



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	919 139 420
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	4SUBSEA ASTORI AS
Forretningsadresse:	Kvålkroken 30 4323 SANDNES

Regnskapsår

Årsregnskapets periode:	01.01.2024 - 31.12.2024
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Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Ja
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Anders Havneraas
Dato for fastsettelse av årsregnskapet:	30.06.2025

Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 12.08.2025



Resultatregnskap

Beløp i: NOK	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		9 363 234	17 250 437
Sum inntekter		9 363 234	17 250 437
Kostnader			
Varekostnad		3 427 480	3 796 212
Lønnskostnad	2	8 175 179	8 926 886
Avskrivning	3	12 395	12 395
Annen driftskostnad	2	3 895 566	2 942 146
Sum kostnader		15 510 620	15 677 640
Driftsresultat		-6 147 386	1 572 798
Finansinntekter og finanskostnader			
Annen finansinntekt		21 383	13 477
Sum finansinntekter		21 383	13 477
Annen finanskostnad		-26 125	-26 006
Sum finanskostnader		-26 125	-26 006
Netto finans		-4 742	-12 530
Ordinært resultat før skattekostnad		-6 152 128	1 560 268
Skattekostnad på ordinært resultat	4	-1 587 893	323 530
Ordinært resultat etter skattekostnad		-4 564 235	1 236 738
Årsresultat		-4 564 235	1 236 738
Overføringer og disponeringer			
Overføringer annen egenkapital	5	-4 564 235	1 236 738
Sum overføringer og disponeringer		-4 564 235	1 236 738



Balanse

Beløp i: NOK	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utvikling	3	9 147 224	4 367 919
Utsatt skattefordel	4	1 571 152	
Sum immaterielle eiendeler		10 718 376	4 367 919
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner ol	3	11 362	23 757
Sum varige driftsmidler		11 362	23 757
Finansielle anleggsmidler			
Investering i datterselskap	6	1 643 183	1 643 183
Sum finansielle anleggsmidler	6	1 643 183	1 643 183
Sum anleggsmidler		12 372 922	6 034 860
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	7	2 316 815	2 612 046
Andre fordringer	4, 7	321 588	404 244
Konsernfordringer	7	148 242	890 632
Sum fordringer	4	2 786 645	3 906 921
Bankinnskudd, kontanter og lignende			
Sum bankinnskudd, kontanter og lignende	8	3 358 016	8 577 325
Sum omløpsmidler		6 144 661	12 484 246
SUM EIENDELER		18 517 582	18 519 106

BALANSE - EGENKAPITAL OG GJELD



Balanse

Beløp i: NOK	Note	2024	2023
Egenkapital			
Innskutt egenkapital			
Aksjekapital	5, 9	36 000	36 000
Sum innskutt egenkapital		36 000	36 000
Opptjent egenkapital			
Annen egenkapital	5	9 768 505	14 332 739
Sum opptjent egenkapital		9 768 505	14 332 739
Sum egenkapital		9 804 505	14 368 739
Gjeld			
Langsiktig gjeld			
Utsatt skatt	4		16 741
Sum avsetninger for forpliktelser			16 741
Annen langsiktig gjeld			
Sum langsiktig gjeld		0	16 741
Kortsiktig gjeld			
Leverandørgjeld	7	1 289 875	1 166 315
Betalbar skatt	4		306 789
Skyldige offentlige avgifter	8	629 380	1 117 996
Kortsiktig konserngjeld		63 250	63 250
Annen kortsiktig gjeld	7	6 730 573	1 479 275
Sum kortsiktig gjeld		8 713 078	4 133 626
Sum gjeld		8 713 078	4 150 367
SUM EGENKAPITAL OG GJELD		18 517 582	18 519 106



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Journalnummer: 2025 663218

Enheten

Organisasjonsnummer: 919 139 420
Organisasjonsform: Aksjeselskap
Foretaksnavn: 4SUBSEA ASTORI AS
Forretningsadresse: Kvålkroken 30
4323 SANDNES

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Årsregnskapets periode: 01.01.2024 - 31.12.2024

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Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Ja
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av
årsregnskapet til konsernet: -

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Anders Havneraas
Dato for fastsettelse av årsregnskapet: 30.06.2025

Revisjon

Årsregnskapet er utarbeidet av ekstern
autorisert regnskapsfører: Ja
Ekstern autorisert regnskapsfører har i
løpet av regnskapsåret bistått ved den
løpende regnskapsføringen eller utført
andre tjenester for selskapet enn å
utarbeide årsregnskapet: Ja

Grunnlag for avgivelse

År 2024: Årsregnskap er elektronisk innlevert.
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024.

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Brønnøysundregistrene, 11.08.2025

Brønnøysundregistrene
Postadresse: Postboks 900, 8910 Brønnøysund
Telefon: 75 00 75 00
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673



Organisasjonsnr: 919 139 420
4SUBSEA ASTORI AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2024	2023
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Organisasjonsnr: 919 139 420
4SUBSEA ASTORI AS

BALANSE

Beløp i: NOK	Note	2024	2023
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Finansielle anleggsmidler			
Investering i datterselskap	6	1 643 183	1 643 183
Sum finansielle anleggsmidler	6	1 643 183	1 643 183
Sum anleggsmidler		12 372 922	6 034 860
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	7	2 316 815	2 612 046
Andre fordringer	4, 7	321 588	404 244
Konsernfordringer	7	148 242	890 632
Sum fordringer	4	2 786 645	3 906 921
Bankinnskudd, kontanter og lignende			
Sum bankinnskudd, kontanter og lignende	8	3 358 016	8 577 325
Sum omløpsmidler		6 144 661	12 484 246
SUM EIENDELER		18 517 582	18 519 106
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	5, 9	36 000	36 000
Sum innskutt egenkapital		36 000	36 000
Opptjent egenkapital			
Annen egenkapital	5	9 768 505	14 332 739
Sum opptjent egenkapital		9 768 505	14 332 739



Sum egenkapital		9 804 505	14 368 739
Gjeld			
Langsiktig gjeld			
Utsatt skatt	4		16 741
Sum avsetninger for forpliktelser			16 741
Annen langsiktig gjeld			
Sum langsiktig gjeld		0	16 741
Kortsiktig gjeld			
Leverandørgjeld	7	1 289 875	1 166 315
Betalbar skatt	4		306 789
Skyldige offentlige avgifter	8	629 380	1 117 996
Kortsiktig konsemgjeld		63 250	63 250
Annen kortsiktig gjeld	7	6 730 573	1 479 275
Sum kortsiktig gjeld		8 713 078	4 133 626
Sum gjeld		8 713 078	4 150 367
SUM EGENKAPITAL OG GJELD		18 517 582	18 519 106



Organisasjonsnr: 919 139 420
4SUBSEA ASTORI AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
9

Antall aksjer og aksjeeiere

<u>Aksjeklasse</u>	<u>Ant. aksjer</u>	<u>Pålydende</u>	<u>Bokført verdi</u>
Ordinære aksjer	12000.00	3.00	36000.00
<u>Aksjeeiere - fritekst</u>	<u>Antall</u>	<u>Eierandel</u>	<u>Aksjeklasse</u>
4subsea AS	12000.00	100.00%	Ordinary shares
<u>Sum</u>	<u>Sum antall</u>	<u>Sum eierandel</u>	
	12000.00	100.00%	

Note
2

Lønn og ytelser

<u>Lønn</u>	<u>Årets</u>	<u>Fjorårets</u>
	6145802.00	6835738.00
<u>Arbeidsgiveravgift</u>	<u>Årets</u>	<u>Fjorårets</u>
	1396122.00	1535900.00
<u>Pensjonskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	457578.00	431532.00
<u>Andre ytelser</u>	<u>Årets</u>	<u>Fjorårets</u>
	175677.00	123716.00
<u>Sum lønnskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	8175179.00	8926886.00

Ytelser til daglig leder

Note

Ytelser til andre ledende personer

<u>Ledende person</u>	<u>Lønn</u>	<u>Pensj.forpl.</u>	<u>Andre godtgj.</u>
General Manager	1697189.00	93768.00	24315.00
<u>Sum ytelse andre led.pers.</u>	<u>Lønn</u>	<u>Pensj.forpl.</u>	<u>Andre godtgj.</u>
	1697189.00	93768.00	24315.00



The company has established a defined-contribution pension scheme that satisfies the requirements of the Act relating to mandatory occupational pensions. All employees are covered by the scheme.

Note

Ytelser til revisjon

<u>Revisjon</u>	<u>Årets</u>	<u>Fjorårets</u>
	84000.00	85000.00
<u>Sum godtgjørelse til revisor</u>	<u>Årets</u>	<u>Fjorårets</u>
	84000.00	85000.00

Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:
0.00

Note

Lån og sikkerhetsstillelse til ledende personer og aksjeeiere

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei

Note

6

Konsern, tilknyttet selskap og datterselskap

Tilknyttet selskap/datterselskap

<u>Navn og adresse</u>	<u>Eierandel</u>	<u>Stemmeandel</u>	<u>Egenkapital</u>	<u>Resultat</u>
Astori SP	100.00%	100.00%	2554904.00	747393.00

Virksomheten inngår i konsolideringen til morselskapets konsernregnsk.: Ja

<u>Navn</u>	<u>Forretningskontor</u>
4subsea Astori AS	Kvålkroken 30 4323 SANDNES 1102 Sandnes

Datterselskap er utelatt fra konsolideringen: Nei

<u>Omløpsmidler</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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Skattemessig fremf.undersk. Startdato Sluttdato Endring

Kortsiktig gjeld Startdato Sluttdato Endring



4subsea Astori AS

Annual report 2024

- Annual accounts**
- Income statement
 - Balance sheet
 - Notes

Auditors' report



4subsea Astori AS

Income statement

	Note	2024	2023
Revenue			
Sales revenue		9 363 234	17 250 437
Total revenue		<u>9 363 234</u>	<u>17 250 437</u>
Operating expenses			
Cost of sales		3 427 480	3 796 212
Payroll expenses	2	8 175 179	8 926 886
Depreciations	3	12 395	12 395
Other operating expenses	2	<u>3 895 567</u>	<u>2 942 146</u>
Total operating expenses		<u>15 510 620</u>	<u>15 677 640</u>
Operating profit		<u>-6 147 386</u>	<u>1 572 798</u>
Financial income and expenses			
Other financial income		21 383	13 477
Other financial expenses		<u>-26 125</u>	<u>-26 006</u>
Net financial items		<u>-4 742</u>	<u>-12 530</u>
Ordinary profit before tax		<u>-6 152 128</u>	<u>1 560 268</u>
Tax on ordinary profit	4	<u>-1 587 893</u>	<u>323 530</u>
Net profit or loss for the year		<u>-4 564 235</u>	<u>1 236 738</u>
Allocations			
Transferred to other equity	5	-4 564 235	1 236 738



4subsea Astori AS

Balance sheet as of December 31

	Note	2024	2023
Fixed assets			
<i>Intangible assets</i>			
Research and development	3	9 147 224	4 367 919
Deferred tax asset	4	1 571 152	0
Total intangible assets		<u>10 718 376</u>	<u>4 367 919</u>
<i>Tangible assets</i>			
Fixtures, equipment, office machinery etc.	3	11 362	23 757
<i>Financial assets</i>			
Investments in subsidiaries	6	1 643 183	1 643 183
Total fixed assets		<u>12 372 922</u>	<u>6 034 860</u>
Current assets			
<i>Receivables</i>			
Accounts receivables		2 316 815	2 612 046
Receivables from group companies	7	148 242	890 632
Other receivables	4	321 588	404 244
Total receivables		<u>2 786 645</u>	<u>3 906 921</u>
Cash and cash equivalents	8	<u>3 358 016</u>	<u>8 577 325</u>
Total current assets		<u>6 144 661</u>	<u>12 484 246</u>
Total assets		<u>18 517 582</u>	<u>18 519 106</u>



4subsea Astori AS

Balance sheet as of December 31

	Note	2024	2023
Equity			
<i>Paid-in capital</i>			
Share capital	5, 9	36 000	36 000
<i>Retained earnings</i>			
Other equity	5	9 768 505	14 332 739
Total equity		<u>9 804 505</u>	<u>14 368 739</u>
Liabilities			
<i>Provisions</i>			
Deferred tax liability	4	0	16 741
<i>Current liabilities</i>			
Accounts payables		1 289 875	1 166 315
Payables to group companies		63 250	63 250
Tax payable	4	0	306 789
Public duties payable	8	629 380	1 117 996
Other short-term liabilities		<u>6 730 573</u>	<u>1 479 275</u>
Total current liabilities		<u>8 713 078</u>	<u>4 133 626</u>
Total liabilities		<u>8 713 078</u>	<u>4 150 367</u>
Total equity and liabilities		<u>18 517 582</u>	<u>18 519 106</u>

31 December 2024
Sandnes, 19 March 2025

Peter Jenkins
Chairman of the Board

Tor Mogens Jentoft
Board Member

Anders Havneraas
Board Member

Jone Sahi
General Manager



4subsea Astori AS

Notes to the accounts for 2024

Note - 1 Accounting Principles

The annual report is prepared according to the Norwegian Accounting Act and generally accepted accounting principles for small companies.

Sales revenue

Sales revenues are recognized at the time of delivery. Sales revenues related to future deliveries are recognized on the balance sheet as unearned income, and subsequently recognized as income in line with delivery.

Balance sheet classification

Current assets and current liabilities include items due for payment within one year after the balance sheet date. Other items are classified as non-current assets/non-current liabilities.

Current assets are valued at cost of acquisition. Current liabilities are recognized according to the nominal amount. Non-current assets are valued at cost of acquisition, and written down to fair value if impairment is not expected to be temporary. Fixed assets with a limited economic life are depreciated according to depreciation plan.

Investment in subsidiaries

Investments in subsidiaries are assessed at acquisition cost, and written down to fair value if impairment is not expected to be temporary. Write-downs are reversed when the value is recovered.

The cost price is increased with capital increases, or when group contributions are made to the subsidiary. Distributions received are generally recognized in the income statement as income. Distributions that exceed the share of retained earnings after the purchase are recognized as a reduction of the acquisition cost. Dividends/group contributions from subsidiaries are recognized in the accounts for the same year as the dividend decision.

Development costs

Development expenses are capitalized to the extent that a future economic benefit can be identified from the development of intangible assets. The costs are otherwise recognized as incurred. Capitalised development is depreciated over their useful economic life on a straight-line basis.

Receivables

Accounts receivables and other receivables are stated at nominal value less provisions for doubtful debts. Provisions for doubtful debts are made on the basis of individual assessments of the individual receivables.

Income tax

Tax expenses include tax payable and changes in deferred tax. Deferred tax/tax assets are calculated for all differences between the accounting and tax value of assets and liabilities. Deferred tax is calculated at the rate of 22% of the temporary differences between accounting and tax values, as well as the tax loss carried forward at the end of the financial year. Net deferred tax asset is recognized on the balance sheet to the extent that it is likely to be utilised.



4subsea Astori AS

Notes to the accounts for 2024

Note 2 - Payroll expenses, number of employees, management remuneration and auditor's fee

<i>Payroll costs</i>	2024	2023
Salaries	6 145 802	6 835 738
Payroll tax	1 396 122	1 535 900
Pension costs	457 578	431 532
Other payments	175 677	123 716
Total payroll expenses	<u>8 175 179</u>	<u>8 926 886</u>

Management remuneration

	Salary	Pension expenses	Other remuneration
General Manager	1 697 189	93 768	24 315

The company has established a defined-contribution pension scheme that satisfies the requirements of the Act relating to mandatory occupational pensions. All employees are covered by the scheme.

<i>Audit fee:</i>	2024	2023
Statutory audit, excluding VAT	84 000	85 000

Note 3 - Fixed assets

	Development	Fixtures
Acquisition cost 01.01.	4 367 919	61 975
Acquisitions	4 779 305	0
Acquisition cost 31.12.	<u>9 147 224</u>	<u>61 975</u>
Acc.depreciation 31.12.	0	-50 613
Net booked value at 31.12.	<u>9 147 224</u>	<u>11 362</u>
Depreciation for the year	0	12 395
Useful economic life	3 år	5 år
Depreciation	Lineær	Lineær



4subsea Astori AS

Notes to the accounts for 2024

Note 4 - Income taxes

<i>Income tax expenses</i>	2024	2023
Tax payable	0	306 789
Change in deferred tax	-1 587 893	16 741
Total income tax	-1 587 893	323 530

<i>Tax base estimation</i>	2024	2023
Ordinary profit before tax	-6 152 128	1 560 268
Permanent differences	-274 505	-353 115
Change in temporary differences	-270 385	187 341
Tax base	-6 697 018	1 394 494
Tax payable (22%) of the tax base for the year	0	306 789
Tax deduction SkatteFUNN	-273 568	-351 816
Receivable SkatteFUNN	-273 568	-45 027

<i>Overview of emporary differences</i>	2024	2023
Fixed assets	-444 584	-714 969
Loss carryforward	-6 697 018	0
Net temporary differences as of 31.12	-7 141 602	-714 969
Differences not included in deferred tax	0	-791 066
Total	-7 141 602	76 097

Deferred tax asset/liability (22%)	-1 571 152	16 741
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SkatteFUNN refund is recognized as receivable in the balance sheet.

Note 5 - Equity

	Share capital	Other equity	Total
Equity 01.01.	36 000	14 332 740	14 368 740
Profit for the year	0	-4 564 235	-4 564 235
Equity 31.12.	36 000	9 768 505	9 804 505

Note 6 - Investment in subsidiaries and associate

Company	Acquisition		Share owners	Net profit 2024	Equity 31.12	Book value 31.12
	year	Location				
Astori SP	2018	Warszawa	100 %	747 393	2 554 904	1 643 183

Note 7 - Intercompany balance with group companies

<i>Receivables</i>	2024	2023
Other receivables	148 242	890 632

Intercompany balances are not interest-bearing.



4subsea Astori AS

Notes to the accounts for 2024

Note 8 - Bank deposit

Restricted cash for employee withholding tax as of 31.12	2024
	415 887

Note 9 - Equity

Share capital:

	Number of shares	Face value	Book value
Ordinære aksjer	12 000	3	36 000
Shareholders per 31.12:			
	Ordinary shares	Ownership share	Voting rights
4subsea AS	12 000	100 %	100 %



Shape the future
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Statsautoriserte revisorer
Ernst & Young AS

Stortorvet 7, 0155 Oslo
Postboks 1156 Sentrum, 0107 Oslo

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00

www.ey.no
Medlemmer av Den norske Revisorforening

To the General Meeting in 4Subsea Astori AS

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of 4Subsea Astori AS (the Company), which comprise the balance sheet as at 31 December 2024, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and its financial performance for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management for the financial statements

The Board of Directors and the General Manager (management) are responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



**Shape the future
with confidence**

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oslo, 19 March 2025
ERNST & YOUNG AS

The auditor's report is signed electronically

Johan Lid Nordby
State Authorised Public Accountant (Norway)

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PENNEO

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"By my signature I confirm all dates and content in this document."

Nordby, Johan Lid

Statsautorisert revisor

Serial number: no_bankid:9578-5997-4-729076

IP: 147.161.xxx.xxx

2025-03-19 15:08:32 UTC



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Skatteetaten

Vår dato 25.11.2024	Din/Deres dato	Saksbehandler Kjell Knutsen
800 80 000 Skatteetaten.no	Din/Deres referanse AR642345605	Telefon 94897296
Org.nr 974761076	Vår referanse 2024/5541899	Postadresse Postboks 9200 Grønland 0134 OSLO

U.off.

4SUBSEA AS
Hagaløkkveien 26
1383 Asker

Dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk

Vi viser til deres søknad av 8. november 2024 om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk med virkning fra regnskapsåret 2024 for følgende selskaper:

Selskapsnavn	Org.nr
4Subsea AS	991 711 392
4Subsea Astori AS	919 139 420

Skatteetaten gir på bakgrunn av en konkret helhetsvurdering de to angitte selskapene dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at engelsk språk benyttes ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Fra søknaden siteres:

4Subsea AS (orgnr. 991711392) og 4Subsea Astori AS (orgnr. 919139420) søker med dette tillatelse til å gå over til å utarbeide årsregnskap og årsberetning på engelsk med virkning av regnskapsavleggelse for 2024.

4Subsea AS eies av Subsea7 I-tech Limited (Scotland) og inngår i eierstruktur der Subsea 7 S.A. (luxemburg) er øverste eier. Eier har engelsk som konsernspråk. Kundene til 4Subsea er bedriftskunder som i stor grad er utenlands eller større norske internasjonale konsern som har engelsk som primærspråk. Ansatte og styre har engelsk som arbeidsspråk og enkelte kan ikke norsk. 4Subsea driver i olje og energibransjen, i hovedsak offshore, og er i denne sammenhengen en international bransje der kommunikasjon foregår på engelsk derav engelsk som arbeidsspråk.



Selskapet vurderer det som fordelaktig og mest hensiktsmessig å avlegge årsregnskap og årsberetning på engelsk gitt de nevnte forhold, og hvem som er hovedbrukerne av regnskapet. 4Subsea søker med dette om å benytte engelsk som rapporteringsspråk.

Skattekontoret ønsker å presisere at 4Subsea Astori AS er datterselskap til 4Subsea AS og forutsetter at bakgrunnen for søknaden om dispensasjon for 4Subsea Astori AS er den samme som for 4Subsea AS.

Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte, kunder og lokalsamfunnet.

Det er etter skatteetatens vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I dette tilfelle er det opplyst at selskapene inngår i en internasjonal eierstruktur der engelsk er konsern- og arbeidsspråket. Det er videre opplyst at selskapenes kunder i stor grad er utenlandske eller større norske internasjonale konsern som har engelsk som primærspråk. Videre driver selskapene i olje- og energibransjen der kommunikasjonen ofte foregår på engelsk.

Skattekontoret finner at disse forholdene samlet tilsier at dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk kan gis. Selskapet kan derfor avlegge årsregnskap og årsberetning på engelsk fra og med regnskapsåret 2024.



Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Kjell Knutsen
Skatteetaten

Gro Stangeland

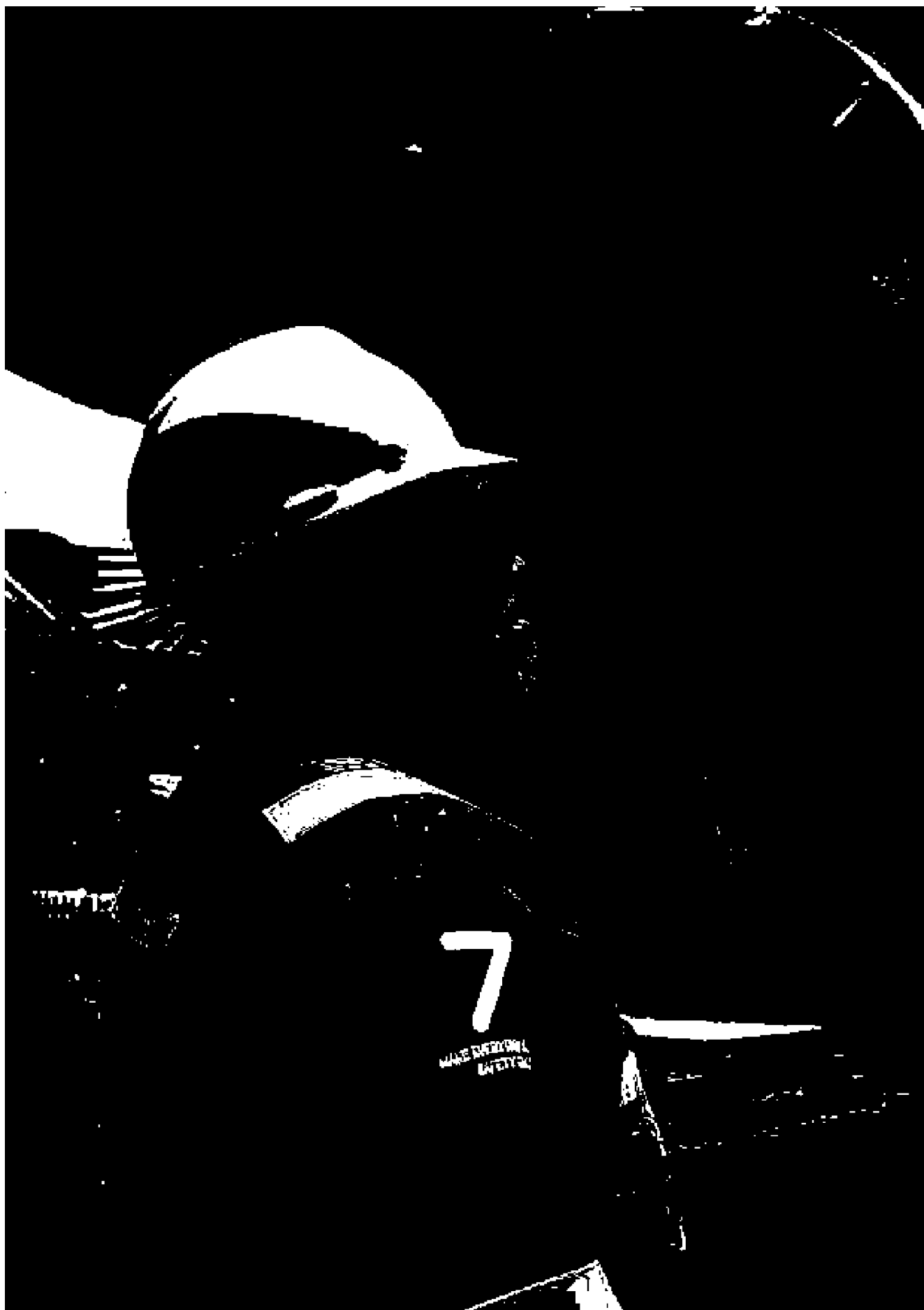
Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



subsea 7

Annual Report 2024







DELIVERING SUSTAINABLE VALUE FOR OUR STAKEHOLDERS

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AT A GLANCE

SUBSEA7 AT A GLANCE

People

15,072

Countries

34

Projects completed in 2024

81

Suppliers

8,000+

Vessels

41

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, enabling the subsea movement of hydrocarbon molecules and electrons.



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 CCS, and we integrate energy systems through electrification. Our long-term strategy includes 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



Subsea and Conventional



Renewables



Corporate

Subsea7 reports financial results for three business units:

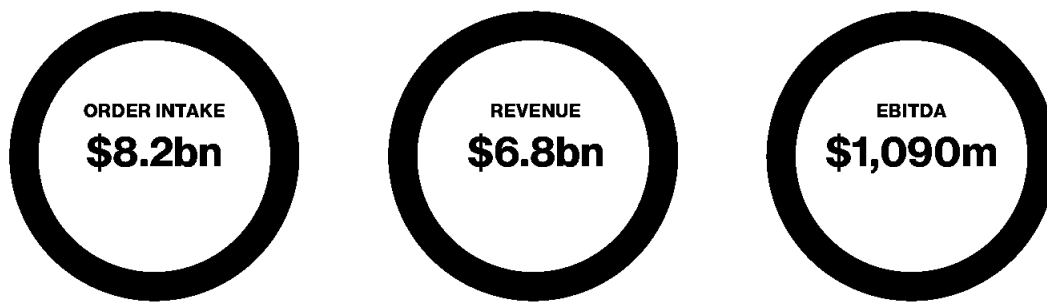
Subsea and Conventional – focused on lower-carbon oil and gas and CCS, operating under the Subsea7 brand

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



2024 FINANCIAL PERFORMANCE



■ Subsea and Conventional ■ Renewables

Net income

\$217m

2023: \$10m

Free cash flow

\$583m

2023: \$79m

Net debt

\$602m

2023: \$552m

Liquidity

\$1.3bn

2023: \$1.6bn

GLOBAL ENABLER RIGID PIPELAY VESSELS



Built

2020

Rigid pipe diameter

4" to 20"

Type

Reel-lay

2007

6" to 16"

Reel-lay

2012

4" to 46"

S-lay, J-lay

1999

2" to 16"

Reel-lay



CHAIRMAN'S STATEMENT

TO THE SHAREHOLDERS OF SUBSEA 7 S.A.



KRISTIAN SIEM
CHAIRMAN

Subsea7 reported strong operational and financial results in 2024 as it continued to capitalise on the upcycle in the subsea industry and growth in offshore wind. Leveraging our market-leading fleet, in combination with strong project execution, Group revenue increased by 14% year-on-year to \$6.8 billion, while our Adjusted EBITDA margin improved to 16% from 12%. Net income increased to \$217 million, from \$10 million in 2023.

The improved financial outcome for the year was the result of professional execution of the many projects worldwide. The complexity of our projects is at the core of what we do. Experienced people, working well together, manage the many risks in the coordination of engineering, fabrication, transportation, installation and commissioning of projects. Despite activity on contracts won in a less favourable environment during 2020 and 2021, the financial performance of the Group in both 2023 and 2024 met our objectives and shows good progress overall.

With an \$11 billion backlog of high-quality projects, and industry dynamics that look set to remain favourable, the Board of Directors and the senior management team are focused on fulfilling the Group's potential to generate strong net cash flow, while remaining disciplined in our reinvestment strategy and prioritising returns to shareholders.

The market and our strategy

Driven by population growth and economic development, it is estimated that on the current trajectory, global demand for energy will continue to increase into the 2030s. Whether demand is met by traditional hydrocarbon resources, or by renewable developments, Subsea7 is positioned to benefit from this long-term structural trend.

For the foreseeable future, the continued development of oil and natural gas will remain essential. Among the world's resources, deepwater developments – the focus of Subsea7's subsea strategy – rank competitively both in terms of economic breakeven and carbon intensity. In addition, the long lead time to first production, and long production plateau, make deepwater developments resilient to volatility in the short-term commodity prices. Consequently, deepwater projects are likely to remain the priority for future development by our clients, and therefore central to our subsea strategy. Beyond our traditional core markets, we see new regions opening including Guyana, Suriname and Namibia.

During the year, the Group completed scopes on offshore wind projects representing four gigawatts. Since our entry into the renewable market in 2009, the capacity installation supported by Subsea7 is sufficient to meet the electricity

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.



requirement of almost 19 million homes. While the pace of global transition to sustainable energy sources is a complex issue, the offshore wind industry continues to make significant strides. In 2024, key markets successfully navigated the challenges of higher financing and supply costs, concluding four licence rounds aimed at developing 17 gigawatts of wind power. Challenges remain: permitting and regulatory delays continue to hamper schedules adding unnecessary cost to the industry; the slow build-out of grid connections creates a bottleneck for industry growth; and an ever-increasing size of wind turbines risks undermining the efficiencies that can be gained from standardisation. Despite these constraints, the installed base of offshore wind is expected to grow at nearly 20% per year until at least 2035, providing exciting opportunities for the Group.

A value-driven approach to growth opportunities

Both the subsea and offshore wind markets offer substantial opportunities for Subsea7. Each must be addressed in a disciplined manner, with a strong focus on risk-adjusted value creation, recognising the cyclical nature of parts of our business and the uncertain pace of the energy transition.

Over the past decade, Subsea7 has crafted a strong position within the subsea industry, with major investments in a modern fleet, and a track record of delivering complex projects that is second to none. Exciting potential lies in both the subsea and offshore wind markets, which offer substantial opportunities for Subsea7. Strong, disciplined focus on risk-adjusted value creation is key to our success. One such focus is the development of technology that can enhance the value of the solutions we provide to our clients.

2024 was a particularly affirming year for our Renewables strategy. The decisive action taken to increase the selectivity of our bidding activity – achieving a fairer balance of pricing and risk – drove the improvement in our profitability and has given us greater predictability in our project execution. We begin 2025 on a positive footing and with confidence that we can continue to capture a fair share of the growing market for wind turbine foundation and inter-array cable installation, while delivering acceptable levels of profitability.

With potential in both our subsea and offshore wind businesses, we will approach reinvestment opportunities in a disciplined manner, focusing on maintaining favourable supply-demand tension for our solutions and protecting the positive trajectory of our cash generation and return on capital.

An evolution in our Sustainability reporting

Within this year’s Annual Report, Subsea7 has reported its environmental and social impact in accordance with the EU Corporate Sustainability Reporting Directive (CSRD). In its inaugural year, this has required a significant effort from our Board of Directors, senior management team, as well as our strategy, sustainability and finance functions (amounting to over 15,000 workhours) to ensure we report in a transparent and rigorous manner. The process necessitated an extra 57 pages of disclosures that aim to help our stakeholders understand our strategy, impact, risks and opportunities. Our new double materiality assessment has been a key component of this effort. I am pleased with the collaboration and effort demonstrated across the Group to achieve this milestone.

Shareholder returns

In 2024, the Group committed to return at least \$1 billion to shareholders in the form of dividends and share repurchases over the four years from 2024 to 2027, and in 2024 \$250 million was returned. It is proposed that a dividend of NOK 13 per share, equating to approximately \$350 million be returned in 2025, payable in two equal instalments, and subject to shareholder approval at the AGM on 8 May 2025. This represents growth of 40% from the distributions made in 2024.

My thanks

I would like to thank the ~15,000 individuals whose combined commitment and efforts have been instrumental in delivering strong financial and operational results in 2024. I am also grateful to our shareholders for their continued support and trust as we execute our strategy to capitalise on strong existing markets and capture new growth opportunities. Our clients, partners and suppliers have played a crucial role in delivery of complex energy developments in a safe and efficient manner. I thank them for their collaboration and loyalty and look forward to future successes.

Kristian Siem
Chairman

26 February 2025



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.

STRATEGIC REPORT
GOVERNANCE
SUSTAINABILITY STATEMENTS
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GLOSSARY

CEO REVIEW

“Subsea7’s strategy has delivered material growth in profitability in 2024, and the outlook is strong for the coming years.”



JOHN EVANS
CHIEF EXECUTIVE OFFICER

A strong financial performance in 2024

Subsea7’s revenue increased 14% year-on-year to \$6.8 billion, and our Adjusted EBITDA margin expanded 390 basis points to 16%, reflecting our late-cycle exposure to the recovery in the subsea market and structural growth in the offshore wind industry, as well as solid project execution. Driven by strong demand for our services and selective tendering, the mix of long-term contracts in our \$11 billion backlog has continued to shift towards those won in a favourable environment, underpinning our confidence in the future.

Revenue in Subsea and Conventional increased 12% year-on-year to \$5.5 billion, driven by high activity in Brazil, Norway and Australia, and our Adjusted EBITDA margin increased to 16%. This yielded an Adjusted EBITDA of \$897 million – including a contribution of \$36 million from the OneSubsea joint venture – up 47% year-on-year.

Revenue in Renewables increased 29% year-on-year to \$1.2 billion due to high utilisation of our vessels in the UK, Germany and Taiwan. Our Adjusted EBITDA margin reached 15% as a result of the decisive action taken to improve the selectivity of our bids, as well as strong project execution.

Tendering activity remained at high levels in 2024, with order intake of \$8.2 billion, equivalent to a book-to-bill of 1.2 times, including major awards in Brazil, the US, Türkiye,

and in the UK in offshore wind. Tendering activity remains strong and our teams in subsea and offshore wind are actively bidding for projects worth around \$28 billion, supporting our confidence in the outlook for both business units.

In 2024, the Group made the final payment for the acquisition of a 10% stake in OneSubsea, a subsidiary of SLB, which is also our partner in Subsea Integration Alliance. This stake in OneSubsea reaffirms our integrated subsea offering – a key competitive differentiator – and reinforces our relationship with SLB as we address the opportunities and challenges presented by the energy transition.

Following the delivery of our new build wind installation vessels, organic reinvestment was \$349 million in 2024, from \$581 million in the prior year and, at year end, net debt was \$602 million (comprising net financial debt of \$147 million and lease liabilities of \$455 million). Balance sheet leverage increased slightly year-on-year but, with a net debt-to-EBITDA ratio of just 0.6 times, we maintained the balance sheet strength that is crucial to our through-cycle resilience, essential in retaining ability to seize opportunities, and supportive of our clients’ confidence in our ability to deliver billion-dollar projects.

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 SURF and SPS 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



Differentiators driving success in subsea

In 2024, the subsea business leveraged the Group's differentiators of early engagement, collaborations and alliances and an integrated offering to deepen its relationships with key clients as the subsea market continued to tighten. Our clients increasingly came to Subsea7 to help plan and execute their portfolio of developments.

In 2024, Subsea Integration Alliance extended its relationship with Equinor through a new long-term strategic alliance. The agreement represents an innovative way of working that enables a deeper collaboration to improve the return profile of developments, unlocking potentially stranded hydrocarbon reserves. It includes an exclusive cooperation on two challenging projects: the Wisting field offshore Norway and Bay du Nord offshore Canada. By engineering optimised solutions together with Equinor, Subsea Integration Alliance aims to deliver development plans that are economically viable and can make progress towards sanction.

During 2024, we also built upon our successful relationship and track record of performance with Turkish Petroleum, with whom we have been working since 2021 on the development of the giant Sakarya gas field. In 2024, Subsea7 was awarded a contract for the installation of Türkiye's first floating production unit, marking our fourth scope on the Sakarya development. Subsea7 was also subsequently awarded a multi-year, wide-ranging, inspection, repair and maintenance contract, demonstrating our ability to deliver engineering solutions through the full asset lifecycle.

During the year, we extended our successful position in Brazil with the award of the Búzios 9 development, representing our fifth major contract award in the country since 2020 for a combined value of \$5.4 billion. The sustained level of activity generated by these projects will enable us to unlock efficiencies in engineering, optimise project execution and maximise the utilisation of our fleet. Additionally, in Brazil, we secured four three-year contracts for our pipelay support vessels (PLSVs) worth \$1.4 billion. The visibility on cash generation provided by these contracts underpins our commitment to shareholder returns for the coming three years.

Track record for delivery in renewables

After commissioning our two new build installation vessels, in 2024 we focused on optimising the utilisation of our enlarged fleet and achieving strong project execution.

A total of 93 foundations, 40 turbines and over 400 kilometres of cables were installed during the year, supporting power generation capacity of four gigawatts and extending our long track record of efficient delivery.

In foundation installation, we remained focused on our core markets in Europe, where the regulatory environment is well understood and where we have long-term, collaborative relationships with key clients. In cable lay, our vessels benefit from fast transit speeds allowing access to the global market including Taiwan, the US, the UK and continental Europe.

During the year, Subsea7 continued to pursue CCS opportunities and executed the second phase of the Northern Lights project in Norway. Although currently a small market, CCS represents incremental optionality for our existing fleet of subsea pipeline installation vessels, as well as a potential source of market opportunity with SLB and OneSubsea through Subsea Integration Alliance.

Strong momentum expected to continue

Management is confident in the outlook for the Group supported by a high backlog and a robust tendering pipeline. The dynamic in subsea remains favourable, with strong demand from clients. While new vessels are being ordered in the offshore wind industry, these are focused away from our core services of foundation installation and cable lay where our opportunity to add value is greatest and where long-term demand is set to outstrip supply.

Looking ahead to 2025, revenue is anticipated to be between \$6.8 and \$7.2 billion. As the mix of activity continues to shift to projects won in a more favourable environment, our Adjusted EBITDA margin is expected to be between 18 and 20%. This margin is expected to continue to improve, exceeding 20% in 2026. Our disciplined approach to reinvestment underpins our expectation of significant cash generation in 2025 and 2026.

Overall, through strong positions in lower-carbon oil and gas, as well as offshore wind, Subsea7 is well placed to deliver the energy the world needs for today and tomorrow.

John Evans
Chief Executive Officer

Financial performance

- \$11 billion backlog of high-quality projects with resilient economics provides visibility on 2025 and beyond
- On track to achieve 18 to 20% Adjusted EBITDA margin in 2025 with further upside expected in 2026
- Balance sheet strength, with a net debt-to-EBITDA of just 0.6 times, provides client and investor assurance

Shareholder returns

- Shareholder returns underpinned by high cash generation in 2025 and beyond
- At least \$1 billion to be returned from 2024 to 2027
- Use of excess cash assessed annually by the Board
- Track record of delivering capital returns, with \$2.5 billion returned since 2012



OUR BUSINESS MODEL

FULL SERVICE ACROSS THE DEVELOPMENT LIFECYCLE



Concept

Input at the concept phase allows for optimisation of later lifecycle stages.

What we do

Whether in oil and gas, wind or emerging energies, being involved at the earliest stage of development enables us to deliver maximum value. The concept stage is key to optimising costs and emissions during development and in the later lifecycle stages.

How we add value

We incorporate new technologies and standardisation into the design process to lower the total cost of development and optimise emissions. Our carbon estimator tool is used in all our significant tenders.

Design

Robust front-end engineering and design (FEED) ensures accurate forecasting.

We advance the conceptual development through our FEED services to ensure the right solution is selected to fully optimise the development.

We work with our alliance and client partners to optimise solutions, align schedules and accurately forecast full lifecycle costs. The earlier our involvement, the more value we can add through optimised design.

Engineer

Detailed engineering by experienced personnel delivers the best solution.

Engineering is at the core of what we do. Detailed engineering involves taking the initial solutions developed in the concept and FEED stages and refining these for execution. For certain wind projects, our engineering teams also support clients in their bids for offshore licences.

Our global teams of experts have a track record for designing the best solutions and executing them. This stems from our ability to solve problems and engineer solutions.

Procure and Fabricate

Efficient procurement and high-quality fabrication optimise costs.

Our teams are able to execute large engineering, procurement, construction and installation (EPCI) projects in all our business units and in all geographies. The scale and global reach of our supply chain management differentiates us.

We have a clear understanding of the risks and opportunities that exist when working with a large, global supply chain network. We have strong, collaborative relationships with our suppliers.

Late cycle exposure

Subsea7 is focused on the development stage of the project lifecycle and, as such, its activities are late cycle. In subsea, this follows the client's exploration and appraisal activities to define the characteristics of a reservoir. In offshore wind, it follows licence award, consenting and subsidy or power purchase agreement. Our contracts typically follow the final investment decision (FID) for a project by our client.

Contract structure

Within subsea, our contracts are mainly fixed-price EPCI scopes, typically three years long, with the first two years focused on engineering and procurement and offshore installation activity in the final year. In offshore wind, our contracts vary and include multi-year, fixed-price EPCI projects as well as shorter transport and installation (T&I) scopes on a fixed-price or day-rate basis.



Subsea7 provides project management, engineering and construction expertise across the full development lifecycle. These services are delivered to clients across the energy landscape, in oil and gas, offshore wind and emerging energies.

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Install and Commission

World-class vessels enable safe, on-schedule and cost-efficient installation.

We install and commission subsea infrastructure for hydrocarbon and renewable energy developments in all water depths. We install turbines, foundations and inner-array cables for fixed and floating wind farms.

Our fleet of modern, high-specification vessels allows us to install market-leading solutions. Our experts have the experience to deliver these solutions safely and efficiently.

Supply chain management

Our procurement teams and project managers are experts in coordinating a vast number of suppliers around the world. We have strong, collaborative relationships with key suppliers and work together to ensure capacity and delivery aligned with our clients' development schedules. We reduce our supply chain risk through back-to-back contracts and framework agreements with suppliers.

Maintain

Effective and responsive maintenance reduces the cost of ownership.

We specialise in maintaining offshore infrastructure through use of our dedicated fleet and technologies. Our digital products and services help optimise maintenance and reduce downtime and unplanned outages.

We incorporate our maintenance knowledge and digital monitoring into the design of the field, lowering the total cost of ownership for our clients.

Extend

New technologies extend the life of the field development and maximise the return on investment.

We have a growing portfolio of technologies that enable clients to extend the life of their assets through production enhancement, as well as the tie-in of satellite reserves.

Our technology portfolio offers a range of solutions for all field extension needs. We collaborate with partners across the supply chain to deliver these solutions.

Fleet strategy

Subsea7 has a fleet of 41 vessels, of which 29 are owned and 12 are chartered. In order to maintain resilience and agility, we own the highest-specification vessels, which are key to winning and executing projects. We charter smaller construction vessels that support our key enablers. This balances our need for access to installation capacity while retaining flexibility in our cost base.

Decommission

Facilitation of abandonment, decommissioning and reuse of infrastructure.

We have the capacity to decommission large-scale infrastructure in both oil and gas and wind markets. We can manage all aspects including regulation, technology, environment, planning, execution and costs.

We draw on our skills in engineering and project management, as well as our enabling vessels, to decommission fields, with high standards of safety and sustainability as a priority.



OUR WORLD

OUR WORLD

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

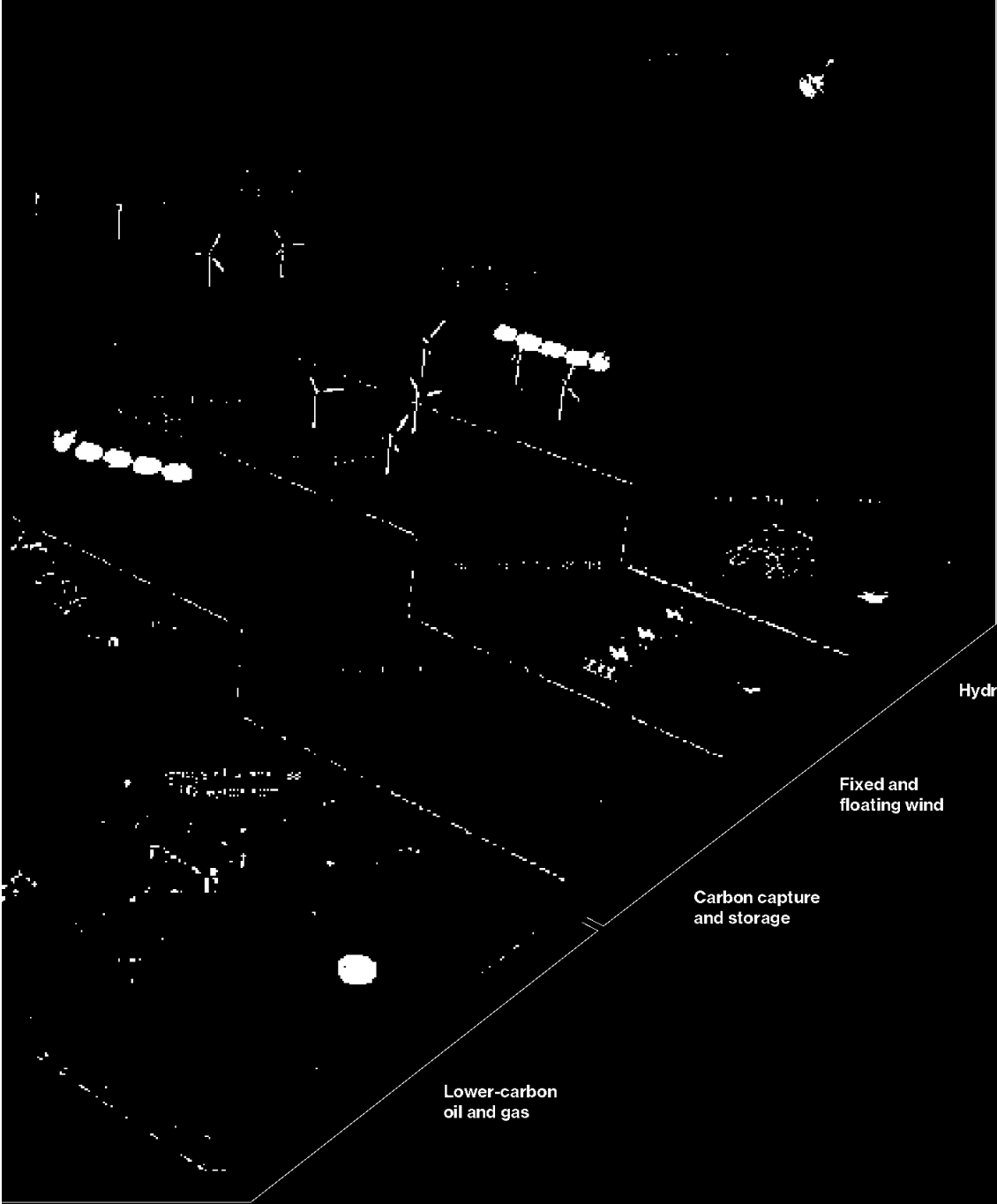
Continuous evolution of lower-carbon oil and gas

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

We deliver projects in offshore wind and carbon capture and storage (CCS), and we integrate energy systems through electrification. Our long-term strategy includes floating wind and hydrogen.



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OUR MARKETS

INDUSTRY TRENDS



DEEPWATER RESILIENCE

The spot price of Brent averaged approximately \$80 per barrel in 2024, but uncertainty regarding the supply-demand balance has pushed the forward curve below \$70 per barrel. Despite the pullback, this remains a favourable price for the deepwater market on which Subsea7 is focused.

Deepwater exposure adds resilience

Our subsea business is focused on deepwater markets, enabled by specialist vessels that can install pipelines in water depths up to 3,000 metres. The economics of projects in deep water are attractive, with an average oil price breakeven of \$34 per barrel and a materiality that makes them a strategic investment priority for our clients.

Late cycle, long-term projects add visibility

At the point of Subsea7's involvement, significant capital will have been invested by our clients in a subsea development, particularly after it has been sanctioned and procurement activity has commenced. Since January 2020, only one significant deepwater project in our backlog has been deferred by a year or more, and 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 deliver.



GAS AS A TRANSITION FUEL

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 renewables sources. In addition, gas resources offer energy security and self-sufficiency to countries such as Türkiye and Guyana. Major gas-exporting nations such as Australia play a significant role in supplying this cleaner energy resource to global markets.

Rystad estimates that the proportion of offshore oil:gas production has shifted from 71:29 in 2000 to 60:40 in 2024, and will reach 53:47 by 2045. It estimates that this evolution will require the development of 745 trillion cubic feet of incremental gas reserves, equivalent to around 18 times the volume sanctioned in 2024.

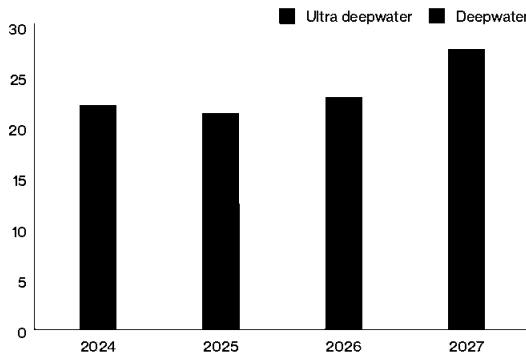
Subsea7's gas exposure

For Subsea7, gas developments have accounted for \$4.9 billion revenue over the last three years, increasing from \$1.2 billion in 2022 to \$2.1 billion in 2024. This included work in Norway, Türkiye, Australia, Angola, Brunei, Trinidad and Tobago, and Guyana.

Our subsea engineering, procurement and installation solutions are highly competitive in both oil and gas. Over the long term, we would expect to have a similar position in both of these subsea markets, with an increasing proportion of our activity focused on gas developments over time.

SUBSEA SPENDING

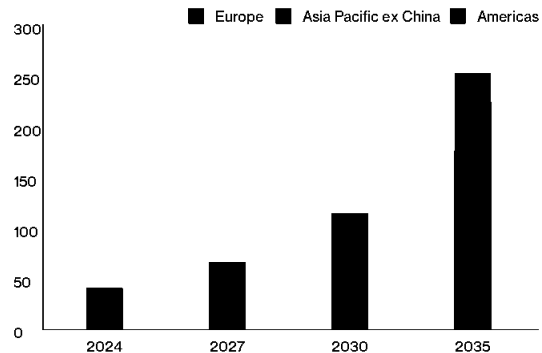
(\$bn, capex and opex)



Source: Rystad Energy ServiceCube (ex-Russia), February 2025

GLOBAL FIXED OFFSHORE WIND MARKET

Cumulative installations (GW)



Source: BNEF, February 2025



THE ENERGY TRANSITION

Subsea7's strategy is aligned with the energy transition in several ways: through our operations in offshore wind and CCS, our focus on deepwater oil and gas and in decarbonising our own fleet.

Subsea7, through its Seaway7 brand, has been operating in offshore wind since 2009, and by the end of 2024 had installed 1,220 foundations and nearly 3,000 kilometres of cables. Approximately 17% of Group revenue was derived from offshore wind in 2024, and our \$2 billion offshore wind backlog as well as a strong pipeline of potential tenders support a positive outlook.

In 2024, Subsea7 completed its first carbon transportation and storage project, Northern Lights in Norway. Such projects utilise our existing subsea fleet and, as such, offer a new source of growth with minimal associated investment.

Deepwater developments have an advantaged carbon-intensity profile, primarily due to the efficiency and scale of these projects as they often target very large reservoirs.

As part of the broader maritime industry, Subsea7 is aiming to reduce the emissions associated with our fleet by 50% in 2035 and to reach Net Zero in 2050. Our strategy includes optimising fuel efficiency with our advanced digitisation tools and hybridising the power on our vessels through the addition of battery power. However, key to decarbonisation will be the use of clean fuels, and the availability of these at scale, globally, is a challenge for the entire maritime industry.



WIND MARKET DYNAMICS

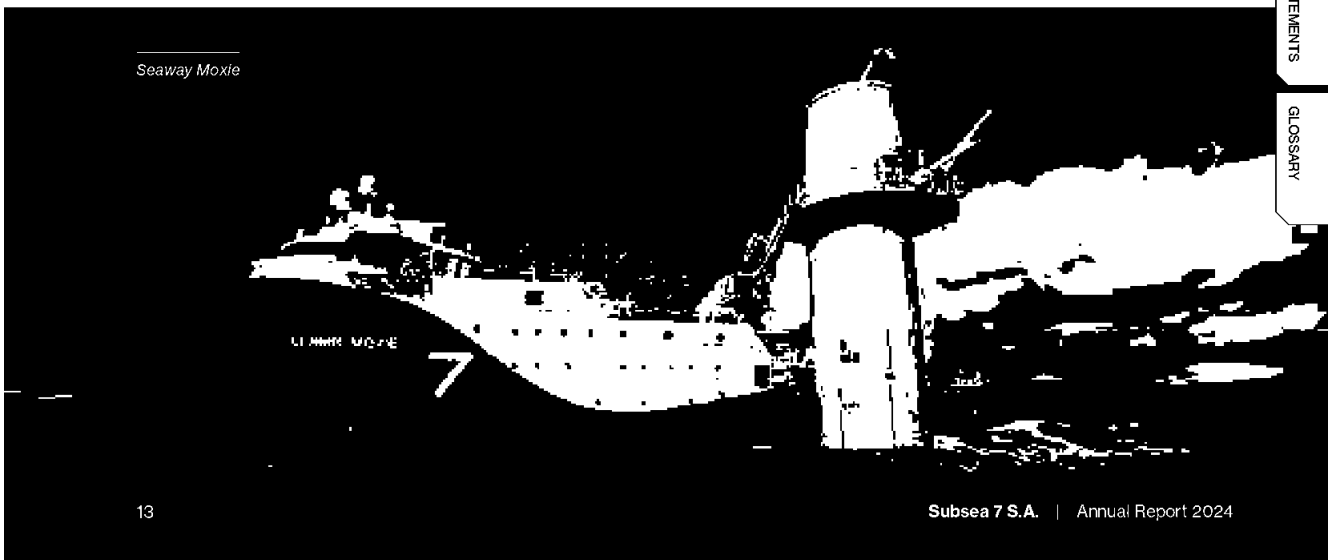
Over the last decade, the size of the average newly installed offshore wind turbine generator has increased from 4MW to 16MW, with a trend towards 20MW. Although the relationship is not linear, as turbine sizes grow, so do foundations, and these require greater lifting capabilities (in terms of both volume and weight) of installation vessels.

The continued push to larger turbine sizes is being challenged by the industry, with significant efficiencies to be gained through standardisation and stabilisation at 16MW. However, given the long lead time to delivery of a new build vessel, Subsea7 must take a long-term view of the market and potential trends.

Maintaining performance

Over the past year, we have been focused on achieving good operating efficiency from our fleet of six offshore wind vessels and delivering improved margins and returns on a sustainable basis. With improved recent results and a backlog of contracts with more favourable risk-reward characteristics, we are confident that our offshore wind business can create value.

Our strategy for future reinvestment in our wind fleet targets support from clients in the form of commitments to long-term contracts that aim to ensure high utilisation and safeguard return on investment. Our close, collaborative relationships with clients should ensure a win-win arrangement as we work together to realise their development goals.



Seaway Moxie

ULMOR MOXIE



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, 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 \$8 billion since inception, and Subsea7's share has represented more than 25% of the revenue of the Subsea and Conventional business unit. In 2021, Subsea Integration Alliance extended the integrated concept, delivering a 'Pore to Process' project at Sakarya in Türkiye that provided the client one interface for reservoir well completion, SURF and SPS, and an onshore receiving terminal. Pore to Process can also be reversed, offering CCS taking CO₂ from onshore industries to offshore sequestration sites.

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.



A NEW ALLIANCE WITH EQUINOR

At a glance

- A new alliance to enable early engagement and collaboration to optimise subsea development economics
- Exclusive collaboration for the Wisting field offshore Norway and Bay du Nord off Newfoundland and Labrador, Canada
- Any resulting subsea engineering, procurement and installation scopes for Wisting and Bay du Nord would be directly awarded to Subsea7

What it means for Subsea7

- Although final characteristics of the field developments are subject to ongoing design and engineering, Bay du Nord could represent a 'super-major' contract i.e. over \$1.25 billion
- Installation of Bay du Nord and Wisting would likely commence beyond 2027, offering Subsea7 visibility on utilisation of its highest-specification pipelay vessels
- Follows projects in Norway and Brazil and strengthens the relationship with Equinor



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 E&P companies and SSE Renewables. There is an increasing trend of clients coming directly to Subsea7 to sole-source their developments to minimise the tendering phase, 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 emissions; ii) Safety and people including health and safety, talent attraction, development and retention, and diversity and inclusion; 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.



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ENABLING PRODUCTS – BUNDLE PIPELINES

At a glance

- The pipeline bundle concept is unique to Subsea7
- We combine lines for production, water and gas injection and umbilicals for power and data transmission into one length of pipe
- The Group has a fabrication facility for bundles in Wick, in the UK, principally serving the UK and Norway
- Bundles are a cost-efficient solution for short tie-backs that minimise vessel time and accelerate development

What it means for Subsea7

- We have undertaken 91 bundle projects in the UK and Norway, supporting our market leadership in the region
- Bundles are included in our solution for Aker BP's developments of Fenris and Yggdrasil in Norway
- The concept could also be well-suited to a closed sea such as the Caspian, offering growth opportunities
- By reducing the carbon footprint of a development, the concept helps Subsea7 and its clients reduce emissions



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 activities in hydrogen, 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 2024.

Subsea and Conventional

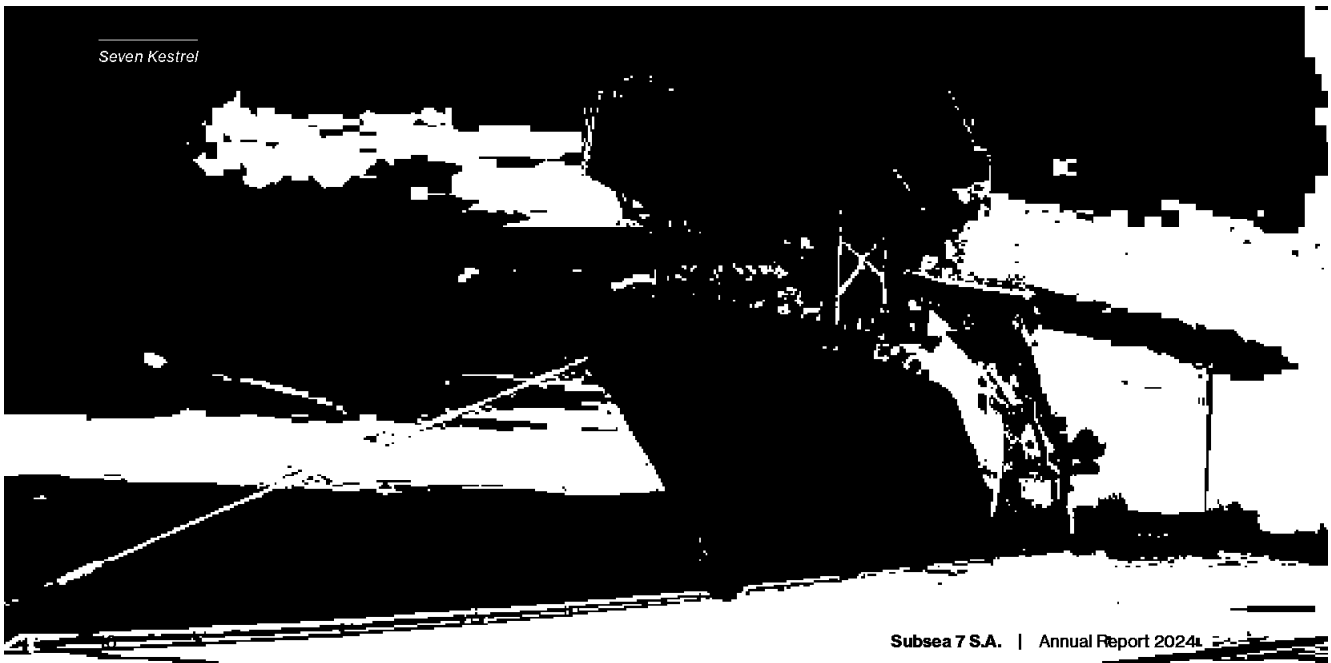
Our Subsea and Conventional business unit is a world leader in delivering complex offshore projects to the oil and gas industry. It operates under the Subsea7 brand. It predominantly includes the financial results for our **Lower Carbon Oil and Gas** strategy and also encompasses our activities in CCS.

In 2024, revenue from the Subsea and Conventional business unit increased 12% to \$5.5 billion, and Adjusted EBITDA improved to \$897 million from \$612 million in the prior year, resulting in a margin of 16.3%, up from 12.4%. This was driven by solid project execution as well as improved risk-reward within our backlog of subsea projects. Net operating income

was \$404 million, more than double the prior year's income of \$196 million.

During the year, utilisation of our vessels in Subsea and Conventional was high. Key offshore activities included the Bacalhau and Mero 3 projects in Brazil and the Sangomar project in Senegal. In Australia, our vessels were active on the Scarborough and Barossa developments. We substantially completed Marjan 2, in Saudi Arabia, as well as the Gas to Energy project in Guyana. The Northern Lights project in Norway also saw completion of offshore activities.

As part of our alliance with Aker BP, our facilities at Vigra and Wick were active welding pipelines and fabricating bundle pipelines for the Skarv, Fenris and Yggrasil fields in Norway. We also completed some early offshore work, laying the first production pipeline and bundle. In addition, several large projects in the engineering and procurement phases made



Seven Kestrel



progress during the year, including Sakarya Phase 2 in Türkiye and Búzios 8 in Brazil.

Backlog

In 2024, notable new awards included Búzios 9 in Brazil, Trion in the Gulf of Mexico and additional scopes at Sakarya. In addition, we were awarded four three-year contracts for our PLSVs in Brazil. Overall, our order intake in Subsea and Conventional in 2024 was \$6.7 billion, a book-to-bill ratio of 1.2 times, and our backlog increased 6% to \$9.0 billion. Of this, \$4.8 billion is for execution in 2025. Tendering activity remains high.

Capital expenditure

In 2024, organic reinvestment in Subsea and Conventional fell to \$145 million from \$156 million in the prior year and focused on dry docking costs, maintenance and minor upgrades. We also completed the investment in OneSubsea, with the final payment of \$153 million, and we acquired a heavy construction vessel, now named *Seven Merlin*, for \$83 million.

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 2024 financial results. As such, this business unit aligns with our **Renewables and Emerging Energies** strategy.

In 2024, revenue from the Renewables business unit increased 29% to \$1.2 billion, and Adjusted EBITDA improved to \$185 million from \$103 million in the prior year, resulting in a margin of 15.0%, up from 10.7%. This was driven by a strong focus on execution and greater selectivity in project bidding to ensure a favourable balance of risk and reward. Net operating income was \$53 million, up from a prior year loss of \$74 million.

During the year, *Seaway Strashnov* and *Seaway Alfa Lift* were active in the UK on Dogger Bank A and B and Moray West, while in Germany, *Seaway Ventus* completed its inaugural turbine installation scopes at Gode Wind 3 and Borkum Riffgrund 3. Our cable-lay vessels, *Seaway Aimery*, *Seaway Phoenix* and (on charter) *Maersk Connector*, were active in Taiwan and the US on the Yunlin, Zhong Neng, Hai Long and Revolution projects.

Backlog

In 2024, notable new awards included the Baltica 2 substation scope in Poland, East Anglia Two and Hornsea 3 cable-lay projects in the UK and an incremental scope at Dogger Bank for turbine installation. Our Renewables backlog increased 6% to \$2.1 billion, of which \$1.0 billion is for execution in 2025. Tendering activity remains high and, despite political change in certain geographies, we are confident in the long-term potential for backlog growth.

Capital expenditure

In 2024, capital expenditure in Renewables fell to \$73 million from \$400 million in the prior year following the delivery of new build vessels *Seaway Alfa Lift* and *Seaway Ventus*. Reinvestment was focused on vessel maintenance and minor upgrades.

2024 FINANCIAL RESULTS

ORDER INTAKE

\$8.2bn



BACKLOG BY YEAR OF EXECUTION

\$11.2bn



REVENUE

\$6.8bn



ADJUSTED EBITDA

\$1,090m



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COMMITTED TO OPERATING IN A SAFE AND ETHICAL MANNER

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.

2024 at a glance

Below are some key figures from 2024 across all sustainability dimensions.

Cumulative power capacity of renewables projects supported to end of 2024

15.8GW

(2023: 11.9GW)

GHG emissions intensity ratio

109

Scope 1 GHG tCO₂-e/\$ millions revenue (2023: 110)

Purchased onshore electricity from renewable energy tariffs

74%

(2023: 69%)

Lost-time injury frequency

0.04

rate per 200,000 hours worked (2023: 0.03)

Women in top management positions^{1,2}

20%

(2023: 16%)

Employees completing cybersecurity e-learning

99%

(2023: 97%)

Employees completing compliance and ethics e-learning including anti-corruption^{1,3}

100%

of target population (2023: 98% of target population)

Percentage of suppliers with a contract that included human rights clauses

85%

(2023: 83%)

Environmental incident frequency

0.9

rate per 200,000 hours worked (2023: 1.18)

1. Metric is consistent with the Sustainability Statements.
 2. Top management includes the Executive Management Team and the Leadership group.
 3. Percentage has been rounded to 100%. The actual is 99.7%.

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 create long-term value for both 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 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 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 64 to 121.

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 64 to 121.

Moving towards the new disclosure requirements

With the corporate sustainability reporting landscape evolving, Subsea7 has been preparing itself for the EU Corporate Sustainability Reporting Directive (CSRD). Throughout 2024, Subsea7 focused on its sustainability disclosures in accordance with the applicable European Sustainability Reporting Standards (ESRS) as set forth by the CSRD. The process included updating our materiality assessment based on a double materiality approach and providing transparency 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 64



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.

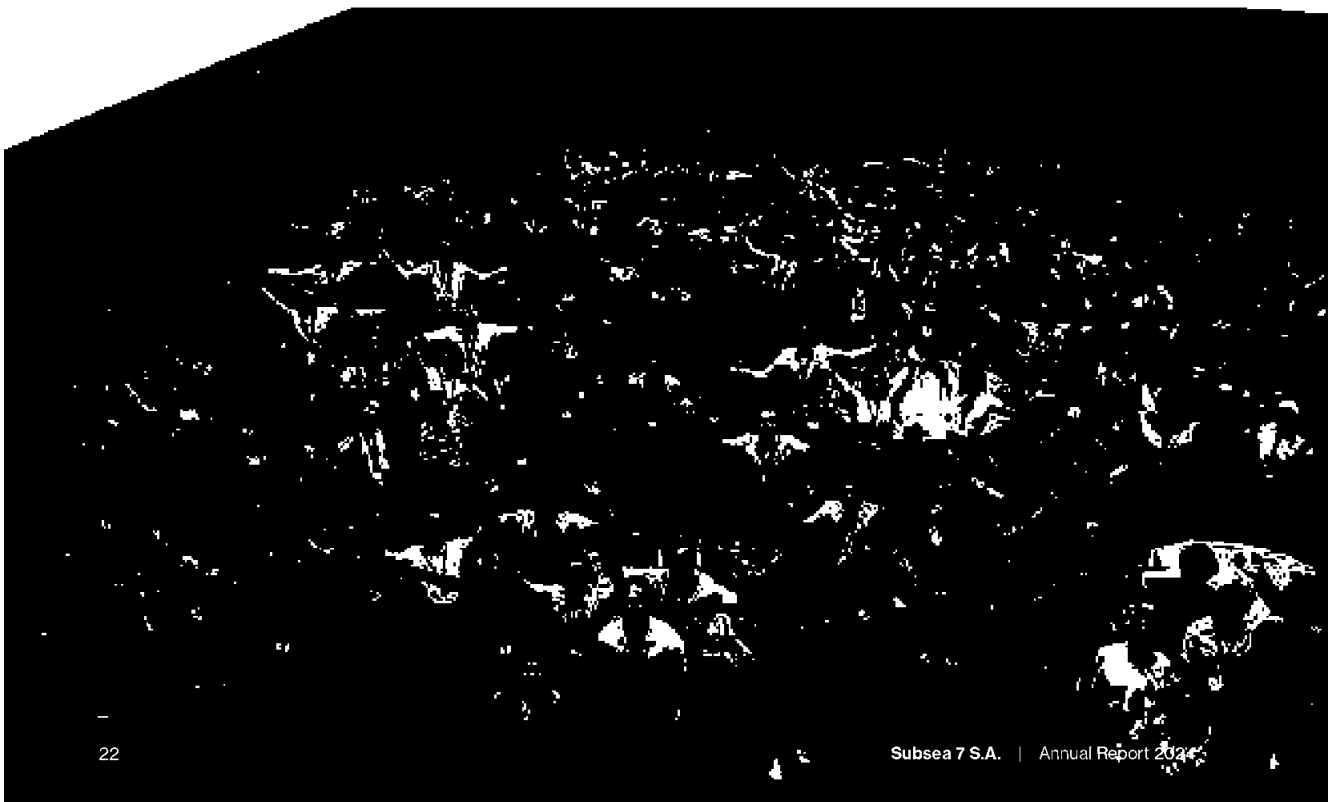
2024 highlights

In 2024, 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. In 2024, over 3,200 of our offshore and onshore employees were nominated for 'Being7 Stars' by their colleagues in recognition of fostering inclusivity at work.

Learning and development

The commitment to learning and development continued in 2024. We continued our Project Manager Diploma, Management Development, Leadership, and Safety Leadership programmes and introduced three new programmes to our Academy 7 suite: 'Project Success', 'Commercial Awareness' and the 'Rise' career development programme. We welcomed 184 new graduates to our 2024 class. Our annual Festival of Learning, themed 'Our Business Performance' attracted over 7,000 attendees participating in more than 80 sessions.





Diversity and inclusion

We maintain our focus on four pillars: inclusive culture, gender balance, nationality balance and the recruitment pipeline. After a successful pilot, we have globally launched our '7Ally Upstander' programme to our people on and offshore, tackling inappropriate workplace behaviour and promoting upstander behaviours and allyship. Offshore permanent female hires rose from 8% to 12%, while onshore permanent female hires rose from 38% in 2023 to 42% in 2024. We supported inclusivity by bringing more diverse thoughts, genders and under-represented nationalities through conversion programmes both onshore and offshore as well as investing in a Women in Business cohort.

Health and wellbeing

As an employer that genuinely cares about our employees, we recognise the importance of providing health and wellbeing support. In 2024, we simplified access to our Employee Assistance Programme to ensure all our employees can quickly obtain the support they need, when they need it.

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 and dedicated on-demand wellbeing podcasts. In 2024, 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 Health: A Male's Perspective' attracted over 600 attendees and served as a catalyst to encourage more open conversations. Local offices are creating space for discussion on important topics such as menopause, through speaker sessions and in-person coffee breaks, further enhancing our Being7 culture by fostering open and inclusive discussions.

OUR PEOPLE

NATIONALITY MIX



AGE MIX



Note: 1% of headcount not recorded

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 has oversight of the Group's risk management activities and internal control processes. 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, comprising members of the Group's Executive Management Team, meets to review and discuss the Group's principal and



Seven Oceans and Seven Vega

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priority risks and its risk management procedures and reports to the Chief Executive Officer.

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.

Risk management and internal control

The Board of Directors is responsible for oversight of the Group's system of risk management and internal control and for reviewing 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

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 46.

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.

- 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-whollyowned subsidiaries, joint ventures and associates by the Joint Venture Steering Committee.

The Group's internal audit function, which reports directly to the Audit Committee, performs independent reviews of key business financial processes and controls and other areas considered to be of high business risk. The Audit 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



RISK MANAGEMENT OVERVIEW *CONTINUED*

MARKET RISKS

RISK

Strategic

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 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. With attractive economic returns for clients, deepwater projects, once sanctioned, are rarely deferred, giving good visibility on the 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.

From time-to-time, the Group may engage in strategic business combinations, partnerships, joint ventures and acquisitions to support growth and market position. This brings risk in the form of potentially incorrect assessments of the target market, new and inherited legal and contractual liabilities, as well as operational and financial risks. It also carries the risk of failure to integrate new business combinations and their resources into the Group, and failing to deliver the Group's strategic objectives.



MARKET RISKS CONTINUED

MITIGATION

Strategic

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 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.

The Group utilises both internal resources and external advisers to perform thorough due diligence and ensures that an experienced management team is deployed to manage merger and acquisition opportunities. These teams ensure that operational management is engaged in the various phases of the transaction and subsequent integration phase post-completion to facilitate successful execution.

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.

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RISK MANAGEMENT OVERVIEW *CONTINUED*

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 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.

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RISK MANAGEMENT OVERVIEW *CONTINUED*

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 2024, 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 64 to 121, along with details of how these areas help shape the Group's strategy.

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RISK MANAGEMENT OVERVIEW *CONTINUED*

ORGANISATION AND MANAGEMENT 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 CONTINUED

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 Statement on pages 64 to 121.

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.

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RISK MANAGEMENT OVERVIEW *CONTINUED*

ORGANISATION AND MANAGEMENT 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. In 2024, the Group commenced a programme for upgrading its Enterprise Resource Planning (ERP) system, SAP, to SAP S/4HANA. The ERP system is an essential operating system for our business. The risks of not managing the upgrade of this critical system effectively could result in prolonged outages leading to significant business interruption, loss of data, additional time and expense and reputational damage. The Group's investment in its digitalisation programme combined with the acquisition of data-driven businesses 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
- 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 has highly skilled teams managing its critical systems and processes, utilising both in-house capabilities and external specialists to respond to system outages and to ensure the smooth transition and delivery of any upgrades such as SAP S/4HANA. The Group recognises the increased frequency of cybersecurity threats and events and takes this risk seriously. 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 and respond 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.

