

AT A GLANCE

SUBSEA7 AT A GLANCE

13,821

People

33

Countries

80

Projects completed in 2025

8,000+

Suppliers

38

Vessels at year end

Our vision

To make possible the global delivery of offshore energy for today and tomorrow.

Our strategy

We create sustainable value by delivering offshore energy transition solutions, building subsea infrastructure to move electrons and molecules.



Continuous evolution of lower-carbon oil and gas

We design and install subsea systems that leverage enabling products, digitalisation and lower-carbon-intensity solutions. We create value for our clients by accelerating field developments and optimising field economics.



Enabling the growth of renewables and emerging energy

We deliver projects in offshore wind and carbon capture and storage, and we integrate energy systems through electrification. We perform studies that support our long-term strategic positioning in floating wind and hydrogen.

How we 'make possible'

We have a long track record of delivering complex projects, leveraging strong expertise and experience, as well as our modern, capable fleet.

We have six key differentiators that support our strategy:

- **Early engagement and system innovation**
- **Collaboration and partnerships**
- **Integrated services**
- **Sustainable delivery**
- **Digital solutions**
- **Enabling products**

Our business units

Subsea7 reports financial results for three business units:



Subsea and Conventional

Focused on oil and gas and CCS, operating under the Subsea7 brand



Renewables

Focused on fixed offshore wind and including our early-stage strategy in floating wind. It operates under the Seaway7 brand



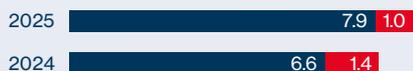
Corporate

Including our autonomous subsidiaries Xodus and 4Subsea

2025 financial performance

Order intake

\$9.0bn



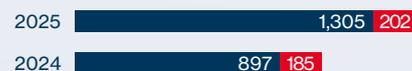
Revenue

\$7.1bn



Adjusted EBITDA

\$1,480m



■ Subsea and Conventional ■ Renewables

Graphics exclude the Corporate business unit

Net income

\$404m

2024: \$217m

Net cash/(debt)

\$21m

2024: \$(602)m

Free cash flow

\$1,190m

2024: \$583m

Liquidity

\$1.6bn

2024: \$1.3bn

'Global enabler' rigid pipelay vessels



Seven Vega

Built in 2020

Rigid pipe diameter: 4"-20"

Type: Reel-lay



Seven Oceans

Built in 2007

Rigid pipe diameter: 6"-16"

Type: Reel-lay



Seven Borealis

Built in 2012

Rigid pipe diameter: 4"-46"

Type: S-lay, J-lay



Seven Navica

Built in 1999

Rigid pipe diameter: 2"-16"

Type: Reel-lay

CHAIR'S STATEMENT

**KRISTIAN SIEM****CHAIRMAN**

This reaffirms our long-standing strategy to focus on the economically attractive deepwater subsea market. The renewed emphasis on exploration and appraisal to replenish deepwater reserves supports our confidence in the long-term outlook for both greenfield and tie-back developments. While some offshore wind markets have undergone restructuring, the need and drive for renewable energy remains clear.

Our worldwide operations can be affected by factors which are subject to change every day, including politics and regulatory regimes, war and terrorism, epidemics and natural catastrophes, as well as the economy and foreign exchange rates. Some of these are beyond our control and, historically, complete stability has never occurred in the energy sector. Such risks are shared with our clients and suppliers as best we can through protection in our contracts. Our ability to anticipate and manage these possible risks, and to adapt to new challenges as they occur, is important to our success.

A transformative merger

Subsea7 has been an active consolidator, bringing together the skills and experience of around 30 companies, through mergers, acquisitions and joint ventures, to create a leading player in the subsea industry. In 2025, we announced the next phase of this journey: the proposed merger of equals with Saipem to create Saipem7. Our vision is simple – to create a global leader in energy services, equipped with the scale and resources to address our clients' requirements for larger and more complex deepwater development projects in the coming decades. By combining the complementary strengths of both companies, Saipem7 will offer its clients a fleet of approximately 60 specialist vessels, the expertise of over 40,000 people across more than 60 countries incorporating a comprehensive range of offshore and onshore services, and the financial capacity to deliver multi-billion dollar developments.

The Board's confidence in the proposed merger was validated by our shareholders, who voted emphatically in support of the transaction at our Extraordinary General Meeting in September 2025, with 99% of votes in favour. This included approval of the return of €555 million in special dividends before merger completion. Shareholders will also benefit from annualised synergies of over €300 million from 2029, a more efficient capital expenditure programme, and greater scale in both equity and debt markets.

Leveraging technology for enhanced project delivery

While we navigate the process of obtaining regulatory clearances for the transaction, the Board remains focused on the successful delivery of projects. In 2025, the Group completed 80 projects valued at \$22 billion covering a range of complex developments in challenging offshore environments. With this momentum continuing into 2026, the Group will continue to push performance by leveraging innovation to optimise solutions and ensure reliability for clients.

Subsea7 delivered strong results in 2025, with Group revenue of \$7.1 billion, up 4% year-on-year, and Adjusted EBITDA of \$1.5 billion, up 36%. The improvement in margin to 21% from 16% in the prior year was driven by both excellent operational performance in executing our portfolio of projects, and the continued shift in the composition of our backlog towards contracts won in a more favourable environment.

In 2025, the Group continued to emphasise the importance of cash generation and balance sheet strength, ensuring we retain the flexibility and agility to seize opportunities, while safeguarding shareholder value through the cycle. I was pleased with the cash conversion of 1.1 times in 2025 and, with net cash at year end of \$21 million, the Group's financial position is robust.

In 2025, the Group maintained its selective approach to bidding for new work in order to preserve our future financial performance. With the strong demand for our services, our backlog touched a new record high of nearly \$14 billion during the year.

Positioning for the next decade in energy

Over the past year, society at large and energy stakeholders specifically have adopted an approach to the energy transition which is more in line with the underlying realities. This has been reflected in our clients' strategies which acknowledge the need to continue developing hydrocarbon resources as part of the broad mix to meet the growth in global energy demand.

At the same time, our clients remain committed to capital discipline, balance sheet strength, and their own shareholder returns. Thus recent volatility in commodity prices and cash flow generation has driven greater selectivity from our clients, prioritising developments that offer the strongest returns.

Subsea7 has long fostered a culture of innovation, demonstrated by its portfolio of nearly 2,000 patents. While many represent incremental enhancements in the continued evolution of our offering, others have a more significant impact on the outcomes for our clients. Among the most notable successes in 2025 was the introduction of advanced software that extends the window of operability of our vessels, allowing us to offer greater availability and flexibility to our clients. Increasing the uptime of our flagship deepwater pipelay vessel, *Seven Vega*, by over 10%, this software is just one example of our drive for continued performance enhancement.

Evolution of sustainability reporting

The Annual Report for 2025 represents the Group's second year of disclosures within the Corporate Sustainability Reporting Directive (CSRD) framework. While the first year of reporting naturally required a huge effort from our senior management team, as well as our strategy, sustainability and finance functions, the process remained onerous this year. Representing an extra 60 pages of disclosures, the 2025 sustainability statements have involved an incremental 12,000 manhours across the organisation. I welcome the EU's current initiative to streamline European Sustainability Reporting Standards (ESRS), aiming to help companies produce sustainability statements that are clearer, more concise and easier for investors and stakeholders to relate to, while reducing the burden on the industry.

Shareholder returns

Subsea7 returned \$376 million in the form of ordinary cash dividends to shareholders in 2025 and intends to return \$400 million in 2026. In addition, before merger completion, the Group will return the aforementioned €555 million of special dividends. Together these represented approximately 13% of the market capitalisation of Subsea7 as at 25 February 2026.

The \$3 billion already returned since 2012 underscores our consistent focus on creating long-term shareholder value and the strong alignment between the Board and our owners.

My thanks

I would like to express my appreciation to the 14,000 colleagues whose efforts and expertise were key to achieving another year of strong operational and financial performance. I am also thankful for the relationships we maintain with our clients that, above all, are crucial to the safe delivery of complex projects in challenging offshore environments. Finally, I would like to express my appreciation for the support of our shareholders, both as we continue to execute the strategy of Subsea7, and for their strong endorsement of our vision for the creation of a new global leader in energy services. We look forward to an exciting future for Subsea7.

Kristian Siem
Chairman

25 February 2026

Our values



Safety

Our goal is an incident-free workplace. We work every day, everywhere to make sure all our people are safe.



Integrity

We apply the highest ethical standards in everything we do. We treat clients, our people, partners and suppliers fairly and with respect.



Sustainability

We take a proactive approach towards our social responsibilities, mitigate the impact of our activities on our planet's environment and respond to the effects of climate change.



Performance

We are driven to achieve the outcomes our clients want. We are trusted to achieve superior performance from every project.



Collaboration

We work closely and openly together with clients, partners and suppliers at a local and global level to deliver safer and stronger results for all.



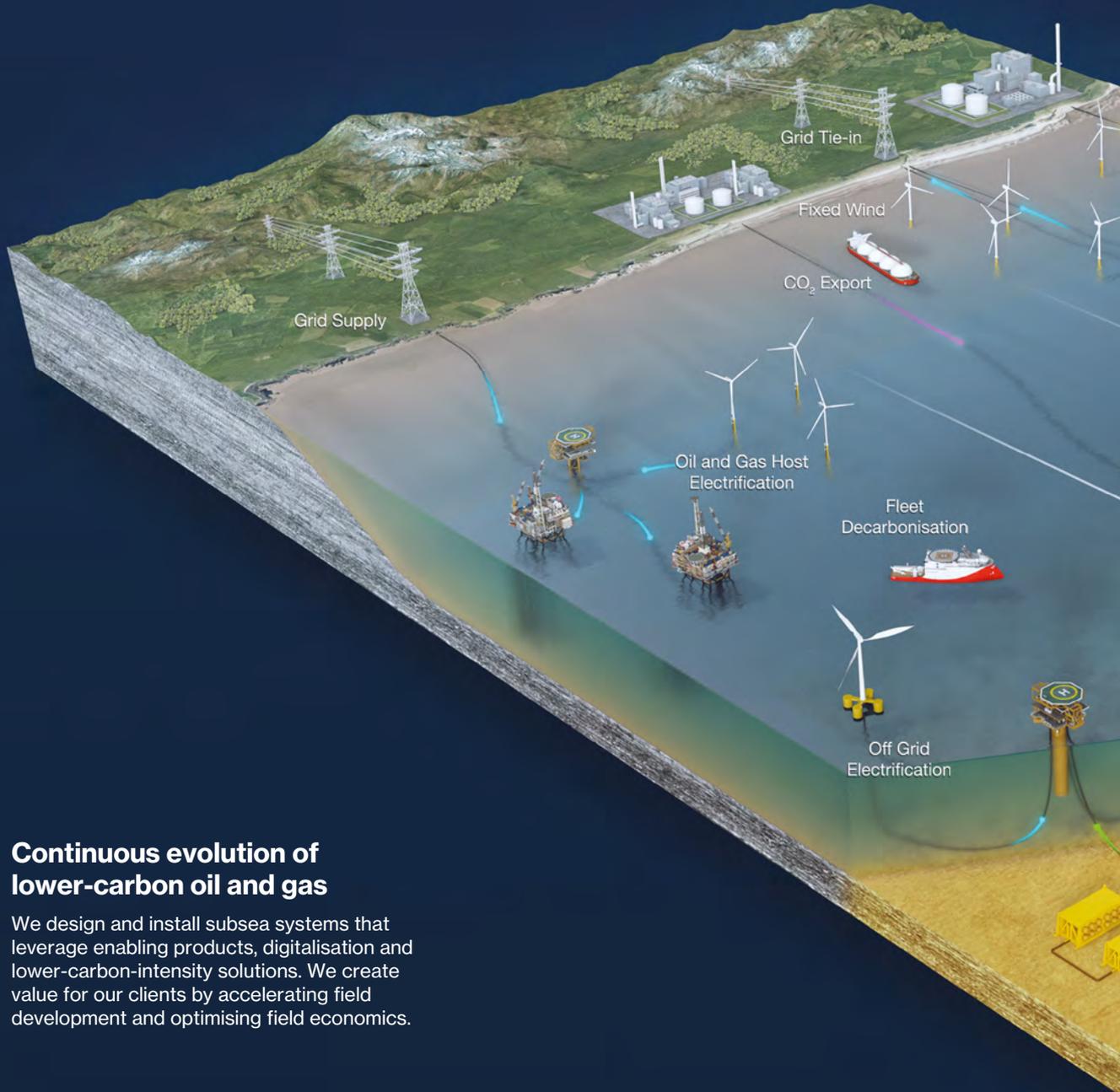
Innovation

We create smarter and simpler solutions to meet the industry's needs. We combine technology, expertise, assets and partnerships to deliver projects in new ways.

OUR WORLD

OUR WORLD

Subsea7 creates sustainable value by delivering the offshore energy transition solutions the world needs.

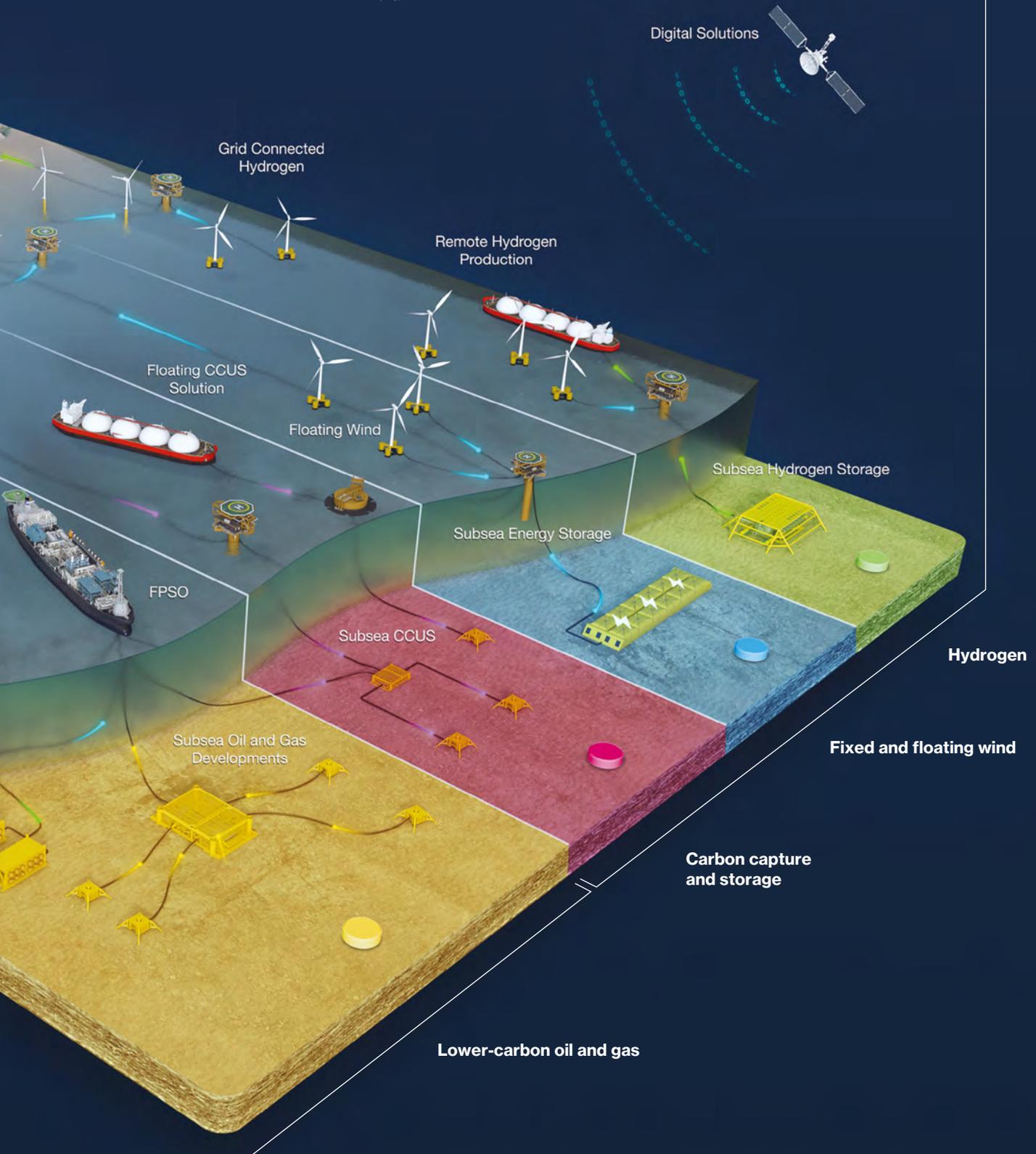


Continuous evolution of lower-carbon oil and gas

We design and install subsea systems that leverage enabling products, digitalisation and lower-carbon-intensity solutions. We create value for our clients by accelerating field development and optimising field economics.

