



## Pareto Securities Energy Conference

John Evans, CEO

September 2021

# Forward-looking statements

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This document may contain 'forward-looking statements' (within the meaning of the safe harbour provisions of the U.S. Private Securities Litigation Reform Act of 1995). These statements relate to our current expectations, beliefs, intentions, assumptions or strategies regarding the future and are subject to known and unknown risks that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements may be identified by the use of words such as 'anticipate', 'believe', 'estimate', 'expect', 'future', 'goal', 'intend', 'likely', 'may', 'plan', 'project', 'seek', 'should', 'strategy', 'will', and similar expressions. The principal risks which could affect future operations of the Group are described in the 'Risk Management' section of the Group's Annual Report and Consolidated Financial Statements for the year ended 31 December 2020. Factors that may cause actual and future results and trends to differ materially from our forward-looking statements include (but are not limited to): (i) our ability to deliver fixed price projects in accordance with client expectations and within the parameters of our bids, and to avoid cost overruns; (ii) our ability to collect receivables, negotiate variation orders and collect the related revenue; (iii) our ability to recover costs on significant projects; (iv) capital expenditure by oil and gas companies, which is affected by fluctuations in the price of, and demand for, crude oil and natural gas; (v) unanticipated delays or cancellation of projects included in our backlog; (vi) competition and price fluctuations in the markets and businesses in which we operate; (vii) the loss of, or deterioration in our relationship with, any significant clients; (viii) the outcome of legal proceedings or governmental inquiries; (ix) uncertainties inherent in operating internationally, including economic, political and social instability, boycotts or embargoes, labour unrest, changes in foreign governmental regulations, corruption and currency fluctuations; (x) the effects of a pandemic or epidemic or a natural disaster; (xi) liability to third parties for the failure of our joint venture partners to fulfil their obligations; (xii) changes in, or our failure to comply with, applicable laws and regulations (including regulatory measures addressing climate change); (xiii) operating hazards, including spills, environmental damage, personal or property damage and business interruptions caused by adverse weather; (xiv) equipment or mechanical failures, which could increase costs, impair revenue and result in penalties for failure to meet project completion requirements; (xv) the timely delivery of vessels on order and the timely completion of ship conversion programmes; (xvi) our ability to keep pace with technological changes and the impact of potential information technology, cyber security or data security breaches; and (xvii) the effectiveness of our disclosure controls and procedures and internal control over financial reporting;. Many of these factors are beyond our ability to control or predict. Given these uncertainties, you should not place undue reliance on the forward-looking statements. Each forward-looking statement speaks only as of the date of this document. We undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

# Subsea 7

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## Our Vision

To lead the way in the delivery of offshore projects and services for the energy industry.

## Our Strategy

In an evolving energy sector, we create sustainable value by being the industry's partner and employer of choice in delivering the efficient offshore solutions the world needs.

## Our Stakeholders

We seek to create sustainable value for our clients, our people, our shareholders and society in everything we do.