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

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.

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

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RISK MANAGEMENT OVERVIEW *CONTINUED*

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.

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 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.

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.



DELIVERY AND OPERATIONAL RISKS CONTINUED

RISK

Supply chain

In the current period of increased activity for the Group, there is a risk that the supply chain does not or cannot react at the same pace as demand and, hence, insufficient capacity causes a deterioration in the quality of the product or service, extended lead times or the inability to secure products. A reduced choice of suppliers would affect 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. The war in Ukraine and consequent sanctions on Russia, increasing threats of trade sanctions and trade tariffs from certain jurisdictions and the likely retaliations, as well as other geopolitical challenges, 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.

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RISK MANAGEMENT OVERVIEW *CONTINUED*

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.



DELIVERY AND OPERATIONAL RISKS CONTINUED

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 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.

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RISK MANAGEMENT OVERVIEW *CONTINUED*

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 costs-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.



FINANCIAL RISKS CONTINUED

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.

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GOVERNANCE AT A GLANCE

OUR BOARD IN 2024

The areas listed below, on which we report on the pages indicated, are aligned with the Norwegian Code of Practice for Corporate Governance.

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SKILLS AND EXPERIENCE

Core Industry	6/7
Financial/ Audit & Risk	5/7
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Senior Executive	5/7
ESG/ Sustainability	6/7
Technical/ Engineering	5/7
Health and Safety	4/7
International Markets	6/7
M&A/ Capital Markets	6/7
Cybersecurity/ IT	1/7

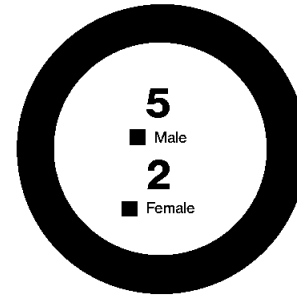
2024 MEETING ATTENDANCE

	Board	Audit and Sustainability Committee*	Corporate Governance, Nominations and Risk Committee*	Compensation Committee
Kristian Siem**	7/7		4/4	4/4
David Mullen	7/7	6/6	4/4	
Jean Cahuzac	7/7			4/4
Niels Kirk	7/7		4/4	4/4
Eldar Sætre	7/7	6/6		
Louisa Siem	7/7			
Elisabeth Proust Van Heeswijk	7/7	6/6		
Total Meetings in 2024	7	6	4	4

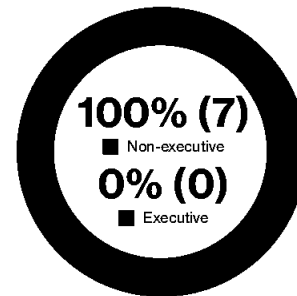
* A joint session of the Audit and Sustainability Committee and the Corporate Governance, Nominations and Risk Committee was held on 27 February 2024 at which all members of both committees were present.

** Following the appointment of Treveri S.å r.l. at the AGM on 18 April 2023, Kristian Siem attended meetings in his capacity as the permanent representative of Treveri S.å r.l.

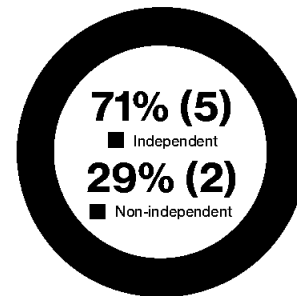
GENDER DIVERSITY



BOARD EXECUTIVES

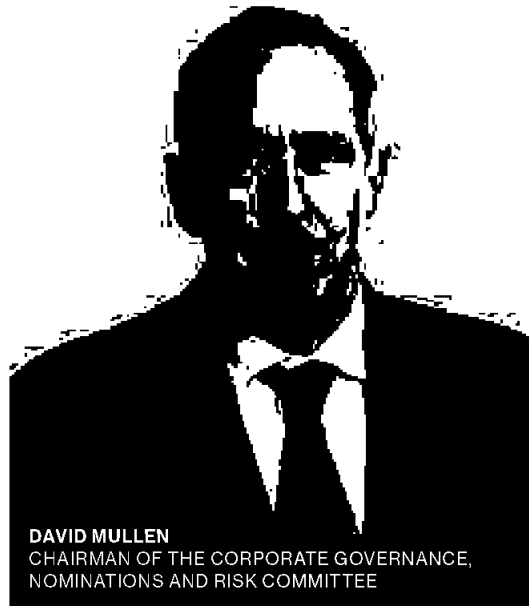


BOARD INDEPENDENCE



GOVERNANCE OVERVIEW

RESPONSIBLE CORPORATE GOVERNANCE WITH A FOCUS ON A SUSTAINABLE FUTURE



DAVID MULLEN
CHAIRMAN OF THE CORPORATE GOVERNANCE,
NOMINATIONS AND RISK COMMITTEE

As Chairman of the Corporate Governance, Nominations and Risk Committee and Senior Independent Director, my goal is to provide independent oversight and a constructive challenge in order to ensure that the Company has responsible corporate governance in place to meet the challenges of the present and the future.

The work of the Board during 2024

During 2024 the Board continued to focus on strategic initiatives while being mindful of the evolving regulatory environment. The Corporate Governance, Nominations and Risk Committee has assumed responsibility for providing oversight of risk, in addition to compliance, ethics and human rights. We recognise the importance of Board-level monitoring of the development and implementation of sustainability, both to support our ambitions in the energy transition and to ensure compliance with relevant regulations.

Focus on risk

The committee was renamed as the Corporate Governance, Nominations and Risk Committee and this change will enhance Subsea7's risk management framework and provide governance to ensure that risk management practices are aligned with our objectives and regulatory requirements. The committee will provide oversight on the enterprise risk management and ensure the right level of focus is directed on those risks with the combined highest likelihood of occurrence and severity.

Board appointments and diversity

During 2024 the Corporate Governance, Nominations and Risk Committee carried out a review of the Board Diversity Policy. The overriding objective of the Board Diversity Policy is to ensure an inclusive and diverse Board with a balance of skills, expertise and experience to guide Subsea7. With this in mind, an assessment of the skills, expertise and experience of the Board was carried out and a table summarising the expertise and skills of the Board is available on page 44. It has been recognised since 2022 that gender diversity is an area for improvement for the Board and during 2024, the Corporate Governance, Nominations and Risk Committee continued to actively seek female candidates having regard to the range of skills needed to enhance the Board.

Board evaluation

The periodic external, independent evaluation of the Board was conducted in the first quarter of 2025. The evaluation was based on a questionnaire and interview process and looked at the Board's operational effectiveness. This included the performance of the Chairman, along with their engagement with the CEO and executives. The review specifically addressed a range of key areas, including Board composition, strategy, and the business model. All aspects of corporate governance were evaluated including documentation, Board performance and behaviour and the effectiveness of committees. The engagement with both external and internal stakeholders by the Board was also evaluated. Overall, the evaluation found that the Company has an effective Board, while also providing some valuable recommendations to enhance performance. The Board received detailed feedback in February 2025 and we will be working throughout 2025 to make improvements to Board practices based upon the recommendations.

Sustainability

Sustainability has been a key area of focus for the Board this year as we have made preparations to comply with the EU Corporate Sustainability Reporting Directive and publish our first Sustainability Statements, which you can read on pages 64 to 121. In addition, the decision was made to expand the remit of the Audit Committee to include oversight of sustainability and the committee was renamed as the Audit and Sustainability Committee. While it is not certain whether the Luxembourg legislation implementing the EU Corporate Sustainability Reporting Directive will be in force at the time of publication, Ernst & Young S.A. were appointed at the annual general meeting of shareholders in 2024 to provide a limited assurance opinion on the Sustainability Statements, and the extended responsibilities of the Audit and Sustainability Committee include monitoring the sustainability reporting processes as well as the assurance of sustainability disclosures.

2024 was a testament to our commitment to responsible corporate governance, strategic goals, stakeholder expectations, and the energy transition. As we look to the future, we remain dedicated to building on these achievements and driving sustainable growth. Our efforts have laid a strong foundation for continued success, and we are confident in our ability to navigate the challenges and opportunities that lie ahead.

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BOARD OF DIRECTORS

BOARD OF DIRECTORS



KRISTIAN SIEM*
CHAIRMAN

Committee membership



Skills and experience

Mr Siem brings an extensive knowledge of the offshore oil and gas services business worldwide from previous senior executive and non-executive roles, combined with long-standing experience as chairman of public companies listed in the US, UK and Norway. Mr Siem is the founder of Siem Industries Group and has been Director and Chairman of Siem Industries S.A. since 1982. Prior to joining the Group, he held several management positions with the Fred Olsen Group in the US and Norway. Mr Siem has previously held directorships and executive positions at Kvaerner ASA, Transocean Inc., NKT and Norwegian Cruise Line. He holds a degree in Business Economics.

Date of appointment

Appointed Non-Executive Director and Chairman of Subsea 7 S.A. from January 2011, upon the merger of Acergy S.A. and Subsea 7 Inc. Mr Siem was Chairman of Subsea 7 Inc. from January 2002.

Key external appointments

Chairman of Siem Industries S.A., Director of Treveri S.à.r.l., Siem Shipping Inc. and Frupor S.A.

Nationality and date of birth



1949

Tenure

Elected by shareholders on 18 April 2023 until the 2025 AGM.

* Kristian Siem is the permanent representative of Treveri S.à.r.l. on the Board of Directors. Treveri S.à.r.l. – a Luxembourg-incorporated company wholly owned by Kristian Siem – was appointed Director and Chairman on 18 April 2023.



DAVID MULLEN
SENIOR INDEPENDENT DIRECTOR**

Committee membership



Skills and experience

Mr Mullen brings over 40 years' experience in the oil services business. Until August 2024, Mr Mullen was CEO of Shelf Drilling Limited and has previously held the position of CEO at two other companies in the subsea industry, Wellstream Holdings PLC and Ocean Rig ASA. Prior to these appointments he was Senior Vice President of Global Marketing, Business Development and M&A at Transocean from 2005 to 2008. Mr Mullen also had a 23-year career at Schlumberger, including as President of Oilfield Services for North and South America. He holds a Bachelor of Arts degree in Geology and Physics from Trinity College, Dublin, and an MSc degree in Geophysics from the National University of Ireland.

Date of appointment

Appointed a Non-Executive Independent Director from April 2018 and Senior Independent Director from January 2021.

Key external appointments

Executive Chairman of Shelf Drilling Limited.

Nationality and date of birth



1958

Tenure

Re-elected by shareholders on 2 May 2024 until the 2026 AGM.

** 'Independent' is defined by the rules and codes of corporate governance of the Oslo Børs Stock Exchange on which Subsea 7 S.A. is listed, which the Board must satisfy; in particular the Norwegian Code of Practice for Corporate Governance. Under the terms of the Company's Articles of Incorporation, Directors may be elected for terms of up to two years and serve until their successors are elected. Under the Company's Articles of Incorporation, the Board must consist of not fewer than three Directors.



ELDAR SÆTRE
INDEPENDENT DIRECTOR**

Committee membership



Skills and experience

Mr Sætre brings a wealth of experience in the energy sector combined with extensive knowledge of accounting and finance. Mr Sætre was President and CEO of Equinor from February 2015 until he stepped down in November 2020. As CEO he was extensively engaged in transforming the cost base of the company and creating a more resilient global business. Prior to becoming CEO, Mr Sætre held several senior management positions in the company, mainly in the fields of accounting, finance and performance management as well as marketing and trading. Mr Sætre has an MA in Business Economics from the Norwegian School of Economics and Business Administration (NHH) in Bergen.

During his time at Equinor Mr Sætre transitioned Equinor into a company focused on lower-carbon strategies and new energy solutions, and he also holds an advisory role at Nysno Climate Investments, making him ideally suited to provide the Board with expertise on sustainability, including climate-related matters.

Date of appointment

Appointed a Non-Executive Independent Director from June 2021.

Key external appointments

Director of Fjord Base Holding AS and Trucknor AS. Chairman of the boards of Strømberg Gruppen AS, Vartdal Holding AS and Vartdal Plastindustri AS. Advisory role at Nysno Climate Investments.

Nationality and date of birth



1956

Tenure

Re-elected by shareholders on 18 April 2023 until the 2025 AGM.



Committee key

● Chairman

● Compensation Committee

● Corporate Governance, Nominations and Risk Committee

● Audit and Sustainability Committee

● Tender Committee



NIELS KIRK
INDEPENDENT
DIRECTOR**

Committee membership

● ●

Skills and experience

Mr Kirk brings to the role over 40 years of international corporate and structured finance experience combined with extensive knowledge of the energy, power and resource sectors at executive level. He is a co-founder and Chief Executive of the energy advisory firm Kirk Lovegrove and Company Ltd, an FCA regulated energy advisory firm based in London. Prior to this, he worked at Citibank and Banque Paribas.

Mr Kirk holds an MBA in Finance and International Business from the Stern School at New York University.

Mr Kirk's extensive experience of the energy sector overlaid with his international corporate and structured financial risk management experience, makes him well placed to provide the Board with expertise on risk including cybersecurity.

Date of appointment

Appointed a Non-Executive Independent Director from April 2018.

Key external appointments

Co-founder and CEO of Kirk Lovegrove and Company Ltd.

Nationality and date of birth



Tenure

Re-elected by shareholders on 2 May 2024 until the 2026 AGM.



JEAN CAHUZAC
INDEPENDENT
DIRECTOR**

Committee membership

● ●

Skills and experience

Mr Cahuzac has wide multi-country technical, commercial and general management experience in senior executive roles in the oil and gas services sector spanning a period of 40 years. He was appointed Chief Executive Officer of Acergy S.A. in 2008 and in 2011, post merger, became the Chief Executive Officer of Subsea 7 S.A., a position he held until his retirement in December 2019. Mr Cahuzac was Chief Operating Officer and then President at Transocean from 2000 to 2008. He worked at Schlumberger from 1979 to 1999 in various field management positions and then as President of Sedco Forex. He holds a Master's degree in Engineering from École des Mines de St-Étienne and is a graduate of the French Petroleum Institute in Paris.

Date of appointment

Appointed a Director from May 2008 (then named Acergy S.A.).

Key external appointments

Member of the Supervisory Board of Société Phocéenne de Participations. Member of the Board of Directors, Seadrill Limited.

Nationality and date of birth



Tenure

Re-elected by shareholders on 2 May 2024 until the 2026 AGM.



LOUISA SIEM
DIRECTOR

Skills and experience

Ms Siem brings youth and a different perspective to the Board as an artist who holds a Bachelor of Fine Arts degree from the Ruskin School of Art at Oxford University. She has exhibited her work internationally, working as a multidisciplinary artist. She focuses predominantly on video and sculpture. Ms Siem is the daughter of Mr Kristian Siem and has been selected by Siem Industries S.A. in accordance with the relationship agreement entered into between Subsea 7 Inc., Subsea 7 S.A. (then Acergy S.A.), and Siem Industries S.A. (then Siem Industries Inc.) on 20 June 2010, in respect of the combination of Subsea 7 Inc. and Acergy S.A., which was completed on 7 January 2011.

Ms Siem has a particular interest in biodiversity and has agreed to work with Subsea7 management to enhance her understanding of the subject as the Board's focal point for biodiversity.

Date of appointment

Appointed a Non-Executive Director from June 2021.

Key external appointments

Director of Siem Industries S.A.

Nationality and date of birth



Tenure

Re-elected by shareholders on 18 April 2023 until the 2025 AGM.



ELISABETH PROUST VAN HEESWIJK
INDEPENDENT
DIRECTOR**

Committee membership

●

Skills and experience

Ms Proust Van Heeswijk has extensive multi-country experience in the oil and gas sector at an executive level after spending more than 40 years at Total. With a background in engineering, she began her career as a drilling engineer at ELF, becoming a development engineering and project management specialist, which led to her appointment as the first female Vice President for Development Engineering for Total worldwide. Her experience at Total included senior leadership positions as Managing Director of Total's affiliates in Indonesia, Nigeria and the UK. Ms Proust Van Heeswijk holds a Master's degree in Engineering/Hydrodynamics from Ecole Centrale de Nantes and is a graduate of the French Petroleum Institute in Paris. While at Total, Ms Proust Van Heeswijk was a member of the Diversity Council and Ethics Committee, which oversaw human rights matters, and as such she is well placed to provide the Board with expertise on labour practices and human rights.

Date of appointment

Appointed a Non-Executive Independent Director on 18 April 2023. Ms Proust Van Heeswijk previously served on the Board of Directors between April 2019 and April 2021.

Nationality and date of birth



Tenure

Re-elected by shareholders on 18 April 2023 until the 2025 AGM.

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EXECUTIVE MANAGEMENT TEAM

EXECUTIVE MANAGEMENT TEAM



JOHN EVANS
CHIEF EXECUTIVE OFFICER

Skills and experience

John has over 35 years of experience in the oil and gas services industry, primarily in the SURF and offshore engineering and construction sectors. He started his career in 1986, working with Brown & Root, and built a successful track record in both general management, and commercial and operational roles, in the offshore oil and gas industry.

Prior to his current appointment, from July 2005 John held the position of Chief Operating Officer of Subsea7.

John has a Bachelor of Engineering degree in Mechanical Engineering from Cardiff University, is a Chartered Mechanical and Marine Engineer and a Chartered Director.

Date of appointment

John has been Chief Executive Officer since January 2020.

Nationality and date of birth



1963



MARK FOLEY
CHIEF FINANCIAL OFFICER

Skills and experience

Mark started his career in 1996 with the UK Government's Economic Service. In 2000, he joined Royal Dutch Shell and held several finance positions with increasing responsibility. Between 2011 and 2012, he was Vice President Finance for Baker Hughes in Europe and, from 2012 to 2017, he was Group Financial Controller for Subsea7. In October 2021, he returned to Subsea7 from Petrofac where he was Group Financial Controller and Senior Vice President Finance for its Engineering & Construction business unit.

Mark has undergraduate and postgraduate degrees in Economics from the Universities of Stirling and Strathclyde respectively, an MBA from the University of Warwick, and is a Fellow of the Association of Chartered Certified Accountants.

Date of appointment

Mark has been Chief Financial Officer since January 2022.

Nationality and date of birth



1973



OLIVIER BLARINGHEM
EXECUTIVE VICE PRESIDENT – SUBSEA AND CONVENTIONAL

Skills and experience

Olivier started his career in the oil and gas engineering and contracting sector in 1995, working for seven years with Entrepose Contracting in project management and commercial roles, based in Nigeria, China and France.

Since joining Subsea7 in 2002, Olivier has held a number of country, regional and corporate management positions based in the North Sea, Africa, Asia and the Middle East. In 2016, Olivier was appointed Vice President of Asia Pacific and the Middle East until his appointment to Executive Vice President – Subsea and Conventional in January 2020.

Olivier has a degree in Mechanical and Electrical Engineering from the Ecole Spéciale des Travaux Publics in Paris.

Date of appointment

Olivier has been Executive Vice President – Subsea and Conventional since January 2020.

Nationality and date of birth



1970



PHILLIP SIMONS
EXECUTIVE VICE PRESIDENT – PROJECTS AND OPERATIONS

Skills and experience

Phil began his career in 1987 in offshore drilling, until 1992 when he became an engineer for pipeline installation contractor European Marine Contractors. Phil has more than 20 years' experience in the subsea pipelines business.

Phil joined Subsea7 in Aberdeen in 2004 as a senior project manager and in 2011 was appointed Vice President for Canada, Mediterranean and Russia. In 2013 he was appointed Vice President for UK and Canada before taking up the role of Vice President for North Sea and Canada in 2016. In 2018 Phil was appointed Senior Vice President Global Projects and Operations.

Phil has a Bachelor of Engineering degree in Mining Engineering from the University of Leeds.

Date of appointment

Phil has been Executive Vice President – Projects and Operations since January 2020.

Nationality and date of birth



1966



NATHALIE LOUYS
GENERAL COUNSEL

Skills and experience

Nathalie began her legal career in 1986, working with Saint-Gobain and Eurotunnel, gaining extensive legal experience across various industries. In 1996 she joined Technip, based in Paris, progressing to the role of Vice President Legal – Offshore.

In 2006 Nathalie joined Subsea7 performing senior corporate and operational legal roles. Prior to her current appointment Nathalie was Vice President Legal – Commercial.

Nathalie has been admitted to the Paris Bar and has legal qualifications from University Paris I – Panthéon Sorbonne and Paris XI in France and the University of Kent in the UK.

Date of appointment

Nathalie has been General Counsel since April 2012.

Nationality and date of birth



KATHERINE LYNE
EXECUTIVE VICE
PRESIDENT – HUMAN
RESOURCES

Skills and experience

Kate began her career in the power generation sector with Alstom, where she held roles in Belgium, France, the UK and the US. In 2004 she moved to Imerys where she was initially HR Director for the Paper division before being appointed as HR Director for the Ceramics, Refractories, Abrasives, and Foundry business based in Paris.

In 2012 Kate joined Subsea7 as Vice President Group Human Resources, a role which she held until her current appointment.

Kate has a business degree from the University of Brighton and is a fellow of the Chartered Institute of Personnel and Development.

Date of appointment

Kate has been Executive Vice President – Human Resources since September 2019.

Nationality and date of birth



MARCELO XAVIER
EXECUTIVE VICE
PRESIDENT – STRATEGY
AND SUSTAINABILITY

Skills and experience

Marcelo began his career in Subsea7 in 2001 as a pipeline engineer and over the last 20 years has held a number of operational and commercial roles within the Subsea7 Group.

In 2017, Marcelo was appointed Vice President for Brazil after three years working for the Africa region. In 2021, he was appointed Group Vice President for Sales and Marketing based in the UK.

Marcelo holds a Master's degree in Subsea Engineering from the Universidade Federal do Rio de Janeiro. He also holds a graduate degree in Mechanical Engineering from the Universidade Federal Fluminense in Brazil.

Date of appointment

Marcelo has been Executive Vice President – Strategy and Sustainability since April 2022.

Nationality and date of birth



STUART FITZGERALD
CHIEF EXECUTIVE
OFFICER – SEAWAY7

Skills and experience

Stuart began his career with a specialist marine engineering consultancy, progressing to Worley Engineering in Australia and Brunel. Stuart joined Subsea7 in 1998 and held operating and leadership positions within engineering, project management and sales at a Norway regional level until 2009, when he was appointed Vice President for Norway. From 2014 to 2018 he held the roles of Vice President Sales and Marketing and subsequently Vice President Strategy and Technology.

From 2018 Stuart held executive level positions in Subsea7 and was appointed Chief Executive Officer of Seaway7 in October 2021.

Stuart has a Bachelor of Engineering degree in Mechanical Engineering and a Bachelor of Science degree in Applied Mathematics from Monash University in Melbourne, Australia.

Date of appointment

Stuart has been Chief Executive Officer of Seaway7 since October 2021, and re-joined the Executive Management Team in July 2023.

Nationality and date of birth



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CORPORATE GOVERNANCE REPORT

2024 CORPORATE GOVERNANCE REPORT

REGULATORY COMPLIANCE

Board of Directors

**Kristian Siem (representative
of Treveri S.à r.l.)**

Chairman

David Mullen

Senior Independent Director

Eldar Sætre

Independent Director

Elisabeth Proust Van Heeswijk

Independent Director

Niels Kirk

Independent Director

Jean Cahuzac

Independent Director

Louisa Siem

Director

This section sets out the arrangements the Board has put in place to help ensure that it fulfils its corporate governance obligations, including the application of the principles of the Norwegian Code of Practice for Corporate Governance.

Legal and regulatory framework

Subsea 7 S.A. is a 'société anonyme' organised in the Grand Duchy of Luxembourg under the Company Law of 1915, as amended, being incorporated in Luxembourg in 1993, and acts as the holding company for all of the Group's entities.

Subsea 7 S.A.'s registered office is located at 412F, route d'Esch, L-1471 Luxembourg. The Company is registered with the Luxembourg Register of Commerce and Companies under the designation 'R.C.S. Luxembourg B 43172'. As a company incorporated in Luxembourg and with shares traded on the Oslo Stock Exchange and American Depositary Receipts (ADRs) traded over the counter in the US, Subsea 7 S.A. is subject to Luxembourg laws and regulations with respect to corporate governance.

As a company listed on the Oslo Stock Exchange, where its shares are actively traded, the Company follows the Norwegian Code of Practice for Corporate Governance on a 'comply or explain' basis, where this does not contradict Luxembourg laws and regulations. The Norwegian Code of Practice for Corporate Governance is available at www.nues.no.

The Group's corporate governance policies and procedures are explained below, with reference to the principles of corporate governance as set out in the sections identified in the Norwegian Code of Practice for Corporate Governance dated 14 October 2021.

Articles of Incorporation – nature of the Group's business

As stated in its Articles of Incorporation, Subsea 7 S.A.'s business activities are as follows:

"The objects of the Company are to invest in subsidiaries which predominantly will provide subsea construction, maintenance, inspection, survey and engineering services, in particular for offshore energy related industries. The Company may further itself provide such subsea construction, maintenance, inspection, survey and engineering services, and services ancillary to such services.

"The Company may, without restriction, carry out any and all acts and do any and all things that are not prohibited by law in connection with its corporate objects and to do such things in any part of the world whether as principal, agent, contractor or otherwise. More generally, the Company may participate in any manner in all commercial, industrial,



financial and other enterprises of Luxembourg or foreign nationality through the acquisition by participation, subscription, purchase, option or by any other means of all shares, stocks, debentures, bonds or securities; the acquisition of patents and licences which it will administer and exploit; it may lend or borrow with or without security, provided that any monies so borrowed may only be used for the purposes of the Company, or companies which are subsidiaries of or associated with or affiliated to the Company; it may grant assistance, including, without limitation, grant parent company guarantees, to any affiliated company and take any measure for the control and supervision of such companies; in general it may undertake any operations directly or indirectly connected with these objects."

The full text of the Company's Articles of Incorporation, as amended, is available on Subsea7's website.

Business

The Board of Directors has set strategies and targets for the Company's business. Since 1 January 2021, the Group has structured itself around its diversified strengths, reporting through two operational business units: Subsea and Conventional, and Renewables.

The Subsea and Conventional business unit is a global leader in offshore energy services, delivering design, EPCI and decommissioning projects in all water depths, operating under the Subsea7 brand.

The Renewables business unit is an experienced partner for the delivery of offshore wind farm projects and specialist foundations and cable-lay services, mainly operating under the Seaway7 brand.

Further details of the Group's business units are outlined in the 'Our Strategy' and 'Business Unit Review' sections on pages 14 to 17.

Board of Directors: composition and independence

As a Luxembourg-incorporated entity, the Company does not have a corporate assembly.

The Board of Directors comprises seven Directors. During the year ended 31 December 2024, as permitted by Luxembourg law, the Subsea7 employees were not represented on the Board of Directors. The majority of the Directors were, during the year ended 31 December 2024, considered independent in accordance with both the rules of the Oslo Stock Exchange, on which Subsea 7 S.A. is listed, and the independence criteria of the Norwegian Code of Practice for Corporate Governance.

The Board has a Senior Independent Director elected from among its independent members to provide a sounding board for the Chairman and to serve as an intermediary for the other Directors when necessary.

Biographies of the individual Directors are detailed on pages 44 to 45.

The charters of the permanent committees do not permit executive management to be members. The composition of the Company's Board of Directors and the controls to avoid conflicts of interest are in accordance with both Luxembourg company law and good corporate governance practice.

The Board of Directors has adopted a Board Diversity Policy, the purpose of which is to ensure an inclusive and diverse membership of the Board of Directors and that the Board as a whole has the skills, expertise and experience to guide the business and strategy of the Company for the benefit of its shareholders as a whole, having regard to the interests of all its stakeholders.

The Board Diversity Policy, as referenced on page 43, is applicable to the Board only but sits alongside the Company's Code of Conduct and associated global policies, which set out the Company's broader commitment to diversity and inclusion. Other details of the Company's practices and initiatives in relation to diversity are disclosed on page 43.

The Board of Directors' objective is to have at least 30% female representation on the Board, with a commitment to have a minimum of one female Director.

The Corporate Governance, Nominations and Risk Committee is responsible for ensuring that the Board has the right balance of competencies, skills, experience and knowledge and shall, among other things, report annually, in the Company's Annual Report, on the implementation of the Board Diversity Policy and other matters as required by regulatory and statutory requirements applicable to the Company.

Prior to proposing candidates to the relevant general meeting for election to the Board of Directors, the Corporate Governance, Nominations and Risk Committee seeks to consult with the Company's major shareholders.

Directors are elected by a general meeting for a term not exceeding two years and may be re-elected. Directors need not be shareholders. At a general meeting, the shareholders may dismiss any Director, with or without cause, at any time notwithstanding any agreement between the Company and the Director. Such dismissal may not prejudice the claims that a Director may have for indemnification as provided for in the Articles of Incorporation or for a breach of any contract existing between him or her and the Company.

If there is a vacancy on the Board of Directors, the remaining Directors appointed at a general meeting have the right to appoint a replacement Director until the next meeting of shareholders, which will be asked to confirm such appointment.

With the exception of a candidate recommended by the Board of Directors, or a Director whose term of office expires at a general meeting of the Company, no candidate may be appointed unless at least three days and no more than 22 days before the date of the relevant meeting, a written proposal, signed by a duly authorised shareholder, shall have been deposited at the registered office of the Company together with a written declaration, signed by the proposed candidate, confirming his or her wish to be appointed.

The Directors of the Board are encouraged to hold shares in the Company as the Board of Directors believes it promotes a common financial interest between the members of the Board of Directors and the shareholders of the Company. Details of the Directors' shareholdings are on page 63.

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WORK OF THE BOARD OF DIRECTORS

The Board of Directors adheres to the Board Charter, which sets out the instructions for the Board.

The main responsibilities of the Board of Directors are:

1. Setting the Values used to guide the affairs of the Group. This includes the Group's commitment to achieving its health and safety vision and the Group's adherence to the highest ethical standards in all of its operations worldwide.
2. Integrating environmental improvement into business plans and strategies and seeking to embed sustainability and climate-related matters into the Group's business processes.
3. Overseeing the Group's compliance with its statutory and regulatory obligations and ensuring that systems and processes are in place to enable these obligations to be met.
4. Setting the strategy and targets of the Group.
5. Establishing and maintaining an effective corporate structure for the Group.
6. Overseeing the Group's compliance with financial reporting and disclosure obligations.
7. Overseeing the risk management of the Group.
8. Overseeing Group communications.
9. Determining its own composition, subject to the provisions of the Company's Articles of Incorporation.
10. Ensuring the effective corporate governance of the Group.
11. Setting the Remuneration Policy for the Directors, including the Non-Executive Directors' fees, as well as the CEO's remuneration, and approving the Remuneration Report as proposed by the Compensation Committee.
12. Setting and approving policies.

The Board of Directors' Charter is available on the Subsea7 website.

Responsibilities during the year

During the year, the Board of Directors sets a plan for its work for the following year, which includes a review of strategy, objectives and their implementation, the review and approval of the annual budget and the review and monitoring of the Group's current year financial

performance. In 2025, the Board of Directors is scheduled to convene on seven occasions, but the schedule is flexible to react to operational or strategic changes in the market and circumstances affecting the Group.

The Board of Directors has overall responsibility for the management of the Group and has delegated daily management and operations to the CEO, who is appointed by and serves at the discretion of the Board of Directors. The CEO is supported by the other members of the Executive Management Team, further details of which are on pages 46 to 47.

The Executive Management Team has the collective duty to deliver Subsea7's strategic, financial and other objectives, as well as to safeguard the Group's assets, organisation and reputation. The Board of Directors has internal regulations for its own operation and approves objectives for its own work, as well as the work of the Executive Management Team, with particular emphasis on clear internal allocation of responsibility and duties.

It is the duty of the Executive Management Team to provide the Board of Directors with appropriate, precise and timely information on the operations and financial performance of the Group in order for the Board of Directors to perform its duties. The Board of Directors has established a Corporate Governance, Nominations and Risk Committee, a Compensation Committee, a Tender Committee and an Audit and Sustainability Committee, each of which has a charter approved by the Board of Directors. Matters are delegated to the committees as appropriate. The Directors appointed to these committees are selected based on their experience and to ensure the committees operate in an effective manner. The minutes of all committee meetings are circulated to all Directors.

The performance and expertise of the Board of Directors is monitored and reviewed annually, including an evaluation of its composition and the manner in which its members function, both individually and as a collegiate body. In line with best practice, the evaluation of the performance of the Board of Directors is conducted by an external facilitator every third year. During 2024, the evaluation of the performance of the Board of Directors was conducted by an independent external facilitator and further details of this can be found on page 45.



Risk management and internal control

The Board of Directors acknowledges its responsibility for the Group's identification and management of risk along with the system of internal control and for reviewing the effectiveness of this system. The Group's system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable, not absolute, assurance against material financial misstatement or loss. The Board of Directors carries out an annual review of the Group's most important areas of exposure to risk and its internal control arrangements, having regard to the changing nature of risks and the Group's ability to cope with them.

The Group adopts internal controls appropriate to its business activities and geographical spread. The key components of the Group's system of risk management and internal control are described in the 'Risk Management' section on pages 24 to 41. The Group has in place clearly defined lines of responsibility and limits of delegated authority. Comprehensive procedures provide for the appraisal, approval, control and review of capital expenditure. An Executive Risk Committee meets bi-annually to review and discuss the Group's risk and risk management procedures and reports to the Board. The Executive Management Team also meets with functional senior management on a regular basis to discuss particular issues, including key operational and commercial risks, health and safety performance, sustainability and climate-related matters, environmental factors, and legal and financial matters.

The Group has a comprehensive annual planning and management reporting process. A detailed annual budget is prepared in advance of each year and supplemented by forecasts updated during the course of the year. Financial results are reported monthly to the Executive Management Team and quarterly to the Board of Directors and compared to budget, forecasts, market consensus and prior year results.

The Board of Directors reviews reports on actual financial performance and forward-looking financial guidance.

The Board of Directors derives further assurances from the reports of the Audit and Sustainability Committee. The Audit and Sustainability Committee has been delegated responsibility to review the effectiveness of the internal financial control systems implemented by management and is assisted by the Group's internal audit function and the external auditor where appropriate.

Sustainability

In accordance with its charter detailed on page 50, the Board of Directors is responsible for guiding the Company's strategy and setting targets in relation to sustainability and climate-related matters, and when defining the objectives, strategies and risk profiles for the Company's business activities, sustainability impacts, risks and opportunities are considered.

During 2024, the remit of the Audit Committee was expanded to include oversight of sustainability matters and the committee was renamed as the Audit and Sustainability Committee. The extended responsibilities include among others, monitoring sustainability reporting processes and the effectiveness of internal controls and risk management regarding the sustainability reporting process. The Audit and Sustainability Committee provides a report to the Board of Directors after every meeting and this enables a clear communication channel to the Board of Directors.

As detailed on page 53, the Audit and Sustainability Committee is chaired by Mr Eldar Sætre, who has recent and relevant experience in sustainability matters as detailed in his biography on page 44. Additionally, as summarised on page 43 an assessment of the skills, expertise and experience of the Board of Directors was carried out during 2024, and sustainability skills and expertise were reviewed as part of the assessment. The results revealed that six out of seven Directors have sustainability skills and experience of direct relevance to the Company's material impacts, risks and opportunities, including, but not limited to, climate strategy, health and safety, diversity and inclusion, labour practices and human rights, and cybersecurity and privacy. Director's biographies, which provide further details of their experience, are available on pages 44 to 45.

At management level, an Executive Sustainability Committee, comprised of the Executive Management Team meets regularly to review and discuss the Group's sustainability procedures and reports to the Board. Sustainability and climate-related matters represent a permanent feature on every routine Board agenda, allowing the Board of Directors to monitor and oversee the Company's progress in relation to its sustainability strategy and targets. This is in line with the Board's aim to carry out business in a manner that is sustainable for the Company's shareholders, having regard to financial, social and environmental considerations.

You can read further about sustainability governance on page 53.

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CORPORATE GOVERNANCE, NOMINATIONS AND RISK COMMITTEE

Committee members

David Mullen

Committee Chairman

Kristian Siem

Niels Kirk

The Board of Directors has established a Corporate Governance, Nominations and Risk Committee. The composition of this Committee is for the Board of Directors to determine in accordance with the Company's Articles of Incorporation. The Board of Directors believes that the committee, comprising certain members of the Board of Directors, the majority of whom are independent of the Company's main shareholders, has the most suitable level of understanding of the Company to carry out the duties of the committee.

The Corporate Governance, Nominations and Risk Committee's main responsibilities are:

1. Actively seeking and evaluating individuals qualified to become Directors of the Company and nominating candidates to the Board of Directors.
2. Periodically reviewing the composition and duties of the Company's permanent committees and recommending any changes to the Board of Directors.
3. Periodically reviewing the compensation of the Non-Executive Directors and making any recommendations to the Board of Directors.
4. Annually reviewing the duties and performance of the Chairman of the Board and recommending to the Board of Directors a Director for election by the Board of Directors to the position of Chairman of the Board.
5. Annually reviewing the Company's corporate governance guidelines, procedures and policies for the

Board of Directors and recommending to the Board of Directors any changes and/or additions thereto that it believes are desirable and/or required. These governance guidelines include the following:

- How the Board of Directors is selected and compensated (for example, the size of the Board, Directors' compensation, qualifications, independence, retirement and conflicts of interest).
 - How the Board of Directors functions (for example, procedures for Board meetings, agendas, committee structure and format and distribution of Board materials).
 - How the Board of Directors interacts with shareholders and management (for example, selection and evaluation of the CEO, succession planning, communications with shareholders and access to management).
6. Overseeing the annual evaluation of the Board of Directors' performance.
 7. Overseeing all aspects of Subsea7's compliance and ethics programme. This includes a regular review of the structure of the compliance function, the scope of its activities and the effective implementation of the programme (including procedures for employees to raise concerns about breaches of the Group's Code of Conduct and for such concerns to be investigated and remediated).
 8. Overseeing Subsea7's risk management framework and periodically reviewing the priority risks, including:
 - a regular review with the Head of Insurance and Risk, to discuss the performance and focus areas of the Executive Risk Committee as well as emerging risks; and
 - approval of the content for the 'Principal Risks' section of the Company's Annual Report.
 9. Annually reviewing the Committee's own performance.
- The Corporate Governance, Nominations and Risk Committee Charter is available on the Subsea7 website.



AUDIT AND SUSTAINABILITY COMMITTEE

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Committee members

Eldar Sætre

Committee Chairman

David Mullen

Elisabeth Proust Van Heeswijk

The Audit and Sustainability Committee is responsible for ensuring that the Group has an independent and effective external and internal audit process. The Audit and Sustainability Committee supports the Board of Directors in the administration and exercise of its responsibility for supervisory oversight of financial reporting and internal control matters and to maintain appropriate relationships with the external auditor. A majority of the Audit and Sustainability Committee, including the Chairman, are independent as required by Luxembourg law.

The Audit and Sustainability Committee's main responsibilities include:

1. Monitoring the financial reporting process and submitting recommendations or proposals to ensure its integrity.
2. Monitoring the effectiveness of the Company's and the Group's internal quality controls, internal audit function, financial controls framework and, where applicable, risk management systems.
3. Monitoring the statutory audit of the Company's Annual Accounts and the Consolidated Financial Statements of the Group, in particular its performance, taking into account any findings and conclusions of the competent authority.

4. Reviewing the quarterly, half-yearly and annual Consolidated Financial Statements of the Group before their approval by the Board of Directors.
5. Informing the Board of Directors of the outcome of the statutory audit and explaining how the statutory audit contributed to the integrity of financial reporting and the role of the Committee in that process.
6. Reviewing and monitoring the independence of the external auditor, in particular with respect to the appropriateness of the provision of additional non-audit services to the Company and the Group, and putting in place procedures and making recommendations with respect to the selection and appointment of the external auditor.
7. Reviewing the report from the external auditor on key matters arising from the Group and the Company statutory audits.
8. Dealing with complaints received directly or via management, including information received confidentially and anonymously, in relation to accounting, financial reporting, internal controls and external audit issues.
9. Reviewing the disclosure of transactions involving related parties.
10. Monitoring sustainability reporting processes and the effectiveness of internal controls and risk management regarding the sustainability reporting process.
11. Annually reviewing the Audit and Sustainability Committee's own performance.

The Audit and Sustainability Committee Charter is available on the Subsea7 website.

The terms of reference of the Audit and Sustainability Committee, as set out in the Audit and Sustainability Committee Charter, satisfy the requirements of applicable law and are in accordance with the Company's Articles of Incorporation.

The Chairman of the Audit and Sustainability Committee is Mr Eldar Sætre, whose biography can be found on page 44. The Board of Directors has determined that Mr Sætre is the Audit and Sustainability Committee's financial expert and is competent in accounting and audit practice, with recent and relevant financial experience. The Audit and Sustainability Committee Charter requires that the Audit and Sustainability Committee shall consist of not less than three Directors. The Audit and Sustainability Committee meets at least four times a year, and its meetings are attended by representatives of the external auditor and by the head of the Group's internal audit function.



CORPORATE GOVERNANCE REPORT CONTINUED

COMPENSATION COMMITTEE

Committee members

Kristian Siem

Committee Chairman

Jean Cahuzac

Niels Kirk

The Compensation Committee is a committee of the Board of Directors that has been established to assist in developing a fair compensation programme for executive officers and to ensure compliance with legal requirements as to the compensation of executive officers.

The Compensation Committee's main responsibilities are:

1. Annually reviewing and approving the compensation paid to the executive officers of the Company, with the exception of the CEO where the Compensation Committee may make a recommendation to the Board of Directors.
2. Reviewing the CEO's performance against objectives and making a proposal to the Board of Directors for the CEO's compensation based on its evaluation.
3. Overseeing the Company's remuneration plans in accordance with the objectives of the Company and making recommendations to the Board of Directors.
4. Reviewing remuneration plans and programmes and making recommendations to the Board of Directors regarding existing executive officer's compensation plans and regarding the adoption of new plans or programmes relating to executive officers.
5. Recommending to the Board of Directors the terms of any contractual agreements and other similar arrangements that may be entered into with executive officers of the Company and its subsidiaries.
6. Approving appointments of the CEO, the CEO's direct reports and certain other roles.
7. Approving the Remuneration Report to be included in the Company's Annual Report.
8. Annually reviewing the Compensation Committee's own performance.

The Compensation Committee Charter is available on the Subsea7 website.



TENDER COMMITTEE

Committee members

Kristian Siem

Committee Chairman

Jean Cahuzac

Eldar Sætre

The Tender Committee has been established by the Board of Directors to review tenders. Dependent on the tender value and complexity (such as technology and partnering), the Company has escalating levels of approval requirements. Tenders meeting specific financial and risk criteria must be reviewed and approved by the Tender Committee.

The Tender Committee's main responsibilities are:

1. Assessing tenders meeting specific financial and risk criteria as set by the Board of Directors.
2. Determining on behalf of the Board of Directors whether or not to authorise the CEO/management to proceed with such tenders, based on a summary of the tender provided by management addressing key items including margin, contingency, risk assessment and cash flow.
3. Calling for any further information that it may require from management in arriving at a decision on proposed tenders.
4. Communicating the outcome of each tender review to management as soon as reasonably possible.

The Tender Committee Charter is available on the Subsea7 website.

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COMMUNICATION WITH STAKEHOLDERS

Implementation and reporting on corporate governance

Subsea 7 S.A. acknowledges the division of roles between shareholders, the Board of Directors and the Executive Management Team. The Group further ensures good governance is adopted by holding regular Board of Directors' meetings, which the Executive Management Team attends and at which strategic, operational and financial matters are presented.

The Group's vision is: To make possible the global delivery of offshore energy for today and tomorrow.

The Group's Values are safety, integrity, sustainability, innovation, performance and collaboration.

In pursuit of the six Values, the Group has an Ethics Policy Statement and a Code of Conduct which reflect its commitment to clients, shareholders, employees and other stakeholders to conduct business legally, and with integrity and honesty. The Ethics Policy Statement and the Code of Conduct were approved by the Board of Directors, were issued to all Directors, officers and employees, and are subject to periodic review and updating.

General meetings

The Company's Articles of Incorporation provide that the AGM shall be held within six months from the end of the financial year and in 2025 it will be held on 8 May.

The notice of meeting and agenda documents for the AGM are posted on the Group's website (and published in such media as selected by the Board of Directors and in the Luxembourg official gazette (RESA)) at least 30 days prior to the meeting. Documentation from previous AGMs is available on the Subsea7 website.

All shareholders that are registered with the Norwegian Central Securities Depository System receive a written notice of the AGM. The record date for common shareholders will be 14 days before the AGM at midnight (Luxembourg time), with a differing deadline for ADR holders. Subject to the procedures described in the Articles of Incorporation, all shareholders holding individually or collectively at least 5% of the issued shares have the right to add items to the agenda of the AGM and draft

resolutions for items included, or to be included, in the AGM. All shareholders on the register as at the record date will be eligible to attend in person, or vote by proxy, at the AGM.

Proxy forms are available and may be submitted by eligible shareholders. The forms allow separate voting instructions to be given for each proposed resolution to one of the representatives indicated on the proxy form and also allow a person to be nominated to vote on behalf of shareholders as their proxy. There will be a separate vote for each candidate nominated for election to the Board of Directors. Details will be provided in the resolutions and supporting information distributed to shareholders ahead of the AGM.

Under Luxembourg law, there are minimum quorum requirements for extraordinary general meetings but no minimum quorum requirement for AGMs. Decisions will be validly made at the AGM regardless of the number of shares represented if approval is obtained from a majority of the votes of those shareholders who are present or represented.

The Articles of Incorporation of the Company provide that the AGM will be chaired by the Chairman of the Board of Directors. However, the Board of Directors ordinarily delegates authority to the Company Secretary to chair the AGM. If a majority of the shareholders request an alternative independent chairman, one will be appointed.

At the AGM, the shareholders, inter alia, elect members of the Board of Directors for nominated terms of appointment, approve the Company's Annual Accounts, approve the Group's Annual Report which includes the Consolidated Financial Statements, discharge the Directors from their duties for the financial year, approve (by an advisory vote) the Company's Remuneration Report and the Company's Remuneration Policy, and approve the statutory auditor's appointment. In accordance with Luxembourg law and the Company's Articles of Incorporation, the Chairman of the Board is elected by the Board of Directors based on its insight into who has the most suitable level of understanding of the Company to carry out the duties of the Chairman.



Equity and dividends

Shareholders' equity

Total shareholders' equity on 31 December 2024 was \$4.3 billion (2023: \$4.4 billion) which the Board of Directors believes is satisfactory given the Group's strategy, objectives and risk profile.

Dividend policy

It is Subsea7's objective to give its shareholders an attractive return on their invested capital. The Group's commitment to returning capital to shareholders is confirmed in its formal Dividend Policy to pay a regular dividend of NOK 6.00 per share each year. Dividends will normally be paid in two instalments – in the month following the AGM and six months thereafter.

At the AGM on 8 May 2025 shareholders will be asked to approve the payment of a dividend of NOK 13.00 per share.

Equity mandates

At the extraordinary general meeting held on 18 April 2023, the Board of Directors' authority to approve the purchase of the Company's shares up to a maximum of 30,000,000 common shares (representing approximately 10% of the issued common shares as of 17 March 2023) was granted until 18 April 2025. This authority is subject to certain purchase price conditions and is conditional on such purchases being made in open market transactions through the Oslo Stock Exchange, subject to certain limitations. The Board of Directors was also granted authority for a period ending on 18 October 2025 to cancel shares repurchased under such authorisation and to reduce the issued share capital through such cancellations.

At the same extraordinary general meeting the Company's shareholders approved the renewal of the authorised share capital at \$900,000,000 (including the issued share capital) with authority for the Board of Directors to issue new common shares within the authorised unissued share capital and with any authorised but unissued common shares lapsing on 5 May 2025. Additionally, the Board of Directors was authorised to issue new shares within the authorised unissued share capital. The Board of Directors was authorised to waive, suppress or limit existing shareholders' preferential subscription rights up to a maximum of 30,000,000 common shares (representing approximately 10% of the issued common shares as of 17 March 2023). These authorisations were granted for a period of two years, expiring on 5 May 2025, to reduce, inter alia, the administrative burden of convening an extraordinary general meeting annually.

An extraordinary general meeting will be held on 8 May 2025 at which it will be proposed that the shareholders approve the renewal of all of the above authorisations, which will otherwise lapse in 2025.

Equal treatment of shareholders and transactions with close associates

One class of shares

The Company has one class of shares that are listed on the Oslo Stock Exchange. Each share carries equal rights including an equal voting right at annual or extraordinary general meetings of shareholders of the Company. No shares carry any special control rights. The Company's Articles of Incorporation contain no restrictions on voting rights.

Share issues

The Board of Directors is authorised to suppress the pre-emptive rights of shareholders under certain circumstances and within the limits set out previously. This is to allow flexibility to deal with matters deemed to be in the best interest of the Company.

In the event of the Board of Directors resolving to issue new shares and waive the pre-emptive rights of existing shareholders, the Board of Directors intends to comply with the recommendation of the Norwegian Code of Practice for Corporate Governance that the justification for such waiver is noted in the stock exchange announcement relating to such a share issue.

Related party transactions

Any transactions between the Group and members of the Board of Directors, executive management or close associates are detailed in Note 33 'Related party transactions' to the Consolidated Financial Statements.

The Charter of the Board of Directors contains provisions on how the Board of Directors and executive management will handle agreements between the Company and related parties, and the Board of Directors will, from time to time, determine the necessity of obtaining third-party valuations on transactions between the Company and related parties. Any material transaction between the Company and a related party shall be subject to the prior approval of the Board of Directors, unless entered into in the ordinary course of business and concluded on normal market terms, in which case the Board of Directors shall establish an internal procedure to periodically assess whether these conditions are fulfilled.

The Group's Code of Conduct requires any Director or employee to declare if they hold any direct or indirect financial interest in any transaction entered into by the Group. Under Luxembourg law, Directors may not vote on transactions in which they have a direct or indirect financial interest conflicting with that of the Company.



CORPORATE GOVERNANCE REPORT CONTINUED

Freely negotiable shares

Subsea 7 S.A.'s shares are traded as common shares on the Oslo Stock Exchange and as ADRs over the counter in the US.

All shares are freely negotiable. The Articles of Incorporation contain no form of restriction on the negotiability of shares in the Company.

Auditor

The external auditor meets the Audit and Sustainability Committee annually regarding the planning and preparation of the audit of the Group's Consolidated Financial Statements and the Company's Annual Accounts.

The Audit and Sustainability Committee members hold separate discussions with the external auditor during the year without members of the Executive Management Team being present. The scope, resources and level of fees proposed by the external auditor in relation to the Group's and the Company's audits and related activities are approved by the Audit and Sustainability Committee.

The Audit and Sustainability Committee recognises that it is occasionally in the interest of the Group to engage its external auditor to undertake certain non-prohibited non-audit assignments. Fees paid to the external auditor for audit and non-audit services are reported in Note 6 'Net operating income' to the Consolidated Financial Statements, which are in turn approved at the AGM. The Audit and Sustainability Committee also requests the external auditor to confirm annually in writing that the external auditor remains independent.

In 2022, a formal tender for a five-year engagement for the role of the Company's external auditor was conducted, and a contract was awarded. The external auditor's appointment will be approved annually at the AGM.

Takeovers

Subsea 7 S.A.'s Board of Directors endorses the principles concerning equal treatment of all shareholders. In the event of a takeover bid, it is obliged to act in accordance with the requirements of applicable Luxembourg and Norwegian law provisions and in accordance with the applicable principles for good corporate governance.

The Company has been notified of the following significant shareholders who control 5% or more of the voting rights (i.e. total shares excluding shares held in Treasury) of the Company:

	% ^a
Siem Industries S.A.	24.0
Folketrygdfondet	9.1

a. Information is correct as of 31 December 2024.

Additionally, based upon notifications submitted to the Company, pursuant to Articles 8, 9, 12 or 12a of the Luxembourg Transparency Law the following shareholders hold more than 5% of the voting rights in the Company:

	% ^a
Elliott Investment Management L.P.	10.0

a. Based upon notifications submitted to the Company, the information is correct as of 31 December 2024.

Information and communications

Subsea 7 S.A.'s Board of Directors concurs with the principles of equal treatment of all shareholders and the Group is committed to reporting financial results and other information on an accurate and timely basis. The Group provides information to the market through quarterly and annual reports, investor and analyst presentations which are available to the media, and operational and financial information available on Subsea7's website.

Announcements are released through notification to the company disclosure systems of the Oslo Stock Exchange and the Luxembourg Commission de Surveillance du Secteur Financier, and simultaneously on the Subsea7 website. As a listed company, the Company complies with the relevant regulations regarding disclosure. Information is only provided in English.

The Company complies in all material respects with 'The Oslo Børs Code of Practice for IR', which is available at www.oslobors.no.

Directors' and Chief Executive Officer's responsibility statement

We confirm that, to the best of our knowledge, the Consolidated Financial Statements and the Unconsolidated Financial Statements for the year ended 31 December 2024 have been prepared in accordance with current applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and the Group taken as a whole. We also confirm that, to the best of our knowledge, the 2024 Annual Report, Consolidated Financial Statements and Unconsolidated Financial Statements include a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties facing the Group.

By order of the Board of Directors of Subsea 7 S.A.

Kristian Siem
Chairman

John Evans
Chief Executive Officer



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Letter from the Chairman of the Compensation Committee

As Chairman of the Compensation Committee, I am pleased to present the Board's report on Subsea7's Executive Officers' remuneration, as well as that of the Non-Executive Directors of Subsea 7 S.A. for the year ended 31 December 2024 (the 2024 Remuneration Report), which will be submitted for advisory vote to shareholders at the 2025 AGM. During 2023, the Board and the Company's shareholders approved Subsea 7 S.A. Directors' remuneration policy (the Remuneration Policy) applicable to Executive Officers and Non-Executive Directors of the Company. The intention is for the Remuneration Policy to be effective for the years 2023, 2024, 2025 and 2026, if no material changes are contemplated. At the 2024 AGM, the Company's shareholders approved by an advisory vote the 2023 Remuneration Report.

2024 Overview

To support the delivery of our strong backlog and securing of specialist skills to achieve our energy transition goals, 2024 has seen continued focus on global recruitment and retention of our existing talent through further enhancing our Being7 offering.

The Annual Salary Review conducted in 2024 recognised local inflation levels, ensured alignment with the external market and recognised our people for their contributions to Subsea7's goals.

The Short Term Incentive Plan 2024 (STIP 2024) triggers for payment were met. A payout will be made to all participants in 2025, taking into account the achievement of plan measures and individual performance and contribution to business goals.

The Long Term Incentive Plan 2021 award (LTIP 2021) measured Total Shareholder Return (TSR) against a peer group, and Return on Average Invested Capital (ROAIC) over a performance period of three years from 1 July 2021 to 30 June 2024. As a result of the partial achievement of one of the two performance metrics, vesting occurred.

In 2024, to continue to retain and incentivise Subsea7's leaders and key employees, awards (LTIP 2024 Awards) were made under the 2022 Long Term Incentive Plan (2022 LTIP Plan). LTIP 2024 Awards were made to approximately 150 leaders and key employees to incentivise and reward participants over the long term for sustained performance, delivery of the business strategy and shareholder value. The performance conditions included those within the

existing plan: TSR, Cash Conversion Ratio (CCR) and ROAIC; however, as permitted by the plan rules, the Compensation Committee approved an adjustment to the weightings of each performance metric. The weightings of each performance metric were adjusted to reflect the significance of each as a measure of our business success. LTIP 2024 Awards were effective 1 October 2024 with a three-year performance period from 1 July 2024 to 30 June 2027 for all performance measures.

Remuneration arrangements for 2025

In relation to 2025, the structure of remuneration arrangements will be in line with that of 2024 and as detailed in the Remuneration Policy.

In 2025, our Annual Salary Review process will ensure continued focus on attracting and retaining our talent, ensuring that Subsea7 is an attractive company to work for. In 2024, we developed and implemented a new job architecture, which is a detailed framework that reflects the roles we have in our business in an accurate, globally consistent way. This enables us to understand and evaluate our roles accurately and will help us to ensure the alignment of our salaries against the local external markets during the Annual Salary Review process in 2025.

The Company will continue to operate its annual Short Term Incentive Plan with targets set by the Compensation Committee. The current performance conditions for Executive Officers will continue to be based upon the following metrics and weightings: Financial performance (45%), Project performance (20%), Safety performance (10%) and Personal objectives (25%).

The Company will continue to operate its 2022 LTIP Plan as approved at the AGM in 2022. The current performance conditions for Executive Officers will continue to be based upon the following metrics: Total Shareholder Return, Cash Conversion Ratio and Return on Average Invested Capital.

The full details of 2024 remuneration can be read in the following report. On behalf of the Compensation Committee and the Board of Directors, we hope you find this report clear and informative.



REMUNERATION REPORT *CONTINUED*

2024 Remuneration

The Group's Remuneration Policy is set by the Compensation Committee and is designed to provide remuneration packages which will help to attract, retain and motivate our people to achieve the Group's strategic objectives and to enhance shareholder value. The Compensation Committee also seeks to ensure that the Remuneration Policy is applied consistently across the Group and that remuneration is fair and transparent, while encouraging high performance.

The Compensation Committee benchmarks Executive Officers' remuneration against comparable companies and seeks to ensure that the Group offers rewards and incentives which are competitive with those offered by the Group's peers.

Remuneration is composed of base salary, benefits, pension, and short-term and long-term incentives. The Short Term Incentive Plan and Long Term Incentive Plan are managed at a group level and overseen by the Compensation Committee with approval by the Board of Directors. Further details can be found in the Remuneration Policy at www.subsea7.com.

Annual Salary Review

The Annual Salary Review is a key annual process that allows the Group to recognise our employees' performance through an increase to base salary in line with Group performance and individual contribution, with an understanding of local market rates.

In the third quarter of 2024, we applied a salary increase that reflected general inflation, market conditions and recognised our people for their contributions to Subsea7's goals. As a result of the continued competitive labour market, we recognised increases in some external local markets and specialist functions, and performed adjustments where appropriate.

In line with the Annual Salary Review process, outlined in the Remuneration Policy, along with the approach taken in the wider organisation, the CEO and CFO received an increase to base salary effective 1 July 2024. The base salary adjustments were reviewed and approved by the Compensation Committee taking into account:

- The individual's role, performance and experience
- Business performance, and the external environment
- Base salary increases across the Group
- Base salary levels for comparable roles at relevant, comparable businesses.

In 2024, a more in-depth market study was carried out on the CEO and CFO roles, and it was determined that there was a large gap to the market for comparable roles, which resulted in higher than average increases.

The CEO was awarded a 12% increase to base salary, resulting in a new annual salary of \$831,743.

The CFO was awarded a 17% increase to base salary, resulting in a new annual salary of \$575,822.

Note: payments are made in GBP. The amounts have been translated into USD using an average exchange rate of 0.781 for the year.

Benefits and pension

Benefits and pension awarded to the CEO and CFO during 2024 were in accordance with the Remuneration Policy. Benefits included private healthcare, life insurance, personal accident insurance and a car allowance, along with the opportunity to purchase additional flexible benefits.

The CEO received a cash allowance in lieu of a pension contribution, in line with the Company's policy in the UK on lifetime allowances, which is paid less applicable employer national insurance contributions. The CFO received a cash allowance in lieu of pension contributions, less applicable employer national insurance contributions, for six months during 2024. For the remaining six months, the CFO participated in the UK defined contribution pension plan.

Short Term Incentive Plan

The Group operates a Short Term Incentive Plan (STIP), an annual bonus scheme, with targets set by the Compensation Committee. The current performance conditions for the CEO and CFO are based upon the following metrics and weightings:

- Financial performance (45%)
- Project performance (20%)
- Safety performance (10%)
- Personal objectives (25%).

Personal objectives focus on an individual's key contributions. Where a role has a significant contribution to the sustainability focus areas for the Group there will be a personal objective related to this.

The STIP also has an element for all participants of 10% of the overall bonus, related to the safety performance of the Group, which is a material topic for the Group. The personal element of the STIP ranges differs per band of the person – the more junior a position the higher the percentage of the STIP that is related to personal objectives. For the CEO and CFO this is 25%. For the CEO and CFO, the maximum bonus opportunity in respect of 2024 was 150% and 100% of base salary, respectively.

For the performance period from 1 January 2024 to 31 December 2024, the performance targets were achieved. The Compensation Committee evaluated the Group's performance compared to STIP 2024 targets and recommended approval of payment of the STIP 2024 bonuses to the Board of Directors.

Based on the performance outcome against STIP 2024 targets, the bonus for the CEO was 98% of base salary, resulting in a payment of \$731,934. For the CFO, the bonus was 67% of base salary, resulting in a payment of \$383,881.

Note: payments are made in GBP. The amounts have been translated into USD using an average exchange rate of 0.781 for the year.



REMUNERATION REPORT CONTINUED

Long Term Incentive Plan

The Group operates a Long Term Incentive Plan (LTIP). The LTIP provides for conditional share awards based upon performance conditions over a three-year performance period. The 2018 Long Term Incentive Plan (2018 LTIP Plan) was approved by the Company's shareholders at the AGM on 17 April 2018 and was valid for a period up to five years until 2023. Awards under the 2018 LTIP Plan were made in 2018, 2019, 2020 and 2021. The 2022 LTIP Plan was approved by the Company's shareholders at the AGM on 12 April 2022, superseding the 2018 LTIP Plan, and is valid for a period of five years until 2027. The principles of the plan were unchanged from previous years whereby a conditional award of shares is made that provides for share awards which vest over a three to five-year period subject to performance measures.

The 2022 LTIP Plan has a five-year term with awards being made annually in October. The aggregate number of shares which may be granted in any calendar year is limited to 0.5% of issued share capital on 1 January of that calendar year. The total number of shares that may be delivered pursuant to awards under the plan shall not exceed 11,500,000. The total number of share awards and shares granted to the CEO and CFO are recommended by the Compensation Committee for approval by the Board of Directors. The 2022 LTIP Plan is an essential component of the Company's reward strategy and is designed to align the interests of participants with those of Subsea7's shareholders; it also enables participants to share in the success of the Company.

The 2022 LTIP Plan provides for conditional awards of shares based upon performance conditions measured over a performance period of three years. Performance conditions are based upon three measures and weightings, all tied to the Company's financial performance and competitiveness and as determined by the Compensation Committee. During 2024 the Compensation Committee approved the following revised weightings to apply to the LTIP 2024 Awards under the terms of the 2022 LTIP Plan:

- Total Shareholder Return (50%)
- Cash Conversion Ratio (30%)
- Return on Average Invested Capital (20%).

All three performance conditions are determined over a three-year period from 1 July in the year of award to 30 June three years later. Subject to the achievement of the performance conditions, awards will vest in equal tranches after three, four and five years from award date.

Under the terms of the LTIP, participants are not entitled to receive dividend-equivalent payments during the performance and holding periods. On 31 December 2024, there were approximately 150 participants in the active LTIP schemes (2018 LTIP and 2022 LTIP Plans). Individual award caps are in place such that no participant may be granted shares under the 2022 LTIP Plan in a single calendar year that have an aggregate fair market value in excess of 150%, in the case of the CEO, CFO and other members of the Executive Management Team, and 100%, in the case of other employees, of their annual base salary at the date of the award. Additionally, a holding requirement for the CEO, CFO and other members of the Executive Management Team applies under which they must hold 50% of all awards that vest until they have built up a shareholding with a market value of 150% of their annual base salary, and this must be maintained throughout their tenure.

Total Shareholder Return based awards

The Company must achieve a Total Shareholder Return (TSR) ranking above the median for any awards to vest. If the ranked TSR position of Subsea7 during the three-year performance period, as converted to a percentage, is equal to 50%, 20% of the share award will vest. If the ranked TSR position of the Company is greater than 50% and below 75%, the vesting of the share award between 20% and 50% is determined by linear interpolation. The maximum award of 50% would vest if the Company achieved a ranked TSR position equal to or greater than 75%.

The table below summarises the TSR performance condition applicable to the LTIP 2024 Awards under the 2022 LTIP Plan:

Performance	Vesting level (% of total award)	
<50%	Below median	0%
=50%	Median	20%
>50% <75%	Between median and upper decile	Linear interpolation between 20% and 50%
≥75%	Upper decile	50%

TSR will be measured relative to the following peer group:

- Aker Solutions ASA
- Baker Hughes Company
- Fugro N.V.
- Halliburton Company
- Oceaneering International Inc.
- Petrofac Limited
- Saipem S.p.A.
- Sapura Energy Berhad
- SBM Offshore N.V.
- Schlumberger Limited
- TechnipFMC plc
- Transocean Ltd.
- John Wood Group PLC
- Worley Limited

Cash Conversion Ratio based awards

The Cash Conversion Ratio (CCR) measures the conversion of Adjusted EBITDA into a form of cash. The Board believes this measure is an important addition to the LTIP as it aligns with shareholder interests in making sure the business converts profitability into cash generated from operations in a timely manner. The Group can exert significant influence in achieving this goal. Furthermore, it is clear and predictable, and, as with the other two measures, the elements of the calculation are readily identifiable from the Group's Consolidated Financial Statements.

CCR is calculated for each of the three years of the performance period on a quarterly basis, and the table below summarises the CCR performance condition applicable to the LTIP 2024 Awards under the 2022 LTIP Plan:

Performance	Vesting level (% of total award)
Below 0.7	0%
0.7	7.5%
0.9	15%
1.1 or above	30%

Vesting will be calculated on a linear interpolation basis between 0.7 and 0.9 and between 0.9 and 1.1.

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REMUNERATION REPORT CONTINUED

Return on Average Invested Capital based awards

Return on Average Invested Capital (ROAIC) is calculated for each of the three years of the performance period on a quarterly basis. The table below summarises the ROAIC performance condition applicable to the LTIP 2024 Awards under the 2022 LTIP Plan:

Performance	Vesting level (% of total award)
Below 9%	0%
9%	2.89%
11%	8.67%
14% or above	20%

Vesting will be calculated on a linear interpolation basis between 9% and 11% and between 11% and 14%.

Vesting of LTIP 2021 Awards

The performance conditions applicable to the share awards granted in 2021 under the 2018 LTIP Plan that vested during 2024 were based upon two measures: Total Shareholder Return and Return on Average Invested Capital, with a weighting of 65% and 35%, respectively. Subject to these performance conditions, the vested shares are transferred to participants in equal tranches on the third, fourth and fifth anniversaries of the award date.

The performance conditions for the vesting of the share awards granted in 2021 under the 2018 LTIP Plan are set out below. For LTIP 2021 awards, both performance conditions were assessed over the three-year period, the TSR vested at 90.65% and the ROAIC at 0%.

As a result of the partial achievement of one of the two performance metrics over the three-year performance period from 2021 to 2024, 58.93% of the total share awards granted in 2021 vested during 2024.

LTIP metric	% of share awards under each metric		Range	Result	% of shares under metric to vest	Shares to vest (max over 3 years)
TSR	65%	50%-100%	9%-14%	84.6% ^(a)	90.65%	58.93%
ROAIC	35%	(average %)		1.25% ^(b)	–	–
Total	100%					58.93%

- a. Subsea7 ranked 3rd out of the 14 companies within the selected peer group (above the median but below the 90th percentile). This resulted in 90.65% vesting for the TSR portion – 58.93% of the total award.
- b. The average over the three-year performance period was 1.25%. This resulted in 0% vesting for the ROAIC portion.

The Compensation Committee evaluated the Group's performance over the performance period and recommended approval of the LTIP 2021 Award vesting to the Board of Directors.

During 2024, in accordance with the terms of the 2018 LTIP Plan, shares totalling 331,560 were transferred to participants.

The table below shows the number of vested share awards transferred to the CEO and CFO during 2024:

Award year	John Evans Chief Executive Officer		Mark Foley Chief Financial Officer	
	2024	2023	2024	2023
2018 (2018 LTIP Plan)	–	9,568	–	–
2019 (2018 LTIP Plan)	4,836	4,695	–	–
2020 (2018 LTIP Plan)	–	–	–	–
2021 (2018 LTIP Plan)	9,723	–	7,779	–
Total	14,559	14,263	7,779	–

The numbers of vested share awards in the above table are gross, and exclude the impact of income taxes and social security costs borne by the employee.

Long Term Incentive Plan awards in 2024

Conditional share awards were made to approximately 150 leaders and key employees on 1 October 2024, comprising 1,476,800 (2023: 1,448,900) shares under the terms of the 2022 LTIP Plan.

60,000 shares were awarded to the CEO, equivalent to 115% of base salary.

45,000 shares were awarded to the CFO, equivalent to 124% of base salary.

Summary of 2024 Executive Officer remuneration

Total remuneration for the CEO and CFO in 2023 and 2024 was as follows:

	John Evans Chief Executive Officer		Mark Foley Chief Financial Officer	
	2024 31 Dec (a)(b)	2023 31 Dec (a)(b)	2024 31 Dec (a)(b)	2023 31 Dec (a)(b)
For the year ended (in \$ thousands)				
Base salary	788.5	708.0	534.8	469.0
Short-term incentive bonus ^(c)	731.9	562.0	383.9	248.3
Taxable benefits ^(d)	20.7	20.0	15.9	15.5
Share-based payments ^(e)	227.6	189.2	121.6	–
Cash in lieu of pension ^(f)	69.3	62.3	21.7	13.7
Pension contributions made by employer ^(g)	–	–	29.2	31.8
Total	1,838.0	1,541.5	1,107.1	778.3

- a. Amounts in the table are shown gross before deductions of income taxes and social security costs borne by the employee.
- b. Payments are made in GBP. The 2024 amounts have been translated to USD using an average exchange rate of 0.781 for the year.
- c. Short-term incentive bonus in respect of performance during the year.
- d. Taxable benefits represent the taxable value of benefits provided during the year, including private healthcare insurance and car allowances.
- e. Share-based payments represents the market value of the shares transferred to the participants during the year which vested under the 2018 Long Term Incentive Plan. The shares were transferred when the participant met the service criteria associated with the plan.
- f. In 2024 the CEO and CFO each received a cash allowance in lieu of a pension contribution.
- g. Employer pension contributions represents the cash value of defined pension contribution payments made by the Group during the year.



REMUNERATION REPORT CONTINUED

Non-Executive Director fees

Details of fees payable to Non-Executive Directors are set out below.

Name	Annual fee (\$)	Member of Audit Committee ^(a)	Member of other committees ^(b)	2024 31 Dec \$	2023 31 Dec \$
Kristian Siem ^(c)	200,000	-	15,000	215,000	215,000
Jean Cahuzac	105,000	-	10,000	115,000	115,000
Dod Fraser ^(d)	-	-	-	-	34,510
Niels Kirk	105,000	-	10,000	115,000	115,000
David Mullen	125,000	6,000	5,000	136,000	136,000
Elisabeth Proust Van Heeswijk ^(d)	105,000	6,000	-	111,000	78,810
Eldar Sætre	105,000	14,000	5,000	124,000	121,680
Louisa Siem	105,000	-	-	105,000	105,000

- The Chair of the Audit and Sustainability Committee receives \$14,000 per annum and the members receive \$6,000 per annum.
- Members of the Corporate Governance, Nominations and Risk Committee, Compensation Committee and Tender Committee receive \$5,000 per annum, per committee. For details on the members of the committees, please refer to pages 44 and 45.
- Kristian Siem is the permanent representative of Treveri S.à.r.l. on the Board of Directors. Treveri S.à.r.l. - a Luxembourg-incorporated company wholly owned by Kristian Siem - was appointed Director and Chairman on 18 April 2023.
- Dod Fraser's mandate expired on 18 April 2023. Elisabeth Proust Van Heeswijk was appointed as a Director with effect from 18 April 2023.

Share ownership of the Executive Management Team and Non-Executive Directors

Details of total performance shares and shares held in the Company by the Executive Management Team as at 31 December 2024 are shown in the table below.

Name	Total performance shares ^(a)	Total owned shares
John Evans	199,742	116,625
Mark Foley	130,793	4,108
Olivier Blaringhem	122,819	26,103
Stuart Fitzgerald	122,819	41,182
Nathalie Louys	107,845	28,443
Kate Lyne	101,845	17,389
Phil Simons	122,819	13,561
Marcelo Xavier	97,107	4,588

- Total performance shares held represent the maximum future entitlement assuming all vesting conditions are met.

Details of shares held in the Company by the Non-Executive Directors as at 31 December 2024 are shown in the table below.

Name	Total owned shares
Kristian Siem ^(a)	-
Jean Cahuzac	-
Niels Kirk	-
David Mullen	15,000
Elisabeth Proust Van Heeswijk	830
Eldar Sætre	7,000
Louisa Siem	-

- At 31 December 2024, Siem Industries S.A., which is a company controlled through trusts where Mr Siem and certain members of his family are potential beneficiaries, owned 70,829,916 shares, representing 23.6% of the total common shares of the Company.

The Non-Executive Directors are encouraged to own shares in the Company but no longer participate in any incentive or share option schemes.

