



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	990 687 846
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	TRANSOCEAN NORWAY OPERATIONS AS
Forretningsadresse:	Maskinveien 26 4033 STAVANGER

Regnskapsår

Årsregnskapets periode:	01.01.2024 - 31.12.2024
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Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
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:	Iain Inglis
Dato for fastsettelse av årsregnskapet:	26.06.2025

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, 08.08.2025



Resultatregnskap

Beløp i: USD	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Revenue	4	418 817 000	411 990 000
Sum inntekter		418 817 000	411 990 000
Kostnader			
Personnel expenses	5	171 585 000	197 442 000
Operating lease rentals		38 747 000	3 896 000
Other operating expenses	6	186 982 000	187 870 000
Sum kostnader		397 314 000	389 208 000
Driftsresultat		21 503 000	22 782 000
Finansinntekter og finanskostnader			
Other financial income	7	16 086 000	8 999 000
Sum finansinntekter		16 086 000	8 999 000
Impairment of share in subsidiary		1 382 000	
Other financial expense	7	7 726 000	5 527 000
Sum finanskostnader		9 108 000	5 527 000
Netto finans		6 978 000	3 472 000
Resultat før skattekostnad		28 481 000	26 254 000
Tax on ordinary result	8	6 464 000	441 000
Årsresultat		22 017 000	25 813 000
Overføringer og disponeringer			
Allocated to other equity	9	22 017 000	25 813 000
Sum overføringer og disponeringer		22 017 000	25 813 000



Balanse

Beløp i: USD	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Sum immaterielle eiendeler		0	
Varige driftsmidler			
Warehouse	10	11 613 000	16 171 000
Sum varige driftsmidler		11 613 000	16 171 000
Finansielle anleggsmidler			
Investering i datterselskap	12	0	0
SPS / deferred mobilisation costs	11	0	626 000
Sum finansielle anleggsmidler		0	626 000
Sum anleggsmidler		11 613 000	16 797 000
Omløpsmidler			
Varer			
Inventory	13	34 936 000	24 938 000
Sum varer		34 936 000	24 938 000
Fordringer			
Accounts receivable		28 655 000	39 821 000
Deferred mobilization costs		4 297 000	4 424 000
Other receivables	15	6 209 000	17 773 000
Konsernfordringer	14	276 983 000	353 109 000
Sum fordringer		316 144 000	415 127 000
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents		33 887 000	23 989 000
Sum bankinnskudd, kontanter og lignende		33 887 000	23 989 000
Sum omløpsmidler		384 967 000	464 054 000
SUM EIENDELER		396 580 000	480 851 000



Balanse

Beløp i: USD	Note	2024	2023
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	9	162 000	162 000
Overkurs	9	20 083 000	39 089 000
Annen innskutt egenkapital	9	1 887 000	1 887 000
Sum innskutt egenkapital		22 132 000	41 138 000
Opptjent egenkapital			
Other equity	9	-1 827 000	-23 844 000
Sum opptjent egenkapital		-1 827 000	-23 844 000
Sum egenkapital		20 305 000	17 294 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld	14	0	31 016 000
Deferred revenue		2 322 000	3 239 000
Sum annen langsiktig gjeld		2 322 000	34 255 000
Sum langsiktig gjeld		2 322 000	34 255 000
Kortsiktig gjeld			
Leverandørgjeld	16	57 273 000	80 425 000
Deferred tax		1 544 000	441 000
Kortsiktig konserngjeld	14	315 136 000	348 436 000
Sum kortsiktig gjeld		373 953 000	429 302 000
Sum gjeld		376 275 000	463 557 000
SUM EGENKAPITAL OG GJELD		396 580 000	480 851 000



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Transocean Norway Operations AS

Annual Report

31 December 2024



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Transocean Norway Operations AS

Organisation No. 990 687 846

Board of Directors' Report

Nature and location of the business

Transocean Norway Operations AS is a wholly owned subsidiary of Transocean Services AS. The purpose of the company is to enter into contracts with oil companies to lease rigs with personnel. The company also provides warehouse support to rigs operating in Norway. Since mid 2020, the company has employed all Norwegian offshore personnel supporting all rigs operating in Norway for the Transocean Group.

Transocean Norway Operations AS operated the Transocean Spitsbergen rig with Equinor Energy AS throughout 2024. The rig is leased from a fellow group company, Transocean Spitsbergen ASA.

Transocean Norway Operations AS continued to operate the Transocean Norge rig with Wintershall, throughout the year.. The rig is leased from Transocean Drilling Offshore S.a.r.l.

The company has an office located in Maskinveien 26, 4033 Stavanger, Norway.

Going concern

The directors have obtained confirmation from an appropriate parent undertaking, Transocean Inc. that it will provide financial support to allow the company to meet its liabilities as and when they fall due, to the extent that the company is not able to meet such liabilities; and to recover in full sums due to it, when so due, from other group undertakings. The support outlined above is valid for a period of 12 months from the date of signing the financial statements and similar support had been extended on an annual basis. The board has also considered the group consolidated forecast, the current outlook of the offshore industry and the current efforts of the group company to extent its liquidity, including the renewal of its revolving credit facility and the execution of its at-the-market equity offering program. On this basis the directors consider that it is appropriate to prepare the financial statements on a going concern basis.

The going concern assumption in accordance with the Norwegian Accounting Act § 3-3 (accounting law) is present and the financial statements have been prepared under this assumption.

Financial Statements

The company's turnover in 2024 was USD 419 million compared to USD 412 million in 2023. Operational expenses in 2024 amounts to USD 397 million compared to USD 389 million in 2023. Operating expenses mainly consist of personnel expenses, rig leasing expenses and other operating expenses. Net operating profit for 2024 was USD 22 million compared to a net operating profit of USD 23 million in 2023. The company has net financial income of USD 7 million compared to USD 3.5 million net financial income in 2023.

The company's cash balance was USD 34 million at the year end compared to USD 24 million in 2023. Total cash flow used in operating activities was USD 16 million in 2024 and the operating profit before tax constituted USD 28.5 million.

The company's equity in 2024 is USD 20.3 million (5%), compared to USD 17.3 million and 4% in 2023. Total equity and liabilities amounted to USD 397 million compared to USD 481 million at year end 2023.



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Transocean Norway Operations AS

Organisation No. 990 687 846

Board of Directors' Report (continued)

Financial risk management

The group's business implies exposure to different types of financial risk. These risks comprise of market risk, currency risk, credit risk, interest risk and liquidity risk. The company's overall risk management is designed to minimise the potential negative effects on the company's financial results.

This note presents information about the exposure to each of the above risks and the processes for measuring and managing risk and the company's management of capital. Further quantitative disclosures are included throughout the financial statements where relevant.

The board of directors has overall responsibility for the establishment and oversight of the company's risk management framework.

Through training and development of standards and procedures for managing risks, the aim is to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Market risk

Market risk is the risk of change in market prices and demand, thereunder changes in currency exchange rates and interest levels.

Currency risk

The company's reporting and functional currency is US Dollar. For the 2024 accounting year all ordinary running cost and some significant balance sheet entries are denominated in Norwegian kroner and represents a currency risk for the company.

Interest rate risk

The company has no external debt at the end of the fiscal year. Interest-bearing debt is internal and thus the interest rate risk is considered to be low.

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligation. Credit risk arises principally from the company's receivables from customers and intercompany.

The company's exposure to credit risk is influenced mainly by individual factors associated with each counterparty. The risk associated with internal counterparties is considered to be low.

Liquidity risk

Liquidity risk is the risk that the company will not be able to settle its financial commitments as they fall due. With regular prognoses and liquidity analysis, the company will, as far as possible, ensure that sufficient access to funds is made available in order to settle commitments on the due date without unacceptable losses or risks of damaging the company's reputation. Transocean Norway Operations AS is included in the Group's overall liquidity evaluation.

Oil price risk

Our business depends on the level of activity in oil and gas exploration, development and production in offshore areas worldwide. Demand for our services depends on oil and natural gas industry activity and expenditure levels that are directly affected by trends in oil and, to a lesser extent, natural gas prices.

Demand for our services is particularly sensitive to the level of exploration, development and production activity of, and the corresponding capital spending by, oil and natural gas companies, including national oil companies. Prolonged reductions in oil and natural gas prices could depress the immediate levels of exploration, development and production activity.



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Transocean Norway Operations AS

Organisation No. 990 687 846

Board of Directors' Report (continued)

Oil price risk (continued)

Perceptions of longer-term lower oil and natural gas prices by oil and gas companies could similarly reduce or defer major expenditures given the long-term nature of many large-scale development projects. Lower levels of activity result in a corresponding decline in the demand for our services, which could have a material adverse effect on our revenue and profitability. Oil and gas prices and market expectations of potential changes in these prices significantly affect this level of activity. However, increases in near-term commodity prices do not necessarily translate into increased offshore drilling activity since customers' expectations of longer-term future commodity prices typically have a greater impact on demand for our rigs.

Consistent with this dynamic, customers may delay or cancel many exploration and development programs, resulting in reduced demand for our services. Also, increased competition for customers' drilling budgets could come from, among other areas, land-based energy markets worldwide. The availability of quality drilling prospects, exploration success, relative production costs, the stage of reservoir development and political and regulatory environments also affect customers' drilling campaigns. Worldwide military, political and economic events have often contributed to oil and gas price volatility and are likely to do so in the future.

The Transparency Act

The Norwegian Transparency Act (Åpenhetsloven) (the "Act") entered into force on the 1st July 2022. The Company undertook its initial assessment of its supply chain processes and procedures and published the results in its 2022 Global Human Rights Report which is available on www.deepwater.com. In accordance with the Act, the Company has continued to assess its supply chain processes. The 2023 Global Human Rights Report is also available on www.deepwater.com and the 2024 Global Human Rights Report will be made available by or on the 30th June 2025 at www.deepwater.com.

Health, safety and environment

The company is part of Transocean Norway Division's procedures and vision which aims for zero unplanned spills and no damage to the external environment. The company has not carried out operations which may have had a negative impact on the external environment in 2024.

Equity and diversity

We work for diversity, equality and inclusion. We will accept and tolerate people's differences and value them —always with an open mind and respect. We work to prevent discrimination and harassment based on ethnic origin, skin colour, gender, religion, country of origin, age, marital status, sexual orientation, gender identity, veteran status, disability or other characteristics protected by applicable laws and regulations.



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Transocean Norway Operations AS

Organisation No. 990 687 846

Board of Directors' Report (continued)

Part 1: Actual status of differences between women and men

Transocean Norway Operations AS gender balance:

	Female	Male
Gender balance	25	960
Part time employees	1	1
Temporary workers	1	22
Parental leave	54 weeks	431 weeks
Recruitment	5	51
Average salary	NOK 849 418	NOK 1 039 407

The objective of Transocean Norway Operations AS is to be a workplace with equal opportunities and rights for women and men. The Company's policies are based on well-established principles with focus when it comes to recruitment, remuneration and promotion.

Transocean Norway Operations AS had 985 employees at year-end, of which 25 were female. Of the 5 individuals in board positions, 2 are female.

Part 2: Equity and discrimination

The Company's Discrimination Act's purpose is to enhance equal opportunities regardless of gender, secure equal rights and opportunities and prevent discrimination based on ethnic origin, color of skin, religion, or disability.

The Company works according to DSO, SAFE and Industri&Energi tariff agreement when it comes to pregnant workers, elderly workers/impaired health, immigrants, and protocol additions – equality between men and women.

The Company works proactively to facilitate the goals of the Discrimination Act within the organization. The Transocean Group has several global policies including the Workplace Discrimination and Harassment Policy. This policy is a guideline for all employees of the Transocean.

We have zero tolerance for harassment, violations of laws and regulations, ethical terms and guidelines, and in our quality system and in our HR manual we refer to how employees proceed in situations where situations need to be notified. In 2024, no incidents of discrimination or other undesirable incidents have been reported through the whistleblowing routine.

Annual employee surveys map the working environment, employee engagement and culture of inclusion. The results are followed up departmentally and local action plans are drawn up with measures for improvement and preservation. The results are followed up and evaluated annually.

Transocean works actively and purposefully with gender equality to ensure an inclusive workplace, and this is a long-term and continuous work. In order to ensure a good physical and mental working environment, action plans are prepared annually in collaboration with the occupational health service. These include safety rounds, occupational health surveys and AMU meetings as fixed points. The company health service's other services related to individual employees are used.

In the recruitment processes we seek equality, and it is desirable to contribute to the fact that applicants are diversely represented. The company will therefore work even more consciously in the future with the use of images and choice of words in the job advertisements.



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Transocean Norway Operations AS

Organisation No. 990 687 846

Board of Directors' Report (continued)

Transocean wants all employees to be given the same conditions for personal and professional development. The company's promotion and development opportunities process is transparent and accessible to any employee, and the opportunities are announced and must be applied for. Here, the same guidelines are followed as in any other recruitment process. We have competitive and stimulating pay and working conditions that are determined through our collective agreements and guidelines.

The responsibility for ensuring gender equality and preventing discrimination is both a managerial and employee responsibility. Management, HR, elected representatives and employee representatives facilitate, coordinate and evaluate the work. An internal working group will be established to work for this purpose in accordance with the guidelines and tools that lie in the duty of activity and reporting.

Management liability insurance

Transocean has a Directors and Officers Liability program for all of its directors. This includes the board of directors and General Manager for our Norwegian entities on appointment. Each director/the General Manager is granted an indemnity from Transocean Inc in respect of liabilities incurred as a result of their office, to the extent permitted by law. The Company also has in place Directors and Officers Liability Insurance on behalf of its directors and officers. The insurance covers personal legal liabilities including defense and legal costs. Neither the Company's indemnity nor insurance provides cover in the event a director or officer is proved to have acted fraudulently, with willful neglect, willful default or dishonestly. The Insurance is renewed annually and covers all past, current and future officers and directors. The insurance policies provide direct coverage to directors and officers and are issued by reputable insurers with appropriate ratings.

Future developments

The company will continue to operate rigs in the Norwegian Continental Shelf and provide warehouse and personnel support to other rigs operating in Norway. The directors have also obtained confirmation from an appropriate parent that it will provide financial support to allow the undertaking to meet its liabilities as and when they fall due, to the extent that the company is not able to meet such liabilities; and to recover in full sums due to it, when so due, from other group companies. The support outlined above is valid for a period of at least 12 months from the date of signing these financial statements.

Subsequent events

There have been no events since the end of the year.



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Transocean Norway Operations AS

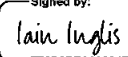
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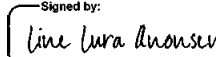
Board of Directors' Report (continued)

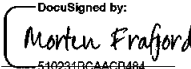
On behalf of the Board, 26 June 2025

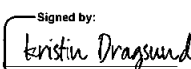
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Knut Vavik
Chairman

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Iain Inglis
Director

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Director



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Transocean Norway Operations AS

Organisation No. 990 687 846

Income statement

for the year ended 31 December 2024

	Notes	2024 USD 000	2023 USD 000
Operating income			
Revenue	4	418,817	411,990
Operating expenses			
Personnel expenses	5	171,585	197,442
Operating lease rentals		38,747	3,896
Other operating expenses	6	186,982	187,870
Total Operating expenses		397,314	389,208
Operating profit		21,503	22,782
Financial income and expenses			
Other financial income	7	16,086	8,999
Other financial expenses	7	(7,726)	(5,527)
Impairment of share in subsidiary		(1,382)	-
Net financial expense		6,978	3,472
Profit before tax	8	28,481	26,254
Tax income/(expense)			
Tax on ordinary result	8	(6,464)	(441)
Net profit for the year		22,017	25,813
Transferrals			
Transferred to other equity	9	22,017	25,813



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Transocean Norway Operations AS

Organisation No. 990 687 846

Balance Sheet

as at 31 December 2024

	Notes	2024 USD 000	2023 USD 000
Non-current assets			
<i>Fixed assets</i>			
Warehouse	10	11,613	16,171
<i>Intangible assets</i>			
Special periodic surveys/Deferred mobilisation costs	11	-	626
<i>Financial assets</i>			
Investment in subsidiaries	12	-	-
Total non-current assets		11,613	16,797
Current assets			
Inventory	13	34,936	24,938
Deferred mobilisation costs		4,297	4,424
Total inventory and associated current assets		39,233	29,362
<i>Debtors</i>			
Trade accounts receivable		28,655	39,821
Amounts due from group companies receivable	14	276,983	353,109
Other receivables	15	6,209	17,773
Total debtors		311,847	410,703
Cash and bank deposits		33,887	23,989
Total current assets		384,967	464,054
Total Assets		396,580	480,851



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Transocean Norway Operations AS

Organisation No. 990 687 846

Balance Sheet

as at 31 December 2024

	Notes	2024 USD 000	2023 USD 000
Equity			
Share capital	9	162	162
Share premium	9	20,083	39,089
Other paid-in equity	9	1,887	1,887
Retained equity	9	(1,827)	(23,844)
Total equity		20,305	17,294
Liabilities			
Long term liabilities			
Loan from group companies	14	-	31,016
Deferred revenue		2,322	3,239
Total long term liabilities		2,322	34,255
Current Liabilities			
Amounts due to group companies	14	315,136	348,436
Trade accounts payable and other payables	16	57,273	80,425
Deferred tax		1,544	441
Total Current Liabilities		373,953	429,302
Total Liabilities		376,275	463,557
Total Equity and Liabilities		396,580	480,851

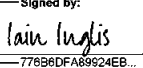
Stavanger, 26 June 2025

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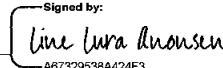
Knut Vavik

Chairman

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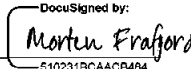
Iain Inglis

Director

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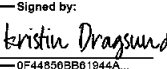
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Director

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Morten Frafjord

Director

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Kristin Dragsund

Director



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Transocean Norway Operations AS

Organisation No. 990 687 846

Cashflow Statement

for the year ended 31 December 2024

	2024	2023
	USD 000	USD 000
Profit/(loss) before taxes	22,017	25,813
Depreciation	3,307	2,743
Amortisation	685	725
Change in inventory, trade accounts receivable/payable	(22,902)	20,190
Change in other accounts	12,666	(143)
Net cash flow used in operating activities	15,773	49,328
Purchase/retirement of assets	1,251	(2,506)
Purchase of investments	-	-
Change in amounts due to and from group companies/long term debt	11,812	66,664
Group contribution	(19,006)	(97,000)
Special periodic surveys and deferred mobilisation costs	68	(4,237)
Net Cash flow from investing and financing activities	(5,875)	(37,079)
Net increase/(decrease) in cash	9,898	12,249
Cash at beginning of year	23,989	11,740
Cash at end of year	33,887	23,989



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Transocean Norway Operations AS

Organisation No. 990 687 846

Accounting principles and notes

at 31 December 2024

1. Reporting entity

Transocean Norway Operations AS has a registered address of Maskinveien 26, 4033 Stavanger, Norway. The purpose of the company is to enter into contracts with oil companies to lease rigs with personnel.