## Our Values

What makes us who we are

 Safety

 Integrity

 Sustainability

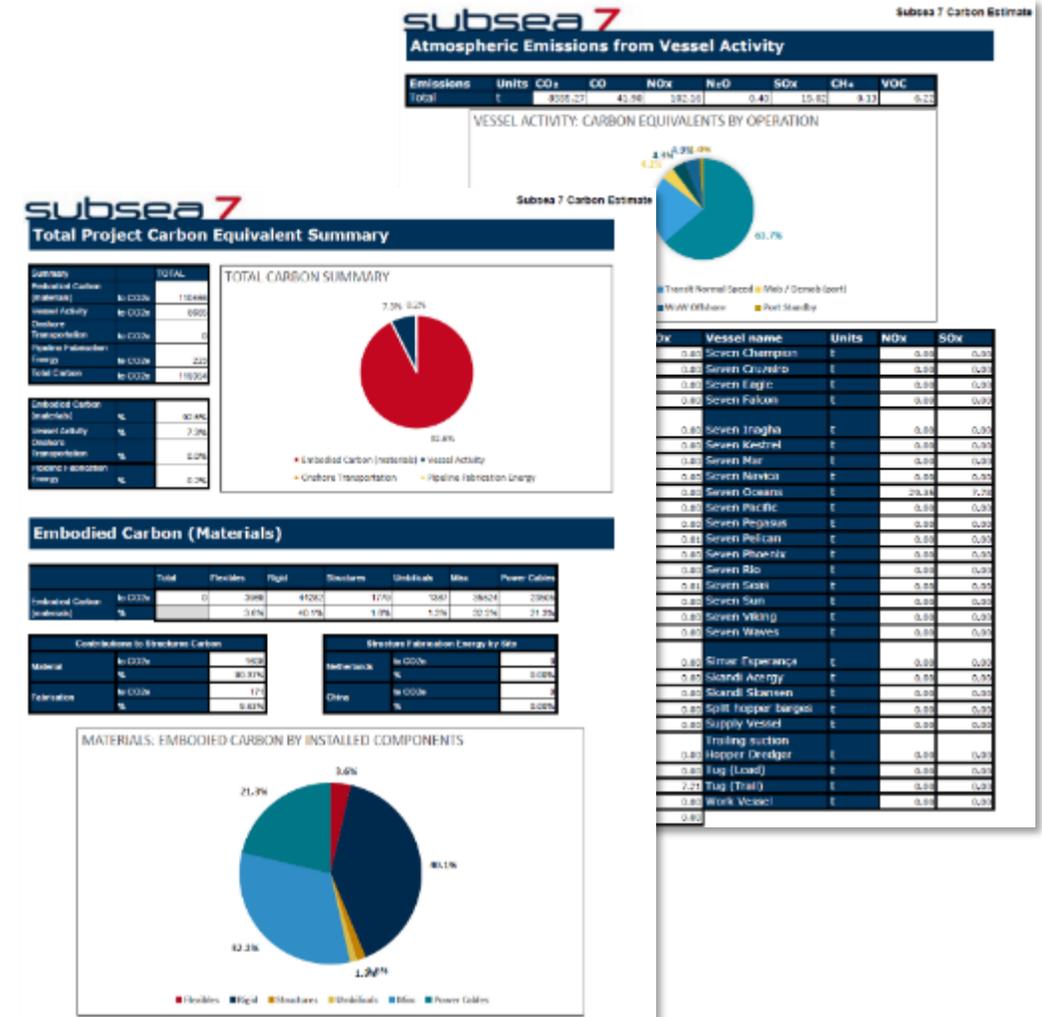
 Performance

 Collaboration

 Innovation

# Sustainability – carbon estimator

- Supporting our own Sustainability objectives as well as those of our clients
  - Allowing refinement across the value chain to reduce emissions
  - Assessment of potential improvements to Subsea 7's operations such as vessel hybridisation, digitalisation, remote operations
- Estimation of CO<sub>2</sub>e emissions associated with Subsea 7's project delivery
  - Procurement: materials, equipment, products fabrication & assembly
  - Pipeline fabrication at Subsea 7 sites
  - Vessels: owned, chartered and third party



# Our business units

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- Subsea 7 provides project management, engineering and construction expertise across **two operational business units**.
- Through these business units we provide **services across the field lifecycle**.

subsea 7

## Subsea and Conventional

Our **Subsea and Conventional** business unit is a global leader in delivering projects and services to the offshore Oil and Gas industry.



seaway 7

## Renewables

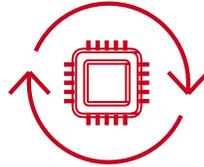
Our **Renewables** business unit is a global leader in delivering fixed offshore wind farm projects.