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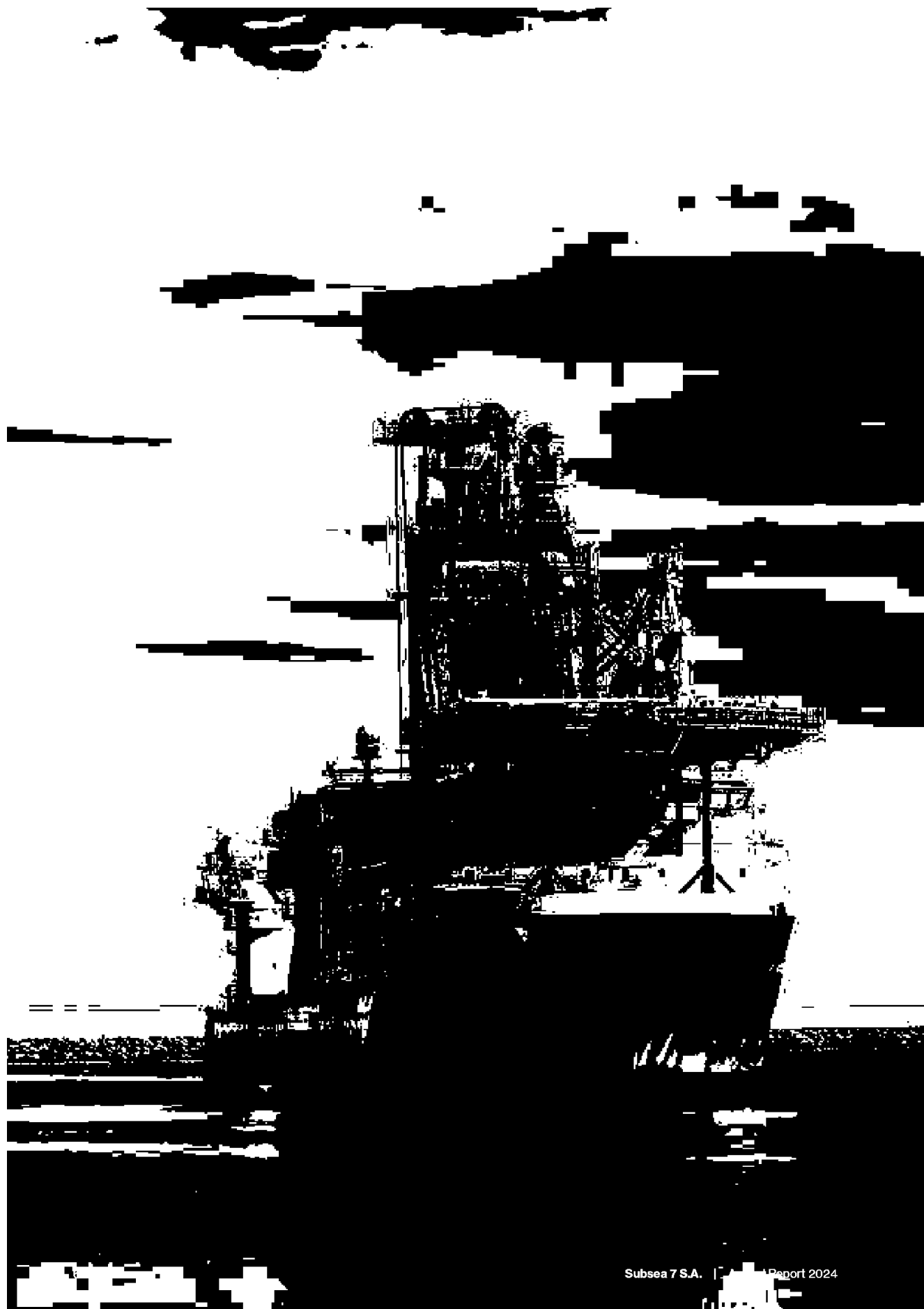
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SUSTAINABILITY STATEMENTS

INTRODUCTION

Structure of the Sustainability Statements

Subsea7's Sustainability Statements are structured in accordance with the applicable European Sustainability Reporting Standards (ESRS) framework.

To support the navigation of the Sustainability Statements, refer to the following:

- **ESRS 2 General disclosures** – describes how sustainability matters are governed and integrated into the business including strategy and risk management across multiple sustainability topics
- **ESRS E1 Climate change** – describes how Subsea7 is managing the impacts, risks and opportunities of climate change including mitigating impacts and adapting the business to actual and expected climate change
- **ESRS S1 Own workforce** – describes matters concerning working conditions, equal treatment and opportunities, and other work-related rights including health and safety
- **ESRS S2 Workers in the value chain** – describes matters concerning value chain workers including working conditions and other work-related rights
- **ESRS G1 Business conduct** – describes matters concerning corporate culture, relationships with suppliers, political influence, lobbying, protection of whistle-blowers and payment practices

EU Taxonomy

Describes the Group's economic activities considered environmentally sustainable, supporting the European Green Deal.

Key terms and definitions

Sustainability Statements: a dedicated section of the Annual Report where information about sustainability matters is presented

Double materiality assessment (DMA): the double materiality assessment considers the impacts, risks and opportunities of relevant topics from an outside-in (financial) and inside-out (societal/environmental) perspective

Impact, risk and opportunity (IRO): impacts refer to the positive or negative consequences resulting from Subsea7's activities. Risks and opportunities refer to the financial influence from sustainability matters

Governance (GOV): the governance processes, controls and procedures Subsea7 uses to monitor, manage and oversee IROs

Strategy: how Subsea7's strategy and business model interact with material IROs, and how it addresses those IROs

IRO management: the processes Subsea7 undertook to identify and assess material IROs and how these are managed through relevant policies and actions

Value chain: a value chain encompasses the activities, resources and relationships the undertaking uses and relies on to create its products or services. Subsea7's upstream value chain refers to its suppliers and downstream value chain refers to its clients

Value chain workers (VCW): Subsea7's value chain workers refers to its suppliers' workers.

GENERAL DISCLOSURES

ESRS 2 – General disclosures

General basis for preparation of the sustainability statements (ESRS 2 BP-1)

Framework

Subsea7's Sustainability Statements for the year ended 31 December 2024 are prepared in accordance with the EU Corporate Sustainability Reporting Directive (CSRD) and its corresponding relevant European Sustainability Reporting Standards (ESRS). The relevant ESRS for Subsea7 have been identified following a double materiality assessment.

Consolidation

In this report, we refer to Subsea 7 S.A. and its subsidiaries as 'Subsea7', the 'Group' or 'we'. This report covers the entirety of the Group, unless otherwise noted. The Group includes Subsea 7 S.A. (the 'Company') and all entities controlled by the Company (its subsidiaries). The Sustainability Statements are prepared on a consolidated basis and the scope of consolidation is consistent with that used in the preparation of the Group's Consolidated Financial Statements unless otherwise stated within the relevant topical standards.

The double materiality assessment conducted in the second half of 2023 considered Subsea7's own operations as well as its upstream and downstream value chains. The Sustainability Statements presented in this report reference the relevant parts of the value chain impacted.

Subsea7 has elected not to exclude any information resulting from intellectual property, know-how or the results of innovation.

Disclosures in relation to specific circumstances (ESRS 2 BP-2)

Subsea7 adheres to the time horizons defined in ESRS 1, section 6.4, which outlines the definitions of short, medium, and long term for reporting purposes. When Subsea7 has information related to specific circumstances – such as time horizons, value chain estimations, sources of estimation and uncertainty, this information is reported alongside the relevant disclosures.

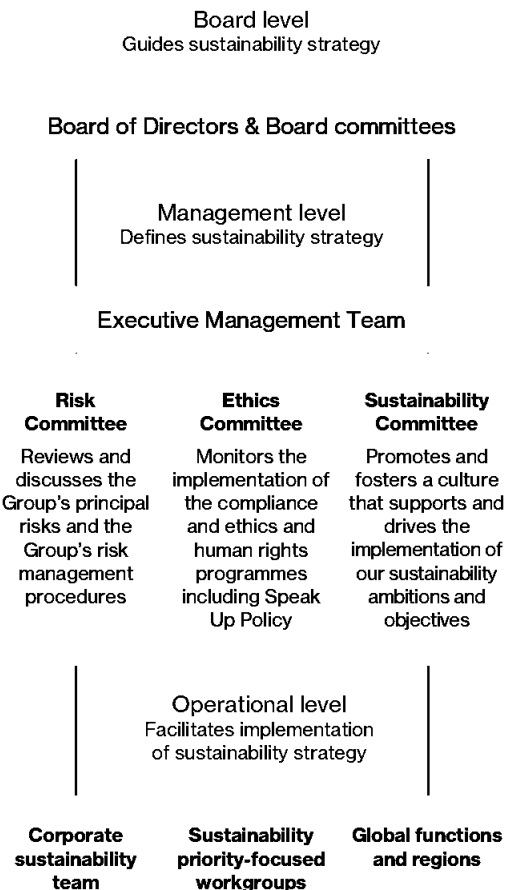
The year ended 31 December 2024 is the first year of reporting under the CSRD, and there is no requirement to report information related to the previous year.

Disclosures incorporated by reference (ESRS 2 BP-3)

Subsea7 has included reference tables within the Appendix on page 114 to support the navigation of its disclosures. This includes information that is incorporated by reference to other parts of this report.

Governance of sustainability matters

Governance structure





SUSTAINABILITY STATEMENTS CONTINUED

The role of the administrative, management and supervisory bodies (ESRS 2 GOV-1)

For information relating to this disclosure, refer to the 'Disclosure requirements and incorporation by reference' tables within the Appendix on page 114.

Information provided to, and sustainability matters addressed by the administrative, management and supervisory bodies (ESRS 2 GOV-2)

Subsea 7 S.A.'s Board Charter specifies that Board meetings shall be held at least four times per year. In 2025, the Board of Directors is scheduled to convene on seven occasions, but the schedule is flexible to react to operational or strategic changes in the market and circumstances affecting the Group. Sustainability represents a permanent feature on every routine Board agenda, allowing the Board of Directors to monitor and oversee the Group's progress in relation to its sustainability strategy and targets and aligning with the Board's objective to operate in a way that benefits the company shareholders while considering financial, social, and environmental factors.

In 2024, the Board participated in various sustainability initiatives, including a review of progress made during 2023 against sustainability objectives, and approved the topics considered material to the Group based on the double materiality assessment conducted. Following the decision, in late 2024, to expand the remit of the Audit Committee to include oversight of sustainability and rename the committee as the Audit and Sustainability Committee, going forward the Board will receive further assurances and updates on sustainability from the reports of the Audit and Sustainability Committee. In accordance with its charter, the Audit and Sustainability Committee has been delegated responsibility for, among other things, monitoring and reviewing the annual sustainability disclosures (including the sustainability disclosure process) and submitting recommendations or proposals to ensure their integrity before their approval by the Board of Directors, and monitoring the effectiveness of internal controls and risk management systems regarding sustainability disclosures.

At management level, Subsea7's Sustainability Committee, composed of the Executive Management Team, meets quarterly to discuss the implementation of the sustainability objectives and targets reporting to the CEO. Subsea7's Executive Vice President of Strategy and Sustainability has the responsibility to drive the sustainability agenda and further embed the integrated link between strategy and sustainability in the Group. The work of the Sustainability Committee is complemented by the work of the Risk Committee and Ethics Committee, which helps to align management's approach on the material topics. A team consisting of Subsea7's functional leads and subject matter experts identified and agreed on material impacts, risks and opportunities resulting from the double materiality assessment. This was subsequently approved by Subsea7's Executive Management Team.

Integration of sustainability-related performance in incentive schemes (ESRS 2 GOV-3)

For information relating to this disclosure, refer to the Short Term Incentive Plan on page 60 of the remuneration report.

Statement on sustainability due diligence (ESRS 2 GOV-4)

For information relating to this disclosure, refer to Table A7 'Statement on sustainability due diligence', within the Appendix on page 118.

Risk management and internal controls over sustainability reporting (GOV-5)

Risk management

Identifying and managing risks is crucial to Subsea7's operations. For detailed information on Subsea7's approach to risk management and internal controls, refer to the Principal Risks and Uncertainties section on pages 24 and 25. The process of risk identification is performed by subject matter experts within various functions and technical domains throughout the Group, and once identified, material risks, including those related to sustainability, are reviewed by the Risk Committee. This committee works closely with the Sustainability Committee on risks associated with sustainability.

Sustainability-related risks often correspond to risks that could have a significant impact on the Group, whether these are assessed based on financial or non-financial metrics. These risks are managed in a similar way to all other risks, through risk management programmes informed by functional and technical expertise across the Group. Further details on the Group's risk management processes and the roles and responsibilities are disclosed in the Principal Risks and Uncertainties and Governance sections on pages 24 to 25 and 43 respectively.

Risk management over sustainability reporting

Subsea7's sustainability reporting is exposed to risks including, but not limited to, material misstatement due to human error, incomplete data, complex reporting structures, the evolution of the Group's assessment criteria or misinterpretation of reporting standards. This is mitigated through:

- Clear and well-structured sustainability governance as described on page 67
- Mapping of Subsea7's disclosures to the relevant internal supporting evidence such as policies, management practices and systems to support a robust and traceable approach
- Collection of sustainability information through a dedicated sustainability team site that provides transparency and traceability of data
- The use of estimates, where possible, when information is not available or has not been received, management will clearly indicate where this is the case
- The verification by functional leads of sustainability information including metrics and approval by the relevant management lead.

As this is the first reporting cycle in accordance with the CSRD requirements and framework, there are no changes in the process to report.



Internal control over sustainability reporting

Subsea7's systems of internal controls are shown in the Principal Risks and Uncertainties section on page 25 and in the Governance section on page 51.

In 2024, Subsea7 established a new role, the Integrated Reporting Director, to enhance internal controls regarding sustainability data and reporting. This position reports to the Executive Vice President of Strategy and Sustainability and the objective is to improve internal controls and strengthen sustainability reporting, including data quality.

Management of material sustainability topics

Subsea7 is certified under ISO 9001 (Quality), 14001 (Environment), 45001 (Health and Safety), and 37001 (Anti-Bribery) standards. Subsea7 has established and applied policies and processes through its Business Management System (BMS) to maintain the highest levels of health and safety, business conduct, respect for human rights, security, environmental compliance, and quality in its operations. The BMS framework encompasses all activities and locations where the Group operates.

Subsea7 has designated personnel accountable for the content within the BMS. Their responsibilities include managing BMS content globally, conducting regular reviews and updates of documents, and ensuring compliance with ISO standards.

Strategy

Sustainability in our strategy, business model and value chain (ESRS 2 SBM-1)

Subsea7 delivers project management, engineering, procurement, fabrication and construction services across the full lifecycle of offshore energy projects, including oil and gas, carbon capture and storage (CCS), offshore wind, and emerging energies.

Subsea7 contributes to the offshore energy transition by helping to decarbonise subsea and conventional developments, providing life-of-field services, and electrifying offshore facilities. The Group develops renewables and new energies sources by driving innovation in offshore wind, CCS projects as well as hydrogen projects studies. More information on Subsea7's business model, role in the value chain, market position and strategy are described on page 2 and on pages 8 to 17.

Subsea7's activities can impact, or be impacted by sustainability matters, either relating to its own workforce, or through relationships with suppliers; emissions from its own operations; or the positive or negative impact of client activities in which Subsea7 participates. To monitor such impacts a number of key performance indicators (KPIs) are defined. These are disclosed in the relevant sections relating to reporting in line with ESRS requirements.

Subsea7's approach to sustainability is guided by its material topics, simplified under a three-pillar framework. Subsea7's products and services are aligned to its sustainability-related goals and summarised as part of this framework.

Subsea7 does not provide any products or services that are banned in specific countries or regions, with due reference to the relevant laws and regulations, and the Group complies with all applicable trade sanctions and export controls.

Subsea7 discloses its breakdown of total revenue as required by IFRS 8 'Operating segments' in note 5 'Segment information' to the Consolidated Financial Statements. Revenue derived from the fossil fuel sector is primarily reported under the Subsea and Conventional business unit, in addition this revenue is reported as non-eligible under the EU Taxonomy disclosure in Table 2-1 on page 74.

Interests and views of our stakeholders (ESRS 2 SBM-2)

Engaging with the Group's stakeholders and responding to their interests and views is important to Subsea7's long-term success. This involves building and maintaining a foundation of trust and long-term relationships with stakeholders.

Subsea7's key stakeholders include shareholders, clients, employees, suppliers, business partners and the society in which it operates. By understanding Subsea7's key stakeholders' interests and priorities, the Group can better align on shared priorities and evaluate the strategic direction within the context of stakeholders' expectations. As part of the Group's ongoing engagement with stakeholders, management aims to stay informed and proactively address opportunities and risks identified through regular interactions and communications. The Group engages with its key stakeholders in a variety of ways that are presented in Table 1-2.

The interests and views from a selection of Subsea7's key stakeholders were analysed during a double materiality assessment process. This involved engaging with a diverse group of internal and external stakeholders from various segments of the value chain. The assessment provided insights into the most relevant topics for different stakeholders, enabling Subsea7 to further align its business priorities with stakeholders' expectations. It also assisted management to prioritise key topics that offer mutual value to stakeholders. For further details on how management engaged with stakeholders during the double materiality assessment, refer to 'Materiality assessment (ESRS 2 IRO-1) on page 72.

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SUSTAINABILITY STATEMENTS *CONTINUED*

Table 1-2 – Engagement with stakeholders

Engagement with stakeholders	Engagement channels and purpose	Expected outcomes
 <p>Existing shareholders, lenders and potential investors</p>	<p>We engage with investors and the financial markets through presentations, briefings, roadshows, and regular financial reporting. We provide updates via our website and on sustainability performance via ESG rating surveys. We also occasionally host site visits to specific parts of our business, and we commission third-party perception studies to help inform our engagement efforts.</p>	<ul style="list-style-type: none"> Increasing investor understanding of the business and confidence in its long-term strategy Securing borrowing facilities and stable financial backing Maintaining transparency by regular reporting including our financial, operational and sustainability progress.
 <p>Clients</p>	<p>Client engagement is part of Subsea7's daily operational workflow through regular meetings, ongoing dialogues with client's representatives, addressing sustainability requests through criteria in tender processes, participating in audits, and establishing early-stage alliances. Industry insights and discussions help us understand client risks and opportunities, aligning with end-user interests.</p>	<ul style="list-style-type: none"> High client satisfaction and retention rates Enhanced client experience and engagement Addressing clients' needs and concerns Driving innovation, collaboration and partnerships.
 <p>Employees</p>	<p>We engage with employees through annual employee surveys, regular performance reviews, regular newsletters and communication sessions (such as town halls). These engagements are performed by leadership teams as well as by line managers. We also consult internal experts on sustainability-related impacts, risks and opportunities, support employee needs via HR teams and platforms, and provide learning and development opportunities.</p>	<ul style="list-style-type: none"> Promote a culture of safety and integrity High employee satisfaction and reduced turnover rates Increased employee engagement and productivity.
 <p>Suppliers</p>	<p>We engage with our suppliers through regular operational interactions, Supplier Integrity Days and our Code of Conduct for Suppliers. Additionally, we conduct HSSEQ audits of our critical suppliers, which can take place during the entire supplier lifecycle.</p>	<ul style="list-style-type: none"> Supplier adherence to Subsea7's business conduct standards Improved supply chain efficiency and quality of products and services Stronger collaborative relationships.
 <p>Public and regulatory agencies</p>	<p>We follow updates from regulators and other relevant public authorities to ensure compliance with applicable regulations in the countries where we operate.</p>	<ul style="list-style-type: none"> Managing legal risks Ensuring Subsea7 upholds the highest standards of legal and ethical conduct Promoting responsible business practices in the areas of the environment, human rights and anti-corruption.
 <p>Business and trade associations</p>	<p>We actively engage with businesses and trade associations for networking, advocacy, resources, and broader industry interests. Organisations such as the International Maritime Contractor Association (IMCA) offer valuable industry-specific insights and opportunities for exchange within the industry. We also participate in business-led coalition and industry-led committees, such as those focused on the environment (including GHG emissions), human rights and worker welfare. Additionally, we seek innovative business partnerships to enhance our capabilities and explore new collaboration opportunities.</p>	<ul style="list-style-type: none"> Remain informed on industry developments and emerging challenges Access trends in innovation Accelerate our efforts in energy transition and decarbonisation Contribute to innovation through partnerships.

Engagement with stakeholders



Not-for-profit organisations, non-governmental organisations (NGOs), specialised agencies, and academic institutions

Engagement channels and purpose

We engage with not-for-profit organisations, NGOs and academic institutions to drive positive social and environmental impacts through partnerships, joint projects, research collaborations and internships. Notable engagements include the United Nations Global Compact, where we report annually on our progress, in the Carbon Disclosure Project (or CDP) for climate performance disclosure, and the National Oceanography Centre through the BORA Blue Ocean Research Alliance® to enhance global ocean access for scientific research.

Expected outcomes

- Enhanced social and environmental impact
- Contribute to achieving Sustainable Development Goals
- Access to additional resources and expertise
- Contribute to research insights.



Local communities

We engage with local communities through partnerships, employee volunteering, graduate roadshows, outreach programmes and sponsorships.

- Foster community relationships
- Support education and career opportunities
- Access to potential talent.

Material impacts, risks and opportunities (IROs) (ESRS 2 SBM-3)

This section summarises sustainability-related impacts, risks and opportunities (IROs) identified following the double materiality assessment process (DMA) described on pages 72 to 73.

In total, 28 material IROs were identified following the DMA. This included 11 risks, six opportunities, nine negative impacts and two positive impacts. While consideration of the financial effects formed part of the DMA exercise, current and anticipated quantitative financial effects relating to Subsea7's individual material risks and opportunities, including any planned sources of funding, were not assessed. Subsea7 responds to its IROs through the implementation of several business actions and activities led by management. The list of material IROs and corresponding actions, are disclosed in the relevant sections relating to reporting in line with the ESRS.

Material IROs and interaction with business model

Subsea7's strategy is aligned with addressing its material sustainability topics. At a management level, strategy and sustainability are governed under the same leadership and are inherently linked when identifying and assessing considerations for the Group's long-term positioning.

Climate-related IROs are material and may affect Subsea7's strategy and decisions impacting long-term positioning. Climate-related matters may influence changes and the pace of market dynamics, policies and regulations, technology, and value chain behaviours. These changes are typically reflected in the forecast market size across different geographies and energy market segments, indicating the pace of the energy transition. This is further assessed through Subsea7's short- to medium-term outlook as part of the annual budget and long-term strategic planning process.

Simultaneously, Subsea7 recognises the importance of people in enabling and delivering the energy transition. This is reflected in the outcomes of the DMA concerning social topics, which are further detailed in the social disclosures referenced in Own Workforce (ESRS S1) and Workers in the Value Chain (ESRS S2) within the Sustainability Statements.

Furthermore, the DMA identified several foundational topics for Subsea7, irrespective of the adopted strategy. These encompass business ethics, human rights, responsible supply chain management and cybersecurity, all of which are integral to operating responsibly. These topics are actively monitored to ensure compliance with relevant standards and regulations to meet stakeholders' expectations.

SUSTAINABILITY STATEMENTS CONTINUED

Impact, risk and opportunity management

Materiality assessment (ESRS 2 IRO-1)

Identifying sustainability topics

In the second half of 2023, Subsea7 conducted a double materiality assessment (DMA) in accordance with the requirements of the EU CSRD and the ESRS.

Supported by an independent sustainability consultant, the assessment was performed in stages. The analysis firstly considered the context of Subsea7's activities and business relationships, value chain and affected stakeholders to identify a long list of relevant sustainability topics, an example of which is outlined in ESRS 1 paragraph AR16. During this stage, sources included macro trends; international and national sustainability frameworks and regulations, such as the ESRS framework; sectoral reports; ESG ratings; industry peers; public organisations; and internal strategic documents. The long list was refined further to create a conceptual shortlist of 19 topics to be assessed by both external and internal stakeholders. Sustainability topics and sub-topics that were not relevant to Subsea7's business model were omitted from the assessment.

Interviews were conducted with a range of Subsea7's internal and external stakeholders to gain perspective on the relevance and materiality of topics. This included engagement with shareholders, clients, suppliers and employees. Stakeholders ranked the conceptual shortlist of topics in terms of relevance and provided qualitative insights through one-to-one interviews. A weighted score was applied to the different stakeholder groups, using the salience model when considering their perspectives – a process used to evaluate stakeholders based on three attributes: power, legitimacy and urgency.

Subsea7 evaluated the potential material topics from two perspectives. The assessment examined the effects from an outside-in (financial) viewpoint, focusing on the risks and opportunities posed by ESG factors for Subsea7. Additionally, an inside-out (societal/environmental) perspective assessed the impacts of Subsea7's business activities on society and the environment at large. Business impact workshops with internal senior leaders reviewed the 19 topics both financially and in terms of the broader impact, following a defined scoring methodology as shown in Table 1-3. As part of this exercise, Subsea7 included a broad range of leaders representing the regional and geographical locations in which the Group has significant activities.

Materiality threshold and scoring approach

In accordance with the principles presented in ESRS 1, the DMA scoring method and criteria was based on the approach referenced in Table 1-3:

Table 1-3 – Materiality scoring method

Impact materiality	Financial materiality
Impact materiality represents the actual and potential (negative and positive) impacts of Subsea7's operations and value chain on society and the environment.	Financial materiality represents the risks and opportunities related to the material topics for Subsea7's business.
It is determined by summing the scale of the impact (determined on a scale of 0 to 5), the scope of the impact (determined on a scale of 0 to 5) and the irremediable character of the impact (determined on a scale of 0 to 5).	It is determined by calculating the average score between scale of the impact on Subsea7 (determined on a scale of 0 to 4) and likelihood of occurring (determined on a scale of 0 to 4).

In conjunction with scoring the material topics across the two dimensions referenced in Table 1-3, the evaluation also considered, where possible, time horizons, and where a topic affects Subsea7's value chain.

Output from the double materiality assessment

The DMA identified 10 sustainability topics, as shown in the Subsea7 double materiality matrix on page 73, to be material to Subsea7's business and its stakeholders. The materiality threshold, as indicated in the matrix, was set in line with the factors referenced in Table 1-3.

The DMA also yielded results in relation to topics that are currently of lower materiality to Subsea7 (i.e. that fell under the threshold for material topics), which were therefore excluded from Subsea7's sustainability reporting obligations. These topics will continue to be monitored by management.

To finalise decisions on material sustainability topics, a validation session was held with the Sustainability Committee. There then followed a review and approval by the Board in 2024.

The material topics were linked to relevant ESRSs to define Subsea7's CSRD reporting obligations. The detailed IROs disclosed in the relevant sections relating to reporting in line with the ESRS, were concluded following the DMA. This involved aligning with the Group's overall risk management approach and mapping sustainability-related IROs with disclosed information where relevant. Sustainability risks, in many cases, reflect risks identified as having a potentially material negative impact on the Group, whether assessed against financial metrics or other non-financial criteria. Sustainability risks are managed in the same way as all other risks, at a functional level within the Group, and details of how the Group manages risks and the roles and responsibilities are shown in the Governance and Principal Risks and Uncertainties sections on pages 42 to 58 and pages 24 to 41 respectively. Sessions were then held with senior management to assess and validate the identified IROs for accuracy and completeness, the Executive Management Team then approved the assessment of the IROs.



During 2024 there was no material change in the Group's organisational or operational structure and no material change in external factors that could generate new or modify existing IROs or that could impact the relevance of current disclosures, therefore Subsea7 refers to the DMA performed in the second half of 2023 for the 2024 reporting period.

This disclosure explains future improvements in the ongoing due diligence and double materiality assessment process, including robust engagement with affected stakeholders. Due diligence is an ongoing practice that responds to and may trigger changes in the Group's strategy, business model, activities, business relationships, operating, sourcing and selling contexts. The double materiality assessment process may also be impacted in time by sector-specific standards to be adopted. The Sustainability Statements may not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder or group of stakeholders may consider important in their own particular assessment.

Disclosure requirements in ESRs covered by sustainability statements (ESRS 2 IRO-2)

For information relating to the disclosure requirements in line with the ESRs which are material to Subsea7, refer to the reference tables in the Appendix on pages 114 to 116. For data points that derive from other EU legislation as listed in ESRs 2, refer to the Appendix on pages 116 to 118.

Minimum disclosure requirements on policies, actions and targets

Unless stated otherwise, the following applies to all policies referred to in the Sustainability Statements:

- the policies apply to all geographical areas of operations, and all of Subsea7's workforce without any exclusions;
- the implementation of each policy is the responsibility of the functional director, with overall accountability within the Executive Management Team;
- all policies are available in the Group's Business Management System and made available to any person in the organisation.

Subsea7 responds to its impacts, risks and opportunities through the implementation of several business actions and activities led by management. Overall accountability lies with the Executive Management Team. Further information on the oversight of sustainability matters is detailed in the Risk management and internal controls over sustainability reporting (GOV-5) on pages 68 to 69.

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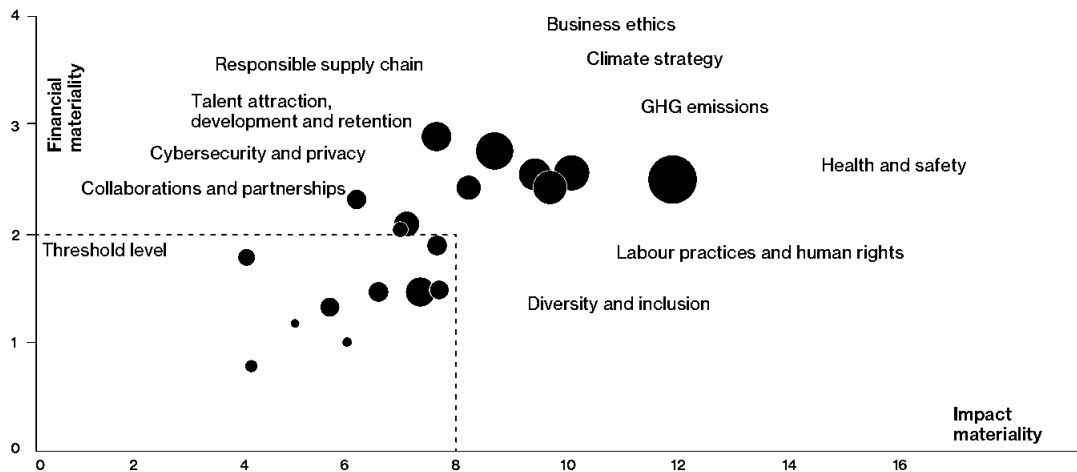
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Subsea7 double materiality matrix



- Material topics
 - Importance for stakeholders
- Topics with lower materiality for Subsea7
 - Affordability of energy
 - Pollution management
 - Biodiversity
 - Spills management
 - Water and marine resources
 - Waste management
 - Local communities and development
 - Resource management
 - R&D and innovation



SUSTAINABILITY STATEMENTS CONTINUED

ENVIRONMENTAL DISCLOSURES

Reporting according to the EU Taxonomy

Table 2-1 – EU Taxonomy KPI summary

KPIs for Climate Change Mitigation Objective as of 31 December 2024	Revenue \$m			Capex \$m			Opex \$m		
	2024	2023	Var	2024	2023	Var	2024	2023	Var
Numerator for Eligible	1,184	876	308	89	424	(336)	21	21	0
Numerator for Aligned	1,127	817	310	89	424	(336)	20	20	0
Numerator for Non-Eligible	5,653	5,098	555	463	516	(53)	118	88	30
Denominator	6,837	5,974	863	552	940	(388)	139	109	30
Eligible proportion	17%	15%	200bp	16%	45%	(2,900bp)	15%	19%	(400bp)
Aligned proportion	16%	14%	200bp	16%	45%	(2,900bp)	14%	18%	(400bp)
Non-Eligible proportion	83%	85%	(200bp)	84%	55%	2,900bp	85%	81%	400bp

Revenue (turnover)

The primary source of revenue contributing to the numerator of the taxonomy revenue KPIs was generated from the installation of offshore wind farm facilities. The proportion of the Group's total revenue which was taxonomy-eligible in 2024 was 17% compared to 15% in 2023. The proportion of the Group's total revenue that was taxonomy-aligned in 2024 was 16% compared to 14% in 2023. In 2023 it was reported that 1% of revenue was aligned to 5.11 'Transportation of CO₂' criteria, however on review it was identified that it failed to meet one of the Substantial Contribution criteria and has therefore been removed from the comparatives for 2023.

Capex

All capex contributing to taxonomy KPIs, which included additions of vessels to the Group's fleet and right-of-use assets, was in support of the Group's activities related to the offshore wind business. The capex was invested in line with the Group's long-term strategy and planning objectives. The Group's taxonomy-eligible and taxonomy-aligned capex in 2024 represented 16% of the total capex of the Group compared to 45% in 2023. The year-on-year decrease in taxonomy-eligible and taxonomy-aligned capex was primarily due to the investment in 2023 in the two newbuild vessels, *Seaway Ventus* and *Seaway Alfa Lift* which were fully operational in 2024.

Opex

Opex contributing to taxonomy KPIs included maintenance and repair costs directly related to vessels operating exclusively on offshore wind activities and research and development (R&D) costs with a direct link to expected future revenue within the offshore wind sector. The proportion of the Group's opex that was taxonomy-eligible in 2024 was 15% compared to 19% in 2023. A portion of the taxonomy-eligible R&D opex is related to subsea hydrogen storage and carbon capture and storage, however, due to the early stages of this activity, the Group is not yet in a position to state whether alignment criteria were met. Subsea7 will continue to review this for reporting in future periods.



EU regulation

On 18 June 2020, the European Union (EU) issued Regulation Commission 2020/852 on the establishment of a framework to facilitate investment for companies registered within the EU. Under this regulation and its delegated acts (the 'EU Taxonomy'), the Subsea 7 S.A. Group is required to publish, for the 2024 financial year, eligibility and alignment indicators highlighting the proportion of its revenue, capital expenditure ('capex') and operating expenditure ('opex'), collectively, key performance indicators ('KPIs') resulting from economic activities considered as sustainable as defined by the EU Taxonomy.

The EU Taxonomy defines an economic activity as sustainable if it shows Significant Contribution (SC) to reaching one or more of six environmental objectives, Do No Significant Harm (DNSH) to any of the environmental objectives, and is carried out in compliance with the Minimum Safeguards (MS). The six environmental objectives are; climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, protection and restoration of biodiversity and ecosystems. The assessment of eligibility and the degree of alignment was performed based on a detailed analysis of all the Group's economic activities undertaken in the year, measured against:

- The Delegated Regulation (EU) 2021/2139 of 4 June 2021 and its annexes supplementing Regulation (EU) 2020/852 specifying the technical criteria for determining under which conditions an economic activity may be considered to contribute to climate change mitigation or climate change adaptation,
- The Regulation relating to article 8 also defined as Delegated Regulation (EU) 2021/2178 of the European Commission of 6 July 2021 and its annexes supplementing Regulation (EU) 2020/852 specifying how to calculate the KPIs and the narrative information to be published,
- Amendments to Objectives 1 and 2 amending Delegated Regulation (EU) No. 2021/2139 establishing additional technical selection criteria for determining the conditions under which certain economic activities may be considered to contribute substantially to climate change mitigation or adaptation, and for determining whether such activities do not adversely affect any of the other environmental objectives,
- Clarification of the EU Taxonomy's other environmental objectives relating to the protection and sustainable use of water and marine resources, the transition to a circular economy, the prevention and control of pollution and the protection and restoration of biodiversity and ecosystems via the Commission's delegated regulation (EU) of 27 June 2023 supplementing delegated regulation (EU) 2020 /2139

Subsea7 performed an exercise to identify each economic activity which contributed to the Group's Consolidated Financial Statements. An analytical methodology was applied, which involved definitions, assumptions and estimates, the main elements of which are described in the following sections. This analytical methodology will continue to develop as the EU Taxonomy evolves.

Eligible economic activities under the EU Taxonomy

The first step of the alignment assessment in accordance with the EU Taxonomy requires the Group to identify all eligible economic activities for each of the published environmental objectives. The economic activities identified resulted from a comprehensive review of the Group's activities in 2024.

Stakeholders within the Group were engaged to analyse all third-party revenue-generating activities, as well as any activities for which there was capex which may generate revenue in future periods, and opex such as research and development (R&D) spend.

The Group's activities, which were assessed to be EU Taxonomy-eligible for the six environmental objectives are shown in table 2-2 on page 77, with only the climate change mitigation objective being relevant.

The classification of activities in 2024 is consistent with what was reported in prior years with revenue generating activities falling under 4.3 'Electricity generation from wind power'. Activities categorised under 5.11 'Transport of CO₂' did not meet the Substantial Contribution criteria and therefore were deemed to be eligible but not aligned.

Eligible capex and opex are also included primarily in the activity '4.3 Electricity generation from wind power' with a small amount of opex linked to the activity 9.1 'Close to market research, development and innovation', which considers expenses linked to R&D, in this case R&D related to green hydrogen storage studies.

The review of eligibility indicators covered all of the Group's economic activities included in the Group's Consolidated Financial Statements for the year ended 31 December 2024. In the year, 17% of the eligible revenue related to the construction of electricity generation facilities that produce electricity from wind power, with the balance consisting of the Group's participation in carbon capture projects in Norway and UK.

For clarity, the oil and gas related economic activities of the Group's Subsea and Conventional, and Corporate business units were assessed as non-eligible under the EU Taxonomy. All oil and gas related activities were deemed non-eligible due to the exclusion of fossil fuel extraction activities from the EU Taxonomy target scope. Notwithstanding this, the Group's non-eligible activities included activities contributing to reducing the carbon intensity of the energy transition such as carbon footprint optimisation, studies related to carbon capture systems in the oil and gas sector, a project for the electrification of an offshore platform using floating wind technology, and other less significant carbon footprint reducing activities.

It is possible that some of these activities may fall into the eligible scope in the future and this will continue to be monitored.

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Alignment assessment for revenue-generating activities

For the year ended 31 December 2024, the EU Taxonomy Regulation requires eligible activities to be analysed regarding their compliance with the alignment criteria for activities under climate change mitigation and climate change adaptation objectives, which includes considerations related to Substantial Contribution, do no significant harm and minimum safeguards.

Substantial Contribution

Activity 4.3 'Electricity generation from wind power'

In order to meet the technical screening criteria related to this activity, management concluded that all eligible activities met the Substantial Contribution criteria as the activity ultimately resulted in the generation of electricity from wind farms.

Activity 5.11 'Transport of CO₂'

During assessment of these activities it was concluded that the Substantial Contribution criteria of this activity were not met and therefore the activity is not aligned to the taxonomy requirements.

Activity 9.1 'Close to market research, development and innovation'

Substantial Contribution criteria were met as the OPEX under this activity relates to studies for the construction of subsea hydrogen storage facilities. This is in its early stages, with activities related to R&D spend, and as such it was concluded that Subsea7 could not yet classify the activity as taxonomy-aligned.

Do No Significant Harm (DNSH)

Internal policies and procedures were used in the assessment of the DNSH criteria. Including the Group's Sustainability Strategy, Compliance and Ethics policies, and Environmental Management Procedure. In addition, the Environmental Management Plans for each eligible project were reviewed. The following DNSH criteria were considered:

Protection of biodiversity and ecosystems (4.3)

For all of the Group's eligible activities, ISO 14001 certified environmental management plans are implemented. These plans provide a framework to allow management to monitor and mitigate the environmental impacts of the Group's business operations and meet the requirements of all applicable regulations. Within the plans a number of standards and procedures are maintained in order to meet the DNSH assessment criteria for EU Taxonomy requirements. These plans incorporate inputs from the Group's clients. All issues identified and requirements defined in the original environmental impact assessments are considered to establish the consent requirements for the activity; these are then incorporated into the client's environmental management plans, and finally into the Group's environmental management plans.

Regarding protection of biodiversity and ecosystems, together with its clients Subsea7's ensures that its operations meet the requirements of the environmental permits that its clients are held accountable against, in

turn ensuring that the eligible activities do not hamper the achievement of good environmental status as set out in Directive 2008/56/EC.

Transition to a circular economy (4.3)

Subsea7 is focused on moving from a linear economy towards a circular economy across its business and supply chains. This indented result is to minimise resource use, keep resources in use for as long as possible, extract maximum value from them, reduce waste and promote resource efficiency. Subsea7 has a group-wide Circular Economy Guidance document, the purpose of which is to provide guidance on Subsea7's approach to promoting the circular economy concept, both onshore and offshore. The environmental management plans may also include additional relevant assessments related to circular economy issues.

Sustainable use and protection of water and marine resources (4.3)

Sustainable use and protection of water and marine resources is also considered in the assessment. In the case of the construction of offshore wind infrastructures, Subsea7's activities do not hamper the achievement of good environmental status, Subsea7 works with its clients to ensure legislative requirements under environmental licenses are met. An example of where steps were taken to minimise potential noise impacts was the successful use of near-field noise mitigation systems, including bubble curtains, on wind farm projects to protect the environment from the sound and vibration caused by pile-driving foundation structures into the seabed.

Adaptation to climate change (4.3)

As part of the EU Corporate Sustainability Reporting Directive (CSRD) requirements, climate-related risks and opportunities have been identified that may have a strategic or financial impact on the Group. Refer to ESRS E1 – Climate change section on page 81 for more information. In addition to the identification of climate-related risks, Subsea7 commissioned an independent third party to perform an analysis of short-term risks. Climate risk and vulnerability assessments were also performed by the Group's clients to meet alignment expectations.

Minimum Safeguards

The EU Taxonomy defines a set of Minimum Safeguards in accordance with Article 18 of the Regulation. The Minimum Safeguards are a set of defined UN, EU and other international human rights and code of ethics guidelines against which businesses must assess their procedures. Four themes are covered under the Minimum Safeguards criteria: human rights, corruption, taxation and fair competition.

In order to meet the requirements, the Group has established a process for mapping its policies and procedures to the following guidelines and standards, as set out by the EU Taxonomy:

- The OECD Guidelines for Multinational Enterprises;
- The UN Guiding Principles on Business and Human Rights;
- The principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organization Declaration on Fundamental Principles and Rights at Work
- The International Charter of Human Rights.



Having performed a review of the Group's policies and procedures, management concluded that the Group complies with the alignment criteria of the EU Taxonomy's Minimum Safeguards. Further information is available in the Group's Business Ethics, Human Rights and Tax policies section at www.subsea7.com and within the Sustainability Statements within this document.

Methodology for calculating KPIs

The financial information used for the EU Taxonomy report is based on the Group's Consolidated Financial Statements for the year ended 31 December 2024 and was sourced from the Group's financial information systems. It was subject to internal review and assurance by the Group's finance function to ensure consistency of approach with the revenue, opex and capex information reported in the Group's Consolidated Financial Statements.

The Group's taxonomy-eligible/aligned revenue KPIs are determined by dividing the sum of the revenue related to eligible and aligned activities by the total revenue of all activities as reported in the Group's Consolidated Financial Statements. The Group's revenue relates mainly to engineering, procurement, construction and installation contracts recognised in accordance with Note 3 'Material accounting policies' in the Group's Consolidated Financial Statements for the year ended 31 December 2024.

The Group's taxonomy-eligible/aligned capex KPIs are determined by dividing the sum of the capex of eligible and aligned capex activities by the total of additions to intangible assets, property, plant and equipment, and addition and remeasurement of right-of-use assets as

reported in the Group's Consolidated Financial Statements. For further details refer to notes 13, 14, and 15 to the Group's Consolidated Financial Statements for the year ended 31 December 2024.

The Group's taxonomy-eligible/aligned opex KPIs are determined by dividing the sum of the opex related to eligible and aligned activities by the total opex for all activities for the Group during the year ended 31 December 2024. The only operating expenses reported under the numerator and denominator for the Group were:

- Expenses that relate to the maintenance and repair of property, plant and equipment; and
- Research and development expenses, including direct personnel costs.

To avoid double-counting, management only included as eligible those operating expenditures allocated in full to supporting the execution of eligible activities. The expenses already included under the capex taxonomy-aligned KPIs have been excluded from the opex taxonomy-aligned KPIs numerator and denominator.

Future Developments

In line with the Group's strategy (on pages 10 to 15), Subsea7 intends to continue to develop the Group's Taxonomy eligible and aligned KPIs and to continue to evaluate the Group's operations and identify any new activities which may be eligible under the six environmental objectives within the sustainability taxonomy.

Table 2-2 – EU Taxonomy Activities

Environmental objective	Activity covered by the EU Taxonomy Code	Associated NACE code	Definition of the activity	Corresponding Group activity
Climate change mitigation	4.3 Electricity generation from wind power	D35.11 F42.22	Construction or operation of electricity generation facilities that produce electricity from wind power.	Activities related to the delivery of fixed and floating offshore wind farm projects. This includes the procurement and installation of offshore wind turbine foundations and inter-array cables as well as heavy lifting operations and heavy transportation services of renewables structures.
Climate change mitigation	5.11 Transport of CO ₂	F42.21 H49.50	Transport of captured CO ₂ via all modes.	The Group participated in a carbon capture and storage project, offshore Norway. This scope included engineering, fabrication and installation of approximately 100 kilometres of pipeline that will connect the CO ₂ collection facility to the CO ₂ storage site.
Climate change mitigation	9.1 Close to market research, development and innovation which considers expenses linked to R&D		R&D activities associated with hydrogen and carbon capture.	The Group is currently involved in R&D activities relating to the construction of green hydrogen storage facilities and carbon capture and storage studies.

Additional Information – EU Taxonomy Disclosure

Table 2-3 – Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024.

Financial year 2024	2024	Substantial Contribution Criteria								DNSH criteria ('Does Not Significantly Harm') (h)										
Economic Activities (1)	Code (a) (2)	Turnover \$ millions (3)	Proportion of Turnover, (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned Activities (A.1) or eligible (A.2.) Turnover, 2023 (18)	Category enabling activity (19)	Category transitional activity (20)	
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Electricity generation from wind power	CCM 4.3	1,126.8	16%	Y	N	N/EL	N/EL	N/EL	N/EL	n/a	Y	Y	n/a	Y	Y	Y	14%	-	-	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1,126.8	16%	16%	0%	0%	0%	0%	0%	n/a	Y	Y	Y	Y	Y	Y	14%	-	-	
Of which Enabling		1,126.8	16%	16%	0%	-	-	-	-	n/a	Y	Y	n/a	Y	Y	Y	14%	E	-	
Of which Transitional		0.0	0%	0%	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																				
Electricity generation from wind power	CCM 4.3	2.4	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL											
Transport of CO ₂	CCM 5.11	55.1	1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL											
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		57.5	1%	1%	0%	-	-	-	-											
A. Turnover of Taxonomy eligible activities (A.1+A.2)		1,184.2	17%	17%	0%	-	-	-	-											
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy-non-eligible activities		5,652.8	83%																	
TOTAL		6,837.0	100%																	

Note: In 2023 it was reported that 1% of revenue was aligned to 5.11 'Transportation of CO₂' criteria, however on review it was identified that it failed to meet one of the Substantial Contribution criteria and has therefore been removed from the comparatives for 2023.

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities per environmental objective – disclosure covering year ended 31 December 2024.

Proportion of turnover/Total turnover	Taxonomy-aligned per objective	Taxonomy-eligible per objective
	CCM	16%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Table 2-4 – Proportion of capex from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024	2024	Substantial Contribution Criteria								DNSH criteria ('Does Not Significantly Harm') (h)									
Economic Activities (1)	Code (a) (2)	CapEx \$millions (3)	Proportion of CapEx (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1) or eligible (A.2.) CapEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation from wind power	CCM 4.3	88.8	16%	Y	N	N/EL	N/EL	N/EL	N/EL	n/a	Y	Y	n/a	Y	Y	Y	45%	-	-
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		88.8	16%	100%	0%	0%	0%	0%	0%	n/a	Y	Y	n/a	Y	Y	Y	45%	-	-
Of which Enabling		88.8	16%	100%	0%	-	-	-	-	n/a	Y	Y	n/a	Y	Y	Y	45%	E	-
Of which Transitional		0.0	0%	0%	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
Electricity generation from wind power	CCM 4.3	0	0	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0	0%	0%	0%	0%	0%	0%										
A. CapEx of Taxonomy eligible activities (A.1+A.2)		88.8	16%	100%	0%	0%	0%	0%	0%										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		463.4	84%																
TOTAL		552.2	100%																

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities per environmental objective – disclosure covering year ended 31 December 2024.

Proportion of CapEx/Total CapEx	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	16%	16%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PFC	0%	0%
BIO	0%	0%

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Table 2-5 – Proportion of opex from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024.

Financial year 2024	2024	Substantial Contribution Criteria							DNSH criteria ('Does Not Significantly Harm') (h)										
Economic Activities (1)	Code (a) (2)	OpEx \$ millions (3)	Proportion of OpEx (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) OpEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation from wind power	CCM 4.3	19.8	14%	Y	N	N/EL	N/EL	N/EL	N/EL	n/a	Y	Y	n/a	Y	Y	Y	18%	-	-
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		19.8	14%	14%	0%	0%	0%	0%	0%	n/a	Y	Y	n/a	Y	Y	Y	18%	-	-
Of which Enabling		19.8	14%	14%	0%	0%	0%	0%	0%	n/a	Y	Y	n/a	Y	Y	Y	-	E	-
Of which Transitional		0.0	0%	0%	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
Close to market research, development and innovation	CCM 9.1	0.6	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Transport of CO ₂	CCM 5.11	0.5	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1.1	1%	1%	0%	0%	0%	0%	0%										
A. OpEx of Taxonomy eligible activities (A.1+A.2)		20.9	15%	1%	0%	0%	0%	0%	0%										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		118.4	85%																
TOTAL		139.3	100%																

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities per environmental objective – disclosure covering year ended 31 December 2024.

Proportion of OpEx/Total OpEx		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	14%	15%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

ESRS E1 – Climate change

Integration of sustainability-related performance in incentive schemes (ESRS 2 GOV-3)

While Subsea7 has set climate-related targets, and monitors progress towards those targets, Subsea7 does not currently assess the performance of its Board members or Executive Management Team against the Greenhouse Gas (GHG) emissions reduction targets referenced on page 85. A significant factor in achieving Subsea7's emissions reduction targets is the development of suitable alternative fuels commercially available at scale in the market for the shipping industry. This development is outside the control of Subsea7, therefore, it would be unreasonable for the Board or the Executive Management Team to be assessed against these variables.

Transition plan for climate change mitigation (ESRS E1-1)

Although Subsea7 has not developed a specific transition plan for climate change mitigation, Subsea7's strategy is aligned with the energy transition in several ways. Subsea7 plays a leading role in the construction of sustainable offshore energy developments worldwide, and the fixed offshore wind market is a significant part of Subsea7's business. Subsea7, through its Seaway7 brand, reported as the Renewables business unit, has been operating in offshore wind since 2009 and, by 31 December 2024, had supported the construction of 15.8GW of cumulative power capacity of renewables projects. In 2024, the Renewables business unit generated 18% of the Group's revenue. In 2024, Subsea7 also completed its first carbon capture project, Northern Lights in Norway, which utilised the Group's existing fleet of vessels and, as such, offer a new source of revenue growth with limited associated investment.

Subsea deepwater oil and gas is an important market for Subsea7. Deepwater developments have an advantaged carbon-intensity profile primarily due to the efficiency and scale of these projects as they often target very large reservoirs. To support this position, Subsea7 commissioned an expert energy consultancy to perform a study to analyse the relative carbon-intensity levels of extracting oil and gas, specifically mapping emissions from exploration, drilling, field development, production and transportation. The study was performed to interrogate several industry research claims that deepwater developments have, on average, the lowest carbon-intensive method of extracting oil and gas. The findings of the study support the observation that offshore hydrocarbons, particularly deepwater, has the potential to be the lowest carbon-intensive source per barrel of oil extracted.

Subsea7's proprietary technology and engineering capability supports its clients in developing these projects in cost-effective and efficient ways. Subsea7 has extensive expertise and experience in large offshore oil and gas field developments. With the positive market momentum anticipated, there is a greater need to support lower-carbon solutions while meeting current and future energy needs. Subsea7's investment in OneSubsea, a global joint venture

between SLB, Aker Solutions and Subsea7, strengthens and accelerates the solutions needed to reduce emissions in subsea operations through a focus on innovation and efficiencies in the integrated project offering through the Subsea Integration Alliance.

To further support climate mitigation, Subsea7 is addressing its own GHG emissions, primarily from its fleet of vessels, through its decarbonisation plan. As part of this plan, Subsea7 aims to reduce Scope 1 and Scope 2 GHG emissions, targeting a 50% reduction by 2035 and achieving net-zero GHG emissions by 2050. While Subsea7 is implementing changes and solutions available today, there are several factors that could affect Subsea7's ability to meet these targets and could cause its plans to differ materially from those currently reported, including but not limited to the availability and deployment of cleaner technologies at scale commercially. Further details on Subsea7's decarbonisation targets and levers are shown on pages 84 to 85. Renewable energy is an important part of Subsea7's business, and it aims to support its clients to accelerate the energy transition. Subsea7 is committed to translating its renewables capabilities into benefits for its clients through the construction of offshore wind farms. Subsea7's ambition is to support 18GW of cumulative power capacity installed through renewable energy projects by the end of 2025 and 35GW by the end of 2030.

Subsea7 is committed to transparency in its climate mitigation plans, targets, and progress, adhering to the requirements of the EU Corporate Sustainability Reporting Directive (CSRD). Subsea7's economic activities that relate to climate adaptation and mitigation including capital expenditure and operating expenses relating to activities in line with the EU Taxonomy regulation are shown on pages 74 to 80.

Management has adopted a structured approach to assessing material risks, including climate risks, opportunities, and impacts of the Group's operations. The decarbonisation plan and progress against this plan and its targets are regularly reviewed by the Executive Management Team and the Board of Directors. Progress towards decarbonisation targets is shown on page 88, while progress on renewables build-out targets is shown on page 19.

While Subsea7 has not fully analysed its locked-in emissions, it intends to further mature this area as part of its continued review of the assumptions and actions associated with the decarbonisation plan.

Resilience of strategy and business model(s) (ESRS 2 SBM-3)

The strategy of Subsea7 is to create sustainable value by delivering the offshore energy transition solutions the world needs. As such, climate change impacts and opportunities and its associated physical and transitional risks are considered in the Group's strategy. Subsea7 also recognises the significant uncertainty in pace and direction of the energy transition and the potential impact from climate change and climate change-related risks on its business model.

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To build a resilient business, Subsea7 focuses on two main business units: Subsea and Conventional, and Renewables. This allows Subsea7 the flexibility to balance its strategic focus in response to the global energy mix, demands of society and the needs of its clients. All of which are driven by the pace and direction of the energy transition in response to climate change and in the various climate change scenarios considered.

Subsea7 does not have a formal process to test the resilience of its strategy and business model but makes use of a number of climate change scenarios, including those of recognised international organisations such as the International Energy Agency (IEA), Organization of the Petroleum Exporting Countries (OPEC) and Rystad when assessing climate change risk and the impact of climate change on its future market and business model. As part of the ongoing management of the Group, climate change scenarios and reports are studied by management and, when trends, scenarios or demand projections raise concerns, specific analysis or investigations may be initiated to substantiate the risk and the potential impacts. Negative trends or scenarios can be linked to demand for certain products by the Group's clients, or physical, political or regulatory developments or events impacting the Group's business units, such as the deployment of electric vehicles, grid constraints, supply chain bottlenecks, oil price fluctuations, emission taxes (applicable to the Group and/or its clients' businesses) or other.

Based on such specific analysis, the resilience of the Group's business model for specific events is assessed and any necessary adjustments are made. Due to the common skills and capabilities required within the Group, Subsea7 can shift its strategic focus and allocate resources between business units to meet current and future business demands.

Processes to identify and assess material climate-related impacts, risks and opportunities (ESRS 2 IRO-1)

The process of risk identification and management is embedded into Subsea7's operations at every level. The Risk management and internal control section on page 25 details Subsea7's risk management approach and its internal controls. Risk identification is managed through functional and technical expertise across the Group, with all risks, including those related to sustainability, being reported to and assessed by the Executive Risk Committee in close collaboration with the Executive Sustainability Committee for sustainability-linked and climate-related risks. To support preparedness for potential climate-related risks and opportunities, and to ensure effective management, management considers short-term (0-2 years), medium-term (up to 5 years), and long-term (beyond 5 years) horizons. The time horizon for short-term risks differs slightly from those stated under ESRS 1 to incorporate the timing of the Group's budgeting and planning process, which starts mid-year and, therefore, incorporates the current year plus the following year for which the budget is prepared.

The identification and assessment of climate-related risks has primarily focused on transitional risks. Subsea7 intends to further mature this process for physical climate-related risks and aims to report on the outcomes in future periods. The process of identifying and assessing climate-related

risks and opportunities is performed both regionally and globally. Globally, this process is led by a group of subject matter experts and reviewed by the Executive Sustainability Committee. Qualitative analysis includes considering various types of climate-related transitional risks related to current and emerging regulations, technology, legal, market, and reputational topics. Similarly, climate-related opportunities are evaluated globally, focusing on aspects such as resource efficiency and market prospects. These risks and opportunities have the potential to impact the Group financially or strategically, and they are considered concerning their type, timescale, likelihood of occurrence, and potential financial impact.

Regionally, Subsea7 regularly evaluates short-term risks, especially project-based risks related to operational activities. For instance, operational procedures for the Group's fleet and project execution incorporate management of climate-related risks such as sea and weather conditions, and the regional management teams evaluate risks related to future business in light of the energy transition, which is influenced by sustainability matters and climate-related impacts.

Management assesses medium-term strategic positioning through the Group's five-year strategic plan. Operating within the energy industry, Subsea7 recognises that climate-related issues may affect the pace of the global energy transition and, consequently, its strategy and long-term positioning.

The five-year strategic plan includes regional assessments of short and medium-term prospects, along with related risks and opportunities. Regions use third-party data to interpret market forecasts and drivers, thereby assessing the business strategy within the evolving offshore energy market. Climate-related factors affecting market dynamics and value chain behaviours are typically reflected in forecast market sizes across different geographies and energy segments, indicating the pace of the energy transition. This review facilitates budget allocation, strategic decision-making, regulatory compliance reviews, and discussions about new and emerging risks and opportunities that require consideration within the next five years.

Climate-related risks and opportunities beyond the five-year horizon are qualitatively assessed, focusing on long-term transition risks and opportunities. Such risks include current and emerging regulations, technology, legal aspects, market trends and reputation, which could potentially influence the Group financially or strategically. Long-term considerations also involve reviewing changes in regulatory requirements, market trends, and consumer demands.

Subsea7's business activities that align with a climate-neutral economy are detailed in the EU Taxonomy disclosure on pages 74 to 80. Although future business activities are not assessed against this framework, Subsea7 will continue to report under the EU Taxonomy to clarify which activities are compatible and which are not.

Sustainability matters and related impacts, risks and opportunities

This section refers to the climate-related IROs identified following the double materiality assessment process as described on page 72.



Table 2-6 – IROs in relation to Climate Change

	Risk type	Boundary in value chain	Boundary in value chain			Time horizon		
			Upstream	Own operation	Downstream	Short	Medium	Long
Climate-related matters	I/R/O							
Availability of sufficient volumes of alternative fuels that are commercially viable and which can be sourced globally to support Subsea7's goal of reducing Scope 1 and 2 GHG emissions	Risk	Transition: Technology	•	•		•	•	•
Emerging regulation leading to increased costs due to changes in GHG emissions legislation including carbon taxes	Risk	Transition: Policy and legal	•	•	•	•	•	
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	Risk	Transition: Technology		•		•	•	•
Regulation and supervision of climate-related risk in the financial sector, which could lead to challenges in accessing funding for the Group	Risk	Transition: Reputation		•		•	•	•
Failure to secure and manage costs could impact the Group's financial performance; risks include cancellations or delays of clean energy projects, due to regulatory or financial hurdles	Risk	Transition: Market		•		•	•	
Increased use of electricity generated from renewable energy tariffs for onshore facilities	Opportunity			•		•	•	
Building on Subsea7's significant well-established position in the offshore renewables market and growing our geographic and service offering within offshore wind	Opportunity			•			•	
Increasing revenue associated with growth in emerging energies and access to new markets	Opportunity			•				•
Development of new products or services to support lower-carbon oil and gas solutions, and growth of offshore wind and emerging energy	Opportunity			•			•	
Building on Subsea7's track record for collaborative working and partnerships, work with clients, suppliers and partners to develop the solutions needed to unlock new energies from a technical, economic and regulatory perspective	Opportunity		•	•	•	•	•	•
GHG emissions from Subsea7's operations (Scope 1 and 2)	Actual impact (-)			•		•	•	•
GHG emissions from Subsea7's upstream value chain (Scope 3)	Actual impact (-)		•			•	•	

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Impacts, risks and opportunities management

Policies related to climate change mitigation and adaptation (ESRS E1-2)

While Subsea7 lacks a specific climate policy, our Values and the Code of Conduct addresses the importance of climate matters. The Code of Conduct includes a dedicated section related to people, community and the planet. There is a section focused on the environment and climate change, highlighting the importance of reducing GHG emissions and supporting the development of sustainable energy through the Group's Renewables business unit.

Actions and resources in relation to climate change policies (ESRS E1-3)

Addressing GHG emissions from direct operations:

Decarbonisation lever – alternative fuels: Subsea7's recent work has centred on different types of biofuels. In 2024, the Group successfully trialled a blend with 30% fatty acid methyl esters (FAME) biofuel on *Seven Arctic*. This complemented earlier trials with hydrotreated vegetable oil (HVO) biofuel used by *Seven Oceanic*. Management has established that, both technically and operationally, this is a viable route to significantly reduce GHG emissions. A process is now in place that enables transition of the Group's vessels to biofuel blends as and when available and economically viable. Additionally, a study has been conducted to explore worldwide supply and regulatory approval of biofuels. While supply to the marine sector is growing, it is in competition with other users and barriers related to availability and uneconomic pricing will remain. Through the successful alternative fuel trial on *Seven Oceanic*, we continue to monitor the development of alternative fuels, recognising their significant potential to reduce GHG emissions from our operations as they mature. Currently, various alternative fuels are under discussion, but progress is hindered by limitations in readiness, availability, scalability, and cost. Based on our research and evaluation, paraffinic fuels, co-processed marine gas oil, and FAME could offer viable near-term solutions.

Decarbonisation lever – hybridisation: Subsea7's owned fleet includes the hybrid vessels *Seven Viking*, *Seven Arctic* and *Seaway Ventus*. The newest vessel in the fleet, *Seaway Ventus*, was delivered with a fuel-saving direct current system as opposed to alternate current systems that have dominated the marine industry in the past. *Seaway Ventus* is equipped with diesel engines delivering 15MW and batteries capable of delivering 8MW for short periods. It has been demonstrated that a reduction in CO₂ emissions of up to 17% can be achieved on *Seven Arctic* when in it is working in dynamic positioning mode. However, contractual or client requirements can pose a barrier to realising the full reduction in emissions. By 31 December 2024 design and procurement of the hybrid system for *Seaway Alfa Lift* was near completion.

Decarbonisation lever – digitalisation: Subsea7 uses digital dashboards to monitor vessel performance and improve fuel efficiency. In-house systems collect operational data, establishing the basis for more informed decisions to be made that may improve overall fuel use. The Group has fitted its fleet with digital fuel flow meters, providing essential data for analysis, feedback, and adjustments. This allows precise monitoring of speed and consumption. Hull cleaning can also have an impact on reducing fuel consumption and operational efficiencies, and Subsea7 has developed updated hull cleaning/marine growth guidance that will allow timely decisions on the cost and benefit of hull cleaning. Management is working with specialist cleaning companies to be able to implement this more consistently across the Group.

Subsea7's decarbonisation levers are also referenced on page 85.

Addressing emissions across the value chain – upstream:

Engagement with key suppliers plays an important part in the Group's objective to reduce its Scope 3 GHG emissions. To support engagement, Subsea7 hosted a Value Chain Decarbonisation Day and continues with quarterly sustainability engagement meetings with key suppliers on reducing Scope 3 GHG emissions and their preparedness for upcoming regulations.

The Value Chain Decarbonisation Day convened suppliers alongside a global energy client as a keynote participant to discuss strategies for addressing GHG emissions within the value chain. Subsequent to this event, management formulated a plan to support the measurement and recording of Subsea7's Scope 3 GHG emissions from key suppliers, particularly those providing products or services related to hard-to-abate industries. Additionally, management engaged with suppliers to understand their adherence to regulations, including the EU Carbon Border Adjustment Mechanism (CBAM). This engagement enabled management to refine Subsea7's processes to ensure compliance with CBAM.

Addressing emissions across the value chain – downstream:

Regular engagement with Subsea7's clients is central to understand the global market landscape and pace of the energy transition.

Growth in offshore renewables: fixed offshore wind

The underlying fundamentals of the offshore wind sector remain strong with a forecast average annual growth of 18% through to 2035; however, the sector continues to be strongly influenced by politics, supply chain bottlenecks and challenging economics for developers, creating market demand volatility, with the latest significant impact on the market being the downgrade to US offshore wind following the presidential election in November 2024. The primary European markets of the UK, the Netherlands, Germany and Poland continued to show solid progress in 2024 with four successful lease auctions equating to 17GW of power output.

For Subsea7's Renewables business unit, 2024 marked the first year of operations of its new jack-up vessel *Seaway Ventus*, which successfully installed 40 wind turbine



generators offshore Germany. Activity was high in the UK where *Seaway Strashnov* and *Seaway Alfa Lift* vessels installed monopiles and transition pieces for the Dogger Bank B project. *Seaway Phoenix* and *Maersk Connector* continued cable lay in Taiwan, where two of the four ongoing projects were completed by 31 December 2024. *Seaway Aimery* completed the Moray West inter-array cable project in the UK and started work on the Revolution project, the Group's first commercial project in the US. With respect to newly secured work, the Group has been able to leverage its strong existing client relationships by securing repeat business with Ørsted and Iberdrola for the Hornsea 3 and East Anglia 2 projects in the UK, respectively.

During 2024, the Group installed 170 cables, 93 wind turbine generator foundations and 40 wind turbine generators, supporting approximately 3.9GW of renewable power capacity.

Floating wind

While floating wind holds potential, the project economics remain a key barrier to the pace of development. In 2024, our focus was on maturing technologies and solutions to support lower-cost offshore floating wind developments through several studies.

Emerging energies

In 2024, Subsea7 focused on two main market opportunities: carbon capture and storage (CCS) and offshore green hydrogen production and transportation. Additionally, there has been an increased value of energy storage combined with offshore wind developments and offshore hydrogen production, leading to more investment in energy storage technology. For CCS, a significant milestone was achieved with the completion of the subsea infrastructure for the Northern Lights project and the official opening of the Northern Lights CO₂ storage facilities. Subsea7 continues to participate in offshore green hydrogen and offshore energy storage studies and is currently involved in four offshore hydrogen studies and three energy storage studies in the UK, Norway, and the Netherlands.

Metrics and targets

Targets related to climate change mitigation and adaptation (ESRS E1-4)

In 2021, Subsea7 announced its target to achieve Net Zero Scope 1 and 2 GHG emissions by 2050 and a nearer-term target to reduce Scope 1 and 2 GHG emissions by 50% by 2035 compared to a 2018 base year baseline. Subsea7's targets are not science-based, and at present, oil and gas companies (including service companies generating over 40% of revenue from oil and gas activities) are not accepted as part of the Science Based Targets initiative (SBTi). Subsea7 continues to monitor this position and any developments. Subsea7, therefore, set its targets in 2021 in support of the goals at the time of the International Maritime Organisation (the United Nations specialised agency with responsibility for the safety and security of shipping and the prevention of marine and atmospheric pollution by ships), to be generally in line with peer best practice at the time within the specialist marine contracting sector, and in support of the targets set by Subsea7's key clients.

The targets cover the entire Group using a financial reporting and control approach. The operational scope includes all significant Scope 1 and 2 GHG emissions, primarily from consumption of marine fuels on owned vessels and those leased for over 12 months. Scope 2 GHG emissions primarily include indirect emissions from energy production, mainly electricity, consumed by onshore facilities.

Subsea7's roadmap to reach the targets for Scope 1 GHG emissions is based on three core areas:

- **Operational efficiency improvement:** Measures have been implemented to enhance fleet operating efficiency, including improved energy management, optimised fleet utilisation, and effective project planning and execution. Digital tools are crucial in these improvements, aiding decision making and performance visualisation;
- **Hybridisation and shore power:** A programme has been implemented to hybridise some vessels and enable the use of shore power while docked. This aims to enhance onboard power management efficiency and reduce fuel consumption;
- **Use of alternative fuels and energy systems:** The decarbonisation pathway relies on increased use of fuels and energy sources with lower lifecycle GHG emissions across the fleet, such as biofuels and synthetic fuels. Some vessels will require no changes to use these fuels, while others need adjustments depending on the type and blend of fuel. Compatibility of these fuels with existing systems is being assessed by management, and discussions on technical and commercial impacts are ongoing with stakeholders.

Additionally, Subsea7 plans to lower Scope 2 GHG (market-based) emissions by switching additional onshore sites to renewable energy sources or tariffs where viable.

While management is implementing changes and solutions available today, several factors could impact Subsea7's ability to meet emissions targets. These factors could cause the Group's plans to differ materially from current expectations and include, but are not limited to, the global availability of lower-emission fuels, energy and technology at a commercial scale.

Subsea7 aims to support the continued growth of renewable power by translating its renewable capabilities into benefits for its clients within the offshore fixed wind industry. Subsea7 has set a target of supporting 18GW of cumulative power capacity installed by the end of 2025 and 35GW by the end of 2030 through the construction of offshore wind farms.

Scope 3 GHG emissions are not included in Subsea7's decarbonisation targets due to the complexity in calculating the Scope 3 GHG emissions inventory for all categories in a complete, accurate and traceable manner, and because the measures required to decarbonise Scope 3 GHG emissions are outside Subsea7's direct control. However, a key part of Subsea7's lower-carbon field development strategy is to actively collaborate with its clients, suppliers, and other stakeholders in the value chain to better understand and develop common Scope 3 GHG emissions ambitions and to work together to decarbonise the energy value chain.

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Table 2-7 – Emissions reduction targets

Emission reduction targets by type	Categories	Value
Total Scope 1 and 2 GHG emissions	Percentage (as of emissions of base year)	Net Zero Scope 1 and 2 ⁽¹⁾ GHG emissions by 2050. 50% reduction of Scope 1 and 2 GHG emissions by 2035 compared to a 2018 base year baseline.

1. Scope 2 (market-based) GHG emissions

Base year and baseline

The Scope 1 and 2 target that has been set is a percentage reduction in the GHG emissions inventory compared to an adjusted base year inventory. It is calculated by comparing the absolute GHG emissions inventory for the reported year with the adjusted absolute GHG emissions inventory for the base year. The adjusted absolute GHG emissions inventory for the base year forms the baseline against which the reported year emissions inventory is compared.

In order to meaningfully compare the Scope 1 GHG emissions inventory in the reported year with the 2018 base year inventory, any transactions, such as mergers or acquisitions, that occurred between the base year and the reporting year

must be examined to determine if an adjustment to the base year inventory is required. The adjusted absolute GHG emissions inventory for the base year would then form the baseline against which the reported year GHG emissions inventory is compared. The base year's absolute GHG emissions inventory will be adjusted in accordance with Subsea7's GHG emissions adjustment (rebaselining) policy, which is documented in the Group's GHG Emissions, Accounting and Reporting Policy.

In line with peers and the Science Based Targets initiative (SBTi), Subsea7 has set a threshold for GHG emissions baseline adjustment if the impact of the net sum of potential adjustments resulting from all individual events/transactions is greater than or equal to 5% of the baseline. In the event that the threshold is triggered, the sum of the appropriate adjustments must be applied to the base year inventory to form the new baseline for the reporting year, recalculated and restated. Any changes are made at the end of each reporting year. The Group restates its baseline when it reports its latest GHG emissions. This threshold will be reviewed periodically and may be modified in the future. The baseline was recalculated at the end of 2024 to account for all material transactions that had taken place between the base year and 2024.

Energy consumption and mix (ESRS E1-5)

Table 2-8 shows the total energy consumption related to Subsea7's operation. It is based on Subsea7's material annual energy conversion and mix.

Table 2-8 – Total energy consumption related to own operations

Energy consumption and mix for the year ended 31 December 2024	Unit	Value
Fuel consumption from coal and coal products	MWh	0
Fuel consumption from crude oil and petroleum products	MWh	2,706,834 (Note 1)
Fuel consumption from natural gas	MWh	14,185 (Note 2)
Fuel consumption from other fossil sources	MWh	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	6,421
Total consumption from fossil energy	MWh	2,727,440
Share of fossil sources in total energy consumption	%	99
Total consumption from nuclear sources	MWh	0
Share of consumption from nuclear sources in total energy consumption (%)	%	n/a
Fuel consumption from renewable sources, including applicable biomass, industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.	MWh	2,791
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	19,670
Consumption of self-generated non-fuel renewable energy	MWh	110 (Note 3)
Total consumption from renewable energy	MWh	22,571
Share of renewable sources in total energy consumption	%	<1
Total energy consumption	MWh	2,750,010

1. Fuel used for self-generation of electricity and heat for use in offices and other onshore work sites and fuel oil used for powering the fleet of vessels.
2. Natural gas used for onshore heating of offices and other onshore work sites.
3. Subsea7 does not produce non-renewable or renewable energy for use in its operations. A limited number of sites generate energy from solar power.



Energy intensity based on net revenue

Table 2-9 presents the energy intensity based on net revenue.

Table 2-9 – Energy intensity per net revenue

Energy intensity per net revenue for the year ended 31 December 2024	Unit	Value
Total energy consumption from activities in high-climate-impact sector (Note 1)	MWh	2,750,010 As Table 2-8
Net revenue from activities in high-climate-impact sectors used to calculate energy intensity	\$ millions	6,837
Total energy consumption from activities in high-climate-impact sectors per net revenue from activities in high-climate-impact sectors	MWh/ \$ millions	402

1. Subsea7 assumes that all of its activities fall under the high-climate impact sectors.

Gross Scope 1, 2, 3 and total GHG emissions (ESRS E1-6)

Subsea7's total GHG emissions inventories under Scopes 1, 2 and available category in Scope 3 are presented in Table 2-10. The Scope and category boundaries are in accordance with the definitions of the World Resources Institute GHG Protocol and its supporting guidelines.

Subsea7's approach to GHG emissions accounting and reporting is documented in Subsea7's GHG Emissions Accounting and Reporting Policy. The policy governs the following related to Table 2-10:

- Subsea7's GHG emissions accounting and reporting methodology, standards, factors, global warming potentials (GWPs), adjustment policy, and models
- An evaluation of which GHG emissions Scopes are material for Subsea7
- An evaluation of the quality of input information currently available to estimate each of the emissions Scopes (quantity data and conversion factors)
- Based on the above, consideration of the completeness, accuracy and traceability of each Scope, and its suitability to be disclosed.

Table 2-10 shows the total GHG emissions disaggregated by Scopes 1 and 2 and available Scope 3.

Information is only available to support disclosure of Scope 3 Category 6 for business air travel. Information is not available to support disclosure of any of the other upstream or downstream Scope 3 categories defined by the GHG Protocol Value Chain (Scope 3) Standard.