Enabling the growth of renewables and emerging energy

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CEO REVIEW



DELIVERING VALUE THROUGH OPERATIONAL EXCELLENCE

In 2025, Subsea7 delivered strong operational and financial performance with revenue of \$7.1 billion and Adjusted EBITDA of \$1.5 billion, a margin of 20.9%. While our exposure to predominately late-cycle sectors of the energy industry meant it took time to fully high-grade the backlog during this upturn, we closed the year with an order book approaching \$14 billion of high-quality projects, providing excellent visibility on the years ahead. These strong results reflect not only our success in securing attractive work but also the dedication of our onshore and offshore teams in safely and reliably delivering for clients, guided by Subsea7's core Values: Safety, Integrity, Sustainability, Performance, Collaboration, and Innovation.

Subsea and Conventional achieved its fifth consecutive year of growth with revenue rising by 5% to \$5.8 billion and an Adjusted EBITDA margin of 22.6%, up from 16.3% in 2024. This strong performance reflects a balanced market environment: deepwater development remains highly attractive to clients while improved contract conditions allow Subsea7 to continue to improve its return on capital. In 2025, our activity encompassed a range of deepwater projects including major greenfield projects in Brazil, strategic gas developments in Türkiye, and tie-back solutions in regions such as the US. Norway was an especially active region for Subsea and Conventional work this year as we advanced a portfolio of developments for Aker BP – more details of which can be found on pages 18 to 19.

JOHN EVANS

CHIEF EXECUTIVE OFFICER

Our Renewables business also reported solid results in 2025 marking a third year of progress, with growth in Adjusted EBITDA of 9% and a margin of 16.6%, up from 15.0% last year. The continual improvement in margins since 2022 reflects the decisive action we took to become more selective in our bidding strategy, combined with a strong execution performance, leveraging our fleet of modern, adaptable vessels. Our efforts remain centred on a number of experienced developers in Europe and Taiwan with whom we have a solid track record, and where funding is secured and the regulatory environment is well understood.

Strong cash generation and a robust balance sheet

Subsea7 generated operating cash flow of \$1.5 billion in 2025, which, after capital expenditure of \$281 million, resulted in free cash flow of \$1.2 billion. The primary focus of our organic reinvestment was the maintenance of our modern fleet of vessels to ensure optimal performance in the busy years ahead, and to maximise their lifespan and our return on investment. In addition, we remained committed to returning capital to shareholders, with \$376 million paid in the form of dividends in 2025.

Overall net debt reduced by \$622 million during the year, resulting in a year-end net cash balance of \$21 million, including \$365 million lease liabilities mainly related to vessel charters. This leaves the Group in characteristically solid financial health.

Executing our differentiated strategy

In 2025, the Group remained focused on delivering the benefits of our well-embedded strategy, which utilises our six differentiators to unlock value for both our clients and our shareholders. Each principle (Early Engagement, Integrated Services, Digital Solutions, Collaborations and Partnerships, Sustainable Delivery and Enabling Products, as explained on pages 10 to 11) has played a part in our success in 2025. Our differentiators have enabled us to win high-quality work, achieve optimal execution, and reinforce strong relationships with key clients. This has been showcased in our activity in Norway, which accounted for over \$1 billion of revenue in 2025 and which saw us deploy a full array of technologies including both rigid and flexible pipes, umbilicals and pipeline bundles. These projects reinforced the benefits to both client and solution provider of an alliance relationship that enables long-term resource planning and supply chain management, and fosters a culture of innovation.

During the year, we continued to advance technologies that strengthen our offering in subsea solutions. As discussed on page 20, we rolled out a digital management tool developed by our 4Subsea business, which allows greater operational uptime of our vessels. This contributed an additional 35 days of operational availability to our flagship vessel, *Seven Vega*.

We also continued to push the industry's operating envelope, unlocking resources in the US with reservoir pressures of up to 20,000 psi ('20K'). In 2025, we successfully engineered, fabricated and installed rigid pipeline for our third such ultra high-pressure field – Beacon's Shenandoah project – and set a new record for reel-lay installation. More details of our 20K successes are discussed on page 20. The repeat orders we continue to receive from blue-chip clients endorse our technology strategy and reinforce Subsea7's position at the forefront of advancement in the energy industry.

Continued growth from a position of strength

From the low levels of 2020 to the healthy state of the industry in 2025, Subsea7 has benefited from an upcycle in the deepwater market, alongside growth in offshore wind. While the 'stronger for longer' mantra may be well-worn, today's industry dynamics support this view of our industry more than ever.

While regulatory clearance for the proposed merger with Saipem is still in progress, management remains firmly committed to delivering ongoing projects to clients, continuing to secure new high-quality contracts, and motivating our workforce. With a strong backlog of nearly \$14 billion, of which approximately \$7 billion is expected to be executed in 2026, we have high visibility on anticipated revenue this year of approximately \$7.0 to 7.4 billion. We expect our Adjusted EBITDA margin to continue to improve and reach approximately 22% in 2026. With a disciplined approach to reinvestment, we plan capital expenditure of \$350 to 380 million in 2026, yielding significant cash generation. Overall, I am confident that the resilience of the energy market, combined with our differentiated offering and our strong track record of delivery, continues to position Subsea7 for success.

My thanks go to all our colleagues around the world for their dedication and commitment throughout 2025. It has been a year of significant achievement, and their focus has been central to the Group's accomplishments.

John Evans

Chief Executive Officer

Investment case

A differentiated offering

- Positioned in structural growth energy markets of today and tomorrow.
- A full suite of subsea and offshore wind solutions to move hydrocarbon molecules and electrons subsea.
- World-class fleet of high-specification enabling vessels.
- Subsea Integration Alliance with OneSubsea to provide industry-leading subsea umbilicals, risers and flowlines (SURF) and subsea production systems (SPS) integrated offering.

Proven track record of delivery

- Robust project execution delivering large and complex energy projects.
- Track record of strong project execution across the globe, managing a supply chain of over 8,000 suppliers.
- Creating value and unlocking developments through early engagement and customer alliances.

Financial performance

- \$14 billion backlog of high-quality projects with resilient economics provides visibility on 2026 and beyond.
- High visibility on revenue for 2026, and on track to achieve an Adjusted EBITDA margin of approximately 22%, up from 21% in 2025.
- Balance sheet strength, with net cash of \$21 million, provides client and investor assurance.

Shareholder returns

- Shareholder returns underpinned by high cash generation in 2026 and beyond.
- Use of excess cash assessed annually by the Board.
- Track record of delivering capital returns, with over \$3 billion returned since 2012.

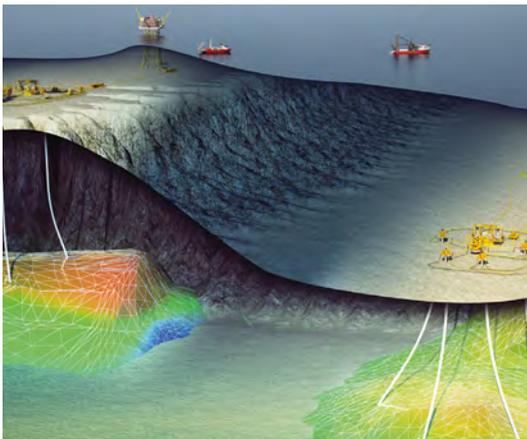
OUR STRATEGY

OUR DIFFERENTIATORS



Early engagement and system innovation

We bring our clients supplier-led solutions during the early phase of development, including state-of-the-art technology and innovation, enabling optimisation of field architecture. We work with the supply chain and our own fleet schedules to secure capacity and guarantee project schedules. Use of our carbon estimator tool can reduce a development's carbon footprint by optimising the volume of steel and vessel utilisation. A deep understanding of the project challenges allows us to collaborate with all stakeholders to mitigate risk. Overall, we help our clients optimise their capital expenditure and life-of-field operating expenses to improve breakeven oil price economics. We achieve this with our Field Development Group of engineers and experts from key disciplines across the Group, as well as through Xodus, our autonomous subsidiary that provides consulting services.



Integrated services

Subsea7 offers integrated subsea umbilicals, risers and flowlines (SURF) and subsea production systems (SPS) solutions through Subsea Integration Alliance (SIA), our partnership with OneSubsea. Integration offers clients cost efficiency, streamlined operations, enhanced project execution and improved overall performance. Reflecting its success, the alliance has been awarded contracts worth over \$8 billion since inception. In 2025, Subsea Integration Alliance signed its first contract within its new global integrated framework agreement with bp, for its Ginger field in Trinidad and Tobago. Building on a long-standing successful relationship, the global agreement establishes a new way of working that enables system-level optimisation through increased transparency and early engagement.



Digital solutions

Subsea7's digitalisation strategy focuses on early engagement and project delivery. Ocean Plan is a proprietary platform that helps us accelerate and optimise developments using a catalogue of products to build virtual field architectures. It allows clients to assess capital expenditure, operating costs and emissions for various scenarios and field designs. During the delivery phase, we use product catalogues, automated engineering workflows and collaborative deliverable management software to improve the control, speed and efficiency of our project delivery. We use data-driven decision-making to optimise our planning and our vessel operability to maximise our productivity and deliver predictable performance to our clients. We collate the data we generate throughout the project lifecycle to enable streamlined handover to operations and continuous organisational learning.

ENABLING PRODUCTS – EHTF

Our Electrically Heat-Traced Flowlines (EHTFs) enable longer tie-backs, reducing the need for surface facilities in the development of satellite resources.

[FIND OUT MORE ABOUT THE EHTF HERE](#)



Collaboration and partnerships

Collaboration is a core Value of Subsea7. We have a long-term track record of working together to address the challenges of delivering solutions for complex projects. We draw on the expertise of our engineers, experience of our project and supply chain managers and our high-specification, modern fleet of vessels.

This is reflected in the success of alliances with companies such as Aker BP, bp and Equinor, and close collaboration with Shell, Chevron, several independent exploration and production companies and SSE Renewables. There is an increasing trend of clients coming directly to Subsea7 to sole-source their developments to minimise the tendering process, accelerate developments and achieve first production or first power sooner.



Sustainable delivery

Sustainable delivery prioritises the material areas that create value for Subsea7 and its stakeholders. We communicate our sustainability through three pillars: i) Solutions for the world's energy needs, focused on delivering offshore energy for today and tomorrow and addressing our greenhouse gas (GHG) emissions; ii) Safety and people including health and safety, talent attraction, development and retention, and diversity and inclusion (D&I); iii) Acting responsibly, centred on maintaining high standards of behaviour and ensuring compliance with legal and regulatory requirements, promoting transparency and accountability, and fostering a strong culture of integrity. These pillars are designed to help Subsea7 contribute positively to the global sustainability agenda while achieving long-term value creation for the business and its stakeholders.



Enabling products

Subsea7's strategy of enabling products focuses on delivering innovative and cost-effective solutions, leveraging extensive experience and technical expertise. These products include advanced riser and flowline systems, subsea processing, flow control and metering solutions as well as digital solutions for enhanced operational efficiency. Subsea7's enabling products are designed to improve project execution, reduce costs and ensure the integrity and reliability of offshore installations. By integrating these products into our offerings, Subsea7 aims to provide clients with comprehensive solutions that address the challenges of complex energy projects, ultimately driving value and sustainability in the offshore energy sector. An example of our enabling products, bundle pipelines, is outlined below.



ENABLING PRODUCTS – BUNDLE PIPELINES

In 2025, Subsea7 launched two bundle pipelines for Aker BP's Yggdrasil field.

[WATCH THE LAUNCH FROM OUR WICK, UK BASE HERE](#)

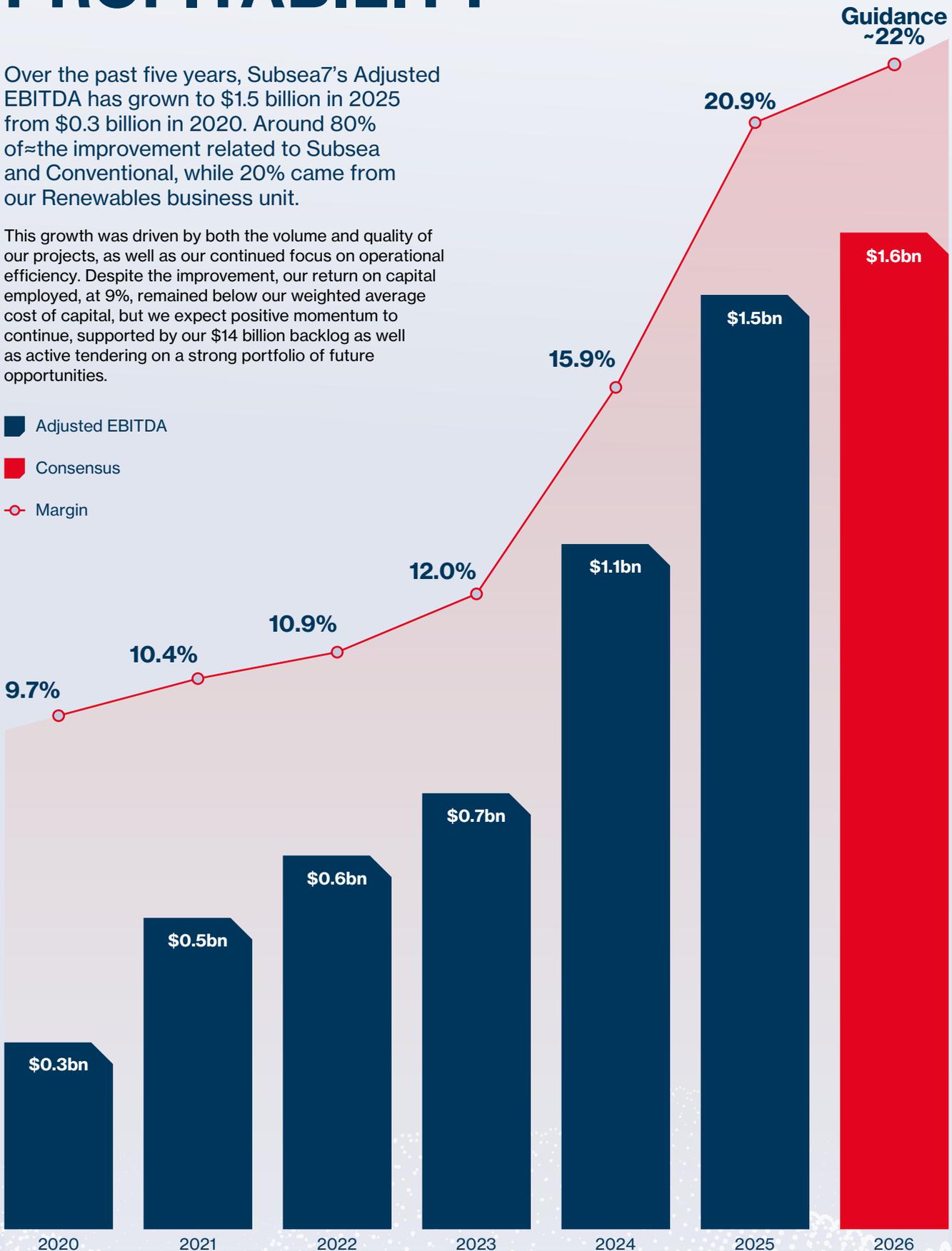


OUR OPERATIONS

DELIVERING INCREASED PROFITABILITY

Over the past five years, Subsea7's Adjusted EBITDA has grown to \$1.5 billion in 2025 from \$0.3 billion in 2020. Around 80% of the improvement related to Subsea and Conventional, while 20% came from our Renewables business unit.