# Subsea 7's strategy

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## Subsea Field of the Future: Systems and Delivery

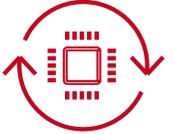


- Early engagement and partnerships
- Systems innovation and enabling products
- Integrated SPS and SURF
- Digital delivery of projects and services

## Energy Transition: Proactive Participation



- Renewables – offshore wind
- Oil and gas – lower carbon developments
- Emerging energy – new markets and opportunities
- Operations – sustainable and efficient

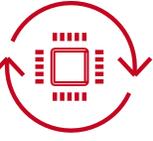


# Subsea field of the future - early engagement

- Xodus headcount +77% since acquisition
  - 350 employees
  - Expansion of global footprint to Perth, Houston, Boston, Tokyo
  - Retained by 10 different clients on the recent ScotWind lease round
  - Spearheaded Subsea 7's involvement in the Salamander project
- Field Development Group (FDG)
  - 92% of new SURF awards featured FDG engagement in 2020
  - 47% using Subsea Planner digital tool
  - Early engagement key to significant awards including Sangomar and Bacalhau



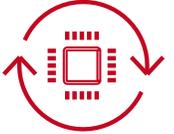
## Subsea field of the future - systems innovation and enabling products



- Subsea 7 engineered the world's first GluBi® pipe on the Hod field
  - DNV-qualified in collaboration with Butting
- Mechanically-lined pipe is a cost-effective, anti-corrosion solution for tie backs
  - Reduced spooling times and efficient installation
- AkerBP Hod re-development
  - EPCI pipelines, umbilicals and tie-ins
  - Pipe-in-pipe production pipeline based on GluBi®
- GluBi® technology included in ongoing FEED studies for future projects



*GluBi reeled installation will mirror current BuBi process*



# Subsea field of the future - integrated SPS and SURF

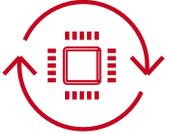
- Integration of SPS and SURF
  - Optimises the complete subsea offering from engineering to delivery
  - Increases competitive differentiation
- **Subsea Integration Alliance** awards in Q2 2021
  - Bacalhau, Brazil (\$750m+): first integrated award in Brazil
  - Hasselmus, Norway (\$50-150m): optimising the economics of marginal fields
- 68% market share since January 2020<sup>1</sup>
- Strong bidding pipeline for integrated projects
  - Lapa SW, BMC-33, Scarborough<sup>2</sup>, Bay du Nord, Ormen Lange III<sup>2</sup>



subseaintegrationalliance.com

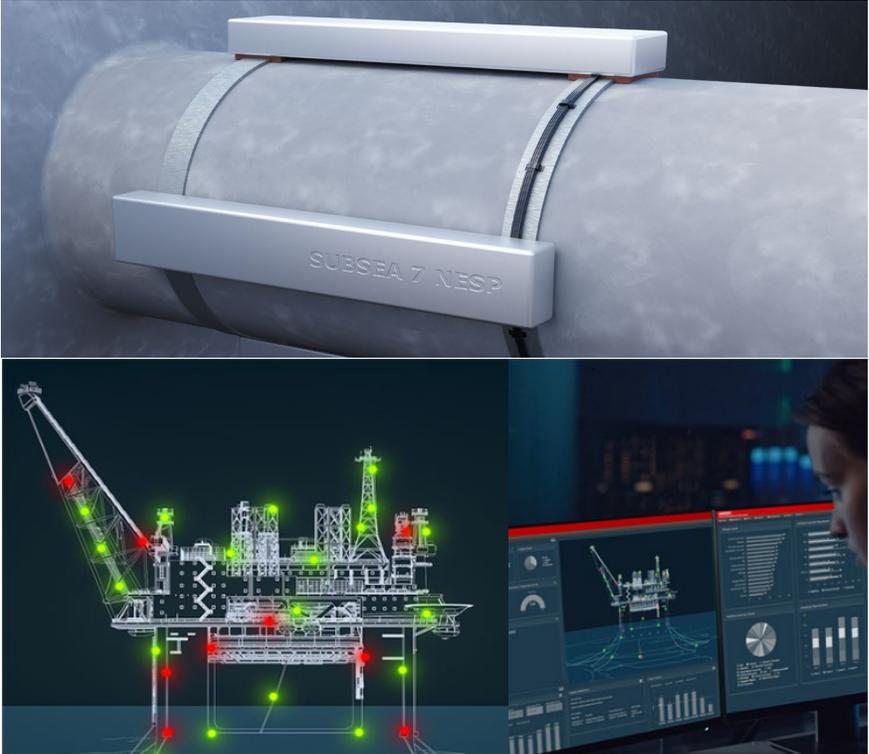
Seven Arctic

<sup>1</sup> by revenue; <sup>2</sup> Subsea Integration Alliance is preferred EPCI supplier; FEED already awarded