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Table 2-10 – Total GHG emissions disaggregated by Scopes 1 and 2 and available Scope 3

	Retrospective		Milestones and target years			
	Base year (2018)	2024	2030	2035	2050	Annual % target/ base year
Scope 1 GHG emissions – Note (1)						
Gross Scope 1 GHG emissions (tCO ₂ -e)	643,000 Note (2)	748,000	No target set	50% reduction Note (3)	Net Zero	No target set
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (ETS) (%)	No activities within ETS boundaries in base year	0.8 Note (4)	–	–	–	–
Scope 2 GHG emissions – Note (5)(6)						
Gross location-based Scope 2 GHG emissions (tCO ₂ -e)	Not included in the base year	4,440	–	–	–	–
Gross market-based Scope 2 GHG emissions (tCO ₂ -e)	6,950	1,480	–	50% reduction Note (3)	Net Zero	–
Scope 3 GHG emissions						
Total gross indirect (Scope 3) (tCO ₂ -e)	22,700 Note (4)	56,000 Note (4)	No target set for Scope 3. For more details, see page 85.			
Category 6. Business travels (tCO ₂ -e)	22,700 Note (7)	56,000 Note (7)				
Total GHG Emissions (tCO₂-e)						
Total GHG emissions (location-based)	Not calculated	809,000	–	–	–	–
Total GHG emissions (market-based)	673,000	806,000	–	–	–	–

- The Scope 1 inventory covers material direct GHG emissions from the activity of Subsea7's owned assets, and leased assets under Subsea7's financial control for a period of 12 months or more. These assets include Subsea7's vessels and onshore facilities. The reported GHG emissions are from combustion of fuels only. It is to be noted that Subsea7 has included Scope 1 GHG emissions from onshore fuel consumption in this Scope 1 GHG emissions inventory disclosure for the first time in 2024. The contributions to the Scope 1 GHG emissions inventory are as follows:
 - GHG emissions inventory from Scope 1 fleet of vessels: 741,000 tCO₂-e
 - GHG emissions inventory from onshore fuel consumption: 6,850 tCO₂-e
- The 2018 base year Scope 1 GHG inventory has been adjusted in 2024 in accordance with Subsea7's adjustment policy and threshold to produce the baseline for 2024. The adjustment is based on comparison of the size and composition of the base year fleet versus the reporting year fleet and consideration of the threshold for re-baselining.
- 50% reduction in net annual absolute GHG emissions compared to the adjusted absolute base year GHG emissions inventory.
- The GHG emissions inventory stated to be within the scope of the EU Emissions Trading System (ETS) for 2024 includes only the relevant GHG emissions from the Subsea7 assets that are within the boundaries of the scheme in 2024, and that are subject to surrender of allowances. This inventory is calculated based on the consideration of vessel journeys, the phase-in mechanism and inclusion of CO₂ only within that scheme for those assets in 2024.
- Scope 2 GHG emissions inventory includes indirect emissions from electricity purchased and consumed by Subsea7 calculated using both location-based and market-based methods. Location-based emissions are derived from average emission factors for the electricity grids supplying the Group's offices, fabrication yards, and spoolbases. Market-based emissions include purchased electricity through contractual instruments such as bundled Energy Attribute Certificates (EACs) and green tariffs, supported by renewable energy certificates (RECs) including Guarantees of Origin. For sites without such agreements and for other Scope 2 energy types lacking supplier-specific or residual mix emission factors, the national average emission factor is applied. As of 31 December 2024, 46% of the Group's electricity came from renewable sources, with an associated REC issued.
- Emissions from heating, steam, and cooling were excluded from Scope 2 GHG emissions due to uncertainty about the heating and cooling sources at the time of data consolidation. Additionally, Subsea7 does not purchase or acquire steam. This exclusion is considered to be of low materiality compared to the overall Scope 2 GHG emissions, as these emissions represent a minor proportion of the total energy usage. The energy consumption figure in Table 2-8 however includes the energy used for purchased heating and cooling.
- The reported gross Scope 3 GHG emissions only covers Category 6 for business air travel.
- Our reporting on GHG emissions is based on tonnes of carbon dioxide equivalent (tCO₂-e), a standard unit used to compare and account for emissions from various GHGs based on their global warming potential. The emissions conversion factors to calculate CO₂-e are IEA for electricity and Defra for fuel/gas. The process for estimating GHG emissions inventories uses the appropriate level of decimal places. The total annual absolute inventories for each Scope and category are then rounded to three significant figures for disclosure.



GHG intensity based on net revenue

Subsea7's GHG emissions intensity per unit of net revenue is presented in Table 2-11.

Table 2-11 – GHG intensity based on net revenue

GHG intensity based on net revenue for the year ended 31 December 2024	Unit	2024
Total GHG emissions (location-based)	tCO ₂ -e	809,000 (Note 1)
Total GHG emissions (market-based)	tCO ₂ -e	806,000 (Note 2)
Net revenue used to calculate GHG intensity	\$ millions	6,837
Total GHG emissions (location-based) per net revenue	tCO ₂ -e / \$ millions	118
Total GHG emissions (market-based) per net revenue	tCO ₂ -e / \$ millions	118

1. Total GHG emissions (location-based) includes Scope 1, Scope 2 (location-based) and Scope 3 GHG emissions associated with business air travel only (Category 6 Scope 3);
2. Total GHG emissions (market-based) includes Scope 1, Scope 2 (market-based) and Scope 3 GHG emissions associated with business air travel only (Category 6 Scope 3).

GHG removals and GHG mitigation projects financed through carbon credits (ESRS E1-7)

Subsea7 has not adopted GHG removals and GHG mitigation projects financed through carbon credits.

Internal carbon pricing (ESRS E1-8)

Subsea7 has not adopted internal carbon pricing schemes.

Potential financial effects from material physical and transition risks and potential climate-related opportunities (ESRS E1-9)

Subsea7 had taken the option to omit the information prescribed in ESRS disclosure E1-9 for the first year of preparing the Sustainability Statements.

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SOCIAL DISCLOSURES

ESRS S1 – Own workforce

General Disclosures

Interests and views of stakeholders (ESRS 2 SBM-2)

Engaging with its workforce allows Subsea7 to effectively align its priorities and strategic direction. This engagement is done through surveys, regular performance reviews, regular newsletters and communication sessions (such as town halls). These engagements are conducted by leadership teams as well as by direct line managers. Management also consults internal experts on sustainability-related IROs, supports the workforce’s needs via human resource (HR) teams and platforms, and provides learning and development opportunities.

In addition, Subsea7 has a confidential external reporting line (Safecall), which the workforce can use, if they believe the Group’s Code of Conduct has been breached (including any human rights violations). More details can be found in ESRS G1 on pages 109-110. There are also global and local grievance procedures that can be used to raise grievances about individual unfair treatment.

Material impacts, risks, opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

Table 3-1 summarises the material impacts, risks and opportunities in relation to the Group’s own workforce, identified through the double materiality assessment (DMA), for more details refer to Materiality assessment (ESRS 2 – IRO-1) on page 72.

Table 3-1 – IROs in relation to the Group’s own workforce

	I/R/O	Boundary in value chain			Time horizon		
		Upstream	Own operation	Downstream	Short	Medium	Long
Labour practices and human rights							
Subsea7’s own workforce subject to slavery, human trafficking and other types of forced or involuntary labour (e.g. debt bondage and withholding of passports, unlawful deduction of wages, and lack of freedom to accept or decline work)	Potential Impact (-)		•		•	•	•
Penalties, convictions, debarment and damage to the Group’s reputation due to human rights violations and unacceptable labour practices affecting our own workforce	Risk		•		•	•	•
Health and safety of workers							
Subsea7’s own workforce subject to work-related illness, injury or harm associated with operations, harsh or unfamiliar environments	Potential Impact (-)		•		•	•	•
Exposure to security breaches, illness, injury or harm associated with transit routes and/or the location of work	Potential Impact (-)		•		•	•	•
Financial or operational consequences due to work-related illness, injury or harm associated with operations, harsh or unfamiliar environments	Risk		•		•	•	•
Diversity and inclusion							
Developing a diverse and inclusive environment resulting in better creativity and innovation	Opportunity		•		•	•	•
Recruiting and advancing women and under-represented groups	Potential Impact (+)		•		•	•	•
Talent attraction, development and retention							
Failing to attract/retain talent due to societal preferences, particularly in the younger demographic, for opportunities in energy transition rather than oil and gas	Risk		•		•	•	•

Own workforce includes all employees and non-employees (the definition of this can be found in the metrics and targets section on page 97). All policies and processes cover this population, unless otherwise stated. Subsea7 describes how its material IROs interact with its strategy in on page 69, 'Sustainability in our strategy, business model and value chain'. The negative impacts presented in Table 3-1 cover the Group's own workforce, the activities and actions leading to the positive impact are presented in the Diversity and inclusion section on page 94. Subsea7 did not identify any material negative impacts for its workforce as a result of the transition to a greener economy, however there is a 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.

Impacts, risks and opportunities management

Policies related to own workforce (ESRS S1-1) and actions on material impacts on own workforce (ESRS S1-4)

Under this section, four topics are covered relating to Subsea7's own workforce, based on the IROs matrix presented in Table 3-1:

- Labour practices and human rights;
- Health and safety;
- Diversity and inclusion;
- Talent attraction, development and retention.

Each topic is discussed independently ensuring that all relevant disclosure requirements are met. While Subsea7 does not quantify the resources allocated to manage each material impact, the implementation of each policy is the responsibility of the functional director, with overall accountability within the Executive Management Team.

Labour practices and human rights

Labour practices and human rights approach and policies

Human rights risks and potential impacts in the sector in which the Group operates can be significant, due to the type of work Subsea7's workforce and suppliers perform and the potential involvement of vulnerable, migrant workers from countries with lower human rights protections.

Subsea7's objective is to ensure it has identified and assessed the risks and taken the correct steps to mitigate and guard against these. In accordance with a risk-based approach, management has identified child labour, slavery and trafficking, and other forms of forced or involuntary labour as the human rights risks that could have the most egregious impact. These are the labour-related human rights risks Subsea7 is focused on managing as a clear priority. Corruption, safety and security risks, and environmental impacts are also recognised as key aspects of the Group's human rights obligations.

Respecting human rights and managing the human rights impacts of operations is how Subsea7 lives its Values and is fundamental to how the Group conducts business. Putting in place fair and lawful employment practices and providing a working environment in which no one is abused or exploited by Subsea7, or anyone the Group works with, makes for a stronger and more reliable business capable of attracting and retaining talented people, and with which clients and suppliers want to partner, globally.

The Subsea7 Human Rights Policy Statement recognises the Group's responsibility and commitment to act in a socially responsible manner, comply with applicable laws, respect human rights and avoid complicity in human rights abuses. The Group's Human Rights Programme is designed in accordance with appropriate principles and best practice, including the UN Guiding Principles on Business and Human Rights. In addition, the Group's Human Rights Policy is guided by international human rights principles encompassed in the International Bill of Human Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights of Work. By so doing, Subsea7 aims to gain and retain the trust of its clients, workforce, business partners, suppliers and other stakeholders. There is also a commitment to work with suppliers and partners whose human rights standards are consistent with those of the Group.

The Group's Code of Conduct is applicable to all who work for and on behalf of Subsea7 globally, including employees and non-employees. It sets out the key principles that the Group are committed to upholding and to which line management is responsible for communicating and implementing, in it can be found more details of, and guidance on, commitments in relation to human rights and labour practices.

The Group's Human Rights Policy Statement and Code of Conduct have been adopted by the Group's Board of Directors and are regularly reviewed and updated.

Subsea7's Human Rights Programme

Subsea7's Human Rights Programme is underpinned by the Group's Human Rights Policy Statement and Code of Conduct. The programme is designed to:

- Embed the Human Rights Policy Statement and the relevant aspects of the Code of Conduct
- Identify and manage human rights risks across Subsea7's own operations and within its supply chain, with a particular emphasis on the risks with the most egregious impacts, namely child labour, slavery and trafficking, and other forms of forced or involuntary labour
- Give effect to the Group's commitments under the UN Global Compact and the ILO Standards in relation to child labour
- Address existing and emerging stakeholder and regulatory expectations and requirements, such as the UK Modern Slavery Act, the Norwegian Transparency Act and applicable EU diligence laws.

The Group's full Human Rights Programme can be viewed on [Subsea7.com](https://www.subsea7.com). Many of the specific elements of the programme are described in relevant sections of the Sustainability Statements.

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Figure 3-1 – A visual representation of the Group's Human Rights Programme



Subsea7's programme includes a well-established Speak Up Policy and confidential channel for people to report serious breaches of its Code of Conduct. For more details refer to the Whistle-blowing channels and culture section on page 111. In addition, the Group has local grievance policies and mechanisms, in line with its Global Grievance Procedure and local legislation, for resolving individual grievances on matters such as working practices, health and safety, fair treatment, or terms and conditions of employment.

Actions relating to labour practices and human rights

- Subsea7 is a signatory to the UN Global Compact and is aligned with its commitment to respect and protect human rights (Principles 1 and 2) and to fair and lawful employment practices across the Group and throughout its supply chain (Principles 3, 4, 5 and 6). The Group also supports the ILOs Standards regarding child labour and minimum working age.

Subsea7 has established ambitions to enhance its management of this material topic, these are:

- Ensuring broad understanding of Subsea7's expectations and commitments to the principles of the UN Global Compact
- Applying the principles of the UN Global Compact within Subsea7 and actively monitoring compliance
- Working with the Group's suppliers and partners to ensure that the principles of the UN Global Compact are applied across the value chain.

The Board of Directors and the Ethics Committee play a critical role in overseeing the Group's approach to human rights and ensuring processes are consistent with international regulatory expectations and standards. During 2023, a Board member with expertise on labour practices and human rights was appointed, strengthening the Board's oversight.

The Group's human rights risk assessment is conducted for every country in which the Group operates, and on entry into a new, high-risk country. The risk assessment enables management to identify where the Group may face risks; and where there may be gaps in the Group's own policies and procedures.

In 2024 the Group published its Global Human Rights Procedure which underpins the Group's Human Rights Policy Statement. The procedure provides guidance on how to address any policy and procedure gaps identified via the Group's risk assessment process, and thus better manage the most egregious, potential human rights impacts. It also provides guidance on how the Human Rights Policy Statement is implemented across the Group's operations and its supply chain, the role of the various associated procedures, and where they can be found.

In 2024, the Group's Human Rights Programme, and the culture that underpins it, has continued to mature to be able to effectively support the delivery of the Group's business objectives. Management's specific focus areas have been on the Group's people, processes and suppliers. For more details on how the programme applies to suppliers, refer to Policies related to value chain workers on page 103.



Our Workforce

We continue to train and raise awareness among the key leadership and functional roles that need to be able to help identify and manage human rights risks. During 2024 around 80 additional managers have participated in formal human rights training, and many more have attended team-specific training which varied from short summary presentations at team meetings to 90 minute deep-dive sessions into managing labour agencies. We continue to raise awareness about our Speak Up Policy and Safecall and to encourage people to speak up; and we have refreshed and increased visibility of mechanisms for people to raise grievances via local and global HR processes.

Our network of Human Rights Champions is maturing, and they have become focal points for project tenders, requests for information and supporting local actions in our offices. An example is a short series of podcasts produced by a region, where they interviewed the Group's Human Rights Manager and discussed how everyone can play a role.

Our Process

We have also continued our engagement with Building Responsibly, an industry work-group for construction and engineering firms and the energy sector, focused on human rights, worker welfare and labour practices. A focus for Building Responsibly in 2024 has been fair recruitment practices for vulnerable migrant workers – something that is of particular importance to Subsea7, given the number of temporary workers on its sites and within the supply chain.

The Group's Human Rights Programme will continue to be embedded across both our operations and our supply chain to ensure we manage our highest-impact human rights risks.

Some of the key areas that we focus on in relation to our supply chain are:

- Continue to enhance and embed our supplier risk assessment procedures
- Improve the use of digital tools and platforms to improve efficiency and decision making
- Continue to raise awareness of our human rights commitments within the Group
- Prepare for emerging legislation, such as the EU Corporate Sustainability Due Diligence Directive collaborate with our strategic suppliers on their supply chain risks
- Continue to develop measures to obtain assurance regarding the management of human rights risks in the supply chain.

Further information on specific actions taken and progress made in 2024 related to managing human rights matters across the supply chain are described on page 104.

Training to identify and manage human rights risks

Subsea7 conducts human rights training for a selection of its workforce to ensure that they understand and uphold the Group's commitment to ethical business practices and human rights. The selection of personnel for this training is based on their position within the Group and their role in the Human Rights Programme, which involves identifying and managing human rights risks. This includes:

- Regional leadership teams (Senior Vice Presidents, Vice Presidents and Directors) regardless of their function.

- Relevant HR managers and HR personnel, including the recruitment function.
- Supply Chain Management (SCM) managers and screening personnel involved in setting up and managing new suppliers.
- Legal and compliance personnel.
- Country management teams.
- Any other corporate or functional personnel as nominated by management e.g. security personnel.

Interactive webinar training was initially provided by a third-party human rights consultancy and later adapted internally by the Group to be presented by the Chief Ethics and Compliance Officer (CECO). The CECO oversees the training and ensures it is reviewed and refreshed annually.

Health and safety

Health and Safety approach and policies

Subsea7's workplaces are potentially hazardous, particularly when working offshore in harsh and remote environments. The Group's overall objective is to provide a safe and healthy workplace for all, worldwide. The safety of our workforce is at the heart of what we do. We are committed to an incident-and injury-free workplace every day, everywhere and our policies are reviewed to seek to improve safety performance. We believe that all people working on our sites anywhere in the world are provided with the same level of protection.

The UN Global Compact recognises the importance of health, safety, and wellbeing through a number of its Sustainable Development Goals. Subsea7 supports these goals and ensures we create, maintain, and promote a safe, secure, and healthy work environment.

Subsea7 has established a policy for Health, Safety, Security, Environment and Quality (HSSEQ) setting the standards for how Subsea7 commits to achieving an incident-free workplace, delivering projects and services on time, within budget, and to the required standards to create sustainable value for shareholders, partners and the communities where the Group operates. This policy applies to all of the Subsea7 and is overseen by the Executive Management Team, which is led by the Group's Chief Executive Officer.

There is a robust Business Management System (BMS) in place that supports fostering a culture that promotes health and safety.

Subsea7's BMS underpins the way health and safety is managed. Subsea7's line managers are responsible for implementation and compliance with the system and ensuring that all employees and non-employees are aware of their responsibilities. All incidents and near misses are recorded in detail and each event is investigated. Subsea7 measures activities against its internal standards and processes as well as regulatory and legislative requirements.

The Health, Safety and Environmental (HSE) Incident & Near Miss Case Management Procedure in the Group's BMS details the full-life cycle process for case management of HSE incidents and near misses in Subsea7. The document provides guidance on the classification and recording of all incidents and near misses and applies globally to all Subsea7 controlled vessels, sites, and offices within its operational boundary. Subsea7 applies the philosophy and concepts of Human and Organizational

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Performance (HOP), which facilitates how we learn from HSE incidents and near misses in Subsea7.

Applying the HOP principles in the full lifecycle of incidents and near misses (reporting through to project close-out) supports the importance of learning within Subsea7. The Group utilises Synergi (a platform licensed by DNV-GL) as its incident management system. Synergi is an integral part of Subsea7's tools that provides extensive functionality to report, record, manage, trend, and learn from events (e.g., HSE, quality, compliance, environmental and security) across the Group.

Subsea7 has introduced the HOP philosophy to better understand how work is performed across the Group. We have been learning from our work through our 'Useful Questions', which have prompted better safety discussions on our vessels and sites. Subsea7 has commenced embedding HOP into some of its processes, procedures, and training programmes. HOP has been embedded into the Leading Safety Programme through the use of HOP language and questions.

Actions related to health and safety

The reporting and investigation of recordable injuries are prioritised to further advance our learning and safety performance. In 2024, there were 43 recordable injuries from 32.1 million hours worked across our vessels, sites, and offices. This translates to one recordable injury per 745,529 hours worked. This is a significant achievement and a testament to our strong safety leadership and culture.

Subsea7 continued to deploy the Worksite Sponsor Programme across its vessels and onshore work sites. This involves a two-way communication between operations and senior management, to enable a focused level of support and discussion around safety-related performance, incidents and potential issues.

There has been an increased level of assessment within our supply chain to support improved performance. This included close collaboration with multiple suppliers via several safety meetings to better understand the common challenges our suppliers are facing. By engaging with suppliers, Subsea7 was able to identify potential areas of improvement to support the overall quality of delivery to better achieve predictable performance.

Supported by teams across the Group, focus remained on upholding our 'work safe, home safe' commitment. This long-standing commitment captures our responsibility to everyone working on, or connected with, a Subsea7 site where we, as a priority, ensure a safe environment for those involved or affected by our activities, where everyone participates and is empowered to stop the job if they feel it is unsafe.

In 2024, feedback from our offshore management teams was that the skills being learnt at the Leading Safety Refresh Programme were having a favourable impact on the application and use of our safety tools such as toolbox talks and pre-task briefings. This encouraged us to maintain and deliver our safety leadership training to all relevant employees and non-employees to underpin our safety culture and performance. The training focused on developing and inspiring leaders to encourage a positive safety environment where HOP principles develop.

Diversity and inclusion

Diversity and inclusion approach and policies

Subsea7's workforce includes more than 100 nationalities and individual differences are viewed as a strength. Embracing diversity in the workplace helps maintain access to, and supports, a diverse pipeline of talent. At Subsea7 we recognise that an inclusive and diverse environment not only fosters creativity and innovation but also improves decision making through new ways of thinking.

As the energy industry continues to evolve, we need to build new skills and develop global perspectives to make the energy transition possible. Creating, maintaining and promoting an inclusive work environment where all our differences are embraced, and everyone is treated equitably is important for our workforce to thrive and be motivated to support the sustainable delivery of the offshore energy transition solutions the world needs.

Following the launch of the Subsea7 Diversity & Inclusion (D&I) Framework in 2022, we continue to focus on our four pillars:

- Inclusive culture
- Gender balance
- Nationality balance
- Recruitment pipeline.

Subsea7 recognises that D&I ambitions can only be achieved by establishing a clear agenda which is then implemented and enforced by systematic management actions. The Executive Management Team and the Corporate Human Resources Team are responsible for developing the overarching Group ambitions and global approaches. This is done collaboratively with input from our senior leaders in each of our regions. Each region then sets out its plans to meet the ambitions within its business.

Subsea7's commitment to equal opportunities and diversity is to promote equality of opportunity and address unfair discrimination in every aspect of its operations – in our governance, management systems, operational activities and within our workforce. To support this, we have established an Equal Opportunities & Diversity Policy which is owned by the Group's Executive Vice President of Human Resources (EVP HR).

This policy aims to promote:

- Inclusion, equality of opportunity and fairness of treatment for all
- A workplace where people are treated with dignity and respect
- Active opposition to all forms of prejudice, discrimination and harassment.

Valuing and promoting diversity is one of the core principles of Subsea7's Equal Opportunities and Diversity Policy, which applies to all in the workforce.

We aim to be a group that values its employees and non-employees for their individual differences and treats them fairly, consistently, and reasonably in respect of work-related matters.

This principle is supported by our Global Bullying and Harassment Policy that outlines indicative behaviour that would constitute harassment or bullying and remedies to address such behaviour. This policy applies globally with accountability for this policy being with the Group's EVP HR.



We have established a Board Diversity Policy, the purpose of which is to ensure that the Board of Directors of Subsea7 has an inclusive and diverse membership and, as a whole, the Board has the skills, expertise and experience to guide the business and strategy of the Group for the benefit of its shareholders, having regard to the interests of all its stakeholders. The Board Diversity Policy is only applicable to the Board but sits alongside Subsea7's Code of Conduct and associated global policies, which set out Subsea7's broader commitment to diversity and inclusion.

Actions related to diversity and inclusion

Subsea7's leadership focus on diversity and inclusion continues with strong engagement. The Executive Management Team meets two to three times a year to set the annual focus areas and review status to keep the agenda on track. Our Regional VPs, the Group's SVP Project & Offshore Operations and HR Directors meet twice a year as a group to discuss the direction and share learnings on how they are translating the ambitions into actions.

In order to promote positive behaviours in the workplace, Subsea7 deployed 7Ally-Upstander, a pilot training programme, in 2023. The programme was rolled out in 2024 across the Group, enabling our people to understand how they can address inappropriate workplace behaviours as a bystander.

There has been a continued focus on increasing women in leadership positions with targeted development of our top female talent; for onshore-based women through a development programme and for offshore-based women via face-to-face forums.

We enhanced our approach to talent management to ensure clearer visibility of our onshore-based top talent by gender and nationality, which is now trackable, and launched our offshore talent review.

A significant effort was placed on attracting and hiring women to join our offshore crews, resulting in offshore permanent female hires increasing from 8% in 2023 to 12% in 2024.

Our efforts continue in gender-balanced early careers positions in both graduates and cadets. Our 2024 graduate class included 184 people, spanning 35 nationalities, with 35% being female.

We continue to encourage the internal advertising of senior positions, giving all our people equal opportunity to communicate their ambitions and capabilities.

Throughout 2024, we continued to build diversity and inclusion awareness through our Festival of Learning, events and worldwide celebrations, including International Women's Day, World Day for Cultural Diversity and International Day of the Seafarer.

We continued our diversity and inclusions focused partnership with external parties:

- POWERful Women, a professional initiative to create a gender-balanced, diverse and inclusive UK energy sector
- WISTA International, a networking organisation whose mission is to attract and support women, at the management level, in the maritime, trading and logistics sectors

- UK Armed Forces Covenant which supports service leavers' transition from military life to civilian employment in a way that recognises their compatible and transferable skills to Subsea7.

Talent attraction, development and retention (includes wellbeing)

Talent attraction, development and retention approach and policies

Being7 is our employer brand and the backbone of our culture. It's what we offer our people, it's what our people bring to Subsea7 and it's what it feels like to be part of the team. At Subsea7 we offer our people a career they can be proud of, an incredible journey and an environment where they can thrive. We use the voice of our existing employees to tell their Being7 story to attract new employees to Subsea7.

Subsea7 has a well-established range of learning and development tools and programmes to help our people grow their knowledge and abilities in different areas of the business, including business and functional skills frameworks, development programmes, and a variety of learning content, designed to promote inclusive and equal learning opportunities amongst our employees.

Subsea7's onshore employees and offshore management teams have an annual performance and development discussion. This is held with their line manager to ensure they have a clear understanding of the organisational expectations of them as well as to ensure their development and wellbeing needs are understood. For offshore crews, excluding offshore management teams, permanent and day-rate people complete an annual appraisal that addresses their development, this is documented in the Group's offshore learning system.

Subsea7 has a robust wellbeing framework consisting of Mind, Body, Connect and Thrive. Our teams have embraced the importance of wellbeing across the Group and continue to bring it to life through various activities including workshops, training, questionnaires, conversations, group sessions and sessions dedicated to key wellbeing topics. As an example, in 2024 our offshore management teams and medics were provided with access to training in mental health to support greater awareness of this topic.

Actions related to talent attraction, development and retention

Our focus and investment in learning and development continued in 2024 with our global suite of development programmes with delegates being nominated to the programmes from across the Group: Women in Business, Commercial Awareness, Early High Potential Talent (Rise), Core Career Skills, Project Manager Diploma, Project Success Programme, Global Graduate Programme, Management Development Programme (onshore and offshore), Leading7, Safety Leadership Programme, offshore conversion programmes and our Offshore Cadet Programme.

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At a local level, both onshore and offshore, our investment in learning and development for individuals continued. In 2024 we reinforced our learning and development commitment and culture by adding the discussion on individual development and career aspirations into our annual performance discussions.

Subsea7 continues to encourage a culture of learning through an annual Festival of Learning which spanned the full month of June 2024, the theme was 'Business Performance'. We had record-breaking attendance with over 7,000 of our onshore and offshore people taking part.

We set new clearer ambitions against our Wellbeing framework of Mind, Body, Connect and Thrive, to align our actions across the Group to support what we are trying to achieve and our responsibilities as an employer. This will be rolled out in 2025.

All our employees have access to a confidential Employee Assistance Programme that provides support for coping with life's challenges including health and wellbeing, financial problems, stress or anxiety and family issues.

We celebrated our Being7 culture in February 2024 at our annual Being7 day and through our people nominating their colleagues for Being7 Stars, with the theme being those who made them feel included at work.

Being7 is supported through our learning and development, diversity and inclusion, and wellbeing strategies, including a regular survey that enables us to track the impact of our initiatives and actions and understand where we need to focus our efforts to continually improve Subsea7. As a lagging indicator, we analyse our employee turnover to understand if there are trends and patterns that need to be addressed.

Processes for engaging with own workers and workers' representatives about impacts (ESRS S1-2)

Every six months Subsea7 conducts an employee survey where we ask our people for their views. The survey, which is managed by the Group's HR function, covers questions on engagement, diversity and inclusion, health and wellbeing and the Subsea7 Values. Subsea7 has the ability through the survey platform to view the results against the different demographics of the workforce, allowing management to understand strengths and priorities. All line managers get individual dashboards with their results, with suggested actions for areas of improvement. The responses at the region, onshore and offshore level are assessed to ensure the Group's ambitions are focused correctly to improve the workplace.

There is regular communication with our people. This is done through a variety of ways such as weekly global emails, global town halls, open Q&A directly to the Executive Management Team, as well as regional and local office village halls and celebration days.

Subsea7 continued to deploy the Worksite Sponsor Programme, refer to Health and safety section on page 93 for more details. For onshore people there is an easily accessible intranet and for offshore people there is the 7offshore app.

Processes to remediate negative impacts and channels for own workers to raise concerns (ESRS S1-3)

Grievance policies and mechanisms are established to provide, in line with the Group's Global Grievance Procedure and local legislation, a fair and effective procedure for resolving individual grievances on matters such as working practices, health and safety, fair treatment, or terms and conditions of employment. Any grievance relating to labour practices can be raised according to these procedures.

We have a clear Speak Up Policy, which is also summarised in the Group's Code of Conduct. It offers various channels for raising concerns, including an externally administered and monitored confidential reporting line (Safecall), which is extensively promoted within Subsea7. We, therefore, provide ways for our people to report confidentially and, where local law allows, anonymously. All personnel are encouraged to utilise one of these reporting channels if they become aware of a possible breach of our Code of Conduct or have concerns in respect of unethical conduct, including human rights breaches.

We take proactive steps to ensure that our workforce are aware of and reminded about the ways they can raise concerns, which include:

- Annual compliance and ethics training in which we include specific scenarios relevant to material sustainability topics (human rights and business ethics), as well as about how to raise concerns
- Annual Global Integrity Day – at Subsea7 we set aside one day per year, where across the Group we stop and discuss what integrity means to us and how our people are supported in raising concerns
- Ongoing communications and updates through newsletters, intranet pages and Integrity Moments.

All allegations of human rights breaches received via Safecall or internal channels are reported to the Group's Chief Ethics and Compliance Officer (CECO), who records them in a case management system and oversees their investigation by appropriately independent managers, in accordance with the Group Compliance and Ethics Investigations Principles and Procedure.

If Subsea7 receives reports of concerns regarding slavery or human trafficking in its operations or its supply chain, we undertake an urgent, thorough investigation into the concerns raised under the supervision of the CECO and, potentially, the Ethics Committee. If the investigation confirms the concerns, we put in place robust action plans to address the issue and protect the victims.

Subsea7 uses its case management system to track Speak Up and other human rights cases and investigation metrics, such as the number of reports received, the types of misconduct alleged or suspected, and remedial measures taken. We use such metrics to assess areas for improvement in our programme, and we report these to the Ethics Committee and the Corporate Governance Nominations and Risk Committee.



We provide feedback to the person who raised the concern, and any gaps and remedial actions identified (e.g. training, communication, policy revision or control enhancements) are captured in the case management system and implemented at a local level, unless they are best addressed at a Group level.

Refer Whistle-blowing channels and culture on page 111 for more detail.

Metrics and targets

Due to the sensitive nature of workforce data no estimations have been used in the following disclosures. Where data is currently unavailable it has been noted next to the relevant disclosure point, identifying which part of the Group is excluded, this may include individual subsidiaries or the dataset as a whole.

Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities (ESRS S1-5)

Metrics and targets (labour practices and human rights)

- Percentage of our workforce covered by a human rights risk assessment within the last three years: 100%
- Percentage of target audience completing human rights training: 100%

Metrics and targets (HSE)

- Lost time injury (LTI) frequency target: <0.03 per 200,000 man hours
- Total recordable cases (TRC) frequency target: <0.18 per 200,000 man hours
- Serious injury potential frequency (SIF): <0.10 per 200,000 man hours
- Serious injury actual frequency (SIF): 0.00 per 200,000 man hours
- Observation frequency: 500 per 200,000 man hours
- Intervention frequency: 100 per 200,000 man hours

Health and safety targets are set by Senior Management at the start of each year, following a full review of the previous year's health and safety performance. Health and safety targets are tracked through Synergi, the Group's incident management platform, and discussed at the monthly General Management Team meetings.

Analysis is performed on the metrics and targets in order to identify any trending, which then shapes future HSE improvement initiatives.

Metrics and targets (D&I)

The Board's objective is to have at least 30% female representation on the Board, with a commitment to have a minimum of one female director.

Subsea7's objective is for onshore leadership, as defined by the Group's job architecture structure, to be 25% female by 2030.

Characteristics of the undertaking's employees (ESRS S1-6)

Subsea7's reporting is based on headcount as at 31 December 2024; it is based on the actual number of employees and non-employees and is not adjusted to a full-time equivalent basis, two part-time roles are reported as two individuals.

Table 3-2 – Employee headcount by gender.

Gender	Number of Employees (headcount)
Male	12,148
Female	2,911
Other	0
Not reported	13
Total workforce	15,072

Table 3-3 – Number of employees in countries with 50 or more employees

Country	Number of Employees (headcount)
Angola	1,080
Australia	250
Brazil	1,078
France	737
Germany	74
Malaysia	287
Mexico	69
Netherlands	316
Norway	864
Offshore	6,132
Portugal	112
Saudi Arabia	73
Singapore	175
Taiwan	106
Turkey	62
UAE	157
UK	2,760
US	596
Other	144
Total workforce	15,072

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Table 3-4 – Employees by contract type, broken down by gender

Metric	Female	Male	Other,	Not Reported	Total
Number of permanent employees	2,313	6,530	0	2	8,845
Number of temporary employees	189	1,254	0	9	1,452
Number of non-guaranteed hours employees	92	2,979	0	2	3,073
Number of full-time employees	2,455	10,706	0	13	13,174
Number of part-time employees	139	57	0	0	196

1. Excludes headcount associated with the following subsidiaries: Xodus, 4Subsea, Sonamet and Nautilus

Table 3-5 – Employees by contract type, broken down by Country

Metrics	Angola	Australia	Brazil	France	Germany	Malaysia	Mexico	Netherlands	Norway	Offshore	Portugal	Saudi Arabia	Singapore	Taiwan	Turkey	UAE	UK	US	Other
Number of permanent employees	37	99	945	598	69	277	64	267	709	2,603	107	49	169	70	60	144	1,943	542	93
Number of temporary employees	100	42	111	139	5	10	5	49	29	456	2	24	6	36	2	5	366	25	40
Number of non-guaranteed hours employees	0	0	0	0	0	0	0	0	0	3,073	0	0	0	0	0	0	0	0	0
Number of full-time employees	137	140	1,055	723	66	287	69	282	727	6,131	109	73	174	106	62	149	2,190	562	132
Number of part-time employees	0	1	1	14	8	0	0	34	11	1	0	0	1	0	0	0	119	5	1

1. Excludes headcount associated with the following subsidiaries: Xodus, 4Subsea, Sonamet and Nautilus

Table 3-6 – Attrition data

Employee Turnover	Unit	2024
Number of employees who have left undertaking	number	897
Percentage of employee turnover	%	9.6

1. Excludes headcount associated with the following subsidiaries: Xodus, 4Subsea, Sonamet and Nautilus

2. Turnover includes permanent workforce only and is based on rolling 12 month sum of leavers divided by rolling 12 month average headcount



Characteristics of non-employee workers in the undertaking's own workforce (ESRS S1-7)

The key characteristics of non-employee workers are those that do not have a permanent contract of employment with the Group and have a date on which their services will terminate. These include contractors and agency workers. The majority of our non-employees are offshore workers who work on a non-guaranteed days basis or via third parties.

Collective bargaining coverage and social dialogue (ESRS S1-8)

Collective bargaining

As stated in the Group's policy on human rights, Subsea7 supports open and constructive dialogue with its employees and, if applicable, their representatives. Our employees are free to join organisations of their choosing that represent them, in accordance with local laws.

A number of our employees are covered by collective agreements both through trade unions and works councils. The extent of these agreements is dependent on country and local agreements and can range from terms and conditions of employment through to the wider employment environment.

The social relations with employees is managed at local country level and, as such, we do not hold data on who is covered by these agreements at the Group level.

Social dialogue

The social dialogue with employees is managed at local country level and as a result we do not hold data on who is covered by these agreements at the Group level.

Diversity indicators (ESRS S1-9)

Table 3-7 – Gender distribution at top management level

Group	Number. (M/F)	Percent (M/F)
Leadership group	91/22	81/19
Executive Management Team	6/2	75/25
Total	97/24	80/20

1. Permanent onshore workforce only.

2. Excludes headcount associated with the following subsidiaries: Xodus, 4Subsea, Sonamet and Nautilus.

Table 3-8 – Distribution of employees by age group

Years old	Onshore (%)	Offshore (%)
<30	10	3
30-50	38	25
>50	12	11
Not reported	1	0
Total	61	39

Adequate wages (S1-10)

We are committed to fair employment practices across the Group and throughout our supply chain. These include, as a minimum, complying with national legal requirements regarding wages and working hours.

Employment benefits and social protection are managed at a country level and are as a minimum in adherence with local legislation. This data is not recorded at Group level.

Social protection (S1-11)

We are committed to fair employment practices across the Group and throughout our supply chain. These include, as a minimum, complying with national legal requirements regarding working hours.

Employment benefits and social protection are managed at a country level and are as a minimum in adherence with local legislation. This data is not recorded at Group level.

Persons with disabilities (S1-12)

We are committed to equal opportunities and diversity and seek to promote them in every aspect of our operations – in our governance, management systems and operational activities, and within our workforce.

As stated in the Group's Human Rights Statement we recruit, select and develop our people on merit, irrespective of their race, colour, religion, political beliefs, gender, age, sexual orientation, marital status, disability or any other characteristic protected by applicable laws.

As the definition of disability and the monitoring of people with disabilities is determined on a country-by-country basis, this is not managed at Group level and the data is not recorded at Group level.



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Training and skills development indicators (S1-13)

Table 3-9 – Performance and career development reviews

	Onshore	Offshore
% workforce participated in a performance and career development review	83	69
% by gender (M/F)	83/80	69/81

1. Permanent onshore workforce only.
2. Excludes data associated with the following subsidiaries, Xodus, 4Subsea, Sonamet and Nautilus.

Table 3-10 – Training hours

	Onshore	Offshore
Average hours per person	14.9	87.9
Average hours by gender (M/F)	13.9/17.3	84.0/184.6

1. Excludes data associated with the following subsidiaries, Xodus, 4Subsea, Sonamet and Nautilus

Health and safety (S1-14)

Table 3-11 – Health and safety metrics

Metric	2024
Percentage of people in the Group's own workforce who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines	100%
Number of fatalities in own workforce as result of work-related injuries and work-related ill health	0
Number of fatalities as result of work-related injuries and work-related ill health of other workers working on Subsea7's sites	0
Number of recordable work-related accidents for own workforce	43
Rate of recordable work-related accidents for own workforce (rate per 1 million hours worked) ⁽²⁾	1.34
Number of cases of recordable work-related ill health of employees	9
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to employees	378
Number of cases of recordable work-related ill health of non-employees ⁽³⁾	n/a
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to non-employees ⁽³⁾	n/a
Percentage of own workforce who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines and which has been internally audited and (or) audited or certified by an external party ⁽⁴⁾	100%
Number of fatalities in own workforce as result of work-related injuries	0
Number of fatalities in own workforce as result of work-related ill health	0
Number of fatalities as a result of work-related injuries of other workers working on Subsea7's sites	0
Number of fatalities as a result of work-related ill health of other workers working on Subsea7's sites	0
Number of cases of recordable work-related ill health detected among former own workforce	0

1. Excludes data associated with the following subsidiaries Xodus, 4Subsea, Sonamet and Nautilus.
2. Subsea7 records total hours worked for all personnel on site. The total hours worked includes own workforce and subcontractors.
3. Subsea7 does not distinguish between employees and non-employees when compiling health and safety metrics.
4. Subsea7 is ISO 45001 compliant and is certified by DNV.

Work-life balance indicators (S1-15)

As stated in its Human Rights Policy Statement, Subsea7 is committed to fair employment practices across the Group and throughout its supply chain. These include, as a minimum, complying with national legal requirements regarding wages and working hours.

The data related to family-related leave is not held at the Group level.

Compensation indicators (pay gap and total compensation) (S1-16)

This data is not calculated at Group level.

Incidents, complaints and severe human rights impacts (S1-17)

The Group tracks all cases of potential human rights violations, whether reported via our confidential reporting line (Safecall), or reported to, or detected by, local management. All such cases are investigated in accordance with the Group Compliance and Ethics Investigations Procedure and, if allegations or suspicions are substantiated, appropriate sanctions and other remedial steps are applied or taken.

Table 3-12 shows the cases investigated and substantiated during the year ended 31 December 2024.

Table 3-12 – Incidents, complaints and severe human rights impacts

Case type	Total cases	Substantiated cases
Human rights	1	0
Discrimination	4	0
Sexual harassment	4	2
Other bullying or harassment	11	2
Equal opportunities and diversity	2	0
Total	22	4

None of the above cases presented a severe human rights impact. Of the four cases that were substantiated, the sanctions and remedial steps that were applied included: one dismissal, one written warning and two oral warnings.

Grievances are not recorded at Group level.

No complaints were filed to National Contact Points for OECD Multinational Enterprises.

ESRS S2 – Workers in the value chain

General disclosures

Interests and views of stakeholders (ESRS 2 SBM-2)

Subsea7’s commitment to ethical business practices and respect for human rights is integral to its global operations. We recognise the necessity of a strategy and business model that addresses the impacts of our operations on our people and those working for us. Respecting human rights and managing the human rights impacts of our operations is fundamentally how we conduct business, and our Values guide us in managing the impacts of our operations.

Requiring fair and lawful employment practices and a work environment in which no one is abused or exploited by us or any person we work with, makes us a stronger and more reliable group capable of attracting and retaining talented people, and with which our clients and suppliers want to partner, around the world.

Given the nature of our business, we operate in many jurisdictions. Our strategy and business model prioritises the safety and human rights of our people, including our value chain workers (VCWs), ensuring compliance with the law and, they are guided by industry best practices. Maintaining relationships with multiple suppliers across different jurisdictions for key materials or services is essential to our strategy, given our global footprint as well as mitigating the dependency risk of having a limited number of suppliers. Several of our key suppliers operate globally; therefore, in the event that certain VCWs were not available in specific countries or locations, we would work with one of our other suppliers based elsewhere. However, in a global scenario affecting all VCWs, such as the COVID-19 pandemic, Subsea7 would be impacted by the major disruption to production and distribution worldwide.

Currently, engagement with our materially affected VCWs does not feature as a separate or distinct step in Subsea7’s strategy and business model review cycle. While we do not engage directly with the VCWs, their legitimate representatives (trade unions or works councils) or credible proxies, we are informed of the potential impacts on these workers through Subsea7’s processes to identify and address human rights risks.

In addition, material impacts on VCWs were considered as part of our double materiality assessment (DMA) conducted in 2023. We assessed the materiality of supply chain related impacts and the associated risks. During this assessment, we engaged with selected key suppliers through interviews to understand our impacts on them and determine the relative importance of various sustainability-related topics to them. In the Sustainability Statements, we have included the impacts and risks deemed significant or crucial, along with the mitigating actions. For more information on the DMA, see disclosures under the Materiality assessment (ESRS 2 IRO-1) section on page 72.

SUSTAINABILITY STATEMENTS *CONTINUED*

Material impacts, risks and opportunities and their interaction with strategy and business model(s) (ESRS 2 SBM-3)

Subsea7 operates in all major offshore energy regions globally and our supply chain procurement, which comprises over 8,000 direct suppliers globally, represents a significant proportion of the work we perform. On some larger projects, the procurement can represent over half of the entire project's value.

Table 4-1 summarises the material impacts, risks and opportunities concerning VCWs within our operations, identified through our double materiality assessment.

Subsea7 describes how its material IROs interact with its strategy on page 71. Embedded within our supply chain processes is a risk assessment matrix for identifying suppliers potentially posing higher human rights risks, which are further discussed in Labour practices and human rights on pages 91 to 93 and in the ESRS S2. This matrix evaluates both the country risk and the nature of the materials or services provided.

Table 4-1 – IROs in relation to the Group's value chain workers

	I/R/O	Boundary in value chain			Time horizon		
		Upstream	Own operation	Downstream	Short	Medium	Long
Labour practices and human rights in the value chain							
Penalties, convictions, debarment and damage to the Group's reputation due to human rights violation and unacceptable labour practices affecting workers in the value chain	Risk	•			•	•	•
Supply chain workers subject to slavery, human trafficking and other types of forced or involuntary labour (e.g. debt bondage and withholding of passports, unlawful deduction of wages and lack of freedom to accept or decline work)	Potential Impact (-)	•			•	•	•
Health and safety of workers in the value chain							
Financial or operational consequences due to work-related illness, injury or harm associated with operations, harsh or unfamiliar environments	Risk	•	•		•	•	•
Exposure to security breaches, illness, injury or harm associated with transit routes and/or the location of work	Potential Impact (-)	•	•		•	•	•
Subsea7's supply chain workers subject to work-related illness, injury or harm associated with operations, harsh or unfamiliar environments	Potential Impact (-)	•	•		•	•	•



Our operational locations are determined by our clients' projects. We conduct human rights risk assessments for each country we operate in, especially when entering into new, high-risk countries where the risks and potential negative impacts are exacerbated. Recognising that our VCWs may face heightened risks in these areas, we are vigilant in mitigating potential negative impacts, which are further discussed on page 104. The risk assessments conducted have identified our upstream VCWs, particularly those likely to be vulnerable migrant workers, as being more susceptible to the negative impacts identified in Table 4-1. These VCWs are the people most likely to experience significant human rights and labour practices impacts, specifically child labour, slavery and trafficking and other forms of forced or involuntary labour, and who are particularly vulnerable. Some examples of suppliers who engage migrant workers are our fabrication, shipyard and base-operator suppliers.

The types of VCWs who could be materially impacted are typically those working on our sites or vessels but who are not part of our own workforce, provided by third-party labour agencies, or employed by suppliers and subcontractors and working on Subsea7's sites or vessels. For more information on how we mitigate or address the identified risk and potential impacts related to health and safety of workers in the value chain, refer to the Health and safety section on pages 93 to 94.

Impacts, risks and opportunities management

Policies related to value chain workers (ESRS S2-1)

To meet our commitments to human rights, we designed and implemented the Group's Human Rights Programme, which is described in ESRS S1 Own Workforce on page 92 and applies to our own workforce as well as to our supply chain, to the extent described in this section. That programme includes our Human Rights Policy Statement and Code of Conduct.

The following sections provide summary information of relevant policies and procedures for managing human rights risks in our supply chain that are not already covered in ESRS S1 on pages 91 to 93.

Code of Conduct for Suppliers

Subsea7 is committed to working with suppliers and partners whose human rights standards are consistent with its own. We require all our suppliers to commit to our Code of Conduct for Suppliers, which sets out the key principles of ethical conduct that our suppliers are required to uphold when working with Subsea7. We require our suppliers to uphold the same standards when dealing with their workforce and subcontractors.

As stated in our Code of Conduct for Suppliers, we strive to protect the dignity of all individuals working in, or impacted by, our operations, including people who work for our suppliers. This includes a commitment to help prevent modern slavery, human trafficking and other forms of forced or involuntary labour.

The Group's Code of Conduct for Suppliers is incorporated into our standard terms and conditions for suppliers and includes mutual commitments to:

- Ethical business conduct, including regarding anti-corruption
- Health, safety and security
- Human rights and fair and lawful employment practices across Subsea7 and throughout its supply chain
- As a minimum, comply with national legal requirements regarding wages and working hours
- Support the International Labour Organisation's Standards regarding child labour and minimum age
- Prevent modern slavery and human trafficking anywhere in our business or supply chain
- Uphold the same standards when dealing with employees, non-employees and subcontractors.

In 2024, no cases of suppliers' non-compliance with the human rights principles set out in the Group's Code of Conduct for Suppliers were identified.

Processes for engaging with value chain workers about impacts (ESRS S2-2)

As part of our robust supplier qualification procedures, we screen all of our suppliers, with suppliers that are considered high-risk undergoing further human rights risk screening. We engage with suppliers through our human rights questionnaires to assess potentially high human rights impacts, focusing primarily on child labour, modern slavery, human trafficking and other forms of forced or involuntary labour. This engagement does not usually or systematically extend directly to suppliers' workers.

The Code of Conduct for Suppliers also encourages suppliers to raise concerns if they become aware of any breaches of the standards outlined therein. If they are uncomfortable reporting directly to Subsea7, we provide an externally administered confidential reporting line, Safecall, available to our suppliers and their workers on our sites. Further details on channels to raise concerns are described whistle-blowing channels and culture on page 111.

Additionally, we engage with our suppliers during audits at our suppliers' sites. These audits are typically conducted at our clients' request at a project level and may be led by our client, ourselves or a third party.

We also invite suppliers to attend our annually hosted Supplier Integrity events, held both virtually and in-person at our office locations. During these events, human rights is featured prominently. We do this to raise awareness of the sector-wide risks and collaborate with our suppliers to develop common strategies for managing the risks. In 2024, a total of nine Supplier Integrity events were held, attended by 680 individuals from around 378 suppliers. Topics linked to human rights and labour practices discussed at these events included our enhanced human rights risk-tiering matrix, as well as our Global Human Rights Procedure. Speakers included human rights subject matter experts from both Subsea7 and our suppliers.



SUSTAINABILITY STATEMENTS *CONTINUED*

During 2024, no cases of high-risk suppliers that were not compliant with our human rights requirements were raised via the Speak Up channel or identified through our risk assessment and due diligence process.

Processes to remediate negative impacts and channels for value chain workers to raise concerns (ESRS S2-3)

Processes to remediate negative impacts

Our Global Human Rights Procedure sets out Subsea7's general approach to remedying negative impacts caused or contributed to by Subsea7 or its suppliers, on people outside the Group, including VCWs. The aim is to make good any harms that have occurred, with the goal to restore affected individuals to the situation they would have been in had the harm not occurred or as close to that as possible. The response or remedy provided by Subsea7 will depend on Subsea7's level of responsibility for the impact. Specific actions will depend on the specific circumstances and would be adapted with the aim of ensuring that the remedy is effective.

When determining our role in an impact, the following factors are considered:

- Did a decision or action made by Subsea7 alone lead to the impact?
- Has Subsea7 done anything to incentivise or motivate another party to cause the impact?
- Has Subsea7 done anything to facilitate or enable the impact to occur?
- What steps has Subsea7 undertaken to try to prevent the impact from occurring or to mitigate the impact?

Our Global Human Rights Procedure, including the impact assessment, is applicable for all Subsea7's operations on a global basis. Therefore, whether we are entering new countries, if new risks are identified or we have identified specific groups of VCWs who might be at higher risk (e.g. migrant workers, workers in high-risk countries), our Global Human Rights Procedure would apply consistently for each category.

Channels available for value chain workers to raise concerns

All individuals working on Subsea7's sites or vessels or our supplier's sites have access to channels for raising, and are encouraged to raise, concerns about any negative impacts of Subsea7's business, or operations, and behaviour by Subsea7 that is inconsistent with the Group's Code of Conduct or Code of Conduct for Suppliers. They can do so via our externally administered confidential reporting line, Safecall or by reporting directly to Subsea7. The local telephone lines for Safecall are manned 24 hours a day, seven days a week, and the numbers are listed in our Code of Conduct for Suppliers (as well as at our sites), allowing our suppliers and their workers on our sites to report confidentially about actual or potential impacts on them, in their own language and (if they so choose, and where local laws permit) in an anonymous way. Safecall can also be contacted via a portal, as an alternative to the telephone. Additional information about the Group's Speak Up Policy and Safecall is detailed in the Whistle-blowing channels and culture section on page 111.

During 2024, no contracts with suppliers were terminated because of a human rights violation.

Taking action on material impacts on value chain workers, and approaches to mitigating material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions (ESRS S2-4)

Following the completion of the double materiality assessment, we identified three potential impacts and two risks within our value chain, of which two of the impacts and one risk are related to human rights. The subsequent sections outline the actions and measures we have implemented to prevent, mitigate or remediate these human rights risks and their impacts on VCWs. These actions and measures include:

- Conducting a pre-qualification risk assessment process, including screening and due diligence
- Establishing and enforcing supplier contractual terms and conditions
- Performing investigations, remediation and enforcement actions, when breaches are reported or detected
- Implementing monitoring, auditing and assurance procedures
- Training relevant personnel to identify and manage human rights risks
- Allocating resources to effectively manage human rights risks
- Participating in industry and multi-stakeholder initiatives.

Actions and measures implemented to address health and safety related risks and impacts are described in the Health and safety section on pages 93 to 94.

Conduct a pre-qualification process, screening and due diligence

As per the Group's Supply Chain Management Process for Procurement, all suppliers are required to undergo a pre-qualification process, and for suppliers from medium- or high-risk countries this includes a screening and due diligence process.

To identify precisely and address any potential human rights risks in our supply chain, a human rights risk assessment and due diligence process for all high-risk suppliers has been developed. This includes a human rights questionnaire and a risk-scoring mechanism. Over the last five years, we have invested in systems and engaged independent experts to improve and refine our processes to their current form.

- Since 2019, we have included human rights questions in our due diligence questionnaire for high-risk suppliers
- In 2020, we implemented Exiger Insight 3PM™ to provide third-party compliance risk assessments including due diligence screening of our medium- and high-risk suppliers and other third parties. It includes business ethics and human rights risk assessment and due diligence screening, automated due diligence questionnaires and approval workflows
- In 2021, we identified Verisk Maplecroft™ as an external, expert data provider of a reliable, responsible sourcing risk index that enabled us to improve our human rights risk-tiering of suppliers and countries. In addition, we engaged with GoodCorporation™, an external, independent, expert firm to conduct baseline risk mapping of sample supplier types that could pose a higher risk.



- In 2022, we introduced an enhanced human rights risk-tiering matrix which is deployed by the Group:
 - The risk matrix takes into account the country risk and whether the type of materials or services supplied falls into a category that we deem potentially higher risk.
 - We developed an enhanced human rights assessment and due diligence questionnaire for high-risk suppliers, sharpening the focus on the human rights risks that could have the most significant impact and included prescribed remedial actions, depending on our suppliers' responses and the resulting risk scores.
 - There is also a short-form risk assessment questionnaire for suppliers provisionally deemed lower risk to confirm whether they should be treated as higher risk.
 - Both these questionnaires assess risk by reference, primarily, to child labour, slavery and trafficking, and other forms of forced or involuntary labour, with underage and low-skilled migrant workers as the biggest factors for the risk areas we are prioritising. Both for our own workforce and for our VCWs, vulnerable migrant workers i.e. low-skilled workers from a medium or high-risk country working in another country in which they are not permanently resident or are working offshore have been identified as the key risk factor.
 - Depending on the resulting scores, the use of the supplier is either: (i) prohibited, (ii) prohibited until a remedial action plan is put in place bringing the supplier's score above a certain threshold, (iii) can be used but a remedial plan is required to improve the score of the supplier, or (iv) can be used without any further action by the supplier.
 - The relevant questionnaire is refreshed at three-yearly intervals or more frequently, depending on whether any relevant risks have materially increased or any new concerns have been raised.
 - All high-risk suppliers are monitored via our adopted screening tool, Exiger Insight 3PMTM, on an ongoing basis.
- In 2023, we developed and launched a supplier human rights risk assessment register and dashboard to help regional management monitor progress in risk assessing our suppliers, as well as close out any remedial or improvement plan actions undertaken by our suppliers. These tools assist in providing more granular data regarding our higher-risk suppliers, which helps us make continual improvement to our risk management procedures.

Significant progress was made during 2024, with over 1,584 suppliers assessed, including 112 high-risk suppliers from a human rights perspective. Two suppliers were prohibited from use because of our human rights risk assessment and due diligence process. In addition, we updated our process to require certain suppliers to provide an annual human rights certification. These suppliers include labour agencies and other suppliers that are likely to utilise vulnerable migrant workers from high-risk countries.

Subsea7 continues to work with high-risk suppliers to complete advanced human rights self-assessments. These are suppliers based in a medium-high- or high-risk country with respect to human rights that supply a medium or medium-high-risk category of materials or services, such as fabrication. We have commenced risk assessment work with GoodCorporation™, an external, independent, expert

firm, aiming at improving our mapping of any significant human rights risks in our supply chain. The risk-mapping focuses on five of our critical categories: fabrication, umbilicals, line pipe, valves, and vessel drydocking.

We have also involved the Group's internal audit function to confirm whether our processes have been implemented effectively at a regional level.

Establishing and enforcing supplier contractual terms and conditions.

When engaging with our suppliers, typically through a competitive tender process, we emphasise Subsea7's zero tolerance for the most egregious human rights risks, namely: child labour, modern slavery and trafficking and other forms of forced or involuntary labour. These standards are outlined in our Code of Conduct for Suppliers and are incorporated into our standard contract terms and conditions with suppliers. Any breach of these human rights commitments, as specified in our terms and conditions, is considered a material breach of contract, granting Subsea7 the right to terminate the contract for default. During 2024, no supplier contracts were terminated due to breaches of human rights commitments.

Additionally, high-risk suppliers may be subject to periodic audits, monitoring or other assurance measures based on a risk-based assessment. Subsea7's terms and conditions for all suppliers include a right of audit; no such audits were conducted during 2024.

Carrying out investigations, remediation and enforcement actions

All allegations or suspicions reported or detected via Safecall or internal channels are reported to the Chief Ethics and Compliance Officer (CECO), who records them on a case management system and oversees their investigation in accordance with the Group's Investigations Principles and Procedures. This includes human rights breaches in our value chain.

Should any investigation confirm that human rights breaches have been committed at, or by, a supplier, robust action plans to address the issue and protect the victims would be implemented. This would include requiring the supplier to address the issue by remedying the harm done to the individual(s) in question and to rectify any associated weaknesses or gaps in its human rights programme, and refusing to work with that supplier, unless and until it had complied with these requirements. If appropriate and practicable, the incident would be reported to the relevant authorities.

During 2024, there were no Safecall reports linked to human rights issues with our suppliers or concerns raised by their workers.

Implement monitoring, auditing and assurance procedures

Subsea7 monitors and reviews its Human Rights Programme to ensure it remains current, effectively implemented and consistently improved, aligning with current and emerging stakeholder expectations and regulatory requirements.

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We track Speak Up reports and other human rights cases to identify human rights breaches, as well as potential or actual weaknesses or failures in our Human Rights Programme.

As our programme matures, it will be incorporated into the scope of our internal audit function. We also aim to develop efficient, cost-effective methods to obtain greater assurance from high-risk suppliers that they have implemented the prescribed procedures to manage the potential human rights risks we have identified. These methods could include monitoring, virtual and in-person audits, as well as evidence that the supplier has been audited by a credible, independent assurance provider.

Training on human rights

For information on human rights training that is provided to relevant Subsea7 personnel including people involved in supply chain management, refer to page 93.

Allocating resources to effectively manage human rights issues

Across the Group, there are approximately 600 employees within the supply chain function. Each employee has roles and responsibilities across the different stages of the supplier management lifecycle, which include pre-qualification, sourcing, pre-award evaluation and commitment approval, award and post-award management stages. As described in pages 104 to 105, during the pre-qualification process, suppliers from medium- or high-risk countries undergo a screening and due diligence process. Of those 600 employees, around 60 are involved in the screening and due diligence process of these suppliers. However, we continue to actively manage human rights issues throughout the entire supplier management lifecycle, and it is challenging to accurately allocate the percentage of time each person spends on managing the material human rights impacts on VCWs, especially after the suppliers have been qualified. There is a human rights network within the supply chain management (SCM) function consisting of representatives from the different regions and business units, chaired by the SCM Director of Governance and Sustainability. The purpose of the network is to share learnings and best practices in terms of how we manage human rights issues within our supply chain.

Outside of the supply chain function, accountability for human rights and labour practices sits with the CECO and Group human resources function. The CECO is responsible for the design and implementation of the Group's Human Rights Programme, supported by a senior human rights manager and the legal, contracts, compliance and internal audit functions. Providing headcounts for these departments is not meaningful, as it is difficult to estimate how much time each person dedicates specifically to managing the material impacts on VCWs.

In addition, Subsea7 has a network of Human Rights Champions, as described Our Workforce section on page 93.

Participating in industry and multi-stakeholder initiatives

Subsea7 is proud to be a signatory to the UN Global Compact and a Board Member of Building Responsibly, a global business-led coalition committed to promoting the rights and welfare of workers in the energy and construction sectors.

Metrics and targets

Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities (ESRS S2-5)

We recognise the importance of setting time-bound and outcome-oriented targets. However, we have not yet established specific targets for reducing negative impacts, advancing positive impacts or managing material risks and opportunities associated with VCWs. Our value chain spans multiple regions and sectors, each with unique challenges and opportunities. Establishing uniform targets that are meaningful and practically achievable across this diverse landscape requires careful consideration and extensive stakeholder engagement.

Although we do not have specific targets relating to VCWs, we have set internal metrics and targets to manage human rights risks within our upstream value chain:

- **Metric** – percentage of suppliers with a contract that includes human rights clauses
- **Target** – 90% high-risk suppliers to undergo enhanced human rights risk assessments by the end of 2025 (Target of 65% by the end of 2024 was achieved. The actual was 72%)



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ESRS G1 – Business conduct

General disclosures

The role of the administrative, supervisory and management bodies (ESRS 2 GOV-1)

Top-level commitment

The Executive Management Team is accountable for compliance and ethics, however Subsea7 has created a compliance function, whose role is to help management understand and fulfil that accountability. This function is led by the Chief Ethics and Compliance Office (CECO), who has overall responsibility for the design of the Group's Business Ethics Programme, and it includes a combination of local and regional compliance officers.

The CECO reports to the Group's General Counsel and also has independent reporting lines to:

- The Group's Ethics Committee, which comprises all the members of the Executive Management Team
- The Group's Corporate Governance, Nominations and Risk Committee, which is chaired by the Group's Senior Independent Director.

Both those committees receive regular reports from the CECO on the implementation of the Group's Business Ethics Programme, including the findings of any independent assurance provider. Annually the CECO attends a joint Subsea7 Board session of the Corporate Governance, Nominations and Risk Committee and the Audit and Sustainability Committee, at which the CECO's report on the previous year, and the priorities for the forthcoming year, are reviewed and approved. Collectively these committees review the Group's Business Ethics Programme strategy and objectives, agree priorities, assess metrics, and approve initiatives.

For information on the governance of sustainability matters, refer to the Governance structure on pages 67 to 68. Details on the Board members and their areas of expertise and responsibility in relation to business ethics and other matters are disclosed in the 'Governance' section on pages 44 to 45.

Impacts, risks and opportunities management (ESRS 2 IRO-1)

Process for identifying and assessing material impacts, risks and opportunities

Following the completion of the double materiality assessment (DMA), as described in the Materiality

assessment (ESRS 2 IRO-1) on pages 72 to 73, the material IROs relating to business conduct were identified.

Material topics were mapped to the relevant ESRS to establish Subsea7's reporting obligations under the EU CSRD. The material topic of business ethics (which also incorporates the topics of anti-bribery and anti-corruption) was mapped to ESRS G1 – Business conduct. The CECO helped to assess and validate the identified business conduct-related IROs for accuracy and completeness.

In the context of business conduct, Subsea7's Anti-Bribery/ Anti-Corruption (ABAC) Programme is designed and implemented on the basis of a group-wide corruption risk assessment. This looks at the inherent risks associated with the sector and business model, and the geographies in which Subsea7 operates. Risk assessment is also embedded in the Group's supply chain management procedures, as well as in the procedures for selecting and appointing business partners and managing other third parties. This process is described in detail on page 110. How Subsea7 manages risks and the roles and responsibilities involved in the risk management process is described in the Principal Risks and Uncertainties and Governance sections on pages 24 to 25 and 43 respectively.

A session was then held with the CECO to assess and validate the identified IROs for accuracy and completeness. Final approval of the IROs was received from the Executive Management Team.

All subsidiaries in the Group follow the principles of the ABAC Programme; however, the specific programmes used can differ based on their business risk profile, for example Xodus and 4Subsea, autonomous subsidiaries of the Group, have much lower risk business models and geographies, as well as much smaller, lower risk supply chains.

The non-wholly-owned subsidiary, Sonamet, by contrast with Xodus and 4Subsea but not unlike the rest of the Group, does face potentially significant business ethics risks. Sonamet has its own Code of Conduct, Speak Up Policy and Safecall reporting line, and it follows the Subsea7 system of financial controls and procurement procedures. It also follows the annual compliance with Subsea7's Business Ethics e-Learning Programme, which was completed by 100% of the target audience at Sonamet. However, overall, its programme is less mature. Sonamet had no reportable ABAC cases during the reporting period.

Table 5-1 summarises the material impacts and risks that relate to business conduct, identified following the DMA process. Subsea7 describes how its material IROs interact with its strategy in Material IRO's and interaction with business model on page 71.

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Table 5-1 – IROs in relation to business conduct

	I/R/O	Boundary in value chain			Time horizon		
		Upstream	Own operation	Downstream	Short	Medium	Long
Compliance and ethics							
Penalties, convictions, debarment and damage to the Group's reputation due to compliance and ethics breach by the Group or its suppliers	Risk		•		•	•	•
Embedding a culture of ethics, compliance and integrity	Potential impact (+)	•	•	•	•	•	•
Society and the rule of law are undermined, and corrupt bribes profit at the expense of their citizens	Potential impact (-)			•	•	•	•

Corporate culture and business conduct policies (ESRS G1-1)

Subsea7's Business Ethics Programme is designed to embed the Ethics Policy Statement and Code of Conduct and to help manage compliance risks, including preventing bribery and other unethical conduct by the Group and those who work with us. The programme is informed and underpinned by the Group's Values and the Board's determination to conduct business ethically and in a way that is consistent with those Values: Safety, Integrity, Sustainability, Performance, Collaboration and Innovation. The elements of the programme are described in more detail on pages 109 to 112.

The Subsea7 Ethics Policy Statement sets out the Group's commitment to acting honestly, fairly and with integrity at all times, to comply with the law, and to treat people with respect. By so acting, Subsea7 aims to earn the trust of clients, employees, business partners, suppliers and other stakeholders.

The Group conducts business in accordance with all applicable laws and regulations and in an ethically responsible manner. The Code of Conduct applies to all people who work with the Group. It sets out the key principles that Subsea7 is committed to upholding and that line management are responsible for communicating and implementing.

The Group's Ethics Policy and Code of Conduct are signed off by the Chief Executive Officer and approved by the Board of Directors. They are communicated via group-wide Business Management System (BMS) as well as via ongoing training and awareness-raising initiatives.

Central to the Group's business ethics strategy is the effort to embed a culture of ethics and integrity, as stated in the Ethics Policy Statement. Each year, Subsea7 holds a Global Integrity Day, and one of the key themes on that day, and in group-wide compliance and ethics training and communications, is Integrity Moments. The Group uses such moments to help people understand what integrity means to the Group and to encourage and empower people to bring their personal integrity to work and be guided by it when making decisions.

Subsea7 has a whistle-blowing policy (Speak Up Policy), which offers various channels for raising concerns about potentially unethical conduct, and which is extensively promoted within the Group. Our policy complies with

applicable whistle-blower protection laws designed to protect the rights and freedom of people with respect to cases reported and the associated processing of personal data.

Further details of the Group's Business Ethics Programme, including procedures for investigating and remediating Speak Up cases, training, and functions that are the most at risk with regard to bribery and corruption are described on pages 110 to 112.

Management of relationships with suppliers (ESRS G1-2)

During 2024, Subsea7 worked with over 8,000 suppliers globally, many with an established local presence in the countries where the Group operates. Our supply chain, from which over 50% of the Group's cost base is derived, is an essential part of our strategy to be a strong, safe and responsible business, both socially and environmentally. Managing the associated risks within our supply chain and continually leveraging opportunities to create long-term value are central to our goal to make sustainable delivery possible. With a number of our key strategic suppliers, the Group has built collaborative, mutually beneficial relationships over years of working together, anchored in trust and respect.

As well as the supplier-related risk assessment and due diligence procedures referred to on page 110, our policies and procedures for managing business ethics risks in our supply chain also include our Code of Conduct for Suppliers, which sets out the key principles of ethical conduct that our suppliers agree must be upheld when working with us. Our due diligence procedures and Code of Conduct for Suppliers focus, among other things, on business ethics, anti-bribery and human rights. Moreover, selection, pre-qualification, approval, appointment, and payment of suppliers are all subject to best practice procedures designed to avoid conflicts of interest and manage risks of bribery and fraud. These best practices include segregation of duties and competitive tenders.

Our Supply Chain Management Process for Procurement sets out how new suppliers are onboarded as approved suppliers, for which Subsea7 uses the SAP Ariba Supplier Management (SAP Ariba) module. Based on information provided by the supplier in the pre-qualification questionnaire, SAP Ariba may generate additional risk ratings and workflows for business ethics due diligence

questionnaires and screening to be completed as part of the approval process. The type of materials or services intended to be provided by the suppliers determines the perceived level of risk and associated risk management procedures. SAP Ariba also helps determine whether an audit of the suppliers for, among other things, HSE and quality, is required as part of the pre-qualification process. These audits are generally desk-top audits. On-site audits may be required if the material or service provided is particularly critical, or if there are any areas highlighted as a concern based on the desk-top assessment.

For key categories of materials or services critical to Subsea7, a category management network has been set up. Each specific category management network comprises a category chairperson, sponsors, as well as HSE and quality leads. The roles and responsibilities of each category management network, among other things, include regular engagement with the key category suppliers as well as periodic strategic reviews with Subsea7's senior management based on regional and global strategy plans.

Once qualified, suppliers are required to undergo regular performance reviews upon completion of certain work-scopes, above a certain value, including on an annual basis for frame agreement suppliers, or if performance issues are identified. Suppliers' status can be set to 'under scrutiny', when there are concerns regarding, among other things, health, safety and environment (HSE), quality, compliance and business ethics or human rights issues. Agreed measures may be required to be implemented by the suppliers and progress monitored to ensure a satisfactory resolution before the 'under scrutiny' status can be removed. In severe cases, the supplier may be disqualified. For key category suppliers, the category chairperson

typically leads the engagement with the suppliers and they are consulted prior to any disqualification.

We have standard payment terms that are applicable to both small and medium enterprises (SMEs) and non-SMEs. Refer to Payment practices on page 113 where this is discussed in detail.

The Group's supply chain management function has a set of procedures designed to assess and manage risks relating to its supply chain and their impacts on sustainability matters, refer to Delivery and operational risks on page 37. The Group also considers social and environmental criteria for the selection of suppliers.

'Our Values underpin everything we do, including whom we choose to do business with and how we and our suppliers work together.' (Code of Conduct for Suppliers)

Prevention and detection of corruption/bribery (ESRS G1-3)

Our Business Ethics Programme

Our ABAC Programme lies at the heart of our Business Ethics Programme and is designed and implemented in accordance with international best practice, including:

- The International Anti-Bribery Management System Standard (ISO37001-2016), which Subsea7 helped to develop
- The UK Ministry of Justice Bribery Act 2024 guidance on Adequate Procedures to Prevent Bribery
- US Department of Justice Evaluation of Corporate Compliance Programs

The principles and procedures of the Group's Business Ethics Programme are outlined in Figure 5-1.

Figure 5-1: Business Ethics Programme





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In 2024, the ABAC Programme was certified against ISO37001 by EuroCompliance, an accredited, independent audit firm which specialises in ISO37001. The programme has also been subject to independent assurance by GoodCorporation™, a leading global ethics consultancy, whose assessments covered the whole of the Group, between 2016 and 2023.

In undergoing certification against ISO 37001, we aim to be in a position to encourage many of our suppliers to themselves become certified, with a goal of persuading our sector to coalesce around a common standard and common approach to assurance. In this way, we aim to make assurance-gathering efforts within our sector more consistent and efficient, less duplicative and more cost-effective. We will continue to support efforts to gain traction on this initiative.

While much of our focus has been on anti-bribery and anti-corruption, as well as other legal compliance areas such as competition/anti-trust, sanctions and export controls, and tax evasion, the programme also has a broader, business ethics scope, which is defined by the Group's Ethics Policy Statement and Code of Conduct. Increasingly, the Group has leveraged various aspects of this programme (such as risk assessments, due diligence, training and supply chain management procedures) to inform the design of the programme for managing human rights risks, refer to Labour practices and human rights on pages 91 to 93.

Additional details related to the Group's Business Ethics Programme, including our ABAC Programme, are set out below:

Risk assessment and due diligence

The Group's ABAC Programme is designed and implemented on the basis of a group-wide corruption risk assessment. This assesses the inherent risks associated with the sector and business model, and the geographies in which Subsea7 operates. The most at-risk functions are those responsible for managing the relevant risk (e.g. Supply Chain Management or Finance) or the activity (e.g. Business Development, Sales & Marketing, Projects and Operations). Ten individual country corruption risk assessments are performed by each region and updated annually. In addition, the Group's CECO performs risk assessment visits to regions, as well as visits to high-risk third parties. A corruption risk assessment is conducted for every project in a high-risk country (including associated third parties) and on entry into a new high-risk country.

Risk assessments and due diligence are built into the Group's supply chain management procedures as described on page 108, as well as the procedures for selecting and appointing business partners and managing other third parties. The main risk factors are country corruption risk (using the Transparency International Corruption Perceptions Index as a baseline), the type of services provided – notably, whether the supplier or partner will interact with public officials on behalf of Subsea7 – and how the supplier or partner is remunerated.

The main bribery risks identified are described in the Compliance and ethics risk section on page 33.

Code of Conduct and clear policies

Our Business Ethics Programme is underpinned by our Ethics Policy Statement and Code of Conduct. Both documents are part of the Group's Business Management System (BMS), compliance with which is mandatory, and they are regularly reviewed and updated. They are communicated to personnel via the annual Compliance and Ethics e-learning, various compliance and ethics bulletins, the intranet, Integrity Moments and the Global Integrity Day.

In addition, our ABAC Programme includes the following policies and procedures not mentioned elsewhere in this summary, which all form part of the Group's BMS:

- Facilitation Payments Policy
- Policy on Gifts and Hospitality
- Gifts and Hospitality Register
- Conflicts of Interest Register.

The Group's ABAC Programme builds on the principles set out in the Code of Conduct to provide additional guidance on the above topics, as well as on the following activities, which may be legitimate when properly conducted, but which can implicate bribery or corruption risks, which the policy aims to highlight and assist personnel to avoid and manage:

- Community engagement, charitable donations, and political contributions
- Dealings and links with public officials and clients
- Dealings with business partners
- Lobbying
- Commercial sponsorships
- Project and third-party corruption risk assessments.

Communication, education and training

The Group provides compliance and ethics training to all relevant personnel to ensure that the Code of Conduct and ABAC Programme are fully understood and properly applied and that all personnel understand and help to uphold the Group's commitment to doing business ethically and with integrity. The training is overseen by the Group's CECO, who also ensures that such training is regularly reviewed and refreshed. The contents, target audience and scope of the training are approved by the Ethics Committee, and completion rates are included in the reports to the committees referred to in the Monitoring, auditing and assurance section on page 112. The training content is based on real-life cases where relevant. The training is delivered by interactive e-learning and, where appropriate, it is supplemented by classroom training.