The company is a wholly owned subsidiary of Transocean Services AS who's ultimate parent undertaking is Transocean Ltd, registered at Turmstrasse 30, Steinhausen, 6312, Switzerland.

The consolidated accounts of Transocean Ltd can be obtained from www.deepwater.com.

2. Basis of preparation

Statement of compliance

The financial statements have been prepared in compliance with the provisions laid down in the Norwegian Accounting Act and generally accepted accounting principles in Norway.

The proposed annual accounts were approved by the Board of Directors on the date that is shown on the signed Balance Sheet. The annual accounts will be considered at the Annual General meeting for final approval. Up until this final approval, the Board of Directors has the authority to change the annual accounts.

Basis of measurement

The company's financial statements have been prepared on historical cost basis, except financial instruments. Financial instruments such as loans and receivables and other financial commitments are accounted to amortized cost.

The annual report is prepared using uniform accounting policies for similar transactions and events under similar circumstances.

Functional and presentational currency

The financial statements are presented in USD, which is the company's functional currency. All financial information presented has been rounded to the nearest thousand. The exchange rate as at 31 December 2024 was USD 1/NOK 11.3534.



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Transocean Norway Operations AS

Organisation No. 990 687 846

Accounting principles and notes

at 31 December 2024

3. Significant accounting principles

The accounting policies set out below have been applied consistently to all periods.

Principles for revenue recognition

Revenue is recognized when earned based on contracted day rates or fixed price contracts. Rig mobilization fees and costs when changing contracts are amortized over the drilling contract. Other revenue is accounted for when there is reasonable future benefits.

Foreign currency transactions

Transactions in foreign currencies are translated to functional currency at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to functional currency with the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at historic exchange rate, are translated to functional currency with transaction date exchange rates. Changes in exchange rates are continuously booked to the income statement in the accounting period.

Finance income and expenses

Finance income comprises interest income on funds invested and changes in the fair value of financial assets at fair value through the income statement. Interest income is recognised as it accrues in the income statement.

Finance expenses comprise interest expense on borrowings and unwinding of the discount on provisions as well as impairment losses recognised on financial assets. All borrowing costs are recognised in profit or loss using the effective interest method.

Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the nominal tax rates that are expected to be applied to the temporary differences when they reverse.

Assets and liabilities for deferred tax can be offset if:

- the company has a legal right to offset the deferred tax asset and liability
- they relate to income tax levied by the same tax authority on the same taxable entity, or on different tax entities where they intend to settle the taxes on a net basis or to settle their tax assets and liabilities simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The tax effect of proposed group contributions from the parent company are recognised when the liability is recognised.

Classification of balance sheet amounts

Current assets and liabilities include items due for settlement within one year of the acquired date. The remaining items are classified as fixed assets/long term liabilities.



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Transocean Norway Operations AS

Organisation No. 990 687 846

Accounting principles and notes

at 31 December 2024

3. Significant accounting principles (continued)

Special periodic surveys

Special periodic surveys (also known as deferred drydock/deferred certification expenditure) are a five yearly thorough inspection and recertification of the hull and main machinery components of the rig, which also includes obtaining required maritime certification. The associated costs are amortised on a straight line basis over the period from the month following the end of the completed survey to the month of expiration of the survey certificate. The costs are classified as special periodic surveys within fixed assets. When the associated rig is in operation, these costs are carried by the rig operating company. When the associated rig is cold stacked, these costs are carried by the rig owning company.

Rig mobilisation

Costs of mobilising rigs from one location to another are classified as deferred mobilisation costs within debtors and amortised to cost of sales in the profit and loss account over the terms of the contracts. Reimbursements of costs of mobilising rigs are classified as deferred income and amortised to turnover in the profit and loss account over the terms of the contracts. When the associated rig is in operation, these costs are carried by the rig operating company. When the associated rig is cold stacked, these costs are carried by the rig owning company.

Inventory

Inventory is held at the lower of cost or net realisable value. When the associated rig is in operation, these costs are carried by the rig operating company. When the associated rig is cold stacked, these costs are carried by the rig owning company.

Receivables

Accounts receivables are stated in the balance sheet net of estimated losses. An assessment of expected loss is done individually for each receivable. In addition for other receivables an unspecified provision is booked to cover estimated losses.

Cash and cash equivalents

The cash flow statement is presented using the indirect method of accounting. Cash includes cash in hand and at bank. Cash equivalents are short-term liquid investments that can be immediately converted into a known amount of cash and have a maximum term to maturity of 12 months.

Provisions

A provision is recognised when:

- as a result of a past event, there is a legal or constructive obligation
- it is probable that an outflow of economic benefits will be required to settle the obligation, and
- it can be reliably estimated

Provisions are considered at each balance sheet date and are adjusted to reflect updated best estimates.

Contingent liabilities and assets

Contingent liabilities are not recognised in the annual accounts. The essential contingent liabilities are explained except for the contingent liabilities where the probability of the liability is low.

Contingent assets are not recognised in the annual accounts, but explained if there is a material probability that an asset will accrue to the company.



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Transocean Norway Operations AS

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Accounting principles and notes

at 31 December 2024

4. Revenue

The company leases drilling rigs to operating companies and revenue has been earned on the Norwegian Continental Shelf.

5. Salary, remuneration, etc.

	2024	2023
	USD 000	USD 000
Wages and salaries	134,206	152,738
Other benefits	560	1,460
Social security costs	22,638	27,039
Pension costs	14,181	16,205
Total salary, remuneration etc.	171,585	197,442
Average number of employees	1,014	1,345

There has been no remuneration paid to Management in 2024. Management receives remuneration from Transocean Services AS. The company is charged with administration fees from Transocean Services AS for this cost

6. Other operating expenses

	2024	2023
	USD 000	USD 000
Maintenance expenses	53,388	80,762
Other operating expenses	133,594	107,108
Total other operating expenses	186,982	187,870

Auditors fee for 2024 amounts to USD 52,037. No other costs beyond the ordinary audit have been incurred.



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Transocean Norway Operations AS

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at 31 December 2024

7. Other financial income and expenses

	2024 USD 000	2023 USD 000
Interest income from bank balance	862	1,763
Interest income from group companies	15,224	7,236
Total financial income	16,086	8,999
Financial expense from group companies	8,265	6,955
Loss on foreign exchange	(539)	(1,428)
Total financial expense	7,726	5,527
Investment impairment	1,382	-
Net financial (expense)/income	6,978	3,472

8. Taxes

	2024 USD 000	2023 USD 000
Tax expense for year		
Tax effect of group contribution received	5,361	-
Deferred tax	1,103	441
Total tax charge	6,464	441
Taxable profit		
Profit/(loss) before tax	28,481	26,254
Permanent differences and FX	901	12,276
Change in temporary differences	4,880	5,171
Use of postponed interest restriction	(286)	(343)
Use of brought forward losses	(9,609)	(43,358)
Rendered group contribution	(24,367)	-
Basis of tax payable	-	-

Permanent differences are mainly due to conversion differences between reported USD currency and NOK used for tax return purposes. The taxable income is calculated at the average currency rate for 2024 while deferred tax is calculated using the year end rate.



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Accounting principles and notes

at 31 December 2024

8. Taxes (continued)

	2024	2023
	USD 000	USD 000
Temporary differences		
Inventory	(2,888)	(1,970)
Receivables	5,092	4,876
Deferred income	(5,403)	(5,894)
Gain/Loss Account	11,007	15,357
Fixed Assets	4,083	4,029
Payroll	(2,409)	(2,697)
Other temporary differences	-	661
Total temporary differences	9,482	14,362
Postponed interest restriction	(2,464)	(2,750)
Losses	-	(9,609)
Total deferred tax basis	7,018	2,003
Deferred tax / (asset) at 22%	1,544	441

Deferred tax is calculated using the year end rate.

	2024	2023
	USD 000	USD 000
Tax charge reconciliation		
Operating profit/(loss) before tax	28,481	26,254
Tax at 22%	6,266	5,776
Permanent differences	198	2,701
Temporary differences	1,074	1,138
Postponed interest	(63)	(76)
Unrecognised losses	(2,114)	(9,539)
Prior year deferred tax derecognition	-	-
Total tax charge	5,361	-



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at 31 December 2024

9. Equity

<i>(Amounts in USD 000)</i>	Share capital	Share premium	Other paid-in equity	Retained equity	Total equity
Equity at 31.12.2023	162	39,089	1,887	(23,844)	17,294
Group contribution		(19,006)			(19,006)
Profit for the year	-	-	-	22,017	22,017
Equity at 31.12.2024	162	20,083	1,887	(1,827)	20,305

Transocean Norway Operations AS is a wholly owned subsidiary of Transocean Services AS. Share capital consists of 10,000 shares at USD rate 16.2 as of 31.12.2024.



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Transocean Norway Operations AS

Organisation No. 990 687 846

Accounting principles and notes

at 31 December 2024

10. Fixed Assets

Fixed assets consist of the warehouse, where warehouse under construction means modification and/or purchase of new warehouse equipment.

Fixed assets <i>(Amounts in USD 000)</i>	Warehouse	Warehouse under construction	Total fixed assets
Cost price 01.01.2024	23,595	(184)	23,411
Additions	-	431	431
Retirements	(6,944)	-	(6,944)
Transfers from group undertakings	3,445	-	3,445
Transfers to group undertakings	(648)	-	(648)
Transfers from CIP	462	(462)	-
Cost price 31.12.2024	19,910	(215)	19,695
Accumulated depreciation and impairment 01.01.2024	7,240	-	7,240
Depreciation charge for year	3,307	-	3,307
Retirements	(2,322)	-	(2,322)
Transfers to group undertakings	(143)	-	(143)
Accumulated depreciation and impairment 31.12.2024	8,082	-	8,082
Carrying value 31.12.2024	11,828	(215)	11,613

Asset value is componentised and each item is depreciated using the straight line method over 5-35 years.

At year end, the book value has been assessed against the fair value as per the Norwegian Accounting Act.

The recoverable amount is defined as the value in use when this is greater than the fair value less costs to sell. This is calculated using the current value of the future cash flows associated with the warehouse.

We estimated the fair value of the warehouse by applying a combination of income, market and cost approaches, using projected discounted cash flows and estimates of the exchange price that would be received for the asset in the principal or most advantageous market for the asset in an orderly transaction between market participants as of the measurement date.



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Accounting principles and notes

at 31 December 2024

11. Deferred costs (long and short term)

	<i>Special Periodic Survey USD 000</i>
Cost:	
At 1 January 2024	8,771
Transfers	59
Disposals	-
At 31 December 2024	8,830
Amortisation:	
At 1 January 2024	(8,145)
Charge for the year	(685)
Disposals	-
At 31 December 2024	(8,830)
Net book value:	
At 31 December 2024	-
At 1 January 2024	626

12. Investments in subsidiaries

(Amounts USD 000)

	Songa Offshore Rig 2 AS	Total
Ownership	100%	
Registered office	Maskinveien 26, 4033 Stavanger, Norway	
Opening balance	-	-
Additions	1,382	1,382
Closing balance	1,382	1,382
Amounts provided:		
Opening balance	-	-
Write-downs in year	1,382	1,382
Closing balance	1,382	1,382
NBV at 31/12/2024	-	-
NBV at 31/12/2023	-	-

On 28 November 2024, Songa Offshore Rig 2 AS was acquired by Transocean Norway Operations AS.



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Accounting principles and notes

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13. Inventory

	2024 USD 000	2023 USD 000
Spare parts – TO Spitsbergen	14,646	9,544
Spare parts – TO Norge	14,670	10,505
Spare parts – Barents	-	-
Spare parts – MSP Norway	2,189	1,500
Spare parts – Central Warehouse	3,431	3,389
Total	34,936	24,938

14. Transactions with group companies

	2024 USD 000	2023 USD 000
Current receivables		
Transocean Barents AS	94,376	94,828
Other group companies	182,607	258,281
Total	276,983	353,109
Long term liabilities (interest-bearing)		
Transocean Services AS	-	30,650
Transocean Barents ASA	-	366
Total	-	31,016
Current liabilities		
Transocean Services AS	129,936	173,252
Other group companies	185,200	175,184
Total	315,316	348,436

The long-term liability interest-bearing loans with Transocean Services AS and Transocean Barents ASA matures in December 2050.

Transocean Services AS owns all of the shares in Transocean Norway Operations AS and is considered to have significant influence in the company. Additionally, all associated companies are close parties and Transocean Services AS is deemed to have significant influence.

At the balance sheet date, a bareboat charter agreement is in place with Transocean Spitsbergen ASA for the lease of the Transocean Spitsbergen rig.

In addition, amounts of USD 17.4 million, USD 10.2 million and USD 2.5 million were incurred for services provided by Transocean Offshore Deepwater Drilling Inc, Transocean Services AS and Resource Rig Supply Inc respectively.



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at 31 December 2024

15. Other receivables

	2024	2023
	USD 000	USD 000
VAT	457	809
Other receivables and prepayments	5,298	15,470
Accrued income	454	1,494
Total	6,209	17,773

16. Current liabilities

	2024	2023
	USD 000	USD 000
Accruals and other creditors	20,378	24,298
Incurred cost and advance from customer	25,585	42,973
Other taxation	11,310	13,154
Total	57,273	80,425

17. Pensions/pension expenses and commitments/liabilities

The company is required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension ("lov om obligatorisk tjenstepensjon"). The company's pension arrangements fulfil the requirements of the law. Certain employees of the company are members of the Transocean Group Personal Pension Plan. For all eligible employees, the company will make a monthly contribution of a minimum of 3% contribution of wage scale up to 7.1G and 15% contribution of the wage scale between 7.1 and 12G. Participants are not required to contribute in order to receive their employer contribution. All contributions are handled in accordance with established plans with insurance companies. Pension costs attributable to the defined contribution scheme were USD 14.2 million for 2024 (2023 – USD 16.2 million). The amount of people included in the plan are 1,014.

18. Restricted funds

As at 31st December 2024, USD 6,954,267 of the current cash balance is restricted for income tax liabilities.

19. Guarantees

There are no pledges or guarantees for any company owned assets by the end of year.

20. Subsequent events

There have been no events since the end of the year.



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Statsautoriserte revisorer
Ernst & Young AS

Markens gate 13, 4611 Kristiansand
Postboks 184, 4662 Kristiansand

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Tlf: +47 24 00 24 00

www.ey.no
Medlemmer av Den norske Revisorforening

To the General Meeting in Transocean Norway Operations AS

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Transocean Norway Operations AS (the Company), which comprise the balance sheet as at 31 December 2024, the income statement and the statement of cash flows 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 and cash flows 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)* (the 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.

Other information

The Board of Directors and the general manager (management) are responsible for the information in the Board of Directors' report. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view 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

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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.

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.

Kristiansand, 27 June 2025
ERNST & YOUNG AS

Independent auditor's report - Transocean Norway Operations AS 2024

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The auditor's report is signed electronically

Espen Fyllingen
State Authorised Public Accountant (Norway)

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Independent auditor's report - Transocean Norway Operations AS 2024

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Fyllingen, Espen

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark one)
☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2024
OR
☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission file number 001-38373



TRANSOCEAN LTD.

(Exact name of registrant as specified in its charter)

Switzerland
(State or other jurisdiction of incorporation or organization)
Turmstrasse 30
Steinhausen, Switzerland
(Address of principal executive offices)
98-0599916
(I.R.S. Employer Identification No.)
6312
(Zip Code)

Registrant's telephone number, including area code: +41 (41) 749-0500

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol	Name of each exchange on which registered
Shares, \$0.10 par value	RIG	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐
Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☒
Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐
Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.
Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐
Smaller reporting company ☐ Emerging growth company ☐
If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐
Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒
If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐
Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐
Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Exchange Act). Yes ☐ No ☒
As of June 30, 2024, 875,456,314 shares were outstanding and the aggregate market value of shares held by non-affiliates was approximately \$4.68 billion (based on the reported closing market price of the shares of Transocean Ltd. on June 30, 2024 of \$5.35 per share and assuming that all directors and executive officers of the Company are "affiliates," although the Company does not acknowledge that any such person is actually an "affiliate" within the meaning of the federal securities laws). As of February 11, 2025, 878,886,948 shares were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement to be filed with the United States Securities and Exchange Commission within 120 days of December 31, 2024, for its 2025 annual general meeting of shareholders, are incorporated by reference into Part III of this Form 10-K.