# Subsea field of the future - digitalisation

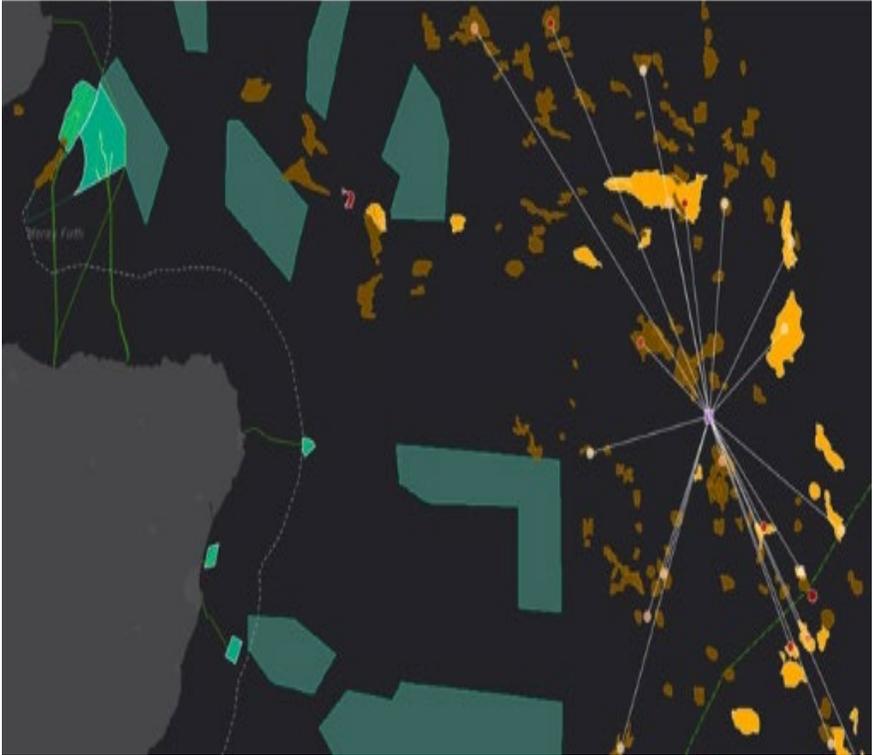
- Nano-engineered sensor platform (NESP)
  - Developed by **Xodus**
  - Advanced fatigue and corrosion lifecycle monitoring
  - Zero maintenance solution
- A complete solution from sensor to analytics platform to digital twin
- Winner of OTC's "Spotlight On New Technology 2021"





# Energy transition - decarbonising oil and gas

- Helping our clients address energy transition by reducing carbon intensity of offshore operations
- Electrification could abate UKCS oil and gas operational emissions by 40% by 2030
- **Xodus** performed an in-depth study for a Top 3 UK operator for electrification of North Sea assets





## Energy transition - fixed offshore wind

- Combination with OHT ASA creates **Seaway 7 ASA**
  - Creates the world's largest pure-play listed renewables company
  - Strong long-term market fundamentals
  - State-of-the-art assets capable of foundation, turbine and cable installation
  - Broad service offering
  - Diverse geographic and client reach
  - Balance sheet strength via the support of Subsea 7 S.A.
  - Near-term cash flow generative, supported by firm backlog