This growth was driven by both the volume and quality of our projects, as well as our continued focus on operational efficiency. Despite the improvement, our return on capital employed, at 9%, remained below our weighted average cost of capital, but we expect positive momentum to continue, supported by our \$14 billion backlog as well as active tendering on a strong portfolio of future opportunities.

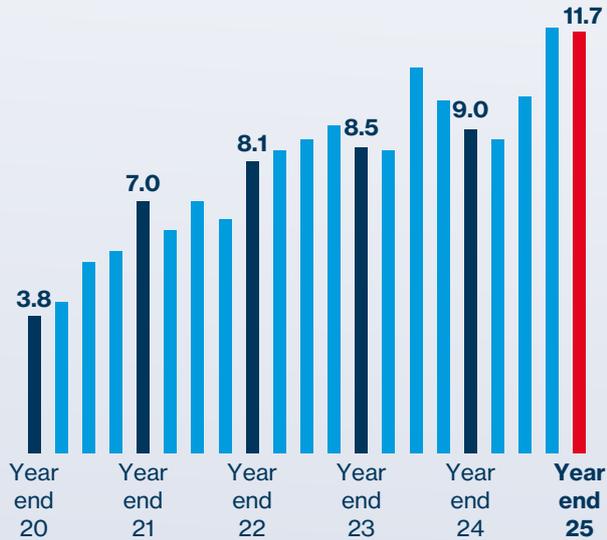


- Adjusted EBITDA
- Consensus
- Margin

Between 2020 and 2022, a greater appetite for development activity by our clients was evident in our increasing backlog. In addition, since 2022, the pricing and terms and conditions of our contracts have also been rebalanced, high-grading the quality of our backlog today.

Subsea and Conventional

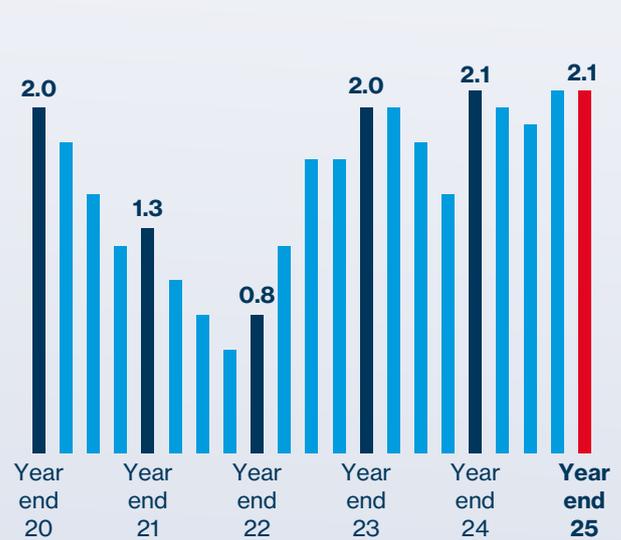
Backlog progression by quarter (\$bn)



- High backlog and visibility
- \$5.7 billion for execution in 2026

Renewables

Backlog progression by quarter (\$bn)

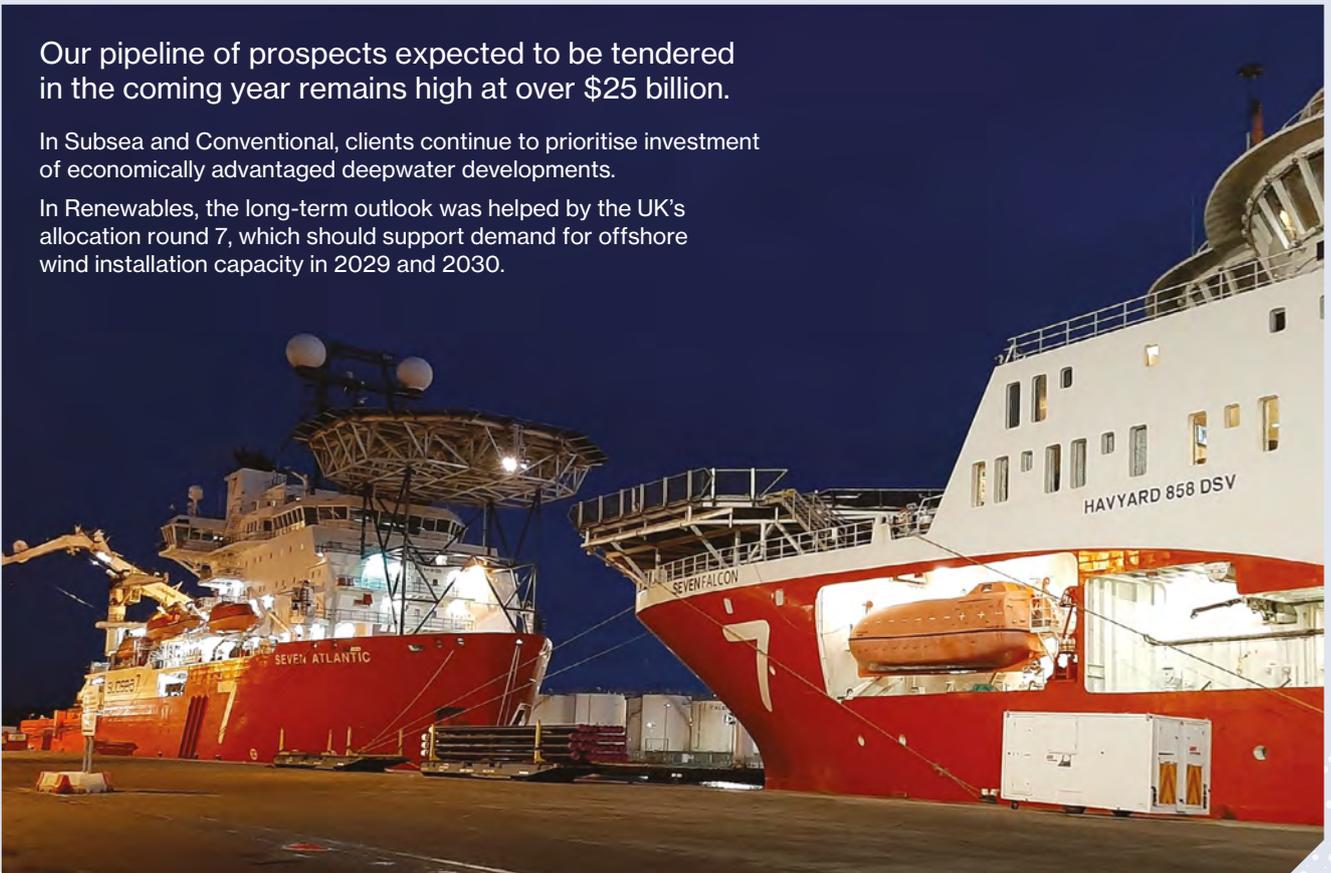


- Selective bidding since 2022
- \$1.2 billion for execution in 2026

Our pipeline of prospects expected to be tendered in the coming year remains high at over \$25 billion.

In Subsea and Conventional, clients continue to prioritise investment of economically advantaged deepwater developments.

In Renewables, the long-term outlook was helped by the UK's allocation round 7, which should support demand for offshore wind installation capacity in 2029 and 2030.



OUR OPERATIONS

CONTINUED MOMENTUM ACROSS THE GLOBE

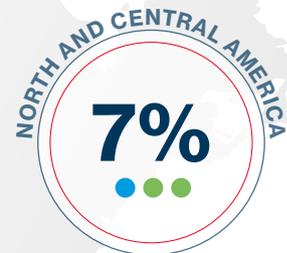
In 2025, Subsea7 announced 22 new awards totalling \$7.0 billion. Our backlog of \$13.8 billion spans 24 countries and encompasses work for over 30 clients.

Enabling the execution of these projects is our workforce of 13,821 people, including 3,000 engineers and 5,500 offshore project and marine crew. Our teams bring together colleagues of 111 nationalities, based in 33 countries, working together to deliver our projects safely and efficiently, and creating value for our clients. Read more details about Our People on page 28.

Backlog by project size at the time of award:

- \$150–300m
- \$300–500m
- \$500–750m
- \$750m–\$1.25bn
- \$1.25bn+

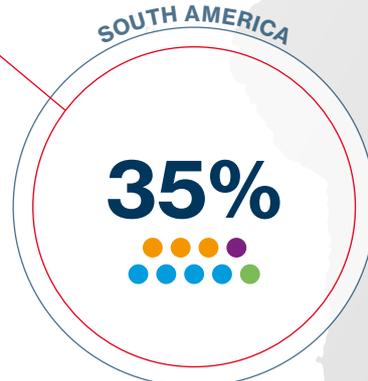
[→ VISIT OUR WEBSITE TO SEE MORE DETAILS OF WHAT WE DO AND WHERE WE OPERATE](#)



BACKLOG: BRAZIL

\$4.5bn

In 2025, Subsea7 won the SURF contract for Búzios 11. Our Brazilian portfolio includes 9 projects, including both EPCI and day-rate contracts. See page 16 for more details.



BACKLOG: NORWAY

\$2.1bn

In 2025, Subsea7 was awarded six new contracts in Norway ranging from \$50 to 500 million for both EPCI scopes as well as inspection, repair and maintenance (IRM). More details of our Norwegian operations are on pages 18 and 19.



EUROPE

41%



AFRICA AND MIDDLE EAST

11%



ASIA AND AUSTRALIA

6%



BACKLOG: TÜRKIYE

\$1.7bn

In 2025, Subsea7 was awarded a third major subsea project for the Sakarya gas development. See page 16 for more details.



REGIONAL OVERVIEW

OUR GLOBAL OPERATIONS



○ BRAZIL

In 2025, Brazil represented 24% of Subsea7's revenue, reflecting progress on six major EPCI projects, for Petrobras and Equinor, as well as the charter by Petrobras of four pipelay support vessels (PLSVs).

This portfolio of projects, representing over 30% of Group backlog at year end, supports a large engineering and project management team in Rio de Janeiro, as well as a spoolbase at Ubu.

During the year, Subsea7 delivered first oil on Bacalhau, Equinor's largest offshore field outside Norway with a production capacity of more than 1 billion barrels of oil equivalent. The project was awarded to Subsea Integration Alliance in June 2021 following front-end engineering and design by the alliance to optimise the development solution. It encompassed 140 kilometres of rigid risers and flowlines, as well as umbilicals and trees, in water depths of 2,050 metres and utilised *Seven Vega*, *Seven Pacific*, *Seven Cruzeiro* and *Seven Merlin*. In 2026, Subsea7 will progress the four other EPCI projects currently in the Brazilian backlog, Mero 4, Búzios 8, Búzios 9 and Búzios 11, which together provide revenue visibility to 2028 and enable the standardisation and operational efficiencies associated with a sustained level of activity on a portfolio of greenfield, pre-salt projects.

During the year, our four PLSVs commenced new three-year contracts for Petrobras. These vessels form part of Petrobras's fleet of 15 PLSVs and are typically used to recover and install flexible pipelines. They represent a day-rate-based part of Subsea7's balanced portfolio of projects.



○ TÜRKIYE

A country not previously associated with the offshore energy industry, Türkiye emerged as a significant market in 2021 when Subsea7, in consortium with SLB and OneSubsea, was awarded Phase 1 of the strategically important Sakarya gas development.

The contract covered the well completions and the EPCI of the subsea production systems, risers and flowlines, and an early production facility, in a first-of-its-kind, integrated onshore and offshore development. Sakarya Phase 1 was a complex and challenging project in the harsh environment of the Black Sea, with elevated levels of hydrogen sulphide and long tie-backs in ultra-deep waters. Nevertheless, less than three years after award, the project achieved first gas and, reflecting this success, by August 2025 Subsea7 had been awarded two more phases of Sakarya by Turkish Petroleum.

In 2025, offshore activities focused on Phase 2 of the development, with *Seven Pacific* and *Seven Seas* installing umbilicals and flexible pipelines, and *Seven Vega* beginning the installation of production risers and injection pipelines. Meanwhile, engineering and procurement was underway for Phase 3, with offshore activities scheduled in 2027 and 2028.

In 2025, Türkiye represented 9% of revenue and, at the end of the year, was 13% of the Group's backlog. The sustained high level of work has enabled Subsea7 to develop a strong regional presence, including our office in Istanbul. With further phases expected to be tendered in the coming years, Türkiye should remain a significant territory for Subsea7 as we support the nation in achieving its energy goals.

○ NORTH AND CENTRAL AMERICA



Subsea7 executes work in the US, Guyana, Trinidad and Tobago, and Mexico, predominantly through its office in Houston, US, as well as in Merida, Mexico. Opened in 2023, the Merida office has grown to a team of around 80 and has become the latest success in Subsea7’s strategy to attract engineering talent in new regions.

In the US during 2025, Subsea7 partnered with several independent oil companies, including Beacon Offshore Energy, Talos and LLOG, to accelerate projects from concept to first production, maximising value for clients. This success was enabled by close collaboration, underpinned by a proven track record of delivery, which often allowed the direct award of contracts to Subsea7. Additional efficiencies were achieved by managing a regional portfolio of projects to optimise vessel utilisation, delivering benefits for both clients and the Group. For example, *Seven Oceans* and *Seven Seas* spent much of the first half of the year in the Gulf, working on Salamanca, Sunspear and Shenandoah. The Group also won projects for Shell and Chevron, including Vito Waterflood, Laser Shark, Sparta and Jack St Malo Phase 5, for which offshore installation phases are mainly scheduled for 2026 and 2027.

In April 2025, Subsea Integration Alliance secured a contract for the EPCI of the Ginger project, in Trinidad and Tobago, marking the first award under a new global framework agreement with bp. Building on a long-standing global relationship, the agreement introduced a new collaborative approach that enables greater transparency and early engagement. It also established an innovative commercial model designed to align incentives and accelerate value creation.

○ UK WIND



Seaway7 has been a key contributor to the UK’s renewable energy sector since 2009, building a strong track record through projects such as Greater Gabbard, Beatrice, Triton Knoll, Moray West and Seagreen. In 2025, this was extended with the completion of Dogger Bank A, B and C foundation installation, continued progress on East Anglia THREE and preparation works for East Anglia TWO, Hornsea 3 and Inch Cape.

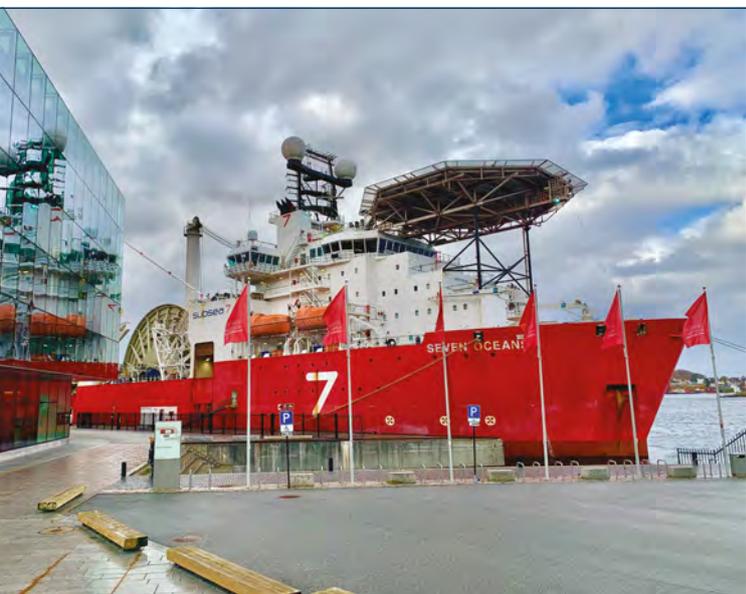
By the end of 2025, Seaway7 had supported the installation of nearly 20 gigawatts (GW) of wind capacity globally, reinforcing its role in delivering large-scale renewable energy infrastructure projects.