Although at-risk functions have been identified, the training is mandatory for all onshore workforce and offshore workforce in at-risk roles. This includes all managers and any functions considered at-risk from an ABAC perspective. The training is also provided to all directors of companies within the Group, including the Board of Directors of Subsea 7 S.A. Details of ABAC training provided in 2024 are shown in Table 5-2.

The Group's ABAC commitments and expectations are communicated to suppliers via a combination of due diligence questionnaires during pre-qualification, the Code of Conduct for Suppliers, our ABAC contract terms, and annual Supplier Integrity Events.



ABAC Training

Table 5-2 – ABAC training provided during the year:

	Managers	All other onshore staff	Other offshore staff in at-risk roles	Directors
Training coverage ¹				
<i>Total receiving</i>	3,042	4,022	269	152
<i>Total completing</i>	3,036	4,015	261	149
<i>% completed</i>	100 ²	100 ²	97	98
Delivery method and duration				
Compulsory, computer-based training	40 minutes	40 minutes	40 minutes	40 minutes
Frequency				
<i>How often training is required</i>	<i>Annually</i>	<i>Annually</i>	<i>Annually</i>	<i>Annually</i>
Topics covered				
<i>Definition of corruption</i>	•	•	•	•
<i>ABAC Programme</i>	•	•	•	•
<i>Procedures on suspicion/detection</i>	•	•	•	•
<i>Speaking up</i>	•	•	•	•

1. Training data excludes Xodus and 4Subsea personnel.
2. Actual percentage is 99.8%.
3. Managers are defined based on their career level in Subsea7's job architecture structure.
4. All other onshore staff are those who are not defined as managers.
5. Only offshore staff who are designated as being in at-risk roles were assigned the ABAC training.
6. Directors are defined as statutory directors of Subsea7 Group companies.
7. Overall 56% of the total Group's workforce completed the ABAC training.

Whistle-blowing channels and culture

Subsea7 has a whistle-blowing policy (Speak Up) within the Code of Conduct and as a separate policy, which offers various channels for raising concerns, including an externally administered and monitored confidential reporting line (Safecall), which is extensively promoted within Subsea7. All personnel are encouraged to utilise one of these reporting channels if they become aware of a possible breach of the Code of Conduct or have concerns in respect of unethical conduct. Anonymous allegations are also possible, where local law permits, and facilitated. Suppliers, business partners, and other third parties and stakeholders are also encouraged to utilise Speak Up, if they do not believe the Group is upholding its Code of Conduct.

The policy includes protection for whistle-blowers who raise concerns in good faith, or on the basis of a reasonable belief, and a commitment in principle to investigate all concerns, if there is sufficient information available to design a just and fair investigation that has a reasonable chance of success.

The Speak Up policy and confidential reporting line are usually included in the annual Business Ethics e-Learning and Global Integrity Day communications. Personnel who may be involved in investigating alleged breaches of the Code of Conduct receive appropriate training (which includes the Group Compliance and Ethics Investigations Procedure).

Procedures and controls

All wholly-owned subsidiaries of the Group have adopted and implemented the Code of Conduct and Business Ethics Programme, as part of the group-wide Business Management System (BMS), which includes a system of financial and other internal controls consistent with a well-managed, publicly listed Group. This includes financial controls, delegation and control of authority, via an authority level matrix, supply chain management procedures, and the application of International Financial Reporting Standards (IFRS).

The supply chain management procedures include, in addition to the aspects disclosed on page 108:

- Due diligence screening for suppliers deemed medium- or high- corruption risk, using a third-party platform that screens for bribery and corruption, sanctions, human rights risks and other reputational risks;
- Differing levels of due diligence questionnaires designed to ascertain:
 - what corruption risks may be presented by the suppliers or their principals or beneficial owners; and
 - in the case of suppliers deemed high-risk, what assurance they can provide about the effectiveness of their programme to manage the relevant corruption risks.



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- An internal business and compliance justification questionnaire, designed to ascertain whether there are any corruption risks in connection with how and why the supplier was nominated
- Escalation to, and approval by the relevant compliance officer, where there are unexplained red flags
- Continuous monitoring via the screening functionality and periodic refresh of the questionnaires and approval process.

Investigations, remediation and enforcement

All allegations or suspicions reported or detected via Safecall or any other channel are reported to the Group's CECO, who records them on a case management system and oversees their investigation, in accordance with the Group's Investigations Principles and Procedures. This includes ensuring the case is investigated by personnel who are appropriately independent and informed only on a need-to-know basis. More serious cases require a higher degree of group-level oversight and involvement.

Subsea7 uses the case management system to track Speak Up cases and other compliance and ethics investigation metrics, such as the number of reports received, the types of misconduct alleged or suspected, the outcome of the investigation and any remedial measures taken. This includes any disciplinary measures, including dismissals, and any police referrals where relevant. Subsea7 uses these metrics to assess areas for improvement in its programme, and the Group includes them in the reports to committees. Any convictions or fines imposed on the Group are reported to the Oslo Stock Exchange and relevant regulators.

Monitoring, auditing and assurance

Subsea7 regularly monitors and reviews its Business Ethics Programme to ensure it is up to date, properly implemented and continually improved, consistent with the Group's Anti-Corruption Risk Management and Due Diligence and Assurance Framework.

As previously discussed, the Group's CECO provides periodic reports to the Ethics Committee and the Corporate Governance, Nominations and Risk Committee, in addition to the Audit and Sustainability Committee. These committees review the strategy and objectives and agree priorities, assess metrics, and approve Business Ethics Programme improvement initiatives.

Subsea7's internal audit function includes a review of elements of the Business Ethics Programme when undertaking audits of the Group's operations. The CECO conducts regional visits, often accompanied by members of the Executive Management Team, to monitor the effectiveness of the Group's Business Ethics Programme. Subsea7 monitors Speak Up and other compliance and ethics cases to identify potential control weaknesses or failures, or unethical behaviour. The CECO also has quarterly meetings with the Group's external auditors.

Subsea7 has commissioned reports on the design and effective implementation of the programme from expert independent assurance providers. As at 31 December 2023, the whole of the Group had been independently assessed by GoodCorporation™, and the design of the group-wide programme and its implementation in Subsea7's UK business was also certified to ISO37001:2016. The Group's objective is to maintain this certification via a rolling programme of audits across a large sample of the Group's sites. ISO37001 audits were conducted in 2024 to maintain the Group's ISO37001 certification.

Culture and values

The Group's Business Ethics Programme is underpinned by the Group's culture and Values as described in the Corporate culture and business conduct policies on page 108.

Metrics and targets

Confirmed incidents of corruption or bribery (ESRS G1-4)

All allegations or suspicions reported or detected via Safecall or internal channels are reported to the Group's CECO, who records them on a case management system and oversees their investigation in accordance with the Group's Investigations Principles and Procedures. Subsea7 is therefore able to disclose how many cases that could, if substantiated, comprise active or passive bribery or corruption. For every case, Subsea7 tracks the outcome, including any potential control enhancements and disciplinary sanctions. If the Group believed that an employee may have committed a bribery or corruption offence, then there is a presumption that Subsea7 would refer the employee to the relevant law enforcement authorities. Subsea7 is not aware of any employees being convicted or fined during 2024 for a corruption or bribery offence, whether pursuant to such a referral or otherwise, for example, if an employee committed an offence other than in connection with their work for the Group, or of which Subsea7 was otherwise unaware.

Any convictions or fines imposed on the Group are reported to the Oslo Stock Exchange and relevant regulators. During 2024 there were no such convictions or fines, nor any public legal cases relating to bribery or corruption brought against the Group.

Table 5-3 summarises all allegations or suspicions of corrupt behaviour that were investigated during 2024, including the outcome and any remedial or disciplinary actions taken.



Table 5-3 – Incidents of corrupt behaviour

Category	Incidents
Number of confirmed incidents of corruption or bribery ¹	1
Number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents ¹	1
Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery	0

1. Procurement fraud.

Political influence and lobbying activities (ESRS G1-5)

The Group has a procedure for recording financial or in-kind political contributions within its accounting records although the Group's policy is not to make any contributions of this kind. There is no defined methodology for estimating the monetary value of any in-kind political contributions and none were made during 2024.

The Group does not engage in any formal lobbying activities, and there is no specific function within the Group with responsibility for oversight of any lobbying or political activities. Subsea7 is not a member of any lobbying associations and does not contribute towards any internal or external lobbying. The Group is not registered in any EU State or EU Member State transparency register.

During 2024, no members of Subsea7's administrative, management or supervisory bodies held a comparable position in public administration, including regulators, in the two years preceding such appointment. For further information on both political influence and lobbying activities addressed in the Group's ABAC Policy, refer to Code of Conduct and clear policies on page 110.

Payment practices (ESRS G1-6)

Subsea7's standard payment terms are 45 days for all suppliers globally and approximately 40% of invoices received were contracted on these terms or shorter. There are regional payment practices and material and service group (MSG) categories, which have payment terms shorter than 45 days.

In the Netherlands, under Dutch law, large companies, such as Subsea7 have to pay SMEs within 30 days of receipt of the invoice.

In the UK, Subsea7 has generally adopted the UK Prompt Payment Code, which is a voluntary code of practice for businesses, and one of the requirements is for invoices from small businesses, with fewer than 50 employees, to be paid within 30 days of the receipt of the invoice.

In Norway, suppliers typically have 30-day payment terms.

Certain MSG categories such as port services, vessel charterparties and travel typically have payment terms that are shorter than 30 days, and approximately 25% of all invoices recorded by the Group during 2024 were contracted on these terms.

During 2024, in aggregate, over 60% of invoices were contracted based on 30 days payment terms or less.

The overall average time for Subsea7 to pay invoices in 2024 was 42 days from the date of receipt of the invoice. For the Group's UK entities that exceed at least two of the following characteristics – annual revenue of GBP36 million, total assets of GBP18 million or 250 employees – Subsea7 submits half-yearly payment practice reports which can be accessed on www.gov.uk/check-when-businesses-pay-invoices.

Instances where supplier invoices are due and outstanding for significant periods are typically managed and resolved at a project level. During 2024, no suppliers commenced legal proceedings against Subsea7 for late payments of invoices.

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Appendix

Disclosure requirements and incorporation by reference tables

Legend

SR	Strategic Report	REM	Remuneration Report	SUS	Sustainability Statements
GOV	Governance	CFS	Consolidated Financial Statements		

Table A1: Cross-cutting standards ESRS2

ESRS 2	General disclosures	Section/report	Page
BP-1	General basis for the preparation of the sustainability statement	SUS	67
BP-2	Disclosures in relation to specific circumstances	SUS	67
GOV-1	The role of the administrative, management and supervisory bodies	GOV	42-53
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	SUS	68
GOV-3	Integration of sustainability-related performance in incentive schemes	REM	60
GOV-4	Statement on due diligence	SUS	118
GOV-5	Risk management and internal controls over sustainability reporting	SUS	68-69
SBM-1	Strategy, business model and value chain (products, markets, customers)	SR SUS	2,8-17 69
	Strategy, business model and value chain (headcount by country)	SUS	90
	Strategy, business model and value chain (breakdown of revenue)	CFS	158
SBM-2	Interests and views of stakeholders	SUS	70-71
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS	71
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	SUS	72
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	SUS	73

Table A2: Topical standards ESRS E1

ESRS E1	Climate change	Section/report	Page
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive scheme	SUS	81
E1-1	Transition plan for climate change mitigation	SUS	81
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS	81-82
ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	SUS	82-83
E1-2	Policies related to climate change mitigation and adaptation	SUS	84
E1-3	Actions and resources in relation to climate change policies	SUS	84-85
E1-4	Targets related to climate change mitigation and adaptation	SUS	85
E1-5	Energy consumption and mix	SUS	85
E1-6	Gross Scopes 1, 2, 3 and total GHG emissions	SUS	86-88
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	SUS	89
E1-8	Internal carbon pricing	SUS	89
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	SUS	89



Table A3: Topical standards ESRS S1

ESRS S1	Own workforce	Section/report	Page
ESRS 2 SBM-2	Interests and views of stakeholders	SUS	90
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS	90
S1-1	Policies related to own workforce	SUS	91-95
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	SUS	96
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	SUS	96
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	SUS	92-96
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SUS	97
S1-6	Characteristics of the undertaking's employees	SUS	97
S1-7	Characteristics of non-employees in the undertaking's own workforce	SUS	99
S1-8	Collective bargaining coverage and social dialogue	SUS	99
S1-9	Diversity metrics	SUS	99
S1-10	Adequate wages	SUS	99
S1-11	Social protection	SUS	99
S1-12	Persons with disabilities	SUS	99
S1-13	Training and skills development metrics	SUS	100
S1-14	Health and safety metrics	SUS	100
S1-15	Work-life balance metrics	SUS	101
S1-16	Remuneration metrics (pay gap and total remuneration)	SUS	101
S1-17	Incidents, complaints and severe human rights impacts	SUS	101

Table A4: Topical standards ESRS S2

ESRS S2	Workers in the value chain	Section/report	Page
ESRS 2 SBM-2	Interests and views of stakeholders	SUS	101
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS	102
S2-1	Policies related to value chain workers	SUS	103
S2-2	Processes for engaging with value chain workers about impacts	SUS	103
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	SUS	104
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	SUS	104-106
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SUS	106

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Table A5: Topical standards ESRS G1

ESRS G1	Business conduct	Section/report	Page
ESRS 2, GOV-1	The role of the administrative, management and supervisory bodies	SUS	107
ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	SUS	107
G1-1	Business conduct policies and corporate culture	SUS	108
G1-2	Management of relationships with suppliers	SUS	108-109
G1-3	Prevention and detection of corruption and bribery	SUS	109-112
G1-4	Incidents of corruption or bribery	SUS	112
G1-5	Political influence and lobbying activities	SUS	112-113
G1-6	Payment practices	SUS	113

Datapoints that derive from other EU legislation

Legend

GOV – Governance	SBM – Strategy and Business Model	SFDR – Sustainable Finance Disclosure Regulation
EUCL – EU Climate Law	P3 – EBA Pillar 3 disclosure requirements	BRR – Climate Benchmark Standards Regulation

Table A6: Datapoints that derive from other EU legislation

Disclosure requirement	Data point		Legislation	Page
ESRS 2, GOV-1	21 (d)	Board's gender diversity	SFDR/BRR	42
		Percentage of board members who are independent	BRR	
ESRS 2, GOV-4	30	Statement on due diligence	SFDR	118
ESRS 2, SBM-1	40 (d) (i)	Involvement in activities related to fossil fuel activities	SFDR/P3/BRR	69
	40 (d) (ii)	Involvement in activities related to chemical production	SFDR/BRR	
	40 (d) (iii)	Involvement in activities related to controversial weapons	SFDR/BRR	
	40 (d) (iv)	Involvement in activities related to cultivation and production of tobacco	BRR	
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050	EUCL	81
	16 (g)	Undertakings excluded from Paris-aligned benchmarks	P3/BRR	
ESRS E1-4	34	GHG emission reduction targets	SFDR/P3/BRR	85
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	SFDR	86
	37	Energy consumption and mix	SFDR	
	40-43	Energy intensity associated with activities in high climate impact sectors	SFDR	
ESRS E1-6	44	Gross scope 1, 2, 3, and total GHG emissions	SFDR/P3/BRR	88
	53-55	Gross GHG emissions intensity	SFDR/P3/BRR	



Disclosure requirement	Data point		Legislation	Page
ESRS E1-7	56	GHG removals and carbon credits	EUCL	89
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks	BRR	89
	66 (a); 66 (c)	Disaggregation of monetary amounts by acute and chronic physical risk; location of significant assets at material physical risk	P3/BRR	89
ESRS E1-9	67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes	P3	
	69	Degree of exposure of the portfolio to climate-related opportunities	BRR	89
ESRS E2-4	28	Amount of each pollutant listed in annex II of the E-PRTR regulation emitted to air, water, and soil	SFDR	n/a
ESRS E3-1	9	Water and marine resources	SFDR	
	13	Dedicated policy	SFDR	n/a
	14	Sustainable oceans and seas	SFDR	
ESRS E3-4	28 (c)	Total water recycled and reused	SFDR	
	29	Total water consumption in m3 per net revenue on own operations	SFDR	n/a
ESRS E4, SBM-3 (ESRS2)	16 (a) (i)	Activities negatively affecting biodiversity-sensitive areas	SFDR	n/a
	16 (b)	Land degradation, desertification, or soil sealing	SFDR	
	16 (c)	Threatened species	SFDR	
ESRS E4-2	24 (b)	Sustainable land/agriculture practices or policies	SFDR	
	24 (c)	Sustainable oceans/seas practices or policies	SFDR	n/a
	24 (d)	Policies to address deforestation	SFDR	
ESRS E5-5	37 (d)	Non-recycled waste	SFDR	n/a
	39	Hazardous waste and radioactive waste	SFDR-	
ESRS S1, SBM-3 (ESRS 2)	14 (f)	Risk of incidents of forced labour	SFDR	
	14 (g)	Risk of incidents of child labour	SFDR	90
ESRS S1-1	20	Human rights policy commitments	SFDR	
	21	Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8	BRR	91, 93, 94, 95
	22	Processes and measures for preventing trafficking in human beings	SFDR	
	23	Workplace accident prevention policy or management system	SFDR	
ESRS S1-3	32 (c)	Grievance/complaints-handling mechanisms	SFDR	96
ESRS S1-14	88 (b) and (c)	Number of fatalities and number and rate of work-related accidents	SFDR/BRR	100
	88 (e)	Number of days lost to injuries, accidents, fatalities, or illness	SFDR	
ESRS S1-16	97 (a)	Unadjusted gender pay gap	SFDR/BRR	101
	97 (b)	Excessive CEO pay ratio	SFDR	
ESRS S1-17	103 (a)	Incidents of discrimination	SFDR	
	104 (a)	Non-respect of UNGPs on Business & Human Rights, ILO principles, or OECD guidelines	SFDR/BRR	101
ESRS S2, SBM-3 (ESRS 2)	11 (b)	Significant risk of child labour or forced labour in the value chain	SFDR	102

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Disclosure requirement	Data point		Legislation	Page
ESRS S2-1	17	Human rights policy commitments	SFDR	103
	18	Policies related to value chain workers	SFDR	
	19	Non-respect of UNGPs on Business & Human Rights, ILO principles, or OECD guidelines	SFDR/BRR	
	19	Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8	BRR	
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	SFDR	104
ESRS S3-1	16	Human rights policy commitments	SFDR	n/a
	17	Non-respect of UNGPs on Business & Human Rights, ILO principles, or OECD guidelines	SFDR/BRR	
ESRS S3-4	36	Human rights issues and incidents	SFDR	n/a
ESRS S4-1	16	Policies related to consumers and end-users	SFDR	n/a
	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	SFDR/BRR	
ESRS S4-4	35	Human rights issues and incidents	SFDR	n/a
ESRS G1-4	10 (b)	United Nations Convention against Corruption	SFDR	
	10 (d)	Protection of whistleblowers	SFDR	112
ESRS G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery laws	SFDR/BRR	112
	24 (b)	Standards of anti-corruption and anti-bribery	SFDR	

Statement on sustainability due diligence

Table A7: statement on sustainability due diligence

Core elements of due diligence	Paragraphs and pages in the Sustainability Statements or Management Report
Embedding sustainability due diligence in governance, strategy and business model	Governance – page 42 Board of Directors and Executive Management Team – pages 44-45 and 46-47 respectively
Engaging with affected stakeholders	Table 1-2 pages 70-71
Identifying and assessing adverse impacts	Table 2-6 page 83 (ESRS E1) Table 3-1 page 90 (ESRS S1) Table 4-1 page 102 (ESRS S2) Table 5-1 page 108 (ESRS G1)
Taking action to address those adverse impacts	For ESRS E1 – page 84 For ESRS S1 – pages 92, 94, 95 For ESRS S2 – page 104 For ESRS G1 – pages 108-112
Tracking the effectiveness of these efforts and communicating	For ESRS E1 – page 89 For ESRS S1 – pages 97-101 For ESRS S2 – page 106 For ESRS G1 – page 112



LIMITED ASSURANCE REPORT ON SUSTAINABILITY INFORMATION

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To the Board of Directors
Subsea 7 S.A.
412F, route d'Esch
L1471 Luxembourg

Limited Assurance Conclusion

We conducted a limited assurance engagement on the Sustainability Statements of Subsea 7 S.A. (the "Group") included in section "Sustainability Statements" of the Annual Report as of 31 December 2024 and for the year then ended.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the accompanying Sustainability Statements are not prepared, in all material respects, in accordance with:

- article 29(a) of EU Directive 2013/34/EU ("Directive");
- compliance with the European Sustainability Reporting Standards ("ESRS"), including that the process carried out by the Group to identify the information reported in the Sustainability Statements (the "Process") is in accordance with the description set out in note ESRS 2 IRO-1;
- compliance of the disclosures in "Reporting according to the EU Taxonomy" within the environmental section of the Sustainability Statements with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation");
- altogether the "Criteria".

Basis for Limited Assurance Conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (revised) ("ISAE 3000"), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board ("IAASB") as adopted for Luxembourg by the Institut des Réviseurs d'Entreprises ("IRE").

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Responsibilities of réviseur d'entreprises agréé's section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier ("CSSF"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies the International Standard on Quality Management ("ISQM") 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB as adopted for Luxembourg by the CSSF. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Emphasis of Matter – New sustainability reporting standards

We draw attention to section "Disclosures in relation to specific circumstances (ESRS 2 BP-2)" on page 67 of the Sustainability Statements. This disclosure sets out that the year ended 31 December 2024 is the first year of reporting under the CSRD. The Sustainability Statements have been prepared in the context of new sustainability reporting standards requiring entity-specific and temporary interpretations and addressing inherent measurement or evaluation uncertainties.

Our conclusion is not modified in respect of this matter.

Emphasis of Matter – Unavailability of certain quantitative metrics

We draw attention to section in Statement S1 "Metrics and Targets" on page 97. This disclosure sets out that the Group has not provided estimations when data was unavailable.

Our conclusion is not modified in respect of this matter.

SUSTAINABILITY STATEMENTS *CONTINUED*

Emphasis of Matter – Double Materiality assessment process

We draw attention to section “ESRS 2 General Disclosures” on page 67 in the Sustainability Statements. This disclosure explains future improvements in the ongoing due diligence and double materiality assessment process, including robust engagement with affected stakeholders. Due diligence is an on-going process that responds to and may trigger changes in the Group’s strategy, business model, activities, business relationships, operating, sourcing and selling contexts. The double materiality assessment process may also be impacted in time by sector-specific standards to be adopted. The Sustainability Statements may not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder or group of stakeholders may consider important in its own particular assessment.

Our conclusion is not modified in respect of this matter.

Other Matter – Comparative information not subject to assurance procedures

No limited assurance procedures have been performed on the Sustainability Statements of the prior year. Consequently, the comparative information in the Sustainability Statements and thereto related disclosures for the year ended 31 December 2023 have not been subject to limited assurance procedures.

Our conclusion is not modified in respect of this matter.

Responsibilities of the Board of Directors and those charged with governance for the Sustainability Statements

The Board of Directors of the Group is responsible for designing, implementing and maintaining a process to identify the information reported in the Sustainability Statements in accordance with ESRS and for disclosing this process in note ESRS 2 IRO-1 of the Sustainability Statements.

This responsibility includes:

- understanding the context in which the Group’s activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group’s financial position, financial performance, cash flows, access to finance or cost of capital over the short, medium, or long term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates about individual sustainability disclosures that are reasonable in the circumstances.

The Board of Directors of the Group is further responsible for:

- The preparation of the Sustainability Statements in accordance with the Criteria.
- Designing, implementing and maintaining such internal controls that the Board of Directors determines is necessary to enable the preparation of the Sustainability Statements, in accordance with the Criteria, that is free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Group’s sustainability reporting process.

Inherent limitations in preparing the Sustainability Statements

In reporting forward-looking information in accordance with ESRS, the Board of Directors of the Group is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. The actual outcome is likely to be different since anticipated events frequently do not occur as expected.

In determining the disclosures in the Sustainability Statements, the Board of Directors of the Group interprets undefined legal and other terms. Undefined legal and other terms may be interpreted differently, including the legal conformity of their interpretation and, accordingly, are subject to uncertainties.

Responsibilities of the réviseur d’entreprises agréé

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statements are free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statements as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000, we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Sustainability Statements, in relation to the Process, include:

- Performing procedures, including obtaining an understanding of internal controls relevant to the engagement, to identify risks that the process to identify the information reported in the Sustainability Statements does not address the applicable requirements of ESRS, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Designing and performing procedures to evaluate whether the Process to identify the information reported in the Sustainability Statements is consistent with the Group’s description of its Process as disclosed in note ESRS 2 IRO-1.



Our other responsibilities in respect of the Sustainability Statement include:

- Performing risk assessment procedures, including obtaining an understanding of internal controls relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal controls;
- Designing and performing procedures responsive to where material misstatements are likely to arise in the Sustainability Statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statements. The procedures performed in a limited assurance engagement vary in nature and form, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The nature, timing and extent of procedures selected depend on professional judgement, identification of disclosures where material misstatements are likely to arise in the Sustainability Statements, whether due to fraud or error.

In conducting our limited assurance engagement, with respect of the Process, we:

- obtained an understanding of the Process by performing inquiries to understand the sources of the information used by management, reviewing the double materiality assessment performed by the Group's management and reviewing the Group's internal documentation of its Process; and
- evaluated whether the evidence obtained from our procedures about the Process implemented by the Group was consistent with the description of the Process set out in note ESRS 2 IRO-1.

In conducting our limited assurance engagement, with respect to the Sustainability Statements, we:

- obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statements by conducting interviews with key personnel;
- evaluated whether all material information identified by the Process is included in the Sustainability Statements;
- evaluated whether the structure and the presentation of the Sustainability Statements is in accordance with the Criteria;
- evaluated the methods, assumptions and data for developing estimates and forward-looking information;
- obtained an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statements;

- performed inquiries of relevant personnel and analytical procedures on selected disclosures in the Sustainability Statements;
- performed substantive assurance procedures based on a sample basis on selected disclosures in the Sustainability Statements;
- compared selected disclosures in the Sustainability Statements with the corresponding disclosures in the Consolidated Financial Statements within the 2024 Annual Report;
- evaluated whether the evidence obtained from our procedures about the Process implemented by the Group was consistent with the description of the Process set out in note ESRS 2 IRO-1.

Other information

The management of the Group is responsible for the other information. The other information comprises the Strategic Report, Governance, Consolidated Financial Statements, Subsea 7 S.A. Financial Statements, Other information included in the Group's 2024 Annual Report but does not include the Sustainability Statements and our assurance report thereon.

Our conclusion on the Sustainability Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Ernst & Young
Société anonyme
Cabinet de révision agréé

Emmanuel Mareschal
Luxembourg, 26 February 2025

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Management Report for Subsea7 Group (the Group)

Financial highlights

At a glance

- Full year Adjusted EBITDA of \$1,090 million, up 53% on the prior year, equating to a margin of 16%
- Net income of \$217 million compared to \$10 million in 2023
- Robust free cash flow of \$583 million
- Order intake of \$8.2 billion, a book-to-bill ratio of 1.2
- A high-quality backlog of \$11.2 billion at year end implies over 80% visibility on 2025 revenue guidance and supports the outlook for Adjusted EBITDA margin expansion to 18 to 20%
- Dividend of approximately \$350 million proposed, subject to shareholder approval, for payment in two equal instalments in 2025

In \$ millions, except Adjusted EBITDA margin and per share data	2024 31 Dec	2023 31 Dec
Revenue	6,837	5,974
Adjusted EBITDA ^(a)	1,090	714
Adjusted EBITDA margin ^(a)	16%	12%
Net operating income	446	105
Net income	217	10
Earnings per share – in \$ per share		
Basic	0.68	0.05
Diluted ^(b)	0.67	0.05
At (in \$ millions)		
Backlog ^(a)	11,175	10,587
Book-to-bill ratio ^(a)	1.2x	1.2x
Cash and cash equivalents	575	751
Borrowings	(722)	(845)
Net debt excluding lease liabilities ^(a)	(147)	(94)
Net debt including lease liabilities ^(a)	(602)	(552)

(a) For explanations and reconciliations of Adjusted EBITDA, Adjusted EBITDA margin, Backlog, Book-to-bill ratio and Net debt refer to the 'Alternative Performance Measures' section on page 203.

(b) For the explanation and a reconciliation of diluted earnings per share refer to Note 11 'Earnings per share' to the Consolidated Financial Statements.

2024 Summary

The Group delivered solid results as the upcycles in the subsea and offshore wind industries gathered pace. Revenue and Adjusted EBITDA in the Subsea and Conventional business unit increased significantly driven by the shift in mix towards projects awarded in a more favourable commercial environment.

The Group recorded order intake of over \$8 billion, which equated to a book-to-bill of 1.2 times. Order intake was the highest since 2013, resulting in a backlog of over \$11 billion at year end.

In 2024, revenue was \$6.8 billion, net operating income was \$446 million and Adjusted EBITDA was \$1,090 million, driven by higher revenues and margin expansion within both the Subsea and Conventional and Renewables business units. After taxation of \$152 million, equating to an effective tax rate of 41%, net income was \$217 million in 2024.

Net cash generated from operating activities was \$931 million and free cash flow was \$583 million after capital expenditure of \$349 million. At 31 December 2024, the Group held cash and cash equivalents of \$575 million and net debt including lease liabilities was \$602 million. At year end the Group had liquidity of around \$1.3 billion with \$758 million of undrawn borrowing facilities.

During the year the Company paid dividends of \$163 million, equivalent to NOK 6.00 per share and repurchased 5.2 million shares for a cost of \$87 million, leading to returns to shareholders of \$250 million.



FINANCIAL REVIEW CONTINUED

Commitment to shareholder returns

At the Annual General Meeting on 8 May 2025, the Board of Directors will propose that shareholders approve a cash dividend of NOK 13.00 per share, equating to approximately \$350 million, payable in two equal instalments in May and November 2025. This represents a year-on-year increase of 40% in returns to shareholders and is equivalent to an approximate yield of 7% related to the cash dividend.

Outlook

Management anticipates that revenue in 2025 will be between \$6.8 billion and \$7.2 billion, while the Adjusted EBITDA margin is expected to be within a range from 18% to 20%. Management continues to expect margins to exceed 20% in 2026, based upon the Group's firm backlog of contracts and the prospects in the tendering pipeline.

Driven by structural factors including economic development and energy security, the outlook for long-term energy demand growth remains positive. Subsea7's exposure to both the hydrocarbon and renewable sectors leaves the Group well placed to benefit from this structural energy trend. Subsea7's focus on late-cycle, long-duration developments adds resilience to the Group's strategy, while the Group's track record for project execution and strong balance sheet support a market-leading position that benefits the Group, its customers and shareholders.

Income statement

Revenue

Revenue for the year ended 31 December 2024 was \$6.8 billion, an increase of \$863 million or 14% compared to the prior year. The increase was mainly due to increased activity in the Subsea and Conventional and Renewables business units with strong demand for the Group's services.

Adjusted EBITDA

Adjusted EBITDA was \$1,090 million, an increase of \$376 million or 53% compared to 2023, resulting in an Adjusted EBITDA margin of 16% compared to 12% in the prior year. The year-on-year increase was driven by higher activity levels and the execution of projects awarded at improved margins in both the Subsea and Conventional and Renewables business units.

Net operating income

Net operating income was \$446 million compared to \$105 million in the prior year. The increase in net operating income was driven by:

- net operating income of \$404 million in the Subsea and Conventional business unit compared to \$196 million in the prior year. The year-on-year increase in profitability was mainly driven by high activity levels and the execution of projects awarded at improved margins; and
- net operating income of \$53 million in the Renewables business unit compared to net operating loss of \$74 million in the prior year. The year-on-year increase reflected higher activity levels and non-cash impairment charges of \$17 million recognised in 2024, compared to non-cash impairment charges of \$73 million in 2023.

Net income

Net income was \$217 million compared to \$10 million in the prior year. The year-on-year improvement of \$207 million was mainly driven by:

- an increase in net operating income of \$341 million

partly offset by:

- net loss within other gains and losses of \$1 million, driven by losses on foreign exchange largely offset by gains on non-cash foreign exchange, compared to a net gain of \$21 million in the prior year, mainly driven by non-cash foreign exchange gains;
- finance costs of \$101 million for the year ended 31 December 2024, which reflected higher levels of borrowings, compared with finance costs of \$71 million in the prior year; and
- taxation of \$152 million, equivalent to an effective tax rate of 41%, compared to taxation of \$70 million in 2023.

Earnings per share

Diluted earnings per share was \$0.67 compared to \$0.05 in 2023, calculated using a weighted average number of shares of 300 million and 299 million, respectively.



Business unit highlights

For the year ended 31 December 2024

(in \$ millions) Unaudited	Subsea and Conventional	Renewables	Corporate	Total
Revenue				
Fixed-price projects	4,815.1	1,190.8	16.8	6,022.7
Day-rate projects	684.9	41.6	87.8	814.3
	5,500.0	1,232.4	104.6	6,837.0
Net operating income/(loss)	403.5	53.4	(11.4)	445.5
Finance income				24.4
Other gains and losses				(0.5)
Finance costs				(101.2)
Income before taxes				368.2
Adjusted EBITDA ^(a)	897.3	185.0	7.8	1,090.1
Adjusted EBITDA margin ^(a)	16.3%	15.0%	7.5%	15.9%

For the year ended 31 December 2023

(in \$ millions) Unaudited	Subsea and Conventional	Renewables	Corporate	Total
Revenue				
Fixed-price projects	4,171.1	951.6	16.7	5,139.4
Day-rate projects	748.0	3.5	82.8	834.3
	4,919.1	955.1	99.5	5,973.7
Net operating income/(loss)	196.2	(73.9)	(17.6)	104.7
Finance income				25.2
Other gains and losses				21.3
Finance costs				(71.2)
Income before taxes				80.0
Adjusted EBITDA ^(a)	612.4	102.5	(0.5)	714.4
Adjusted EBITDA margin ^(a)	12.4%	10.7%	(0.5%)	12.0%

(a) Adjusted EBITDA and Adjusted EBITDA margin are non-IFRS measures. For explanations and reconciliations of Adjusted EBITDA and Adjusted EBITDA margin refer to the 'Alternative Performance Measures' section on page 203.

Business unit highlights

Subsea and Conventional

Revenue for the year ended 31 December 2024 was \$5.5 billion, an increase of \$581 million or 12% compared to the prior year.

During the year: Marjan 2 (Saudi Arabia); Sangomar (Senegal); Gas-to-Energy (Guyana); Sanha Lean Gas (Angola); BJP Salema (Brazil); Northern Lights and Tyrving (Norway) neared completion. Work progressed on Agogo (Angola); Barossa (Australia); Salamanca (US); Raven (Egypt); Sakarya Phase 2a (Türkiye); Yggdrasil (Norway) and CRPO 80/81 (Saudi Arabia).

In Brazil, there were high levels of utilisation of the PLSVs and work progressed on Bacalhau, Mero 3&4, Búzios 8 and Búzios 9.

Net operating income was \$404 million compared to \$196 million in the prior year. The year-on-year increase reflected high activity levels, the execution of projects awarded at improved margins and the Group's share of net income in its associate, OneSubsea, of \$36 million compared to \$8 million in the prior year.

Renewables

Revenue for the year ended 31 December 2024 was \$1.2 billion, an increase of \$277 million or 29% compared to the prior year.

During the year: Dogger Bank B and Moray West (UK); and Yunlin and Zhong Neng (Taiwan) neared completion. Work progressed on East Anglia THREE and Dogger Bank C (UK); Revolution (US) and Hai Long (Taiwan).

Net operating income was \$53 million compared to net operating loss of \$74 million in the prior year. The year-on-year increase reflected higher activity levels and non-cash impairment charges of \$17 million recognised in 2024, compared to non-cash impairment charges of \$73 million in 2023.



FINANCIAL REVIEW CONTINUED

Corporate

Revenue, which was mainly driven by the Group's autonomous wholly-owned subsidiaries Xodus and 4Subsea, was \$105 million, compared to \$100 million in the prior year. Net operating loss was \$11 million compared with net operating loss of \$18 million in the prior year.

Vessel utilisation and fleet

Vessel utilisation for the year ended 31 December 2024 was 86% compared with 77% for the prior year. At 31 December 2024, there were 41 vessels in the Group's fleet, including 12 chartered vessels.

Backlog

At 31 December 2024 backlog was \$11.2 billion compared to \$10.6 billion at 31 December 2023. Order intake was \$8.2 billion representing a book-to-bill ratio of 1.2 times. Order intake included new awards of \$6.7 billion, escalations of \$1.5 billion and an unfavourable foreign exchange impact of approximately \$750 million.

\$9.1 billion of the backlog at 31 December 2024 related to the Subsea and Conventional business unit (which included approximately \$1.4 billion related to long-term day-rate contracts for PLSVs in Brazil) and \$2.1 billion related to the Renewables business unit. \$5.8 billion of the backlog is expected to be executed in 2025, \$3.4 billion in 2026 and \$2.0 billion in 2027 and thereafter. Backlog related to associates and joint ventures is excluded from these amounts.

Cash flow

Cash flow statement

Cash and cash equivalents were \$575 million at 31 December 2024, a decrease of \$176 million in the year. The movement in cash and cash equivalents was mainly attributable to:

- net cash generated from operating activities of \$931 million, which included a favourable movement of \$56 million in net working capital

more than offset by:

- net cash used in investing activities of \$414 million, comprising \$349 million related to purchases of property, plant and equipment and intangible assets, \$153 million in relation to the final instalment for the Group's investment in its associate, OneSubsea, partly offset by \$60 million related to vessel disposal proceeds; and
- net cash used in financing activities of \$680 million, which included payments related to lease liabilities of \$223 million, \$163 million related to dividends paid to the shareholders of the parent company, scheduled repayments of borrowings of \$125 million and share repurchases of \$87 million.

Free cash flow

During the year, the Group generated free cash flow of \$583 million (2023: \$79 million) which is defined as net cash generated from operating activities of \$931 million (2023: \$660 million) less purchases of property, plant and equipment and intangible assets of \$349 million (2023: \$581 million).

Balance sheet

Non-current assets

At 31 December 2024, non-current assets were \$5.2 billion (31 December 2023: \$5.2 billion). The decrease of \$24 million was largely driven by a decrease in property, plant and equipment of \$109 million partly offset by an increase in deferred tax assets of \$43 million and an increase in derivative financial instruments of \$33 million.

Non-current liabilities

At 31 December 2024, total non-current liabilities were \$1.0 billion (31 December 2023: \$1.1 billion). The decrease of \$171 million was largely driven by \$139 million reclassified to current borrowings in line with repayment schedules and a decrease in non-current lease liabilities of \$59 million.

Net current assets

At 31 December 2024, current assets were \$2.5 billion (31 December 2023: \$2.9 billion) and current liabilities were \$2.4 billion (31 December 2023: \$2.6 billion), resulting in net current assets of \$40 million (31 December 2023: \$249 million). The decrease of \$209 million in the year was largely driven by:

- decrease in trade and other receivables of \$258 million;
- decrease in cash and cash equivalents of \$176 million; and
- increase in current lease liabilities of \$56 million

partly offset by:

- decrease in trade and other liabilities of \$255 million; and
- increase in construction contract assets of \$82 million.

Equity

At 31 December 2024, total equity was \$4.3 billion (31 December 2023: \$4.4 billion). The movement of \$62 million was largely driven by dividends paid of \$163 million and share repurchases of \$87 million partly offset by net income of \$217 million.



Borrowings, lease liabilities, net cash/(debt) and liquidity

Borrowings

At 31 December 2024, total borrowings were \$722 million (31 December 2023: \$845 million). The decrease of \$123 million was largely driven by scheduled repayments of \$125 million.

A summary of the borrowing facilities available at 31 December 2024 is as follows:

(in \$ millions)	Total facility	Drawn ^(a)	Undrawn	Maturity Date
Multi-currency revolving credit and guarantee facility	600.0	–	600.0	June 2029 ^(b)
2021 UK Export Finance (UKEF 2021) facility	325.0	(325.0)	–	February 2028
2023 UK Export Finance (UKEF 2023) facility	450.0	(292.4)	157.6	July 2030
South Korean Export Credit Agency (ECA) facility	110.6	(110.6)	–	January 2027 ^(c)
Total	1,485.6	(728.0)	757.6	

(a) Borrowings presented in the Consolidated Balance Sheet are shown net of capitalised fees of \$6.4 million, which are amortised over the period of the respective facility.

(b) The Group's multi-currency revolving credit and guarantee facility will reduce to \$500 million in June 2028 until maturity in June 2029.

(c) 90% of the facility is provided by an Export Credit Agency (ECA) and 10% by commercial banks. The maturity of the ECA tranche is January 2029 and the maturity of the commercial tranche is January 2027.

Lease liabilities

At 31 December 2024, lease liabilities were \$455 million, a decrease of \$3 million compared to 31 December 2023.

Net debt

At 31 December 2024:

- net debt (excluding lease liabilities) was \$147 million compared to \$94 million at 31 December 2023; and
- net debt (including lease liabilities) was \$602 million, compared to \$552 million at 31 December 2023.

Gearing

At 31 December 2024, gross gearing (borrowings divided by total equity) was 16.8% (31 December 2023: 19.4%).

Liquidity

At 31 December 2024, the Group's liquidity, represented by cash and cash equivalents and undrawn borrowing facilities was \$1.3 billion (31 December 2023: \$1.6 billion).

Cash management constraints

The Group operates within a liquidity risk management framework which governs its management of short, medium and long-term funding and liquidity requirements. The Group manages liquidity risk by ensuring that it has access to sufficient cash, banking and borrowing facilities. This is achieved by regularly monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities where appropriate.

Financial covenant compliance

The Group's committed borrowing facilities contain financial covenants relating to a maximum level of net debt (excluding lease liabilities) to Adjusted EBITDA. During the year, all financial covenants were met. The Group expects to be able to comply with all financial covenants during 2025.

Share repurchase programme

During the year ended 31 December 2024, 5.2 million shares were repurchased for a cost of \$87 million, in accordance with the Group's share repurchase programme authorised on 24 July 2019, extended on 19 April 2023. At 31 December 2024, the Group had cumulatively repurchased 15.2 million shares for a total cost of \$164 million under this programme. At 31 December 2024, the Group held 4.0 million shares (31 December 2023: 3.8 million) as treasury shares, representing 1.33% (31 December 2023: 1.26%) of the total number of issued shares.

Dividend

A dividend of NOK 6.00 per share was approved by the shareholders of Subsea 7 S.A. at the Annual General Meeting on 2 May 2024. The dividend, equivalent to a total of \$163 million, was paid in two equal instalments on 14 May 2024 and 7 November 2024 to shareholders of Subsea 7 S.A. with respective record dates of 7 May 2024 and 31 October 2024.



FINANCIAL REVIEW CONTINUED

Shareholders

The 20 largest shareholders of the Company, and their beneficial ownership^(a) as a percentage of the total fully paid and issued common shares, at 31 December were:

At	2024 %	2023 %
Siem Industries S.A.	23.6	23.3
Folketrygdfondet	8.9	8.1
Elliott Management Corporation	4.6	4.5
BlackRock Institutional Trust Company, N.A.	3.5	3.7
Storebrand Kapitalforvaltning AS	2.6	2.5
DNB Asset Management AS	2.5	2.5
The Vanguard Group, Inc.	2.3	2.2
KLP Fondsforvaltning AS	2.0	2.1
Alfred Berg Kapitalforvaltning AS	2.0	1.7
Pareto Asset Management AS	2.0	2.1
SAFE Investment Company Limited	1.9	1.9
Amundi Asset Management, SAS	1.5	0.9
Robotti & Company Advisors, LLC	1.2	1.2
ODIN Forvaltning AS	1.2	1.6
Key Group Holdings (Cayman), Ltd.	1.1	1.1
Artisan Partners Limited Partnership	1.1	1.2
T. Rowe Price International Ltd	0.9	0.8
DNCA Investments	0.8	0.8
Metzler Asset Management GmbH	0.8	0.9
State Street Global Advisors (US)	0.8	0.7
Total	65.3	63.8

(a) The data is provided by NASDAQ, Inc. and is obtained through an analysis of beneficial ownership and fund manager information. This is provided in response to disclosure of ownership notices issued to all custodians on the Subsea7 VPS share register. While every reasonable effort has been made to verify the data, there may be fluctuations as a result of such events as stock lending or other non-institutional stock movements, and neither Subsea7 nor NASDAQ, Inc. can guarantee the accuracy of the analysis.

Going concern

The Consolidated Financial Statements have been prepared under the assumption of going concern. This assumption is based on the level of cash and cash equivalents at the year end, the Group's forecast cash flows, the committed borrowing facilities in place, and the backlog position at 31 December 2024.

Risk management and internal control

The Group's approach to risk management and internal control is detailed in the Risk Management and Governance sections on pages 24 to 63. Financial risk management is as described in Note 32 'Financial instruments'.

Events after the reporting period

Proposed Combination of Subsea7 and Saipem

On 23 February 2025, Subsea 7 S.A. announced an agreement in principle on the key terms of the proposed merger with Saipem S.p.A. In accordance with the memorandum of understanding signed between Saipem S.p.A. and Subsea 7 S.A., Subsea 7 S.A. shareholders will receive 6.688 Saipem S.p.A. shares for each Subsea 7 S.A. share held, and an extraordinary dividend for an amount equal to €450 million will be distributed immediately prior to completion. Subsea 7 S.A. and Saipem S.p.A. shareholders will own 50% each of the issued share capital of the combined company. The completion of the proposed combination is anticipated to occur in the second half of 2026, following completion of confirmatory due diligence, the approval of the final terms of the proposed combination by the Board of Directors of Subsea 7 S.A. and Saipem S.p.A., the execution of a satisfactory merger agreement, and relevant corporate and regulatory approvals.

Dividend

At the Annual General Meeting on 8 May 2025, the Board of Directors will propose that shareholders approve a cash dividend of NOK 13.00 per share, equating to approximately \$350 million, payable in two equal instalments in May and November 2025.



Management Report for Subsea 7 S.A. (the Company)

Additional information specific to the Unconsolidated Financial Statements of Subsea 7 S.A.

Unconsolidated Financial Statements of Subsea 7 S.A.

The Unconsolidated Financial Statements of Subsea 7 S.A., the ultimate parent company of the Subsea 7 S.A. Group, are shown on pages 212 to 220. These were prepared in accordance with Luxembourg's legal and regulatory requirements and using the going concern basis of accounting.

The loss for the year ended 31 December 2024 was \$69.5 million (2023: profit of \$361.0 million). The adverse movement in profitability was mainly driven by significantly reduced income derived from participating interests in affiliated undertakings, which was \$15.0 million in 2024 compared to \$400.0 million in 2023. It is proposed that the loss of \$69.5 million for the year ended 31 December 2024 be allocated to profit and loss brought forward at 1 January 2025 resulting in a profit to be brought forward amounting to \$227.8 million.

Own shares held

During 2024, the Company cancelled 4.7 million shares in accordance with the authority granted to the Board on 18 April 2023. At 31 December 2024, the Company directly held 4.0 million (2023: 3.8 million) own shares at a carrying amount of \$62.7 million (2023: \$31.1 million).

Distributable amounts

At 31 December 2024, the Company had distributable amounts, as defined by Luxembourg law, totalling \$856.0 million (2023: \$1,156.5 million). Distributable amounts include share premium account, profit and loss account brought forward and profit or loss for the year. The year-on-year decrease was mainly due to dividends declared of \$163.1 million.

Risk management, internal control and corporate governance

The Company's approach to risk management, internal control and corporate governance is consistent with that applied to affiliates in the Subsea7 Group and is detailed in the Risk Management and Governance sections on pages 24 to 63. Financial risk management is described in Note 32 'Financial instruments'. Non-financial information required by regulation is provided on pages 2 to 121.

By order of the Board of Directors of Subsea 7 S.A.

Kristian Siem
Chairman

John Evans
Chief Executive Officer



**SUBSEA 7 S.A.
CONSOLIDATED
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STATEMENTS
FOR YEAR ENDED
31 DECEMBER 2024**



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REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ

To the Shareholders of Subsea 7 S.A.
412F, route d'Esch
L-1471 Luxembourg

Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the Consolidated Financial Statements of Subsea 7 S.A. and its subsidiaries (the "Group") included on pages 138 to 202, which comprise the Consolidated Balance Sheet as at 31 December 2024, the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and the Notes to the Consolidated Financial Statements, including material accounting policy information.

In our opinion, the accompanying Consolidated Financial Statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the réviseur d'entreprises agréé for the audit of the Consolidated Financial Statements" section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of the audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Key audit matter:	Recognition of revenues on long-term contracts
Description of key audit matter:	<p>A significant proportion of the Group's revenues is derived from long-term contracts. As detailed in Note 3 'Material accounting policies' to the Consolidated Financial Statements, these contracts include complex technical and commercial risks and often specify performance milestones to be achieved throughout the contract period, which can last several years.</p> <p>Due to the contracting nature of the business, revenue recognition involves a significant degree of judgement, with estimates being made to:</p> <ul style="list-style-type: none"> • assess the total contract costs; • assess the stage of completion of the contract; • assess the proportion of revenues, including variable consideration, to recognise in line with contract completion; • forecast the profit margin on each contract incorporating appropriate allowances for technical and commercial risks related to performance milestones yet to be achieved; and • appropriately identify, value, and provide for onerous contracts. <p>There is a range of acceptable outcomes resulting from these judgements that could lead to different revenue being reported in the Consolidated Financial Statements.</p> <p>The Group has detailed procedures and processes in place to manage the commercial, technical and financial aspects of long-term contracts. The processes include the preparation of a Project Monthly Status Report (PMSR), which includes key accounting and forecast information for the relevant contract.</p> <p>The risks of material misstatement are that the accounting for the Group's significant contracts does not accurately reflect the progress made or consider all commercial and technical risks associated with the contract due to inaccurate estimation, inappropriate recognition of unagreed income, or management override of results. Consequent to this the contract revenue and margin at the reporting date would be materially incorrect.</p>
Our response:	<p>Our audit procedures over the recognition of revenues on long-term contracts included, among others, the following:</p> <p>We evaluated the relevant information technology systems and performed procedures over the operating effectiveness of internal controls over the accuracy and timing of long-term contract revenue and margin recognised in the Consolidated Financial Statements, including controls over:</p> <ul style="list-style-type: none"> • the detailed contract reviews (being the PMSR process and controls) performed by management and reviewed at the project and the Group level that included estimating total costs, stage of completion of contracts, and evaluating contract profitability; and • the transactional controls that underpin the production of underlying contract-related cost balances including the purchase-to-pay, vessel costs and payroll cycles. <p>For the most significant contracts and those which are subject to estimation uncertainty, we:</p> <ul style="list-style-type: none"> • read the relevant clauses within selected contracts to obtain an understanding of the specific terms; • obtained the PMSR and gained an understanding of the performance and project status; • corroborated management's positions through the examination of externally generated evidence, such as customer correspondence and correspondence with legal advisors; • discussed and understood management's estimates for total contract costs and forecast costs-to-complete, considering the impact of cost inflation, and taking into account the historical accuracy of such estimates; • discussed and understood management's estimates in recognising actual or potential variation orders/unagreed income, taking into account the historical accuracy of such estimates; • agreed project revenue, costs, and margin from supporting documentation to the PMSRs, to the trial balance, and to the Annual Report; • re-performed the percentage-of-completion calculations; • considered whether provisions for onerous contracts reflect the contractual position and the requirements of IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'; • for day rate/reimbursable contracts tested for appropriate cut off and revenue recognition. • for a selection of smaller projects, we performed additional testing focusing on unusual or large movements in revenue or margin. <p>We assessed the adequacy of the disclosures in Note 3 'Material accounting policies' and Note 5 'Segment information' to the Consolidated Financial Statements in relation to revenue.</p>

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Key audit matter:	Vessel fleet impairment assessments
Description of key audit matter:	<p>The Subsea7 vessel fleet comprises owned and leased vessels.</p> <p>At 31 December 2024, the carrying amount of the owned vessel fleet was \$3.6 billion and the carrying amount of right-of-use assets related to leased vessels was \$292.4 million as detailed in Note 14 'Property, plant and equipment' and Note 15 'Right-of-use assets' to the Consolidated Financial Statements respectively. During the year impairment charges of \$14.2 million were recognised, mainly relating to vessel-related equipment.</p> <p>Vessels within property, plant and equipment and right-of-use assets related to leased vessels are subject to an impairment test where indicators of impairment exist. Impairment charges are recognised when necessary to bring the carrying amounts of specific assets to their recoverable amount defined as the higher of value-in-use or fair value less costs to dispose.</p> <p>If there is an indication that an impairment loss no longer exists or has decreased, the entity is required to calculate the recoverable amount of the asset and reverse the impairment loss up to the lower of the recoverable amount or historical cost, if appropriate.</p> <p>The process for determining whether impairment indicators exist is complex and requires significant management judgement.</p> <p>The key factors are:</p> <ul style="list-style-type: none"> • the forecast utilisation of the owned vessel fleet and the right-of-use assets related to leased vessels; • the determination of the value-in-use of the cash-generating units in which the vessels are allocated; and • the external broker estimates of market valuation (for owned vessels only). <p>The subsequent process for determining the amount of impairment which may result from the above indicators is also complex and requires significant management judgement and estimates.</p> <p>The risks of material misstatement are that the carrying amount of the owned vessel fleet within property, plant and equipment and the leased vessels within right-of-use assets could be overstated or understated.</p>
Our response:	<p>Our audit procedures over the vessel fleet impairment assessments included, among others, the following:</p> <p>We evaluated management's assessment for indicators of impairment or for indicators of reversal of impairments related to owned vessels within property, plant and equipment and right-of-use assets related to leased vessels.</p> <p>We obtained an understanding of the internal financial controls for the owned vessel and right-of-use asset impairment process including the determination of assumptions used within the models to assess the recoverable amount.</p> <p>We obtained management's impairment assessment for the owned vessels and right-of-use assets related to vessel leases.</p> <p>For owned vessels and right-of-use assets relating to leased vessels where an impairment trigger was identified, we analysed the recoverable amount considering the value-in-use of the cash-generating units in which the owned vessels and right-of-use assets relating to leased vessels are allocated.</p> <p>For owned vessels we reviewed the external broker valuations obtained by management for each vessel and assessed the independence, objectivity and competence of the broker as well as the adequacy of the respective assumptions and methods used, the reasonableness of the conclusions reached, and their consistency with management's analysis.</p> <p>For owned vessels we assessed the determination of their useful lives including residual values.</p> <p>We obtained an understanding of management's rationale for the impairment and assessed it for appropriateness against the criteria as per IAS 36, and assessed if any impairment reversal triggers of the vessel fleet existed.</p> <p>We assessed the completeness and the accuracy of the impairments identified by management.</p> <p>We evaluated the adequacy of the Group's disclosures in Note 14 'Property, plant and equipment' regarding the impairments of owned vessel-related equipment in the Consolidated Financial Statements.</p>



Key audit matter:	Goodwill impairment assessments
Description of key audit matter:	<p>As detailed in Note 12 'Goodwill', the Consolidated Financial Statements include \$183.7 million of goodwill at 31 December 2024.</p> <p>Goodwill is subject to an annual review for impairment or when indicators of impairment exist.</p> <p>An estimate of the recoverable amount of the cash-generating units (CGU) to which goodwill is allocated is prepared. The estimated recoverable amount is determined based on the calculation of the value-in-use of the CGUs. The outcome of the impairment review could vary significantly if different assumptions were applied in the models.</p> <p>The estimated recoverable amount is subjective due to the inherent uncertainty involved in forecasting and discounting future cash flows with many of the key underlying assumptions being impacted by political and economic factors. The key assumptions include:</p> <ul style="list-style-type: none"> • the future Adjusted EBITDA assumptions taken from the Group's most recent budgets and plans for the next five years approved by management ("the Plan"); • the Adjusted EBITDA forecasts and long-term growth rate used beyond the period covered by the Plan considering the significance of the terminal value cash flows to the total value-in-use; also considering the expected impact of climate change; • the pre-tax discount rate applied to future cash flows; and • the forecast capital expenditure necessary to maintain the function of the assets in the CGU. <p>The risk of material misstatement is that the carrying amount of goodwill could be overstated</p>
Our response:	<p>We understood the internal controls for the goodwill impairment process including the determination of assumptions used within the models to assess the recoverable amount of goodwill and evaluated the appropriateness of management's identification of the Group's CGUs.</p> <p>We assessed management's impairment testing by obtaining the supporting model and assessing the methodology and key assumptions made:</p> <ul style="list-style-type: none"> • the Adjusted EBITDA forecasts – we evaluated these and tested the underlying values used in the calculations by comparing management's forecast to the latest management approved five-year plan; • we assessed the actual performance in the year against the prior year budgets to evaluate historical forecasting accuracy; • we evaluated Adjusted EBITDA forecasts against market expectations, historical levels, and the impact of climate change; • terminal value – we evaluated revenue and Adjusted EBITDA forecasts beyond the five-year plan period; • long-term growth rate – we compared the rates applied by management to available externally developed rates; • we assessed the level of forecast capital expenditure necessary to maintain the function of the assets in the CGUs; • pre-tax discount rate – we involved our valuations specialists in our evaluation of the discount rate to consider the appropriateness of the rate used; • we considered the difference between the market capitalisation and the carrying value of the Group's net assets; and • we tested the arithmetical accuracy of the models. <p>We re-performed sensitivity analysis around the key assumptions for all CGUs in order to ascertain the extent of change in those assumptions required individually or collectively to result in an impairment of goodwill. For those CGUs which were most sensitive, we discussed the basis for these cash flows with management and the Group's Audit Committee.</p> <p>We examined the sensitivity disclosures presented in the Consolidated Financial Statements to consider whether reasonably possible changes to assumptions that could lead to a material impairment had been disclosed.</p> <p>We assessed the adequacy of the disclosures, including those related to the expected impact of climate change, in Note 12 'Goodwill' to the Consolidated Financial Statements.</p>

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REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ *CONTINUED*

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Consolidated Management Report from pages 123 to 128, the Corporate Governance Statement from pages 42 to 63 and the Additional Information from pages 203 to 206 but does not include the Consolidated Financial Statements and our report of "réviseur d'entreprises agréé" thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and of those charged with governance for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the Consolidated Financial Statements in accordance with IFRS as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

The Board of Directors is also responsible for presenting and marking up the Consolidated Financial Statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format, as amended ("ESEF Regulation").

In preparing the Consolidated Financial Statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the Consolidated Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with the ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Group to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Assess whether the Consolidated Financial Statements have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

We have been appointed as “réviseur d’entreprises agréé” by the General Meeting of the Shareholders on 2 May 2024 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is eleven years.

The Consolidated Management Report is consistent with the Consolidated Financial Statements and has been prepared in accordance with applicable legal requirements.

The accompanying corporate governance statement on pages 42 to 63 is the responsibility of the Board of Directors. The information required by article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the Consolidated Financial Statements and has been prepared in accordance with applicable legal requirements.

We have checked the compliance of the Consolidated Financial Statements of the Group as at 31 December 2024 with relevant statutory requirements set out in the ESEF Regulation that are applicable to the financial statements. For the Group, it relates to:

- financial statements prepared in valid xHTML format; and
- the XBRL markup of the Consolidated Financial Statements using the core taxonomy and the common rules on markups specified in the ESEF Regulation.

In our opinion, the Consolidated Financial Statements of the Group as at 31 December 2024, identified as 222100AIF0CBCY80AH62-2024-12-31, have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

We confirm that the prohibited non-audit services referred to in EU Regulation No 537/2014 were not provided and that we remained independent of the Group in conducting the audit.

Ernst & Young

Société anonyme
Cabinet de révision agréé

Emmanuel Mareschal

Luxembourg, 26 February 2025

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CONSOLIDATED INCOME STATEMENT

For the year ended (in \$ millions, except per share data)	Notes	2024 31 Dec	2023 31 Dec
Revenue	5	6,837.0	5,973.7
Operating expenses	6	(6,132.3)	(5,610.9)
Gross profit		704.7	362.8
Administrative expenses	6	(297.2)	(266.3)
Share of net income of associates and joint ventures	16	38.0	8.2
Net operating income		445.5	104.7
Finance income	8	24.4	25.2
Other gains and losses	7	(0.5)	21.3
Finance costs	8	(101.2)	(71.2)
Income before taxes		368.2	80.0
Taxation	9	(151.6)	(70.0)
Net income		216.6	10.0
Net income attributable to:			
Shareholders of the parent company		201.4	15.4
Non-controlling interests	25	15.2	(5.4)
		216.6	10.0
Earnings per share			
	Notes	\$ per share	\$ per share
Basic	11	0.68	0.05
Diluted ^(a)	11	0.67	0.05

(a) For explanation and a reconciliation of diluted earnings per share please refer to Note 11 'Earnings per share' to the Consolidated Financial Statements.



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended (in \$ millions)	Notes	2024 31 Dec	2023 31 Dec
Net income		216.6	10.0
<i>Items that may be reclassified to the income statement in subsequent periods:</i>			
Net foreign currency translation (losses)/gains		(21.9)	21.7
Net commodity cash flow hedge losses		(2.5)	(4.6)
Share of other comprehensive (loss)/income of associates and joint ventures	16	(8.4)	2.5
Tax relating to components of other comprehensive income	9	2.2	(0.7)
<i>Items that will not be reclassified to the income statement in subsequent periods:</i>			
Remeasurement gain/(loss) on defined benefit pension scheme	35	0.9	(1.0)
Tax relating to remeasurement gain/(loss) on defined benefit pension scheme	9	(0.2)	0.3
Other comprehensive (loss)/income		(29.9)	18.2
Total comprehensive income		186.7	28.2
Total comprehensive income attributable to:			
Shareholders of the parent company		172.1	33.4
Non-controlling interests		14.6	(5.2)
		186.7	28.2

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CONSOLIDATED BALANCE SHEET

At (in \$ millions)	Notes	2024 31 Dec	2023 31 Dec
Assets			
Non-current assets			
Goodwill	12	183.7	192.2
Intangible assets	13	87.6	58.5
Property, plant and equipment	14	3,960.8	4,070.0
Right-of-use assets	15	400.3	419.4
Interests in associates and joint ventures	16	367.2	342.0
Advances and receivables	17	49.1	67.0
Derivative financial instruments	32	62.9	29.5
Other financial assets	32	1.1	1.1
Deferred tax assets	9	93.6	50.9
		5,206.3	5,230.6
Current assets			
Inventories	18	57.4	60.1
Trade and other receivables	19	663.8	921.8
Current tax assets		105.3	100.5
Derivative financial instruments	32	74.1	31.4
Assets classified as held for sale		-	57.0
Construction contracts – assets	21	774.1	691.8
Other accrued income and prepaid expenses	20	214.6	244.0
Restricted cash		9.5	7.4
Cash and cash equivalents	22	575.3	750.9
		2,474.1	2,864.9
Total assets		7,680.4	8,095.5
Equity			
Issued share capital	23	599.2	608.6
Treasury shares	24	(69.1)	(31.1)
Paid in surplus		2,545.9	2,579.7
Translation reserve		(632.7)	(607.2)
Other reserves		(17.5)	(7.3)
Retained earnings		1,824.6	1,780.3
Equity attributable to shareholders of the parent company		4,250.4	4,323.0
Non-controlling interests	25	44.6	34.1
Total equity		4,295.0	4,357.1
Liabilities			
Non-current liabilities			
Borrowings	26	583.8	721.4
Lease liabilities	27	231.1	290.5
Retirement benefit obligations	35	8.1	8.4
Deferred tax liabilities	9	87.3	43.2
Provisions	30	29.1	24.6
Contingent liabilities recognised	31	0.4	0.5
Derivative financial instruments	32	10.7	32.6
Other non-current liabilities	28	1.0	1.1
		951.5	1,122.3
Current liabilities			
Trade and other liabilities	29	1,429.2	1,683.9
Derivative financial instruments	32	35.3	35.3
Tax liabilities		125.0	76.4
Borrowings	26	138.2	123.5
Lease liabilities	27	223.8	167.8
Provisions	30	63.0	100.5
Construction contracts – liabilities	21	392.3	424.8
Deferred revenue	36	27.1	3.9
		2,433.9	2,616.1
Total liabilities		3,385.4	3,738.4
Total equity and liabilities		7,680.4	8,095.5



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

(in \$ millions)	Issued share capital	Treasury shares	Paid in surplus	Translation reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2024	608.6	(31.1)	2,579.7	(607.2)	(7.3)	1,780.3	4,323.0	34.1	4,357.1
Comprehensive income									
Net income	-	-	-	-	-	201.4	201.4	15.2	216.6
Net foreign currency translation losses	-	-	-	(21.3)	-	-	(21.3)	(0.6)	(21.9)
Net commodity cash flow hedge losses	-	-	-	-	(2.5)	-	(2.5)	-	(2.5)
Remeasurement gain on defined benefit pension scheme	-	-	-	-	0.9	-	0.9	-	0.9
Share of other comprehensive loss of associates and joint ventures	-	-	-	-	(8.4)	-	(8.4)	-	(8.4)
Tax relating to components of other comprehensive income	-	-	-	2.2	(0.2)	-	2.0	-	2.0
Total comprehensive income	-	-	-	(19.1)	(10.2)	201.4	172.1	14.6	186.7
Transactions with owners									
Dividends paid	-	-	-	-	-	(163.1)	(163.1)	-	(163.1)
Shares repurchased	-	(87.3)	-	-	-	-	(87.3)	-	(87.3)
Share cancellation	(9.4)	46.7	(37.3)	-	-	-	-	-	-
Share-based payments	-	-	6.2	-	-	-	6.2	-	6.2
Vesting of share-based payments	-	-	(3.3)	-	-	3.3	-	-	-
Tax effects on share-based payments	-	-	0.6	-	-	-	0.6	-	0.6
Shares reallocated relating to share-based payments	-	2.6	-	-	-	(2.6)	-	-	-
Reclassification adjustment relating to ownership interests	-	-	-	(6.4)	-	5.3	(1.1)	(4.1)	(5.2)
Total transactions with owners	(9.4)	(38.0)	(33.8)	(6.4)	-	(157.1)	(244.7)	(4.1)	(248.8)
Balance at 31 December 2024	599.2	(69.1)	2,545.9	(632.7)	(17.5)	1,824.6	4,250.4	44.6	4,295.0

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

(in \$ millions)	Issued share capital	Treasury shares	Paid in surplus	Translation reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2023	600.0	(75.0)	2,503.2	(628.0)	(18.4)	1,739.8	4,121.6	329.1	4,450.7
Comprehensive income/(loss)									
Net income/(loss)	-	-	-	-	-	15.4	15.4	(5.4)	10.0
Net foreign currency translation gains	-	-	-	21.5	-	-	21.5	0.2	21.7
Net commodity cash flow hedge losses	-	-	-	-	(4.6)	-	(4.6)	-	(4.6)
Remeasurement loss on defined benefit pension schemes	-	-	-	-	(1.0)	-	(1.0)	-	(1.0)
Share of other comprehensive income of associates and joint ventures	-	-	-	-	2.5	-	2.5	-	2.5
Tax relating to components of other comprehensive income	-	-	-	(0.7)	0.3	-	(0.4)	-	(0.4)
Total comprehensive income/(loss)	-	-	-	20.8	(2.8)	15.4	33.4	(5.2)	28.2
Transactions with owners									
Dividends paid	-	-	-	-	-	(112.1)	(112.1)	-	(112.1)
Share issuance	20.0	-	107.0	-	-	-	127.0	(127.0)	-
Transaction costs	-	-	(0.5)	-	-	-	(0.5)	-	(0.5)
Share cancellation	(11.4)	41.6	(30.2)	-	-	-	-	-	-
Share-based payments	-	-	4.9	-	-	-	4.9	-	4.9
Vesting of share-based payments	-	-	(4.8)	-	-	4.8	-	-	-
Tax effects on share-based payments	-	-	0.1	-	-	-	0.1	-	0.1
Shares reallocated relating to share-based payments	-	2.3	-	-	-	(2.3)	-	-	-
Reclassification adjustment relating to ownership interests	-	-	-	-	-	150.2	150.2	(150.2)	-
Reclassification of remeasurement loss on defined benefit pension scheme	-	-	-	-	13.9	(13.9)	-	-	-
Acquisition of non-controlling interest	-	-	-	-	-	(1.6)	(1.6)	(12.6)	(14.2)
Total transactions with owners	8.6	43.9	76.5	-	13.9	25.1	168.0	(289.8)	(121.8)
Balance at 31 December 2023	608.6	(31.1)	2,579.7	(607.2)	(7.3)	1,780.3	4,323.0	34.1	4,357.1



CONSOLIDATED CASH FLOW STATEMENT

(in \$ millions)	Notes	2024 31 Dec	2023 31 Dec
Operating activities			
Income before taxes		368.2	80.0
Adjustments for non-cash items:			
Impairment of goodwill		6.2	-
Impairment of property, plant and equipment and intangible assets	13,14	15.8	96.8
Reversal of impairment of property, plant and equipment	14	-	(25.9)
Depreciation and amortisation charges	6	622.5	538.0
Credit impairment		-	19.0
Increase in foreign exchange embedded derivatives		(105.8)	(11.8)
Adjustments for investing and financing items:			
Share of net income of associates and joint ventures	16	(38.0)	(8.2)
Net loss on disposal of property, plant and equipment and maturity of lease liabilities	6	0.1	0.8
Remeasurement loss on business combination	7	0.9	-
Release of contingent consideration post measurement period	32	-	(0.5)
Finance income	8	(24.4)	(25.2)
Finance costs	8	101.2	71.2
Adjustments for equity items:			
Share-based payments	34	6.2	4.9
		952.9	739.1
Changes in working capital:			
Decrease/(increase) in inventories		0.9	(10.0)
Decrease/(increase) in trade and other receivables		185.9	(367.8)
(Increase)/decrease in construction contract – assets		(338.7)	152.4
Increase in other working capital assets		(6.6)	(43.8)
Increase in trade and other liabilities		24.2	221.3
Increase in construction contract – liabilities		186.1	69.2
Increase/(decrease) in other working capital liabilities		3.7	(16.9)
Net movement in working capital		55.5	4.4
Income taxes paid		(77.0)	(83.5)
Net cash generated from operating activities		931.4	660.0
Cash flows used in investing activities			
Proceeds/(cost) from disposal of property, plant and equipment		59.7	(0.6)
Purchases of property, plant and equipment and intangible assets		(348.7)	(581.2)
Investments in associates and joint ventures		(153.3)	(154.6)
Interest received	8	24.4	25.2
Dividends received from associates and joint ventures	16	3.4	-
Repayment of loan to joint venture		0.9	1.0
Net cash used in investing activities		(413.6)	(710.2)
Cash flows (used in)/generated from financing activities			
Interest paid		(75.6)	(52.1)
Repayment of borrowings		(294.8)	(568.1)
Proceeds from borrowings		170.0	1,060.9
Acquisition of shares in non-wholly-owned subsidiary		(6.4)	(12.6)
Cost of share repurchases	24	(87.3)	-
Payments related to lease liabilities – principal	27	(189.6)	(134.8)
Payments related to lease liabilities – interest	27	(33.6)	(30.1)
Dividends paid to shareholders of the parent company	10	(162.9)	(112.1)
Net cash (used in)/generated from financing activities	32	(680.2)	151.1
Net (decrease)/increase in cash and cash equivalents		(162.4)	100.9
Cash and cash equivalents at beginning of year	22	750.9	645.6
Increase in restricted cash		(2.1)	(3.0)
Effect of foreign exchange rate movements on cash and cash equivalents		(11.1)	7.4
Cash and cash equivalents at end of year	22	575.3	750.9

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

By virtue of its incorporation in Luxembourg, Subsea 7 S.A. is a company domiciled in Luxembourg whose common shares trade on Oslo Børs and as American Depositary Receipts (ADRs) over-the-counter in the US. The address of the registered office is 412F, route d'Esch, L-1471 Luxembourg.

Subsea 7 S.A. is the holding company of the Subsea7 Group. Subsea 7 S.A.'s principal place of business is Luxembourg. The Subsea7 Group is a global leader in the delivery of offshore projects and services for the evolving energy industry.

The Group provides products and services required for subsea field development, including project management, design and engineering, procurement, fabrication, survey, installation and commissioning of production facilities on the seabed and the tie-back of these facilities to fixed or floating platforms or to the shore. The Group offers a full spectrum of products and capabilities including remotely operated vehicles and tooling services to support exploration and production activities and to deliver full life-of-field services to its clients. Through its Renewables business unit, the Group offers expertise in the fixed and floating offshore wind market, including the procurement and installation of offshore wind turbine foundations and inner-array cables as well as heavy lifting operations for renewables structures and heavy transportation services. The Group provides engineering and advisory services to clients in the oil and gas, renewables and utilities industries through its wholly-owned autonomous subsidiaries Xodus and 4Subsea.

Authorisation of Consolidated Financial Statements

Under Luxembourg law, the Consolidated Financial Statements are approved by the shareholders at the Annual General Meeting. The Consolidated Financial Statements were authorised for issue by the Board of Directors on 26 February 2025.

Presentation of Consolidated Financial Statements

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU). The Consolidated Financial Statements comply with Article 4 of the EU IAS Regulation.

Amounts in the Consolidated Financial Statements are stated in US Dollars (\$), the currency of the primary economic environment in which the Group operates. Group entities whose functional currency is not the US Dollar are consolidated in accordance with the policies set out in Note 3 'Material accounting policies'.

The Consolidated Financial Statements have been prepared on the historical cost basis except for the revaluation of certain financial instruments and balances required to be measured at fair value. The principal accounting policies adopted are consistent with the Consolidated Financial Statements for the year ended 31 December 2023, except where noted in Note 2 'Adoption of new accounting standards'.

Going concern

The Consolidated Financial Statements have been prepared on the going concern basis. Management has concluded that there are no significant doubts over the application of the going concern assumption and no disclosable material uncertainties which cast doubt upon the Group's ability to continue as a going concern.

At 31 December 2024, the Group retained a strong cash position with cash and cash equivalents of \$575.3 million. Total borrowings at 31 December 2024 were \$722.0 million, with amounts drawn under both UK Export Finance facilities and the Group's South Korean Export Credit Agency. The Group's \$600 million multi-currency revolving credit and guarantee facility was unutilised. The Group's borrowings and guarantee facilities contain financial covenants, including a maximum level of net debt to earnings before interest, tax, depreciation and amortisation. During the year ended 31 December 2024, all financial covenants were met, and the Group expects to be able to comply with all financial covenants during 2025. The Group ended the year with order backlog of \$11.2 billion, an increase of \$0.6 billion compared to 31 December 2023.