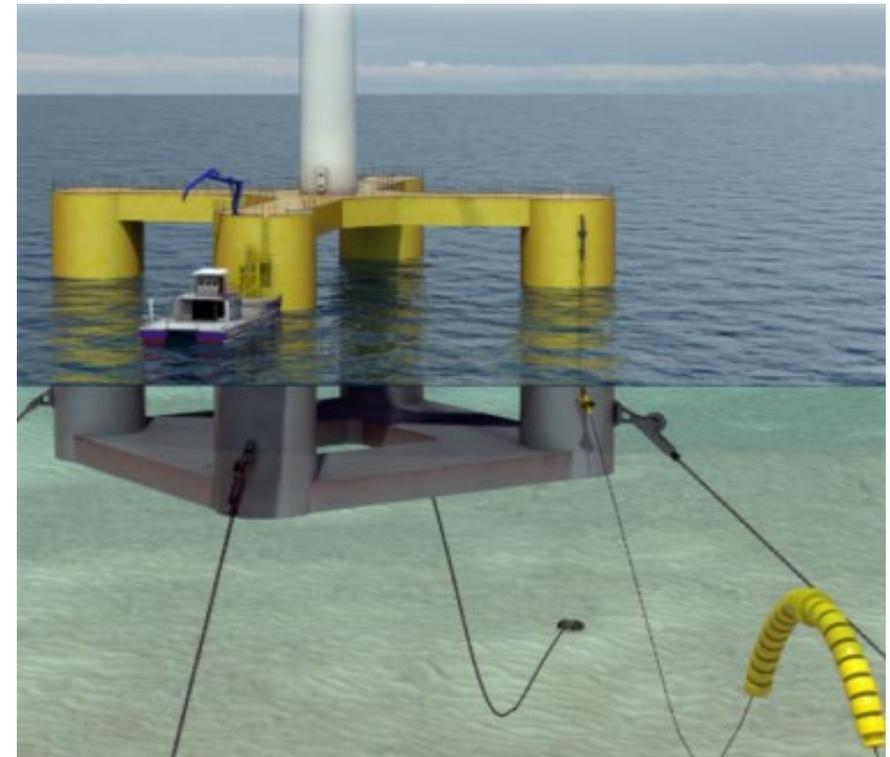


Seagreen jackets at Nigg



## Energy transition - floating offshore wind

- Subsea 7 has acquired a majority stake of 59.12% in **Nautilus**
  - Floating wind technology developer based in Bilbao, Spain
- Early-stage floating wind concept
- Subsea 7 will provide engineering and project management capabilities to support the advancement of the design
- To be included in tenders for pilot floating wind projects in 2021 and beyond



Nautilus' floating wind concept



# Energy transition - new energies

- Northern Lights carbon capture
  - CO<sub>2</sub> generated by industrial operations piped to North Sea, for permanent storage
- Subsea 7 scope
  - Engineering, fabrication and installation of 100km CO<sub>2</sub> pipeline from Øygarden to CO<sub>2</sub> storage complex
  - Installation of umbilicals, tie-in and pre-commissioning activities