In the UK, work on Dogger Bank A, B and C began in 2019, and by 2025 Seaway7 had completed the installation of 277 monopiles and transition pieces, while installation of turbines at Dogger Bank C will continue into 2026. Delivering all three phases of this landmark project provided Seaway7 with an opportunity to optimise processes and set new benchmarks for efficiency. Each stage contributed to improved predictability and reduced cycle times.

Installation at East Anglia THREE began in March 2025, with *Seaway Ventus* completing a significant portion of the 95-monopile scope by year end. The next phase in 2026 will see continued monopile installation and the commencement of inter-array cable work by *Seaway Aimery* and *Seaway Phoenix* alongside cable lay at Hornsea 3 and foundation installation at Inch Cape. By 2027, activity will shift to cable installation at East Anglia TWO, reinforcing Seaway7’s role in enabling large-scale renewable energy infrastructure.

CASE STUDIES

NORWAY: A STRONG PORTFOLIO OF PROJECTS



The Norwegian hydrocarbon industry plays a vital role in the UK and Europe's energy security, supplying gas equivalent to nearly 40% of the continent's annual imports.

Subsea7 has an extensive track record in the region, partnering with many of the same clients since the 1970s. This long-standing presence has fostered trust and enabled strong relationships, underpinned by a collaborative mindset and culture. This commitment is reflected in three formal alliances and collaboration agreements with Aker BP, Equinor, and OKEA, which collectively operate over 80% of regional production. In 2025, Norway represented approximately 15% of Group revenue, comprising operations on 21 projects for five clients.

>2,000 km

risers, umbilicals and flowlines laid in Norway since 2010

>100

field developments in Norway supported by Subsea7 since 2010

High activity levels in 2025

In 2025, the region recorded approximately 1,800 vessel-utilisation days, engaging all three of our reel-lay vessels and our spoolbase in Vigra, Norway and bundle base in Wick, UK. Alongside major projects such as Skarv SSP, Fenris, Verdande and Irpa, during the year, three standout integrated projects showcased our solutions.

Ormen Lange: enabling a strategic gas development

Subsea7 has been involved with Ormen Lange since the original development in the early 2000s. For Phase 3, together with OneSubsea as part of Subsea Integration Alliance, we delivered front-end engineering and an integrated EPCI that includes the subsea flowline system, as well as two multi-phase compression systems. The phase aims to recover an additional 30–50 billion cubic metres of gas for export to Europe, and is an illustration of Subsea Integration Alliance's capability to unlock strategic gas reserves and maximise the value of existing infrastructure through brownfield developments.

Yggdrasil: building a major infrastructure hub

Since 2016, Subsea7 has worked in alliance with Aker BP to mature projects from early concept stage through project execution, eliminating tendering and delivering cost efficiency, predictability, and accelerating timelines. Yggdrasil, one of the alliance's largest projects, was a flagship development targeting 450 million barrels of recoverable oil through 57 wells. Our scope utilised three reel-lay vessels, *Seven Vega*, *Seven Oceans*, and *Seven Navica*, to install a range of pipelines, alongside two large bundle pipelines. Yggdrasil will become a new infrastructure hub for this area of the Norwegian Continental Shelf, opening up cost-efficient tie-back opportunities for years to come.

Northern Lights: advancing the energy transition

In 2024, Subsea7 delivered its scope for Phase 1 of Northern Lights, the world's first cross-border CO₂ transport and storage facility. In 2025, engineering was underway for Phase 2, which included EPCI of a five-kilometre CO₂ pipeline, integrated satellite structures, umbilicals, tie-ins and pre-commissioning activities. Offshore activities are scheduled for 2026. This phase will increase storage capacity from 1.5 million tonnes to at least 5 million tonnes of CO₂ per year – a significant step in decarbonising hard-to-abate industries and establishing a new value chain for Norway and Europe.

Leveraging our technologies

Through the decades, Norway has been a global leader in subsea technology and Subsea7 has been at the forefront, delivering over half of all the major projects in the region to-date. In close collaboration with our clients, we have delivered solutions that set new records for scale and innovation, while optimising costs and maximising returns.

Bundle pipelines: a cost-effective solution for tie-backs

Subsea7 is the only contractor with a proven track record of delivering production system bundles, with 90 installations to date, of which 24 have been in Norway. By combining active heating, flowlines and control systems into a single towable bundle unit, we reduce the complexity of subsea architecture and offer a cost-effective alternative to traditional models. The solution requires use of our proprietary lining as well as highly specialised welding from our team in Wick, UK.

The most recent deliveries were in 2025 as part of the Yggdrasil development, enabling the tie-back of 24 wells to an unmanned platform at Munin. At 6.8 and 7.8 kilometres in length, and with diameters exceeding 53 inches, they were among the largest and longest bundles fabricated at Wick.

Repeat orders from clients including Aker BP, bp, Chevron, Equinor and Shell are testament to the success of these unique solutions and, more broadly, to the innovative solutions offered by Subsea7's advanced engineering and fabrication capabilities.

A positive outlook for the coming years

With significant reserves close to existing facilities, the Norwegian market is increasingly targeting brownfield developments that can extend the life of its major hub infrastructure and maintain production levels.

Subsea7 is well-placed in this market, with highly collaborative client relationships that leverage our early engagement expertise and innovative development solutions. In 2025, Subsea7 secured contracts in Norway for Aker BP, Equinor and ConocoPhillips.

Aker BP's Øst Frigg will tie back to the new Yggdrasil hub, unlocking oil reserves beneath gas structures that were produced in the 1990s. The project will utilise our cost-efficient pipeline bundle, which will be fabricated at our base in Wick, UK. The project is expected to be delivered in 2027.

Equinor's Fram Sør involves the development of four fields that will be tied back to the existing Troll C platform, unlocking reserves and extending the life of existing infrastructure. Subsea7 was involved with a front end engineering and design (FEED) study in close collaboration with the client. The resulting EPCI award covers subsea umbilicals, flowlines and risers that are due for installation in 2026, 2027 and 2028.

At ConocoPhillips' Previously Produced Fields (PPF), Subsea7 is involved in work to revitalise existing infrastructure at the Ekofisk hub. These fields were among the earliest producing oil fields in Norway, but were shut in with significant gas still in place. New seismic and drilling technologies enabled the reappraisal and redevelopment and after a successful front-end engineering project by Subsea, the full development was sanctioned in December. It is expected to utilise *Seven Borealis* in 2028.

Looking further ahead, Subsea7 is in an exclusive collaboration with Equinor to work on development concepts for Wisting, Norway, as well as the Bay du Nord field in Canada.

Subsea7 has a strong presence in Norway and a long history of industry collaboration.

We have successfully delivered hundreds of projects in Norway since the 1970s, setting new records for scale and innovation, while optimising costs and maximising returns for our clients.



OUR MARKETS

TECHNOLOGY TRENDS

4Insight® – enhancing vessel availability



In today's environment of heightened capital discipline and limited investment in new deepwater pipelay capacity, maximising uptime across the existing fleet is essential to delivering growth in profitability and value creation.

Developed by 4Subsea, our Norwegian technology business, 4Insight leverages high-resolution, real-time vessel and weather data combined with advanced algorithms to automate onboard operational decisions. This innovation extends the vessels' window of operability and enhances project performance by reducing the cost and schedule risks tied to waiting on weather. By streamlining objective decision-making, 4Insight also reinforces the collaboration between marine and project teams, driving operational efficiency.

The software has been rolled out across part of our fleet and has received excellent feedback from our offshore and onshore teams. In 2025, it added around 35 days of operation to *Seven Vega*, an uplift of over 10% compared with our standard planning assumptions. It has also been used to optimise installation activities in offshore wind, as well as auxiliary operations such as crew transfers.

By increasing the operability of a key global enabler vessel like *Seven Vega*, we deliver faster project execution, with improved predictability and fuel efficiency, and ultimately stronger value delivery – helping clients meet their objectives while reinforcing our position as a leading provider of solutions for complex offshore developments.

Unlocking new oil and gas – the 20K challenge



The search for new resources has pushed the hydrocarbon industry into increasingly demanding environments, requiring solutions for more complex reservoirs. Advances in technology have unlocked new geological plays, breathing new life into mature regions and opening up fresh frontiers. One of the most significant breakthroughs has been the ability to develop reservoirs with extreme pressures, creating new deepwater opportunities in the US Gulf.

Leveraging its proven expertise with reservoirs at 15,000 psi, Subsea7 has pioneered pipeline fabrication and installation for production of up to 20,000 psi (20K). Critical to the fabrication of 20K pipeline is the capability to execute complex welding of a pipe wall thickness of up to 50 millimetres, with extremely tight welding acceptance criteria. Subsea7's Pipeline Group has developed industry-leading capabilities through its technology centre in Glasgow, UK, as well as its welding facilities in the US.

Subsea7 has established a strong track record in delivering 20K-rated subsea developments in the US Gulf. In 2022, we achieved a major milestone with the region's first 20K riser installation at Chevron's Anchor field.

Building on this success, we secured two additional projects, for Beacon Offshore Energy – the Shenandoah subsea development, completed in 2025, and the Monument field, scheduled for installation in 2026.



OUR MARKETS

INDUSTRY TRENDS



Deepwater remains resilient

The spot price of Brent crude oil averaged approximately \$66 per barrel in 2025, but weakened over the course of the year as uncertainty grew regarding the supply-demand outlook. At the beginning of 2026, price expectations for the year were around \$60 per barrel, compared with over \$70 for the prior year. Despite this weakening of the near-term macro outlook, confidence in the deepwater sub-sector remains robust.

Deepwater projects a priority for clients

Given the multi-year development cycle for deepwater projects, client activity typically depends upon their long-term view for oil prices, rather than near term expectations. Added to this, the economics of these projects are attractive, with an average oil price breakeven below \$40 per barrel, and a materiality and lower-carbon intensity that makes them a strategic investment priority.

Late cycle projects add visibility

At the point of Subsea7's involvement, significant capital will have been invested by a client in its deepwater development and, since January 2020, only one significant deepwater project in our backlog has been deferred by a year or more. None have been cancelled.

Given the very low cancellation rate and the typical three-year duration of our contracts, we have high visibility on the upcoming years. Our strong balance sheet enables us to weather economic downturns and adds confidence to our clients in our ability to delivery.



Gas

Natural gas and gas-fired power play an important role in the energy transition, with significantly lower emissions than coal-fired power, while providing support to potentially intermittent energy from renewable sources.

A significant wave of new gas supply in the form of liquefied natural gas (LNG) capacity is expected to come online between 2026 and 2030. This is expected to move the LNG market into surplus and could affect sanctioning of further projects. However, operational LNG facilities are likely to drive continued gas development activity in order to back-fill declining feed production from existing fields. In addition, certain large gas developments remain strategically significant, such as those driven by national energy security in Türkiye.

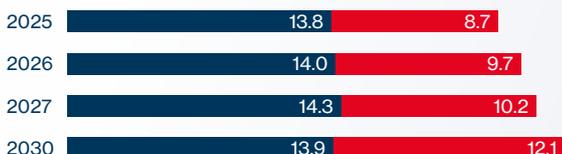
In 2025, Subsea7 won new gas projects in Türkiye, Australia, and Norway, including both greenfield and brownfield standalone developments, as well as projects associated with LNG facilities.

Offshore wind outlook

In January 2026, the UK government announced the results of the Allocation Round 7 Contracts-for-Difference auction. This confirmed that fixed offshore wind projects totalling 8.2 gigawatts should progress in 2026, with installation activities by Subsea7 and its peers expected in 2029 and 2030. With slow progress in many other countries, such as the Netherlands and Germany, the news from the UK was important to the long-term outlook for the supply and demand of offshore wind installation capacity.

Subsea spending

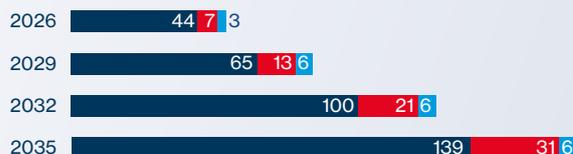
(\$bn, capex and opex)



■ Ultra deepwater ■ Deepwater

Global fixed offshore wind market

Cumulative installations (GW)



■ Europe ■ Asia Pacific ex China ■ Americas

Source: Rystad Energy ServiceCube (ex-Russia), February 2026

Source: BNEF, December 2025

BUSINESS UNIT FINANCIAL REVIEW

STRONG PERFORMANCE ACROSS THE GROUP

Subsea7 reports the financial results of three business units:



Subsea and Conventional



Renewables



Corporate

The Corporate business unit includes early-stage technology, as well as contributions from Xodus and 4Subsea. While these form an important part of our strategy for the future, they did not make a significant financial contribution in 2025.

Subsea and Conventional

Our Subsea and Conventional business unit is a world leader in delivering complex offshore projects to the oil and gas industry. It operates under the Subsea7 brand. It predominantly includes the financial results for our **Lower-Carbon Oil and Gas** strategy and also encompasses our activities in carbon capture and storage.

In 2025, revenue from the Subsea and Conventional business unit increased 5% to \$5.8 billion, and Adjusted EBITDA improved to \$1,305 million from \$897 million in the prior year, resulting in a margin of 22.6%, up from 16.3%. This was driven by a continued high standard of project execution as well as the improved quality of our backlog of subsea projects. Net operating income was \$762 million, up 89% from the prior year of \$404 million.

During the year, utilisation of our vessels in Subsea and Conventional remained high. Key offshore activities included Bacalhau, Mero 3 and Búzios 8 in Brazil, the Skarv and Yggdrasil projects in Norway, Sakarya Phase 2 in Türkiye, and Scarborough in Australia. In the US, our vessels were active on the Shenandoah, Salamanca and Zepherus developments. We completed the CRPO 80/81 project,

in Saudi Arabia, as well as the Barossa project in Australia. In addition, several large projects in the engineering and procurement phases made progress during the year, including Sakarya Phase 3 in Türkiye, and Búzios 9 and Búzios 11 in Brazil.

In the latter part of the year, our four PLSVs commenced new three-year contracts in Brazil for Petrobras at improved day rates.

Backlog

In 2025, notable new awards included Búzios 11 in Brazil, Sakarya Phase 3 in Türkiye, and CRPO 148 in Saudi Arabia. In addition, we won five new projects in Norway: the PPF project, Fram Sør, Øst Frigg, Kjøttkake and Northern Lights Phase 2, and four projects in the US: Ginger, Sparta, Blackjack and Buckskin South.

Overall, our order intake in Subsea and Conventional in 2025 was \$7.9 billion, a book-to-bill ratio of 1.4 times, and our backlog increased 30% to \$11.7 billion. Of this, \$5.7 billion is for execution in 2026. Tendering activity remains high with a tendering pipeline of over \$20 billion.

Capital expenditure

In 2025, organic reinvestment increased to \$181 million from \$145 million in the prior year and focused on dry-docking costs, maintenance and minor upgrades.



Renewables

Subsea7’s Renewables business unit primarily comprises the activities of Seaway7, a market leader in fixed offshore wind. Seaway7 is also responsible for our activities in floating offshore wind, although this remains early stage and did not make a significant contribution to the 2025 financial results. As such, this business unit aligns with our **Renewables and Emerging Energies** strategy.

In 2025, revenue from the Renewables business unit was \$1.2 billion, in line with the prior year, and Adjusted EBITDA improved to \$202 million from \$185 million in the prior year, resulting in a margin of 16.6%, up from 15.0%. This was driven by strong execution, and as a result of greater selectivity in bidding and a high-grading of our backlog since 2022. Net operating income was \$75 million, up 41% from the prior year of \$53 million.