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FORWARD-LOOKING INFORMATION

The statements included in this annual report regarding future financial performance and results of operations and other statements that are not historical facts are forward-looking statements within the meaning of Section 27A of the United States ("U.S.") Securities Act of 1933 and Section 21E of the U.S. Securities Exchange Act of 1934. Forward-looking statements in this annual report include, but are not limited to, statements about the following subjects:

- the effect of any disputes and actions with respect to production levels by, among or between major oil and gas producing countries and any expectations we may have with respect thereto;
- our results of operations, our cash flow from operations, our revenue efficiency and other performance indicators and optimization of rig-based spending;
- the offshore drilling market, including the effects of variations in commodity prices, supply and demand, utilization rates, dayrates, customer drilling programs, stacking and reactivation of rigs, effects of new rigs on the market, the impact of changes to regulations in jurisdictions in which we operate and changes in the global economy or market outlook for our industry or the various geographies in which we operate;
- customer drilling contracts, including contract backlog, force majeure provisions, contract awards, commencements, extensions, cancellations, terminations, renegotiations, contract option exercises, contract revenues, early termination fees, indemnity provisions and rig mobilizations;
- the addition of renewable or other energy alternatives to meet local, regional or global demand for energy, efforts by us or our customers, to reduce greenhouse gas emissions or operating intensity thereof;
- liquidity, including availability under our Secured Credit Facility, as defined below, and adequacy of cash flows for our obligations;
- debt, including interest rates, credit ratings and our evaluation or decisions with respect to any potential liability management transactions or strategic alternatives intended to prudently manage our liquidity, debt maturities and other aspects of our capital structure and any litigation, potential or alleged defaults and discussions with creditors related thereto;
- newbuild, upgrade, shipyard, reactivations and other capital projects, including the level of expected capital expenditures and the timing and cost of completing capital projects, delivery and operating commencement dates, relinquishment or abandonment, expected downtime and lost revenues;
- the cost and timing of acquisitions, reactivations and the proceeds and timing of dispositions;
- tax matters, including our effective tax rate, uncertain tax positions, changes in tax laws, treaties and regulations, tax assessments, tax incentive programs and liabilities for tax issues in the tax jurisdictions in which we operate or have a taxable presence;
- legal and regulatory matters, including results and effects of current or potential legal proceedings and governmental audits and assessments, outcomes and effects of internal and governmental investigations, customs and environmental matters;
- insurance matters, risk tolerance and risk response, including adequacy and solvency of insurance, renewal of insurance, insurance proceeds and cash investments of our wholly owned captive insurance company;
- effects of accounting changes and adoption of accounting policies; and
- investment in recruitment, retention and personnel development initiatives, the timing of, and other matters concerning, severance payments, benefit payments and maintaining agreements with labor unions.

Forward-looking statements in this annual report are identifiable by use of the following words and other similar expressions:

- | | | | | | | | |
|---------------|-----------|-------------|-------------|---------|------------|-------------|----------|
| ■ anticipates | ■ budgets | ■ estimates | ■ forecasts | ■ may | ■ plans | ■ projects | ■ should |
| ■ believes | ■ could | ■ expects | ■ intends | ■ might | ■ predicts | ■ scheduled | |

Such statements are subject to numerous risks, uncertainties and assumptions, including, but not limited to:

- those described under "Item 1A. Risk Factors" in this annual report on Form 10-K;
- the effects of actions by, or disputes among or between, members of the Organization of the Petroleum Exporting Countries and other oil and natural gas producing countries with respect to production levels or other matters related to the prices of oil and natural gas;
- the adequacy of and access to our sources of liquidity;
- our inability to renew drilling contracts at comparable, or improved, dayrates and to obtain drilling contracts for our rigs that do not have contracts;
- our operational performance;
- the cancellation of drilling contracts currently included in our reported contract backlog;
- losses on impairment of long-lived assets;
- shipyard and other delays;
- the results of meetings of our shareholders;
- changes in political, social and economic conditions;
- the possibility of changes in tax, environmental, trade, immigration and other laws, regulations and policies, including the imposition of tariffs, economic or trade sanctions or other trade barriers and actions of government that impact, whether directly or indirectly, oil and gas operations;
- the effect and results of litigation, regulatory matters, settlements, audits, assessments and contingencies;
- the effects of public health threats, pandemics and epidemics and the potential adverse impacts thereof;
- the availability of borrowings under our Secured Credit Facility, as defined below, as well as the timing of any amendments thereto; and
- other factors discussed in this annual report and in our other filings with the U.S. Securities and Exchange Commission ("SEC"), which are available free of charge on the SEC website at www.sec.gov.

The foregoing risks and uncertainties are beyond our ability to control, and in many cases, we cannot predict the risks and uncertainties that could cause our actual results to differ materially from those indicated by the forward-looking statements. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated. All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by reference to these risks and uncertainties. You should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement. We expressly disclaim any obligations or undertaking to release publicly any updates or revisions to any forward-looking statement to reflect any change in our expectations or beliefs with regard to the statement or any change in events, conditions or circumstances on which any forward-looking statement is based, except as required by law.



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PART I

ITEM 1. BUSINESS

OVERVIEW

Transocean Ltd. (together with its subsidiaries and predecessors, unless the context requires otherwise, “Transocean,” the “Company,” “we,” “us” or “our”) is a leading international provider of offshore contract drilling services for oil and gas wells. As of February 11, 2025, we owned or had partial ownership interests in and operated 34 mobile offshore drilling units, consisting of 26 ultra-deepwater floaters and eight harsh environment floaters.

We provide, as our primary business, contract drilling services in a single operating segment, which involves contracting our mobile offshore drilling rigs, related equipment and work crews to drill oil and gas wells. We specialize in technically demanding regions of the global offshore drilling business with a particular focus on ultra-deepwater and harsh environment drilling services. Our drilling fleet is one of the most versatile fleets in the world, consisting of drillships and semisubmersible floaters used in support of offshore drilling activities and offshore support services on a worldwide basis.

Transocean Ltd. is a Swiss corporation with its registered office in Steinhausen, Canton of Zug and with principal executive offices located at Turmstrasse 30, 6312 Steinhausen, Switzerland. Our telephone number at that address is +41 41 749-0500. Our shares are listed on the New York Stock Exchange under the ticker symbol “RIG.” For information about the revenues, operating income, assets and other information related to our business and the geographic areas in which we operate, see “Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Part II, Item 8. Financial Statements and Supplementary Data—Notes to Consolidated Financial Statements—Note 1—Business, Note 5—Revenues and Note 6—Long-Lived Assets.”

DRILLING FLEET

Overview—We provide contract drilling services using our fleet of mobile offshore drilling units, including both drillships and semisubmersibles, broadly referred to as floaters. Floaters are designed to operate in locations away from port for extended periods of time and have living quarters for the crews, a helicopter landing deck and storage space for drill pipe, riser and drilling supplies. Our drilling units and related equipment are suitable for both exploration and development, and we engage in both types of activities.

Drillships are floating vessels that are shaped like conventional ships, generally self-propelled and considered to be the most mobile of the major rig types. Drillships typically have greater deck load and storage capacity than semisubmersible rigs, which provides logistical and resupply efficiency benefits for customers. Drillships are generally better suited to operations in calmer sea conditions and typically do not operate in areas considered to be harsh environments. All of our high-specification drillships are equipped with dynamic positioning thruster systems, which allows them to maintain position without anchors through the use of onboard propulsion and station-keeping systems. We have two ultra-deepwater drillships that are equipped with an industry-leading, 1,700 short ton hoisting capacity. We have 23 ultra-deepwater drillships that are equipped with our patented dual-activity technology. Dual-activity technology employs structures, equipment and techniques using two drilling stations within a dual derrick to allow these drillships to perform simultaneous drilling tasks in a parallel, rather than a sequential manner, which reduces critical path activity and improves efficiency in both exploration and development drilling.

Semisubmersibles are floating vessels that can be partially submerged by means of a water ballast system such that the lower column sections and pontoons are below the water surface during drilling operations. Semisubmersibles are known for stability, making them well suited for operating in rough sea conditions. Semisubmersible floaters are capable of maintaining their position over a well either through dynamic positioning or the use of mooring systems. Although most semisubmersible rigs are relocated with the assistance of tugs, some units are self-propelled and move between locations under their own power when afloat on pontoons. Three of our nine semisubmersibles are equipped with dual-activity technology and also have mooring capability. Two of these three dual-activity units are custom-designed, high-capacity semisubmersible drilling rigs, equipped for year-round operations in harsh environments, such as those of the Norwegian continental shelf and sub-Arctic waters.

Our fleet consists of ultra-deepwater drillships and semisubmersibles and harsh environment semisubmersibles that are designed with high-specification capabilities to operate in the technically demanding regions of the global offshore drilling business. Ultra-deepwater floaters are equipped with high-pressure mud pumps and are capable of drilling in water depths of 4,500 feet or greater. Harsh environment floaters are capable of drilling in harsh environments in water depths between 1,500 and 10,000 feet and typically have greater displacement than other semisubmersibles, which offers larger variable load capacity, more useable deck space and better motion characteristics.

Fleet status—Depending on market conditions, we may idle or stack our non-contracted rigs. An *idle* rig is between drilling contracts, readily available for operations, and operating costs are typically at or near normal operating levels. A *stacked* rig typically has reduced operating and maintenance costs, is staffed by a reduced crew or has no crew and is (a) preparing for an extended period of inactivity, (b) expected to continue to be inactive for an extended period or (c) completing a period of extended inactivity. Stacked rigs will continue to incur operating costs at or above normal operating levels for approximately 30 days following initiation of stacking. Some idle rigs and all stacked rigs require additional costs to return to service. The actual cost to return to service, which in many instances could be significant and could fluctuate over time, depends upon various factors, including the availability and cost of shipyard facilities, the cost of



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equipment and materials, the extent of repairs, maintenance and commercial upgrades that may ultimately be required, the length of time a rig has spent in stacking mode and the time and cost of assembling and training crew. We consider these factors, together with market conditions, length of contract, dayrate and other contract terms, when deciding whether to return a stacked rig to service. We may not return some stacked rigs to work for drilling services.

Drilling units—The following table, presented as of February 12, 2025, provides certain specifications for our rigs, excluding rigs classified as held for sale. Unless otherwise noted, the stated location of each rig indicates either the current drilling location, if the rig is operating, or the next operating location, if the rig is in shipyard with a follow-on contract. The dates provided represent the year placed into service, and, if applicable, the year of the most recent upgrade. As of February 12, 2025, we owned all of the drilling rigs in our fleet noted in the tables below, except for the ultra-deepwater floater *Petrobras 10000*, which is subject to a finance lease through August 2029.

Rig category and name	Type	Year entered service / upgraded	Hook load capacity (short tons)	Water depth capacity (in feet)	Drilling depth capacity (in feet)	Specifications	Contracted location or standby status
Ultra-deepwater floaters (26)							
Deepwater Titan	Drillship	2023	1,700	12,000	40,000	(a) (b) (c)	U.S. Gulf
Deepwater Atlas	Drillship	2022	1,700	12,000	40,000	(a) (b) (d)	U.S. Gulf
Deepwater Aquila	Drillship	2024	1,400	12,000	40,000	(a) (b) (e)	Brazil
Deepwater Poseidon	Drillship	2018	1,400	12,000	40,000	(a) (b) (f) (g)	U.S. Gulf
Deepwater Pontus	Drillship	2017	1,400	12,000	40,000	(a) (b) (f) (g)	U.S. Gulf
Deepwater Conqueror	Drillship	2016	1,400	12,000	40,000	(a) (b) (f) (g)	U.S. Gulf
Deepwater Proteus	Drillship	2016	1,400	12,000	40,000	(a) (b) (f) (g)	U.S. Gulf
Deepwater Thalassa	Drillship	2016	1,400	12,000	40,000	(a) (b) (f) (g)	U.S. Gulf
Deepwater Asgard	Drillship	2014	1,400	12,000	40,000	(a) (b) (f)	U.S. Gulf
Deepwater Invictus	Drillship	2014	1,400	12,000	40,000	(a) (b) (f)	U.S. Gulf
Ocean Rig Apollo	Drillship	2015	1,250	12,000	40,000	(a) (b)	Stacked
Ocean Rig Athena	Drillship	2014	1,250	12,000	40,000	(a) (b)	Stacked
Deepwater Skyros	Drillship	2013	1,250	12,000	40,000	(a) (b)	Angola
Ocean Rig Mylos	Drillship	2013	1,250	12,000	40,000	(a) (b) (f)	Stacked
Discoverer India	Drillship	2010	1,130	12,000	40,000	(a) (b)	Stacked
Discoverer Americas	Drillship	2009	1,130	12,000	40,000	(a) (b)	Stacked
Discoverer Clear Leader	Drillship	2009	1,130	12,000	40,000	(a) (b) (f)	Stacked
Deepwater Corcovado	Drillship	2011	1,000	10,000	35,000	(a) (b)	Brazil
Deepwater Mykonos	Drillship	2011	1,000	10,000	35,000	(a) (b)	Brazil
Deepwater Orion	Drillship	2011	1,000	10,000	35,000	(a) (b)	Brazil
Deepwater Champion	Drillship	2011	1,000	12,000	40,000	(a) (b)	Stacked
Dhirubhai Deepwater KG2	Drillship	2010	1,000	12,000	35,000	(a)	Brazil
Petrobras 10000	Drillship	2009	1,000	12,000	37,500	(a) (b)	Brazil
Dhirubhai Deepwater KG1	Drillship	2009	1,000	12,000	35,000	(a)	India
GSF Development Driller I	Semisubmersible	2005	1,000	7,500	37,500	(a) (b) (h)	Stacked
Discoverer Luanda	Drillship	2010	750	7,500	40,000	(a) (b)	Stacked
Harsh environment floaters (8)							
Transocean Norge	Semisubmersible	2019	1,000	10,000	40,000	(a) (b) (i)	Norwegian N. Sea
Transocean Spitsbergen	Semisubmersible	2010	1,000	10,000	30,000	(a) (b) (i) (j)	Norwegian N. Sea
Transocean Barents	Semisubmersible	2009	1,000	10,000	30,000	(a) (b) (j)	Romania
Transocean Enabler	Semisubmersible	2016	750	1,640	28,000	(a) (b) (i)	Norwegian N. Sea
Transocean Encourage	Semisubmersible	2016	750	1,640	28,000	(a) (b) (i)	Norwegian N. Sea
Transocean Endurance	Semisubmersible	2015	750	1,640	28,000	(a) (b) (i)	Australia
Transocean Equinox	Semisubmersible	2015	750	1,640	28,000	(a) (b) (i)	Australia
Henry Goodrich	Semisubmersible	1985/2007	750	5,000	30,000	(h)	Stacked

- (a) Dynamically positioned.
- (b) Patented dual activity.
- (c) Two 20,000 psi blowout preventers.
- (d) One 15,000 psi blowout preventer and one 20,000 psi blowout preventer.
- (e) One 15,000 psi blowout preventer and designed to accommodate a future 20,000 psi blowout preventer.
- (f) Two 15,000 psi blowout preventers.
- (g) Designed to accommodate a future upgrade to 20,000 psi blowout preventer(s).
- (h) Moored.
- (i) Automated drilling control.
- (j) Dual activity.

DRILLING CONTRACTS

Our offshore drilling services contracts are individually negotiated and vary in their terms and conditions. We obtain most of our drilling contracts through bidding processes in competition against other drilling services contractors and through direct negotiations with operators. Drilling contracts generally provide for payment on a dayrate basis, typically with higher rates for periods when drilling operations are optimized and, conversely, lower or zero rates for periods during which the drilling unit is not mobilized or when drilling operations are interrupted or restricted, whether due to equipment breakdowns, adverse environmental conditions, regulatory approvals or otherwise. A



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dayrate drilling contract generally extends over a period of time either covering the drilling of a single well or group of wells or covering a stated term. At December 31, 2024, our contract backlog was \$8.74 billion, representing a decrease of six percent and an increase of five percent, respectively, compared to our contract backlog of \$9.25 billion and \$8.34 billion at December 31, 2023 and 2022, respectively. See “Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Performance and Other Key Indicators.”

Certain of our drilling contracts may be cancelable for the convenience of the customer, typically with payment of an early termination fee. Such payments, however, may not fully compensate us for the loss of the contract. Drilling contracts also customarily provide for either automatic termination or termination at the option of the customer, typically without payment of any termination fee, under various circumstances such as non-performance, in the event of extended downtime or impaired performance due to equipment or operational issues or extended downtime due to force majeure events. Many of these events are beyond our control. The contract term in some instances may be extended by the customer exercising options for the drilling of additional wells or for additional periods of time. Our contracts also typically include a provision that allows the customer to extend the contract to finish drilling a well-in-progress. During periods of depressed market conditions, our customers may seek to renegotiate drilling contracts or options to reduce the term of their obligations or the average dayrate through term extensions or may seek to early terminate or repudiate their contracts. Suspension of drilling contracts will result in the reduction in or loss of dayrate for the period of the suspension. If customers cancel some of our contracts and we are unable to secure new contracts on a timely basis and on substantially similar or more favorable terms, if some of our contracts are suspended for an extended period of time or if a number of our contracts are renegotiated on less favorable terms, our consolidated financial position, results of operations or cash flows may be adversely affected. See “Item 1A. Risk Factors—Risks related to our business—Our drilling contracts may be terminated due to a number of events, and, during depressed market conditions, our customers may seek to repudiate or renegotiate their contracts.”

Under dayrate drilling contracts, consistent with standard industry practice, our customers, as the operators, generally assume, and grant indemnity for, subsurface and well control risks, and their consequential damages. Under all of our current drilling contracts, our customers indemnify us for pollution damages in connection with reservoir fluids stemming from operations under the contract, and we indemnify our customers for pollution that originates above the surface of the water from the rig for substances in our control, such as diesel used or other fluids stored onboard the rig. Also, our customers indemnify us for consequential damages they incur, damage to the well or reservoir, loss of subsurface oil and gas and costs to bring the well under control. However, because our drilling contracts are individually negotiated, the degree of indemnification we receive from our customers for such risks and related costs may vary from contract to contract based on market conditions, customer requirements existing when the contract was negotiated or other factors. In some instances, we have contractually agreed upon certain limits to our indemnification rights and can be responsible for certain damages up to a specified maximum dollar amount. The nature of our liability and the prevailing market conditions, among other factors, can influence such contractual terms. Notwithstanding a contractual indemnity from a customer, there can be no assurance that our customers will be financially able to indemnify us or will otherwise honor their contractual indemnity obligations.