Carbon capture schematic  
Source: Equinor

## Energy transition - our operations

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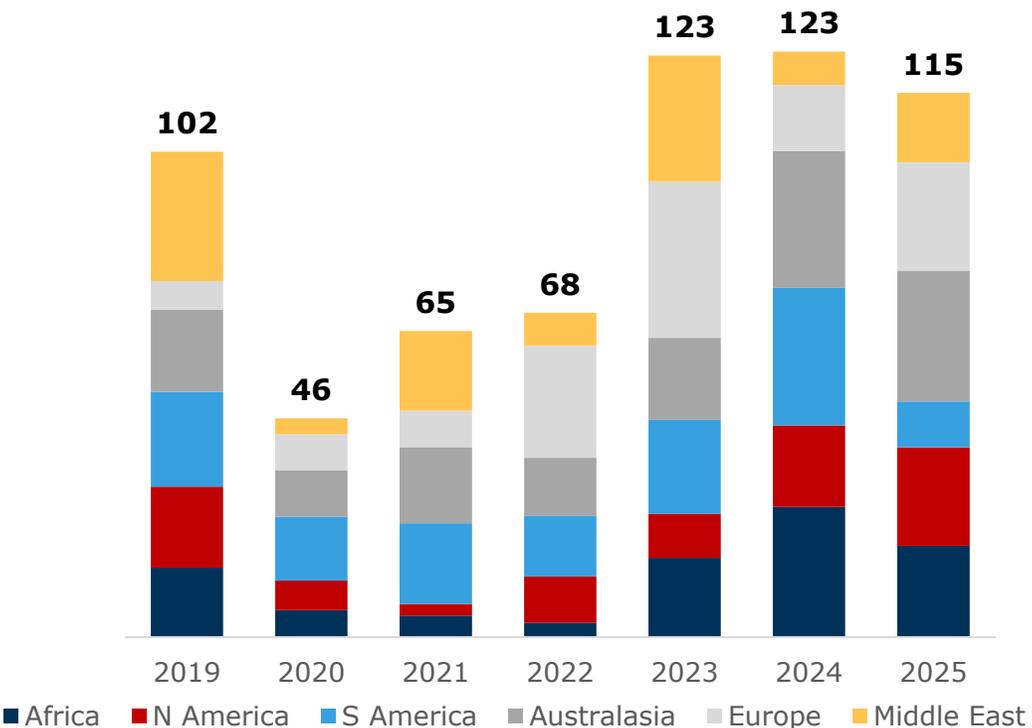
- Subsea 7 climate change declaration to be announced in Q4 2021



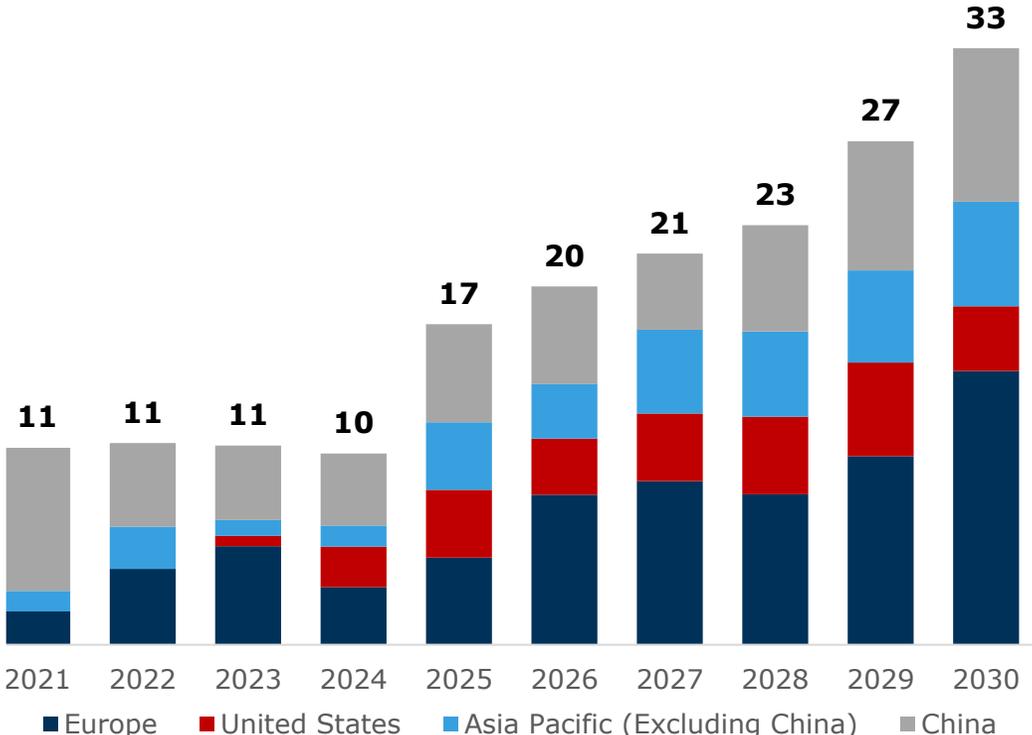
*Seven Viking*

# Industry outlook: strong growth

Upstream offshore project sanctioning  
(\$ billion)



Global wind installation  
(Gigawatts)