During the year, *Seaway Strashnov* and *Seaway Alfa Lift* were active installing foundations and transition pieces at Dogger Bank C, while *Seaway Ventus* commenced foundation installation at East Anglia THREE, all in the UK. Our cable-lay vessels, *Seaway Aimery*, and *Seaway Phoenix* were active in Taiwan and the US on the Hai Long and Revolution projects.

Backlog

In 2025, notable new awards included the Formosa 4 and 6 inter-array cable contract in Taiwan, and the BC Wind project in Poland. Our Renewables backlog remained steady at \$2.1 billion, of which \$1.1 billion is for execution in 2026.

Despite political and fiscal changes in certain geographies, we are confident in the long-term potential for backlog growth beyond 2030.

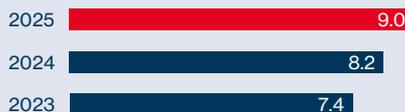
Capital expenditure

In 2025, capital expenditure in Renewables was \$69 million, a modest decrease from \$73 million in the prior year. Reinvestment was focused on vessel repair and maintenance, and minor upgrades.

2025 financial results

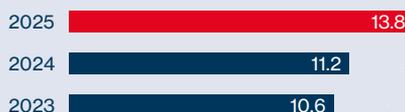
Order intake

\$9.0bn



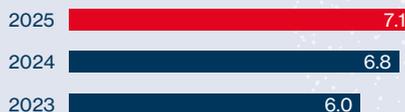
Backlog

\$13.8bn



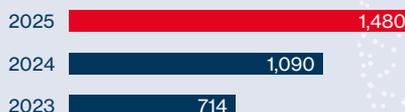
Revenue

\$7.1bn



Adjusted EBITDA

\$1,480m



COMMITTED TO OPERATING IN A SAFE AND ETHICAL MANNER

2025 at a glance

Subsea7 has a strong values-led culture and believes that operating in a safe, ethical and responsible manner is at the heart of creating sustainable value for all our stakeholders.

See our key figures from 2025 across all sustainability dimensions.

GHG emissions intensity ratio

102

Scope 1 GHG tCO₂-e/\$ million revenue (2024: 109)

Cumulative power capacity of renewables projects supported to end of 2025

19.9 GW

(2024: 15.8 GW)

Purchased onshore electricity from renewable sources ¹

100%

(2024: 74%)



Lost-time injury frequency

0.06

rate per 200,000 hours worked
(2024: 0.04)

Employees completing cybersecurity e-learning

98%

(2024: 99%)

Percentage of suppliers with a contract that included human rights clauses

90%

(2024: 85%)

Women in top management positions ^{2,3}

24%

(2024: 20%)

Employees completing compliance and ethics e-learning including anti-corruption ^{2,4}

100%

of target population
(2024: 100% of target population)

Environmental incident frequency

0.7

rate per 200,000 hours worked
(2024: 0.9)

1. Achieved 100% renewable electricity under the market-based method. Includes purchased electricity through contractual instruments such as Energy Attribute Certificates and green tariffs supported by Renewable Energy Certificates.
 2. Metric is consistent with the Sustainability Statements.
 3. Top management includes the Executive Management Team and the Leadership group.
 4. Percentage has been rounded to 100%. The actual is 99.5%.

OUR SUSTAINABILITY PRIORITIES

OUR EVOLVING APPROACH TO SUSTAINABILITY

At Subsea7, our approach to sustainability extends beyond the way we work and the behaviours we value to encompass the business impacts, risks and opportunities associated with the transition to lower-carbon energy sources. We prioritise material topics that may influence long-term value for the business and its stakeholders.

Embedding sustainability across our business

Subsea7's approach to sustainability is guided by a materiality assessment to ensure we prioritise the impacts, risks and opportunities that are of significant importance to our stakeholders, as well as those that could have a material influence on our business and the world around us. Taking this approach allows sustainability matters to be integrated within strategic planning to support future preparedness and long-term profitability.

At the end of 2023, we undertook a double materiality assessment (DMA) to validate whether our current material topics continue to be appropriate and to identify emerging issues. The findings of the assessment showed a total of 10 material topics, which represent Subsea7's most important focus areas. We have simplified these topics under a three-pillar sustainability framework presented on the next page.

Our sustainability framework is designed to enable Subsea7 to positively contribute to the global sustainability agenda while achieving long-term value creation for the business and its stakeholders: i) Solutions for the world's energy needs, focused on delivering offshore energy for today and tomorrow and addressing our greenhouse gas (GHG) emissions; ii) Safety and people, centred on health and safety, talent attraction, development and retention, and diversity and inclusion; iii) Acting responsibly, maintaining high standards of behaviour, ensuring compliance with legal and regulatory requirements, promoting transparency and accountability, and fostering a strong culture of integrity.

Our commitment to sustainability is integral to our strategy and core Values. These Values, along with our Code of Conduct, define who we are and how we conduct business. We remain focused on these fundamental aspects of our business and continue to uphold ethical business practices and compliance throughout our organisation and supply chain. Our Environmental, Social and Governance (ESG) performance continues to be assessed by several ratings companies and our efforts are recognised.

Governance around sustainability matters

Subsea7 recognises the importance of having a solid governance framework around sustainability to ensure we have the correct agenda and that it is driven by effective leadership. For further details on sustainability governance, see the Sustainability Statements on pages 70 to 129.

Engaging with stakeholders

Engaging with and responding to our stakeholders is important to Subsea7's business development and sustained success. This involves building and maintaining a foundation of trust and long-term relationships. By understanding our key stakeholders' interests and priorities, we can better align on shared priorities and evaluate our strategic direction within the context of their expectations. Further details on stakeholder engagement and the types of topics discussed are included in the Sustainability Statements on pages 70 to 129.

Maintaining relevance in disclosures

Starting in 2024, Subsea7 began reporting in accordance with the EU Corporate Sustainability Reporting Directive (CSRD) requirements, making 2025 the second year of reporting under this framework. The DMA, revalidated in 2025 to ensure its ongoing relevance for this reporting period, continues to form the basis of our disclosures and was recognised by the Commission de Surveillance du Secteur Financier (CSSF) for its quality in its review, 'CSRD – 1st year of reporting by issuers: Results of a review of corporate practices'.

We continue to refine the completeness and clarity of our disclosures by providing information around various management practices, policies and controls to support greater transparency on several topics.

Subsea7's sustainability disclosures in line with the CSRD are reported in the dedicated Sustainability Statements section of this report.

[READ MORE ON PAGE 70](#)

WE SUPPORT



Since 2019, Subsea7 has been a signatory to the UN Global Compact. We remain committed to the UN Global Compact and the 10 key principles of that compact. Our approach to respecting and protecting human rights, providing safe and fair labour practices, safeguarding the environment and working against corruption in all forms is central to our ways of working and our sustainability efforts. By operating from these strong principles, we ensure we are making our best efforts to uphold the commitment to supporting these global challenges and driving towards a more sustainable future. We are pleased with the progress we are making in support of these principles.

Three pillars of sustainability

Overview of our strategic sustainability focus areas:



01

Solutions for the world's energy needs

Climate strategy

Delivering the offshore energy transition solutions the world needs to support a lower-carbon future economy. Adapting and managing the impacts, risks and opportunities to create long-term value.

GHG emissions

Improving the efficiency of our operations and our solutions in terms of greenhouse gas emissions in support of a Net Zero future.

Collaborations and partnerships

Building mutually beneficial partnerships to create impact and value.



02

Safety and people

Health and safety

Creating, maintaining and promoting a safe, secure and healthy work environment.

Talent attraction, development and retention

Encouraging people to achieve their career aspirations, in an environment where they can thrive, that supports their wellbeing, and where they have the relevant skills to deliver our strategy.

Diversity and inclusion

Fostering an inclusive environment to ensure equity and strengthen creativity, decision-making and new ways of thinking in support of a sustainable future.



03

Acting responsibly

Business ethics

Ensuring ethical business conduct and compliance by those working in and for the Group.

Labour practices and human rights

Providing working conditions aligned with international standards with respect to labour practices and human rights.

Responsible supply chain

Working with our suppliers to align and uphold the key principles set out in our Code of Conduct for Suppliers.

IT cybersecurity and privacy

Ensuring adequate security systems and controls are in place to manage cybersecurity threats and events.

Ecological impacts*

Minimising the impact of our operational activities on marine and land-based ecosystems and biodiversity.

* Not assessed as material within the Group's double materiality assessment but considered important to Subsea7.

OUR PEOPLE

OUR PEOPLE

Our employees are our most valuable asset, forming the core of our business and driving everything we do. The 'Being7' initiative represents our employer brand and the foundation of our culture. It encapsulates what we offer our employees, what they contribute to Subsea7 and the overall experience of working here.

2025 highlights

In 2025, we further enhanced our 'Being7' offering, providing our employees with a career they can be proud of, an incredible journey and an environment where they can thrive. Our 'Being7' offer is supported by our Learning and Development, Diversity and Inclusion (D&I) and Health and Wellbeing strategies. Regular surveys help us identify areas for improvement to continually enhance Subsea7, with 70% of our people responding to the 2025 survey. In 2025, over 3,200 of our offshore and onshore employees were nominated for 'Being7 Stars' by their colleagues in recognition of being inspiring through their actions, achievements, or qualities that have contributed to Subsea7's success.

Learning and development

The commitment to learning and development continued in 2025. Through Academy7 we continued our Project Manager, Project Success, Commercial Awareness, Management Development, 'Rise' career development, Safety Leadership and offshore conversion programmes, adding 'Elevate' an open sign up career programme. We welcomed 172 new graduates to our 2025 class and continued our offshore Cadet programme. Our annual Festival of Learning, themed 'Embrace Agility' attracted over 11,000 attendees participating in more than 70 sessions.



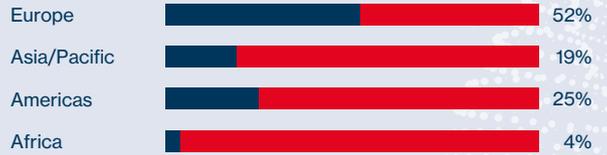
Diversity and inclusion

We maintain our focus on four pillars: inclusive culture, gender balance, nationality balance and the recruitment pipeline. Through 2025 we continued the delivery of our '7Ally Upstander' programme which tackles inappropriate workplace behaviour and promotes upstander behaviours and allyship. 2,919 of our onshore and offshore people attended the programme which will continue into 2026. In 2025 we exceeded our board diversity policy objective to have at least 30% female representation on the Board, by appointing Lucia de Andrade as an Independent Director, delivery 43% female diversity. We piloted a Reverse Mentoring Programme for our senior leaders, exposing them to new perspectives and experiences from our employees from diverse backgrounds. The pilot has been so successful, we will look to expand this in 2026.

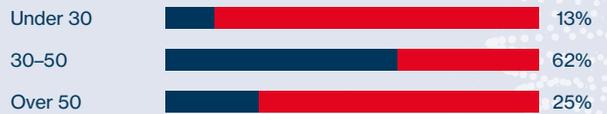
Health and wellbeing

As an employer that genuinely cares about our employees, we recognise the importance of providing health and wellbeing support. Globally, we supported our employees with various offerings and activities, including wellbeing days, talks and events in our offices. We supported our offshore crews with quarterly wellbeing campaigns. In 2025, we maintained our focus on enhancing the awareness of mental wellbeing and promoting greater conversations around various aspects of health and wellbeing. On World Mental Health Day, a session on 'Mental Resilience: Thriving Through Challenges' providing a practical toolkit which we have made available to all our people.

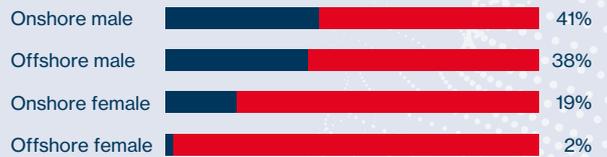
Nationality mix



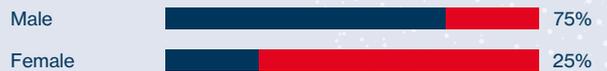
Age mix



Gender mix



Executive management



RISK MANAGEMENT OVERVIEW

PRINCIPAL RISKS AND UNCERTAINTIES

Effective risk management is fundamental to the Group's performance and creates sustainable value for our stakeholders.

The Group's approach is to identify key risks at an early stage and develop actions to measure, monitor and mitigate against their likelihood and impact. This approach is embedded across the Group at executive level and throughout the operational and functional specialty levels. Risk management is an integral part of our day-to-day activities but annually we perform a wider risk assessment to identify our principal business, strategic, regulatory and sustainability risks. Priority risks are consolidated at Group level and are evaluated by the Executive Risk Committee; the assessment of these risks includes identifying the short, medium or longer-term nature of each.

The Group's operations and its strategy for oil and gas, renewables and emerging energies sources are driven by three business units. The Subsea and Conventional business unit focuses on subsea developments for lower-carbon-intensity oil and gas and applies its many years of experience and capabilities in delivering SURF and CCS. Renewables – through the Seaway7 brand – is focused on offshore wind, while the Corporate business unit focuses on early-stage activities in the subsea hydrogen and emerging energies markets. Climate-related risks, challenges and pressures are a key consideration in the Group delivering its strategic objectives and are, therefore, subject to ongoing assessment as part of the risk management processes in place.

The Subsea and Conventional business unit executes large and complex offshore projects for the energy industry, in all water depths, under the Subsea7 brand. Delivering a full range of early concept and design, EPCI services utilising pioneering products as well as digital and lower-carbon-intensity solutions for its clients. These solutions can be provided as an integrated solution through alliance partnerships and collaborations. Through the Group's life-of-field services, it provides fully integrated solutions, services and products that protect the integrity and optimise the performance of clients' field infrastructure as well as

supporting digital solutions for the purpose of asset integrity management, condition monitoring and remote operations. The Group's experience in offshore project execution positions it well to support the offshore electrification of facilities, which will enable transformative solutions to subsea developments.

The Renewables business has over a decade of experience in delivering offshore wind projects. It offers services that include the installation of foundations, inter-array cables and substations. Seaway7 is one of only a few contractors that can provide EPCI expertise and can, therefore, offer a variety of contracting models ranging from single-scope transportation and installation, to integrated multi-scope and full EPCI contracts. Supporting these activities is its fleet of vessels, comprising heavy lifting, construction, cable installation and jack-up vessels for turbine installation, along with a fleet of six heavy transportation vessels. This enables us to support the market sector and deliver on our wider renewables and emerging energies strategy.

The world's demand for energy continues to grow. Whether this demand is met from lower-carbon-intensity oil and gas developments or from renewables, Subsea7's strategy places the Group at the heart of the energy transition and ready to meet the needs of our clients.

Offshore operations are required for both Subsea and Conventional as well as Renewables projects. These involve large, highly complex, technologically rich systems in diverse locations, where the Group often faces harsh and challenging conditions. Weather is of greater concern as the world experiences more extreme climate-related events. With the exception of certain long-term contracts and day-rate inspection, repair and maintenance work, the Group generally contracts on a fixed-price basis. The costs and margins realised on projects can vary from the original estimated amounts due to a number of factors, sometimes resulting in a reduced margin or loss.

Additional operating costs incurred as a result of cost increases in the supply chain, as well as general inflation, is an example of how certain external factors can negatively impact margins. The Group continuously assesses the risks



involved in fixed-price contracts and uses its negotiated contract terms to mitigate certain aspects of these risks.

The Group operates in a predominantly cyclical industry where activity is strongly influenced by the current and forecast price of energy, as well as the impact of decisions taken by governing bodies, particularly regarding regulation, climate change, mitigation and adaptation, subsidies and fiscal incentives. While the world's demand for energy brings opportunities, the Group must remain cognisant of this cyclical nature and the speed at which the energy transition will take place, exercising discipline and maintaining a strong focus on risk-adjusted value creation.

The Group's risk management processes assist its ability to respond to changes in activity levels and apply appropriate measures to adjust its cost base as far as practical, while at the same time ensuring that an acceptable risk profile is maintained.