The interpretation and enforceability of a contractual indemnity depends upon the specific facts and circumstances involved, as governed by applicable laws, and may ultimately need to be decided by a court or other proceeding, which would need to consider the specific contract language, the facts and applicable laws. Applicable laws often consider contractual indemnity for criminal fines and penalties to be against public policy. Many courts also restrict indemnification for criminal fines and penalties. The inability or other failure of our customers to fulfill their indemnification obligations, or the unenforceability of all of our contractual protections could have a material adverse effect on our financial position, results of operations or cash flows. See “Item 1A. Risk Factors—Risks related to our business—Our business involves numerous operating hazards, and our insurance and indemnities from our customers may not be adequate to cover potential losses from our operations.”

MARKETS

Our operations are geographically dispersed in oil and gas exploration and development areas throughout the world. We operate in a single, global offshore drilling market, as our drilling rigs are mobile assets and can be moved according to prevailing market conditions. We may mobilize our drilling rigs between regions for a variety of reasons, including to respond to customer contracting requirements or to capture observed market demand. Consequently, we cannot predict the future percentage of our revenues that will be derived from particular geographic areas. As of February 12, 2025, the drilling units in our fleet, including stacked and idle rigs, were located in the U.S. Gulf of Mexico (nine units), Greece (seven units), Brazil (six units), the Norwegian North Sea (four units), Malaysia (two units), Australia (two units), Angola (one unit), Canada (one unit), India (one unit) and Romania (one unit).

We categorize the sectors of the floater market in which we operate as follows: (1) ultra-deepwater and deepwater, (2) harsh environment and (3) midwater. We typically employ our ultra-deepwater floaters to service the ultra-deepwater and deepwater sector, and we employ our harsh environment floaters to service all three sectors. We generally view the ultra-deepwater and deepwater market sector as water depths beginning at 4,500 feet and extending to the maximum water depths in which rigs are capable of drilling, which is currently up to 12,000 feet. The midwater market sector includes water depths from approximately 300 feet to approximately 4,500 feet. The harsh environment market sector includes regions that are more challenged by lower temperatures, harsher weather conditions and water currents.



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The market for offshore drilling rigs and related services reflects our customers' demand for equipment for drilling exploration, appraisal and development wells and for performing maintenance on existing production wells. Activity levels of energy companies, including integrated energy companies, independent energy companies and, to a lesser extent, national energy companies are largely driven by the worldwide demand for energy, including crude oil and natural gas. Worldwide energy supply and demand drives oil and natural gas prices, which, in turn, impact energy companies' ability to fund investments in exploration, development and production activities.

See "Part II. Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations—Outlook."

CUSTOMERS

We provide our offshore drilling services to most of the leading integrated energy companies or their affiliates, as well as for many government-owned or government-controlled energy companies and other independent energy companies. For the year ended December 31, 2024, our most significant customers were Shell plc (together with its affiliates, "Shell"), Petróleo Brasileiro S.A. (together with its affiliates, "Petrobras") and Equinor ASA (together with its affiliates, "Equinor"), representing 27 percent, 21 percent and 13 percent, respectively, of our consolidated operating revenues. No other customers accounted for 10 percent or more of our consolidated operating revenues in the year ended December 31, 2024. Additionally, as of February 12, 2025, the customers with the most significant aggregate amount of contract backlog associated with our drilling contracts were Petrobras and Shell, representing 24 percent and 17 percent, respectively, of our total contract backlog. See "Item 1A. Risk Factors—Risks related to our business—We rely heavily on a relatively small number of customers and the loss of a significant customer or a dispute that leads to the loss of a customer could have an adverse effect on our business."

HUMAN CAPITAL RESOURCES

Workforce—As of December 31, 2024, we had a global workforce of approximately 5,800 individuals, including approximately 330 contractors, representing 62 nationalities. At December 31, 2024, our global workforce was geographically distributed in 22 countries across six continents as follows: 37 percent in North America, 26 percent in South America, 24 percent in Europe, six percent in Australia, four percent in Africa, and three percent in Asia.

Corporate culture—Our FIRST Shared Values serve as the foundation for our corporate culture and guide us to act ethically and responsibly as we strive to deliver value and to maintain a safe and respectful work environment for our people.

We maintain a Code of Integrity and Human Rights Policy that applies to all board members, executives, employees and business partners, including contractors, suppliers, vendors, investees and joint venture partners. We demonstrate respect of human rights by aiming to maintain a healthy and safe work environment, observe fair employment practices and provide competitive employment terms. Practices such as modern slavery, child labor, forced or indentured servitude, and other human rights abuses are strictly prohibited.

Labor rights—We respect the labor rights of all individuals in our workforce, including the right to collective bargaining. As of December 31, 2024, approximately 43 percent of our total workforce, working primarily in Brazil and Norway, is represented by, and some of our contracted labor work is subject to, collective bargaining agreements, substantially all of which are subject to annual salary negotiations. Negotiations for annual salary or other labor matters could result in higher personnel or other costs or increased operational restrictions or disruptions. The outcome of any such negotiation generally affects the market for all offshore employees, not only union members. A failure to reach an agreement on certain key issues could result in strikes, lockouts or other work stoppages.

Attraction, development and retention—We aim to strategically cultivate a best-in-class workforce to offer the innovation, local knowledge and experience required of the world's premier offshore drilling contractor. We seek to maintain a competitive advantage while benefitting local communities by offering regionally competitive compensation and benefits packages tailored to our workforce demographics, a technically challenging work environment, global opportunities, and rotational development programs. We design our wellness and benefits strategy under four pillars consisting of physical well-being, financial well-being, emotional well-being and social well-being, including a globally available employee assistance program. We continually assess and adapt offerings and policies to provide a modern work environment based on evolving social and technological practices, which is essential to attract and retain top talent. Our focus on the quality of our workforce is designed to maximize the quality of work performance and ultimately, the value we deliver to our customers and investors.

Training—We invest in our workers by providing them with the transferrable skill sets essential to advancing their professional development. To optimize the competitive position of our business, we maintain a rigorous competency-based training program. We maintain an internal training board that regularly updates our training matrix to meet or exceed industry standards, and it oversees our competency assurance management system, which is accredited by the Offshore Petroleum Industry Training Organization. We provide various offshore training formats designed to encompass all learning styles through on-the-job, e-learning, customer-specific training, certifications, and leadership and licensing programs. Distinguishing us from many of our competitors, we also offer unique simulation-based education augmented by digital twin modeling, enabling our workforce to visualize equipment performance and target efficiencies more accurately. We articulate to our workforce the certifications, skills and competencies needed for each role, and workers are required to successfully complete the relevant training and attain necessary certifications prior to taking on new roles.

Safety—Our safety vision is to conduct our operations in an incident-free workplace, all the time, everywhere. We prioritize the protection of everyone aboard our rigs and in our facilities, the environment and our property at all work locations and during all operations.



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We require compliance with local regulations, and our operations are governed by a comprehensive set of internal requirements. Regular competency and effectiveness assessments help to ensure that our highly trained crews are equipped to protect operational integrity with the process-driven management of hazards to prevent and mitigate major accidents. We measure safety performance in terms of widely accepted ratios with the use of industry standards, including (a) the total recordable incident rate ("TRIR"), which represents the number of recordable work-related injuries or illnesses for every 200,000 hours worked, and (b) the lost time incident rate ("LTIR"), which measures the number of incidents that result in lost time due to work-related injuries or illnesses for every 200,000 hours worked. In the year ended December 31, 2024, our TRIR was 0.15 and our LTIR was 0.00, the calculations for which were based on 11.7 million labor hours.

EXECUTIVE LEADERSHIP

We have included the following information, presented as of February 11, 2025, on our executive officers for purposes of U.S. securities laws in Part I of this report in reliance on General Instruction G(3) to Form 10-K. The board of directors elects the officers of the Company, generally on an annual basis. There is no family relationship between any of our executive officers.

Officer		Office	Age as of February 11, 2025
Jeremy D. Thigpen	★	Chief Executive Officer	50
Keelan Adamson	★	President and Chief Operating Officer	55
Brady K. Long		Executive Vice President and Chief Legal Officer	52
Roderick J. Mackenzie		Executive Vice President and Chief Commercial Officer	49
R. Thaddeus Vayda	★	Executive Vice President and Chief Financial Officer	62
Jason Pack		Senior Vice President and Chief Accounting Officer	50

★ Member of our executive management team for purposes of Swiss law.

Jeremy D. Thigpen is Chief Executive Officer and a member of the Company's board of directors. Before joining the Company in this position in April 2015, Mr. Thigpen served as Senior Vice President and Chief Financial Officer at NOV Inc. from December 2012 to April 2015. At NOV Inc., Mr. Thigpen also served as President, Downhole and Pumping Solutions from August 2007 to December 2012, as President of the Downhole Tools Group from May 2003 to August 2007 and as manager of the Downhole Tools Group from April 2002 to May 2003. From 2000 to 2002, Mr. Thigpen served as the Director of Business Development and Special Assistant to the Chairman for NOV Inc. Mr. Thigpen earned a Bachelor of Arts degree in Economics and Managerial Studies from Rice University in 1997, and he completed the Program for Management Development at Harvard Business School in 2001.

Keelan Adamson is President and Chief Operating Officer of the Company. Before being named to his current position in February 2022, Mr. Adamson served as Executive Vice President and Chief Operations Officer from August 2018 to February 2022, as Senior Vice President, Operations from October 2017 to July 2018 and as Senior Vice President, Operations Integrity and HSE, from June 2015 to October 2017. Since 2010, Mr. Adamson served in multiple executive positions with responsibilities spanning Engineering and Technical Services, Major Capital Projects, Human Resources, and more recently, Operations Integrity and HSE. Mr. Adamson started his career as a drilling engineer with BP Exploration in 1991 and joined Transocean in July 1995. In addition to several management assignments in the United Kingdom (the "U.K."), Asia, and Africa, he also held leadership roles in Sales and Marketing, Well Construction and Technology, and as Managing Director for operations in North America, Canada and Trinidad. Mr. Adamson earned a bachelor's degree in Aeronautical Engineering from The Queens University of Belfast in 1991 and completed the Advanced Management program at Harvard Business School in 2016.

Brady K. Long is Executive Vice President and Chief Legal Officer of the Company. Before being named to his current position in March 2018, Mr. Long served as Senior Vice President and General Counsel from November 2015 to March 2018. From 2011 to November 2015, when Mr. Long joined the Company, he served as Vice President-General Counsel and Secretary of Enco plc, which acquired Pride International, Inc. where he had served as Vice President, General Counsel and Secretary since August 2009. Mr. Long joined Pride International, Inc. in June 2005 as Assistant General Counsel and served as Chief Compliance Officer from June 2006 to February 2009. He was director of Transocean Partners LLC from May 2016 until December 2016. Mr. Long previously practiced corporate and securities law with the law firm of Bracewell LLP. Mr. Long earned a Bachelor of Arts degree from Brigham Young University in 1996, a Juris Doctorate degree from the University of Texas School of Law in 1999 and an Executive LLM in Taxation from New York University in 2019.

Roderick J. Mackenzie is Executive Vice President and Chief Commercial Officer of the Company. Before being named to his current position in February 2022, Mr. Mackenzie served previously as Senior Vice President, Marketing, Innovation and Industry Relations from August 2018 to February 2022; Vice President, Marketing and Contracts from February 2017 to August 2018; Managing Director, Business Development and Strategic Accounts from February 2016 to February 2017; and as a Marketing Director in the U.S., France, and Dubai from March 2012 to February 2016. In addition, Mr. Mackenzie has previously served in various operational and project roles around the globe, starting his career at the Company as a rig-based engineer in 1997. Mr. Mackenzie currently serves as Vice President for Offshore Division of the International Association of Drilling Contractors and on various committees for the Offshore Energy Center. Mr. Mackenzie earned a bachelor's degree in Civil Engineering with Environmental Studies from the University of Strathclyde in 1997, and completed the Advanced Management Program at Harvard Business School in 2016.



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R. Thaddeus Vayda is Executive Vice President and Chief Financial Officer of the Company. Before being named to his current position in May 2024, Mr. Vayda served as Senior Vice President of Corporate Finance and Treasurer from February 2023 to April 2024; as Vice President, Investor Relations, and Treasurer from August 2015 to February 2023, as Vice President, Corporate Finance and Treasurer from July 2014 to August 2015; as Vice President, Investor Relations and Communications from March 2012 to June 2014 and as Vice President, Investor Relations from July 2011 to February 2012. Mr. Vayda initially joined Transocean in August 1995, working with the company until April 2000 in positions that included Director of Corporate Planning and Operational Division Engineer. Between May 2000 and June 2011, Mr. Vayda worked primarily in energy-related equity capital markets roles. Earlier in his career, Mr. Vayda held various leadership positions at Northwest Airlines. Mr. Vayda started his professional career with Booz Allen Hamilton, Management Consultants. He earned a Master of Business Administration degree from the Fuqua School of Business at Duke University, Durham, North Carolina in May 1992, and a Bachelor of Science degree in Engineering from the Catholic University of America at Washington, D.C. in May 1985.

Jason Pack is Senior Vice President and Chief Accounting Officer of the Company. Before being named to his current position in August 2024, he served as Chief Audit Executive from August 2018 to July 2024. Mr. Pack previously served as Vice President, Internal Audit at NOV Inc., where he spent 16 years. At NOV Inc., Mr. Pack held several roles, including Vice President, Finance Drilling and Intervention; Vice President, Finance Africa and Global Controller, Downhole. Prior to its acquisition by NOV Inc. in 2006, Mr. Pack served as Senior Controller of NQL Drilling Tools Inc. Mr. Pack has served as Director and Chairman of the Audit Committee for two publicly listed exploration and production companies: Kallisto Energy Corp. from November 2006 to June 2013 and Shelton Canada Corp from March 2007 to December 2009. Mr. Pack started his career at Deloitte and Touche in Edmonton, Alberta, Canada, where he worked as a staff auditor for three years.

Mr. Pack is a certified public accountant and earned a Bachelor of Management degree in Accounting and a Bachelor of Science degree in Biology, Chemistry and Math from the University of Lethbridge.

ENVIRONMENTAL RESPONSIBILITY

We strive to deliver services in a manner that minimizes the impact of our business on the environment. We continuously monitor our operations and seek innovative ways to enhance our ability to meet our objectives. We maintain a global Environmental Management System (“EMS”) standard, aligned to ISO 14001, that we apply to our rigs, offices and facilities. The EMS provides a framework to consistently manage our worldwide operations in an environmentally responsible manner and monitor our performance. Within this framework, we regularly assess the environmental impact of operations, focusing on the reduction of greenhouse gas emissions, operational discharges, water use and waste.

In 2021, we conducted a sustainability-focused materiality assessment, which guided the creation of our previously announced sustainability goals. Since then, we have continued to track developments in the sustainability material topics that informed our goals, monitor our operations, and observed that the pace of technological advances associated with potential reductions in greenhouse gas emissions has been slower, and the costs have been greater, than anticipated. Particularly, in our engagements with shareholders and customers, we observed shifts in their approach to sustainability priorities. For these reasons, we have suspended our previously announced sustainability goals, including our greenhouse emissions intensity reduction goal. As always, we remain committed to providing safe, efficient, reliable, and environmentally responsible operations. We will continue to engage with our customers and service providers to optimize our power management capabilities and other aspects of our operations as technologies continue to develop.

TECHNOLOGICAL INNOVATION

Overview—We have a long history of technological innovation, including the first dynamically positioned drillship, the first rig to drill year-round in the North Sea, the first semisubmersible rig for year-round sub-Arctic operations, the first 10,000-ft. water depth rated ultra-deepwater drillship, the first eighth-generation drillships and numerous water depth world records over the past several decades. We develop and deploy industry-leading technology in the pursuit of delivering safer, more efficient and environmentally responsible drilling services to our customers. We also continue to develop and invest in technologies designed to differentiate our service offerings, including optimizing our performance, delivering ever-improving operational integrity and reducing our greenhouse gas emissions.

Drilling equipment and well control—Twenty-three drillships and one semisubmersible in our existing fleet are equipped with our patented dual-activity technology, which allows our rigs to perform simultaneous drilling tasks in a parallel rather than sequential manner, reducing well construction critical path activities and, thereby, improving efficiency in both exploration and development drilling. Two of our drillships are equipped with 1,700 short ton hoisting capacity and 20,000 psi blowout preventers. Seven of our drillships include hybrid energy storage systems for enhanced drill floor equipment reliability, fuel and emissions savings as well as advanced generator protection for power plant reliability. Twelve drillships in our existing fleet are outfitted with dual blowout preventers and triple liquid mud systems. Six drillships in our existing fleet are designed to accept 20,000 psi blowout preventers in the future. In 2021, we deployed the industry’s first kinetic blowout stopper, a step-changing technology for well control that delivers unrivaled shearing capability. This technology is currently deployed on two of our floaters and is being installed on a third floater. In 2024, we deployed the rotary multi-tool pipe cleaner and wellbore protector on one harsh environment floater with two additional systems in progress.

Automated drilling platforms and robotics—We utilize technology, including artificial intelligence (“AI”) technologies, and employ a data-driven approach, augmented by the size of our fleet, to expand our knowledge framework for sustainable process optimization. We supported the development of the Inteliwell™ drilling automation platform, which we have installed on one harsh environment floater and



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one ultra-deepwater floater. This end-to-end automation platform integrates automation sequences with digital well planning and smart well monitoring. We also have six harsh environment floaters and two ultra-deepwater floaters equipped with an automated drilling control system. Since 2022, we have deployed on three ultra-deepwater drillships an offshore robotics riser bolting system, which has handled over 3,000 riser joints without human intervention.

