

## **Q&A re 2019 AGM and EGM Agenda**

### **1. What are you asking us to approve at the AGM?**

At the AGM we will be asking Shareholders to consider standard items including the approval of the statutory and consolidated accounts for 2018, discharging the directors of their duties for 2018 and the approval of a dividend, in the amount of NOK 1.50. We will also ask shareholders to re-elect Kristian Siem, Allen Stevens and Dod Fraser to the Board.

In addition, we will be asking Shareholders to appoint a new Director to the Board, Ms Elisabeth Proust. Ms Proust's addition will bring the total number of Board members from 7 to 8. Ms Proust will be the first female Board member of Subsea 7 S.A.

Ms Proust, in addition to her engineering expertise, has extensive multi-country experience in the oil & gas sector at an executive level after spending more than 35 years at Total. Ms Proust has a detailed understanding of contracting and project management in the oil and gas sector, providing her with a comprehensive understanding of Subsea7's business. Ms Proust was the first female vice president for development engineering for Total worldwide and, as her career progressed, she held multiple leadership roles as a managing director of Total's affiliates in Indonesia, Nigeria and finally, the UK.

### **2. What are you asking us to approve at the EGM?**

There is just one item to be considered at the EGM.

We are asking Shareholders to consider the authority of the Board to repurchase up to 32,736,711 common shares (being 10% of the Company's issued shares) and to cancel such repurchased shares.

The authority to repurchase shares will last for a two year period and the authority to cancel such repurchased shares will be for a period of two years and six months, with both periods to commence on the date of approval by the EGM.

The approval is being requested because the current authority of the Board to repurchase Company shares is due to lapse in November 2019, and the authority to cancel such repurchased shares will lapse in May 2020. This means that, if the resolution is not approved, as of November the Board will have no authority to repurchase the Company's own shares.

### **3. Do you have any plans to repurchase shares?**

As announced on 28 February 2019, the Board authorised a new share repurchase programme of up to USD 200 million. The share repurchases are to be carried out within two years and the repurchased shares will be held in treasury and will be cancelled or used to fulfil obligations under Subsea 7's employee share-based payment schemes.

This is in reflection of Subsea 7's strong financial and liquidity position and improving market outlook as well as a rebalancing of cash returns to favour share repurchases.

**4. What authority does the Board currently have to repurchase and cancel shares?**

The Board currently has authority to repurchase up to 32,736,711 of common shares (being 10% of the Company's issued shares) and to cancel such repurchased shares. This authority was granted at the Extraordinary General Meeting of the Company on 27 November 2014 and will expire in November 2019.

**5. Does the new proposal differ from what was proposed at the 2014 EGM which approved the existing authorisation?**

The terms of the new authorisation differ from the existing authorisation in two ways:

1. The maximum price to be paid for such Common Shares shall not exceed **125%** of the average closing price for such Common Shares on the Oslo Børs for the five most recent trading days prior to such purchase. Previously the maximum price was **100%** of the average closing price for such Common Shares on the Oslo Børs for the five most recent trading days prior to such purchase. This amendment has been made to allow greater flexibility in the repurchasing of shares.
2. The duration of the authority has been reduced from a (5) five year period in 2014 to a (2) two year period. The reason for this reduction is to better align the Company with best practice in Norway, whilst recognising that our most recent share repurchase program has been authorised for a period of two years and also that any shorter duration would be unduly cumbersome for Subsea 7 as a Luxembourg incorporated company due to the need to convene an EGM to renew the authority.

**6. Why do you need an EGM – couldn't this have been approved at the AGM which is taking place on the same day?**

As a company incorporated in Luxembourg, Subsea 7 S.A. must comply with Luxembourg law.

Under Luxembourg law, authority for a Board to repurchase and subsequently cancel shares may only be granted by an EGM.

We unfortunately therefore cannot consider this matter at the AGM. However, for practical reasons, the decision was taken by the Board to hold the EGM on the same day as the AGM in order to reduce costs and administrative work associated with general meetings.