Roles and responsibilities

The Board of Directors maintains oversight of the Group's risk management activities and internal control processes. The Corporate Governance, Nominations and Risk Committee reviews the Group's risk management framework and from time to time makes recommendations. This year's recommendations have enhanced the format of how priority risk information is presented to the Board. The Committee also evaluates assessment criteria of principal and priority risks and reviews mitigation measures. The Executive Management Team is responsible for designing and implementing a risk management framework from which the business maintains appropriate systems and procedures for the identification and management of risks, while ensuring, subject to an acceptable level of risk, that the Group is able to optimise stakeholder value. The Executive Risk Committee is composed of members of the Group's Executive Management Team and reports to the Chief Executive

Officer. This committee convenes to: evaluate emerging, principal and priority risks, perform annual assessments to rank top priority risks and their mitigation measures and review the Group's risk management procedures.

Sustainability-related risks, impacts and opportunities are identified through a combination of the Group's existing risk management framework and by way of a double materiality assessment. These risks are assessed in the same way as the Group's principal and priority risks. The Executive Sustainability Committee has responsibility for establishing the Group's reporting framework for: EU Corporate Sustainability Reporting Directive and EU Taxonomy.

The Group's CEO determines the level of risk that can be taken by the Group's business units on a country-by-country basis and by functional management. This is managed through Group policies and delegated authority levels, which provide the means by which risks are reviewed and escalated to the appropriate management level within the Group, including the Board of Directors.

Principal risks and uncertainties

Principal risks are those risks that, given the Group's current position, could materially threaten its business model, future performance, prospects, solvency, liquidity or reputation, or prevent the Group from delivering its strategic objectives.

The means by which the Group mitigates or eliminates these risks are shown on pages 30 to 47.

Additional risks and uncertainties that the Group is unaware of, or currently deems immaterial, may in the future have a material adverse effect on the Group's reputation, operations, financial performance and position. However, the Board of Directors believes that the Group's risk management and internal control systems have assisted, and will continue to assist, the Group to identify and respond to such risks.

Risk management and internal control

The Board of Directors is responsible for oversight of the Group's system of risk management and internal control, supported by the Corporate Governance, Nominations and Risk Committee to review its effectiveness.

The Board of Directors recognises that any system of internal control can only provide reasonable and not absolute assurance that material financial misstatement and/or fraud will be detected or that the risk of failure to achieve business objectives is eliminated.

The Group's systems of internal control operate through a number of processes. The more significant include:

- delegated authority level matrices with certain matters being reserved for the Board of Directors
- annual review of the strategy, plans and budgets of individual business units to identify the key risks to the achievement of the Group's objectives
- monthly financial and operational performance reviews against budgets
- individual tender and contract reviews at various levels throughout the Group
- capital expenditure and investment reviews and authorisation
- regular reviews and reporting on the effectiveness of the Group's HSSEQ processes
- Group treasury policies

- Group taxation compliance and reporting policies and systems
- the Group's Whistleblowing policy, which allows individuals to raise concerns in confidence about potential breaches of the Code of Conduct
- Data Governance Council – reviews and monitors the Data Privacy Council (DPC) work in ensuring the Group's adherence to GDPR
- quarterly reporting to the Executive Management Team from the Global Applications and Systems Steering Committee (GASSC) on the integrity and security of its business and IT systems, including cyber risk
- cyclical reviews of all non-wholly owned subsidiaries, joint ventures and associates by the Joint Venture Steering Committee.

The Group's internal audit function, which reports directly to the Audit and Sustainability Committee, performs independent reviews of key business financial processes and controls and other areas considered to be of high business risk. The Audit and Sustainability Committee annually reviews and approves the internal audit plan and receives regular updates on internal audit's findings and the actions taken by management to address these. The role of the Executive Risk Committee is to meet bi-annually to review the risks identified as impacting or having the potential to impact the Group's operations and strategic objectives, and to discuss emerging risks.

MARKET RISKS

RISK**STRATEGIC**

In 2025, the Group announced its proposal to merge with Saipem by way of an EU cross border merger of equals. This remains subject to regulatory clearance and approvals but if successful will create a new combined company called Saipem7, bringing together complementary capabilities, vessels, project execution strengths and geographic presence. A transaction of this nature carries many risks, including the risk of not achieving regulatory approval to proceed. Throughout the process it can also create a distraction to ongoing business operations and the delivery of other strategic objectives. As we move through regulatory clearance, future risks such as adapting and integrating new ways of working could lead to short-term interruptions to operational efficiency. Risks may also include new and inherited legal and contractual liabilities, as well as other operational and financial risks, all of which are taken very seriously.

As part of our ongoing business, the Group recognises that technology and enabling products, early engagement and engineering capabilities, digital solutions, collaboration and partnerships and integrated services are market differentiators and are key to delivering on its strategy. The Group's strategy is to create sustainable value by delivering the offshore energy transition solutions the world needs. By continuing to improve our solutions and the way we deliver them we can continue the evolution towards lower-carbon-intensity oil and gas developments, as well as enable the growth of renewables and emerging energies. This requires new products and solutions to make it possible but which bring with them the risk that demand for innovative designs, systems, products and solutions accelerates into the construction and installation phase without sufficient time to transition from development to production.

The Subsea and Conventional business is focused on deepwater developments. These projects are often complex, however they offer our clients attractive economic return and once sanctioned they are rarely deferred, giving good visibility on future work and the pipeline of activity.

Integrated services has become a preferred contracting model for many of our clients and is offered through Subsea Integration Alliance, our partnership with OneSubsea. As demand for energy continues to grow, many clients are looking to collaborate or partner with us on a single-source basis, minimising the tendering phase, reducing the time required to complete developments and achieve first production or first power. While the Group has developed the knowledge and ability to identify, manage and mitigate the risks associated with integrated services, and exercises discipline when committing assets, both of these models could threaten the Group's performance as a result of external factors beyond the Group's control.

Across the renewables market, finding the correct solutions and delivering on these is key, as is achieving a balanced risk profile with experienced clients and in countries where the regulatory environment is well understood. With improved results and a backlog of contracts with a better risk balance than prior years, Seaway7 is well-positioned to deliver on the Group's strategy to enable the growth of renewables.

The size and scale of offshore wind turbines continues to increase with a trend towards 20MW turbines for certain developments. This brings with it a risk that the size and complexity for the installation of the balance of plant elements could exceed the capabilities of our current asset base. Future investment in the fleet, is subject to commitments from clients securing long-term utilisation of assets, thereby giving a return on investment.

MITIGATION

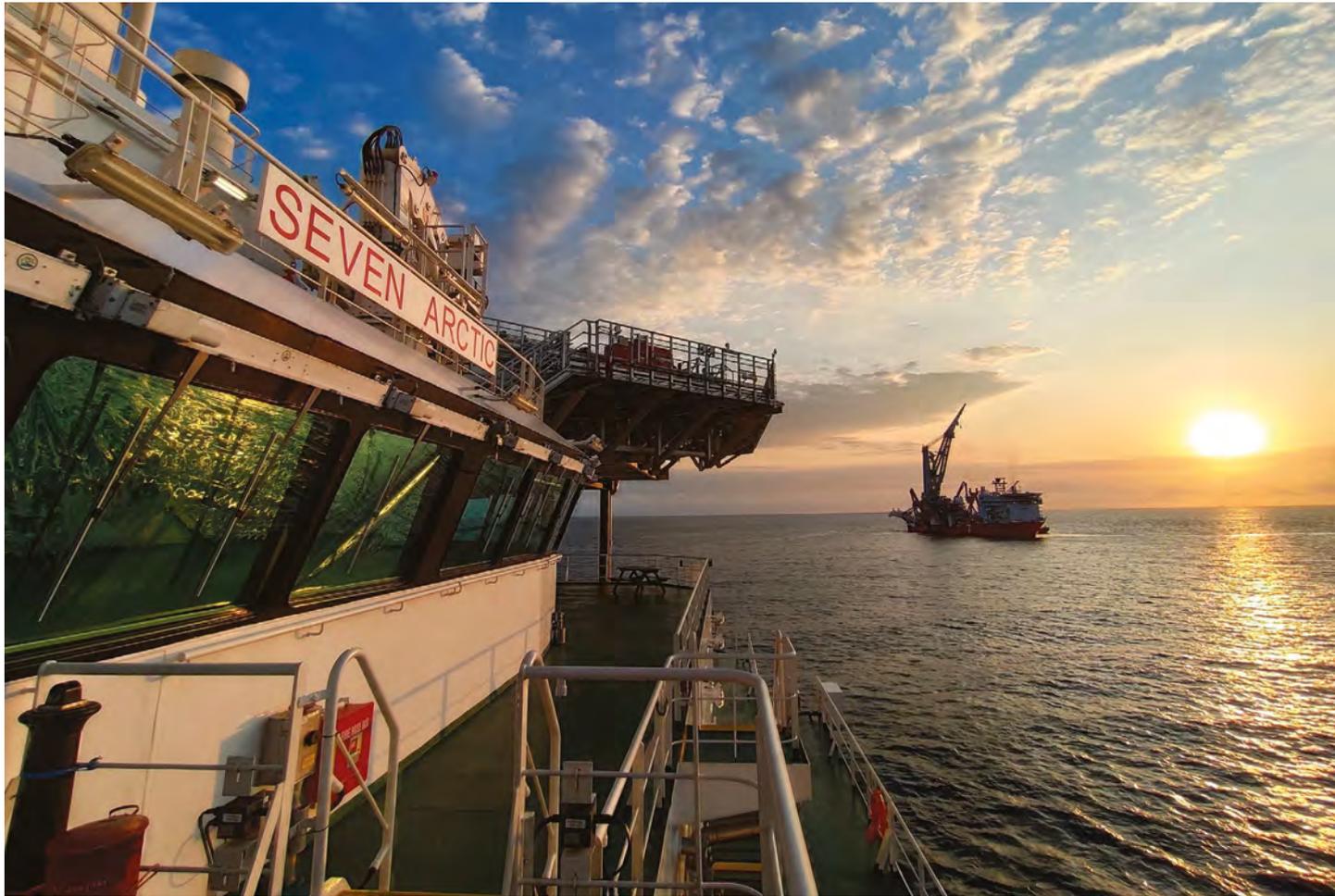
The proposed merger is the Group's largest to date and is managed by a designated internal team with a broad range of skills including project management and delivery, legal, financial, operational and other highly experienced core function technical experts. This team is supported by external advisers. Working together, these teams ensure that operational management is engaged in the various phases of the planning and that there is awareness of and adherence to the applicable regulatory rules and requirements. This also minimises the level of interruption and distraction to project teams working on existing projects, those focused on securing future backlog as well as those managing the business.

Technology-related risks are mitigated by employing qualified personnel, as well as working to industry and professional engineering standards combined with strict adherence to the Group's engineering management and control systems and procedures. The Group has a multi-stage gate process for the implementation of new technologies and products.

The Subsea and Conventional business is focused on deepwater developments and while these are complex projects, the Group's fleet of specialist vessels and prior track record of project execution position it well for selection in these projects.

The Group brings extensive experience and engineering capabilities from a proven track record of project management and execution in the oil and gas sector to the offshore wind and emerging energies sectors, through investing in the right people and having the right technical capabilities and support assets, as well as through keeping pace with engineering developments, technologies and installation methodologies.

The Group values long-term partnering with experienced clients and operating in countries with well-established regulatory positions, as this allows greater certainty and ability to manage the risks involved in the energy transition as well as achieving a contractual risk profile with more favourable terms.



RISK

COMPETITION

The Group faces competition from time-to-time to win contracts to ensure a sustainable backlog of future work across the business units. This competition may result in pricing pressures or a change to a contractor's risk profile, as competitors strive to win contracts and secure work. Depending on the market cycle, less favourable contractual terms that are more onerous for the contractor may increase liabilities, both actual and contingent, and adversely impact the Group's financial performance and position.

Furthermore, the competitive landscape could include further alliances as well as vertical and horizontal consolidations, to achieve economies of scale and scope and wider control of the value chain. Such initiatives could represent a threat to the Group's profile as a specialised offshore service provider.

MITIGATION

The Group endeavours to reduce its exposure to competition by differentiating itself from competitors. The Group's experience and resources, including its people, versatile and modern fleet, and proprietary technology and digital delivery offerings, help it respond effectively to challenges from competitors. The Group seeks, within the framework of the business's contractual risk profile, to promote and maintain industry-recognised balanced contracting forms.

The Group continues to partner with key clients and form alliances with other offshore energy services companies to offer packaged solutions and to contribute to the early development stages of projects, as well as offering cost-effective and efficient technical solutions.

Achieving a balanced allocation of risk remains central to profitability in the offshore wind sector, and Subsea7 remains disciplined in this area and has the necessary expertise and capabilities to deliver complex projects and market its EPCI track record. Its versatile fleet and track record are differentiators in relation to smaller contractors or new entrants and position the Group well to continue working with clients across the sectors and to maintain contractual discipline to achieve a balanced, manageable risk profile.

MARKET RISKS CONTINUED

RISK**ECONOMIC**

The financial strength and the economic viability of our client's projects can be impacted by the fluctuation of energy prices and energy mix, which can be driven by global demand, political conditions, technological development or climate considerations. These, as well as other variable factors, determine the Group's level of activity in the sectors in which it operates, and are outside the Group's control but can have a direct impact on the operational and financial performance of the Group. Any significant change in the level, timing or nature of clients' expenditure plans could adversely impact the Group's order intake, financial performance, position and prospects. These factors may result in reduced levels of activity across certain parts of our business but, conversely, lead to a higher concentration of work activity across fewer countries and with fewer clients, exposing the Group to certain aggregation risks which may materialise by way of significant change to those countries' political strategy or regulatory regime or from an interruption in the client's planned activities.

As part of the Group's commitment to proactively participate in the energy transition, it combines many years of experience in offshore project execution with a modern and an agile fleet to support the needs of its clients. Focusing on lower-carbon-intensity oil and gas developments, places the Group in a stronger market position to select projects with attractive commercial terms while also balancing a manageable geographical spread.