Automated safety and monitoring tools—We developed and, on eight of our drilling units, deployed our patented HaloGuardSM system, which is designed to alarm, notify and, if required, halt equipment to avoid injury to personnel who move into danger zones. In 2020, we launched our smart equipment analytics tool, which delivers real-time data feeds from equipment to monitor equipment health, inferred emissions and energy consumption while identifying performance trends that allow us to systematically optimize equipment maintenance and achieve higher levels of reliability, operational efficiency and sustainability.

Ongoing efforts—We believe our efforts to continuously improve, and effectively use, innovative technologies to meet or exceed our customers' requirements is critical to maintaining our competitive position within the contract drilling services industry by ensuring the safety of our crews, drilling more efficient wells, building greater resilience into our critical operating systems and reducing fuel consumption and emissions.

JOINT VENTURE, AGENCY AND SPONSORSHIP RELATIONSHIPS AND OTHER INVESTMENTS

In some areas of the world, local customs and practice or governmental requirements necessitate the formation of joint ventures with local participation since local laws or customs in those areas effectively mandate the establishment of a relationship with a local agent or sponsor. When appropriate in these areas, we may enter into agency or sponsorship agreements. We also invest in certain companies for operational and strategic purposes. Some of these companies or joint ventures in which we are an investor are involved in researching and developing technology to improve efficiency, reliability, sustainability and safety for our drilling and other activities or are involved in businesses developed to support renewable or other energy alternatives. We may or may not control these partially owned companies. At December 31, 2024, we held partial ownership interests in companies organized in Belgium, the Cayman Islands, the U.S., Norway and other countries. At December 31, 2024, among other equity investments, we held noncontrolling equity ownership interests in Global Sea Mineral Resources NV, an unconsolidated Belgian company and leading developer of nodule collection technology, which is engaged in the development and exploration of deep-sea polymetallic nodules that contain metals critical to the growing renewable energy market.

GOVERNMENTAL REGULATIONS

Our operations are subject to a variety of international, national, regional, state and local government regulations, including environmental regulations. We monitor our compliance with such government regulations in each country of operation and, notwithstanding increases in governmental regulations, particularly general environmental regulations, we have made and will continue to make the required expenditures to comply with current and future government requirements. To date, we have not incurred material costs to comply with such governmental regulations, and we do not expect to make any material capital expenditures to support our continued compliance in the year ending December 31, 2025, or any other period contemplated at this time. We do not believe that our compliance with such requirements will have a material adverse effect on our competitive position, consolidated results of operations or cash flows. We incorporate by reference herein the disclosures on government regulations, including environmental regulations, contained in the following sections of this annual report on Form 10-K:

- "Item 1A. Risk Factors—Risks related to our laws, regulations and governmental compliance;"
- "Item 3. Legal Proceedings;"
- "Part II. Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations—Other Matters;"
- "Part II. Item 8. Financial Statements and Supplementary Data—Notes to Consolidated Financial Statements—Note 10—Income Taxes;" and
- "Part II. Item 8. Financial Statements and Supplementary Data—Notes to Consolidated Financial Statements—Note 12—Commitments and Contingencies."

AVAILABLE INFORMATION

Our website address is www.deepwater.com. Information contained on or accessible from our website is not incorporated by reference into this annual report on Form 10-K and should not be considered a part of this report or any other filing that we make with the SEC. Furthermore, references to our website URLs are intended to be inactive textual references only. We make available on this website free of charge, our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports as soon as reasonably practicable after we electronically file those materials with, or furnish those materials to, the SEC. You may also find on our website information related to our corporate governance, board committees and company code of business conduct and ethics. The SEC also maintains a website, www.sec.gov, which contains reports, proxy statements and other information regarding SEC registrants, including us. We intend to satisfy the requirement under Item 5.05 of Form 8-K to disclose any amendments to our Code of Integrity and any waiver from any provision of our Code of Integrity by posting such information in the Governance page on our website at www.deepwater.com.



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ITEM 1 RISK FACTORS

RISKS RELATED TO OUR BUSINESS

OUR BUSINESS DEPENDS ON THE LEVEL OF ACTIVITY IN THE OFFSHORE OIL AND GAS INDUSTRY, WHICH IS SIGNIFICANTLY AFFECTED BY VOLATILE OIL AND GAS PRICES AND OTHER FACTORS.

Our business depends on oil and gas exploration, development and production in offshore areas where we are capable of operating. Demand for our services depends on these activities and related expenditure levels that are directly affected by trends in the price of oil and, to a lesser extent, natural gas. Oil and gas prices are extremely volatile and are affected by numerous factors, including the following:

- worldwide demand for oil and gas, including economic activity in the U.S., other large energy-consuming markets and in developing and emerging markets;
- the ability of the Organization of the Petroleum Exporting Countries ("OPEC") to set and maintain, or to be influenced to set and maintain, production levels, productive spare capacity and pricing among its members, including the ability of OPEC to successfully coordinate and enforce production quotas;
- the level of production in non-OPEC countries;
- inventory levels, and the cost and availability of storage and transportation of oil, gas and their related products;
- the policies, laws and regulations of various governments regarding exploration and development of their oil and gas reserves and environmental matters, including those addressing alternative energy sources and the risks of global climate change;
- international sanctions on oil-producing countries, or the lifting of such sanctions;
- advances in exploration, development and production technology;
- the development, exploitation and market acceptance of alternative energy sources;
- the further development of shale technology to exploit oil and gas reserves;
- the discovery rate of new oil and gas reserves and the rate of decline of existing oil and gas reserves;
- accidents, adverse weather conditions, natural disasters and other similar incidents relating to the oil and gas industry; and
- the worldwide security and political environment, including uncertainty or instability resulting from an escalation or outbreak of armed hostilities, civil unrest, acts of terrorism, public health threats or other crises.

Demand for our services is particularly sensitive to the level of exploration, development and production activity of, and the corresponding capital spending by, energy companies, including national energy companies. Prolonged reductions in oil and natural gas prices could depress the immediate levels of exploration, development and production activity. Perceptions of longer-term lower oil and natural gas prices by energy companies, or a perception that the demand for hydrocarbons will significantly decrease in the medium to long term, could similarly reduce or defer major expenditures given the long-term nature of many large-scale development projects and capital reinvestment policies. Lower levels of activity result in a corresponding decline in the demand for our services, which could have a material adverse effect on our revenue and profitability. Oil and gas prices and market expectations of potential changes in these prices significantly affect this level of activity. However, increases in near-term commodity prices do not necessarily translate into increased offshore drilling activity since customers' expectations of longer-term future commodity prices and expectations regarding future demand for hydrocarbons typically have a greater impact on demand for our rigs. Consistent with this dynamic, customers may delay or cancel many exploration and development programs, resulting in reduced demand for our services. Also, increased competition for customers' drilling budgets could come from, among other areas, land-based energy markets and renewable energy projects worldwide. The availability of quality drilling prospects, exploration success, relative production costs, the stage of reservoir development and political and regulatory environments also affect customers' drilling campaigns. Worldwide military, political and economic events have often contributed to oil and gas price volatility and are likely to do so in the future.

THE OFFSHORE DRILLING INDUSTRY IS HIGHLY COMPETITIVE AND CYCLICAL, WITH INTENSE PRICE COMPETITION.

The offshore contract drilling industry is highly competitive with numerous industry participants, none of which has a dominant market share. Drilling contracts are traditionally awarded on a competitive bid basis. Although rig availability, service quality and technical capability are drivers of customer contract awards, bid pricing and intense price competition are often key determinants for which a qualified contractor is awarded a job.

The offshore drilling industry is highly cyclical and is impacted by oil and natural gas price levels and volatility. Periods of high customer demand, limited rig supply and high dayrates have been followed by periods of low customer demand, excess rig supply and low dayrates. Changes in commodity prices can have a dramatic effect on rig demand, and periods of excess rig supply may intensify competition in the industry and result in the idling of older and less technologically advanced equipment. We have idled and stacked rigs, and may in the future idle or stack additional rigs or enter into lower dayrate drilling contracts in response to market conditions. Idled or stacked rigs may remain out of service for extended periods of time. During prior periods of high dayrates and rig utilization rates, we and other industry participants responded to increased customer demand by increasing the supply of rigs through ordering the construction of new units. The introduction of new units delivered without contracts, combined with an increased number of rigs in the global market completing contracts and becoming idle, may intensify price competition. During periods of low oil and natural gas price levels, new construction has resulted in an oversupply of rigs and has caused a subsequent decline in dayrates and rig utilization rates, sometimes for extended periods of time. In an oversupplied market, we may have limited bargaining power to negotiate on more favorable terms. Additionally, lower market dayrates and intense price competition may drive customers to seek to renegotiate existing contracts to reduce dayrates in exchange for longer contract terms. Lower dayrates and rig utilization rates could adversely affect our revenues and profitability.



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As of February 12, 2025, we have 10 uncontracted rigs, of which seven have been out of service for greater than five years, and these rigs may remain out of service for extended periods of time. If we are unable to obtain drilling contracts for our uncontracted rigs, whether due to a prolonged offshore drilling market downturn, a delayed or muted recovery of such market or otherwise, it may have an adverse effect on our results of operations and cash flows.

OUR CURRENT BACKLOG OF CONTRACT DRILLING REVENUES MAY NOT BE FULLY REALIZED.

At February 12, 2025, our contract backlog was \$8.33 billion. This amount represents the maximum contractual operating dayrate multiplied by the number of days remaining in the firm contract period, excluding revenues for mobilization, demobilization, contract preparation, other incentive provisions or reimbursement revenues, which are not expected to be significant to our contract drilling revenues. The contractual operating dayrate may be higher than the actual dayrate we ultimately receive or an alternative contractual dayrate, such as waiting on weather rate, repair rate, standby rate or force majeure rate, may apply under certain circumstances. The contractual operating dayrate may also be higher than the actual dayrate we ultimately receive due to a number of factors, including rig downtime or suspension of operations. Several factors could cause rig downtime or a suspension of operations, including: equipment breakdowns and other unforeseen engineering problems, labor strikes and other work stoppages, shortages of material and skilled labor, surveys by government and maritime authorities, periodic classification surveys, severe weather or harsh operating conditions, and force majeure events.

In certain drilling contracts, the dayrate may be reduced to zero if, for example, repairs extend beyond a stated period of time. Our contract backlog includes only firm commitments, which are represented by signed drilling contracts or, in some cases, other definitive agreements awaiting contract execution. We may not be able to realize the full amount of our contract backlog due to events beyond our control. In addition, some of our customers have experienced liquidity issues in the past, and these liquidity issues could be experienced again if commodity prices decline for an extended period of time. Liquidity issues and other market pressures could lead our customers to seek bankruptcy protection or to seek to repudiate, cancel or renegotiate these agreements for various reasons (see “Our drilling contracts may be terminated due to a number of events, and, during depressed market conditions, our customers may seek to repudiate or renegotiate their contracts”). Our inability to realize the full amount of our contract backlog may have an adverse effect on our financial position, results of operations or cash flows.

WE MUST MAKE SUBSTANTIAL CAPITAL AND OPERATING EXPENDITURES TO REACTIVATE OUR STACKED OR IDLE FLEET AND TO MAINTAIN OUR ACTIVE FLEET, AND WE MAY BE REQUIRED TO MAKE SIGNIFICANT CAPITAL EXPENDITURES TO MAINTAIN OUR COMPETITIVENESS AND TO COMPLY WITH LAWS AND APPLICABLE REGULATIONS AND STANDARDS OF GOVERNMENTAL AUTHORITIES AND ORGANIZATIONS.

We must make substantial capital and operating expenditures to maintain our active fleet or to reactivate our stacked or idle fleet. These expenditures could increase because of changes in the cost of labor and materials, requirements of customers, the cost of replacement parts for existing rigs, the size of our fleet, the geographic location of the rigs and the length of drilling contracts. Changes in offshore drilling technology, customer requirements for new or upgraded equipment and competition within our industry may require us to make significant expenditures in order to maintain our competitiveness and fund efforts to reduce our greenhouse gas emissions. Changes in governmental regulations, including environmental requirements, and changes in safety or other equipment standards, as well as compliance with standards imposed by maritime self-regulatory organizations, may cause our expenditures to increase or require us to make additional unforeseen expenditures. As a result of these factors, we may be required to take our rigs out of service for extended periods of time, with corresponding losses of revenues, in order to make such alterations or to add such equipment. In the future, market conditions may not justify these expenditures or enable us to operate our older rigs profitably during the remainder of their economic lives.

If we are unable to fund such expenditures with our cash flows from operations or proceeds from sales of non-strategic assets, we may be required to either incur additional borrowings or raise capital through the sale of debt or equity securities, or additional financing arrangements with banks or other capital providers. Our ability to access the capital markets may be limited by our financial condition at the time, perceptions of us or our industry, by changes in laws and regulations or interpretation thereof and by adverse market conditions resulting from, among other things, general economic conditions and contingencies and uncertainties that are beyond our control. If we raise funds by issuing equity securities or other securities that are convertible into equity securities, existing shareholders may experience dilution. Our failure to obtain the funds for necessary future capital and operating expenditures could have a material adverse effect on our business and on our financial position, results of operations and cash flows.

OUR OPERATING AND MAINTENANCE COSTS WILL NOT NECESSARILY FLUCTUATE IN PROPORTION TO CHANGES IN OUR OPERATING REVENUES.

Our operating and maintenance costs will not necessarily fluctuate in proportion to changes in our operating revenues and are affected by many factors, including inflation. Costs for operating a rig are generally fixed or only semi-variable regardless of the dayrate being earned. To the extent a drilling contract provides for escalations attributable to inflation in our costs, those adjustments will lag the impact of inflationary pressures and may not reflect the full impact to us of any cost inflation. As drilling contracts with such provisions expire or are terminated, there can be no assurance that future drilling contracts will contain similar provisions, which may reduce our margins in inflationary environments. In addition, should our rigs incur unplanned downtime while on contract or idle time between drilling contracts, we will not always reduce the staff on those rigs because we could use the crew to prepare the rig for its next contract. During times of reduced activity, reductions in costs may not be immediate because portions of the crew may be required to prepare rigs for stacking, after which time the crew members may be reassigned to active rigs or released. As our rigs are mobilized from one geographic location to another, the



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labor and other operating and maintenance costs can vary significantly. In general, labor costs increase primarily due to higher salary levels and inflation. Equipment maintenance costs fluctuate depending upon the type of activity the unit is performing and the age and condition of the equipment, and these costs could increase for short or extended periods as a result of regulatory or customer requirements that raise maintenance standards above historical levels. The amount of contract preparation and reactivation costs vary based on the scope and length of the contract preparation or reactivation project, and the recognition of such costs varies depending on the duration of the firm contractual period and other contract terms.

Certain of our drilling contracts are partially payable in local currency. The amounts, if any, of local currency received under these drilling contracts may exceed our local currency needs to pay local operating and maintenance costs, leading to an accumulation of excess local currency balances, which, in certain instances, may be subject to either restrictions or other difficulties in converting to U.S. dollars, our functional currency, or to other currencies of the locations where we operate. Excess amounts of local currency may also be exposed to the risk of currency exchange losses.

WE MAY NOT BE ABLE TO RENEW OR OBTAIN NEW DRILLING CONTRACTS FOR RIGS WHOSE CONTRACTS ARE EXPIRING OR OBTAIN DRILLING CONTRACTS FOR OUR STACKED AND IDLE RIGS.

The offshore drilling markets in which we compete experience fluctuations in the demand for drilling services. Our ability to renew expiring drilling contracts or obtain new drilling contracts depends on the prevailing or expected market conditions. As of February 12, 2025, we have 10 stacked rigs. We may be unable to obtain drilling contracts for our rigs that are currently operating upon the expiration or termination of such contracts, and there may be a gap in the operation of the rigs between the current contracts and subsequent contracts. When oil and natural gas prices are low or it is expected that such prices will decrease in the future, we may be unable to obtain drilling contracts at attractive dayrates or at all. We may not be able to obtain new drilling contracts with the terms or dayrates sufficient to support a reactivation of a cold-stacked rig. Likewise, we may not be able to obtain new drilling contracts in direct continuation with existing contracts, or depending on prevailing market conditions, we may enter into drilling contracts at dayrates substantially below the existing dayrates or on terms otherwise less favorable compared to existing contract terms, which may have an adverse effect on our financial position, results of operations or cash flows.

CHANGING SENTIMENT TOWARDS CLIMATE CHANGE, FOSSIL FUELS AND OTHER ESG MATTERS COULD ADVERSELY AFFECT OUR BUSINESS, COST OF CAPITAL AND THE PRICE OF OUR STOCK AND OTHER SECURITIES.

Changing sentiment among the public, regulators and non-governmental organizations concerning fossil fuels has prompted efforts aimed in part at the investment community, including investment advisors, sovereign wealth funds, public pension funds, universities and other groups, to discourage initial investments in and promote the divestment of shares of energy companies, as well as to pressure lenders and other financial services companies to limit or curtail activities with certain energy companies. If such efforts are successful, the market price of our shares and our ability to access capital markets may be negatively impacted.

Certain regulators and members of the investment community have heightened awareness of environmental, social and governance ("ESG") practices and disclosures, including those related to diversity and inclusion and, particularly in the energy industry, those related to greenhouse gas emissions and climate change. We may be subject in the future to additional reporting requirements that develop in response to such awareness. Additionally, ESG-focused investment funds seeking ESG-oriented investment products screen companies such as ours for ESG sustainability performance before investing. If we or our securities are unable to meet the sustainability ESG standards or investment criteria set by any such funds invested in our securities, we may lose such investors or they may allocate a portion of their capital away from us. As a result, our cost of capital may increase, the market price of our shares or of our publicly traded debt securities may be negatively impacted and our reputation may also be negatively affected.