Source: Rystad Energy

Source: BNEF

# Market outlook: subsea prospects

## Canada

**Equinor** Bay du Nord (i)

## UK

**Shell** Jackdaw  
**Equinor** Rosebank  
**NEP** Teeside  
Humber

## Norway

**Shell** Ormen Lange III (i,f)  
**Aker BP** Multiple projects  
**Equinor** Multiple projects

## USA

**Total** North Platte

## Nigeria

**Shell** Bonga SW

## Saudi Arabia

**Saudi Aramco** Zuluf

## Ghana

**Aker Energy** Pecan

## Malaysia

**Shell** Rosmari

## Brazil

**Petrobras** Mero 4  
Búzios 6, 8  
Riser replacement  
PLSVs  
**Equinor** BMC-33 (i)  
**Shell** Gato do Mato  
**Total** Lapa SW (i)

## Angola

**Total** CLOV-3  
Begonia

## Australia

**Chevron** Jansz-Io  
**Woodside** Scarborough (i, f)

(i) Integrated SURF-SPS (f) FEED already awarded, Subsea 7 is preferred EPCI supplier

# Market outlook: offshore wind prospects

## UK

**Iberdrola** East Anglia Hub  
**Red Rock** Inch Cape  
**EDPR** Moray West  
**SSE** Seagreen 1A  
**Vattenfall** Norfolk  
 Vanguard  
 Boreas

## Germany

**EnBW** He Dreiht  
**Ørsted** Godewind 3  
 Borkum  
 Riffgrund 3

## USA

**Ørsted** Revolution  
 Sunrise  
 Ocean Wind  
**Equinor** Empire Wind  
 Beacon Wind  
**Shell/EDPR** Mayflower  
**Shell /EDF** Atlantic Shores  
**Avangrid** Park City

## Poland

**Northland** Baltic Power  
**Equinor** Baltyk II  
 Baltyk III

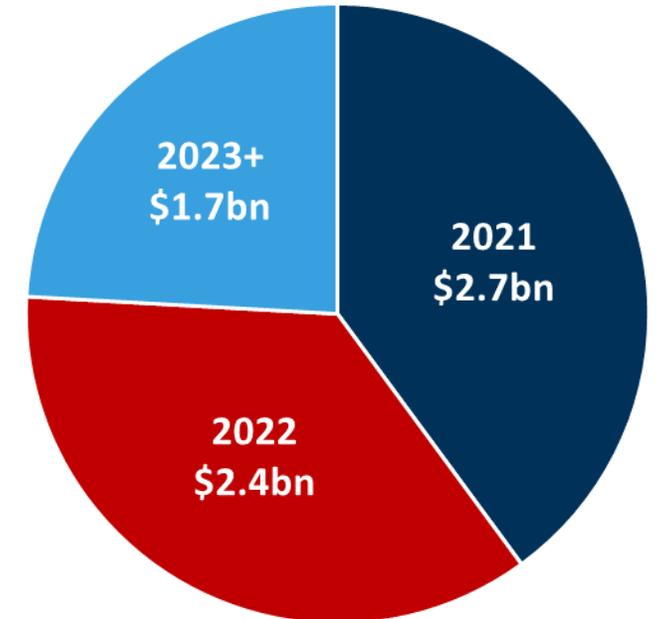
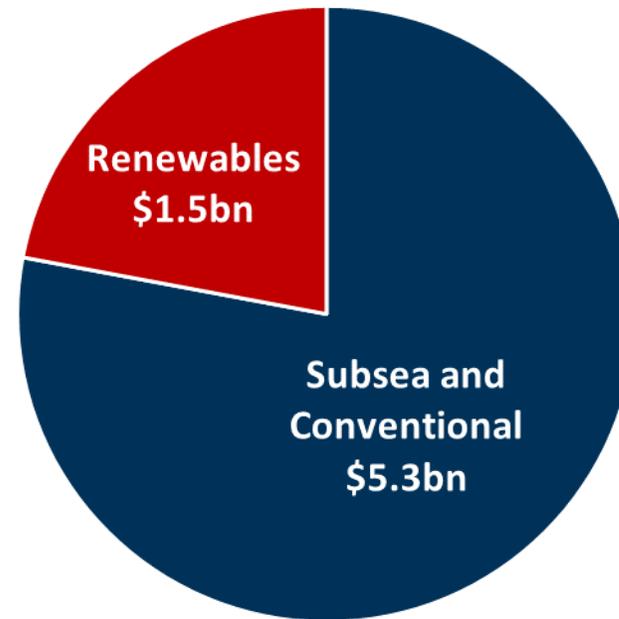
## Asia Pacific