Management considers that the Group will generate sufficient cash flow and have access to adequate liquidity to support the assumption that the Group will continue as a going concern. Management has performed stress tests of future cash flow forecasts to evaluate the impact of severe but plausible downside scenarios. These include scenarios which reflect extended periods of low energy prices and potential operational-related issues which could adversely impact the Group. In all scenarios management identified no forecast breaches of banking covenants and demonstrated sufficient liquidity for the Group.

Macroeconomic environment

During the year ended 31 December 2024, the Group's interest and fees on financial liabilities measured at amortised cost were \$72.7 million (2023: \$58.7 million), as disclosed within Note 8 'Finance income and finance costs'. Management has prepared an interest rate sensitivity analysis disclosed within the liquidity risk section of Note 32 'Financial instruments'. At 31 December 2024, the Group's liquidity, represented by cash and cash equivalents and undrawn borrowing facilities, was \$1.3 billion (31 December 2023: \$1.6 billion).



Measurement and disclosure of climate-related matters

Management has evaluated and provided relevant information to permit users of the Consolidated Financial Statements to assess how material climate-related matters were considered in preparing the Group's Consolidated Financial Statements. From 1 January 2024, the Group has elected to report, on a voluntary basis pending transposition into Luxembourg Law, disclosures related to the European Union (EU) Corporate Sustainability Reporting Directive (CSRD), with the applicable European Sustainability Reporting Standards (ESRS). The disclosures under CSRD on pages 66 to 121 provide users information on climate-related impacts, risks and opportunities related to the Group.

The Group's current assessment of the range of economic and climate-related conditions that could exist in transitioning to a lower-carbon economy are reflected in the Group's medium and long-term plans. These considerations may affect certain significant judgements and key estimates impacting the Consolidated Financial Statements. The primary matters considered were:

Non-current assets

At 31 December 2024, the Group's owned vessels represented in excess of 90% of the total carrying amount of property, plant and equipment. Management considers that judgements and estimates impacted by climate-related considerations are most relevant to the matters below:

- carrying amount of assets
- impairment testing and value-in-use calculations
- remaining useful economic life of assets and residual values

The majority of the Group's vessels are deployed on oil and gas activities, and it is expected that oil and gas will continue to represent a significant, although declining component of the global energy mix until at least 2050 during the transition to sustainable lower-carbon sources of energy. Management considers that the Group is in a position to continue to utilise its vessels for oil and gas development and adapt certain vessels, where required, to perform non-oil and gas projects. Typically new build vessels are depreciated over 25 years, but a vessel can continue to be utilised beyond this period with appropriate levels of capital expenditure. The useful economic life and residual values of vessels are reviewed annually. No amendments were made to useful lives and no indicators of impairment were identified as a direct result of climate-related matters for the year ended 31 December 2024 (2023: none).

Cash flow forecasts

Estimating future global energy demand and supply and the pace of future technological change is challenging and customer and competitor behaviour, political developments and government actions may impact the Group's operations. Cash flow projections used for impairment testing include climate-related risks and opportunities which may impact the Group's revenue, costs, including research and development costs, and capital expenditure. Management considers that costs related to the physical impacts of climate change, such as rising temperatures or the severity of weather events will not significantly impact the Group. The impacts of the enactment of future government or legislative policies are not currently factored into the cash flow projections utilised for impairment testing.

Terminal value cash flows within impairment modelling are calculated using an estimated sustainable cash flow level, reflecting climate-related aspects. International Financial Reporting Standards require the application of a steady or declining growth rate unless an increasing rate can be justified. Growth rates applied to the Group's Corporate and Subsea and Conventional business units are 2%, in line with the prior year, to align with expected demand for the Group's assets and resources in the medium to long term, which covers a five-year period and beyond. Third party projections indicate that offshore oil and gas will continue to be a significant source of energy through to 2050 and beyond. A growth rate of 4% has been applied to the Group's Renewables business unit reflecting the growing renewables sector within the transition to a lower-carbon economy. The discount rate utilised for these modelling calculations has not been adjusted for climate-related risk as these risks are adequately captured in the Group's medium and long-term plans and terminal value cash flow calculations.

Capital expenditure

Management has considered whether transitioning to a lower-carbon economy may lead to higher capital expenditure costs to develop or acquire technology to comply with environmental requirements and the Group's sustainability ambitions. Management has applied judgement when determining whether climate-related capital expenditure necessary to meet emission reduction targets is considered maintenance or enhancement. In compliance with International Financial Reporting Standards, cash flow projections utilised for impairment testing include maintenance capital expenditure only. Management continues to consider the development of lower-carbon emissions technologies which may be utilised by the vessel fleet in particular. Decarbonisation measures through the use of efficient, cleaner fuels, mainly related to the Group's vessel fleet, form a key part in the transition to lower-carbon emissions, but are dependent upon the development of suitable alternative fuels being available globally, at scale and being commercially viable.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*

1. General information continued

Access to financial products

The Group utilises funding and financial products from financial institutions, such as banks and insurance companies. Certain institutions may reduce or stop providing funding and financial products to the Group based on climate-related considerations, this could result in higher costs for the Group. Management takes climate-related factors into consideration to ensure the Group's capacity and diversity of financial products is appropriate.

Emission trading schemes

With effect from 1 January 2024, activities related to the Group's heavy transport vessels incurred costs related to the EU Emissions Trading Scheme. The Group has purchased emissions allowances which are held for the Group's own use. Emissions allowances are recognised as a cost within operating expenses in the Group's Consolidated Income Statement, in line with the associated activity. Emissions allowances purchased exceeding emissions incurred to date are carried at cost within other current receivables on the Group's Consolidated Balance Sheet. No emissions allowances are purchased and held for trading purposes. Amounts received from clients related to emissions allowances are recognised in accordance with IFRS 15 'Revenue from Contracts with Customers', as one combined performance obligation.

2. Adoption of new accounting standards

Effective new accounting standards

No new International Financial Reporting Standards (IFRS) were adopted by the Group for the year beginning 1 January 2024. Several amendments to existing IFRS were applied for the first time in 2024 but did not have a material impact on the Consolidated Financial Statements of the Group.

The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective. There are no IFRS standards or amendments that have been issued but not yet adopted which are expected to have a material impact on the Group.

3. Material accounting policies

Basis of consolidation

The Consolidated Financial Statements incorporate the financial statements of Subsea 7 S.A. (the Company) and entities controlled by the Company (its subsidiaries). Control is assumed to exist where the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Subsidiaries

Assets, liabilities, income and expenses of a subsidiary are included in the Consolidated Financial Statements from the date the Group obtains control over the subsidiary until the date the Group ceases to control the subsidiary. Changes in the Group's interest in a subsidiary that do not result in the Group ceasing to control that subsidiary are accounted for as equity transactions.

Note 38 'Wholly-owned subsidiaries' includes information related to wholly-owned subsidiaries which are included in the Consolidated Financial Statements of the Group.

All subsidiaries are wholly-owned (100%) except those listed in Note 25 'Non-controlling interests'. Non-controlling interests comprise equity interests in subsidiaries which are not attributable, directly or indirectly, to the Company. Non-controlling interests in the net assets or liabilities of subsidiaries are identified separately from the equity attributable to shareholders of the parent company. Non-controlling interests consist of the amount of those interests at the date that the Group obtains control over the subsidiary together with the non-controlling shareholders' share of net income or loss and other comprehensive income or loss since that date.

Interests in associates and joint arrangements

An associate is an entity over which the Group has significant influence, but not control, and which is neither a subsidiary nor a joint venture. Significant influence is defined as the right to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Interests in associates and joint ventures are accounted for using the equity method. Under this method, the investment is recognised in the Consolidated Balance Sheet at cost plus post-acquisition changes in the Group's share of net assets of the associate or joint venture, less any provisions for impairment. The Consolidated Income Statement reflects the Group's share of net income or loss of the associate or joint venture. Losses in excess of the Group's interest (which includes any long-term interests that, in substance, form part of the Group's net investment) are only recognised to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. Where there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share in the Consolidated Statement of Comprehensive Income.



The Group executes projects through unstructured joint operations where contracts are entered into by individual entities of the Group. Each party to the joint operation is responsible for their own specific contractual scope with associated revenue, expenses, assets and liabilities recognised in the Group's Consolidated Financial Statements.

Foreign currency translation

Each entity in the Group determines its own functional currency and items recognised in the financial statements of each entity are measured using that functional currency. Functional currency is defined as the currency of the primary economic environment in which the entity operates. While this is usually the local currency, the US Dollar is designated as the functional currency of certain entities where transactions and cash flows are predominantly in US Dollars.

All transactions in non-functional currencies are initially translated into the functional currency of each entity at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in non-functional currencies are translated to the functional currency at the exchange rate prevailing at the balance sheet date.

All resulting exchange rate gains and losses are recognised in the Consolidated Income Statement. Non-monetary items which are measured at historical cost in a non-functional currency are translated into the functional currency using the exchange rates prevailing at the dates of the initial transactions. Non-monetary items which are measured at fair value in a non-functional currency are translated to the functional currency using the exchange rate prevailing at the date when the fair value was determined.

Foreign exchange revaluations of short-term intra-group balances denominated in non-functional currencies are recognised in the Consolidated Income Statement. Revaluations of long-term intra-group loans are recognised in the translation reserve in equity.

The assets and liabilities of operations which have a non-US Dollar functional currency are translated into the Group's reporting currency, US Dollar, at the exchange rate prevailing at the balance sheet date. The exchange rate differences arising on the translation are recognised in the translation reserve in equity. Income and expenditure items are translated at the weighted average exchange rates for the year. On disposal of an entity with a non-US Dollar functional currency the cumulative translation adjustment previously recognised in the translation reserve in equity is reclassified to the Consolidated Income Statement. At 31 December 2024, the exchange rates of the main currencies used throughout the Group, compared to the US Dollar, were as follows:

GBP	0.799
EUR	0.965
NOK	11.446
BRL	6.294

Revenue from contracts with customers

The Group applies the IFRS 15 'Revenue from Contracts with Customers' five-step model whereby revenue is recognised at an amount which reflects the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer.

The Group's revenue comprises revenue recognised from contracts with customers for the provision of long-term fixed-price contracts, services under charter agreements, day-rate contracts, reimbursable contracts, cost-plus contracts (and similar contracts), each of which are considered to comprise one performance obligation. The following is a description of the principal activities, by operating segment, from which the Group generates revenue as disclosed in the disaggregated revenue analysis Note 5 'Segment information'.

Subsea and Conventional

Subsea and Conventional work, which includes Engineering, Procurement, Installation and Commissioning (EPIC) contracts, is generally contracted on a fixed-price basis. The costs and margins realised on such contracts vary dependent on a number of factors which may result in reduced margins or, in some cases, losses. The promised goods and services within each contract are considered to be distinct as a bundle under IFRS 15. Due to the significant integration, customisation and highly interrelated nature of the work performed they form one performance obligation with revenue being recognised over time. During a contract, work is performed for the sole benefit of the client who continually monitors progress. Clients may also participate in the supplier selection processes for procured items.

During the offshore phase of a contract, the Group typically executes work related to the installation of the client's assets. Due to the nature of the work performed the Group would not have an alternative use for the works performed under a contract for a specific client. The transaction price for these types of contracts, where there is an element of variable consideration, which includes variation orders, claims, bonuses and liquidated damages, is based upon the single most likely outcome.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*
3. Material accounting policies continued
Subsea and Conventional continued

Any additional work, such as scope changes or variation orders, as well as other variable consideration, will be included within the total price once the amounts can be reasonably estimated and management has concluded that it is highly probable that recognition will not result in a significant revenue reversal in a future period.

For EPIC contracts, revenue is recognised in each period based upon the advancement of the work-in-progress. The input method used to progressively recognise revenue over time is based upon percentage-of-completion whereby total costs incurred to date are compared with total forecast costs at completion of the contract. This method provides a faithful depiction of the transfer of goods and services to the customer. Any significant upfront procurement which is not customised for the specific contract is not included within the actual cost of work performed until such time as the costs incurred are proportionate to the progress in satisfying the performance obligation. Similarly an adjustment to the measurement of progress may be required where significant inefficiencies occur which results in the costs associated with inefficiencies being excluded from the total forecast cost-at-completion to estimate percentage-of-completion. Typically payment is due from the customer between 30 to 60 days following the issuance of the invoice, although this may be longer depending upon the client or customary payment terms in certain geographies. The contracts have no significant financing component as the period between when the Group transfers promised goods or services to a customer and when the customer pays for those goods or services will be one year or less. In circumstances where the Group has recognised revenue, but not issued an invoice, the conditional entitlement to consideration is recognised as a construction contract asset. The construction contract asset is transferred to trade and other receivables in accordance with the contractual milestone schedule which reflects the unconditional entitlement to payment. The time elapsing before transfer to trade and other receivables may be different between contracts depending upon the contractual terms and conditions. Construction contract liabilities arise when progress billings to date exceed contract revenues recognised. Construction contract asset and liability balances at 31 December 2024 and 2023 are disclosed within Note 21 'Construction contracts'. Assurance type warranty periods commence at the completion of the contractual obligations and typically have a duration of between one to three years.

The Group's Pipelay Support Vessel (PLSV) contracts, offshore Brazil, are also included within Subsea and Conventional. PLSV revenue is based upon an agreed schedule of work applied to a range of daily operating activities pre-agreed with the customer. As such these contracts are considered to be distinct as a pattern and hence one performance obligation under the guidelines within IFRS 15. Each day is distinct with the overall promise being the delivery of a series of days which have the same pattern of transfer to the customer. The transaction price for all PLSV contracts is determined by the expected value approach being the number of days multiplied by the expected day-rate. This method of revenue recognition for PLSV contracts provides a faithful depiction of the transfer of goods and services. Typically the value of work completed in any one month corresponds directly with the Group's right to payment. Payment is due from the client approximately 60 days following invoice date. These contracts have no significant financing component. Unbilled revenue related to work completed for the customer, is included within Note 20 'Other accrued income and prepaid expenses'.

Certain Brazilian contracts contain escalation clauses which allow for inflationary adjustments on an annual basis to both revenue and costs denominated in Brazilian Real. These are recognised as variable consideration and are included within the total price once the amounts can be reasonably estimated, and management has concluded that it is highly probable that recognition will not result in a significant revenue reversal in a future period.

Front-end engineering and design (FEED) studies undertaken by the Group are also included within Subsea and Conventional principally on a day-rate basis. Revenue recognition for day-rate contracts is described in the paragraph below.

The Group provides Remotely Operated Vehicles (ROVs), survey and inspection, drill-rig support and related solutions on a day-rate basis. Projects are contracted on the basis of an agreed schedule of rates applied to a range of daily operating activities. These contracts are considered to be distinct as a pattern and hence one performance obligation under the guidelines within IFRS 15. Each day is distinct with the overall promise being the delivery of a series of days that have the same pattern of transfer to the customer. The transaction price for all day-rate contracts is determined by the expected value approach, being the number of days multiplied by the expected day-rate. This method of revenue recognition for day-rate contracts provides a faithful depiction of the transfer of goods and services. Typically the value of work completed in any one month corresponds directly with Subsea's right to payment. Payment is due from the client approximately 30-45 days following the invoice date. These contracts have no significant financing component. Unbilled revenue related to work completed for the customer, is included within Note 20 'Other accrued income and prepaid expenses'.

Customers, in certain circumstances, may request the commissioning of bespoke tooling. Revenue in relation to bespoke tooling, which is not significant in relation to the Group's overall revenue, is considered distinct in its own right. Dependent on the individual contract with the customer, revenue from the sale of this bespoke tooling may be recognised over time or at a point in time when control of the asset is transferred to the customer, generally on delivery.



Renewables

Renewables contracts which include the construction and installation of fixed offshore wind turbine foundations and inner-array cables, heavy lifting operations, decommissioning and heavy transportation are generally contracted on a fixed-price basis. Similar to EPIC contracts, the promised goods and services within renewables contracts are considered to be distinct as a bundle and hence one performance obligation with revenue being recognised over time. Although the promises within the contract are capable of being distinct, management has concluded that they are not due to the significant integration, customisation and highly interrelated nature of each contract. The contract work performed is for the sole benefit of the customer who continually monitors progress, and the Group would not have an alternative use for work performed under a specific contract. Clients may also participate in the supplier selection processes for procured items. The transaction price for these types of contracts, where there is an element of variable consideration, is based upon the single most likely outcome. Any additional work, such as scope changes or variation orders, as well as other variable consideration will be included within the total price once the amounts can be reasonably estimated, and management has concluded that this will not result in a significant revenue reversal in a future period.

For renewables contracts the input method used to progressively recognise revenue over time is based upon percentage-of-completion whereby total costs incurred to date are compared with total forecast costs-at-completion of the contract. This method provides a faithful depiction of the transfer of the goods and services to the customer. Any significant upfront procurement which is not customised for the particular contract is not included within the actual cost of work performed at each period end. An adjustment to the measure of progress may be required where significant inefficiencies occur which were not reflected in the price of the contract. Typically payment is due from the client approximately 30-45 days following the issuance of the invoice, although this may be longer depending upon the customer or customary payment terms in certain geographies. These contracts have no significant financing component as the period between when the Group transfers the promised goods or services to the customer and when the customer pays for those goods or services will be one year or less. In circumstances where the Group has recognised revenue, but not issued an invoice, the entitlement to consideration is recognised as a construction contract asset. The construction contract asset is transferred to trade and other receivables in accordance with the contractual milestone schedule which reflects the unconditional entitlement to payment. The time elapsing before transfer to trade and other receivables may be different between contracts depending upon the contractual terms and conditions. Construction contract liabilities arise when progress billings exceed contract revenues. Assurance type warranty periods commence at the completion of the contractual obligations. Construction contract asset and liability balances at 31 December 2024 and 2023 are disclosed within Note 21 'Construction contracts'.

The Group operates a fleet of vessels which provide heavy transportation services mainly related to the offshore energy sector, including the fixed offshore wind market. Under these contracts the Group's vessels transport a specific agreed-upon cargo for a single voyage. The Group treats these as voyage charter contracts and applies the input method to progressively recognise revenue over time based upon percentage-of-completion whereby total costs incurred to date are compared with total forecast costs at completion of the contract. This method provides a faithful depiction of the transfer of the goods and services to the customer. The Group generally has standard payment terms of approximately 10% freight paid on signing of contract, 40% on loading and 50% on discharge. These contracts have no significant financing component as the period between when the Group transfers the promised goods or services to the customer and when the customer pays for those goods or services will be one year or less. Voyage charter contracts consist of a single performance obligation of transporting cargo within a specified period. The voyage charters generally have variable consideration in the form of demurrage, which is recognised over the period in which the performance obligations are met under the contract. Demurrage is estimated at contract inception using either the expected value or most likely amount approaches. Such estimate is reviewed and updated over the term of the voyage charter contract.

Corporate

Revenue within the Group's Corporate business unit, which is not material to the Group, relates to activities in its autonomous subsidiaries, Xodus and 4Subsea. Contracts with customers in these subsidiaries are contracted on either a fixed-price or day-rate basis. Revenue related to these contracts is recognised using the method described previously for similar contracts within the Subsea and Conventional and Renewables business units. Payment is due from the client approximately 30-60 days following the issuance of the invoice. These contracts have no significant financing component as the period between when the Group transfers the promised goods or services to the customer and when the customer pays for those goods or services will be one year or less. Construction contract asset and liability balances related to fixed-price contracts at 31 December 2024 and 2023 are disclosed within Note 21 'Construction contracts'. Unbilled revenue-related work completed on day-rate contracts, which has not been billed to clients, is included within Note 20 'Other accrued income and prepaid expenses'.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*

3. Material accounting policies continued

Advances received from customers

For certain contracts the Group may receive short-term advances from customers which are presented as deferred revenue within the Consolidated Balance Sheet. Advances received from customers include amounts received before the work is performed on day-rate and fixed-price contracts. The consideration is not adjusted for the effects of a financing component where the Group expects, at contract inception, that the period between when the customer pays for the service and when the Group transfers that promised service to the customer will be 12 months or less.

Variable consideration

Variable consideration is constrained at contract inception to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Warranty obligations

The Group provides warranties for the repair of defects which are identified during the contract and within a defined period thereafter. All are assurance-type warranties, as defined within IFRS 15, which the Group recognises under IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'. The Group does not have any contractual obligations for service-type warranties.

Borrowing costs

Borrowing costs attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to prepare for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. These amounts are calculated using the effective interest rate related to the period of the expenditure. All other borrowing costs are recognised in the Consolidated Income Statement in the period in which they are incurred.

Finance costs

Finance costs or charges, including premiums on settlement or redemption and direct issue costs, are accounted for on an accruals basis using the effective interest rate method.

Retirement benefit costs

The Group administers several defined contribution pension plans. Obligations in respect of such plans are charged to the Consolidated Income Statement as they fall due. In addition, the Group administers one defined benefit pension plan. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit actuarial valuation method.

Taxation

Taxation expense or income recorded in the Consolidated Income Statement or Consolidated Statement of Other Comprehensive Income represents the sum of the current tax and deferred tax charge or credit for the year.

Current tax

Current tax is based on the taxable income for the year, together with any adjustments to tax payable in respect of prior years. Taxable income differs from income before taxes as reported in the Consolidated Income Statement because it excludes items of income or expense that are taxable or deductible in other periods and further excludes items that are never taxable or deductible. The tax laws and rates used to compute the Group's current tax liabilities are those that are enacted or substantively enacted at the balance sheet date.

In accordance with IFRIC 23 'Uncertainty over Income Tax Treatments', a liability is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The liabilities are measured at the most likely amount expected to become payable. The assessment is based on the judgement of tax professionals within the Group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Current tax assets or liabilities are representative of taxes being owed by, or owing to, local tax authorities, and include the impact of any provisions required for uncertain tax treatments.



Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the Consolidated Balance Sheet and the corresponding tax bases used in the computation of taxable income and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable income will be available against which deductible temporary differences can be utilised. Such assets or liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of other assets or liabilities in a transaction (other than in a business combination) that does not affect either the taxable income or the accounting income before taxes.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and interests in associates and joint ventures, except where the Group is able to control the reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date. Deferred tax assets are only recognised to the extent that it is probable that taxable income will be available against which deductible temporary differences can be utilised. Deferred tax assets are derecognised or reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are substantively enacted and expected to apply in the period when the asset is realised, or the liability is settled. Deferred tax is charged or credited to the Consolidated Income Statement, except when it relates to items charged or credited directly in the Consolidated Statement of Comprehensive Income in which case the deferred tax is also recognised within the Consolidated Statement of Comprehensive Income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current income tax assets and liabilities on a net basis.

Significant tax estimates and judgements

In accordance with IFRIC 23, a provision for an uncertain tax treatment is made where the ultimate outcome of a particular tax matter is uncertain. In calculating tax assets and liabilities, the Group assesses the probability of treatment being accepted and, where this is not probable and a reasonable estimate can be made, the Group recognises a provision for the adjustment it considers probable to be required.

OECD Pillar Two

The Group adopted the amendments to IAS 12 'Income Taxes' for the first time in 2023. The IASB amended the scope of IAS 12 to clarify that it applied to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum top-up taxes described in those rules. The amendments introduce a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. Following the amendments, the Group is required to disclose that it has applied the exception and to disclose separately its current tax expense or income related to Pillar Two income taxes.

Dry-dock, mobilisation and decommissioning expenditure

Dry-dock expenditure incurred to maintain a vessel's classification is capitalised in the Consolidated Balance Sheet as a distinct component of the asset and amortised over the period until the next scheduled dry-docking (usually between two-and-a-half years and five years). At the date of the next dry-docking, the previous dry-dock asset and accumulated amortisation is derecognised. All other repair and maintenance costs are recognised in the Consolidated Income Statement as incurred.

Intangible assets other than goodwill

Intangible assets acquired separately are measured at cost at the date of initial acquisition. Following initial recognition, intangible assets are measured at cost less amortisation and impairment charges. Intangible assets acquired as part of a business combination are measured at fair value at the date of acquisition. Following initial recognition, intangible assets acquired as part of a business combination are measured at acquisition date fair value less amortisation and impairment charges.

Internally generated intangible assets are not capitalised, with the exception of development expenditure which meets the criteria for capitalisation specified in IAS 38 'Intangible Assets'.

Intangible assets with finite lives are amortised over their useful economic life and are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for intangible assets with finite useful lives are reviewed annually. Changes in the expected useful life are accounted for by changing the amortisation period or method and are treated as changes in accounting estimates. The amortisation expense related to intangible assets with finite lives is recognised in the Consolidated Income Statement in the expense category consistent with the function of the intangible asset.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*

3. Material accounting policies continued

Property, plant and equipment

Property, plant and equipment acquired separately, including critical spare parts acquired and held for future use, are measured at cost less accumulated depreciation and accumulated impairment charges.

Assets under construction are recognised at cost, less any recognised impairment charges. Depreciation of these assets commences when the assets become operational and are deemed available-for-use.

Depreciation is calculated on a straight-line basis over the useful life of the asset as follows:

Vessels	10 to 25 years
Operating equipment	3 to 10 years
Buildings	20 to 25 years
Other assets	3 to 7 years

Land is not depreciated.

Vessels are depreciated to their estimated residual value. Residual values, useful economic lives and methods of depreciation are reviewed at least annually and adjusted if appropriate.

Gains or losses arising on disposal of property, plant and equipment are determined as the difference between any disposal proceeds and the carrying amount of the asset at the date of the transaction. Gains and losses on disposal are recognised in the Consolidated Income Statement in the period in which the asset is disposed.

Impairment of non-financial assets

At each reporting date the Group assesses whether there is any indication that non-financial assets, including intangible assets, property, plant and equipment and right-of-use assets, may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of the asset's fair value less costs of disposal and its value-in-use. Where an asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset is allocated. Where the carrying amount of an asset exceeds its recoverable amount, the asset is impaired. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining fair value less costs of disposal, an appropriate valuation model is used.

Management has considered the potential impacts of climate risk and whether this will have an adverse impact on the future use of the Group's assets, including vessels and equipment. It is expected that oil and gas will continue to contribute a significant, although declining, part in the transition to sustainable lower-carbon energy until at least 2050. The Group is in a position to utilise its vessels and to adapt vessels, where required, for initiatives such as offshore carbon capture and storage. The Group, through Seaway7, also operates within the offshore renewable sector including fixed offshore wind, and it is expected that demand for the Group's services will increase due to climate-related opportunities. The Group continues to address the carbon emissions impact from vessel operations and invest in its fleet by assessing the viability of lower-carbon fuels and converting vessels to hybrid power where practical. The former is dependent upon the development of suitable alternative fuels being available globally, at scale, and commercially viable. The Group has launched and installed a digital data analytic system across its vessel fleet to establish and define robust operating baselines from which efficiencies can be implemented and measured. In addition, the Group has installed digital fuel flowmeters across its fleet to enable automated tracking and reporting of fuel use and Scope 1 GHG emissions. These climate-resilient strategies, including hybridisation of selected vessels in the existing fleet, offer potentially lower-carbon options to the Group's customers. Management does not consider there to be a significant risk that the Group's vessels will become obsolete due to climate considerations as they form a key part in the transition to the provision of sustainable energy.

Impairment charges are recognised in the Consolidated Income Statement in the expense category consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment charges may require to be reversed. If such an indication exists, the Group makes an estimate of the recoverable amount. A previously recognised impairment charge is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment charge was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment charge been recognised for the asset in prior periods. Any such reversal is recognised in the Consolidated Income Statement. The following criteria are also applied in assessing impairment of specific assets:



Goodwill

An assessment is made at each reporting date as to whether there is an indication of impairment. Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs, or group of CGUs, that are expected to benefit from the combination.

Each CGU, or group of CGUs, to which the goodwill is allocated initially represents the lowest level within the Group at which the goodwill is monitored for internal management purposes and is not larger than an operating segment determined in accordance with IFRS 8 'Operating Segments'. If circumstances give rise to a change in the composition of CGUs and a reallocation is justified, goodwill is reallocated based on relative value at the time of the change in composition. Following any reorganisation, the CGU cannot be larger than an operating segment determined in accordance with IFRS 8. Impairment is determined by assessing the recoverable amount of the CGU, or group of CGUs, to which the goodwill relates. Recoverable amounts are determined based on value-in-use calculations using discounted pre-tax cash flow projections based on risk-adjusted financial forecasts approved by the Executive Management Team.

As cash flow projections are risk-adjusted for CGU-specific risks, risk premiums are not applied to the discount rate which is applied to all CGUs. The discount rate applied to the cash flow projections is a pre-tax rate and reflects current market assessments of the time value of money, risks specific to the Group and a normalised capital structure for the industry. Where the recoverable amount of the CGU, or group of CGUs, is less than the carrying amount, an impairment charge is recognised in the Consolidated Income Statement. Where goodwill forms part of a CGU, or group of CGUs, and part of the operation within that CGU is disposed, the goodwill associated with the operation disposed is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed in this circumstance is measured based on the relative values of the operation disposed and the portion of the CGU retained.

Associates and joint ventures

At each reporting date the Group determines whether there is any objective evidence that the investment in an associate or joint venture is impaired. If this is the case, the Group calculates the amount of impairment as being the difference between the estimated fair value of the associate or joint venture and its carrying amount. The resultant impairment charge is recognised in the Consolidated Income Statement.

Financial instruments

Classification and measurement

The Group's financial assets include cash and short-term deposits, trade and other receivables, construction contract assets, other receivables, derivative financial instruments and equity investments which are classified as other financial assets. The Group's financial liabilities include trade and other payables, contingent consideration, borrowings and derivative financial instruments.

Initial measurement is based upon one of four IFRS 9 'Financial Instruments' models: amortised cost; fair value through profit or loss (FVPL); fair value through other comprehensive income (with recycling of accumulated gains and losses); or fair value through other comprehensive income (without recycling of accumulated gains and losses).

Classification and subsequent measurement is dependent upon the business model under which the Group holds and manages the financial asset; and whether the contractual cash flows resulting from the instrument represent 'solely payments of principal and interest' (the 'SPPI criterion').

All financial assets are classified at initial recognition and are initially measured at fair value net of transaction costs, with the exception of those classified as FVPL. Classification as amortised cost is applicable where the instruments are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows and the cash flows resulting from the instrument consist solely of principal and interest. Debt financial assets are subsequently measured at FVPL, amortised cost or fair value through other comprehensive income (FVOCI) depending on classification.

Equity instruments are reported as other financial assets and are subsequently measured at FVPL when not considered to be strategic in nature. Where the Group considers other financial assets to be strategic in nature and is expecting to hold them for the foreseeable future, the investments are measured at FVOCI with no recycling of gains or losses to profit or loss on derecognition.

All financial liabilities are classified at initial recognition and are initially measured at fair value net of transaction costs, with the exception of those classified as FVPL. Financial liabilities are measured at FVPL when they meet the definition of held-for-trading or when they are designated as such on initial recognition. Otherwise, financial liabilities are measured at amortised cost.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*

3. Material accounting policies continued

Classification and measurement continued

The Group enters into forward foreign currency contracts in order to manage its foreign currency exposures; these are measured at FVPL. The Group regularly enters into multi-currency contracts from which the cash flows may lead to embedded foreign exchange derivatives in non-financial host contracts, carried at FVPL. The Group reassesses the existence of an embedded derivative if the terms of the host financial instrument change significantly. The fair values of derivative financial instruments are measured on bid prices for assets held and offer prices for issued liabilities based on values quoted in active markets. Changes in the fair value of derivative financial instruments which do not qualify for hedge accounting are recognised in the Consolidated Income Statement within other gains and losses.

Cash and cash equivalents comprise cash at bank, cash on hand, money market funds, and short-term highly liquid assets with an original maturity of three months or less and which are readily convertible to known amounts of cash. Utilised revolving credit facilities are included within current borrowings. Cash and cash equivalents are measured at amortised cost.

Inventories

Inventories comprise consumables, materials and non-critical spares and are valued at the lower of cost and net realisable value.

Treasury shares

Treasury shares are the Group's own equity instruments which are repurchased and shown within equity at cost, using the first-in first-out basis. Gains or losses realised or incurred on the purchase, sale, reallocation or cancellation of the Group's own equity instruments are recognised within equity. No gains or losses are recognised in the Consolidated Income Statement.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past transaction or event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised represents the best estimate of the expenditure expected to be required to settle the present obligation. Estimates are determined by the judgement of management supplemented by the experience of similar transactions, and, in some cases, advice from independent experts. Contingent liabilities are disclosed in Note 31 'Commitments and contingent liabilities' but not recognised until they meet the criteria for recognition as a provision. Where the Group is virtually certain that some, or all of, a provision will be reimbursed, that reimbursement is recognised as a separate asset. The expense relating to any provision is reflected in the Consolidated Income Statement at an amount reflective of the risks specific to the liability. Where the provision is discounted, any increase in the provision due to the passage of time is recognised as a finance cost in the Group's Consolidated Income Statement.

The following criteria are applied for the recognition and measurement of significant classes of provisions:

Onerous contracts

The Group recognises provisions for onerous contracts once the underlying event or conditions leading to the contract becoming onerous are probable and a reliable estimate can be made. Onerous fixed-price contract provisions are assessed in accordance with IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'. Onerous provisions are calculated on a least net cost basis, which includes unavoidable costs only, while comparing these costs to the cost of cancelling a contract and incurring early termination fees. The cost of fulfilling a contract includes both the incremental costs of fulfilling the contract and an allocation of other costs which relate directly to fulfilling the contract.

Legal claims

In the ordinary course of business, the Group is subject to various claims, litigation and complaints. An associated provision is recognised if it is probable that a liability has been incurred and the amount can be reliably estimated.

Earnings per share

Earnings per share is calculated using the weighted average number of common shares and common share equivalents outstanding during each period excluding treasury shares. The potentially dilutive effect of outstanding performance shares is reflected as share dilution in the computation of diluted earnings per share.

Right-of-use assets and lease liabilities

The Group applies IFRS 16 'Leases' and assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right-to-use the underlying assets.



Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease, which is the date the underlying asset is available for use. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at, or before, the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets which vary as follows:

Vessels	2 to 5 years
Operating equipment	2 to 5 years
Land and buildings	3 to 10 years

The cost of a right-of-use asset includes an estimate of costs expected to be incurred by the Group on termination of the lease to reinstate the underlying asset to the condition required by the terms and conditions of the lease. The Group assumes the obligation for those costs either at the commencement date or as a consequence of having utilised the underlying asset during the period. Right-of-use assets are subject to a review for indicators of impairment at least annually.

Lease liabilities

The Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of purchase options reasonably certain to be exercised by the Group. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses an incremental borrowing rate at the lease commencement date where the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset. Remeasurements resulting from a change in the lease term are determined by discounting the revised lease payments using the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, or the incremental borrowing rate at the date of reassessment.

The Group applies the short-term lease recognition exemption to its short-term leases, which are those leases which have a lease term of 12 months or less from the commencement date and do not contain a purchase option. The Group also applies the low-value assets recognition exemption to assets which are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expenses in the Consolidated Income Statement on a straight-line basis over the lease term.

4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies which are described in Note 3 'Material accounting policies', management is required to make judgements, estimates and assumptions regarding the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other assumptions that management believes to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively in the period in which the estimate is revised.

Revenue recognition

Group revenue for the year ended 31 December 2024 was \$6.8 billion (2023: \$6.0 billion). The Group's accounting policies under IFRS 15 'Revenue from Contracts with Customers' are detailed in Note 3 'Material accounting policies'. The Group accounts for long-term construction contracts for engineering, procurement, installation and commissioning (EPIC) projects using the percentage-of-completion method, which is standard practice in the industry. Contract revenue, total cost estimates and estimates of physical progression are reviewed by management on a monthly basis. Any adjustments made as a result of these reviews are reflected in contract revenue or contract costs in the reporting period, based on the percentage-of-completion method.

To the extent that these adjustments result in a reduction or elimination of previously reported contract revenue or costs, a charge or credit is recognised in the Consolidated Income Statement; amounts in prior periods are not restated. Such a charge or credit may be significant depending on the size of the project, the stage of project completion and the size of the adjustment. Additional information that enhances and refines the estimating process is often obtained after the balance sheet date but before the issuance of the Consolidated Financial Statements, which may result in an adjustment to the Consolidated Financial Statements based on events, favourable or unfavourable, occurring after the balance sheet date.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*

4. Critical accounting judgements and key sources of estimation uncertainty continued

Revenue recognition continued

The percentage-of-completion method requires management to make reliable estimates of physical progression, costs incurred, full project contract costs and full project contract revenue. The Group's Project Monthly Status Reports (PMSRs) evaluate the likely outcome of each individual project for the purpose of making reliable estimates of revenue, cost and progression, measured either by cost incurred to date or physical progression. A key element of the PMSRs is the estimate of contingency. Contingency is an estimate of the costs required to address the potential future outcome of identified project risks. The Group uses a systematic approach in estimating contingency based on project size. This approach utilises a project specific risk register in order to identify and assess the likelihood and impact of these risks. The most significant risks and uncertainties in the Group's projects typically relate to the offshore phase of operations. Identified risks that materialise may result in increased costs. Contingency associated with identified risks are removed from the full project cost estimate throughout the remaining life of the project if the identified risks have not, or are not, expected to materialise.

Goodwill carrying amount

At 31 December 2024, goodwill of \$183.7 million was recognised on the Group's Consolidated Balance Sheet (2023: \$192.2 million). Goodwill is reviewed at least annually to assess whether there is objective evidence to indicate that the carrying amount of goodwill requires impairment at a CGU level. The impairment review is performed on a value-in-use basis which requires the estimation of future cash flows. Further details relating to the impairment review process are disclosed in Note 3 'Material accounting policies' and Note 12 'Goodwill'.

Property, plant and equipment

At 31 December 2024, property, plant and equipment with a carrying amount of \$4.0 billion was recognised on the Group's Consolidated Balance Sheet (2023: \$4.1 billion). Property, plant and equipment is recorded at cost and depreciation is recorded on a straight-line basis over the estimated useful lives of the assets. Management uses its experience to estimate the remaining useful economic life and residual value of an asset.

A review for indicators of impairment is performed at each reporting date. When events or changes in circumstances indicate that the carrying amount of property, plant and equipment may not be recoverable, a review for impairment is carried out by management. Where the value-in-use method is used to determine the recoverable amount of an asset, management uses its judgement in determining the CGU to which the asset belongs, or whether the asset can be considered a CGU in its own right. The level of aggregation of assets is a significant assumption made by management and includes consideration of which assets generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Management has determined that vessels are not CGUs individually as they do not generate cash inflows independently of other Group assets. Once the CGU has been determined management uses its judgement in determining the value-in-use of the CGU, as detailed in Note 12 'Goodwill'. Where an asset is considered a CGU in its own right management uses its judgement to estimate future asset utilisation, cash flows, remaining life and the discount rate used.

Recognition of provisions and disclosure of contingent liabilities

At 31 December 2024, provisions with a carrying amount of \$92.1 million were recognised on the Group's Consolidated Balance Sheet (2023: \$125.1 million). In the ordinary course of business, the Group becomes involved in contract disputes from time-to-time due to the nature of its activities as a contracting business involved in multiple long-term projects at any given time. The Group recognises provisions to cover the expected risk of loss to the extent that negative outcomes are likely and reliable estimates can be made. The final outcomes of these contract disputes are subject to uncertainties as to whether or not they develop into formal legal action and therefore the resulting liabilities may exceed the liability anticipated by management.

Furthermore, the Group may be involved in legal proceedings from time-to-time; these proceedings are incidental to the ordinary conduct of its business. Litigation is subject to many uncertainties, and the outcome of individual matters is not predictable with assurance. It is reasonably possible that the final resolution of any litigation could require the Group to incur additional expenditures in excess of provisions that it may have previously recognised.

Management uses its judgement in determining whether the Group should recognise a provision or disclose a contingent liability. These judgements include whether the Group has a present obligation and the probability that an outflow of economic resource is required to settle the obligation. Management may also use its judgement to determine the amount of the obligation or contingent liability. Management uses external advisers to assist with some of these judgements. Further details relating to provisions and contingent liabilities are shown in Note 30 'Provisions' and Note 31 'Commitments and contingent liabilities'.



Taxation

At 31 December 2024, non-current deferred tax assets were \$93.6 million (2023: \$50.9 million), current tax assets were \$105.3 million (2023: \$100.5 million), non-current deferred tax liabilities were \$87.3 million (2023: \$43.2 million) and current tax liabilities were \$125.0 million (2023: \$76.4 million). The Group is subject to corporate income tax in numerous jurisdictions and significant judgement is required in calculating the consolidated tax position. There are transactions for which the ultimate tax determination is uncertain and for which the Group makes provisions based on internal assessments, experience and appropriate external advice, including in respect of the recognition of assets relating to the future recoverability of tax losses and other attributes.

Each year a detailed review of the Group's uncertain tax treatments and provisions is undertaken in accordance with IFRIC 23. Where the outcome of these reviews differs from the amounts previously recorded, the difference will impact the tax charge in the period in which the outcome is determined. Details of key judgements and other issues considered are set out in Note 9 'Taxation'.

5. Segment information

The Group operates with an organisational structure comprising three business units: Subsea and Conventional, Renewables and Corporate. These business units represent the Group's operating segments and are defined as follows:

Subsea and Conventional

The Subsea and Conventional business unit includes:

- Subsea Umbilicals, Risers and Flowlines (SURF) activities related to the engineering, procurement, installation and commissioning of highly complex subsea oil and gas systems in deep waters, including the long-term contracts for PLSVs in Brazil;
- Conventional services including the fabrication, installation, extension and refurbishment of fixed and floating platforms and associated pipelines in shallow water environments;
- Activities associated with the provision of inspection, repair and maintenance (IRM) services, integrity management of subsea infrastructure and remote intervention support;
- Activities associated with heavy lifting operations and decommissioning of redundant offshore structures;
- Activities associated with carbon capture, utilisation and storage (CCUS); and
- Share of net income of the Group's associate, OneSubsea.

This segment includes costs, including depreciation, amortisation, impairment charges and impairment reversals, related to owned and long-term leased vessels, equipment and offshore personnel deployed in Subsea and Conventional activities.

Renewables

The Renewables business unit comprises activities primarily related to the delivery of fixed offshore wind farm projects and floating wind activities. Activities include the procurement and installation of offshore wind turbine foundations and inner-array cables as well as heavy lifting operations and heavy transportation services for renewables structures. This segment includes costs, including depreciation, amortisation and impairment charges, related to owned and long-term leased vessels, equipment and offshore personnel deployed in Renewables activities.

Corporate

The Corporate business unit includes group-wide activities, and associated costs, including captive insurance activities, operational support, corporate services and costs associated with discrete events such as restructuring. The Corporate business unit also includes the results of the Group's autonomous subsidiaries, Xodus and 4Subsea, and activities in emerging energies such as hydrogen. A significant portion of the Corporate business unit's costs are allocated to the Subsea and Conventional and Renewables business units based on a percentage of external revenue.

The accounting policies of the business units are the same as the Group's accounting policies, which are described in Note 3 'Material accounting policies'.

Allocations of costs also occur between segments based on the physical location of personnel. The Chief Operating Decision Maker (CODM) is the Chief Executive Officer of the Group. The CODM is assisted by the other members of the Executive Management Team. Neither total assets nor total liabilities by operating segment are regularly provided to the CODM and consequently no such disclosure is shown.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*

5. Segment information continued

Summarised financial information, including the disaggregation of the Group's revenue from contracts with customers, concerning each operating segment is as follows:

For the year ended 31 December 2024

(in \$ millions)	Subsea and Conventional	Renewables	Corporate	Total
<i>Selected financial information:</i>				
Revenue ^{(a)/(b)/(c)}				
Fixed-price contracts	4,815.1	1,190.8	16.8	6,022.7
Day-rate contracts	684.9	41.6	87.8	814.3
	5,500.0	1,232.4	104.6	6,837.0
Operating expenses	(4,974.6)	(1,140.3)	(17.4)	(6,132.3)
Share of net income/(loss) of associates and joint ventures	38.1	–	(0.1)	38.0
Depreciation, mobilisation and amortisation charges	(488.7)	(115.9)	(17.9)	(622.5)
Impairment of goodwill	–	(6.2)	–	(6.2)
Impairment of property, plant and equipment and intangible assets	(3.7)	(10.8)	(1.3)	(15.8)
Net (loss)/gain on disposal of property, plant and equipment and maturity of lease liabilities	(1.4)	1.3	–	(0.1)
<i>Reconciliation of net operating income/(loss) to income before taxes:</i>				
Net operating income/(loss)	403.5	53.4	(11.4)	445.5
Finance income				24.4
Other gains and losses				(0.5)
Finance costs				(101.2)
Income before taxes				368.2
Adjusted EBITDA ^(d)	897.3	185.0	7.8	1,090.1
Adjusted EBITDA margin ^(d)	16.3%	15.0%	7.5%	15.9%

- (a) Revenue represents only external revenue for each segment. An analysis of inter-segment revenue has not been included as this information is not provided to the CODM.
- (b) Two clients (2023: two clients) in the year individually accounted for more than 10% of the Group's revenue. The revenue from these clients was as follows: Client A \$1,036.0 million (2023: \$834.0 million) and Client B \$815.5 million (2023: \$603.6 million).
- (c) Revenue from contracts with customers recognised over time as defined by IFRS 15.
- (d) Adjusted EBITDA and Adjusted EBITDA margin are non-IFRS measures. For explanations and reconciliations of Adjusted EBITDA and Adjusted EBITDA margin refer to 'Additional information – APMs' on pages 203 to 206.



For the year ended 31 December 2023

(in \$ millions)	Subsea and Conventional	Renewables	Corporate	Total
<i>Selected financial information:</i>				
Revenue ^{(a)/(b)}				
Fixed-price contracts	4,171.1	951.6	16.7	5,139.4
Day-rate contracts	748.0	3.5	82.8	834.3
	4,919.1	955.1	99.5	5,973.7
Operating expenses	(4,583.0)	(991.9)	(36.0)	(5,610.9)
Share of net income of associates and joint ventures	7.9	–	0.3	8.2
Depreciation, mobilisation and amortisation charges	(419.2)	(102.4)	(16.4)	(538.0)
Impairment of property, plant and equipment, intangible assets and assets classified as held for sale	(23.2)	(72.7)	(0.9)	(96.8)
Reversal of impairment of property, plant and equipment	25.9	–	–	25.9
Net gain/(loss) on disposal of property, plant and equipment and maturity of lease liabilities	0.3	(1.3)	0.2	(0.8)
<i>Reconciliation of net operating income/(loss) to income before taxes:</i>				
Net operating income/(loss)	196.2	(73.9)	(17.6)	104.7
Finance income				25.2
Other gains and losses				21.3
Finance costs				(71.2)
Income before taxes				80.0
Adjusted EBITDA ^(c)	612.4	102.5	(0.5)	714.4
Adjusted EBITDA margin ^(c)	12.4%	10.7%	(0.5%)	12.0%

- (a) Revenue represents only external revenue for each segment. An analysis of inter-segment revenue has not been included as this information is not provided to the CODM.
 (b) Revenue from contracts with customers recognised over time as defined by IFRS 15.
 (c) Adjusted EBITDA and Adjusted EBITDA margin are non-IFRS measures. For explanations and reconciliations of Adjusted EBITDA and Adjusted EBITDA margin refer to 'Additional information – APMs' on pages 203 to 206.

Geographic information

Revenue from external clients

Based on the Group's subsidiaries' or branches' country of registered office holding the customer contract, revenue is split as follows:

For the year ended (in \$ millions)	2024 31 Dec	2023 31 Dec
Norway	1,591.0	1,312.8
Brazil	1,366.6	1,125.1
United Kingdom	1,238.9	997.5
US	514.8	632.9
Australia	473.7	246.3
Taiwan	289.1	352.4
Germany	263.1	73.2
Saudi Arabia	219.0	229.3
Angola	198.0	104.8
Netherlands	158.7	90.2
Türkiye	142.8	209.5
Singapore	133.8	132.4
Guyana	51.4	19.4
Senegal	45.2	96.5
Trinidad & Tobago	42.7	90.7
Egypt	41.4	7.9
Qatar	27.9	76.8
Other countries ^(a)	38.9	176.0
	6,837.0	5,973.7

- (a) Comparative information for the year ended 31 December 2023 includes external revenue of \$156.9 million from the Group's subsidiaries or branches with a registered office in Azerbaijan.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*

5. Segment information continued

Non-current assets

Based on the country of registered office of the Group's subsidiaries or branches, non-current assets for this purpose consist of intangible assets, property, plant and equipment, right-of-use assets and interests in associates and joint ventures, are located in the following countries:

At (in \$ millions)	2024 31 Dec	2023 31 Dec
United Kingdom	2,480.8	2,396.1
Norway	987.1	1,029.7
Isle of Man	581.4	687.9
Netherlands	400.8	394.3
US	170.1	214.3
Egypt	64.8	0.4
Brazil	41.8	59.2
Germany	31.7	42.3
Angola	22.5	23.3
Gibraltar	9.7	9.7
Other countries ^(a)	25.2	32.7
	4,815.9	4,889.9

(a) Comparative information for the year ended 31 December 2023 includes non-current assets of \$10.3 million from the Group's subsidiaries or branches with a registered office in France.

6. Net operating income

Net operating income includes:

For the year ended (in \$ millions)	2024 31 Dec	2023 31 Dec
Employee benefits	1,603.3	1,406.8
Lease expense for short-term leased assets	791.5	582.5
Lease expense for low-value leased assets	1.2	0.3
Variable lease amounts not included within lease liabilities	(0.3)	(1.4)
Depreciation of property, plant and equipment (Note 14)	374.9	350.9
Amortisation of right-of-use assets (Note 15)	216.6	161.4
Amortisation of intangible assets (Note 13)	14.3	13.1
Amortisation of mobilisation costs	16.7	12.6
Impairment of goodwill (Note 12)	6.2	-
Impairment of property, plant and equipment (Note 14)	14.2	75.4
Impairment of intangible assets (Note 13)	1.6	0.9
Impairment of assets held for sale	-	20.5
Impairment reversal of property, plant and equipment (Note 14)	-	(25.9)
Net loss on disposal of property, plant and equipment and maturity of lease liabilities	0.1	0.8
Research and development costs	13.5	13.1
Auditor's remuneration	4.3	3.6
Net credit impairment loss for financial assets (Note 32)	0.4	20.0
Net increase/(decrease) in allowances for expected credit losses for financial assets	1.2	(0.9)
Net decrease in allowances for expected credit losses for construction contract assets (Note 21)	(0.4)	(1.4)

The total fees chargeable to the Group by the principal auditing firm Ernst & Young S.A. and other member firms of Ernst & Young Global Limited were:

For the year ended (in \$ millions)	2024 31 Dec	2023 31 Dec
Audit fees	3.9	3.5
Other assurance fees	0.3	-
Tax fees	0.1	0.1
	4.3	3.6

Audit fees constitute charges incurred for the audit of the Consolidated Financial Statements and statutory financial statements of Subsea 7 S.A. and certain subsidiaries. Fees were primarily incurred in connection with the year ended 31 December 2024 but include final settlement of charges associated with the year ended 31 December 2023.



Tax fees constitute charges incurred for non-prohibited professional services rendered by the Group's principal auditor and member firms relating to the provision of tax advice and tax compliance services for work undertaken during the year ended 31 December 2024. Fees were primarily incurred in connection with the year ended 31 December 2024.

The Group's Audit and Sustainability Committee policy requires pre-approval of audit and non-audit services prior to the appointment of the providers of professional services together with highlighting excluded services which the Group's principal auditor cannot provide. The Audit Committee and Sustainability delegates approval to the Chief Financial Officer based on predetermined limits. The Audit and Sustainability Committee pre-approved or, in cases where pre-approval was delegated, ratified all audit and non-audit services, provided by the Group's principal auditor, to Subsea 7 S.A. and its subsidiaries during the year ended 31 December 2024.

Reconciliation of operating expenses and administrative expenses by nature

For the year ended (in \$ millions)	31 Dec 2024			31 Dec 2023		
	Operating expenses	Administrative expenses	Total expenses	Operating expenses	Administrative expenses	Total expenses
Direct project-related costs, including procurement	2,793.0	-	2,793.0	2,800.4	-	2,800.4
Employee benefits	1,418.4	184.9	1,603.3	1,251.5	155.3	1,406.8
Lease expense for short-term leased assets	790.4	1.1	791.5	581.5	1.0	582.5
Lease expense for low-value leased assets	1.1	0.1	1.2	0.3	-	0.3
Variable lease amounts not included within lease liabilities	(0.3)	-	(0.3)	(1.4)	-	(1.4)
Depreciation, amortisation and mobilisation	585.0	37.5	622.5	501.3	36.7	538.0
Impairment of goodwill	6.2	-	6.2	-	-	-
Impairment of property, plant and equipment	14.2	-	14.2	75.4	-	75.4
Impairment of intangible assets	1.6	-	1.6	0.9	-	0.9
Impairment of assets held for sale	-	-	-	20.5	-	20.5
Impairment reversal of property, plant and equipment	-	-	-	(25.9)	-	(25.9)
Net loss on disposal of property, plant and equipment and maturity of lease liabilities	0.1	-	0.1	0.6	0.2	0.8
Net credit impairment loss for financial assets	0.4	-	0.4	20.0	-	20.0
Net increase/(decrease) in allowances for expected credit losses for financial assets	1.2	-	1.2	(0.9)	-	(0.9)
Net decrease in allowances for expected credit losses for construction contract assets	(0.4)	-	(0.4)	(1.4)	-	(1.4)
Other expenses	521.4	73.6	595.0	388.1	73.1	461.2
Total	6,132.3	297.2	6,429.5	5,610.9	266.3	5,877.2

7. Other gains and losses

For the year ended (in \$ millions)	2024	2023
	31 Dec	31 Dec
Fair value gains on derivative financial instruments mandatorily measured at fair value through profit or loss	0.4	0.4
Net gains on business combinations post measurement periods	-	0.5
Remeasurement loss on business combination	(0.9)	-
Net foreign currency exchange gains ^(a)	-	20.4
Total	(0.5)	21.3

(a) Net foreign currency exchange gains include fair value gains and losses on embedded derivatives.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*

8. Finance income and finance costs

For the year ended (in \$ millions)	2024 31 Dec	2023 31 Dec
Interest on financial assets measured at amortised cost	24.4	25.2
Total finance income	24.4	25.2

For the year ended (in \$ millions)	2024 31 Dec	2023 31 Dec
Interest and fees on financial liabilities measured at amortised cost	72.7	58.7
Total borrowing costs	72.7	58.7
Less: amounts capitalised and included in the cost of qualifying assets	(6.6)	(17.9)
	66.1	40.8
Interest on lease liabilities	34.7	30.1
Interest on tax liabilities	0.4	0.3
Total finance costs	101.2	71.2

Borrowing costs included in the cost of qualifying assets during the year were calculated by applying to expenditure on such assets an average capitalisation rate of 6.8% (2023: 6.8%) reflecting the cost of finance, dependent on the funding source.

9. Taxation

Tax recognised in the Consolidated Income Statement

For the year ended (in \$ millions)	2024 31 Dec	2023 31 Dec
Tax charged in the Consolidated Income Statement		
Current tax:		
Corporation tax on income for the year	143.6	97.7
Adjustments in respect of prior years	7.5	(2.5)
Total current tax	151.1	95.2
Deferred tax charge/(credit) for the year	11.6	(24.3)
Adjustments in respect of prior years	(11.1)	(0.9)
Total deferred tax charge/(credit)	0.5	(25.2)
Total	151.6	70.0

Tax recognised in the Consolidated Statement of Comprehensive Income

For the year ended (in \$ millions)	2024 31 Dec	2023 31 Dec
Tax charge/(credit) relating to items recognised directly in comprehensive income		
Current tax on:		
Exchange differences	(2.2)	0.7
Income tax recognised directly in comprehensive income	(2.2)	0.7
Deferred tax on:		
Remeasurement gain/(loss) on defined benefit pension scheme	0.2	(0.3)
Deferred tax recognised directly in comprehensive income	0.2	(0.3)
Total	(2.0)	0.4

Deferred tax recognised in the Consolidated Statement of Changes in Equity

For the year ended (in \$ millions)	2024 31 Dec	2023 31 Dec
Share-based payments	(0.6)	(0.1)
Total	(0.6)	(0.1)



Reconciliation of taxation

Income taxes have been provided for in accordance with IAS 12 'Income Taxes', based on the tax laws and rates in the countries where the Group operates and generates taxable income.

The reconciliation below uses a tax rate of 24.94% (2023: 24.94%) which represents the blended tax rate applicable to Luxembourg entities. A change to the Luxembourg corporation tax rate was substantively enacted on 11 December 2024. The corporation tax main rate for the period beginning 1 January 2025 has decreased to 23.87%.

For the year ended (in \$ millions)	2024 31 Dec	2023 31 Dec
Income before taxes	368.2	80.0
Tax at the blended tax rate of 24.94% (2023: 24.94%)	91.8	20.0
Effects of:		
Different tax rates of subsidiaries operating in other jurisdictions	(11.0)	(4.4)
Impact of tax rate changes	-	(3.3)
Non-qualifying depreciation	1.0	0.7
Net (benefit)/cost of tonnage tax regimes	(42.5)	3.9
Withholding taxes and unrelieved overseas taxes	45.8	37.4
Non-deductible expenses and non-taxable income	8.0	1.4
Tax effect of share of net income of associates and joint ventures	(8.6)	(2.2)
Movement in unprovided deferred tax	59.8	25.5
Revisions to uncertain tax treatments	10.9	(5.6)
Adjustments related to prior years	(3.6)	(3.4)
Taxation in the Consolidated Income Statement	151.6	70.0

Deferred tax

Movements in the net deferred tax balance and the categories to which they relate were:

(in \$ millions)	Property, plant and equipment	Accrued expenses and deferred income	Share- based payments	Tax losses	Other	Total
Balance at 31 December 2022	(64.2)	(22.4)	0.8	65.0	5.1	(15.7)
(Charged)/credited to:						
Consolidated Income Statement	20.6	(15.2)	(0.6)	27.6	(7.2)	25.2
Other comprehensive income	-	0.3	-	-	-	0.3
Changes in equity	-	-	0.1	-	-	0.1
Balance sheet reclassifications	(0.3)	-	-	-	0.4	0.1
Exchange differences	(1.6)	3.2	0.2	(1.0)	(3.1)	(2.3)
Balance at 31 December 2023	(45.5)	(34.1)	0.5	91.6	(4.8)	7.7
(Charged)/credited to:						
Consolidated Income Statement	18.3	(26.5)	0.6	15.1	(8.0)	(0.5)
Other comprehensive income	-	(0.2)	-	-	-	(0.2)
Changes in equity	-	-	0.6	-	-	0.6
Balance sheet reclassifications	(0.2)	-	-	-	-	(0.2)
Exchange differences	(0.6)	3.2	(0.4)	(4.2)	0.9	(1.1)
Balance at 31 December 2024	(28.0)	(57.6)	1.3	102.5	(11.9)	6.3



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*

9. Taxation continued

Deferred tax continued

The main categories of deferred tax assets and liabilities recognised on the Consolidated Balance Sheet, before offset of balances within countries where permitted, were as follows:

At 31 December 2024

(in \$ millions)	Deferred tax asset	Deferred tax liability	Net recognised deferred tax asset/(liability)
Property, plant and equipment	31.5	(59.5)	(28.0)
Accrued expenses and deferred income	11.9	(69.5)	(57.6)
Share-based payments	1.3	–	1.3
Tax losses	102.5	–	102.5
Other	8.2	(20.1)	(11.9)
Total	155.4	(149.1)	6.3

At 31 December 2023

(in \$ millions)	Deferred tax asset	Deferred tax liability	Net recognised deferred tax asset/(liability)
Property, plant and equipment	6.3	(51.8)	(45.5)
Accrued expenses and deferred income	9.1	(43.2)	(34.1)
Share-based payments	0.5	–	0.5
Tax losses	91.6	–	91.6
Other	7.3	(12.1)	(4.8)
Total	114.8	(107.1)	7.7

Deferred tax is analysed in the Consolidated Balance Sheet, after offset of balances within countries, as:

At (in \$ millions)	2024 31 Dec	2023 31 Dec
Deferred tax assets	93.6	50.9
Deferred tax liabilities	(87.3)	(43.2)
Total	6.3	7.7

At 31 December 2024, the gross amount and expiry dates of losses available for carry forward were as follows:

(in \$ millions)	Expiring within 5 years	Expiring in 6 to 10 years	Expiring in 11 to 20 years	Without limit	Total
Losses for which a deferred tax asset is recognised	–	–	–	400.9	400.9
Losses for which no deferred tax asset is recognised	122.8	166.2	161.8	2,211.6	2,662.4
Total	122.8	166.2	161.8	2,612.5	3,063.3

At 31 December 2023, the gross amount and expiry dates of losses available for carry forward were as follows:

(in \$ millions)	Expiring within 5 years	Expiring in 6 to 10 years	Expiring in 11 to 20 years	Without limit	Total
Losses for which a deferred tax asset is recognised	4.1	4.4	31.8	335.8	376.1
Losses for which no deferred tax asset is recognised	169.8	49.6	113.0	2,204.9	2,537.3
Total	173.9	54.0	144.8	2,540.7	2,913.4

A deferred tax asset of \$55.4 million (2023: \$40.1 million) has been recognised in respect of \$221.6 million of tax losses in the Group's UK entities, resulting in a net deferred tax assets of \$38.1 million (2023: \$4.2 million) in the UK, after offset of other, taxable, timing differences. The increase in the net deferred tax asset is primarily as a result of the disclaim of capital allowances on certain vessels in the fleet, and the reclassification of losses previously held as a current asset to a deferred non-current asset. The Group has a strong history of profitability in the UK and the net asset is expected to largely reverse in 2025.

The Group has also recognised a deferred tax asset in respect of \$45.1 million of losses in Brazil (2023: \$14.7 million) out of a total of \$272.8 million, based on its forecast profitability; and has utilised \$67.9 million of previously recognised losses in the US.



Included in the above losses for which no asset is recognised were \$1.5 billion (2023: \$1.5 billion) in Luxembourg, which could be subject to claw-back if certain transactions were entered into. Other jurisdictions with significant accumulated unrecognised losses include Saudi Arabia (\$225.8 million), and Singapore (\$134.4 million), the former as a result of uncertainty over the timing of future profitability, the last being restricted in their utilisation against a vessel chartering trade.

In addition, the Group has other unrecognised deferred tax assets of \$86.8 million (2023: \$58.0 million) in respect of other temporary differences. These primarily relate to provisions for expenses and accruals in Brazil and unclaimed capital allowances in Nigeria.

No deferred tax has been recognised in respect of taxable temporary differences related to the unremitted earnings of the Group's subsidiaries, branches, associates and joint ventures where remittance is not contemplated and where the timing of the distribution is within the control of the Group. The aggregate amount of unremitted earnings giving rise to such temporary differences for which deferred tax liabilities were not recognised at 31 December 2024 was \$258.7 million (2023: \$212.4 million).

Tonnage tax regime

The Group has elected to have qualifying vessel-related activities taxed under tonnage tax regimes in the UK, Norway and the Netherlands. The Group has re-elected into tonnage tax in the UK until 2030.

In 2024, the Group's elections resulted in a positive impact on the Group's tax charge of \$42.5 million (2023: negative impact of \$3.9 million) primarily driven by high utilisation and demand for the Group's vessels.

Uncertain tax treatments

The Group's business operations are carried out worldwide and, as such, the Group is subject to the jurisdiction of a significant number of tax authorities at any point in time.

The Group routinely has to manage tax risks in respect of permanent establishments, transfer pricing and other international tax issues. In common with other multinational companies, the conflict between the Group's global operating model and the jurisdictional approach of tax authorities can result in uncertainty as to the ultimate acceptability of the treatment of tax matters.

This often results in the Group's filing positions being subject to audit, enquiry and possible re-assessment. During 2024, the Group was subject to audits and disputes in, among others, Brazil, Germany, Ghana, Mexico, Nigeria and Saudi Arabia. These audits are at various stages of completion. The Group's policy is to co-operate fully with the relevant tax authorities while seeking to defend its tax positions.

The Group provides for the amount of taxes that it considers probable of being payable as a result of such audits and for which a reasonable estimate can be made. Furthermore, for each reporting period management completes a detailed review of uncertain tax positions across the Group and makes provisions based on the probability of a liability arising. It is possible that the ultimate resolution of these uncertainties could result in tax charges or credits that are materially higher or lower than the amounts provided for.

In the year ended 31 December 2024, the Group recorded a net increase in the financial impact of uncertain tax treatments of \$10.9 million (2023: \$6.1 million net decrease) as a result of revisions to estimated future obligations.

OECD Pillar Two

The Group is within the scope of the OECD Pillar Two model rules, and it applies the IAS 12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. Under the legislation, the Group is required to pay top-up tax on profits of its subsidiaries that are taxed at an effective tax rate of less than 15 per cent. There are three transitional safe harbours which will apply through 2026, being a de minimis test, the routine profits test and the ability to undertake a simplified effective tax rate calculation. After applying these safe harbours, the Group does not believe it has any exposure to the legislation as it does not leverage off low tax jurisdictions, where it does not have relevant substance.

The Group has elected to be taxed under three European tonnage tax regimes and the activities of the Group's fleet can extend beyond the definition of international shipping (being the transportation of passengers or cargo by ships in international traffic) set out in the OECD model rules. As such, exposure to this tax could exist in the UK, Netherlands, and Norway, as well as Isle of Man, where the Group's captive insurance company is incorporated, but the level of other, non-tonnage tax, activities in each of the UK, the Netherlands and Norway, together with the level of substance maintained in those jurisdictions means that no top-up tax is expected in respect of those jurisdictions.

10. Dividends

A dividend of NOK 6.00 per share was approved by the shareholders of Subsea 7 S.A. at the Annual General Meeting on 2 May 2024. The dividend, equivalent to a total of \$162.9 million, was paid in two equal instalments on 14 May 2024 and 7 November 2024 to shareholders of Subsea 7 S.A. with respective record dates of 7 May 2024 and 31 October 2024.



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11. Earnings per share

Basic and diluted earnings per share

Basic earnings per share is calculated by dividing the net income attributable to shareholders of the parent company by the weighted average number of common shares in issue during the year, excluding shares repurchased by the Group and held as treasury shares (Note 24 'Treasury shares').

Diluted earnings per share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all potentially dilutive common shares. The Group's potentially dilutive common shares include those related to performance shares.

The net income attributable to shareholders of the parent company and share data used in the basic and diluted earnings per share calculations were as follows:

For the year ended (in \$ millions)	2024 31 Dec	2023 31 Dec
Net income attributable to shareholders of the parent company	201.4	15.4
Earnings used in the calculation of diluted earnings per share	201.4	15.4
For the year ended	2024 31 Dec	2023 31 Dec
	Number of shares	Number of shares
Weighted average number of common shares used in the calculation of basic earnings per share	298,183,212	298,159,734
Performance shares	1,596,541	997,942
Weighted average number of common shares used in the calculation of diluted earnings per share	299,779,753	299,157,676
For the year ended (in \$ per share)	2024 31 Dec	2023 31 Dec
Basic earnings per share	0.68	0.05
Diluted earnings per share	0.67	0.05

During the year the following shares, that could potentially dilute the earnings per share, were excluded from the calculation of diluted earnings per share due to being anti-dilutive:

For the year ended	2024 31 Dec	2023 31 Dec
	Number of shares	Number of shares
Performance shares	834,917	674,688

12. Goodwill

(in \$ millions)	Total
Cost	
At 1 January 2023	2,404.3
Exchange differences	57.7
At 31 December 2023	2,462.0
Exchange differences	(24.9)
At 31 December 2024	2,437.1
Accumulated impairment	
At 1 January 2023	2,213.0
Exchange differences	56.8
At 31 December 2023	2,269.8
Impairment charges	6.2
Exchange differences	(22.6)
At 31 December 2024	2,253.4
Carrying amount	
At 31 December 2023	192.2
At 31 December 2024	183.7



For financial management and reporting purposes, the Group is organised into management regions. Management regions are aligned with the Group's business units which are used by the Chief Operating Decision Maker (CODM) to allocate resources and appraise performance.

The Group has nine CGUs which are aligned with management regions. Following amendments to the Group's reporting structure, management realigned certain CGUs for the purpose of the annual impairment review. Asia Pacific and Africa, Middle East and Caspian now constitute the GPC East CGU. The Brazil CGU has been renamed Brazil and GPC West. The Gulf of Mexico CGU now includes part of the Global Inspection, Repair and Maintenance (GIRM) business, resulting in a reallocation of goodwill. At 31 December 2024 the Group's CGUs comprised:

- CGUs for GPC East, Brazil and GPC West, Gulf of Mexico, Norway, and UK and GIRM which include activities connected with the performance of regional projects including SURF activities (related to the engineering, procurement, construction and installation of offshore systems), the results of the Group's associate, OneSubsea, Conventional services (including the fabrication, installation, extension and refurbishment of platforms and pipelines in shallow water), the long-term PLSV contracts in Brazil, activities connected with the provision of inspection, repair and maintenance services, integrity management of subsea infrastructure and remote intervention support;
- Floating Wind CGU which includes activities related to floating wind solutions;
- Xodus CGU which includes activities related to engineering services, advisory services and environmental support;
- 4Subsea CGU which includes activities connected with integrity management of subsea infrastructure; and
- Renewables CGU which includes activities connected with three specialist segments of the fixed offshore wind market: the installation of offshore wind turbine foundations and inner-array cables, heavy lifting and heavy transportation operations related to the renewables sector.

The Group performed its annual goodwill impairment review at 31 December 2024. Subsequent to this review the carrying amounts of the goodwill were allocated to the following CGUs:

At (in \$ millions)	2024 31 Dec	2023 31 Dec
4Subsea	14.7	16.2
Floating Wind	-	6.5
Gulf of Mexico	19.0	-
Norway	9.4	9.3
Renewables	105.3	105.3
UK GIRM	19.8	39.2
Xodus	15.5	15.7
Total	183.7	192.2

At 31 December 2024 there was no goodwill associated with the GPC East and Brazil and GPC West CGUs.

Following the Group's annual impairment review, impairment charges of \$6.2 million were recognised in the Floating Wind CGU. The impairment charges were driven by a decrease in the recoverable amounts as a result of a challenging business environment, in the short to medium term.

The recoverable amounts of the CGUs were determined based on a value-in-use calculation using pre-tax, risk-adjusted cash flow projections approved by the Executive Management Team covering a five-year period from 2025 to 2029. These projections include certain considerations for climate-related risks and opportunities. Future uncertainty around climate-related risks continue to be monitored including policy, regulatory, legal, technological, market and societal considerations. The present value of future cash flows is most sensitive to the terminal value assumptions; management considers these represent an appropriate balance between the oil and gas business and the growing renewables sector within the transition to a lower-carbon economy. Cash flows beyond the five-year period were extrapolated in perpetuity using a 2.0% (2023: 2.0%) growth rate for the Corporate and Subsea and Conventional business units and a 4.0% (2023: 4.0%) growth rate for the Renewables business unit to determine the terminal value.

The pre-tax discount rate applied to the risk-adjusted cash flow projections was 12.1% (2023: 13.6%). Further information is included in Note 1 'General information'.

Key assumptions used in value-in-use calculations

Management considers that the calculations of value-in-use for all CGUs are most sensitive to the following key assumptions:

- Adjusted EBITDA forecasts;
- capital expenditure forecasts;
- the pre-tax discount rate; and
- the growth rate used to extrapolate cash flows.

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12. Goodwill continued

Key assumptions used in value-in-use calculations continued

Adjusted EBITDA forecasts – the Adjusted EBITDA forecast for each CGU is dependent on a combination of factors including market size, market share, contractual backlog, gross margins, future project awards, asset utilisation and an assessment of the impacts of competition within the respective segments. Assumptions are based on a combination of internal and external studies, management judgements and historical information, adjusted for any foreseen changes in market conditions.

Replacement capital expenditure forecasts – the capital expenditure forecast for the Group is dependent on a combination of factors including market size, asset utilisation and asset age. Assumptions are based on a combination of internal and external studies, management judgements and historical information, adjusted for any foreseen changes in market conditions. Replacement capital expenditure represents the amounts estimated to maintain the function of the assets in the CGU.

Pre-tax discount rate – the pre-tax discount rate was estimated based on the weighted average cost of capital of the Group, amended to reflect a normalised capital structure for the energy sector. Risk premiums were not reflected in the discount rate applied to individual CGUs as the CGU cash flow projections were risk adjusted.

Growth rate estimates – the growth rate used to extrapolate the cash flow projections beyond the five-year period is broadly consistent with market expectations for long-term growth in the industry and assumes no significant change in the Group's market share and the range of services and products provided.

Sensitivity to changes in key assumptions

In determining the value-in-use recoverable amount for each CGU, sensitivities have been applied to key assumptions. The industry in which the Group operates is cyclical and highly dependent on energy prices; this could lead to changes in future cash flows which are greater than the sensitivity ranges applied.

In the performance of sensitivity analysis the impacts of the following changes to key assumptions were assessed:

- forecast Adjusted EBITDA – a 10% increase and decrease in the assumptions during the five-year period from 2025 to 2029, and the Adjusted EBITDA upon which terminal values have been calculated;
- replacement capital expenditure forecast – a 25% increase and decrease in the forecast replacement capital expenditure assumptions during the five-year period from 2025 to 2029, and the capital expenditure upon which terminal values have been calculated;
- pre-tax discount rate – an increase and decrease by 2 percentage points; and
- growth rate – an increase and decrease by 2 percentage points.

The impact on goodwill as a result of changes to the key assumptions used in the sensitivity analysis is as follows:

(in \$ millions)	Adjusted EBITDA		Discount rate		Capital expenditure		Long-term growth rate	
	10% decrease	10% increase	2% decrease	2% increase	25% decrease	25% increase	2% decrease	2% increase
Renewables	(52.4)	-	-	(85.8)	-	(66.1)	(2.4)	-
Xodus	(9.0)	-	-	(9.2)	-	(8.4)	(6.2)	-

CGUs not impaired and not sensitive to impairment

Changes to the key assumptions used in the sensitivity analysis would not, in isolation, cause the recoverable amount of the 4Subsea, Gulf of Mexico, Norway and UK GIRM CGUs to be materially less than their carrying amount.

The GPC East and Brazil and GPC West CGUs have no goodwill, therefore any future changes in the key assumptions, in isolation, would not result in an impairment charge being recognised against goodwill.