PUBLIC HEALTH THREATS HAVE HAD, AND MAY CONTINUE TO HAVE, SIGNIFICANT ADVERSE CONSEQUENCES FOR GENERAL ECONOMIC, FINANCIAL AND BUSINESS CONDITIONS, AS WELL AS FOR OUR BUSINESS AND OPERATIONS.

Public health threats, including pandemics and epidemics, severe influenza, coronaviruses and other highly communicable viruses or diseases, have impacted and may continue to impact our operations directly or indirectly, including by disrupting the operations of our business partners, suppliers and customers in ways that adversely impact our operations. Such impacts may include, among others:

- causing a temporary shut-down of operations in case of an outbreak on one or more of our rigs;
- disrupting or restricting the ability of our suppliers, manufacturers and service providers to supply parts, equipment labor or services in the jurisdictions in which we operate or conduct shipyard activities including newbuild construction;
- causing us to incur increased costs, inefficiencies, and labor shortages as a result of precautionary measures taken to counteract a potential or actual outbreak, including testing and quarantining of offshore personnel; and
- being negatively affected by various actions by governmental authorities around the world designed to prevent or reduce the spread of an outbreak, such as imposing mandatory closures of all business facilities deemed to be non-essential, seeking voluntary closures of such facilities and imposing restrictions on, or issuing advisories with respect to, travel, business operations and public gatherings or interactions.

As a result, we may experience significant adverse consequences in our ability to meet our commitments to customers, including due to increased operating costs and increased risk of rig downtime or contract termination, which may result in substantial adverse consequences for our business and results of operations. In addition, public health threats may result in significantly reduced global or regional economic activity, which could result in a sharp reduction in the demand for oil and an associated decline in oil prices, as occurred



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during 2020. Such conditions may result in, reductions to our customers' drilling and production expenditures and delays or cancellations of projects, which may cause a decrease in demand for our services and an increase in the risk that our customers may seek to terminate or renegotiate pricing or other terms for our existing contracts or that more of our rigs may become idle, stacked or retired from our fleet. The magnitude and duration of potential social, economic and labor instability resulting from such public health threats, including the speed at which national economies can recover, or whether any recovery will ultimately experience a reversal or other setbacks, are uncertain and cannot be estimated as such effects depend on events that would be largely out of our control.

WE RELY HEAVILY ON A RELATIVELY SMALL NUMBER OF CUSTOMERS AND THE LOSS OF A SIGNIFICANT CUSTOMER OR A DISPUTE THAT LEADS TO THE LOSS OF A CUSTOMER COULD HAVE AN ADVERSE EFFECT ON OUR BUSINESS.

We engage in offshore drilling services for most of the leading integrated energy companies or their affiliates, as well as for many government-owned or government-controlled energy companies and other independent energy companies. For the year ended December 31, 2024, our most significant customers were Shell, Petrobras and Equinor, representing 27 percent, 21 percent and 13 percent, respectively, of our consolidated operating revenues. As of February 12, 2025, the customers with the most significant aggregate amount of contract backlog associated with our drilling contracts were Petrobras and Shell, representing 24 percent and 17 percent, respectively, of our total contract backlog. The loss of any of these customers or another significant customer, or a decline in payments under any of our drilling contracts, could, at least in the short term, have an adverse effect on our business.

OUR BUSINESS INVOLVES NUMEROUS OPERATING HAZARDS, AND OUR INSURANCE AND INDEMNITIES FROM OUR CUSTOMERS MAY NOT BE ADEQUATE TO COVER POTENTIAL LOSSES FROM OUR OPERATIONS.

Our operations are subject to the usual hazards inherent in the drilling of oil and gas wells, such as, blowouts, reservoir damage, loss of production, loss of well control, lost or stuck drill strings, equipment defects, craterings, fires, explosions and pollution. Contract drilling requires the use of heavy equipment and exposure to hazardous conditions, which may subject us to liability claims by employees, customers and other parties. These hazards can cause personal injury or loss of life, severe damage to or destruction of property and equipment, pollution or environmental or natural resource damage, claims by third parties or customers and suspension of operations. Our offshore fleet is also subject to hazards inherent in marine operations, either while on site or during mobilization, such as capsizing, sinking, grounding, collision, piracy, damage from severe weather and marine life infestations.

The U.S. Gulf of Mexico, the South China Sea and the Northwest Coast of Australia are areas subject to typhoons, hurricanes or other extreme weather conditions on a relatively frequent basis, and our drilling rigs in these regions may be exposed to damage or total loss by these storms, some of which may not be covered by insurance. The occurrence of these events could result in the suspension of drilling operations, damage to or destruction of the equipment involved and injury to or death of rig personnel. Some experts believe global climate change could increase the frequency and severity of these extreme weather conditions. Operations may also be suspended because of machinery breakdowns, abnormal drilling conditions, failure of subcontractors to perform or supply goods or services, or personnel shortages. We customarily provide contract indemnity to our customers for certain claims that could be asserted by us relating to damage to or loss of our equipment, including rigs, and claims that could be asserted by us or our employees relating to personal injury or loss of life.

Damage to the environment or natural resources could also result from our operations, particularly through spillage of hydrocarbons, fuel, lubricants or other chemicals and substances used in drilling operations, or extensive uncontrolled fires. We may also be subject to property damage, environmental indemnity and other claims by energy companies or other third parties. Drilling involves certain risks associated with the loss of control of a well, such as blowout, cratering, the cost to regain control of or redrill the well and remediation of associated pollution. Our customers may be unable or unwilling to indemnify us against such risks. In addition, a court may decide that certain indemnities in our current or future drilling contracts are not enforceable. The law generally considers contractual indemnity for criminal fines and penalties to be against public policy, and the enforceability of an indemnity as to other matters may be limited.

Our insurance policies and drilling contracts contain rights to indemnity that may not adequately cover our losses, and we do not have insurance coverage or rights to indemnity for all risks. We have two main types of insurance coverage: (1) hull and machinery coverage for physical damage to our property and equipment and (2) excess liability coverage, which generally covers offshore risks, such as personal injury, third-party property claims, and third-party non-crew claims, including wreck removal and pollution. We generally have no hull and machinery insurance coverage for damages caused by named storms in the U.S. Gulf of Mexico. We maintain per occurrence deductibles that generally range up to \$10 million for various third-party liabilities, and we self-insure up to \$75 million of the \$750 million excess liability coverage through our wholly owned captive insurance company. We also retain the risk for any liability that exceeds our excess liability coverage. However, pollution and environmental risks generally are not completely insurable.

If a significant accident or other event occurs that is not fully covered by our insurance or by an enforceable or recoverable indemnity, the occurrence could adversely affect our financial position, results of operations or cash flows. The amount of our insurance may also be less than the related impact on enterprise value after a loss. Our insurance coverage will not in all situations provide sufficient funds to protect us from all liabilities that could result from our drilling operations. Our coverage includes annual aggregate policy limits. As a result, we generally retain the risk for any losses in excess of these limits. We generally do not carry insurance for loss of revenue, and certain other claims may also not be reimbursed by insurance carriers. Any such lack of reimbursement may cause us to incur substantial costs. In addition, we could decide to retain more risk in the future, resulting in higher risk of losses, which could be material. Moreover, we may not be able to maintain adequate insurance in the future at rates that we consider reasonable or be able to obtain insurance against certain risks.





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OUR DRILLING CONTRACTS MAY BE TERMINATED DUE TO A NUMBER OF EVENTS, AND, DURING DEPRESSED MARKET CONDITIONS, OUR CUSTOMERS MAY SEEK TO REPUDIATE OR RENEGOTIATE THEIR CONTRACTS.

Certain of our drilling contracts with customers may be cancelable at the option of the customer upon payment of an early termination payment. Such payments may not, however, fully compensate us for the loss of the contract. Drilling contracts also customarily provide for either automatic termination or termination at the option of the customer, typically without the payment of any termination fee, under various circumstances such as non-performance, as a result of significant downtime or impaired performance caused by equipment or operational issues, or sustained periods of downtime due to force majeure events, many of which are beyond our control. Certain customers who seek to terminate our drilling contracts may attempt to defeat or circumvent our protections against certain liabilities. Our customers' ability to perform their obligations under their drilling contracts, including their ability to fulfill their indemnity obligations to us, may also be negatively impacted by an economic downturn. Our customers, which include national energy companies, often have significant bargaining leverage over us. If our customers cancel some of our contracts, and we are unable to secure new contracts on a timely basis and on substantially similar terms, or if contracts are suspended for an extended period of time or if a number of our contracts are renegotiated on terms that are not as favorable as current terms, it could adversely affect our financial position, results of operations or cash flows.

During periods of depressed market conditions, we are subject to increased counterparty risk, as our customers may seek to repudiate their contracts, including through claims of non-performance in order to reduce their capital expenditures. Our customers may no longer need a drilling rig that is currently under contract or may be able to obtain a comparable drilling rig at a lower dayrate. We have experienced, and are at continued risk of experiencing, early contract terminations during periods of a weak commodity price environment. The ability of each of our counterparties to perform its obligations under a contract with us, including indemnity obligations, depends on a number of factors that are beyond our control and may include, among other things, conditions of the economy in general or of the offshore drilling industry in particular, prevailing prices for oil and natural gas, the overall financial condition of the counterparty, the dayrates received and the level of expenditures necessary to maintain drilling activities. Should a counterparty fail to honor its obligations under an agreement with us, we could sustain losses, which could have an adverse effect on our business and on our financial position, results of operations or cash flows.

FAILURE TO RECRUIT AND RETAIN PERSONNEL COULD HURT OUR OPERATIONS.

We depend on the continuing efforts of key members of our management, as well as other highly skilled personnel, to operate and provide technical services and support for our business worldwide. Historically, competition for the personnel required for drilling operations has intensified as the number of rigs activated, added to worldwide fleets or under construction increased, leading to shortages of qualified personnel in the industry and creating upward pressure on wages and higher turnover. We may experience a reduction in the experience level of our personnel as a result of any increased turnover, which could lead to higher downtime and more operating incidents, which in turn could decrease revenues and increase costs. If increased competition for qualified personnel were to intensify in the future we may experience increases in costs or limits on operations.

OUR LABOR COSTS AND THE OPERATING RESTRICTIONS UNDER WHICH WE OPERATE COULD INCREASE AS A RESULT OF COLLECTIVE BARGAINING NEGOTIATIONS AND ADDITIONAL UNIONIZATION EFFORTS.

As of December 31, 2024, approximately 43 percent of our total workforce, working primarily in Brazil and Norway, are represented by, and some of our contracted labor work is subject to, collective bargaining agreements, substantially all of which are subject to annual salary negotiation. Negotiations over annual salary or other labor matters could result in higher personnel or other costs or increased operational restrictions or disruptions. The outcome of any such negotiation generally affects the market for all offshore employees, not only the union members. A failure to reach an agreement on certain key issues could result in strikes, lockouts, or other work stoppages. Legislation has from time to time been, and may continue to be, introduced in the U.S. Congress that could encourage additional unionization efforts in the U.S., as well as increase the chances that such efforts succeed. Additional unionization efforts, if successful, new collective bargaining agreements or work stoppages could materially increase our labor costs and operating restrictions.

OUR SHIPYARD PROJECTS AND OPERATIONS ARE SUBJECT TO DELAYS AND COST OVERRUNS.

At any given time, we have a variety of shipyard projects underway for our existing rigs. These shipyard projects are subject to the risks of delays or cost overruns inherent in any such complex projects resulting from numerous factors, including the following:

- shipyard availability, failures and difficulties;
- shortages of equipment, materials or skilled labor;
- failed or delayed deliveries of significant materials or equipment for various reasons, including due to supplier shortages, constraints, disruption or quality issues;
- design and engineering problems, including those relating to the commissioning of newly designed equipment;
- latent damages or deterioration to hull, equipment and machinery in excess of engineering estimates and assumptions;
- unanticipated actual or purported change orders;
- disputes with shipyards and suppliers;
- availability of suppliers to recertify equipment for enhanced regulations;
- strikes, labor disputes and work stoppages;
- customer acceptance delays or delays in providing customer-supplied engineering, approvals or equipment;
- adverse weather conditions, including damage caused by such conditions;
- terrorist acts, war, piracy and civil unrest;





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- complications arising from pandemics, epidemics, severe influenza, coronaviruses and other highly communicable viruses or diseases, and associated government orders in the country where the rigs are being constructed or serviced and elsewhere;
- unanticipated cost increases; and
- difficulties in obtaining necessary permits or approvals or in completing necessary importation procedures.

These factors may contribute to cost variations and delays in the delivery of rigs undergoing shipyard projects or any future newbuild units. Cost variations may result in, among other things, disputes with the shipyards that construct or service our drilling units. In addition, delayed delivery of newbuild units or other rigs undergoing shipyard projects would impact contract commencement, resulting in a loss of revenues we could earn, and may also cause customers to terminate or shorten the term of the drilling contract for the rig pursuant to applicable late delivery clauses. In the event of termination of any of these drilling contracts, we may not be able to secure a replacement contract on as favorable terms, if at all.

Our operations rely on a significant supply of capital and consumable spare parts and equipment to maintain and repair our fleet. We also rely on the supply of ancillary services, including supply boats and helicopters and subcontracted services, including casing and managed pressure drilling services. Our reliance on our suppliers, manufacturers and service providers to secure equipment, parts, components and sub-systems used in our operations exposes us to volatility in the quality, prices and availability of such items. Certain parts and equipment that we use in our operations may be available only from a small number of suppliers, manufacturers or service providers, or in some cases must be sourced through a single supplier, manufacturer or service provider. Some parts and equipment require long lead times to obtain, and an unplanned failure or other need to replace any such parts and equipment may result in a longer than usual time to obtain them or require us to pay higher costs to obtain them on an expedited basis. A disruption in the deliveries from our suppliers, manufacturers or service providers, capacity constraints, production disruptions, price increases, quality control issues, recalls or other decreased availability of parts and equipment, ancillary services or subcontracted services could adversely affect our ability to meet our commitments to customers, adversely impact our operations, increase our operating costs and result in increases in rig downtime and delays in the repair and maintenance of our fleet.

AS PART OF OUR BUSINESS STRATEGIES, WE MAY PURSUE OPPORTUNITIES TO STRENGTHEN, STREAMLINE OR BROADEN OUR BUSINESS THAT INCLUDE ACQUISITIONS OR DISPOSITIONS OF BUSINESSES OR DRILLING RIGS, MERGERS OR JOINT VENTURES OR OTHER INVESTMENTS, AND SUCH TRANSACTIONS WOULD PRESENT VARIOUS RISKS AND UNCERTAINTIES.

We may pursue transactions that involve the acquisition or disposition of businesses or assets, mergers or joint ventures or other investments that we believe will enable us to further strengthen, streamline or broaden our business. Any such transaction would be evaluated on a case-by-case basis, and the consummation thereof would be dependent upon several factors, including identifying suitable companies, businesses or assets that align, or no longer align, with our business strategies, reaching agreement with the potential counterparties on acceptable terms, the receipt of any applicable regulatory and other approvals, counterparties fulfilling contractual obligations and other conditions. These transactions involve various risks, including among others, (i) difficulties related to integrating, separating or managing applicable parts of an acquired, or disposed of, business, assets or joint venture and unanticipated changes in customer and other third-party relationships subsequent to closing, (ii) diversion of management's attention from day-to-day operations, (iii) failure to realize anticipated benefits, such as cost savings, revenue enhancements or strengthening, streamlining or broadening our business, (iv) potentially substantial transaction costs associated with acquisitions, joint ventures or investments if we or a transaction counterparty seeks to exit or terminate an interest in the joint venture or investment, (v) applicable antitrust laws and other regulations that may limit our ability to acquire targets or require us to divest an acquired business or assets, (vi) potential accounting impairment or actual diminution or loss of value of our investment if future market, business or other conditions ultimately differ from our assumptions at the time of such transaction is consummated and (vii) potential accounting impairment upon the decision to reclassify assets as held for sale.

FAILURE TO EFFECTIVELY AND TIMELY ADDRESS THE TRANSITION TO RENEWABLE OR OTHER ALTERNATIVE ENERGY SOURCES, OR TO RESPOND TO OTHER CLIMATE RELATED BUSINESS TRENDS, COULD ADVERSELY AFFECT OUR BUSINESS, RESULTS OF OPERATIONS AND CASH FLOWS.

Our long-term success will be impacted by our ability to effectively address the transition to renewable and other alternative energy sources, and our ability to respond to other climate-related business trends that could adversely impact the long-term demand for oil and natural gas and, ultimately, the demand for our services and products from our services. Addressing increased focus on the development of additional alternative energy sources and other climate-related business trends has required and will further require adapting certain parts of our operations to changing government requirements and customer preferences.

We continue to engage with existing and potential customers and suppliers to develop or implement solutions designed to reduce or decarbonize oil and gas operations, or to advance renewable and other alternative energy sources. Nonetheless, as it is not possible at this time to predict the timing, scope and effect of the development of and transition to renewable or other alternative energy sources, any such developments, such as the declining cost of renewable energy generation technologies, could adversely impact the long-term global demand for oil and natural gas and, ultimately, the demand for our services and products from our services. If the transition to alternative energy sources or other climate-related trends change faster than anticipated or develop in a manner that we do not anticipate, our business, results of operations and cash flows could be adversely affected. If we do not or are perceived to not effectively implement a strategy that incorporates alternative energy sources, or if investors or financial institutions shift funding away from companies in fossil fuel-related industries, our access to capital or the market for our securities could be negatively impacted.



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OUR ASPIRATIONS, GOALS, COMMITMENT TARGETS AND INITIATIVES RELATED TO SUSTAINABILITY, INCLUDING EMISSIONS REDUCTION, AND OUR PUBLIC STATEMENTS AND DISCLOSURES REGARDING THEM, EXPOSE US TO NUMEROUS RISKS.