Various (pre-) tender activities



## Backlog – building long-term visibility

- Backlog of \$6.8 billion at 30 June 2021
- Order intake of \$2.7 billion
  - \$2.1 billion new awards
  - \$0.6 billion escalations
- 1.2 book-to-bill ratio
- Announced awards in H1:
  - SLGC: \$150-300 million
  - Northern Lights: \$50 million
  - Bacalhau: over \$750 million
  - Mero 3: \$500-750 million



30 June 2021

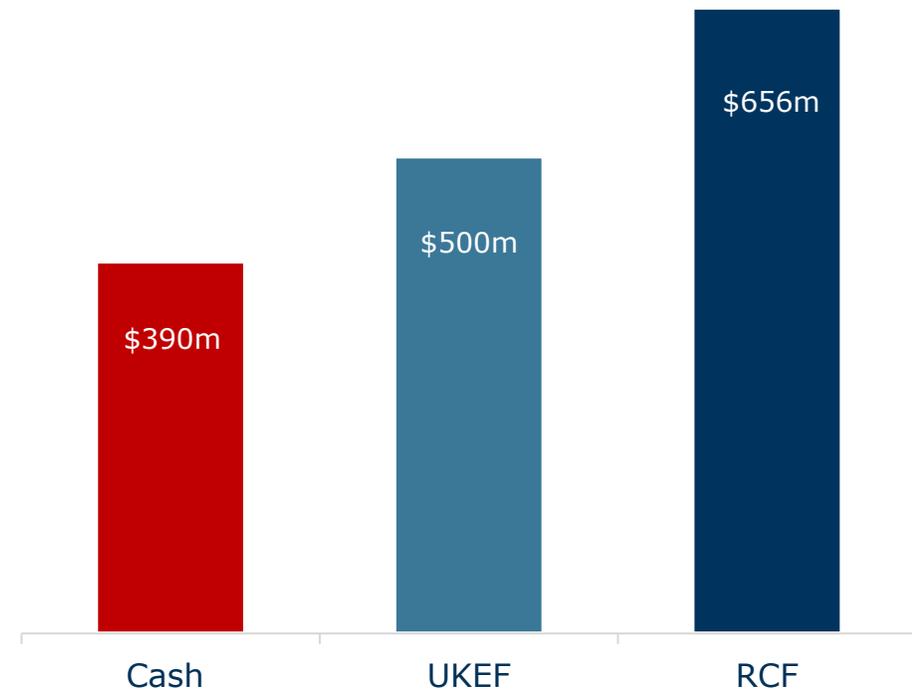
## Financial strength – resilience through-cycle

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- Net debt of \$39 million at 30 June 2021
  - Including \$232 million lease liabilities
- No near-term debt maturities
- Access to diverse sources of liquidity
  - Cash and equivalents of \$390 million
  - UK export loan facility of \$500 million
  - RCF of \$656 million maturing September 2023
  - Facilities undrawn and covenant-light

### Sources of liquidity

30 June 2021



# Summary – delivering on our strategy

- Subsea field of the future
  - Recovery of oil and gas with improved pricing
  - Continued investment in capabilities, technology and digitalisation
  - Subsea Integration Alliance
- Energy transition
  - Transformative transaction with OHT to create Seaway 7 ASA
  - Well-positioned in the floating wind industry
  - Reducing carbon emissions from our operations



*Seven Oceans and Seven Oceanic at Julimar 2*

**THANK YOU**



**subsea 7**