mobility, career development, training, compensation and managing talent. The Company's expatriates help prepare the future of its business, build local teams and assemble the necessary skill sets in targeted regions. They are tasked with identifying and preparing local successors.

The Company places considerable emphasis on training to expand its skills base and retain employees.

A few years ago the Company put in place a system for measuring employee satisfaction, in which all employees worldwide can participate. In June, the third Pulse Survey was launched and a special focus was given to facilitating participation of offshore employees. The qualitative data and the analysis of the results – compared to external benchmarks – allowed the Company to highlight several areas for improvement. Many comments received fed the

management's reflection to reshape its reward strategy and its Performance Management System.

Talent Management

Within SBM Offshore, we believe in developing our talented people and, by doing so, strengthening the organization. Development is important for all employees of SBM Offshore. The focus for this specific topic, as presented in this Annual Report, is nevertheless on employees who are seen as having potential for future leadership roles. They are identified via an assessment of their performance and the potential to take a leadership role one or more levels up in the coming years. Preparing our talents for these future steps is done by identifying and following-up on development actions.

2018 PERFORMANCE

Key Achievements

- Training (e-learning/other training): SBM Offshore employees continue to use the e-learning platform. In 2018, 92% of employees (registered into the platform) connected at least once in it for an average of 4 hours spent on the platform per learner and the most visited topics are Compliance & HSSE. SBM Offshore continues to invest in its employees by providing them with traditional training based on best practices, such as the Crucial Conversations training. In 2018, the number of employees who received this training was 315.
- Role Profiles: in the first quarter 2018, job descriptions were replaced by Role Profiles, with the main objective being to enable a Company-wide overview of current and future resources, as well as efficiency in HR processes. Each profile describes the purpose of the role, what should be achieved and the required behavioral and functional competencies.
- Pulse Survey 2018: a before/after analysis of the results from 2017 and 2018, both qualitative and quantitative, has been performed for all SBM Offshore employees who have participated in the survey. Follow-up on KPIs (including perception of fairness, affective commitment to the Company) and critical topics (well-being initiatives, career paths) have been highlighted to drive the HR Strategy, both at a global and local level. Based on this analysis, action plans will be built and implemented in 2019 to address where the expected levels on our KPIs were not reached, but

2 STRATEGY AND PERFORMANCE

also on which main topics employees raised their concerns.

- Implementation of a Human Capital Management System: at the beginning of December 2018, a Human Capital Management System (HCMS) was launched and will be gradually deployed globally. The change management program put in place to enable this launch included a full year focus on standardization of all HR processes and data across all locations. The objectives will be to improve the productivity and service level of the HR function, a tool for managers to better manage their teams, whilst providing transparency for employees. Over the course of 2019, additional components (including performance management, succession planning and compensation) will be deployed, illustrating the integrated approach used in the system.
- Reshape Performance Appraisal process: the Performance Appraisal process is being simplified and made more transparent and fair. One new element is the introduction of multi-source feedback. There will also be more emphasis on team goals. The aim is to support the focus on talent and drive engagement. A pilot group, including employees from all locations, was launched in 2018. The aim is to deploy to all employees in 2019.
- In 2019, SBM Offshore will continue with the deployment of the Human Capital Management System (HCMS).
- Talent Development Process: in 2018, the overall development progress completion was 81% for direct hires.

In conclusion, SBM Offshore continues to invest in and develop its people and to evolve its talent management programs, in line with changes in the Company and a transforming industry. In the fourth quarter 2018, SBM Offshore started preparing for the ramp up and the bulk of recruitments will take place in 2019. SBM Offshore continues to pursue its high standards in vital areas of consistency, equity and transparency across the Company. Management believes that satisfied and engaged employees will lead to increased productivity, as well as the desired entrepreneurial and ownership behaviors and, ultimately, to the achievement of the Company's goals and delivery of the desired results for its clients.



OUR PEOPLE KEY FIGURES

4,079 DIRECT HIRES



12% NEW HIRES IN 2018

78 NATIONALITIES

OFFICE

55.5%



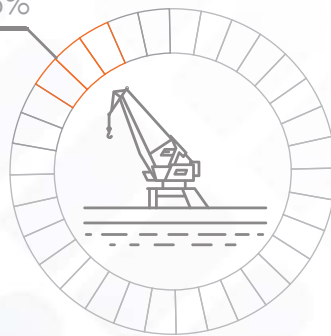
2,265
EMPLOYEES



53,531
TRAINING HOURS

YARD

9.5%



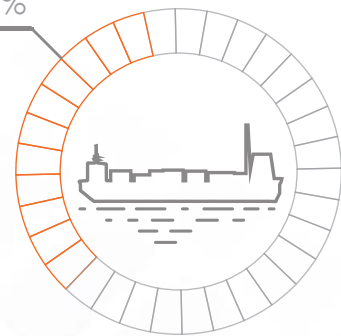
387
EMPLOYEES



13,270
TRAINING HOURS

VESSEL

35%



1,427
EMPLOYEES



75,264
TRAINING HOURS