We have previously developed and set, goals, targets, and other objectives related to sustainability matters, including with respect to emissions reduction, and we may continue to develop and set such objectives from time to time. Statements related to these goals, commitment targets and objectives do not constitute a guarantee that they will be achieved. Our efforts to research, establish, accomplish, and accurately report on these goals, commitment targets, and other objectives expose us to numerous operational, reputational, financial, legal, and other risks. Our ability to achieve any stated goal, commitment target, or objective, is subject to numerous factors and conditions, many of which are outside of our control.

Our business may face increased scrutiny from investors, business partners and others related to our sustainability activities, including the goals, commitment targets, and other objectives that we announce, and our methodologies and timelines for pursuing them. If our sustainability assumptions or practices do not meet investor, regulatory or other relevant expectations and standards, which continue to evolve, our reputation, our ability to attract or retain employees, and our attractiveness as an investment or business partner could be negatively affected. Similarly, our failure or perceived failure to pursue or fulfill our sustainability-focused goals, targets, and objectives, to comply with ethical, environmental, or other standards, regulations, or expectations, or to satisfy various reporting standards with respect to these matters, within the timelines we announce, or at all, could adversely affect our business or reputation, as well as expose us to government enforcement actions and private litigation.

RISKS RELATED TO OUR INDEBTEDNESS

WE HAVE A SUBSTANTIAL AMOUNT OF DEBT, INCLUDING SECURED DEBT, AND WE MAY LOSE THE ABILITY TO OBTAIN FUTURE FINANCING AND SUFFER COMPETITIVE DISADVANTAGES.

At December 31, 2024, our total debt was \$6.88 billion, of which \$2.36 billion was secured. We have a Secured Credit Facility, which is currently undrawn, the borrowings under which would be secured and guaranteed by certain of our subsidiaries. This substantial level of debt and other obligations could have significant adverse consequences on our business and future prospects, including the following:

- we may be unable to obtain financing in the future to refinance our existing debt or for working capital, capital expenditures, acquisitions, debt service requirements, distributions, share repurchases, or other purposes;
- we may be unable to use operating cash flows in other areas of our business because we must dedicate a substantial portion of these funds to service the debt;
- we could become more vulnerable to general adverse economic and industry conditions, including increases in interest rates, particularly given our substantial indebtedness, some of which bears interest at variable rates;
- we may be unable to meet financial ratios in the agreements governing certain of our debt facilities and finance lease or satisfy certain other covenants and conditions included in our debt agreements, which could result in our inability to meet requirements for borrowings under the Secured Credit Facility or a default under such agreements, impose restrictions with respect to our access to certain of our capital, and trigger cross default provisions in certain of our debt instruments;
- if we default under the terms of our secured financing arrangements, the secured debtholders may, among other things, foreclose on the collateral securing the debt, including the applicable drilling units;
- we may be unable to obtain new investment or financing based upon evolving ESG-influenced trends among many financial intermediaries, investors and other capital markets participants that have focused on reducing, or ceasing, lending to, or investing in, companies that operate in industries with higher perceived environmental exposure; and
- we may be less able to take advantage of significant business opportunities and to react to changes in market or industry conditions than our less levered competitors.

See “[Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Sources and uses of liquidity.](#)”

CREDIT RATING AGENCIES HAVE RATED OUR DEBT BELOW INVESTMENT GRADE, WHICH COULD LIMIT OUR ACCESS TO CAPITAL AND HAVE AN ADVERSE EFFECT ON OUR BUSINESS AND FINANCIAL CONDITION.

The ratings assigned to our debt securities by certain credit rating agencies (our “Debt Ratings”) are below investment grade. Our Debt Ratings could have adverse consequences for our business and future prospects and could cause the following:

- limitations on our ability to access debt markets, including for the purpose of refinancing our existing debt and replacing or extending our Secured Credit Facility;
- less favorable terms and conditions on any refinancing arrangements, debt issuances or bank credit agreements, some of which could require collateral and restrict, among other things, our ability to pay distributions or repurchase shares;
- increases to certain fees under our Secured Credit Facility and interest rates under the indentures governing certain of our senior notes;
- reduced willingness of current and prospective customers, suppliers and creditors to transact business with us;
- requirements from creditors, suppliers or customers for additional insurance, guarantees and collateral;
- limitations on our access to bank and third-party guarantees, surety bonds and letters of credit; and
- reductions to or eliminations of the level of credit suppliers and financial institutions may provide through payment terms or intraday funding when dealing with us thereby increasing the need for higher levels of cash on hand, which would decrease our ability to repay debt balances.

Our Debt Ratings have caused some of the effects listed above, and any downgrades may cause or exacerbate, any of the effects listed above and could have an adverse effect on our business and financial condition.



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WORLDWIDE FINANCIAL, ECONOMIC AND POLITICAL CONDITIONS COULD RESTRICT OUR ABILITY TO ACCESS THE CAPITAL MARKETS, REDUCE OUR FLEXIBILITY TO REACT TO CHANGING ECONOMIC AND BUSINESS CONDITIONS AND REDUCE DEMAND FOR OUR SERVICES.

Worldwide financial and economic conditions could restrict our ability to access the capital markets at a time when we would like, or need, to access such markets, which could have an impact on our flexibility to react to changing economic and business conditions. Worldwide economic conditions have in the past impacted, and could in the future impact, the lenders participating in our credit facilities and our customers, causing them to fail to meet their obligations to us. If economic conditions preclude or limit financing from banking institutions participating in our credit facilities, we may not be able to obtain similar financing from other institutions. A slowdown in economic activity could reduce worldwide demand for energy.

These potential developments, or market perceptions concerning these and related issues, could adversely affect our financial position, results of operations or cash flows. In addition, turmoil and hostilities in the Middle East, Eastern Europe, North Africa and other geographic areas and countries present incremental risk. An extended period of negative outlook for the world economy could reduce the overall demand for oil and natural gas and for our services. A decline in oil and natural gas prices could reduce demand for our drilling services and have an adverse effect on our financial position, results of operations or cash flows.

RISKS RELATED TO LAWS, REGULATIONS AND GOVERNMENTAL COMPLIANCE

IMPACT OF INCREASINGLY STRINGENT ENVIRONMENTAL AND SAFETY LAWS AND OUR COMPLIANCE WITH OR BREACH OF SUCH LAWS CAN BE COSTLY, EXPOSE US TO LIABILITY AND COULD LIMIT OUR OPERATIONS.

Our business is affected by laws and regulations relating to the energy industry and the environment and safety, including international conventions and treaties, and regional, national, state, and local laws and regulations. Our business also depends on demand for services from the oil and gas exploration and production industry, and, accordingly, we are directly affected by the adoption of laws and regulations that, for economic, environmental or other policy reasons, curtail, delay or impose additional compliance costs and obligations related to the exploration and development drilling for oil and gas.

Offshore drilling in certain areas has been curtailed and, in certain cases, prohibited because of environmental or safety concerns. In addition, compliance with environmental and safety laws, regulations and standards, where applicable, may require us to make significant capital expenditures, such as the installation of costly equipment or implementation of operational changes, and may affect the resale values or useful lives of our rigs. We may incur additional costs in order to comply with other existing and future regulatory obligations or industry standards, including, but not limited to, costs relating to air emissions, including greenhouse gases, the management of ballast waters, hull cleaning, maintenance and inspection, development and implementation of emergency procedures and maintenance of insurance coverage or other financial assurance of our ability to address pollution incidents. In the last decade, U.S. federal agencies adopted enhanced governmental safety and environmental requirements applicable to our operations for drilling in the U.S. Gulf of Mexico. These requirements have caused increased compliance costs and may in the future increase the risk of environmental or safety enforcement cases and litigation and cause operators to have difficulties obtaining drilling permits in the U.S. Gulf of Mexico. The U.S. Bureau of Ocean Energy Management (the "BOEM") implemented changes regarding when oil, gas and sulfur lessees and certain other parties operating in the offshore Outer Continental Shelf must post additional bonds or other supplemental financial assurance, which could increase bonding requirements and operating expenditures for some of our customers, and as a result, increase price competition for our services.

The oil and gas industry has adopted equipment and operating standards, such as the American Petroleum Institute Standard 53, related to the installation and testing of well control equipment. A failure to comply with applicable laws and regulations may result in administrative and civil penalties, criminal sanctions or the suspension or termination of our operations. Additionally, our customers may elect to voluntarily comply with any non-mandatory laws, regulations or other standards. Any such safety, environmental and other regulatory restrictions or standards, including voluntary customer compliance with respect thereto, could decrease, disrupt or delay operations, decrease demand for offshore drilling services, increase operating costs and compliance costs or penalties, increase out-of-service time, decrease dayrates, or reduce the area of operations for drilling rigs in the U.S. and non-U.S. offshore areas. Any such effects could have an adverse effect on our financial position, results of operations or cash flows.

To the extent new laws are enacted, existing laws are changed or other governmental or judicial actions are taken that prohibit or restrict offshore drilling or impose additional environmental protection and safety requirements that result in increased costs to the oil and gas industry, in general, or the offshore drilling industry, in particular, our business or prospects could be materially and adversely affected. The operation of our drilling rigs will require certain governmental approvals, some of which may involve public hearings and costly undertakings on our part. We may not obtain such approvals or such approvals may not be obtained in a timely manner. If we fail to timely secure the necessary governmental approvals or permits, our customers may have the right to terminate or seek to renegotiate their drilling contracts to our detriment. The amendment or modification of existing laws and regulations or the adoption of new laws and regulations curtailing or further regulating exploratory or development drilling or production of oil and gas and compliance with any such new or amended legislation or regulations could have an adverse effect on our business or on our financial position, results of operations or cash flows.

As a contract driller with operations in certain offshore areas, we may be liable for damages and costs incurred in connection with oil spills or disposal of wastes related to those operations, and we may also be subject to significant fines and other liabilities in connection with spills. For example, an oil spill could result in significant liability, including fines, penalties and criminal liability and remediation, restoration or compensation costs for environmental or natural resource damages, as well as third-party damages, to the extent that the contractual indemnification provisions in our drilling contracts are not enforceable or otherwise sufficient, or if our customers are unwilling or



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unable to contractually indemnify us against these risks. Additionally, we may not be able to obtain such indemnities in our future drilling contracts, and our customers may not have the financial capability to fulfill their contractual obligations to us. Also, these indemnities may be held to be unenforceable in certain jurisdictions, as a result of public policy or for other reasons. See “Our business involves numerous operating hazards, and our insurance and indemnities from our customers may not be adequate to cover potential losses from our operations.”

Environmental and safety laws and regulations protecting the environment have become increasingly stringent and may in some cases impose strict liability on facility or vessel owners or operators, rendering a person liable for environmental damage without regard to negligence. These laws and regulations may expose us to liability for the conduct of, or conditions caused by, others or for acts that were in compliance with all applicable laws at the time they were performed. The application of these requirements or the adoption of new requirements or measures could have an adverse effect on our financial position, results of operations or cash flows.

REGULATORY AND VARIOUS OTHER RISKS, INCLUDING LITIGATION, ASSOCIATED WITH GREENHOUSE GAS EMISSIONS, OTHER EMISSIONS AND CLIMATE CHANGE COULD HAVE AN ADVERSE IMPACT ON OUR BUSINESS AND DEMAND FOR OUR SERVICES.

Scientific studies have suggested that emissions of certain gases, including greenhouse gases, such as carbon dioxide and methane, contribute to warming of the earth's atmosphere and other climatic changes. In response to such studies, the issue of climate change and the effect of greenhouse gas emissions, in particular emissions from the fossil fuel industry, has attracted and continues to attract considerable political and social attention worldwide. The attention to climate change has led, and we expect it to continue to lead, to additional regulations designed to reduce greenhouse gas emissions domestically and internationally. In August 2022, for example, the U.S. enacted the Inflation Reduction Act of 2022, which made available hundreds of billions of dollars in incentives for the development of renewable energy, clean hydrogen, clean fuels, electric vehicles and supporting infrastructure and carbon capture and sequestration, amongst other provisions. Additionally, at the United Nations Climate Change Conference in the United Arab Emirates in December 2023, more than 190 governments reached a non-binding agreement to transition away from fossil fuels and encourage the growth and expansion of renewable energy. Such attention could also result in other adverse impacts for the oil and gas industry, including further restrictions or bans imposed by lawmakers, lawsuits by governments or third-parties seeking recoveries for damages resulting from the combustion of fuels that may contribute to climate change effects, decreased demand for goods and services that produce significant greenhouse gas emissions, or reduced interest from investors if they elect in the future to shift some or all of their investments to non-fossil fuel related sectors. To the extent financial markets view climate change and greenhouse emissions as a financial risk, this could negatively impact our cost of or access to capital. Because our business depends on the level of activity in the oil and gas industry, existing or future laws, regulations, treaties or international agreements related to greenhouse gases and climate change, or related political, litigation or financial risks, including incentives to conserve energy or use alternative energy sources, could have a negative impact on our business if such laws, regulations, treaties or international agreements reduce the worldwide demand for oil and gas or limit drilling opportunities. In addition, such laws, regulations, treaties or international agreements or related risks could result in increased compliance costs or additional operating restrictions, which may have an adverse effect on our business. Further, some experts believe global climate change could increase the frequency and severity of extreme weather conditions, the impacts of which could interfere with our operations, cause damage to our equipment as well as cause other financial and operational impacts, including those that could result from any impact of such conditions on our customers.

We could also face increased climate-related litigation with respect to our operations both in the U.S. and around the world. Governmental and other entities in various U.S. states, such as California and New York, have filed lawsuits against coal, gas oil and petroleum companies. These suits allege damages as a result of climate change, and the plaintiffs are seeking unspecified damages and abatement under various tort theories. Similar lawsuits may be filed in other jurisdictions both in the U.S. and globally. Though we are not currently a party to any such lawsuit, these suits present a high degree of uncertainty regarding the extent to which energy companies, including offshore drillers, face an increased risk of liability stemming from climate change, which risk would also adversely impact the oil and gas industry and impact demand for our services.

ANY RESTRICTIONS ON OIL AND NATURAL GAS OPERATIONS ON THE U.S. OUTER CONTINENTAL SHELF (“OCS”) COULD HAVE AN ADVERSE IMPACT ON OUR BUSINESS AND DEMAND FOR OUR SERVICES.

The U.S. Department of the Interior (“DOI”) administers the submerged lands, subsoil, and seabed, lying between the seaward extent of the states' jurisdiction and the seaward extent of federal jurisdiction, and the U.S. government has the power to limit oil and gas activities on this area, known as the OCS. Under the Outer Continental Shelf Lands Act, as amended, the BOEM within the DOI must prepare and maintain forward-looking five-year plans – referred to as *national programs* or *five-year programs* – to schedule proposed oil and gas lease sales on the OCS. The number of lease sales and areas available for lease provided in a five-year program may differ from program to program. To the extent that the number of lease sales and areas available for lease with the current five-year program – or in any future five-year program – are not sufficient to meet our customers' planned or expected offshore drilling programs, demand for our drilling services on the OCS may be impacted. In addition, executive, legislative and judicial actions in the U.S. from time to time have restricted certain oil and gas activities on the OCS. Future actions taken by the U.S. to limit the availability of new oil and gas leases on the OCS would adversely impact the offshore oil and gas industry and impact demand for our services.



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THE GLOBAL NATURE OF OUR OPERATIONS INVOLVES ADDITIONAL RISKS.

We operate in various regions throughout the world, which may expose us to political and other uncertainties, including risks of:

- terrorist acts, war, piracy and civil unrest;
- seizure, expropriation or nationalization of our assets or of our customers' property;
- customs delays or disputes;
- repudiation or nationalization of contracts;
- imposition of trade or immigration barriers;
- import-export quotas;
- wage and price controls;
- changes in law and regulatory requirements, including changes in interpretation and enforcement;
- involvement in judicial proceedings in unfavorable jurisdictions;
- damage to our equipment or violence directed at our employees, including kidnappings;
- complications associated with supplying, repairing and replacing equipment in remote locations;
- public health threats, including pandemics, epidemics, severe influenza, coronaviruses and other highly communicable viruses or diseases;
- the inability to move income or capital; and
- currency exchange fluctuations and currency exchange restrictions, including exchange or similar controls that may limit our ability to convert local currency into U.S. dollars and transfer funds out of a local jurisdiction.

Our non-U.S. contract drilling operations are subject to various laws and regulations related to economic and trade sanctions in certain countries in which we operate, including laws and regulations relating to the import and export, equipment and operation of drilling units, currency conversions and repatriation, oil and gas exploration and development, taxation and social contributions of offshore earnings and earnings of expatriate personnel. We are also subject to the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") and other U.S. and non-U.S. laws and regulations governing our international operations. In addition, various state and municipal governments, universities and other investors have proposed or adopted divestment and other initiatives regarding investments including, with respect to state governments, by state retirement systems in companies that do business with countries that have been designated as state sponsors of terrorism by the U.S. State Department. Failure to comply with applicable laws and regulations, including those relating to sanctions, tariffs and other trade, import or export restrictions, may subject us to criminal sanctions or civil remedies, including fines, denial of export privileges, injunctions or seizures of assets. Investors could view any potential violations of OFAC regulations negatively, which could adversely affect our reputation and the market for our shares.

Governments in some countries have become increasingly active in regulating and controlling the ownership of concessions and companies holding concessions, the exploration for oil and gas and other aspects of the oil and gas industries in their countries, including local content requirements for participating in tenders for certain drilling contracts. Many governments currently favor or effectively require – or based upon changes to laws, regulations or interpretations thereof, may in the future favor or effectively require – the awarding of drilling contracts to local contractors or require nonlocal contractors to employ citizens of, or purchase supplies from, a particular jurisdiction or require use of a local agent. We cannot predict whether any changes to laws, regulations or interpretations thereof would result in modifications to our operations nor whether any such modifications would have a material impact to our business. In addition, government action, including initiatives by OPEC, may continue to cause oil or gas price volatility. In some areas of the world, this governmental activity has adversely affected the amount of exploration and development work by major energy companies and may continue to do so.