MITIGATION

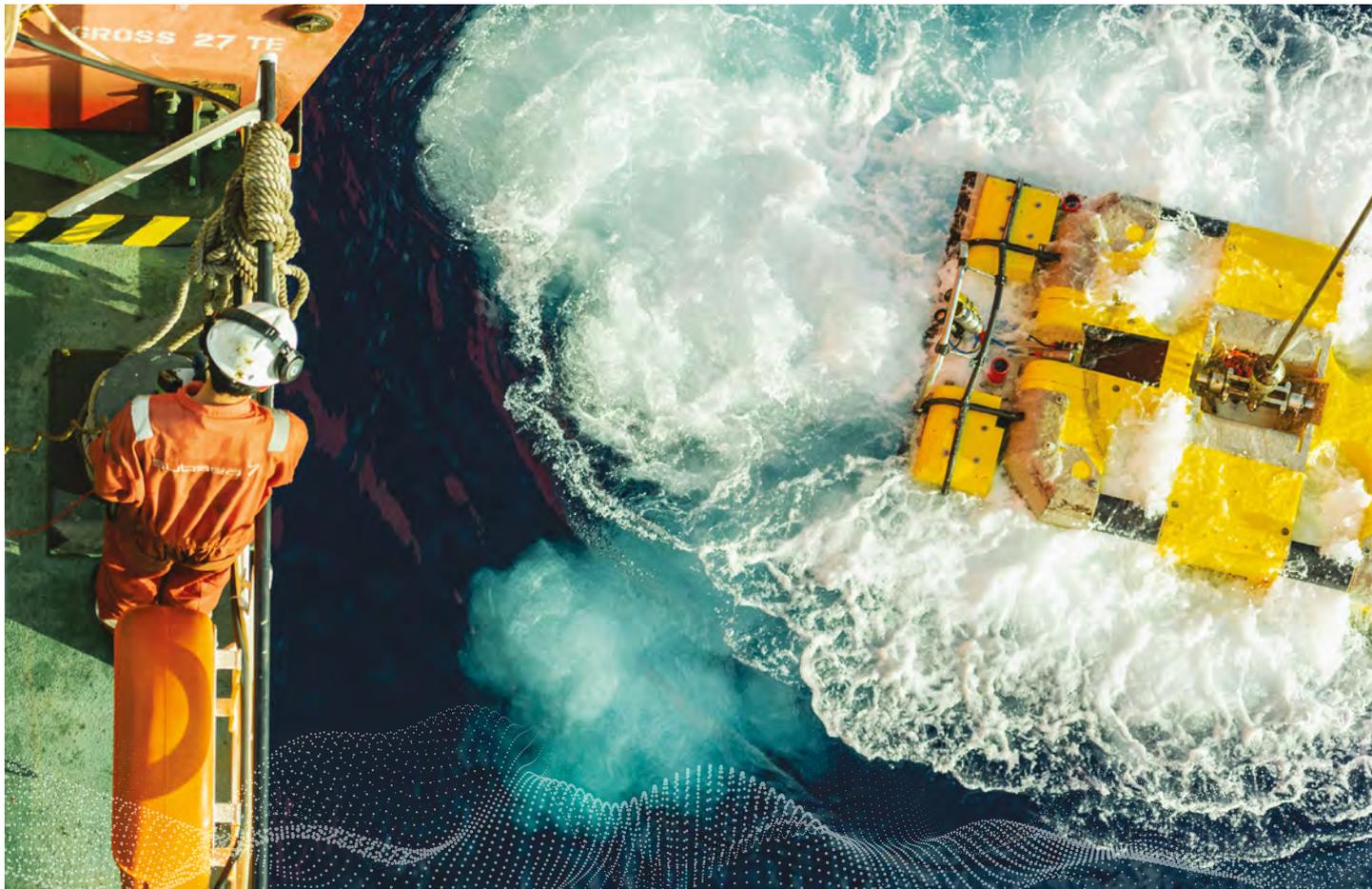
The Group closely monitors market activity and collaborates with clients to understand their future project and expenditure plans. Early engagement in the design phase of an energy project enables the Group to better assess the risks and opportunities and the economic implications of projects as they progress towards construction. Following contract award, the Group can implement cost-reduction measures to adapt the projects to market conditions and work within the terms of the contracts to mitigate the effect of client-led changes to project schedules or work scopes. The Group has trialled alternative fuels on various vessels across the fleet and is positioned to make a change once alternative fuels are available globally and at a commercial scale.

The financial strength and solvency of our clients and suppliers is a specific area of focus before entering into contracts. The Group has successfully managed its cost base and continues to look for ways to improve efficiency and delivery through the implementation of digitalisation and standardisation. A potential increase in demand is managed through supplementing the fleet with the use of third-party vessels. Beyond the fleet, the Group engages with key stakeholders to explain the Group's approach and initiatives on energy transition, climate change and to ensure it maintains long-term alignment on economic activities. We also work with our clients and suppliers to ensure that risk on pricing and availability is addressed through contractual measures.

The Group seeks to diversify selectively into new markets, including emerging energies markets, and has a diverse portfolio of projects, which allows an element of mitigation across its global markets.



BUSINESS ENVIRONMENT RISKS



RISK

GEOGRAPHIC

The Group’s operations depend on having access to a worldwide supply chain, capable of manufacturing and transporting products and providing services, to support both tenders and projects, but also to ensure no interruption to the maintenance and investment plans of the fleet. Access to transportation companies, shipyards, ports and fabrication yards, which can provide the appropriate level of expertise as well as accommodating the size and scale of the fleet and project infrastructure, is key to maintaining the Group’s business operations. With each country having specific political, economic and social characteristics that can give rise to various risks and uncertainties, the Group’s business operations, project execution, fleet investment and financial performance can be adversely impacted as a result of, but not limited to:

- economic instability
- political strategy, legal, fiscal and regulatory uncertainty and change, including individual countries’ commitments, targets and measures to address climate change
- onerous local content obligations
- sanction, trade or tariff restrictions and export controls
- civil or political unrest, including war
- regime change.

MITIGATION

Country or regional risks are identified and evaluated before and during Group operations in such markets. Appropriate risk responses are developed and implemented to mitigate the likelihood and impact of identified risks. The Group adopts a proactive and rigorous approach to assessing and mitigating these risks and, where possible, looks to develop local or regional management teams to strengthen its knowledge of, and presence in, the countries of operation.

BUSINESS ENVIRONMENT RISKS CONTINUED

RISK**TECHNOLOGICAL INNOVATION**

Our clients seek cost-effective solutions to develop energy resources, particularly in deep water and challenging offshore environments, to enhance the full-field lifecycle. The Group's experience of designing and executing projects across the globe helps create sustainable value by delivering offshore energy transition solutions. To make this possible, the Group differentiates itself by focusing on early engagement and system innovation, collaboration and partnerships, integrated services, sustainable delivery, digital solutions and enabling products. Any failure by the Group to anticipate or respond appropriately to any of these elements could adversely affect the Group's ability to compete effectively for, and win, new work or achieve its targets and objectives of making possible the delivery of offshore energy for today and tomorrow.

The Group's ambition for proactive participation in the energy transition is focused through two key areas: lower-carbon-intensity oil and gas developments, and renewables and emerging energies. Technology advancements are key to progressing in these areas. The Group has to balance the risks of not investing sufficiently and losing market position versus investing in or developing technology that becomes superseded or immediately obsolete.

Introducing technology, systems or products that are insufficiently mature or unsatisfactorily implemented to keep pace with the timescale expected by society, governing bodies and countries to provide lower-carbon energy in a sustainable and cost-efficient way could have an adverse reputational and financial impact for the Group.

MITIGATION

The Group monitors industry trends and collaborates with clients to understand their technology requirements. This allows the Group to effectively invest in developing differentiated and cost-effective technologies to meet current and anticipated client demand.

In developing new technologies, systems and products, the risks associated with selecting and pursuing appropriate technological solutions, technical completion, commercialisation and successful implementation are carefully considered and addressed through adherence to industry-wide engineering standards and codes, technical readiness levels and contractual gate controls operated by knowledgeable and experienced Subsea7 personnel.

At each step of the innovation process, safety and the cybersecurity aspects of new technology, software and systems are considered to ensure the continuity of business and operations.



ORGANISATION AND MANAGEMENT RISKS



RISK

CLIMATE

The Group is committed to delivering onshore and offshore solutions to meet the needs of its clients as well as its own strategy that supports sustainable energy sources. With a committed strategy to facilitating the transition towards lower-carbon and renewable energy sources.

It is also focused on climate change and meeting its own targets to reduce Scope 1 and 2 emissions and proactively participating in the energy transition in a safe, ethical and responsible manner. This is supported in part through investment in new technologies, innovative programmes and industry sector diversification that reduce both the Group’s and its clients’ emissions. Furthermore, the Group has an environmental management system that will underpin and consolidate its efforts to meet its targets and expectations.

The Group recognises the impacts of climate change and the potential effect on its business, value chain, end users and society and acknowledges the risks and potential effects on the business’s future associated with not taking steps to mitigate its impact. These risks include:

- operational and financial risks relating to the effect of climate change, for example, the availability of sufficient volumes of alternative fuel that are commercially viable and can be sourced globally to support our goal of reducing Scope 1 and 2 emissions.
- emerging regulation leading to increased costs due to changes in GHG legislation including carbon taxes and emission schemes.
- regulation and supervision of climate-related risks in the financial sector, which could lead to challenges in accessing financial capital.
- our ability to keep pace with the timescale required to provide emerging energies in a sustainable and cost-efficient way.

MITIGATION

Group, country and regional risks are identified and evaluated before and throughout business operations, and appropriate risk responses are developed and implemented to mitigate the likelihood and impact of short and medium-term risks.

In 2025, the Group’s sustainability targets and corporate disclosures are included in this document, where more detailed information of how sustainability and climate-related impacts, risks and opportunities are shown on pages 72 to 126, along with details of how these areas help shape the Group’s strategy.

BUSINESS ENVIRONMENT RISKS CONTINUED

RISK**PEOPLE**

The Group, like many businesses, carries the risk of failing to attract and retain suitably skilled and capable personnel across all business units at a time when societal preferences, particularly in the younger demographic, are towards opportunities in energy transition rather than oil and gas. Failure to attract or retain talent or to maintain a collaborative working environment could adversely impact the Group's ability to execute projects and its future growth prospects.

The Group is a signatory to the UN Global Compact and is committed to its 10 principles that summarise responsibilities to respect human rights and to avoid and address any adverse impacts from the Group's activities. The Group is conscious that the geographic diversity of its operations and the many different types of work required to be performed by the Group's workforce and its suppliers and subcontractors can present increased risks of human rights violations and unacceptable labour practices. The Group is particularly focused on those human rights risks that would have the greatest impact, such as child labour, slavery and human trafficking, and other types of forced labour.

MITIGATION

The Group's commitment to lowering its own emissions but also finding solutions to support a lower-carbon energy transition, and its strong presence across all offshore energy types including renewables and emerging energies, is a differentiator. Having the ability to offer career opportunities as well as offering modern and flexible working arrangements, continues to generate positive employer engagement.

The Group utilises medium-term business projections to assess resource requirements, which allows timely, corrective intervention to appropriately resource the organisation in terms of size, profile, competency mix and location.

The Group monitors attrition by function and geography and has developed appropriate remuneration and incentive packages to help attract and retain key employees.

Performance management and succession planning processes are in place to develop staff and identify high-potential individuals for key roles in the business.

The Group has a human rights programme designed to identify and manage human rights risks, with a particular focus on child labour, slavery and human trafficking, and other types of forced labour, consistent with the UN Global Compact and the Building Responsibly Worker Welfare Principles. With the support of external experts, it has designed in-person training for delivery to a target audience of employees across the Group who have a role to play in identifying and managing the relevant risks. The Group conducts risk assessments to identify and understand where we might find risks and supports the creation of action plans to address high-risk areas and any gaps in our policies and procedures. The Group reinforces the importance of compliance with the Group's Code of Conduct and its Code of Conduct for Suppliers with internal personnel and its supply chain, respectively, as well as its Human Rights Policy Statement. All three documents include clear guidance and expectations regarding human rights standards.



ORGANISATION AND MANAGEMENT RISKS



RISK

COMPLIANCE AND ETHICS

The Group is committed to conducting business in accordance with applicable law and the highest ethical standards. However, there is a risk that its employees, representatives or other persons associated with it may take actions that breach the Group’s Code of Conduct or applicable laws, including, but not limited to, bribery or corruption.

The Group assesses such risks, which vary across its geographical locations. The Group has identified the following as being the most significant corruption risks it faces:

- small bribes and facilitation payments, especially in relation to the movement of vessels, people and materials
- illicit enrichment of public officials through hidden interests in local partners or suppliers that local content laws require us to use
- bribery to win work
- bribery to get variation orders approved
- bribery to get work certified or paid.

The above risks may increase when working with partners or third parties. These risks are inherent in our sector, in particular in countries where local content requirements are significant.

Any compliance and ethics breach could result in monetary penalties, convictions, debarment and damage to the Group’s reputation and could impact its ability to do business.

MITIGATION

The Group is confident that the risks identified are adequately managed by its compliance and ethics programme and, in many cases, by its clients’ robust procurement procedures. Integrity is one of the Group’s Values and the Group has an Ethics Policy Statement and Code of Conduct, which clearly set out the behaviours expected of its employees and those who work for it, including suppliers and other third parties. These policies are regularly updated to ensure they remain current.

The Group has a compliance and ethics programme underpinned by its Values and designed in accordance with international best practice to embed the Code of Conduct, prevent bribery and corruption, and manage compliance and ethics risks generally. The programme includes financial controls, risk assessments and procedures for managing third-party risks. Mandatory annual compliance and ethics e-learning, and an annual Integrity Day for employees, raise awareness, highlight the potential consequences and empower and embed a culture of integrity. Employees are encouraged to raise concerns about possible non-compliance through an externally administered whistleblowing line. There is a strong focus on a culture of ethics and integrity. More information can be found on our website and in our Sustainability Statements on pages 72 to 126.

A committee comprising the members of the Executive Management Team sets objectives for the implementation and continual improvement of the programme and monitors progress. Regular reports are provided to the Board of Directors.

The Group regularly engages an independent third-party assurance provider to benchmark its compliance and ethics programme against best practice, including the International Standards Organization’s ISO 37001-2016 (the International Anti-Bribery Management System Standard). The Group’s programme has been certified against ISO 37001-2016 by EuroCompliance.

BUSINESS ENVIRONMENT RISKS *CONTINUED***RISK****INFORMATION TECHNOLOGY AND OPERATIONAL SYSTEMS, CYBER RISK AND SECURITY**

The Group's operations depend on the availability and security of a number of key information technology (IT) and operational technology systems. The Group's investment in its digitalisation programme combined with the acquisition of data-driven businesses and the speed at which AI is advancing means the risk of these systems being disrupted or compromised by a general failure or by cyberattacks is increasingly relevant. Reliance on the use of data and cloud storage facilities has the associated risks of IT, operational technology, systems and cybersecurity failures. Such risks include, but are not limited to:

- unauthorised access to key operational, financial or group-wide systems
- shadow IT
- malware
- theft and misappropriation of sensitive information
- fraud attacks
- data management and non-compliance with legislation such as the EU General Data Protection Regulation (GDPR)
- increasing use of IT to interconnect with multiple stakeholders and the possibility of such interconnectivity being disrupted to their detriment
- denial of access to or utilisation of assets with the risk of a potential loss or damage event
- emerging threats, including advanced attacker tactics and techniques, and the use of social media and artificial intelligence.

Such breaches in security could adversely impact the Group's ability to maintain ongoing business operations and lead to financial and asset loss, reputational damage, potential physical harm, loss of client and shareholder confidence and could result in regulatory breach and subsequent penalties.

MITIGATION

The Group recognises the increased frequency of cybersecurity threats and that with the speed and pace of AI advancements, the Group must adapt its protection measures. It reviews its infrastructure, suppliers, policies, procedures and defences to mitigate associated risks and keeps abreast of risk intelligence by engaging market-leading specialists where appropriate.

It assesses the technology framework against approved independent standards and maintains a programme of investment in new hardware, software and systems to ensure the integrity of its IT security and defences. The Group works with recognised independent industry experts to audit and test the sustainability of its security systems and assesses the business and operational impact of a cyber event, analysing varied scenarios, interruption types and the effectiveness of recovery plans.

The Group has a number of IT policies, including a policy on information security, designed to protect its systems and ensure their availability and integrity as well as combat attempted fraud. These policies are regularly reviewed to ensure they continue to address existing and emerging information security, cyber-maritime and cyber-crime risks as well as GDPR.

Mandatory internal e-learning courses and regular phishing simulation tests are used to maintain a high level of awareness among the workforce of IT security risks and of the Group's procedures to manage them.

The Group's Executive Vice President of Projects & Operations has responsibility for ensuring the setting and implementation of the Group's cybersecurity strategy. This is reported through the Executive Risk Committee, which reports to the Group's CEO on all matters of risk, and to the Board of Directors on a six-monthly basis. A member of the Board is identified as the Board's focal point for cybersecurity.

DELIVERY AND OPERATIONAL RISKS

RISK

BIDDING

The Group wins most of its work through a competitive tendering process. A significant proportion of the Group’s work is undertaken by way of fixed-price contracts, which exposes the Group to increases in supply chain costs. Failure to secure and manage costs could impact the Group’s financial performance. Risks include the inability to maintain price validity from our supply chain if there is commodity price fluctuation, rapid price escalation, delay in project award, or re-phasing that leads to schedule amendments.

An inability to understand, learn from prior experience and respond appropriately to operational and contractual risks or accurately estimate project costs could have an adverse impact on the Group’s legal liability and financial performance and position.

Our clients’ financial strength and the economic viability of their projects can be impacted by multiple factors that are outside the control of the Group and, in some instances, clients may request specific payment terms or payment deferrals, which can have a negative impact on the financial position of the Group.