13. Intangible assets

(in \$ millions)	Software	Other intangibles	Total
Cost			
At 1 January 2023	42.7	77.3	120.0
Additions	19.1	8.0	27.1
Reclassifications ^(a)	4.6	7.8	12.4
Exchange differences	2.0	3.6	5.6
At 31 December 2023	68.4	96.7	165.1
Additions	36.6	13.5	50.1
Disposals	(0.3)	(1.5)	(1.8)
Reclassifications ^(a)	(3.5)	-	(3.5)
Exchange differences	(1.6)	(1.9)	(3.5)
At 31 December 2024	99.6	106.8	206.4
Accumulated amortisation and impairment			
At 1 January 2023	25.1	63.8	88.9
Charge for the year	3.7	9.4	13.1
Impairments	-	0.9	0.9
Exchange differences	1.4	2.3	3.7
At 31 December 2023	30.2	76.4	106.6
Charge for the year	4.2	10.1	14.3
Eliminated on disposal	(0.3)	(1.5)	(1.8)
Impairments	0.3	1.3	1.6
Exchange differences	(0.6)	(1.3)	(1.9)
At 31 December 2024	33.8	85.0	118.8
Carrying amount:			
At 31 December 2023	38.2	20.3	58.5
At 31 December 2024	65.8	21.8	87.6

(a) Amounts reclassified from/(to) property, plant and equipment.

The table above includes assets under construction of \$53.8 million (2023: \$29.3 million). Other intangible assets includes capitalised expenditure related to the Group's digitalisation programme.

An impairment test was performed on the balances at 31 December 2024 and impairment charges of \$1.6 million (2023: \$0.9 million) were recognised.

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14. Property, plant and equipment

(in \$ millions)	Vessels	Operating equipment	Land and buildings	Other assets	Total
Cost					
At 1 January 2023	5,856.1	1,009.6	517.2	62.9	7,445.8
Additions	495.2	61.6	11.2	9.7	577.7
Exchange differences	21.9	17.9	5.9	1.8	47.5
Transfers	(8.0)	13.5	(2.9)	(2.6)	–
Reclassifications ^(a)	–	(11.9)	–	(0.5)	(12.4)
Transfer to assets held for sale	(125.3)	(1.0)	–	–	(126.3)
Disposals	(47.3)	(25.9)	(35.0)	(4.2)	(112.4)
At 31 December 2023	6,192.6	1,063.8	496.4	67.1	7,819.9
Additions	250.7	34.5	5.3	7.1	297.6
Exchange differences	(7.5)	(12.1)	(20.9)	(2.7)	(43.2)
Transfers	–	(1.1)	0.6	0.5	–
Reclassifications ^(a)	(0.2)	(5.4)	(0.8)	9.9	3.5
Disposals	(123.5)	(131.7)	(6.9)	(3.9)	(266.0)
At 31 December 2024	6,312.1	948.0	473.7	78.0	7,811.8
Accumulated depreciation and impairment					
At 1 January 2023	2,299.5	846.3	326.7	51.3	3,523.8
Charge for the year	291.8	36.5	16.2	6.4	350.9
Impairments	75.4	–	–	–	75.4
Impairment reversals	(25.9)	–	–	–	(25.9)
Exchange differences	12.5	15.1	2.6	0.7	30.9
Transfer to assets held for sale	(94.3)	–	–	–	(94.3)
Eliminated on disposal	(46.1)	(25.8)	(35.0)	(4.0)	(110.9)
At 31 December 2023	2,512.9	872.1	310.5	54.4	3,749.9
Charge for the year	312.9	38.7	14.7	8.6	374.9
Impairments	10.8	3.4	–	–	14.2
Exchange differences	(5.5)	(7.2)	(10.6)	(1.9)	(25.2)
Eliminated on disposal	(120.8)	(131.3)	(6.9)	(3.8)	(262.8)
At 31 December 2024	2,710.3	775.7	307.7	57.3	3,851.0
Carrying amount:					
At 31 December 2023	3,679.7	191.7	185.9	12.7	4,070.0
At 31 December 2024	3,601.8	172.3	166.0	20.7	3,960.8

(a) Amounts reclassified (to)/from intangible assets.

The table above includes assets under construction of \$123.3 million at 31 December 2024 (2023: \$475.1 million).

An impairment test was performed on the balances of property, plant and equipment at 31 December 2024 and impairments totalling \$14.2 million (2023: \$49.5 million net impairment) were recognised where the future recoverable amounts were reassessed and reduced. The impairment charges relate primarily to vessel-related equipment. The impairments were recognised in the Consolidated Income Statement within operating expenses. Recoverable amount is defined as the higher of value-in-use and fair value less costs of disposal and was determined by management based on an assessment of internal estimates and independent external valuations.



15. Right-of-use assets

(in \$ millions)	Vessels	Operating equipment	Land and buildings	Other assets	Total
Cost					
At 1 January 2023	372.9	14.7	128.9	2.7	519.2
Additions	225.0	0.3	24.3	0.3	249.9
Exchange differences	(2.6)	0.1	2.1	0.5	0.1
Remeasurements	73.3	–	12.4	–	85.7
Disposals	(70.5)	(0.3)	(18.6)	(1.3)	(90.7)
At 31 December 2023	598.1	14.8	149.1	2.2	764.2
Additions	80.4	1.8	9.7	0.6	92.5
Exchange differences	(8.2)	(1.5)	(8.1)	–	(17.8)
Remeasurements	59.6	11.6	40.7	0.1	112.0
Disposals	(0.6)	(0.6)	(3.1)	(1.0)	(5.3)
At 31 December 2024	729.3	26.1	188.3	1.9	945.6
Accumulated amortisation and impairment					
At 1 January 2023	197.3	8.2	69.5	2.2	277.2
Charge for the year	134.1	4.3	22.5	0.5	161.4
Exchange differences	(2.0)	0.2	(1.4)	0.1	(3.1)
Eliminated on disposal	(70.5)	(0.3)	(18.6)	(1.3)	(90.7)
At 31 December 2023	258.9	12.4	72.0	1.5	344.8
Charge for the year	184.5	4.7	26.7	0.7	216.6
Exchange differences	(5.9)	(0.7)	(4.2)	(0.1)	(10.9)
Eliminated on disposal	(0.6)	(0.6)	(3.0)	(1.0)	(5.2)
At 31 December 2024	436.9	15.8	91.5	1.1	545.3
Carrying amount:					
At 31 December 2023	339.2	2.4	77.1	0.7	419.4
At 31 December 2024	292.4	10.3	96.8	0.8	400.3

The Group leases vessels, operating equipment and properties with contracts which are typically for fixed periods but may have extension options used to maximise operational flexibility. The majority of extension and termination options held are exercisable only by the Group and not the respective lessors. Lease liabilities are disclosed within Note 27 'Lease liabilities'. Commitments to leases which have not yet commenced are disclosed within Note 31 'Commitments and contingent liabilities'.

An impairment test was performed on the balances at 31 December 2024 with no impairment charges being recognised (2023: \$nil).

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16. Interests in associates and joint arrangements

Interests in associates and joint ventures

At 31 December 2024 the Group had interests in nine joint ventures and one associate. The Group's ownership interests were as follows:

	Year end	Country of registration	Operating segment	Classification	Subsea7 ownership %
Belmet 7 Limited	31 December	Ghana	Subsea and Conventional	Joint Venture	49
Eidesvik Seven AS	31 December	Norway	Subsea and Conventional	Joint Venture	50
Eidesvik Seven Chartering AS	31 December	Norway	Subsea and Conventional	Joint Venture	50
GO FZE	31 December	Nigeria	Subsea and Conventional	Joint Venture	40
Global Oceon Engineers Nigeria Limited	31 December	Nigeria	Subsea and Conventional	Joint Venture	40
OneSubsea ^(a)	31 December	Various	Subsea and Conventional	Associate	10
SapuraAcergy Assets Pte Ltd ^(b)	31 January	Malaysia	Subsea and Conventional	Joint Venture	51
SapuraAcergy Sdn Bhd ^(b)	31 January	Malaysia	Subsea and Conventional	Joint Venture	50
Subsea Integration Alliance LLC	31 December	US	Subsea and Conventional	Joint Venture	50
Subsea 7 Malaysia Sdn Bhd	31 December	Malaysia	Subsea and Conventional	Joint Venture	30

(a) The OneSubsea associate comprises three entities: OneSubsea Processing AS, OneSubsea Investments UK Limited and OneSubsea LLC.

(b) The Group has 50% equity ownership in SapuraAcergy Sdn Bhd and 51% equity ownership in SapuraAcergy Assets Pte Ltd, however, 1% is subject to a put and call option for the benefit of its joint venture partner.

For all entities the principal place of business is consistent with the country of registration. For the majority of the entities the proportion of voting rights is consistent with the proportion of ownership interest, however in some cases some specific matters require unanimous approval of all shareholders.

All interests in joint ventures and associates are accounted for using the equity method. Financial information, using consistent accounting policies, for the year ended 31 December 2024 is used for all entities. The movement in the balance of investments in joint ventures and associates was as follows:

(in \$ millions)	2024	2023
At year beginning	342.0	25.5
Share of net income of associates and joint ventures	38.0	8.2
Share of other comprehensive (loss)/income of associates and joint ventures	(8.4)	2.5
Dividends received from associate	(3.4)	-
Net reclassification of investment balances	0.3	(0.9)
Recognition of investment in associate	-	307.8
Exchange differences	(1.3)	(1.1)
At year end	367.2	342.0

Net reclassification of investment balances

This amount relates primarily to reclassification within the Group's Consolidated Balance Sheet of the movement of negative investment balances to other non-current liabilities.

Derecognition of investment in joint venture

On 10 April 2024, the Group acquired the remaining shares in Marinza S.A. (formerly ENMAR S.A.) and effective from that date the joint venture became a wholly-owned subsidiary of the Group.



Summarised financial information

At 31 December 2024, none of the Group's investments in joint ventures were individually material to the Group therefore summarised financial information has not been provided.

The financial results of the Group's investment in its associate OneSubsea are significant to the Group. Summary financial information, including a reconciliation between the summarised financial information presented and the carrying amount of the Group's investment, is shown below. Amounts presented represent an IFRS conversion of OneSubsea's US Generally Accepted Accounting Principles (US GAAP) Consolidated Income Statement and Consolidated Balance Sheet. The amounts presented are inclusive of adjustments recognised by management when applying the equity method in addition to fair value adjustments applied on initial acquisition. Revenue and total comprehensive income for 2023 represent amounts for the period following the date of acquisition, 2 October, to 31 December 2023.

For the year/period ended (in \$ millions)	2024 31 Dec	2023 31 Dec
Revenue	3,897.0	1,021.0
Net income	358.3	80.0
Other comprehensive (loss)/income	(84.0)	25.0
Total comprehensive income	274.3	105.0

At (in \$ millions)	2024 31 Dec	2023 31 Dec
Non-current assets	3,353.8	3,274.9
Current assets	2,925.0	2,812.0
Current liabilities	(2,377.0)	(2,574.0)
Non-current liabilities	(491.0)	(342.0)
Net assets	3,410.8	3,170.9
Total equity	(3,410.8)	(3,170.9)
Subsea7 Group's share of equity (10%)	341.0	317.0

At (in \$ millions)	2024 31 Dec	2023 31 Dec
The Group's share of equity at year beginning	317.0	306.5
Net income attributable to the Group	35.8	8.0
Dividends received from associate	(3.4)	-
Other comprehensive (loss)/income attributable to the Group	(8.4)	2.5
Subsea7 Group's share of equity at year end	341.0	317.0
Carrying amount of investment in associate at year end^(a)	342.3	318.3

(a) The carrying amount of the Group's investment in its associate OneSubsea on the Consolidated Balance Sheet is inclusive of \$1.3 million representing stamp duty and professional fees arising on acquisition.

Interests in joint arrangements

The Group executes contracts on a regular basis through unstructured joint operations governed by alliance or consortium agreements. These agreements provide for joint and several liability for the parties involved. The material joint operations of the Group are detailed below.

The Group participates in Subsea Integration Alliance (SIA), through unincorporated strategic global operations between Subsea7 and OneSubsea. As part of the alliance, Subsea7 and OneSubsea agree terms and conditions on a project-by-project basis; this governs the relationship between the entities executing contracts with clients. SIA operates globally and provides clients with subsea technologies, production and processing systems, bringing together field development planning, project delivery and total lifecycle solutions under an extensive technology and services portfolio. Contracts with clients are entered into by individual entities of the Subsea7 and OneSubsea groups.

Saudi Arabian Oil Company awarded a long-term frame agreement to a consortium consisting of Subsea7 and L&T Hydrocarbon Engineering. This unincorporated consortium is governed by a consortium agreement, and Subsea7 and L&T Hydrocarbon Engineering are jointly and severally liable to Saudi Arabian Oil Company for the various call-off work orders awarded to the consortium via the long-term frame agreement. The consortium's activities include project management, engineering, procurement, fabrication, transportation and installation of offshore facilities and infrastructure. The principal place of business of the unincorporated consortium is the Kingdom of Saudi Arabia.



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17. Advances and receivables

At (in \$ millions)	2024 31 Dec	2023 31 Dec
Non-current amounts due from associates and joint ventures	32.8	36.5
Allowance for credit impairment	(1.6)	(1.6)
	31.2	34.9
Capitalised fees for long-term loan facilities	1.7	1.9
Deposits held by third parties	0.9	0.9
Other receivables	15.3	29.3
Total	49.1	67.0

18. Inventories

At (in \$ millions)	2024 31 Dec	2023 31 Dec
Materials and non-critical spares	18.1	10.5
Consumables	39.3	49.6
Total	57.4	60.1

For the year ended (in \$ millions)	2024 31 Dec	2023 31 Dec
Total cost of inventory charged to the Consolidated Income Statement	160.6	183.1
Write-down of inventories charged to the Consolidated Income Statement (Reversal of provision for obsolescence credited)/provision for obsolescence charged to the Consolidated Income Statement	1.3 (0.2)	1.8 0.7

At 31 December 2024 inventories are shown net of a provision for obsolescence of \$4.2 million (2023: \$5.1 million). At 31 December 2024, there were no inventories pledged as security.

19. Trade and other receivables

At (in \$ millions)	2024 31 Dec	2023 31 Dec
Trade receivables	522.6	719.7
Allowance for expected credit losses	(2.1)	(1.3)
Allowance for credit impairment	(21.6)	(23.0)
	498.9	695.4
Current amounts due from associates and joint ventures	8.0	8.1
Allowance for credit impairment	-	(2.1)
	8.0	6.0
Other receivables	34.0	24.1
Advances to suppliers	17.1	74.5
Other taxes receivable	105.8	121.8
Total	663.8	921.8

Details of how the Group manages its credit risk and further analysis of the trade receivables balance, allowances for expected credit losses and allowances for credit impairment are shown in Note 32 'Financial instruments'.

Other receivables include insurance receivables, customer retentions and deposits.

Other taxes receivable include value added tax, sales tax, withholding tax, social security tax and other indirect taxes.



20. Other accrued income and prepaid expenses

At (in \$ millions)	2024 31 Dec	2023 31 Dec
Unbilled revenue	89.1	91.8
Allowance for expected credit losses	(0.6)	(0.2)
	88.5	91.6
Prepaid expenses	126.1	152.4
Total	214.6	244.0

Unbilled revenue relates to work completed on day-rate contracts, which had not been billed to clients at the balance sheet date. There were no contract liability balances which relate to this category of contract revenue. There were no significant movements in this balance during the year. Revenue of \$16.1 million (2023: \$10.9 million) was recognised in the year relating to performance obligations satisfied in previous periods.

Prepaid expenses arise in the normal course of business and represent expenditure which has been deferred and which will be recognised in the Consolidated Income Statement within 12 months of the balance sheet date.

The movement in the allowance for expected credit losses in respect of unbilled revenue during the year was as follows:

(in \$ millions)	2024 31 Dec	2023 31 Dec
Allowance for expected credit losses		
At year beginning	(0.2)	(0.4)
(Increase)/decrease in allowance	(0.4)	0.2
At year end	(0.6)	(0.2)

Details of how the Group manages its credit risk are shown in Note 32 'Financial instruments'.

At 31 December 2024, the allowance for credit impairment in respect of unbilled revenue was \$nil (2023: \$nil).

21. Construction contracts

(in \$ millions)	Construction contracts – assets	Construction contracts – liabilities
At 31 December 2024		
Current - total	774.1	(392.3)

(in \$ millions)	Construction contracts – assets	Construction contracts – liabilities
At 31 December 2023		
Current	692.2	(424.8)
Allowance for expected credit losses	(0.4)	–
Total	691.8	(424.8)

(in \$ millions)	2024 31 Dec	2023 31 Dec
Revenue recognised which was included in construction contract liabilities at beginning of year	362.9	313.8
Revenue recognised from performance obligations satisfied in previous periods	113.6	16.9

At 31 December 2024, the allowance for expected credit losses in respect of construction contract assets was \$nil (2023: \$0.4 million).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*

21. Construction contracts continued

Revenue recognised which was included in construction contract liabilities at the beginning of the year of \$362.9 million (2023: \$313.8 million) represents amounts included within the construction contract liabilities balance at 1 January 2024 which were recognised as revenue during the year. Revenue recognised from performance obligations satisfied in previous periods of \$113.6 million (2023: \$16.9 million) represents revenue recognised in the Consolidated Income Statement for projects which were considered operationally complete at the prior year end.

Significant movements in the construction contract asset and construction contract liability balances

The Group has construction contract asset and construction contract liability balances as a result of long-term projects in the Subsea and Conventional and Renewables business units. Details of the Group's treatment of performance obligations are disclosed in Note 3 'Material accounting policies'. Due to the number and size of projects within the Group, construction contract asset and liability balances can vary significantly at each reporting date. Cumulative adjustments to revenue are most commonly caused by a change to the estimate of the transaction price due to a reassessment of the constraint to variable consideration, awarded variation orders, scope changes or amendments to the cost profile.

The increase of \$82.3 million in construction contract assets and the \$32.5 million decrease in construction contract liabilities during 2024 was driven by the phasing of the execution of work and associated billing on fixed-price contracts executed by the Group.

Construction contract assets

An analysis of the ageing of construction contract assets at the balance sheet date has not been provided. Due to the nature of the balances and the fact that the Group invoices on a milestone basis, the ageing of construction contract assets is not reflective of the credit risk associated with these balances.

The movement in the allowance for expected credit losses in respect of net construction contract assets during the year was as follows:

(in \$ millions)	2024 31 Dec	2023 31 Dec
Allowance for expected credit losses		
At year beginning	(0.4)	(1.8)
Decrease in allowance	0.4	1.4
At year end	-	(0.4)

The allowance for expected credit losses decreased during the year due to fluctuations in the mix of customers, the size of amounts due and the default probability.

At 31 December 2024, the allowance for credit impairment recognised in connection with construction contract assets was \$nil (2023: \$nil).

Transaction price allocated to the remaining performance obligations

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) was as follows:

At 31 December 2024

(in \$ millions)	Expected year of execution				Total
	2025	2026	2027	2028 and beyond	
Subsea and Conventional	4,770.9	2,587.8	1,214.1	443.8	9,016.6
Renewables	1,017.1	767.4	315.1	35.0	2,134.6
Corporate	23.5	-	-	-	23.5
Total	5,811.5	3,355.2	1,529.2	478.8	11,174.7

At 31 December 2023

(in \$ millions)	Expected year of execution				Total
	2024	2025	2026	2027 and beyond	
Subsea and Conventional	4,710.5	2,893.2	861.6	78.4	8,543.7
Renewables	966.4	871.0	168.7	11.2	2,017.3
Corporate	25.8	-	-	-	25.8
Total	5,702.7	3,764.2	1,030.3	89.6	10,586.8

The estimate of the transaction price does not include any amounts of variable consideration which are constrained.



22. Cash and cash equivalents

At (in \$ millions)	2024 31 Dec	2023 31 Dec
Cash and cash equivalents	575.3	750.9

Cash and cash equivalents included amounts totalling \$18.9 million (2023: \$24.7million) held by Group undertakings in certain countries whose exchange controls may significantly restrict or delay the remittance of these amounts to jurisdictions outside of that country.

23. Issued share capital

Authorised shares

	2024 31 Dec Number of shares	2024 31 Dec in \$ millions	2023 31 Dec Number of shares	2023 31 Dec in \$ millions
Authorised common shares, \$2.00 par value	450,000,000	900.0	450,000,000	900.0

Issued shares

	2024 31 Dec Number of shares	2024 31 Dec in \$ millions	2023 31 Dec Number of shares	2023 31 Dec in \$ millions
Fully paid and issued common shares	299,600,000	599.2	304,294,272	608.6
The issued common shares consist of:				
Common shares outstanding	295,613,936	591.2	300,454,468	600.9
Treasury shares at par value (Note 24)	3,986,064	8.0	3,839,804	7.7
Total	299,600,000	599.2	304,294,272	608.6

24. Treasury shares

Share repurchase programme

On 24 July 2019, the Board of Directors authorised a new share repurchase programme of up to \$200 million. The programme was initially approved pursuant to the authorisation granted to the Board of Directors at the Extraordinary General Meeting held on 17 April 2019, which allows for the purchase of up to 30,000,000 common shares of Subsea 7 S.A. On 19 April 2023, the Board of Directors authorised a 24-month extension to this programme, which will now expire on 18 April 2025, in accordance with the authority granted to the Board of Directors at the Extraordinary General Meeting held on 18 April 2023.

During 2024, the Group repurchased 5,172,092 shares (2023: nil) for a total consideration of \$87.3 million (2023: \$nil). At 31 December 2024, the cumulative number of shares repurchased under this programme was 15,172,304 for a total consideration of \$164.2 million.

All repurchases were made in the open market on Oslo Børs, pursuant to certain conditions, and were in conformity with Article 430-15 of Luxembourg Company Law. At 31 December 2024, the remaining repurchased shares, which had not been cancelled or reallocated relating to share-based payments, were held as treasury shares.

Summary

At 31 December 2024, Subsea 7 S.A. held 3,986,064 treasury shares (2023: 3,839,804), which amounted to 1.33% (2023: 1.26%) of the total number of issued shares.

	2024 Number of shares	2024 in \$ millions	2023 Number of shares	2023 in \$ millions
At year beginning	3,839,804	31.1	9,794,267	75.0
Shares repurchased	5,172,092	87.3	-	-
Shares reallocated relating to share-based payments	(331,560)	(2.6)	(272,496)	(2.3)
Shares cancelled	(4,694,272)	(46.7)	(5,681,967)	(41.6)
Balance at year end	3,986,064	69.1	3,839,804	31.1



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*

25. Non-controlling interests

At 31 December 2024, the Group's respective ownership interests in subsidiaries which are non-wholly-owned were as follows:

	Year end	Country of registration	Subsea7 ownership %
Globestar Engineering Company (Nigeria) Limited	31 December	Nigeria	98.8
Nautilus Floating Solutions S.L.	31 December	Spain	59.1
Naviera Subsea 7 S. de R.L. de C.V.	31 December	Mexico	49.0
PT Subsea 7 Indonesia	31 December	Indonesia	94.9
Servicios Subsea 7 S. de R.L. de C.V.	31 December	Mexico	52.0
Sonacergy – Serviços E Construções Petrolíferas Lda.	31 December	Portugal	60.0
Sonamet Industrial S.A.	31 December	Angola	60.0
Subsea 7 Equatorial Guinea S.A.	31 December	Equatorial Guinea	65.0
Subsea 7 Volta Contractors Limited	31 December	Ghana	49.0

For all entities, the principal place of business is consistent with the country of registration. Financial information for the year ended 31 December 2024 has been used for all entities.

The movement in the equity attributable to non-controlling interests was as follows:

(in \$ millions)	2024	2023
At year beginning	34.1	329.1
Share of net income/(loss) for the year	15.2	(5.4)
Seaway 7 AS – Subsea 7 S.A. shares issued in consideration	-	(127.0)
Seaway 7 AS – cash consideration	-	(12.6)
Reclassification of non-controlling interests to equity attributable to shareholders of Subsea 7 S.A.	(4.1)	(150.2)
Exchange differences	(0.6)	0.2
At year end	44.6	34.1

Sonamet Industrial S.A. and Sonacergy - Serviços E Construções Petrolíferas Lda.

On 21 February 2024, the Group purchased additional shares in both Sonamet Industrial S.A. and Sonacergy – Serviços E Construções Petrolíferas Lda. with the ownership percentage increasing from 55% to 60% effective from that date.

26. Borrowings

At (in \$ millions)	2024 31 Dec	2023 31 Dec
South Korean Export Credit Agency (ECA) facility	110.6	135.2
2021 UK Export Finance (UKEF 2021) facility	321.7	420.5
2023 UK Export Finance (UKEF 2023) facility	289.4	288.9
Other	0.3	0.3
Total^(a)	722.0	844.9
Consisting of:		
Non-current portion of borrowings	583.8	721.4
Current portion of borrowings	138.2	123.5
Total^(a)	722.0	844.9

(a) Borrowings presented in the Consolidated Balance Sheet are shown net of capitalised fees of \$6.4 million (2023: \$8.0 million), which are amortised over the period of the respective facility.

Commitment fees expensed during the year in respect of unused lines of credit totalled \$2.9 million (2023: \$3.0 million).



Facilities

Multi-currency revolving credit and guarantee facility

On 15 June 2022, the Group entered into a \$700 million multi-currency revolving credit and guarantee facility with a five-year tenor, with two one-year extension options. The facility is available in a combination of guarantees, up to a limit of \$200 million, and cash drawings, or in full for cash drawings. The facility is guaranteed by Subsea 7 S.A. and Subsea 7 Finance (UK) PLC, a wholly-owned subsidiary of the Group. During the year, the Group secured a one-year extension to the multi-currency revolving credit and guarantee facility which will now mature in June 2029. The facility size reduced from \$700 million to \$600 million in September 2024 and will reduce further to \$500 million in June 2028 until maturity in June 2029. The facility was unutilised at 31 December 2024.

The South Korean Export Credit Agency (ECA) facility

In July 2015 the Group entered into a \$357 million senior term loan facility secured on two vessels owned by the Group. The facility is provided 90% by an Export Credit Agency (ECA) and 10% by two banks and is available for general corporate purposes. The ECA tranche has a 12-year maturity and a 12-year amortising profile. The commercial tranche initially had a five-year maturity and a 15-year amortising profile, which commenced in April 2017. The commercial tranche was refinanced during November 2021, now maturing in January 2027, while retaining the original amortising profile. The facility is guaranteed by Subsea 7 S.A. At 31 December 2024, the amount outstanding under the facility was \$110.6 million (2023: \$135.2 million).

2021 UK Export Finance (UKEF 2021) facility

On 24 February 2021, the Group entered into a \$500 million five-year amortising committed loan facility backed by a \$400 million guarantee from UK Export Finance. The facility has a five-year tenor which commenced when the facility was fully drawn. The facility can be used for general corporate purposes, including to provide working capital financing for services provided from the UK. The facility is guaranteed by Subsea 7 S.A. At 31 December 2024, the amount outstanding under the facility, net of facility fees, was \$321.7 million (2023: \$420.5 million).

2023 UK Export Finance (UKEF 2023) facility

On 27 July 2023, the Group entered into a \$450 million five-year amortising loan facility backed by a \$360 million guarantee from UK Export Finance. The Group has a two-year availability period during which to draw on the facility, and the facility has a five-year tenor which commences the earlier of availability period expiry or when the facility is fully drawn. The lenders have classified the facility as a green loan as the funds are for use within the Group's Renewables business unit. The facility is guaranteed by Subsea 7 S.A. and Subsea 7 Finance (UK) PLC, a wholly-owned subsidiary of the Group. At 31 December 2024, the amount outstanding under the facility, net of facility fees, was \$289.4 million (2023: \$288.9 million).

Utilisation of facilities

At (in \$ millions)	2024 31 Dec Utilised	2024 31 Dec Unutilised	2024 31 Dec Total	2023 31 Dec Utilised	2023 31 Dec Unutilised	2023 31 Dec Total
Committed borrowing facilities	728.0	757.6	1,485.6	852.6	857.6	1,710.2

Other facilities

In addition to the above there are a number of uncommitted, unsecured bi-lateral arrangements in place in order to provide specific geographical coverage. The utilisation of these facilities at 31 December 2024 was \$2.1 billion (2023: \$2.2 billion).

27. Lease liabilities

At (in \$ millions)	2024 31 Dec	2023 31 Dec
Maturity analysis – contractual undiscounted cash flows		
Within one year	250.4	194.8
Years two to five inclusive	219.7	317.4
After five years	33.7	9.9
Total undiscounted lease liabilities	503.8	522.1
Effect of discounting	(48.9)	(63.8)
Discounted lease liabilities	454.9	458.3
Consisting of:		
Non-current	231.1	290.5
Current	223.8	167.8
Total discounted lease liabilities	454.9	458.3

Amounts recognised within the Consolidated Income Statement in relation to short-term and low-value leases are disclosed within Note 6 'Net operating income'. Payments related to lease liabilities disclosed within the Consolidated Cash Flow Statement for the year ended 31 December 2024 were \$223.2 million (2023: \$164.9 million).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*

28. Other non-current liabilities

At (in \$ millions)	2024 31 Dec	2023 31 Dec
Other	1.0	1.1
Total	1.0	1.1

29. Trade and other liabilities

At (in \$ millions)	2024 31 Dec	2023 31 Dec
Accruals	788.8	885.6
Trade payables	378.9	348.0
Current amounts due to associates and joint ventures	12.4	7.4
Accrued salaries and benefits	150.7	132.2
Withholding taxes	32.8	23.3
Other taxes payable	58.0	88.8
Other current liabilities	7.6	198.6
Total	1,429.2	1,683.9

30. Provisions

(in \$ millions)	Claims	Decommissioning	Onerous fixed-price contracts	Other	Total
At 1 January 2023	19.5	6.1	85.7	23.4	134.7
Additional provision in the year	4.6	2.3	169.7	5.9	182.5
Utilisation of provision	(2.1)	(1.9)	(170.8)	(6.1)	(180.9)
Unused amounts released during the year	(4.1)	-	(2.4)	(7.3)	(13.8)
Exchange differences	0.5	0.1	1.7	0.3	2.6
At 31 December 2023	18.4	6.6	83.9	16.2	125.1
Additional provision in the year	11.3	13.4	246.2	14.2	285.1
Utilisation of provision	(2.5)	(5.8)	(274.0)	(2.6)	(284.9)
Unused amounts released during the year	(8.4)	-	(15.0)	(2.7)	(26.1)
Exchange differences	(3.0)	(0.2)	(2.4)	(1.5)	(7.1)
At 31 December 2024	15.8	14.0	38.7	23.6	92.1

At (in \$ millions)	2024 31 Dec	2023 31 Dec
Consisting of:		
Non-current provisions	29.1	24.6
Current provisions	63.0	100.5
Total	92.1	125.1

The claims provision comprises a number of claims made against the Group including disputes, personal injury cases and tax claims, where the timing of resolution is uncertain.

The decommissioning provision is mainly in relation to the Group's obligation to restore leased vessels to their original, or agreed, condition. The cash outflows related to the provision are expected to occur in the years in which the leases cease, which range from 2025 to 2027.

The onerous fixed-price contract provision relate to projects where total forecast costs-at-completion exceed the expected transaction price. The cash outflows related to the provision recognised at 31 December 2024 are expected to occur during 2025 and 2026.

Other provisions mainly relate to onerous day-rate contracts and contingent consideration.

31. Commitments and contingent liabilities

Commitments

The Group's commitments at 31 December 2024 consisted of:

- commitments related to property, plant and equipment and intangible assets of \$88.4 million (2023: \$204.4 million);
- contractual lease commitments, relating to vessel charters and office leases, exclusive of options, which had not commenced at 31 December 2024, totalling \$104.0 million (2023: \$211.6 million); and
- short-term lease commitments totalling \$209.7 million (2023: \$297.0 million).

Contingent liabilities

A summary of the contingent liabilities is as follows:

(in \$ millions)	Contingent liability recognised		Contingent liability not recognised	
	2024	2023	2024	2023
At year beginning	0.5	0.4	224.8	201.3
Movement in contingent liabilities	-	-	16.0	9.2
Exchange differences	(0.1)	0.1	(51.0)	14.3
At year end	0.4	0.5	189.8	224.8

Contingent liabilities recognised in the Consolidated Balance Sheet

As part of the accounting for the business combination of Pioneer Lining Technology Limited, the Group was required to recognise a contingent liability at the acquisition date, in respect of contingent amounts payable to a third party following the acquisition of intangible assets in 2009, in accordance with IFRS 3 'Business Combinations'. The contingent liability recognised within the Consolidated Balance Sheet at 31 December 2024 was \$0.4 million (2023: \$0.5 million).

Contingent liabilities not recognised in the Consolidated Balance Sheet

The Group is subject to tax audits and receives tax assessments in a number of jurisdictions where it has, or has had, operations. The estimation of the ultimate outcome of these audits and disputed tax assessments is complex and subjective. The likely outcome of the audits and associated cash outflow, if any, may be impacted by technical uncertainty and the availability of supporting documentation.

The Group's operations in Mexico are subject to tax audits across several years. At 31 December 2024, the amount assessed by the Mexican tax authorities in relation to 2014, including penalties and interest, was MXN 3,639.3 million, equivalent to \$179.2 million (2023: MXN 3,639.3 million, equivalent to \$212.3 million). At 31 December 2024, a provision of MXN 143.1 million, equivalent to \$7.0 million was recognised within the Consolidated Balance Sheet (2023: MXN 30.9 million, equivalent to \$1.8 million) as the IAS 37 'Provisions, contingent liabilities and contingent assets' recognition criteria were met.

At 31 December 2024, a contingent liability of MXN 589.4 million, equivalent to \$29.0 million, has been disclosed related to the 2014 assessment as the disclosure criteria have been met however management and local advisors supporting in the audit believe that the likelihood of payment is not probable.

Between 2009 and 2024, the Group's Brazilian businesses were audited and formally assessed for Imposto sobre Circulação de Mercadorias e Serviços (ICMS) and federal taxes including import duty by the Brazilian state and federal tax authorities. The amount assessed, including penalties and interest, at 31 December 2024 amounted to BRL 897.0 million, equivalent to \$142.5 million (2023: BRL 956.3 million, equivalent to \$196.6 million). The Group has challenged these assessments. A contingent liability has been disclosed for the total amounts assessed as the disclosure criteria have been met however management believes that the likelihood of payment is not probable.

Between 2018 and 2024, the Group's Brazilian business received several labour claims. The amounts claimed or assessed at 31 December 2024 totalled BRL 166.3 million, equivalent to \$26.5 million (2023: BRL 191.8 million, equivalent to \$39.4 million). The Group has challenged these claims. A contingent liability has been disclosed for BRL 115.0 million, equivalent to \$18.3 million (2023: BRL 137.2 million, equivalent to \$28.2 million) as the disclosure criteria have been met however management believes that the likelihood of payment is not probable. A provision of BRL 51.3 million, equivalent to \$8.2 million (2023: BRL 54.6 million, equivalent to \$11.2 million) was recognised within the Consolidated Balance Sheet at 31 December 2024 as the IAS 37 recognition criteria were met.

In the ordinary course of business, various claims, legal actions and complaints have been filed against the Group in addition to those specifically referred to above. The Group typically also provides contractual warranties for the repair of defects which are identified during a contract and within a defined period thereafter. Warranty periods vary dependent on contract type and operating segment; engineering, procurement, installation and commissioning (EPIC) oil and gas contracts typically attract shorter periods than EPIC renewables contracts. Liability exposure levels are monitored by management and risk transfer mechanisms arranged where deemed appropriate. Although the final resolution of any of these matters could have a material effect on its operating results for a particular reporting period, management believes that it is not probable that these matters would materially impact the Group's Consolidated Financial Statements.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*

32. Financial instruments

Details of the significant accounting policies adopted including the classification, basis of measurement and recognition of income and expense in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 3 'Material accounting policies'.

Classification of financial instruments

Financial instruments are classified as follows:

At (in \$ millions)	2024 31 Dec Carrying amount	2023 31 Dec Carrying amount
Financial assets		
Restricted cash	9.5	7.4
Cash and cash equivalents (Note 22)	575.3	750.9
Financial assets mandatorily measured at fair value through profit or loss:		
Foreign exchange forward contracts	0.4	0.8
Embedded derivatives	136.6	58.5
Financial assets elected to be measured at fair value through other comprehensive income:		
Commodity derivatives	–	1.6
Other financial assets – financial investments	1.1	1.1
Financial assets measured at amortised cost:		
Net trade receivables (Note 19)	498.9	695.4
Net non-current amounts due from associates and joint ventures (Note 17)	31.2	34.9
Net current amounts due from associates and joint ventures (Note 19)	8.0	6.0
Other financial receivables	30.0	23.5
Financial liabilities		
Financial liabilities mandatorily measured at fair value through profit or loss:		
Foreign exchange forward contracts	(6.1)	(1.2)
Embedded derivatives	(36.5)	(64.2)
Commodity derivatives	(0.4)	(0.1)
Contingent consideration	(0.5)	(1.2)
Financial liabilities elected to be measured at fair value through other comprehensive income:		
Commodity derivatives	(3.0)	(2.4)
Financial liabilities measured at amortised cost:		
Trade payables (Note 29)	(378.9)	(348.0)
Lease liabilities (Note 27)	(454.9)	(458.3)
Current amounts due to associates and joint ventures (Note 29)	(12.4)	(7.4)
Borrowings (Note 26)	(722.0)	(844.9)
Other financial payables	(1.6)	(160.9)

Fair value

The carrying amounts of financial assets and financial liabilities recorded at amortised cost in the Consolidated Balance Sheet approximate their fair values due to their short-term nature or contractual cash flow characteristics.

Financial instruments – gains and losses recognised within profit or loss

The Group's financial instruments resulted in the recognition of the following in the Consolidated Income Statement:

For the year ended (in \$ millions)	2024 31 Dec	2023 31 Dec
Interest income from financial assets measured at amortised cost	24.4	25.2
Interest cost and fees from financial liabilities measured at amortised cost	(72.7)	(58.7)
Net fair value gains on financial assets measured at fair value through profit or loss	77.7	41.5
Net fair value gains/(losses) on financial liabilities measured at fair value through profit or loss	23.2	(29.5)



Fees incurred in connection with financial instruments

Total fees incurred during the year in connection with financial instruments measured at amortised cost were \$5.6 million (2023: \$5.2 million).

Cash and cash equivalents

At 31 December 2024, the Group held cash and cash equivalents of \$575.3 million (2023: \$750.9 million) which included cash and cash equivalents available on demand of \$160.0 million (2023: \$216.5 million) and time deposits with financial institutions of \$415.3 million (2023: \$534.4 million).

The table below shows the carrying amount related to amounts on deposit. These are graded and monitored internally by the Group based on current external credit ratings issued, with 'prime' being the highest possible rating.

At (in \$ millions)	2024 31 Dec	2023 31 Dec
Deposits:		
Counterparties rated prime grade	75.0	50.0
Counterparties rated high grade	130.0	65.0
Counterparties rated upper-medium grade	183.0	269.9
Counterparties rated lower-medium grade	26.6	146.6
Counterparties rated non-investment grade	0.7	2.9
Total	415.3	534.4

Financial instruments mandatorily measured at fair value through profit or loss

The Group classifies its financial assets at fair value through profit or loss if classified as one of the following:

- debt instruments that do not qualify for measurement at either amortised cost or at fair value through other comprehensive income;
- equity investments that are held for trading;
- equity investments for which the entity has not elected to recognise fair value gains and losses through other comprehensive income; or
- derivative financial instruments.

Derivative financial instruments recognised in the Consolidated Balance Sheet were as follows:

At (in \$ millions)	31 Dec 2024 Assets	31 Dec 2024 Liabilities	31 Dec 2024 Total	31 Dec 2023 Assets	31 Dec 2023 Liabilities	31 Dec 2023 Total
Non-current						
Embedded derivatives	62.9	(9.3)	53.6	29.5	(30.7)	(1.2)
Commodity derivatives	–	(1.4)	(1.4)	–	(1.9)	(1.9)
Total	62.9	(10.7)	52.2	29.5	(32.6)	(3.1)
Current						
Forward foreign exchange contracts	0.4	(6.1)	(5.7)	0.8	(1.2)	(0.4)
Embedded derivatives	73.7	(27.2)	46.5	29.0	(33.5)	(4.5)
Commodity derivatives	–	(2.0)	(2.0)	1.6	(0.6)	1.0
Total	74.1	(35.3)	38.8	31.4	(35.3)	(3.9)

Contingent consideration

Contingent consideration relates to amounts payable in connection with business combinations. The amounts payable are contingent on future events and are determined based on current expectations of the achievement of specific targets and milestones.

Financial instruments elected to be measured at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income comprise investments in equity securities not held for trading, and for which the Group has made an irrevocable election, at initial recognition, to recognise changes in fair value through other comprehensive income rather than profit or loss as these investments are strategic in nature.

Management concluded that due to the nature of these investments, there are a wide range of possible fair value measurements and in some cases there may be insufficient recent information available to enable the Group to accurately measure fair value. Management reviews investments at least annually to ensure the carrying amount can be supported by expected future cash flows and has concluded that cost is considered to represent the best estimate of fair value of each investment within a range of possible outcomes.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*

32. Financial instruments continued

Financial instruments elected to be measured at fair value through other comprehensive income continued

Upon disposal or derecognition of these equity investments, any associated balance accumulated within other comprehensive income will be reclassified to retained earnings. No investments were derecognised during the year.

During the year, no dividends were recognised within profit or loss in connection with the financial investments and there were no transfers of cumulative gains or losses within equity.

Financial assets measured at amortised cost

The Group classifies its financial assets at amortised cost only if both of the following criteria are met: the asset is held within a business model with the objective of collecting the contractual cash flows; and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Financial risk management objectives

The Group monitors and manages the financial risks relating to its financial operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (consisting of currency risk and fair value interest rate risk), credit risk and liquidity risk. The Group seeks to minimise the effects of these risks by using a variety of financial instruments to hedge these financial risk exposures. Derivative financial instruments are used exclusively for hedging purposes and not as trading or speculative instruments.

Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group enters into a variety of derivative financial instruments to manage its exposure to foreign currency risks, including forward foreign exchange contracts to hedge the exchange rate risk arising on future revenue, operating expenditures and capital expenditures.

During the year ended 31 December 2024, there was no significant change to the Group's exposure to market risks or the manner in which it managed and measured the risk.

Foreign currency risk

The Group conducts operations in many countries and, as a result, is exposed to foreign currency fluctuations related to revenue and expenditure in the normal course of business. The Group has in place risk management policies that seek to limit the adverse effects of fluctuations in foreign currency exchange rates on its financial performance.

The Group's reporting currency is the US Dollar. Revenue and expenses are principally denominated in the reporting currency of the Group. The Group also has significant operations denominated in Brazilian Real, British Pound Sterling, Euro and Norwegian Krone as well as other cash flows in Angolan Kwanza, Australian Dollar, Azerbaijan Manat, Canadian Dollar, Central African CFA Franc, Chinese Yuan, Danish Krone, Egyptian Pound, Ghanaian Cedi, Korean Won, Malaysian Ringgit, Mexican Peso, Nigerian Naira, Qatar Rial, Saudi Arabian Riyal, Singaporean Dollar, Taiwan Dollar, Turkish Lira, UAE Dirham and West African CFA Franc.

Foreign currency sensitivity analysis

The Group considers that its principal currency exposure is to movements in the US Dollar against other currencies. The US Dollar is the Group's reporting currency, the functional currency of many of its subsidiaries and the currency of a significant volume of the Group's cash flows.

At 31 December 2024, the Group performed a sensitivity analysis to indicate the extent to which net income and equity would be affected by changes in the exchange rate between the US Dollar and other currencies in which the Group transacts. The analysis is based on a strengthening of the US Dollar by 10% against each of the other currencies in which the Group has significant assets and liabilities at the end of each respective year. A movement of 10% reflects a reasonably possible sensitivity when compared to historical movements over a five-year time-frame. The Group's analysis of the impact on net income in each year is based on monetary assets and liabilities on the Consolidated Balance Sheet at the end of each respective year.

The Group's analysis of the impact on equity includes the impacts on the translation reserve in respect of intra-group balances that form part of the net investment in a foreign operation. The amounts disclosed have not been adjusted for the impact of taxation.

A 10% strengthening in the US Dollar exchange rate against other currencies in which the Group transacts would increase net foreign currency exchange losses reported in other gains and losses by \$65.3 million for the year ended 31 December 2024 (2023: \$11.9 million). The impact would be a decrease in reported equity of \$73.6 million (2023: \$21.1 million).



Forward foreign exchange contracts

The Group primarily enters into forward foreign exchange contracts with maturities of up to three years, to manage the risk associated with transactions with a foreign exchange exposure risk. These transactions consist of highly probable cash flow exposures relating to revenue, operating expenditure and capital expenditure.

The Group does not use derivative instruments to hedge the exposure to exchange rate fluctuations from its net investments in foreign subsidiaries.

The following table details the external forward foreign exchange contracts outstanding:

At 31 December 2024

(in \$ millions)	Contracted amount by contract maturity				Fair value by contract maturity	
	Buy		Sell		Maturity	
	< 1 year	1-5 years	< 1 year	1-5 years	< 1 year	1-5 years
British Pound Sterling	189.5	-	(7.5)	-	(2.7)	-
Danish Krone	1.3	-	(1.2)	-	-	-
Euro	204.2	-	-	-	(2.3)	-
Norwegian Krone	21.8	-	(12.2)	-	0.1	-
Singapore Dollar	29.4	-	(3.7)	-	(0.2)	-
Australian Dollar	36.8	-	(4.7)	-	(0.6)	-
Total	483.0	-	(29.3)	-	(5.7)	-

At 31 December 2023

(in \$ millions)	Contracted amount by contract maturity				Fair value by contract maturity	
	Buy		Sell		Maturity	
	< 1 year	1-5 years	< 1 year	1-5 years	< 1 year	1-5 years
British Pound Sterling	45.5	-	(46.8)	-	(0.2)	-
Danish Krone	20.8	-	(20.3)	-	0.3	-
Euro	114.9	-	(24.1)	-	(0.3)	-
Norwegian Krone	11.6	-	(212.5)	-	(0.2)	-
Singapore Dollar	30.8	-	(1.5)	-	-	-
Australian Dollar	32.3	-	-	-	-	-
Total	255.9	-	(305.2)	-	(0.4)	-

Hedge accounting

The hedging reserve, included within other reserves in the Consolidated Balance Sheet, represents hedging gains/(losses) recognised on the effective portion of commodity cash flow hedges. The movement in the hedging reserve was as follows:

(in \$ millions)	2024 31 Dec	2023 31 Dec
At year beginning	(0.8)	3.8
(Losses)/gains on the effective portion of derivative financial instruments deferred to equity:		
Cash flow on commodity hedges	(0.8)	(6.4)
Amounts reclassified to the Consolidated Income Statement	(2.0)	1.8
Exchange differences	0.3	-
At year end	(3.3)	(0.8)

The Group documents its assessment of whether the hedging instrument which is used in a hedging relationship is effective in offsetting changes in cash flows of the hedged item, on a prospective basis. The cumulative effective portion is deferred in equity within other reserves as hedging reserves in the Consolidated Balance Sheet. The resulting cumulative gains or losses will be reclassified to the Consolidated Income Statement upon the recognition of the underlying transaction or the discontinuance of the hedging relationship. Movements in respect of effective hedges are shown in the Consolidated Statement of Changes in Equity. The gains or losses relating to the ineffective portion of cash flow hedges are recognised in the Consolidated Income Statement and the net amount for the year was \$0.5 million (2023: \$0.5 million). Hedge ineffectiveness can arise from differences in the timing of the cash flows of the hedged items and the hedging instruments, different indexes linked to the hedged risk of the hedged items and hedging instruments, counterparties' credit risk differently impacting fair value movements of the hedging instruments and hedged items or changes to the forecast amount of cash flows of hedged items and hedging instruments. There is an economic relationship between the hedged items and the hedging instruments as the terms of the commodity forward contracts match the terms of the expected highly probable forecast transactions.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*

32. Financial instruments continued

Hedge accounting continued

The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the commodity forward contracts is identical to the hedged risk components. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

At 31 December 2024 and at 31 December 2023, none of the Group's outstanding external forward foreign exchange contracts had been designated as hedging instruments.

Commodity hedging

The Group enters into commodity hedging to manage risk on specific exposures, swapping floating price to fixed price. At 31 December 2024, there were no commodity trades recognised within financial assets (2023: \$1.6 million) and \$3.4 million within financial liabilities (2023: \$2.5 million).

Embedded derivatives

The Group regularly enters into multi-currency contracts from which the cash flows may lead to embedded foreign exchange derivatives in non-financial host contracts, carried at fair value through profit or loss. Embedded foreign currency derivatives, arising from multi-currency contracts, are separated where the host contract does not qualify as a financial asset, where the transactional currency differs from the functional currencies of the involved parties and a separate instrument, with the same terms as the embedded derivative, would meet the definition of a derivative.

The fair values of the embedded derivatives at 31 December 2024 amounted to \$136.6 million related to financial assets (2023: \$58.5 million) and \$36.5 million related to financial liabilities (2023: \$64.2 million). Movements were reflected on the Consolidated Income Statement in net foreign currency gains and losses within other gains and losses.

Interest rate risk management

The Group places funds in the money markets to generate an investment return with a range of maturities (generally less than six months) ensuring a high level of liquidity and reducing the credit risk associated with the deposits. Changes in the interest rates associated with these deposits will impact the interest income generated.

Interest rate sensitivity analysis

The Group's facilities, as disclosed in Note 26 'Borrowings', utilise Secured Overnight Financing Rate (SOFR) as the reference rate for borrowings.

At 31 December 2024, the Group performed a sensitivity analysis on borrowings to indicate the extent to which a change in SOFR would affect net income and equity. The analysis is based on a movement in the SOFR of 1%, with all other variables held constant. A movement of 1% reflects a reasonably possible sensitivity when compared to historical movements.

A 1% movement in SOFR would impact interest on financial liabilities measured at amortised cost reported in finance costs by \$8.3 million for the year ended 31 December 2024 (2023: \$6.8 million). Reported equity would be impacted by \$7.0 million (2023: \$5.8 million).

Credit risk management

Credit risk refers to the risk that a customer or counterparty to a financial instrument will default on its contractual obligations and fail to make payment as obligations fall due resulting in financial loss for the Group. Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents, trade and other receivables and derivative financial instruments.

The maximum exposure of the Group to credit-related losses on financial instruments is the aggregate of the carrying amount of the financial assets as summarised on page 182.

Financial instruments and cash deposits

The Group has adopted a policy of transacting with creditworthy financial institutions as a means of mitigating the risk of financial loss from defaults. Credit ratings are supplied by independent rating agencies. The Group's exposure and the credit ratings of its counterparties are continually monitored and the aggregate value of transactions undertaken is distributed among approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved on an annual basis and are monitored daily. The Group uses credit ratings as well as other publicly available financial information and its own trading records to rate its major counterparties.

The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.



Trade receivables and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group's credit risk management practices are designed to address the risk characteristics of key financial assets. Credit exposure is controlled by counterparty limits that are reviewed and approved on an annual basis and are monitored daily. In respect of its customers and suppliers, the Group uses credit ratings as well as other publicly available financial information and its own trading records to rate its major counterparties. The assessment of the Group's exposure to credit risk includes consideration of historical and forward-looking information regarding both the financial position and performance of the counterparty and the general macro-economic environment.

Expected credit loss assessment for financial assets

Allowances are recognised as required under the IFRS 9 'Financial Instruments' impairment model and continue to be carried until there are indicators that there is no reasonable expectation of recovery.

For construction contract assets and trade and other receivables which do not contain a significant financing component, the Group applies the simplified approach. This approach requires the allowance for expected credit losses to be recognised at an amount equal to lifetime expected credit losses. For other financial assets the Group applies the general approach to providing for expected credit losses as prescribed by IFRS 9, which permits the recognition of an allowance for the estimated expected loss resulting from default in the subsequent 12-month period. Exposure to credit loss is monitored on a continual basis and, where material, the allowance for expected credit losses is adjusted to reflect the risk of default during the lifetime of the financial asset should a significant change in credit risk be identified.

In determining expected credit losses, financial assets with the same counterparty are grouped and where appropriate expected credit losses are measured on a collective basis. In determining the level of allowance the Group uses an internal credit risk grading framework and applies judgement based on a variety of data in order to predict the likely risk of default. The Group defines default as full or partial non-payment of contractual cash flows. The determination of expected credit losses is derived from historical and forward-looking information which includes external ratings, audited financial statements and other publicly available information about customers. Determination of the level of expected credit loss incorporates a review of factors which can be indicative of default, including the nature of the counterparty (for example, national energy companies, international energy companies or independent energy companies) and the individual industry sectors in which the counterparty operates.

The majority of the Group's financial assets are expected to have a low risk of default. A review of the historical occurrence of credit losses indicates that credit losses are insignificant due to the size of the Group's customers and the nature of the services provided. The outlook for the energy industry is not expected to result in a significant change in the Group's exposure to credit losses. As lifetime expected credit losses are not expected to be significant the Group has opted not to adopt the practical expedient available under IFRS 9 to utilise a provision matrix for the recognition of lifetime expected credit losses on trade receivables. Allowances are calculated on a case-by-case basis based on the credit risk applicable to individual counterparties.

Exposure to credit risk is continually monitored in order to identify financial assets which experience a significant change in credit risk. While assessing for significant changes in credit risk the Group makes use of operational simplifications permitted by IFRS 9. The Group considers a financial asset to have low credit risk if the asset has a low risk of default; the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term; and no adverse changes in economic or business conditions have been identified which in the longer term may, but will not necessarily, reduce the ability of the counterparty to fulfil its contractual cash flow obligations. Where a financial asset becomes more than 30 days past its due date additional procedures are performed to determine the reasons for non-payment in order to identify if a change in the exposure to credit risk has occurred.

Should a significant change in the exposure to credit risk be identified the allowance for expected credit losses is increased to reflect the risk of expected default in the lifetime of the financial asset. The Group continually monitors for indications that a financial asset has become credit impaired with an allowance for credit impairment recognised when the loss is incurred. Where a financial asset becomes more than 90 days past its due date additional procedures are performed to determine the reasons for non-payment in order to identify if the asset has become credit impaired.

The Group considers an asset to be credit impaired once there is evidence that a loss has been incurred. In addition to recognising an allowance for expected credit loss, the Group monitors for the occurrence of events that have a detrimental impact on the recoverability of financial assets. Evidence of credit impairment includes, but is not limited to, indications of significant financial difficulty of the counterparty, a breach of contract or failure to adhere to payment terms, bankruptcy or financial reorganisation of a counterparty or the disappearance of an active market for the financial asset.

A financial asset is only impaired when there is no reasonable expectation of recovery.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*

32. Financial instruments continued

Expected credit loss assessment for financial assets continued

For trade receivables, the Group's current credit risk grading framework comprises the following categories:

Category	Description	Response
Performing	The counterparty has a low risk of default. No balances are aged greater than 30 days past due.	An allowance for lifetime ECLs is recognised where the impact is determined to be material.
Monitored	The counterparty has a low risk of default. Balances aged greater than 30 days past due have arisen due to ongoing commercial discussions associated with the close-out of contractual requirements and are not considered to be indicative of an increased risk of default.	The allowance for lifetime ECLs is increased where the impact is determined to be material.
In default	Balances are greater than 90 days past due with the ageing not being as a result of ongoing commercial discussions associated with the close-out of contractual commitments, or there is evidence indicating that the counterparty is in severe financial difficulty and collection of amounts due is improbable.	The asset is considered to be credit impaired and an allowance for the estimated incurred loss is recognised where material.
Written off	There is evidence that the counterparty is in severe financial difficulty and the Group has no realistic prospect of recovery of balances due.	The gross receivable and associated allowance are both derecognised.

The credit risk grades disclosed above are consistent with the information used by the Group for credit risk management purposes. Specific information regarding the counterparty together with past-due information and forward-looking information is utilised in order to determine the appropriate credit grading category. Trade receivables balances were evaluated using the grading framework.

At (in \$ millions)	2024 31 Dec	2023 31 Dec
Performing	467.1	672.2
Monitored	33.9	24.5
In default	21.6	23.0
Gross carrying amount	522.6	719.7

In addition to the credit risk grading framework for trade receivables the Group uses past-due information to assess significant increases in credit risk for all financial assets. Information related to ageing of material financial assets is included within subsequent disclosures.

Other financial assets, including amounts due from associates and joint ventures, are not subject to the Group's credit risk grading framework. The Group assesses the credit risk of these financial assets on a case-by-case basis using all relevant available historical and forward-looking information. Allowances for expected credit losses or credit impairment are recorded when required.

Trade receivables

At (in \$ millions)	2024 31 Dec	2023 31 Dec
Gross carrying amount	522.6	719.7
Allowance for expected credit losses	(2.1)	(1.3)
Allowance for incurred credit impairments	(21.6)	(23.0)
Net carrying amount	498.9	695.4

The table below provides an analysis of the age of trade receivables at the balance sheet date. This includes details of those trade receivables which are past due, but not impaired, and trade receivables which are individually determined to be impaired.

At 31 December 2024

(in \$ millions)	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Gross carrying amount	467.3	20.4	1.7	33.2	522.6
Allowance for expected credit losses	(2.1)	-	-	-	(2.1)
Allowance for incurred credit impairments	(0.2)	-	-	(21.4)	(21.6)
Net carrying amount	465.0	20.4	1.7	11.8	498.9



At 31 December 2023

(in \$ millions)	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Gross carrying amount	672.2	16.7	3.0	27.8	719.7
Allowance for expected credit losses	(1.3)	-	-	-	(1.3)
Allowance for incurred credit impairments	-	-	-	(23.0)	(23.0)
Net carrying amount	670.9	16.7	3.0	4.8	695.4

The movement in the allowance for expected credit losses in respect of trade receivables during the year was as follows:

(in \$ millions)	2024 31 Dec	2023 31 Dec
Allowance for expected credit losses		
At year beginning	(1.3)	(2.0)
(Increase)/decrease in allowance	(0.8)	0.7
At year end	(2.1)	(1.3)

The movement in the allowance for credit impairment in respect of trade receivables during the year was as follows:

(in \$ millions)	2024 31 Dec	2023 31 Dec
Allowance for credit impairment		
At year beginning	(23.0)	(4.4)
Increase in allowance	(0.4)	(20.1)
Utilisation of allowance	1.5	1.4
Unused amounts released during the year	-	0.1
Exchange differences	0.3	-
At year end	(21.6)	(23.0)

During the year ended 31 December 2024, the Group did not collect cash in respect of any trade receivables which had been credit impaired in the prior year (2023: \$0.1 million).

Amounts due from associates and joint ventures

At (in \$ millions)	2024 31 Dec	2023 31 Dec
Gross carrying amount	40.8	44.6
Allowance for incurred credit impairments	(1.6)	(3.7)
Net carrying amount	39.2	40.9

The table below provides an analysis of the ageing of amounts due from associates and joint ventures. This includes balances with associates and joint ventures which are past due at the end of the reporting period, but not impaired, and balances which are individually determined to be impaired at the end of the reporting period.

At 31 December 2024

(in \$ millions)	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Gross carrying amount	36.2	-	-	4.6	40.8
Allowance for incurred credit impairments	-	-	-	(1.6)	(1.6)
Net carrying amount	36.2	-	-	3.0	39.2

At 31 December 2023

(in \$ millions)	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Gross carrying amount	33.2	-	0.2	11.2	44.6
Allowance for incurred credit impairments	(0.2)	-	-	(3.5)	(3.7)
Net carrying amount	33.0	-	0.2	7.7	40.9



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*

32. Financial instruments continued

Amounts due from associates and joint ventures continued

The movement in the allowance for credit impairments in respect of amounts due from associates and joint ventures during the year was as follows:

(in \$ millions)	2024 31 Dec	2023 31 Dec
Allowance for credit impairments		
At year beginning	(3.7)	(3.7)
Utilisation of allowance	0.1	–
Reclassification following derecognition of investment in joint venture	1.8	–
Exchange differences	0.2	–
At year end	(1.6)	(3.7)

At 31 December 2024, the allowance for expected credit losses recognised in connection with amounts due from associates and joint ventures was \$nil (2023: \$nil).

Other financial assets at amortised cost

An analysis of the age of other financial assets at the balance sheet date has not been provided on the grounds of materiality. Other financial assets are typically non-recurring and are monitored on an asset-by-asset basis. Ageing is not necessarily reflective of credit risk.

At 31 December 2024, the allowances for expected credit losses and credit impairment recognised in connection with other financial assets at amortised cost were \$nil (2023: \$nil).

Concentration of credit risk

Credit risk is primarily associated with trade receivables. Net trade receivables as shown in Note 19 'Trade and other receivables' arise from a large number of customers, dispersed geographically. Continual credit evaluation is performed on the recoverability of trade receivables. The following table classifies outstanding balances into three categories:

At	2024 31 Dec Category percentage	2023 31 Dec Category percentage
National energy companies	29%	30%
International energy companies	13%	29%
Independent energy companies	58%	41%
Total	100%	100%

National energy companies are either partially or fully-owned by, or directly controlled by, the government of their respective country of incorporation. Both international and independent energy companies are mainly publicly or privately owned. International energy companies are generally larger in size and scope than independent energy companies.

During the year ended 31 December 2024, two customers (2023: two customers) contributed individually to 10% or more of the Group's revenue. The revenue from these customers was \$1,851.5 million or 27% of total Group revenue (2023: \$1,437.6 million or 24%).

The five largest receivables balances by customer are shown below:

At (in \$ millions)	31 Dec 2024
Customer A	98.9
Customer B	46.6
Customer C	28.9
Customer D	25.9
Customer E	24.2

At (in \$ millions)	31 Dec 2023
Customer A	121.6
Customer B	73.4
Customer C	67.4
Customer D	45.6
Customer E	44.9

The customer mix for outstanding accounts receivable balances at 31 December 2024 is not the same as at 31 December 2023. The Group did not have any significant credit exposure to any single counterparty at 31 December 2024 or 31 December 2023.



The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are primarily banks with high credit ratings assigned by international credit-rating agencies. At 31 December 2024, 28% (2023: 47%) of cash and cash equivalents was held at counterparties with a credit rating lower than 'upper-medium grade' classification.

Liquidity risk management

The Group has a framework for the management of short, medium and long-term funding and liquidity management requirements. The Group continually monitors forecast and actual cash flows and matches the maturity profiles of financial assets and liabilities. Liquidity risk is managed by maintaining adequate cash and cash equivalent balances and by ensuring available borrowing facilities are in place. Included in Note 26 'Borrowings' are details of the undrawn facilities that the Group had at 31 December 2024.

Liquidity tables

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been prepared based on the undiscounted cash flows relating to financial liabilities based on the earliest date on which the payment can be required. Principal cash flows are as follows:

At 31 December 2024

(in \$ millions)	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	Total
Borrowings ^(a)	8.0	34.7	143.6	654.6	840.9
Trade payables	309.3	42.8	23.7	3.1	378.9
Amounts due to associates and joint ventures	12.4	-	-	-	12.4
Lease liabilities	21.9	40.0	188.5	253.4	503.8
Total	351.6	117.5	355.8	911.1	1,736.0

(a) Amounts totalling \$78.1 million included within the category 1-5 years represent amounts with a maturity date of greater than 5 years.

At 31 December 2023

(in \$ millions)	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	Total
Borrowings ^(a)	8.5	41.5	127.8	840.5	1,018.3
Trade payables	271.9	58.7	17.4	-	348.0
Amounts due to associates and joint ventures	7.4	-	-	-	7.4
Lease liabilities	16.4	31.0	147.4	327.3	522.1
Total	304.2	131.2	292.6	1,167.8	1,895.8

(a) Amounts totalling \$134.3 million included within the category 1-5 years represent amounts with a maturity date of greater than 5 years.

The following table details the Group's liquidity profile for its derivative financial liabilities. The table has been prepared based on the undiscounted net cash payments and receipts on the derivative instruments that settle on a net basis and the undiscounted gross payments and receipts on those derivative financial instruments that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the balance sheet date.

At 31 December 2024

(in \$ millions)	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	Total
Net settled:					
Embedded derivatives	-	3.3	22.8	12.0	38.1
Commodity hedging	0.3	0.4	1.3	1.4	3.4
Gross settled:					
Foreign exchange forward contract payments	489.2	-	-	-	489.2
Foreign exchange forward contract receipts	(483.1)	-	-	-	(483.1)
Total	6.4	3.7	24.1	13.4	47.6



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*

32. Financial instruments continued

Liquidity tables continued

At 31 December 2023

(in \$ millions)	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	Total
Net settled:					
Embedded derivatives	–	10.2	21.8	36.2	68.2
Commodity hedging	–	–	0.6	1.9	2.5
Gross settled:					
Foreign exchange forward contract payments	377.6	–	–	–	377.6
Foreign exchange forward contract receipts	(376.4)	–	–	–	(376.4)
Total	1.2	10.2	22.4	38.1	71.9

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders of the parent company.

The capital structure of the Group consists of debt, which includes borrowings disclosed in Note 26 'Borrowings', cash and cash equivalents disclosed in Note 22 'Cash and cash equivalents' and equity attributable to shareholders of the parent company, comprising issued share capital, paid in surplus, reserves and retained earnings.

The Group monitors its capital structure using a leverage ratio of net debt to Adjusted EBITDA. The ratio calculates net debt as the principal amount of borrowings and lease liabilities less cash and cash equivalents.

Reconciliation of movements in liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows are classified in the Consolidated Cash Flow Statement as cash flows from financing activities.

(in \$ millions)	Liabilities		Dividends payable to shareholders	Equity		Other	Total
	Borrowings	Lease liabilities		Treasury shares	Other equity		
Balance at 1 January 2024	844.9	458.3	–	(31.1)	(17.7)	(11.6)	1,242.8
Financing cash flows							
Interest paid	(58.4)	(33.6)	–	–	–	(17.2)	(109.2)
Net repayment of borrowings	(124.8)	–	–	–	–	–	(124.8)
Payments related to lease liabilities	–	(189.6)	–	–	–	–	(189.6)
Cost of share repurchases	–	–	–	(87.3)	–	–	(87.3)
Dividends paid to shareholders of the parent company	–	–	(162.9)	–	–	–	(162.9)
Amounts paid in relation to non-wholly owned subsidiaries	–	–	–	–	(6.4)	–	(6.4)
Total financing cash flows	(183.2)	(223.2)	(162.9)	(87.3)	(6.4)	(17.2)	(680.2)
Non-cash changes							
Dividends declared	–	–	163.1	–	–	–	163.1
Non-cash movements in lease liabilities	–	195.3	–	–	–	–	195.3
Non-cash movements in treasury shares	–	–	–	49.3	(49.3)	–	–
Interest and fees	60.3	34.7	–	–	–	6.2	101.2
Exchange differences	–	(10.2)	(0.2)	–	–	–	(10.4)
Total non-cash changes	60.3	219.8	162.9	49.3	(49.3)	6.2	449.2
Balance at 31 December 2024	722.0	454.9	–	(69.1)	(73.4)	(22.6)	1,011.8



(in \$ millions)	Liabilities		Dividends payable to shareholders	Equity		Other	Total
	Borrowings	Lease liabilities		Treasury shares	Other equity		
Balance at 1 January 2023	356.0	257.0	-	(75.0)	38.8	(4.5)	572.3
Financing cash flows							
Interest paid	(52.1)	(30.1)	-	-	-	-	(82.2)
Net proceeds from borrowings	492.8	-	-	-	-	-	492.8
Payments related to lease liabilities	-	(134.8)	-	-	-	-	(134.8)
Dividends paid to shareholders of the parent company	-	-	(112.1)	-	-	-	(112.1)
Acquisition of shares in non-wholly-owned subsidiary	-	-	-	-	(12.6)	-	(12.6)
Total financing cash flows	440.7	(164.9)	(112.1)	-	(12.6)	-	151.1
Non-cash changes							
Dividends declared	-	-	112.1	-	-	-	112.1
Non-cash movements in lease liabilities	-	335.6	-	-	-	-	335.6
Non-cash movements in treasury shares	-	-	-	43.9	(43.9)	-	-
Interest and fees	48.2	30.1	-	-	-	(7.1)	71.2
Exchange differences	-	0.5	-	-	-	-	0.5
Total non-cash changes	48.2	366.2	112.1	43.9	(43.9)	(7.1)	519.4
Balance at 31 December 2023	844.9	458.3	-	(31.1)	(17.7)	(11.6)	1,242.8

Fair value hierarchy

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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32. Financial instruments continued

Fair value measurement

During the year ended 31 December 2024, there were no transfers between levels of the fair value hierarchy. The Group recognises transfers between levels of the fair value hierarchy from the date of the event or change in circumstances that caused the transfer.

Assets and liabilities which are measured at fair value in the Consolidated Balance Sheet and their level of the fair value hierarchy were as follows:

At (in \$ millions)	2024 31 Dec Level 1	2024 31 Dec Level 2	2024 31 Dec Level 3	2023 31 Dec Level 1	2023 31 Dec Level 2	2023 31 Dec Level 3
Recurring fair value measurements						
Financial assets:						
Financial assets at fair value through profit or loss – derivative instruments	–	0.4	–	–	0.8	–
Financial assets at fair value through profit or loss – embedded derivatives	–	136.6	–	–	58.5	–
Financial assets at fair value through other comprehensive income – commodity derivatives	–	–	–	–	1.6	–
Financial liabilities:						
Financial liabilities at fair value through profit or loss – derivative instruments	–	(6.1)	–	–	(1.2)	–
Financial liabilities at fair value through profit or loss – embedded derivatives	–	(36.5)	–	–	(64.2)	–
Financial liabilities at fair value through profit or loss – commodity derivatives	–	(0.4)	–	–	(0.1)	–
Financial liabilities at fair value through other comprehensive income – commodity derivatives	–	(3.0)	–	–	(2.4)	–
Contingent consideration ^(a)	–	–	(0.5)	–	–	(1.2)

(a) A reconciliation of contingent consideration movements during the year is shown on page 195.



Recurring fair value measurements

Financial assets and financial liabilities

Financial assets and financial liabilities which are remeasured to fair value on a recurring basis are determined as follows:

- the fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices;
- the fair values of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and quotes for similar instruments;
- the fair value of other financial assets classified as current assets, which includes quoted securities, is determined using quoted prices;
- the fair value of contingent consideration is determined based on current expectations of the achievement of specific targets and milestones calculated using the discounted cash flow method and unobservable inputs. Quantitative information about the significant unobservable inputs used in the fair value measurement and sensitivities to changes in these unobservable inputs are as disclosed below:

(in \$ millions)	Balance at 1 January 2024	Utilisation	Unused amounts released	Balance at 31 December 2024
Contingent consideration	1.2	(0.5)	(0.2)	0.5

- significant inputs to the fair value of contingent consideration following a business combination include the assumed probability of the achievement of operational targets and technical milestones. A significant increase or decrease in the assumed probability of achieving these would result in a higher or lower fair value of the contingent consideration liability, while a significant increase or decrease in the discount rate would result in a higher or lower fair value of the contingent consideration liability. Gains or losses for the year were recognised in the Consolidated Income Statement as disclosed within Note 7 'Other gains and losses'; and
- the fair values of foreign exchange derivative instruments and embedded derivatives are calculated using quoted foreign exchange rates and yield curves derived from quoted interest rates matching maturities of the contract. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivative financial instruments.

Non-recurring fair value measurements

Assumptions used in determining fair value of financial assets and financial liabilities which are remeasured to fair value on a non-recurring basis are as follows:

The fair value of receivables and payables is based on their carrying amount, which is representative of contractual amounts due and, where appropriate, incorporates expectations about future expected credit losses.

Other financial assets which are classified as non-current include equity investments in unlisted companies which are strategic in nature. Management concluded that due to the nature of these investments, there are a wide range of possible fair value measurements and in some cases there may be insufficient recent information available to enable the Group to accurately measure fair value. Management reviews investments annually to ensure the carrying amount can be supported by expected future cash flows and has concluded that cost is considered to represent the best estimate of fair value of each investment within a range of possible outcomes.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*

33. Related party transactions

Key management personnel

Key management personnel include the Board of Directors and the Executive Management Team. Key management personnel at 31 December 2024 included 15 individuals (2023: 15 individuals). The remuneration of these personnel is determined by the Compensation Committee of the Board of Directors of Subsea 7 S.A.

Non-Executive Directors

Details of fees payable to and shares held by Non-Executive Directors for the year ended 31 December 2024 are disclosed in the Remuneration Report on pages 59 to 63.

Key management (Executive Management Team)

Payments made by the Group in relation to the Executive Management Team during the year were as follows:

For the year ended (in \$ millions)	2024 31 Dec ^(a)	2023 31 Dec ^(a)
Salaries and other short-term employee benefits ^(b)	8.1	6.3
Share-based payments ^(c)	1.1	0.7
Post-employment benefits ^(d)	0.2	0.2
Total	9.4	7.2

- (a) Amounts represent payments made to members of the Executive Management Team and the associated costs incurred by the Group.
- (b) Salaries and other short-term employee benefits represent payments made during the year in respect of base salary, short-term bonus payments, other short-term remuneration, other short-term benefits, including private healthcare and car allowances, and the associated social security contributions made by the Group.
- (c) Share-based payments represent the market value of the shares transferred to the participants during the year. Shares transferred represent performance shares which vested under the 2018 Long Term Incentive Plan and which participants are entitled to receive. Refer to the Remuneration Report on pages 59 to 63 for details of the plan.
- (d) Post-employment benefits represent the cash value of defined pension contribution payments made by the Group during the year.

Remuneration for the Chief Executive Officer and Chief Financial Officer

Total remuneration for the Chief Executive Officer and Chief Financial Officer is disclosed in the Remuneration Report on pages 59 to 63.

Shares and performance shares

Performance shares outstanding and shareholdings held at 31 December 2024 are disclosed in the Remuneration Report on pages 59 to 63.

Transactions with key management personnel

During the year, the Executive Management Team were awarded the rights to 305,000 performance shares under the Group's 2022 Long Term Incentive Plan. Refer to the Remuneration Report on pages 59 to 63 for details of the plan.

Transactions with associates and joint ventures

The Consolidated Balance Sheet includes:

At (in \$ millions)	2024 31 Dec	2023 31 Dec
Net non-current receivables due from associates and joint ventures (Note 17)	31.2	34.9
Net trade receivables due from associates and joint ventures (Note 19)	8.0	6.0
Trade payables due to associates and joint ventures (Note 29)	(12.4)	(7.4)
Net receivables due from associates and joint ventures	26.8	33.5



During the year ended 31 December 2024, the Group provided services to associates and joint ventures amounting to \$40.2 million (2023: \$6.1 million) and purchased goods and services from associates and joint ventures amounting to \$33.1 million (2023: \$14.8 million). In 2021, the Group advanced a loan of \$33.0 million to Eidesvik Seven AS, of which \$28.2 million remained outstanding at 31 December 2024. The loan is repayable in instalments with the final amount due on 31 December 2025, subject to a one-year extension option.