MITIGATION

All bids are subject to the Group’s estimating and tendering processes and authority levels. Cost estimates are prepared on the basis of a detailed standard costing analysis, and the selling price, contract terms and financial milestones are based on the Group’s commercial contracting standards and market conditions and, where appropriate, the financial due diligence of the parties involved. Where possible, key supply chain or subcontractor terms and conditions are negotiated alongside the main client contract to reduce the risk of non-alignment of contracting terms or the absence of price certainty. Volatility in commodity prices can be mitigated by including contractual adjustment mechanisms with both clients and suppliers.

Before the tender is submitted, a formal multi-gate review process is performed. Tenders are first reviewed at a regional level where the technical, operational, legal and financial aspects of the proposal are considered in detail. Completion of the regional review process requires the formal approval of the appropriate level of management. Dependent on the tender value and complexity such as technology and partnering, there is an escalating level of approval required. Tenders meeting specific financial and risk criteria are reviewed and approved by the Tender Committee of the Board of Directors.

RISK

REALISATION AND RENEWAL OF BACKLOG

Delays (including those related to clients’ final investment decisions), suspensions, cancellations, re-phasing or changes to scope or content of awarded projects recorded in backlog could materially impact the financial performance and position of the Group in current and future years.

MITIGATION

The Group works to mitigate these risks through its contractual terms, including, where possible, provision for cancellation fees or early termination payments.

DELIVERY AND OPERATIONAL RISKS *CONTINUED***RISK****JOINT VENTURES**

The Group may engage in commercial joint ventures with selected partners to obtain necessary expertise or local knowledge and contract or partner with specialist companies to develop new or emerging business opportunities. A failure to find an appropriate joint venture partner or a failure by a joint venture partner to perform to the standards required by the joint venture agreement could result in negative financial and reputational impact to the Group. Misalignment between Subsea7 and a joint venture partner on strategic matters could lead to a deadlock, impacting negatively, inter alia, on project execution. In addition, the failure of a joint venture partner to meet its financial obligations could result in an adverse impact on the Group's financial performance and position.

MITIGATION

The Group seeks to ensure that selected joint venture partners not only have the necessary expertise, local knowledge and suitable financial profile but are also able to meet the Group's health, safety, security, environmental and quality (HSSEQ) standards and its Code of Conduct obligations. The Group has established appropriate governance and oversight mechanisms to monitor the performance of its joint ventures and joint venture partners with regard to such matters.

RISK**PROJECT EXECUTION**

The Group executes complex projects, and a failure to have the best people, assets and technological solutions and engineering procedures to deliver these could result in failure and be damaging to the Group both reputationally and financially. As well as project execution, a failure to meet and achieve the necessary contractual requirements could have several adverse consequences, including contract disputes, rejected claims and cost overruns, which could expose the Group to operational and financial losses that are material to the Group's overall performance, position and reputation.

For most contracts, the offshore execution phase, which generally involves the use of either single or multiple vessels, is usually the most hazardous, as this phase is exposed, among other risks, to adverse or extreme weather conditions or the risk of loss or damage to the contracted works. These hazards can result in scheduling adjustments, damage to vessels and equipment, repair or rework, injury to those working offshore or financial loss.

The Group must also continue to innovate and develop products and solutions and maintain a fleet that allow it to deliver lower-carbon developments as well as to enable the growth of renewables and emerging energies. Errors or defects in product design and production could expose the Group to additional warranty or product liability risks. The size and scale of offshore infrastructure, particularly in the renewables sector, could stretch beyond the current fleet's capabilities or limit the supply chain to fewer participants.

MITIGATION

The Group assigns a project management team to every project. Every project is assessed by regional management using the Project Monthly Status Report review process. These reviews cover project progress, risk management, cost management, financial performance and sensitivity analysis. Detailed assessments of costs and revenue are estimated and reported upon, taking into account project performance, planning schedules, contract variations, claims, risk exposure, allowances and contingency analysis. The Group continues to promote a balanced approach to risk allocation and has supported the International Maritime Contractors Association in producing a set of contractual principles for the renewables industry. The Group is selective about which projects it undertakes, ensuring that those it takes on have a balanced risk profile where the risks retained are understood and can be managed.

The Group factors the risk of adverse weather conditions into the design of its vessels, equipment and procedures and project scheduling, as well as the training of its offshore workforce. It also works to mitigate potential adverse financial consequences when negotiating contractual terms with its clients.

Innovative products are commercialised after rigorous testing that is subject to a hierarchy of industry-recognised technical readiness level reviews.

RISK

SUPPLY CHAIN

The supply chain is critical to the Group's operational efficiency and therefore any factors which results in a reduced choice of suppliers affects the Group's operational and financial performance and could result in longer lead times and higher costs.

Suppliers could face financial difficulty affecting their ability to perform, and, in more severe scenarios, this could result in suppliers being made insolvent. Other factors such as pandemics, extreme weather, financial uncertainty, civil unrest, political uncertainty, war or other unforeseen external factors could cause significant interruption affecting elements of the supply chain, affecting our ability to deliver our clients' projects and causing disruption to ongoing Group capital expenditure initiatives such as vessel construction, dry-dockings and upgrades.

Our supply chain is impacted by world events and rising inflation as well as increased demand. In light of increased geographical instability, suppliers across many countries are redirecting their focus to prioritise home country defence initiatives. The war in Ukraine and consequent sanctions on Russia, increasing threats of trade sanctions, export control and trade tariffs from certain jurisdictions and the likely retaliations continue to pose risks to the Group's operations. Unexpected increases in supply chain pricing or delays in delivering products could affect project scheduling as well as negatively impact the Group's financial performance.

The resultant time delays or increased costs could lead to irrecoverable costs to the Group and the imposition of financial penalties by clients, as well as reputational damage and reduced competitiveness. Cost is a necessary consideration in the selection of key suppliers and balancing this with quality and control assurance is a risk. Faulty or damaged components could result in additional project costs that may not be fully recoverable from the supplier and would be borne by the Group.

Increasing legislative requirements in relation to sustainability topics imposed on the supply chain, coupled with the potential failure of suppliers to accurately measure and provide reliable information on their sustainability performance, puts the Group at risk of working with suppliers who are not wholly compliant with the applicable legislation and could limit the Group's ability to accurately report its own performance.

MITIGATION

The Group seeks to develop strong, long-term relationships with high-quality and competent suppliers, working to balance costs at a sustainable level and not only engage on a lowest-bid basis. Long-term contractual arrangements and the use of collaboration models as appropriate allow us to secure supplier commitment and access in the current market as well as into the future, especially with our key category suppliers. We are developing supplier strategies, and partnerships with key suppliers, to service our energy transition clients. We are diversifying our supply chain by finding new suppliers, in some cases in different industries and new regions, which helps the Group to mitigate the risk of single-source suppliers exiting the sector.

Our supplier sourcing, qualification, screening, monitoring and assurance processes and procedures are designed to identify potential risks in our supply chain. Regular engagement with our key suppliers and ensuring the relevant topics are on the agenda help to reinforce our shared commitment to building long-term value through sustainable supply chain management.

The financial profile and outlook of the Group's key suppliers is reviewed during the pre-qualification process for suppliers and is considered prior to entering into project-related commitments. We are leveraging digital tools such as SAP Ariba throughout the entire supplier lifecycle to improve productivity and maintain reasonable levels of assurance that we can continue working with such suppliers. Unforeseen external factors leading to interruptions in supply chain delivery are difficult to manage; however, the Group evaluates these risks and where possible will seek to avoid single-source suppliers and will seek to mitigate the financial impact of any interruptions through appropriate contractual terms and conditions. These may include back-to-back supplier pricing, index-linked pricing and a balanced cost-escalation mechanism where appropriate.

If necessary, appropriate guarantees or performance-related bonds are requested from our key suppliers. As part of the supplier selection process, the Group engages qualified quality assurance and quality control specialists, and there is close collaboration between supply chain management and engineering. Both quality and engineering functions also play an active role throughout the duration of a project, with teams on the ground at key supplier locations to ensure quality standards and timelines for delivery are met and assurance policies are followed.

We are engaging with our key suppliers to better understand their sustainability commitments and where they are on their journey towards meeting their objectives. This allows us to prioritise and focus on ensuring that we work with a sustainable supply chain, in line with the Group's own priorities and focus areas.

DELIVERY AND OPERATIONAL RISKS *CONTINUED***RISK****HEALTH, SAFETY, SECURITY, ENVIRONMENTAL AND QUALITY**

The Group's projects are complex and are sometimes performed in unfamiliar environments in varied conditions. This requires continuous monitoring and management of health, safety, security, environmental and quality (HSSEQ) risks associated with transit routes, the location of work, project specification and installation methods – as well as addressing the location and assets utilised.

A failure to manage these risks could expose our people and those who work with us to security breaches, illness, injury or harm.

It could also result in an environmental event or cause injury or damage to other parties. It could result in significant commercial, legal and reputational damage or potential disbarment from working in the affected country.

The worldwide nature of the Group's operating activities carries the potential for significant health risks and disruption to its business operations. Communicable or infectious diseases can expose the Group to operational disruption and increased costs as a result of unexpected business interruptions or measures required to ensure the safe continuation of the business.

The risks to the Group include additional costs to continue normal operational activities, revised arrangements to work safely in accordance with changes made in the law, quarantining or isolating crew and medical facilities and logistical issues associated with the international transit of vessels and people.

MITIGATION

The Group is focused on continuously monitoring HSSEQ performance at all levels and actively motivates, influences and guides the workforces' individual and collective behaviour.

The Group is committed to protecting the health, wellbeing and safety of its people and those working on its sites and vessels, as well as minimising its impact on the environment. The Group has an HSSEQ policy and detailed HSSEQ procedures designed to identify, assess and reduce such risks while ensuring compliance with relevant laws and regulations. The policy and procedures are subject to review, monitoring and certification by an independent, internationally recognised specialist firm.

The Group mitigates exposure to the risk of communicable or infectious diseases by developing health procedures and medical screening that adhere to the guidance and incorporate the best practice set out by world health organisations and industry experts and for offshore operations, in compliance with a vessel's flag state.



RISK

FLEET MANAGEMENT

The Group has a fleet of vessels, which are required for the successful delivery of its projects. These vessels operate in a number of regions that are subject to political, fiscal, legal and regulatory risks. Risks also include regulatory requirements related to the crewing of the vessels in the regions where they are operating. Failure to manage such risks could lead to delays and have an adverse impact on the Group's financial performance and position.

Lack of vessel availability is a risk. Uncertainty in operational vessel schedules may lead to non-availability for other projects in the tendering or execution phase. Vessel availability could also be negatively impacted by delays to vessel construction, completion of maintenance, vessel upgrading or dry-docking activities. Access to shipyards, ports and facilities on a worldwide basis is key to ensuring that time-efficient maintenance and construction programmes are achieved. An inability to utilise certain locations could significantly impact business operations and project scheduling and result in contractual penalties, reputational damage and adversely affect the financial performance of the Group.

In extreme circumstances, the non-availability of a vessel or multiple vessels through loss or irreparable damage could compromise the Group's ability to meet its contractual obligations and cause financial loss. Conversely, an under-utilisation of the vessel fleet exposes the Group to a risk of under-recovery of its total fleet costs.

To maintain the competitiveness of the fleet, the Group from time-to-time makes significant investments in the construction, conversion or acquisition of new vessels. If the anticipated demand for those vessels does not materialise, such investments may not generate the intended financial return.

The Group also divests assets from time-to-time, either by sale for onward use or, in some cases, for decommissioning. It is important that assets are divested responsibly and that the Group takes reasonable measures to ensure it mitigates any future liabilities and, in the case of decommissioning activities, that it engages with responsible third parties who comply with the appropriate regulations, including the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships.

MITIGATION

The Group considers carefully the political, fiscal, legal and regulatory risks associated with the deployment of its vessels and crew into regions in which it operates or has to navigate. It also monitors developments to ensure it can respond appropriately.

To minimise the risk of non-availability, the Group dedicates resources to perform vessel scheduling centrally rather than at a business unit or region level. Vessel construction, maintenance, upgrading and dry-docking activities are subject to detailed planning, and controls are deployed to mitigate the risk of completion delays.

The design and operational capabilities of a vessel are carefully assessed before its deployment to a particular project and are then closely monitored during the project's execution. The impact of potential non-availability of a vessel is mitigated by both the size and flexibility of the Group's fleet and its ability to access the vessel charter market. The Group adjusts its fleet size to suit its view of the future market by cold- or warm-stacking its excess assets, as well as potentially returning chartered tonnage to the owners.

Before initiating the construction or acquisition of a new vessel, the Group conducts detailed analyses of the potential market and seeks to ensure that the vessel's technical specifications and projected capital and operating costs are appropriate for the anticipated market.

The Group assesses the market's need for new vessels and, after a rigorous technical and financial review, will decide to proceed with construction or conversion where there is sufficient future activity and when it anticipates acceptable financial returns on its investment.

The Group mitigates the risks associated with future liabilities of divested vessels through a know-your-client or supplier due diligence process and ensuring the contractual agreements contain detailed provisions associated with the onward utilisation or the minimum requirements to be met for any near-term decommissioning activities.

FINANCIAL RISKS

RISK**REVENUE AND MARGIN RECOGNITION**

Individual period performance may be significantly affected by the timing of contract completion, at which point the final outcome of a project may be fully assessed. Until then, the Group, in common with other companies in the sector, uses the percentage-of-completion method of accounting for revenue and margin recognition. This method relies on the Group's ability to estimate future costs in an accurate manner over the remaining life of a project. As projects may take a number of years to execute, this process requires a significant degree of judgement, with changes to estimates or unexpected costs or recoveries potentially resulting in significant fluctuations in revenue and profitability.

Inaccurate forecasting of the cost-to-complete a project and of the revenue that can be earned from the client for changes to contract scope could have a negative impact on the Group's management of its liquidity and weaken its financial position. Fixed-price contracts awarded at low or negative margins can create volatility when accounting for project performance, as forecast unavoidable losses are recognised in full in the period in which they are identified. Forecasting during pandemics and economic crises is complex and subject to increased volatility as changes unfold.

MITIGATION

Project performance is monitored by means of Project Monthly Status Reports (PMSRs) which record actual cost of work performed, the estimated cost-to-complete a project and the estimated full-life project revenue. The PMSR allows management to reliably estimate the most likely full-life profitability of each project. These PMSRs are subject to rigorous review and challenge at key levels of management within the Group. Note 4 'Critical accounting judgements and key sources of estimation uncertainty' to the Consolidated Financial Statements provides more detail of the Group's approach to revenue recognition on long-term contracts.





RISK

CASH FLOW AND LIQUIDITY

The Group's working capital position will be affected by the timing of contract cash flows, because the timing of receipts from clients, typically based on achievements of milestones, may not necessarily match the timing of payments the Group makes to its suppliers.

In executing some of its contracts, the Group is required by its clients, in the normal course of business, to issue certain guarantees, e.g. performance, advance payments and bid bonds. Access to unsecured bilateral guarantee arrangements from financial institutions in support of these instruments is fundamental to the Group's ability to compete, particularly for large engineering, procurement, installation and commissioning (EPCI) contracts.

In rare instances, clients may request specific payment terms such as extended payment terms or payment deferrals, which can negatively impact the cash flow profile of projects.

The availability of short-term and long-term external financing is important to help meet the Group's financial obligations as they fall due. In the event that such financing were unavailable, reduced or withdrawn, the Group's activities would be significantly constrained.

MITIGATION

In addition to using its cash and cash equivalents balance and cash generated from operations, the Group has access to committed financing facilities to meet its core financing and working capital needs. The Group's cash position, liquidity, debt leverage and credit-rating-related metrics are monitored closely by both the Executive Management Team and the Board of Directors.

The Group works to mitigate client payment deferral request risks through its contract terms. In addition, the Group continuously assesses the creditworthiness of its client and supplier bases.