Other related party transactions

During the year the Group undertook related party transactions, all of which were conducted on an arm's length basis.

The Group is an associate of Siem Industries S.A. and is equity accounted for within Siem Industries S.A.'s Consolidated Financial Statements.

Purchases by the Group from companies ultimately controlled by Siem Industries S.A. including vessel charters, provision of crew, associated services and property rental totalling \$24.4 million (2023: \$24.9 million) were made during the year.

Income generated by the Group from companies ultimately controlled by Siem Industries S.A. in relation to property rental totalling \$0.2 million (2023: \$0.3 million) was recognised during the year.

At 31 December 2024, the Group had outstanding balances payable to companies ultimately controlled by Siem Industries S.A. of \$0.1 million (2023: \$0.1 million).

At 31 December 2024, the Group had no outstanding balances receivable from companies ultimately controlled by Siem Industries S.A. (2023: \$0.1 million).

Transactions with Treveri S.à r.l., a company controlled by Mr Siem, in relation to services provided totalled \$0.1 million (2023: \$0.1 million).

Transactions with Kirk Lovegrove & Co. Limited, a company controlled by Mr Kirk, in relation to services provided totalled \$nil (2023: \$0.1 million).

34. Share-based payments

The Group operated two equity-settled share-based payment schemes during 2024.

The following table summarises the expense recognised in the Consolidated Income Statement during the year:

For the year ended (in \$ millions)	2024 31 Dec	2023 31 Dec
Expense arising from equity-settled share-based payment transactions:		
2018 Long Term Incentive Plan	1.4	2.4
2022 Long Term Incentive Plan	4.8	2.5
Total	6.2	4.9

Equity-settled share-based payment schemes

Details regarding the 2018 Long Term Incentive Plan (2018 LTIP Plan) and the 2022 Long Term Incentive Plan (2022 LTIP Plan), including number of shares transferred to participants, are disclosed within the Remuneration Report on pages 59 to 63.

The IFRS 2 'Share-based Payments' fair value of each performance share granted under the 2018 and 2022 LTIP Plans is estimated as of the grant date using a Monte Carlo simulation model with weighted average assumptions as follows:

For the year ended	2024 31 Dec	2023 31 Dec
Weighted average share price at grant date (in \$)	16.35	13.62
TSR performance – Weighted average fair value at grant date (in \$)	9.79	7.49
ROAIC performance – Weighted average fair value at grant date (in \$)	14.25	12.25
CCR performance – Weighted average fair value at grant date (in \$)	14.25	12.25
Expected volatility	42%	44%
Risk free rate	3.17%	4.00%
Dividend yield	3.50%	2.70%

The expected share price volatility over the performance period is estimated from the Company's historical share price volatility. The award fair values were adjusted to recognise that participants are not entitled to receive dividend equivalent payments.

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34. Share-based payments continued

Equity-settled share-based payment schemes continued

Both non-market Return on Average Invested Capital (ROAIC) and Cash Conversion Ratio (CCR) performance conditions are not incorporated into the grant date fair value. The value of each award will be adjusted at each reporting date to reflect the Group's current expectation of the number of performance shares which will vest under the non-market ROAIC and CCR performance conditions.

Upon vesting, the Group will withhold an amount for an employee's tax obligation associated with a share-based payment and transfer that amount, in cash, to the relevant tax authority on the employee's behalf. In 2024, two awards vested in total under the 2018 LTIP Plan. The total tax transferred to the relevant authorities was \$3.0 million (2023: \$2.0 million). Of this total, \$0.8 million was in relation to employee social security contributions and \$2.2 million was in relation to income tax.

35. Retirement benefit obligations

The Group operates both defined contribution and defined benefit pension plans.

The Group's contributions under the defined contribution pension plans are determined as a percentage of individual employees' pensionable salaries. The expense relating to these plans for the year was \$71.1 million (2023: \$54.0 million).

The Group operates an unfunded defined benefit pension plan in France which is called the *indemnités de fin de carrière* (retirement indemnity plan) and is pursuant to applicable French legislation and labour agreements in force in the industry. A lump-sum payment is made to employees upon retirement based on length of service, employment category and the employee's final salary. The obligation is unfunded and uninsured, as is standard practice in France. Since the retirement indemnity plan is based upon specific lengths of service, categories and values set by French legislation and collective agreements there is no specific trust or internal governance in place for this plan.

Changes in the defined benefit obligation

The following table provides a reconciliation of the changes in the retirement benefit obligation:

(in \$ millions)	2024 31 Dec	2023 31 Dec
Defined benefit obligation		
At year beginning	(8.4)	(7.3)
Amounts (charged)/credited to the Consolidated Income Statement:		
Service costs	(0.8)	(0.7)
Past service credit	-	0.9
Interest costs	(0.3)	(0.3)
Sub-total	(1.1)	(0.1)
Remeasurement gains/(losses) recognised in Other Comprehensive Income:		
Actuarial changes arising from changes in demographic assumptions	0.6	-
Actuarial changes arising from changes in financial assumptions	0.2	(0.5)
Experience adjustments	0.1	(0.1)
Sub-total	0.9	(0.6)
Benefits paid	-	-
Exchange differences	0.5	(0.4)
At year end	(8.1)	(8.4)

At 31 December 2024, the retirement benefit obligation for the unfunded pension scheme of \$8.1 million (2023: \$8.4 million) is recognised as a non-current liability on the Consolidated Balance Sheet.

Future cash flows

The estimated contributions expected to be paid into the defined benefit plan during 2025 are \$0.3 million (2024: \$0.3 million).

Significant actuarial assumptions

The principal assumptions used to determine the present value of the defined benefit obligation were as follows:

Year ended 31 December 2024

(in %)	
Discount rate	3.4

Year ended 31 December 2023

(in %)	
Discount rate	3.3



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Sensitivity analysis

A quantitative sensitivity analysis for significant assumptions at 31 December 2024 is shown below. The sensitivity analysis has been determined based on a method that extrapolates the impact on the net defined benefit obligation ((increase)/decrease) as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

(in \$ millions) Sensitivity level	Discount rate	
	0.25% increase	0.25% decrease
Impact on the net defined benefit obligation	0.3	(0.3)

36. Deferred revenue

At (in \$ millions)	2024 31 Dec	2023 31 Dec
Advances received from clients	27.1	3.9

Advances received from clients include amounts received before the related work is performed on day-rate contracts and amounts paid by clients in advance of work commencing on fixed-price contracts.

37. Events after the reporting period

Proposed Combination of Subsea7 and Saipem

On 23 February 2025, Subsea 7 S.A. announced an agreement in principle on the key terms of the proposed merger with Saipem S.p.A. In accordance with the memorandum of understanding signed between Saipem S.p.A. and Subsea 7 S.A., Subsea 7 S.A. shareholders will receive 6.688 Saipem S.p.A. shares for each Subsea 7 S.A. share held, and an extraordinary dividend for an amount equal to €450 million will be distributed immediately prior to completion. Subsea 7 S.A. and Saipem S.p.A. shareholders will own 50% each of the issued share capital of the combined company. The completion of the proposed combination is anticipated to occur in the second half of 2026, following completion of confirmatory due diligence, the approval of the final terms of the proposed combination by the Board of Directors of Subsea 7 S.A. and Saipem S.p.A., the execution of a satisfactory merger agreement, and relevant corporate and regulatory approvals.

Dividend

At the Annual General Meeting on 8 May 2025, the Board of Directors will propose that shareholders approve a cash dividend of NOK 13.00 per share, equating to approximately \$350 million, payable in two equal instalments in May and November 2025.



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38. Wholly-owned subsidiaries

Subsea 7 S.A. had the following wholly-owned subsidiaries at 31 December 2024.

Name	Registered in	Nature of business
4Subsea AS	Norway	General Trading
4Subsea Astori AS	Norway	General Trading
4Subsea Do Brasil Projetos e Servicos de Integridade Subsea Ltda	Brazil	General Trading
4Subsea UK Limited	United Kingdom	General Trading
Aceryg B.V.	Netherlands	Holding
Aceryg France S.A.S.	France	General Trading
Aceryg Holdings (Gibraltar) Limited ^(a)	Gibraltar	Special Purpose
Aquarius Solutions Inc.	Canada	General Trading
Astori Sp. z.o.o	Poland	General Trading
Evolv Energies Limited (formerly Aurora Environmental Limited)	United Kingdom	General Trading
Marinza S.A. (formerly ENMAR S.A.)	Mozambique	General Trading
Nigerstar 7 FZE	Nigeria	General Trading
Nigerstar 7 Limited	Nigeria	General Trading
Ocean Geo Solutions, Inc.	US	General Trading
Pelagic Nigeria Limited	Nigeria	Holding
Pioneer Lining Technology Limited	United Kingdom	General Trading
PT. Subsea 7 Manufaktur Indonesia	Indonesia	General Trading
Seaway 7 AS	Norway	Holding
Seaway 7 Chartering AS	Norway	General Trading
Seaway 7 Denmark A/S	Denmark	General Trading
Seaway 7 Engineering B.V.	Netherlands	General Trading
Seaway 7 Germany GmbH (formerly Seaway Offshore Cables GmbH)	Germany	General Trading
Seaway 7 Heavy Transport AS	Norway	General Trading
Seaway 7 Holding NL B.V.	Netherlands	Holding
Seaway 7 Management AS	Norway	General Trading
Seaway 7 Norway AS	Norway	General Trading
Seaway 7 Offshore Contractors B.V.	Netherlands	General Trading
Seaway 7 Offshore Crew B.V.	Netherlands	General Trading
Seaway 7 Offshore Installation AS (formerly VOI Option 1-4 AS)	Norway	Vessel Owning
Seaway 7 Renewables UK Limited	United Kingdom	General Trading
Seaway 7 Treasury Limited	United Kingdom	Special Purpose
Seaway 7 UK Limited	United Kingdom	General Trading
Seaway 7 US Inc. (formerly SHL Contracting US Inc.)	US	General Trading
Seaway 7 Vessels B.V.	Netherlands	Vessel Owning
Seaway Aimery AS	Norway	Vessel Owning
Seaway Albatross AS	Norway	Vessel Owning
Seaway Alfa Lift AS (formerly OHT Alfa Lift AS)	Norway	Vessel Owning
Seaway Eagle AS	Norway	Vessel Owning
Seaway Falcon AS	Norway	Vessel Owning
Seaway Hawk AS	Norway	Vessel Owning
Seaway Heavy Lifting Contracting Limited	Cyprus	General Trading
Seaway Heavy Lifting Holding Limited	Cyprus	Holding
Seaway Heavy Lifting Limited	Cyprus	General Trading
Seaway Heavy Lifting Shipping Limited	Cyprus	Vessel Owning
Seaway Moxie AS	Norway	Vessel Owning
Seaway Offshore Cables Limited	United Kingdom	General Trading
Seaway Osprey AS	Norway	Vessel Owning
Seaway Phoenix AS	Norway	Vessel Owning
Seaway Swan AS	Norway	Special Purpose
Seaway Ventus AS	Norway	Special Purpose
Sevensas Contractors S. de R.L. de C.V.	Mexico	General Trading
SHL Contracting Germany GmbH	Germany	General Trading



Name	Registered in	Nature of business
SHL Stanislav Yudin Limited	Cyprus	Vessel Owning
SO France S.A.	France	Special Purpose
Subsea 7 (Guyana) Incorporated	Guyana	General Trading
Subsea 7 (ME) Pte Limited	Singapore	General Trading
Subsea 7 (Singapore) Pte Limited	Singapore	General Trading
Subsea 7 (Trinidad & Tobago) Limited	Trinidad & Tobago	Dormant
Subsea 7 (UK Service Company) Limited ^(a)	United Kingdom	Corporate Service
Subsea 7 (US) LLC	US	General Trading
Subsea 7 Angola S.A.S.	France	Special Purpose
Subsea 7 Asia Pacific Sdn Bhd	Malaysia	Special Purpose
Subsea 7 Australia Contracting Pty Ltd	Australia	General Trading
Subsea 7 Blue Space Limited	United Kingdom	General Trading
Subsea 7 Blue Space Investments S.A.S.	France	General Trading
Subsea 7 Canada Inc.	Canada	General Trading
Subsea 7 Chartering (UK) Limited	United Kingdom	General Trading
Subsea 7 Crewing Limited	United Kingdom	Special Purpose
Subsea 7 Crewing Services Pte. Ltd.	Singapore	General Trading
Subsea 7 Deep Sea Limited	United Kingdom	General Trading
Subsea 7 do Brasil Serviços Ltda	Brazil	General Trading
Subsea 7 Engineering France S.A.S.	France	General Trading
Subsea 7 Engineering Limited	United Kingdom	General Trading
Subsea 7 Finance (UK) PLC	United Kingdom	Special Purpose
Subsea 7 Holding Inc.	Cayman Islands	Holding
Subsea 7 Holding Norway AS	Norway	Holding
Subsea 7 Holdings (UK) Limited	United Kingdom	Holding
Subsea 7 Holdings (US) Inc.	US	Holding
Subsea 7 International Contracting Limited	United Kingdom	General Trading
Subsea 7 International Holdings (UK) Limited ^(a)	United Kingdom	Holding
Subsea 7 i-Tech Limited	United Kingdom	General Trading
Subsea 7 i-Tech Mexico S. de R.L. de C.V.	Mexico	General Trading
Subsea 7 i-Tech US Inc.	US	General Trading
Subsea 7 Korea Co., Ltd	South Korea	General Trading
Subsea 7 Limited	United Kingdom	General Trading
Subsea 7 Luanda Ltd ^(b)	Gibraltar	General Trading
Subsea 7 Marine (US) Inc.	US	Dormant
Subsea 7 Marine LLC	US	General Trading
Subsea 7 Mexico S. de R.L. de C.V.	Mexico	General Trading
Subsea 7 Middle East FZ-LLC	United Arab Emirates	Special Purpose
Subsea 7 Moçambique, Limitada	Mozambique	General Trading
Subsea 7 Navica AS	Norway	Vessel Owning
Subsea 7 Nigeria Limited	Nigeria	General Trading
Subsea 7 NL B.V.	Netherlands	General Trading
Subsea 7 Norway AS	Norway	General Trading
Subsea 7 Offshore Resources (UK) Limited	United Kingdom	Vessel Owning
Subsea 7 Pipeline Production Limited	United Kingdom	General Trading
Subsea 7 Port Isabel LLC	US	General Trading
Subsea 7 Portugal Unipessoal Limitada	Portugal	General Trading
Subsea 7 Saudi Arabia Limited	Saudi Arabia	General Trading
Subsea 7 Sénégal SAS	Senegal	General Trading
Subsea 7 Services (Singapore) Pte Limited	Singapore	General Trading
Subsea 7 Servicos Offshore S.A.	Brazil	Holding
Subsea 7 Shipping Limited ^(b)	Isle of Man	Vessel Owning

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38. Wholly-owned subsidiaries continued

Name	Registered in	Nature of business
Subsea 7 Singapore Contracting Pte Limited	Singapore	General Trading
Subsea 7 Treasury (UK) Limited	United Kingdom	Special Purpose
Subsea 7 Vessel Owner AS	Norway	Vessel Owning
Subsea 7 West Africa Contracting Limited	United Kingdom	General Trading
Subsea Seven Doha Oil & Gas Services and Trading LLC	Qatar	General Trading
Swagelining Limited	United Kingdom	General Trading
Tartaruga Insurance Limited	Isle of Man	Special Purpose
Thames International Enterprise Limited	United Kingdom	Special Purpose
VOI Vessel 2 AS	Norway	Special Purpose
Xodus Academy Limited	United Kingdom	General Trading
Xodus DMCC	United Arab Emirates	General Trading
Xodus Greenfuel Development Company Pty Ltd	Australia	Special Purpose
Xodus Green Light Pty Limited	Australia	General Trading
Xodus Group A/S	Norway	Dormant
Xodus Group B.V.	Netherlands	General Trading
Xodus Group Consultants Sdn. Bhd	Malaysia	General Trading
Xodus Group Doha LLC	Qatar	General Trading
Xodus Group (Holdings) Limited	United Kingdom	Holding
Xodus Group Inc	US	General Trading
Xodus Group Japan	Japan	General Trading
Xodus Group Limited	United Kingdom	General Trading
Xodus Group Pty Limited	Australia	General Trading
ZNM Nigeria Limited	Nigeria	Dormant

(a) Wholly-owned subsidiaries directly owned by the parent company, Subsea 7 S.A.

(b) UK tax resident.

For all entities, except for those identified in note (b), the principal place of business is consistent with the place of registration.

All subsidiary undertakings are included in the Consolidated Financial Statements of the Group. The proportion of the voting rights in the subsidiary undertakings held directly by the immediate parent company does not differ from the proportion of shares held. The parent company does not have any shareholdings in the preference shares of subsidiary undertakings included in the Group.

Details of the addresses of the registered office of each of the wholly-owned subsidiaries are available on request from Subsea 7 S.A., registered office, 412F, route d'Esch, L-1471 Luxembourg.

ADDITIONAL INFORMATION - ALTERNATIVE PERFORMANCE MEASURES (APMs)

The Group utilises Alternative Performance Measures (APMs) when evaluating financial performance, financial position and cash flows which are not defined or specified under International Financial Reporting Standards (IFRS), as adopted by the EU. Management considers these non-IFRS measures, which are not a substitute for nor superior to IFRS measures, provide stakeholders with additional information to further understand the Group's financial performance, financial position and cash flows.

APM	Description	Closest equivalent IFRS measure	Adjustments to reconcile to primary financial statements	Rationale for utilising APM
Income Statement APMs				
Adjusted EBITDA and Adjusted EBITDA margin	Adjusted earnings before interest, taxation, depreciation and amortisation represents net income/(loss) before additional specific items that are considered to impact the comparison of the Group's performance either period-on-period or with other businesses. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by revenue, expressed as a percentage.	Net income/(loss)	Net income/(loss) adjusted to exclude depreciation and amortisation costs, including amortisation of prepaid mobilisation expenses and amortisation of intangible assets, impairment charges or impairment reversals, gains and losses on disposal of property, plant and equipment and maturity of lease liabilities, finance income, remeasurement gains and losses on business combinations, other gains and losses (including foreign exchange gains and losses, gains on disposal of subsidiaries, gains and losses resulting from remeasurement of contingent consideration, gains on distributions and bargain purchase gains on business combinations), finance costs and taxation.	Adjusted EBITDA and Adjusted EBITDA margin are important indicators of the operational strength and the performance of the Group and provide a meaningful comparative for its business units. The presentation of Adjusted EBITDA is also useful as it is similar to measures used by companies within Subsea7's peer group. Adjusted EBITDA margin may also be a useful ratio to compare performance to the Group's competitors and is widely used by shareholders and analysts. Notwithstanding the foregoing, Adjusted EBITDA and Adjusted EBITDA margin as presented by the Group may not be comparable to similarly titled measures reported by other companies.
Effective tax rate (ETR)	The effective tax rate is expressed as a percentage, calculated as the taxation expense/(credit) divided by the income/(loss) before taxes.	Taxation	n/a	Provides a useful and relevant measure of the effectiveness of the Group's tax strategy and tax planning.
Balance Sheet APM				
Net cash/(debt) excluding lease liabilities and net cash/(debt) including lease liabilities	Net cash/(debt) is defined as cash and cash equivalents less borrowings. The Group utilises both net cash/(debt) excluding lease liabilities and net cash/(debt) including lease liabilities as financial position measures.	No direct equivalent	Calculated as cash and cash equivalent less borrowings (current and non-current). The measure may exclude lease liabilities (current and non-current) or include them.	Net cash/(debt) provides a meaningful and reliable basis to evaluate the financial strength and liquidity of the Group.
Cash flow APMs				
Cash conversion	Cash conversion is defined as net cash generated from/(used in) operating activities, add back income taxes paid, divided by Adjusted EBITDA.	No direct equivalent	Calculated as net cash generated from/(used in) operating activities in the Group's Consolidated Cash Flow Statement, add back income taxes paid and divide by Adjusted EBITDA.	Cash conversion is a financial management tool to determine the efficiency of the Group's ability to generate cash from its operating activities.
Free cash flow	Free cash flow is defined as net cash generated from/(used in) operating activities less purchases of property, plant and equipment and intangible assets.	No direct equivalent	Calculated as net cash generated from/(used in) operating activities from the Group's Consolidated Cash Flow Statement less purchases of property, plant and equipment and intangible assets.	Free cash flow is a relevant metric for shareholders and analysts when determining cash available to the Group to invest or potentially distribute.



ADDITIONAL INFORMATION – ALTERNATIVE PERFORMANCE MEASURES *CONTINUED*

APM	Description	Closest equivalent IFRS measure	Adjustments to reconcile to primary financial statements	Rationale for utilising APM
Other APMs				
Backlog	Backlog represents expected future revenue from projects. Awards to associates and joint ventures are excluded from backlog figures, unless otherwise stated. Despite being a non-IFRS term, the Group recognises backlog in accordance with the requirements of IFRS 15, 'Revenue from Contracts with Customers', which represents revenue expected to be recognised in the future related to performance obligations which are unsatisfied, or partially unsatisfied, at the reporting date.	Transaction price allocated to the remaining performance obligations	n/a	Utilising the term backlog is in accordance with expected industry-wide terminology. It is similarly used by companies within Subsea7's peer group and is a helpful term for those evaluating companies within Subsea7's industry. Backlog may also be useful to compare performance with competitors and is widely used by shareholders and analysts. Notwithstanding this, backlog presented by the Group may not be comparable to similarly titled measures reported by other companies.
Order intake	Order intake represents new project awards plus variation orders on existing projects.	No direct equivalent	n/a	Order intake is in accordance with expected industry-wide terminology and primarily enables the book-to-bill APM to be calculated.
Book-to-bill ratio	Book-to-bill ratio represents total order intake divided by revenue for the reporting period.	No direct equivalent	n/a	The book-to-bill metric is widely used in the energy sector by shareholders and analysts and is a helpful term for those evaluating companies within Subsea7's industry. Notwithstanding this, the book-to-bill ratio presented by the Group may not be comparable to similarly titled measures reported by other companies.



APM calculations

Reconciliation of net operating income to Adjusted EBITDA and Adjusted EBITDA margin

For the year ended (in \$ millions)	2024 31 Dec (Unaudited)	2023 31 Dec (Unaudited)
Net operating income	445.5	104.7
Depreciation, amortisation and mobilisation	622.5	538.0
Impairment of goodwill	6.2	-
Impairment of property, plant and equipment and intangible assets	15.8	96.8
Impairment reversal of property, plant and equipment	-	(25.9)
Net loss on disposal of property, plant and equipment and maturity of lease liabilities	0.1	0.8
Adjusted EBITDA	1,090.1	714.4
Revenue	6,837.0	5,973.7
Adjusted EBITDA margin	15.9%	12.0%

Reconciliation of net income to Adjusted EBITDA and Adjusted EBITDA margin

For the year ended (in \$ millions)	2024 31 Dec (Unaudited)	2023 31 Dec (Unaudited)
Net income	216.6	10.0
Depreciation, amortisation and mobilisation	622.5	538.0
Impairment of goodwill	6.2	-
Impairment of property, plant and equipment and intangible assets	15.8	96.8
Impairment reversal of property, plant and equipment	-	(25.9)
Net loss on disposal of property, plant and equipment and maturity of lease liabilities	0.1	0.8
Finance income	(24.4)	(25.2)
Other gains and losses	0.5	(21.3)
Finance costs	101.2	71.2
Taxation	151.6	70.0
Adjusted EBITDA	1,090.1	714.4
Revenue	6,837.0	5,973.7
Adjusted EBITDA margin	15.9%	12.0%

Effective tax rate

For the year ended (in \$ millions)	2024 31 Dec (Unaudited)	2023 31 Dec (Unaudited)
Taxation	(151.6)	(70.0)
Income before taxation	368.2	80.0
Effective tax rate (percentage)	41.2%	87.5%

Net debt excluding lease liabilities and net debt including lease liabilities

At (in \$ millions)	2024 31 Dec (Unaudited)	2023 31 Dec (Unaudited)
Cash and cash equivalents	575.3	750.9
Total borrowings	(722.0)	(844.9)
Net debt excluding lease liabilities	(146.7)	(94.0)
Total lease liabilities	(454.9)	(458.3)
Net debt including lease liabilities	(601.6)	(552.3)

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ADDITIONAL INFORMATION – ALTERNATIVE PERFORMANCE MEASURES *CONTINUED*

Cash conversion

For the year ended (in \$ millions)	2024 31 Dec (Unaudited)	2023 31 Dec (Unaudited)
Cash generated from operating activities	931.4	660.0
Taxes paid	77.0	83.5
	1,008.4	743.5
Adjusted EBITDA	1,090.1	714.4
Cash conversion	0.9x	1.0x

Free cash flow

For the year ended (in \$ millions)	2024 31 Dec (Unaudited)	2023 31 Dec (Unaudited)
Cash generated from operating activities	931.4	660.0
Purchases of property, plant and equipment and intangible assets	(348.7)	(581.2)
Free cash flow	582.7	78.8

Backlog

The IFRS 15 'Revenue from Contracts with Customers' disclosure in relation to remaining performance obligations is contained in Note 21 'Construction contracts'. Unless otherwise stated, backlog and remaining performance obligations, as required by IFRS 15, will be the same number. Backlog by year of execution is as follows:

At (in \$ millions)	2024 31 Dec (Unaudited)	2023 31 Dec (Unaudited)
Total backlog	11,174.7	10,586.8
Expected year of utilisation:		
2024	–	5,702.7
2025	5,811.5	3,764.2
2026	3,355.2	1,030.3
2027	1,529.2	89.6
2028 and thereafter	478.8	–

Backlog reconciliation

For the year ended (in \$ millions)	2024 31 Dec (Unaudited)	2023 31 Dec (Unaudited)
At year beginning	10,586.8	9,007.6
Order intake	8,175.6	7,443.7
Revenue	(6,837.0)	(5,973.7)
Effect of foreign exchange rate movements	(750.7)	109.2
At year end	11,174.7	10,586.8

Order intake

For the year ended (in \$ millions)	2024 31 Dec (Unaudited)	2023 31 Dec (Unaudited)
New project awards	6,719.1	4,824.6
Escalations on existing projects	1,456.5	2,619.1
Order intake	8,175.6	7,443.7

Book-to-bill ratio

For the year ended (in \$ millions)	2024 31 Dec (Unaudited)	2023 31 Dec (Unaudited)
Order intake	8,175.6	7,443.7
Revenue	6,837.0	5,973.7
Book-to-bill ratio	1.2x	1.2x



SUBSEA 7 S.A. FINANCIAL STATEMENTS AND REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ FOR YEAR ENDED 31 DECEMBER 2024

412F, route d'Esch
L-1471
Luxembourg
R.C.S. Luxembourg No. B43172

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REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ

To the Shareholders of
Subsea 7 S.A.
412F, route d'Esch
L-1471 Luxembourg

Report on the audit of the financial statements

Opinion

We have audited the Financial Statements of Subsea 7 S.A. (the "Company"), included in pages 212 to 220, which comprise the Balance Sheet as at 31 December 2024, the Profit and Loss account for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying Financial Statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for opinion

We conducted our audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the réviseur d'entreprises agréé" for the audit of the Financial Statements" section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the Financial Statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of the audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter:	Impairment of investments in affiliated undertakings
<p>Description of key audit matter:</p>	<p>Subsea 7 S.A., as ultimate parent of the Group, holds shares in affiliated undertakings Acergy Holdings (Gibraltar) Limited, Subsea 7 International Holdings (UK) Limited, Subsea 7 (UK Service Company) Limited and Seaway 7 AS amounting to an aggregate of \$1,842.2 million at 31 December 2024 as disclosed in Note 3 to the Annual Accounts, inclusive of a value adjustment thereon of \$10.5 million recognised during the year.</p> <p>As stated in Note 2 to the Annual Accounts, the Company performs an annual review of the carrying amounts of individual investments with any resulting impairments or impairment reversals reflected in the Profit and Loss account in the relevant period.</p> <p>Investments in affiliated undertakings are subject to an impairment test when impairment indicators are identified. The estimated recoverable amount is calculated as the higher of the value-in-use or fair value less costs to sell. The outcome of the impairment review could vary significantly if different assumptions were applied in the valuation model.</p> <p>The key factors are:</p> <ul style="list-style-type: none"> • the Adjusted EBITDA assumptions taken from the Group's most recent budgets and plans for the next five years (the "Plan"); • the Adjusted EBITDA forecasts and long-term growth rate used beyond the period covered by the Plan given the significance of the terminal value cash flows to the total value-in-use, also considering the expected impact of climate change; • the pre-tax discount rate applied to future cash flows. <p>Impairment of shares in affiliated undertakings is considered a key audit matter because of the significant judgement involved regarding the assessment of their recoverable amount.</p>
<p>Our response:</p>	<p>Our audit procedures in relation to the valuation of the investments in affiliated undertakings included, among others:</p> <p>We assessed management's impairment testing by obtaining the supporting model and assessing the methodology and key assumptions made:</p> <ul style="list-style-type: none"> • Adjusted EBITDA forecasts – we evaluated management's Adjusted EBITDA forecasts and tested the underlying values used in the calculations by comparing management's forecast to the latest management approved five-year plan; • we assessed actual performance in the year against the prior year budgets to evaluate historical forecasting accuracy; • long-term growth rate – we compared the rates applied by management to available externally developed rates; • pre-tax discount rates – we involved our valuations specialists in our evaluation of the discount rate to consider the appropriateness of the rates used; • net assets – we agreed the net assets to the financial records of the respective companies; and • we tested the arithmetical accuracy of the models. <p>We compared the carrying amount of the investments to their recoverable amount in order to assess whether an impairment or reversal of previously recognised impairment exists.</p> <p>We assessed the adequacy and appropriateness of the disclosures in Note 2 and Note 3 of the Annual Accounts.</p>



REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ *CONTINUED*

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Management Report on page 129 and the accompanying Corporate Governance Statement from pages 42 to 63 but does not include the Financial Statements and our report of "réviseur d'entreprises agréé" thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and of those charged with governance for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the Financial Statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the Financial Statements, and for such internal control as the Board of Directors determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

The Board of Directors is also responsible for presenting and marking up the Financial Statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format, as amended ("ESEF Regulation").

In preparing the Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with the ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Assess whether the Financial Statements have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

We have been appointed as “réviseur d’entreprises agréé” by the General Meeting of the Shareholders on 2 May 2024 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is eleven years.

The Management Report on page 129 is consistent with the Financial Statements and has been prepared in accordance with applicable legal requirements.

The accompanying corporate governance statement on pages 42 to 63 is the responsibility of the Board of Directors. The information required by article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the Financial Statements and has been prepared in accordance with applicable legal requirements.

We have checked the compliance of the Financial Statements of the Company as at 31 December 2024 with relevant statutory requirements set out in the ESEF Regulation that are applicable to the Financial Statements.

For the Company, it relates to:

- Financial Statements prepared in valid xHTML format;
- The XBRL markup of the Financial Statements using the core taxonomy and the common rules on markups specified in the ESEF Regulation.

In our opinion, the Financial Statements of the Company as at 31 December 2024, identified as 222100AIF0CBCY80AH62-2024-12-31, have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

We confirm that the prohibited non-audit services referred to in EU Regulation No 537/2014 were not provided and that we remained independent of the Company in conducting the audit.

Ernst & Young

Société anonyme
Cabinet de révision agréé

Emmanuel Mareschal

Luxembourg, 26 February 2025

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SUBSEA 7 S.A. BALANCE SHEET

At (in \$ millions)	Notes	2024 31 Dec	2023 31 Dec
Assets			
Fixed assets			
Financial assets			
Shares in affiliated undertakings	3	1,842.2	1,852.7
Current assets			
Other debtors			
becoming due and payable within one year		0.4	0.3
Investments			
Own shares	6	62.7	31.1
Cash at bank and in hand		–	–
Prepayments		0.4	0.4
Total assets		1,905.7	1,884.5
Capital, reserves and liabilities			
Capital and reserves			
Subscribed capital	4	599.2	608.6
Share premium account	4	628.2	697.1
Reserves			
Legal reserve	4, 5	59.9	60.9
Reserve for own shares	4, 6	62.7	31.1
Profit brought forward	4	297.3	98.4
Profit or loss for the financial year	4	(69.5)	361.0
Total capital and reserves		1,577.8	1,857.1
Provisions			
Provisions for pensions and similar obligations	7	18.7	5.0
Creditors			
Amounts owed to affiliated undertakings			
becoming due and payable within one year	8	308.7	22.0
Other creditors			
Tax authorities		0.2	0.2
Other creditors			
becoming due and payable within one year		0.3	0.2
Total liabilities		327.9	27.4
Total capital, reserves and liabilities		1,905.7	1,884.5

The accompanying notes on pages 214 to 220 form an integral part of the Financial Statements for Subsea 7 S.A.



SUBSEA 7 S.A. PROFIT AND LOSS ACCOUNT

For the year ended (in \$ millions)	Notes	2024 31 Dec	2023 31 Dec
Other operating income	9	19.9	14.5
Raw materials and consumables and other external expenses			
Other external expenses	11	(1.4)	(2.8)
Staff costs			
Wages and salaries		(0.1)	(0.1)
Other operating expenses	12	(74.6)	(52.7)
Income from participating interests			
derived from affiliated undertakings	13	15.0	400.0
Other interest receivable and similar income			
derived from affiliated undertakings	14	0.1	0.5
other interest and similar income		0.1	-
Value adjustments			
in respect of financial assets and of investments held as current assets	3, 6	(16.9)	8.7
Interest payable and similar expenses			
concerning affiliated undertakings	8	(11.2)	(7.0)
Other taxes		(0.4)	(0.1)
(Loss)/profit for the financial year		(69.5)	361.0

The accompanying notes on pages 214 to 220 form an integral part of the Financial Statements for Subsea 7 S.A.

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NOTES TO THE FINANCIAL STATEMENTS

1. Organisation

Subsea 7 S.A. (the Company) is a holding company which was incorporated under the laws of Luxembourg on 10 March 1993. The Company has been incorporated for an unlimited period of time. The Subsea 7 S.A. Group (the Group) consists of Subsea 7 S.A. and its affiliated undertakings at 31 December 2024.

The objects of the Company are to invest in affiliated undertakings which provide subsea construction, maintenance, inspection, survey and engineering services, predominantly for the offshore oil and gas, renewable energy, heavy lifting and related industries. More generally, the Company is authorised to participate in any manner in all commercial, industrial, financial and other enterprises of Luxembourg or foreign nationality through the acquisition by participation, subscription, purchase, option or any other means of all shares, stocks, debentures, bonds or securities; and the acquisition of patents and licences it will administer and exploit. The Company is authorised to lend or borrow with or without security, provided that any monies so borrowed may only be used for the purpose of the Company, or companies which are affiliated undertakings of or associated with the Company; in general it is authorised to undertake any operations directly or indirectly connected with these objects.

The Company also prepares Consolidated Financial Statements in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board and as adopted by the European Union; these are shown on pages 138 to 202 and are also available at the registered office of the Company or on www.subsea7.com.

2. Significant accounting policies

The Financial Statements were prepared in accordance with Luxembourg legal and regulatory requirements. Accounting policies and valuation rules are, besides the ones laid down by the law of 19 December 2002 as amended, determined and applied by the Board of Directors of the Company. The Company maintains its accounting records and presents its Financial Statements in US Dollars (\$). Significant accounting policies are as follows:

2.1 Financial assets

Shares in affiliated undertakings are stated at cost less any accumulated impairment in value. An annual review of the carrying amount is performed on an individual investment basis with resulting impairments or reversals of impairment reflected in the Profit and Loss account in the relevant period. Earnings in investee companies are recognised when, and to the extent that, dividends are received from affiliated undertakings and participating interests.

2.2 Own shares

Own shares are initially measured at acquisition cost and recognised as an asset with a corresponding non-distributable reserve created from share premium. Own shares are subsequently remeasured at the lower of cost or market value using the FIFO (First In First Out) method. They are subject to value adjustments where their recovery is compromised. These value adjustments are reversed when the reasons for which the value adjustments were made have ceased to apply.

2.3 Translation of foreign currencies

The Company maintains its accounts in US Dollars; this is the currency in which its capital is expressed and the Financial Statements are prepared. Amounts in foreign currencies are translated into US Dollars on the following basis:

- formation expenses, the cost of acquisition of intangible, tangible and financial fixed assets denominated in a currency other than US Dollars, are translated at historical exchange rates;
- all other assets denominated in a currency other than US Dollars are valued individually at the lower of their values translated into US Dollars at their historical exchange rate or exchange rate prevailing at the balance sheet date;
- all liabilities denominated in a currency other than US Dollars are valued individually at the higher of their values translated at historical exchange rate or exchange rate prevailing at the balance sheet date; and
- revenue and expenses denominated in a currency other than US Dollars are translated into US Dollars at the exchange rates applicable on the day on which they are collected or disbursed.

Only realised foreign exchange gains and losses and unrealised foreign exchange losses are recognised in the Profit and Loss account.

2.4 Share-based payments

Awards made under the Group's Long Term Incentive Plans, in the form of equity-settled share-based payments, are satisfied by the Company on behalf of its affiliated undertakings. The costs associated with these awards are recognised on the date of issuance to the employees and recorded in the Profit and Loss account as an adjustment to the value of own shares.

At 31 December 2024, a provision of \$18.7 million for awards potentially vesting in future periods was recognised.



2.5 Parent company guarantees

The Company issues parent company guarantees (PCGs) to third parties on behalf of its direct and indirect affiliated undertakings where requested. The Company receives a fee in respect of the PCGs issued, which is recorded as other operating income within the Profit and Loss account. This income is recognised on a straight-line basis over the period of the guarantee.

2.6 Interest payable and receivable

Amounts owed to and owed by affiliated undertakings bear interest at commercial rates.

2.7 Other debtors

Other debtors are recognised initially at nominal amount. Provisions for value adjustments is made when there is objective evidence that the Company may not be able to collect all of the amounts due. Bad debts are written off where necessary.

2.8 Amounts owed to affiliated undertakings and other creditors

Amounts owed to affiliated undertakings and other creditors are stated at nominal amount.

3. Financial assets

(in \$ millions)	Shares in affiliated undertakings
Cost	
At 31 December 2023	3,526.5
At 31 December 2024	3,526.5
Accumulated value adjustments	
At 31 December 2023	(1,673.8)
Value adjustments for the year	(10.5)
At 31 December 2024	(1,684.3)
Carrying amount	
At 31 December 2023	1,852.7
At 31 December 2024	1,842.2

A review of the carrying amount of the financial assets was performed at 31 December 2024 which resulted in a value adjustment of \$10.5 million being recognised in relation to the Company's shares held in Acergy Holdings (Gibraltar) Limited (2023: \$11.0 million reversal of value adjustments).

Shares in affiliated undertakings

Name of company	Registered in	Percentage held		Carrying amount (in \$ millions)	
		2024	2023	2024	2023
Acergy Holdings (Gibraltar) Limited	Gibraltar	100%	100%	121.2	131.7
Subsea 7 International Holdings (UK) Limited	UK	100%	100%	1,501.5	1,501.5
Subsea 7 (UK Service Company) Limited	UK	100%	100%	79.9	79.9
Seaway 7 AS	Norway	28%	28%	139.6	139.6
Total shares in affiliated undertakings				1,842.2	1,852.7

The capital, reserves and profit and loss of the affiliated undertakings of the Company are included within the Annual Report of Subsea 7 S.A. as shown on pages 200 to 202, and the Company has applied the exemption, in accordance with article 67.3b of the law of 19 December 2002, to not disclose this information.



NOTES TO THE FINANCIAL STATEMENTS *CONTINUED*

4. Capital and reserves

(in \$ millions)	Subscribed capital	Share premium account	Legal reserve	Reserve for own shares	Profit brought forward	Profit or (loss) for the financial year	Total
Balance at 1 January 2023	600.0	688.5	60.0	75.0	91.6	7.7	1,522.8
Allocation of the result	-	-	-	-	7.7	(7.7)	-
Share cancellation	(11.4)	(30.2)	-	-	-	-	(41.6)
Share issuance	20.0	107.0	-	-	-	-	127.0
Increase of legal reserve	-	-	0.9	-	(0.9)	-	-
Dividends declared	-	(112.1)	-	-	-	-	(112.1)
Net movement of own shares (Note 6)	-	43.9	-	(43.9)	-	-	-
Profit for the financial year	-	-	-	-	-	361.0	361.0
Balance at 31 December 2023	608.6	697.1	60.9	31.1	98.4	361.0	1,857.1
Allocation of the result	-	-	-	-	361.0	(361.0)	-
Share cancellation	(9.4)	(37.3)	-	-	-	-	(46.7)
Decrease of legal reserve	-	-	(1.0)	-	1.0	-	-
Dividends declared	-	-	-	-	(163.1)	-	(163.1)
Net movement of own shares (Note 6)	-	(31.6)	-	31.6	-	-	-
Loss for the financial year	-	-	-	-	-	(69.5)	(69.5)
Balance at 31 December 2024	599.2	628.2	59.9	62.7	297.3	(69.5)	1,577.8

At 31 December 2024, the authorised share capital comprised 450,000,000 \$2.00 common shares (2023: 450,000,000 \$2.00 common shares) and 299,600,000 common shares were outstanding (2023: 304,294,272).

A dividend of NOK 6.00 per share was approved by the shareholders of the Company at the Annual General Meeting on 2 May 2024, which was paid from the profit brought forward in two equal instalments on 14 May 2024 and 7 November 2024.

During the year ended 31 December 2024, the increase in the reserve for own shares of \$31.6 million was largely represented by shares repurchased of \$87.3 million partly offset by shares cancelled of \$46.7 million.

5. Legal reserve

Luxembourg law requires that 5% of the Company's unconsolidated net income is allocated to a legal reserve annually, prior to declaration of dividends. This requirement continues until the reserve is 10% of its issued share capital at nominal value, after which no further allocations are required until further issuance of shares. The legal reserve may also be satisfied by allocation of the required amount at the issuance of shares or by a transfer from share premium. The legal reserve is not distributable.

6. Reserve for own shares

	2024 Number of shares	2024 in \$ millions	2023 Number of shares	2023 in \$ millions
At year beginning	3,839,804	31.1	9,794,267	75.0
Shares cancelled	(4,694,272)	(46.7)	(5,681,967)	(41.6)
Shares reallocated relating to share-based payments	(331,560)	(2.6)	(272,496)	(2.3)
Shares repurchased	5,172,092	87.3	-	-
Value adjustment	-	(6.4)	-	-
Balance at year end	3,986,064	62.7	3,839,804	31.1

At 31 December 2024, the Company directly held 3,986,064 (2023: 3,839,804) own shares representing 1.33% (2023: 1.26%) of the total number of issued shares.

During the year ended 31 December 2024, 4,694,272 shares representing 1.57% of the total number of issued shares were cancelled. In addition, 331,560 (2023: 272,496) shares representing 0.11% (2023: 0.09%) of the total number of issued shares were reallocated for \$nil consideration to employees of the Subsea7 Group to satisfy share awards under the 2018 Long Term Incentive Plan. 5,172,092 shares were repurchased during the year, representing 1.73% of the total number of issued shares.

A review of the carrying amount of own shares was performed at 31 December 2024; resulting in a downward value adjustment of \$6.4 million (2023: no value adjustment).



7. Provisions

Provision for pensions and similar obligations

At (in \$ millions)	2024 31 Dec	2023 31 Dec
Provision for share-based payments vesting in future period	18.7	5.0

At 31 December 2024, a provision of \$18.7 million was recognised to reflect the Company's expectation of the number of performance shares which will vest under the 2018 and 2022 Long Term Incentive Plans.

During the year ended 31 December 2024, \$2.6 million of the provision was utilised to satisfy charges in respect of share-based compensation. In the prior year, an amount of \$2.3 million was recognised directly in the Profit and Loss account.

8. Amounts owed to affiliated undertakings

Becoming due and payable within one year

At (in \$ millions)	2024 31 Dec	2023 31 Dec
Amounts owed to affiliated undertakings	308.7	22.0

Amounts owed to affiliated undertakings were mainly related to amounts due to Subsea 7 Treasury (UK) Limited under the terms of the Group's internal working capital agreement. During the year ended 31 December 2024, interest costs of \$11.2 million were recognised by the Company (2023: \$7.0 million).

9. Other operating income

For the year ended (in \$ millions)	2024 31 Dec	2023 31 Dec
Parent company guarantee income	19.9	14.5

10. Commitments and guarantees

The Company arranges bank guarantees, which collectively refer to bank guarantees, performance bonds, tendering bonds, advance payment bonds, guarantees or standby letters of credit in respect of the performance obligations certain of its affiliated undertakings have to their clients.

Facilities

Multi-currency revolving credit and guarantee facility

On 15 June 2022, the Group entered into a \$700 million multi-currency revolving credit and guarantee facility with a five-year tenor, with two one-year extension options. The facility is available in a combination of guarantees, up to a limit of \$200 million, and cash drawings, or in full for cash drawings. The facility is guaranteed by the Company and Subsea 7 Finance (UK) PLC, a wholly-owned subsidiary of the Group. During the year, the Group secured a one-year extension to the multi-currency revolving credit and guarantee facility which will now mature in June 2029. The facility size reduced from \$700 million to \$600 million in September 2024 and will reduce further to \$500 million in June 2028 until maturity in June 2029. The facility was unutilised at 31 December 2024.

The South Korean Export Credit Agency (ECA) facility

In July 2015, the Group entered into a \$357 million senior term loan facility secured on two vessels owned by the Group. The facility is provided 90% by an Export Credit Agency (ECA) and 10% by two banks and is available for general corporate purposes. The ECA tranche has a 12-year maturity and a 12-year amortising profile. The commercial tranche initially had a five-year maturity and a 15-year amortising profile, which commenced in April 2017. The commercial tranche was refinanced during November 2021, now maturing in January 2027, while retaining the original amortising profile. The facility is guaranteed by the Company. At 31 December 2024, the amount outstanding under the facility was \$110.6 million (2023: \$135.2 million).

UK Export Finance (UKEF 2021) facility

On 24 February 2021, the Group entered into a \$500 million five-year amortising committed loan facility backed by a \$400 million guarantee from UK Export Finance. The facility has a five-year tenor which commenced when the facility was fully drawn. The facility can be used for general corporate purposes, including to provide working capital financing for services provided from the UK. The facility is guaranteed by the Company. At 31 December 2024, the amount outstanding under the facility, net of facility fees, was \$321.7 million (2023: \$420.5 million).



NOTES TO THE FINANCIAL STATEMENTS *CONTINUED*

10. Commitments and guarantees continued

2023 UK Export Finance (UKEF 2023) facility

On 27 July 2023, the Group entered into a \$450 million five-year amortising loan facility backed by a \$360 million guarantee from UK Export Finance. The Group has a two-year availability period during which to draw on the facility, and the facility has a five-year tenor which commences the earlier of availability period expiry or when the facility is fully drawn. The lenders have classified the facility as a green loan as the funds are for use within the Group's Renewables business unit. The facility is guaranteed by the Company and Subsea 7 Finance (UK) PLC, a wholly-owned subsidiary of the Group. At 31 December 2024, the amount outstanding under the facility, net of facility fees, was \$289.4 million (2023: \$288.9 million).

Utilisation of facilities

At (in \$ millions)	2024 31 Dec Utilised	2024 31 Dec Unutilised	2024 31 Dec Total	2023 31 Dec Utilised	2023 31 Dec Unutilised	2023 31 Dec Total
Committed borrowing facilities	728.0	757.6	1,485.6	852.6	857.6	1,710.2

Other facilities

In addition to the above there are a number of uncommitted, unsecured bi-lateral guarantee arrangements in place in order to provide specific geographical coverage. The utilisation of these facilities at 31 December 2024 was \$2.1 billion (2023: \$2.2 billion).

11. Other external expenses

For the year ended (in \$ millions)	2024 31 Dec	2023 31 Dec
Administrative expenses	1.2	2.6
Statutory audit fees	0.2	0.2
Total	1.4	2.8

12. Other operating expenses

For the year ended (in \$ millions)	2024 31 Dec	2023 31 Dec
Corporate allocation and shareholders' costs	57.3	46.8
Provision for share-based payments which may vest in future periods	16.3	5.0
Other operating expenses	1.0	0.9
Total	74.6	52.7

13. Income from participating interests derived from affiliated undertakings

On 13 November 2024, the Company received a dividend of \$15.0 million from Acergy Holdings (Gibraltar) Ltd. (2023: \$400.0 million from Subsea 7 International Holdings (UK) Limited). Consideration for this transaction was settled under, and in line with the terms of, the Group's internal working capital agreement.

14. Other interest receivable and similar income derived from affiliated undertakings

For the year ended (in \$ millions)	2024 31 Dec	2023 31 Dec
Guarantee fee commission receivable from Eidesvik Seven AS	0.1	0.1
Interest receivable on short-term working capital facility	-	0.4
Total	0.1	0.5

15. Tax on profit or loss

For the year ended 31 December 2024, the Company was fully taxable at an effective rate of 24.94% (2023: 24.94%). After taking account of required book to tax adjustments, the Company recorded a fiscal loss for the year. No benefit has been recorded in respect of this loss due to uncertainty over future recoverability.

16. Share-based payments

Awards made under the Group's Long Term Incentive Plans, in the form of equity-settled share-based payments, are satisfied by the Company on behalf of its affiliated undertakings. During the year ended 31 December 2024, \$2.6 million of an established provision was utilised to satisfy charges in respect of share-based compensation. In the prior year, a charge of \$2.3 million was recognised directly in the Profit and Loss account.



The share-based schemes operated by the Group are:

2018 Long Term Incentive Plan

The 2018 Long Term Incentive Plan (2018 LTIP Plan) was approved by the Company's shareholders at the Annual General Meeting on 17 April 2018 and was valid for a period up to five years until 2023. Awards under the 2018 LTIP Plan were made in 2018, 2019, 2020 and 2021.

2022 Long Term Incentive Plan

The 2022 Long Term Incentive Plan (2022 LTIP Plan) was approved by the Company's shareholders at the Annual General Meeting on 12 April 2022, superseding the 2018 LTIP Plan, and is valid for a period of five years until 2027. The principles of the plan remained as previous years whereby a conditional award of shares is made that provides for share awards which vest over a three to five-year period subject to performance measures. Cash Conversion Ratio (CCR) has been added to the plan and the percentage weighting of each measure adjusted to reflect this.

The 2022 LTIP Plan has a five-year term with awards being made annually in October. The aggregate number of shares which may be granted in any calendar year is limited to 0.5% of issued share capital on 1 January of that calendar year. The total number of shares that may be delivered pursuant to awards under the plan shall not exceed 11,500,000. The total number of share awards and shares granted to the CEO and CFO are recommended by the Compensation Committee for the approval by the Board of Subsea7. The 2022 LTIP Plan is an essential component of the Company's reward strategy and is designed to align the interests of participants with those of the Company's shareholders and enables participants to share in the success of the Company. The 2022 LTIP Plan provides for conditional awards of shares based upon performance conditions measured over a performance period of three years. Performance conditions are based upon three measures and weightings determined by the Compensation Committee. During 2024 the Compensation Committee approved the following revised weightings to apply to the LTIP 2024 awards under the 2022 LTIP Plan:

- Total Shareholder Return (50%)
- Cash Conversion Ratio (30%)
- Return on Average Invested Capital (20%).

All three performance conditions are determined over a three-year period from 1 July in the year of award to 30 June three years later. Subject to the achievement of the performance conditions, awards will vest in equal tranches after three, four and five years from award date.

Under the terms of the LTIP, participants are not entitled to receive dividend equivalent payments during the performance and holding periods. On 31 December 2024, there were approximately 150 participants in the active LTIP schemes (2018 LTIP and 2022 LTIP Plans). Individual award caps are in place such that no participant may be granted shares under the 2022 LTIP Plan in a single calendar year that have an aggregate fair market value in excess of 150%, in the case of the CEO, CFO and other members of the Executive Management Team, and 100%, in the case of other employees, of their annual base salary at the date of the award. Additionally, a holding requirement for the CEO, CFO and other members of the Executive Management Team applies where they must hold 50% of all awards that vest until they have built up a shareholding with a market value of 150% of their annual base salary which must be maintained throughout their tenure.

Total Shareholder Return based awards

The Company will have to achieve a Total Shareholder Return (TSR) ranking above the median for any awards to vest. If the ranked TSR position of the Company during the three-year performance period, as converted to a percentage, is equal to 50%, 20% of the share award will vest. If the ranked TSR position of the Company is greater than 50% and below 75%, the vesting of the share award between 20% and 50% is determined by linear interpolation. The maximum award of 50% would vest if the Company achieved a ranked TSR position of equal to or greater than 75%.

Cash Conversion Ratio based awards

The Cash Conversion Ratio (CCR) measures the conversion of Adjusted EBITDA into a form of cash. The Board believes this measure is an important addition to the LTIP as it aligns with shareholder interests in making sure the business converts profitability into cash generated from its operations in a timely manner. The Group can exert significant influence in achieving this goal. Furthermore it is clear and predictable, and as with the other two measures, the elements of the calculation are readily identifiable from the Group Financial Statements.

CCR is calculated for each of the three years of the performance period on a quarterly basis.

Return on Average Invested Capital based awards

Return on Average Invested Capital (ROAIC) is calculated for each of the three years of the performance period on a quarterly basis.

Details of the TSR, ROAIC and CCR calculations, including further details of each Long Term Incentive Plan, are disclosed within the Remuneration Report on pages 59 to 63.



Vesting of LTIP 2021 award

The performance conditions applicable to the share awards granted in 2021 under the 2018 LTIP Plan that vested during 2024 were based upon two measures: TSR and ROAIC, with a weighting of 65% and 35%, respectively. Subject to these performance conditions the vested shares are transferred to participants in equal tranches on the third, fourth and fifth anniversary of the award date.

The performance conditions for the vesting of the share awards granted in 2021 under the 2018 LTIP Plan are set out below. For LTIP 2021 awards, both performance conditions were assessed over the three-year period, and TSR vested at 90.65% and ROAIC at 0%.

Metric	Percentage of share awards under each metric	Range	Result	Percentage of shares to vest under each metric	Shares to vest
TSR	65%	50%-100%	84.6% ^(a)	90.65%	58.93%
ROAIC	35%	9%-14%	1.25% ^(b)	–	–
Total	100%				58.93%

(a) Subsea7 ranked 3rd out of the 14 companies within the selected peer group (above the median but below the 90th percentile). This resulted in 90.65% vesting for the TSR portion – 58.93% of the total award.

(b) The average over the three-year performance period was 1.25%. This resulted in 0% vesting for the ROAIC portion.

During 2024, in accordance with the terms of the 2018 LTIP Plan, shares totalling 331,560 were transferred to participants.

Long Term Incentive Plan awards in 2024

Conditional share awards were made to approximately 150 leaders and key employees on 1 October 2024, comprising 1,476,800 (2023: 1,448,900) shares under the terms of the 2022 LTIP Plan.

17. Staff

The average full-time equivalent number of employees of the Company for the year ended 31 December 2024 was one (2023: one).

18. Related party transactions

The Company has taken advantage of the exemption under the law of 19 December 2002, Article 65 which does not require the disclosure of transactions with wholly-owned members of the Group.

The Company is an associate of Siem Industries S.A. and is equity accounted for within Siem Industries S.A.'s Consolidated Financial Statements.

During 2024 the Company rented office accommodation from Siem Europe Properties S.à r.l., a Company ultimately controlled by Siem Industries S.A. Total rental cost was less than \$0.1 million (2023: less than \$0.1 million).

Transactions with Treveri S.à r.l., a company controlled by Mr Siem, in relation to services provided totalled \$0.1 million (2023: \$0.1 million).

In addition, the Company received guarantee commission for an amount of \$0.1 million (2023: \$0.5 million) from Eidesvik Seven AS related to the 100% guarantee provided on the NOK 600 million (\$50.6 million) loan facility by Subsea 7 International Holdings (UK) Limited.

19. Board of Directors' expenses

Fees paid to Directors for the year ended 31 December 2024 amounted to \$1.0 million (2023: \$0.9 million).

20. Events after the reporting period

Proposed Combination of Subsea7 and Saipem

On 23 February 2025, Subsea 7 S.A. announced an agreement in principle on the key terms of the proposed merger with Saipem S.p.A. In accordance with the memorandum of understanding signed between Saipem S.p.A. and Subsea 7 S.A., Subsea 7 S.A. shareholders will receive 6,688 Saipem S.p.A. shares for each Subsea 7 S.A. share held, and an extraordinary dividend for an amount equal to €450 million will be distributed immediately prior to completion. Subsea 7 S.A. and Saipem S.p.A. shareholders will own 50% each of the issued share capital of the combined company. The completion of the proposed combination is anticipated to occur in the second half of 2026, following completion of confirmatory due diligence, the approval of the final terms of the proposed combination by the Board of Directors of Subsea 7 S.A. and Saipem S.p.A., the execution of a satisfactory merger agreement, and relevant corporate and regulatory approvals.

Dividend

At the Annual General Meeting on 8 May 2025, the Board of Directors will propose that shareholders approve a cash dividend of NOK 13.00 per share, equating to approximately \$350 million, payable in two equal instalments in May and November 2025.



GLOSSARY

4Subsea	4Subsea is a leading provider of technology and services that help operators optimise energy production from subsea oil and gas fields and offshore wind farms. 4Subsea is a wholly-owned autonomous subsidiary of Subsea7.
Adjusted EBITDA	Adjusted EBITDA is defined on page 200 in the Additional Information (APMs).
AGM	Annual General Meeting
Backlog	Expected future revenue from in-hand projects as defined within Additional Information (APMs) on page 200. Awards to associates and joint ventures are excluded unless otherwise stated.
Board	The Board of Directors of Subsea 7 S.A.
Carbon Estimator	A model that calculates the equivalent CO ₂ and atmospheric emissions associated with global project operations. This helps identify the elements that contribute the most to a development's carbon footprint, allowing for alternatives to be considered.
Carbon intensity	The carbon intensity of oil and gas developments can be measured in CO ₂ e per barrel of oil equivalent, including production and transportation but excluding end-use combustion.
CCS	Carbon capture and storage, including transportation
CECO	Chief Ethics and Compliance Officer
Child labour	As recognised and defined by the International Labour Organisation. Should not be confused with "youth employment" or "student work".
Company	Subsea 7 S.A.
Conventional	Conventional services include the fabrication, installation, extension, hook-up and refurbishment of fixed and floating energy infrastructure in shallow water.
Decommissioning	The taking out of service of production facilities at the end of their economic lives and their removal or partial removal from offshore for recycling and/or disposal onshore.
DNV	DNV AS is a leading classification society for the maritime industry.
Dry-dock	A facility for the construction, maintenance and repair of vessels.
EGM	Extraordinary General Meeting
EPCI/EPIC	Engineering, procurement, construction and installation or engineering, procurement, installation and commissioning, typically on a fixed-price basis.
Executive Officers	For the purpose of the Remuneration Report, Executive Officers refers to the Executive Directors of Subsea 7 S.A. as well as the roles of Chief Executive Officer (CEO) and the Chief Financial Officer (CFO).
FID	Final investment decision
Flex-lay	A pipelay method for installing flexible pipelines, umbilicals and risers by spooling them from a reel, carousel or basket onto the seabed.
Flowline	A pipeline carrying oil, gas or water that connects the subsea wellhead to a manifold or to surface production facilities.
Global enabler	Any of Subsea7's most capable vessels that are frequently key to winning and executing large EPCI contracts.
Group	Subsea 7 S.A. and its subsidiaries
Heavy lift vessel	An offshore vessel or barge designed to lift objects greater than 1,000 tonnes such as offshore wind foundations and turbines.
High-risk country	From a human rights perspective, any country with a score below 5 out of 10 on the Verisk Maplecroft Human Rights index.
High-risk materials or services	High-risk materials or services from a human rights perspective are those listed as such in the Material Service Group Category Register maintained by our supply chain management function.
High-risk suppliers	High-risk suppliers from a human rights perspective are those deemed as such in accordance with our Supplier Human Rights Risk Matrix
Human rights risk assessment	A comprehensive appraisal of human rights risk posed by a supplier.
Human rights screening manager	The person appointed by the relevant regional or Group SCM Director to perform the human rights questionnaire review and screening portion of the Human Rights Risk Assessment and Due Diligence Process for Suppliers
Inter-array cables	Cables that run between the individual wind turbine foundations and substations.
Integrity management	A risk-based service supporting operators of subsea assets in the maintenance of their facilities.
IRM	Inspection, repair and maintenance of infrastructure.
IRO	Impact, Risk, Opportunity
Jacket	A steel structure, typically comprised of an x-braced configuration between four steel legs. Jackets are one design of foundation for wind turbine generators.

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Labour agencies	A third party that provides recruitment and placement services to Subsea7 where the individuals remain as employees of the agency. This can include providing services such as advertising vacancies, proposing candidates, arranging medical and visas, and providing contractual support to agency staff.
Low-skilled worker	A worker that does not require high qualifications or skills.
Medium risk country	From a human rights perspective, means any country with a score between 5 and 7.5 (out of 10) on the Verisk Maplecroft Human Rights Country Risk Index
Modern slavery	Umbrella term covering practices such as forced labour, debt bondage, forced marriage and human trafficking. Essentially, it refers to situations of exploitation that a person cannot refuse or leave because of threats, violence, coercion, deception and/or abuse of power.
Monopile foundation	A single, cylindrical, steel structure that can be used as a foundation for a wind turbine generator or offshore substation.
OceanPlan	A concept development platform that enables efficient development planning and accelerates concept selection. It increases the level of certainty during the early phases of a project by linking technical and economic feasibility. It also features embedded economic modelling, integrated engineering workflows to support system selection, cost estimation, and greenhouse gas emission estimation.
OneSubsea	A joint venture between SLB, Aker Solutions and Subsea7. Focused on accelerating innovation to create a step change in subsea production economics and reduce emissions in subsea operations. The joint venture brings together deep reservoir domain expertise, broad front-end and system design knowledge. It has an extensive field-proven subsea production and processing technology portfolio, world-class manufacturing scale and capacity, and unique pore-to-process integration capabilities.
Performance share	Performance shares are awarded under the Long Term Incentive Plan and cover approximately 150 senior employees. These shares vest after at least three years, subject to performance conditions.
Riser/riser systems	A pipe through which oil and/or gas travels upward from the seabed to a surface production facility.
ROAIC	Return on Average Invested Capital. A key performance indicator for the Group which is used as a non-market performance measure in the Long Term Incentive Plans.
Seaway7	Subsea7's Renewables business
SME	Small and medium-size enterprises
SPS	Subsea production system. Equipment placed on the seabed that is connected to subsea pipeline networks and riser systems.
Subsea7	Subsea 7 S.A. and its subsidiaries
Subsea Integration Alliance	Subsea Integration Alliance is a strategic global alliance between OneSubsea and Subsea7, bringing together field development planning, project delivery, innovative contracting models and total lifecycle solutions.
Supplier Human Rights Risk Matrix	The Group's risk assessment criteria for suppliers to determine whether they are low, medium or high-risk suppliers from a human rights risk perspective.
SURF	Subsea umbilicals, risers and flowlines
T&I	Transport and installation of wind or subsea infrastructure
Tie-back	A connection between a new satellite oil and/or gas discovery and an existing production facility, improving the economics of marginal fields into profitable assets.
Total shareholder return	Total shareholder return combines share price appreciation and dividends paid to show the total return to the shareholder expressed as an annualised percentage.
Umbilical	An assembly of hydraulic hoses, which can also include electrical cables or optic fibres, used to control subsea structures from an offshore platform or a floating vessel.
Variation order	An instruction by the client for a change in the scope of the work to be performed under the contract which may lead to an increase or a decrease in contract revenue based on changes in the specifications or design of an asset and changes in the duration of the contract.
Vulnerable migrant workers	Low-skilled workers from a high or medium-risk country, working in another country of which they are not a permanent resident, or working offshore.
Xodus	Client-led engineering consultancy that provides engineering and advisory services to clients in the oil and gas, LNG, renewables and utilities industries worldwide. Xodus is a wholly-owned autonomous subsidiary of Subsea7.



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Special note regarding forward-looking statements

Certain statements made in this report may include 'forward-looking statements'. These statements relate to our expectations, beliefs, intentions or strategies regarding the future. These statements may be identified by the use of words such as 'anticipate', 'believe', 'estimate', 'expect', 'intend', 'may', 'plan', 'project', 'should', 'will', 'seek', and similar expressions.

The forward-looking statements that we make reflect our current views and assumptions with respect to future events and are subject to risks and uncertainties. Actual and future results and trends could differ materially from those set forth in such statements due to various factors, including those discussed in this report under 'Risk Management', 'Financial Review' and the quantitative and qualitative information disclosures about market risk contained in Note 32 'Financial Instruments' to the Consolidated Financial Statements.

Factors that may cause actual and future results and trends to differ materially from our forward-looking statements include (but are not limited to): (i) our ability to deliver fixed-price projects in accordance with client expectations and within the parameters of our bids, and to avoid cost overruns; (ii) our ability to collect receivables, negotiate variation orders and collect the related cash; (iii) our ability to recover costs on significant projects; (iv) capital expenditure by oil and gas companies, which is affected by fluctuations in the price of, and demand for, crude oil and natural gas; (v) unanticipated delays or cancellation of projects included in our backlog; (vi) competition and price fluctuations in the markets and businesses in which we operate; (vii) the loss of, or deterioration in our relationship with, any significant clients; (viii) the outcome of legal proceedings or governmental inquiries; (ix) uncertainties inherent in operating internationally, including economic, political and social instability, boycotts or embargoes, labour unrest, changes in foreign governmental regulations, corruption and currency fluctuations;

(x) the effects of a pandemic or epidemic or a natural disaster; (xi) liability to third parties for the failure of our joint venture partners to fulfil their obligations; (xii) changes in, or our failure to comply with, applicable laws and regulations (including regulatory measures addressing climate change); (xiii) operating hazards, including spills, environmental damage, personal or property damage and business interruptions caused by adverse weather; (xiv) equipment or mechanical failures, which could increase costs, decrease revenue and result in penalties for failure to meet project completion requirements; (xv) the timely delivery of vessels on order and the timely completion of ship conversion programmes; (xvi) our ability to keep pace with technological changes and the impact of potential information technology, cybersecurity or data security breaches; (xvii) global availability at scale and commercial viability of suitable alternative vessel fuels; and (xviii) the effectiveness of our disclosure controls and procedures and internal control over financial reporting.

Many of these factors are beyond our ability to control or predict. Given these uncertainties, you should not place undue reliance on the forward-looking statements. We undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



SUPPLEMENTARY INFORMATION

Investor relations

Shareholders, equity analysts, portfolio managers and representatives of financial institutions may contact:

Email: ir@subsea7.com

Telephone: +44 20 8210 5568

Press enquiries

Representatives of the press may contact:

Email: subsea7corporate.communications@subsea7.com

Financial information

Copies of stock exchange announcements, including the Group's quarterly and semi-annual results and the Annual Report are available at www.subsea7.com.

Any shareholder requiring a printed copy of the Group's Annual Report can request this via the website www.subsea7.com.

Stock listings

Common shares – traded on the Oslo Stock Exchange under the symbol SUBC – www.oslobors.no.

ISIN: LU0075646355

LEI: 222100AIFOCBCY80AH62

Registrar – common shares

Registrar for the shares of Subsea 7 S.A., recorded in the Norwegian Central Securities Depository, Verdipapirsentralen ASA (Euronext Securities Oslo):

DNB Bank ASA

Postboks 1600 Sentrum

0021 Oslo, Norway

Telephone: +47 23 26 80 16

Email: sten.sundby@dnb.no

Depository bank – ADRs

Subsea 7 S.A. has a sponsored Level 1 ADR facility, for which Deutsche Bank Trust Company Americas acts as depository. Each ADR represents one common share of the Company. The ADRs are quoted over-the-counter (OTC) in the US under the ticker symbol SUBCY.

For enquiries, beneficial ADR holders may contact:

Deutsche Bank Trust Company Americas
c/o Equiniti Trust Company, LLC, Peck Slip Station
PO Box 2050, New York NY10272-2050, USA

US toll free: +1 866 249 2593

International: +1 718 921 8137

Email: adr@equiniti.com

Further information is available at: www.equiniti.com.

Financial calendar

Subsea 7 S.A. intends to publish its quarterly financial results for 2025 on the following dates:

Q1 2025 results	30 April 2025
Q2 and H1 2025 results	31 July 2025
Q3 2025 results	20 November 2025
Q4 and FY 2025 results	26 February 2026

2025 Annual General Meeting and Extraordinary General Meeting

8 May 2025 at 15:00 CET

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subsea 7

Subsea7 is a global leader in the delivery of offshore projects and services for the energy industry. Subsea7 makes offshore energy transition possible through the continuous evolution of lower-carbon oil and gas and by enabling the growth of renewables and emerging energy. The company employs 15,000+ people and operates in over 30 countries.

Subsea 7 is listed on the Oslo Børs (SUBC),
ISIN LU0075646355, LEI 222100AIF0CBCY80AH62
Registered office: 412F Route d'Esch, L-1471 Luxembourg

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4subsea Astori AS

Notes to the accounts for 2024

Note - 1 Accounting Principles

The annual report is prepared according to the Norwegian Accounting Act and generally accepted accounting principles for small companies.

Sales revenue

Sales revenues are recognized at the time of delivery. Sales revenues related to future deliveries are recognised on the balance sheet as unearned income, and subsequently recognized as income in line with delivery.

Balance sheet classification

Current assets and current liabilities include items due for payment within one year after the balance sheet date. Other items are classified as non-current assets/non-current liabilities.

Current assets are valued at cost of acquisition. Current liabilities are recognised according to the nominal amount. Non-current assets are valued at cost of acquisition, and written down to fair value if impairment is not expected to be temporary. Fixed assets with a limited economic life are depreciated according to depreciation plan.

Investment in subsidiaries

Investments in subsidiaries are assessed at acquisition cost, and written down to fair value if impairment is not expected to be temporary. Write-downs are reversed when the value is recovered.

The cost price is increased with capital increases, or when group contributions are made to the subsidiary. Distributions received are generally recognised in the income statement as income. Distributions that exceed the share of retained earnings after the purchase are recognised as a reduction of the acquisition cost. Dividends/group contributions from subsidiaries are recognised in the accounts for the same year as the dividend decision.

Development costs

Development expenses are capitalized to the extent that a future economic benefit can be identified from the development of intangible assets. The costs are otherwise recognized as incurred. Capitalised development is depreciated over their useful economic life on a straight-line basis.

Receivables

Accounts receivables and other receivables are stated at nominal value less provisions for doubtful debts. Provisions for doubtful debts are made on the basis of individual assessments of the individual receivables.

Income tax

Tax expenses include tax payable and changes in deferred tax. Deferred tax/tax assets are calculated for all differences between the accounting and tax value of assets and liabilities. Deferred tax is calculated at the rate of 22% of the temporary differences between accounting and tax values, as well as the tax loss carried forward at the end of the financial year. Net deferred tax asset is recognized on the balance sheet to the extent that it is likely to be utilised.



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Notes to the accounts for 2024

Note 2 - Payroll expenses, number of employees, management remuneration and auditor's fee

<i>Payroll costs</i>	2024	2023
Salaries	6 145 802	6 835 738
Payroll tax	1 396 122	1 535 900
Pension costs	457 578	431 532
Other payments	175 677	123 716
Total payroll expenses	<u>8 175 179</u>	<u>8 926 886</u>

Management remuneration

	Salary	Pension expenses	Other remuneration
General Manager	1 697 189	93 768	24 315

The company has established a defined-contribution pension scheme that satisfies the requirements of the Act relating to mandatory occupational pensions. All employees are covered by the scheme.

<i>Audit fee:</i>	2024	2023
Statutory audit, excluding VAT	84 000	85 000

Note 3 - Fixed assets

	Development	Fixtures
Acquisition cost 01.01.	4 367 919	61 975
Acquisitions	4 779 305	0
Acquisition cost 31.12.	<u>9 147 224</u>	<u>61 975</u>
Acc.depreciation 31.12.	0	-50 613
Net booked value at 31.12.	<u>9 147 224</u>	<u>11 362</u>
Depreciation for the year	0	12 395
Useful economic life	3 år	5 år
Depreciation	Lineær	Lineær



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Notes to the accounts for 2024

Note 4 - Income taxes

<i>Income tax expenses</i>	2024	2023
Tax payable	0	306 789
Change in deferred tax	-1 587 893	16 741
Total income tax	<u>-1 587 893</u>	<u>323 530</u>

<i>Tax base estimation</i>	2024	2023
Ordinary profit before tax	-6 152 128	1 560 268
Permanent differences	-274 505	-353 115
Change in temporary differences	-270 385	187 341
Tax base	<u>-6 697 018</u>	<u>1 394 494</u>
Tax payable (22%) of the tax base for the year	0	306 789
Tax deduction SkatteFUNN	-273 568	-351 816
Receivable SkatteFUNN	<u>-273 568</u>	<u>-45 027</u>

<i>Overview of temporary differences</i>	2024	2023
Fixed assets	-444 584	-714 969
Loss carryforward	-6 697 018	0
Net temporary differences as of 31.12	-7 141 602	-714 969
Differences not included in deferred tax	0	-791 066
Total	<u>-7 141 602</u>	<u>76 097</u>

Deferred tax asset/liability (22%)	-1 571 152	16 741
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SkatteFUNN refund is recognized as receivable in the balance sheet.

Note 5 - Equity

	Share capital	Other equity	Total
Equity 01.01.	36 000	14 332 740	14 368 740
Profit for the year	0	-4 564 235	-4 564 235
Equity 31.12.	<u>36 000</u>	<u>9 768 505</u>	<u>9 804 505</u>

Note 6 - Investment in subsidiaries and associate

Company	Acquisition		Share owners	Net profit	Equity	Book value
	year	Location		2024	31.12	31.12
Astori SP	2018	Warszawa	100 %	747 393	2 554 904	1 643 183

Note 7 - Intercompany balance with group companies

<i>Receivables</i>	2024	2023
Other receivables	148 242	890 632

Intercompany balances are not interest-bearing.



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Notes to the accounts for 2024

Note 8 - Bank deposit

	2024
Restricted cash for employee withholding tax as of 31.12	415 887

Note 9 - Equity

Share capital:

	Number of shares	Face value	Book value
Ordinære aksjer	12 000	3	36 000

Shareholders per 31.12:

	Ordinary shares	Ownership share	Voting rights
4subsea AS	12 000	100 %	100 %