The shipment of goods, services and technology across international borders subjects us to extensive trade laws and regulations. Our import and export activities are governed by unique customs and export control laws and regulations in each country in which we operate. Moreover, many countries, including the U.S., control the import and export of certain goods, services and technology and impose related import and export recordkeeping and reporting obligations. Governments may also impose economic sanctions against certain countries, persons and other entities that may restrict or prohibit transactions involving such countries, persons and entities, and we are also subject to the U.S. anti-boycott laws.

The laws and regulations concerning import and export activity, recordkeeping and reporting, import and export control and economic sanctions are complex and constantly changing. These laws and regulations may be enacted, amended, enforced or interpreted in a manner materially impacting our operations. Ongoing economic challenges and the current geopolitical environment may increase some governments' efforts to enact, enforce, amend or interpret laws and regulations as a method to increase revenue. Shipments can be delayed and denied import or export for a variety of reasons, some of which are outside our control and some of which may result from failure to comply with existing legal and regulatory regimes. Shipping delays or denials could cause unscheduled operational downtime. Changes to foreign trade policies of the U.S. and other countries could lead to the imposition of additional trade barriers and tariffs in jurisdictions in which we operate or from which we or our suppliers procure materials and equipment. We cannot predict what changes to trade policies will be made, including whether existing tariff policies will be maintained or modified or whether the entry into new bilateral or multilateral trade agreements will occur, nor can we predict the effects that any such potential changes would have on our business.

Our results are directly affected by the applicability of certain customs duties and importation tax relief programs under customs regimes for the exportation and importation of goods and equipment, including rigs, related to the oil and gas sector. Among other incentives, such programs grant full suspension of certain import taxes, resulting in reduced tax burdens from operations. If unprecedented interpretations are applied by the customs and tax authorities governing such programs and regimes, including those that would deny us the use of such incentives granted historically in the ordinary course, and assuming we are unable to successfully challenge such



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interpretation or otherwise able to recover any amounts pursuant to the contractual provisions of the applicable drilling contract, then the amount of the applicable tariff, which would depend on many factors, could reasonably be expected to increase our operating costs.

Our ability to operate worldwide depends on our ability to obtain the necessary visas and work permits for our personnel to travel in and out of, and to work in, the jurisdictions in which we operate. Governmental actions in some of the jurisdictions in which we operate may make it difficult for us to move our personnel in and out of these jurisdictions by delaying or withholding the approval of these permits. If we are not able to obtain visas and work permits for the employees we need to conduct our operations on a timely basis, we might not be able to perform our obligations under our drilling contracts, which could allow our customers to cancel the contracts. If our customers cancel some of our drilling contracts, and we are unable to secure new drilling contracts on a timely basis and on substantially similar terms, it could have a material adverse effect on our business and on our financial position, results of operations or cash flows.

FAILURE TO COMPLY WITH ANTI-BRIBERY STATUTES, SUCH AS THE U.S. FOREIGN CORRUPT PRACTICES ACT AND THE U.K. BRIBERY ACT 2010, COULD RESULT IN FINES, CRIMINAL PENALTIES, DRILLING CONTRACT TERMINATIONS AND AN ADVERSE EFFECT ON OUR BUSINESS.

The U.S. Foreign Corrupt Practices Act ("FCPA"), the U.K. Bribery Act 2010 ("Bribery Act") and similar anti-bribery laws in other jurisdictions, generally prohibit companies and their intermediaries from making improper payments for the purpose of obtaining or retaining business. We operate in many parts of the world that have experienced corruption to some degree and, in certain circumstances, strict compliance with anti-bribery laws may conflict with local customs and practices. If we are found to be liable for violations under the FCPA, the Bribery Act or other similar laws, either due to our acts or omissions or due to the acts or omissions of others, including our partners in our various joint ventures and of the current or former officers, directors or employees of any companies we have acquired, we could suffer from civil and criminal penalties or other sanctions, which could have a material adverse effect on our business or our financial position, results of operations or cash flows. In addition, investors could negatively view potential violations, inquiries or allegations of misconduct under the FCPA, the Bribery Act or similar laws, which could adversely affect our reputation and the market for our shares.

We could also face fines, sanctions and other penalties from authorities in relevant jurisdictions, including prohibition of our participating in or curtailment of business operations in those jurisdictions and the seizure of rigs or other assets. Additionally, our business and results of operations could be adversely affected as a result of claims by customers, agents, shareholders, debt holders, other interest holders, current or former employees or other constituents of our company who, in connection with alleged or actual noncompliance with antibribery and related laws, may seek to impose penalties, seek remedies, terminate drilling contracts or take other actions adverse to our interests. Our business and results of operations may be adversely affected if we are required to dedicate significant time and resources to investigate and resolve allegations of misconduct, regardless of the merit of such allegations. Further, disclosure of the subject matter of any investigation could adversely affect our reputation and our ability to obtain new business with potential customers, to retain existing business with our current customers, to attract and retain employees and to access the capital markets.

WE ARE SUBJECT TO INVESTIGATIONS AND LITIGATION THAT, IF NOT RESOLVED IN OUR FAVOR AND NOT SUFFICIENTLY INSURED AGAINST, COULD HAVE A MATERIAL ADVERSE EFFECT ON US.

We are subject to a variety of disputes, investigations and litigation. Certain of our subsidiaries are subject to and have been involved in litigation with certain of our customers and other constituents. Certain of our subsidiaries are named as defendants in numerous lawsuits alleging personal grievances or injury, including as a result of exposure to asbestos or toxic fumes or resulting from other occupational diseases, such as silicosis, and various other medical issues that can remain undiscovered for a considerable amount of time. Some of these subsidiaries that have been put on notice of potential liabilities have no assets. Certain subsidiaries are subject to litigation relating to environmental damage. Our patent for dual-activity technology has been successfully challenged in certain jurisdictions. We are also subject to a number of significant tax disputes.

We cannot predict the outcome of these investigations and cases or the potential costs to resolve them. Insurance may not be applicable or sufficient in all cases, insurers may not remain solvent and policies may not be located. Suits against non-asset-owning subsidiaries have and may in the future give rise to alter ego or successor-in-interest claims against us and our asset-owning subsidiaries to the extent a subsidiary is unable to pay a claim or insurance is not available or sufficient to cover the claims. To the extent that one or more pending or future investigations or litigation matters is not resolved in our favor and is not covered by insurance, which could have a material adverse effect on our financial position, results of operations or cash flows.

WE ARE SUBJECT TO CYBERSECURITY RISKS AND THREATS AS WELL AS INCREASING REGULATION OF DATA PRIVACY AND SECURITY.

We depend on data and digital technologies to conduct our offshore and onshore operations, to collect payments from customers and to pay vendors and employees. Our data protection measures and measures taken by our customers and vendors may not prevent unauthorized access of information technology systems, and when such unauthorized access occurs, we, our customers or vendors may not detect the incident in time to prevent harm or damage. Threats to our information technology systems, and the systems of our customers and vendors, associated with cybersecurity risks and cyber-incidents or attacks continue to grow and may pose new or unknown cybersecurity risks and challenges, including as a result of the use of emerging technologies, such as AI, machine learning, generative AI and large language models. Such threats may derive from human error, fraud or malice, social engineering on the part of employees or third parties, or may result from accidental technological failure. In addition, breaches to our systems and systems of our customers and vendors could go unnoticed for some period of time. Risks associated with these threats include disruptions of certain systems on our rigs; other impairments of our ability to conduct our operations; loss or ransom of intellectual property, proprietary information, personal identifiable



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information or customer and vendor data; disruption of our customers' and vendors' operations; misappropriation of assets; loss or damage to our customer and vendor data delivery systems; and increased costs to prevent, respond to or mitigate cybersecurity events. A breach could also originate from, or compromise, our customers' and vendors' or other third-party networks outside of our control. A breach may also result in legal claims or proceedings against us by our shareholders, employees, customers, vendors and governmental authorities, both U.S. and non-U.S. If such a cyber-incident were to occur, it could have a material adverse effect on our business or on our financial position, results of operations or cash flows.

In addition, data privacy and the unauthorized disclosure of personal data and confidential information pose increasingly complex compliance challenges and have the potential to elevate our costs under various laws and regulations, including privacy regulations that have been adopted or may in the future be adopted by, or be applicable from time to time to, countries, states, and other jurisdictions or authorities. Any failure by us to comply with these laws and regulations, including as a result of a security or privacy breach, could result in significant penalties, litigation and liabilities for us. Additionally, if we acquire a company that has violated or is not in compliance with applicable data protection laws, we may incur significant liabilities and penalties as a result.

ACTS OF TERRORISM, PIRACY AND POLITICAL AND SOCIAL UNREST COULD AFFECT THE MARKETS FOR DRILLING SERVICES.

Acts of terrorism and social unrest, brought about by world political events or otherwise, have caused instability in the world's financial and insurance markets in the past and may occur in the future. Such acts could be directed against companies such as ours. In addition, acts of terrorism, piracy and social unrest could lead to increased volatility in prices for crude oil and natural gas and could affect the markets for drilling services. Insurance premiums could increase and coverage may be unavailable in the future. Government regulations may effectively preclude us from engaging in business activities in certain countries. These regulations could be amended to cover countries where we currently operate or where we may wish to operate in the future. Our drilling contracts do not generally provide indemnification against loss of capital assets or loss of revenues resulting from acts of terrorism, piracy or political or social unrest. We have limited insurance for our assets providing coverage for physical damage losses resulting from certain risks, such as terrorist acts, piracy, vandalism, sabotage, civil unrest, expropriation and acts of war, and we do not carry insurance for loss of revenues resulting from such risks.

RISKS RELATED TO TAXES

A CHANGE IN TAX LAWS, TREATIES OR REGULATIONS, OR THEIR INTERPRETATION, OF ANY COUNTRY IN WHICH WE HAVE OPERATIONS, ARE INCORPORATED OR ARE RESIDENT COULD RESULT IN A HIGHER EFFECTIVE TAX RATE ON OUR CONSOLIDATED EARNINGS AND INCREASE OUR CASH TAX PAYMENTS.

We are subject to changes in applicable tax laws, treaties or regulations in the jurisdictions in which we operate and earn income, and such changes could include laws or policies directed toward companies organized in jurisdictions with low tax rates with the intent to increase their tax burden. Several jurisdictions have implemented or are expected to implement in the future, the Organization for Economic Co-operation and Development Pillar 2 or other tax related provisions that are aimed at preventing base erosion and profit shifting, ensuring income is subject to a minimum level of taxation and preventing treaty misuse. The application of these provisions is not always certain, and jurisdictions are still developing their rules and interpretations with regard to same.

As such, any material change to tax laws, treaties, regulations or policies, their interpretation or application, or the adoption of new interpretations of existing laws and rulings, in any of the jurisdictions in which we operate, are incorporated or resident, could result in a higher effective tax rate on our worldwide earnings and such change could have a significant adverse effect on our financial position, results of operations or cash flows.

A LOSS OF A MAJOR TAX DISPUTE OR A SUCCESSFUL TAX CHALLENGE TO OUR OPERATING STRUCTURE, INTERCOMPANY PRICING POLICIES OR THE TAXABLE PRESENCE OF OUR KEY SUBSIDIARIES IN CERTAIN COUNTRIES COULD RESULT IN A HIGHER EFFECTIVE TAX RATE ON OUR CONSOLIDATED EARNINGS AND INCREASE OUR CASH TAX PAYMENTS.

We are subject to tax laws, treaties and regulations in the countries in which we operate and earn income. Our income taxes are based on the applicable tax laws and tax rates in effect in the countries in which we operate and earn income as well as upon our operating structures in these countries. Our income tax returns are subject to review and examination in these jurisdictions, and we do not recognize the benefit of income tax positions that are not more likely than not to be respected upon challenge by a tax authority. If any tax authority successfully challenges our operational structure, intercompany pricing policies or the taxable presence of our key subsidiaries in certain countries; or if the terms of certain income tax treaties are interpreted in a manner that is adverse to our structure; or if we lose a material tax dispute in any country, our effective tax rate on our worldwide earnings could increase substantially and our earnings and cash flows from operations could be materially adversely affected. For example, we believe that neither we nor our non-U.S. subsidiaries, other than those that report a U.S. trade or business or a U.S. permanent establishment, were or are engaged in a trade or business in the U.S. or, if applicable, maintained or maintain a permanent establishment in the U.S. The determination of the aforementioned, among other things, involves considerable judgment. If the U.S. Internal Revenue Service were to disagree, then we could be subject to additional U.S. corporate income and branch profits taxes on the portion of our earnings effectively connected to such U.S. business or, if applicable, attributable to such U.S. permanent establishment during the period in which this was considered to have occurred. If this occurs, our effective tax rate on worldwide earnings for that period could increase substantially, we could be subject to assessments in previously filed returns that remain open to audit and our earnings and cash flows from operations for that period could be adversely affected.



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RISKS RELATED TO OUR JURISDICTION OF ORGANIZATION AND GOVERNING DOCUMENTS

AS A SWISS CORPORATION, OUR FLEXIBILITY MAY BE LIMITED WITH RESPECT TO CERTAIN ASPECTS OF CAPITAL MANAGEMENT AND SWIFT IMPLEMENTATION OF CERTAIN INITIATIVES OR STRATEGIES.

Under Swiss law, our shareholders may approve a general share capital authorization, referred to under Swiss law as a capital band, that allows the board of directors to issue new shares without additional shareholder approval within a period of up to five years and for up to a maximum of 50 percent of a company's issued share capital. The general share capital authorization approved by shareholders at the May 2024 annual general meeting will expire on May 29, 2025. Our currently available authority under this general share capital authorization is equivalent to 12.44 percent of our issued share capital as of February 11, 2025. Accordingly, shareholders at our annual general meeting in May 2025 may be requested to approve a renewal and increase of our general share capital authorization for an additional term. Subject to certain exceptions, Swiss law also grants preemptive rights to existing shareholders to subscribe for new issuances of shares. Further, Swiss law does not provide as much flexibility in the various terms that can attach to different classes of shares as the laws of some other jurisdictions. Swiss law also reserves for shareholder approval certain corporate actions, such as approval of dividends, over which a board of directors would have authority in some other jurisdictions. These Swiss law requirements relating to our capital management may limit our flexibility to swiftly implement certain initiatives or strategies, and situations may arise where greater flexibility would have provided substantial benefits to our shareholders.

We are required, from time to time, to evaluate the carrying amount of our investments in affiliates, as presented on our Swiss standalone balance sheet. If we determine that the carrying amount of any such investment exceeds its fair value, we may conclude that such investment is impaired. Any recognized loss associated with such a non-cash impairment could result in our net assets no longer covering our statutory share capital and statutory capital reserves. Under Swiss law, if our net assets cover less than 50 percent of our statutory share capital and the non-distributable part of the statutory capital and profit reserves, the board of directors must take appropriate measures or, to the extent such measures fall within the competence of the general meeting of shareholders, convene a general meeting of shareholders, and propose measures to remedy such a capital loss. Appropriate measures depend on the relevant circumstances and the magnitude of the recognized loss and may include seeking shareholder approval for offsetting the aggregate loss, or a portion thereof, with our statutory capital reserves, including qualifying additional paid-in capital otherwise available for distributions to shareholders, or raising new equity. Depending on the circumstances, we may also need to use qualifying additional paid-in capital available for distributions in order to reduce our accumulated net loss and such use might reduce our ability to make distributions without subjecting our shareholders to Swiss withholding tax.

Distributions to shareholders in the form of a par value reduction and dividend distributions out of qualifying additional paid-in capital are currently not subject to the 35 percent Swiss federal withholding tax. However, the Swiss withholding tax rules could be changed in the future, and any such change may adversely affect us or our shareholders. In addition, over the long term, the amount of par value available for us to use for par value reductions or the amount of qualifying additional paid-in capital available for us to pay out as distributions is limited. If we are unable to make a distribution through a reduction in par value, or out of qualifying additional paid-in capital as shown on Transocean Ltd.'s standalone Swiss statutory financial statements, we may not be able to make distributions without subjecting our shareholders to Swiss withholding taxes.

Under Swiss tax law, repurchases of shares for the purposes of capital reduction are treated as a partial liquidation subject to a 35 percent Swiss withholding tax based on the difference between the repurchase price and the related amount of par value and the related amount of qualifying additional paid-in capital, if any. At our 2009 annual general meeting, shareholders approved the repurchase of up to CHF 3.50 billion of our shares for cancellation under the share repurchase program. If we repurchase shares, we expect to use an alternative procedure pursuant to which we repurchase shares via a "virtual second trading line" from market players, such as banks and institutional investors, who are generally entitled to receive a full refund of the Swiss withholding tax. The use of such "virtual second trading line" with respect to share repurchase programs is subject to the approval of the competent Swiss tax and other authorities. We may not be able to repurchase as many shares as we would like to repurchase for purposes of capital reduction on the "virtual second trading line" without subjecting the selling shareholders to Swiss withholding taxes.

WE ARE SUBJECT TO ANTI-TAKEOVER PROVISIONS.

Our articles of association and Swiss law contain provisions that could prevent or delay an acquisition of the company by means of a tender offer, a proxy contest or otherwise. Actions taken under such provisions may adversely affect prevailing market prices for our shares, and could, among other things:

- provide that the board of directors is authorized to issue a specified number of shares, which under our current and remaining general share capital authorization as of February 11, 2025 is 12.44 percent of the share capital registered in the commercial register, and to limit or withdraw the preemptive rights of existing shareholders in various circumstances. Pursuant to the terms of the current general share capital authorization, the board's authority to issue new shares expires on May 29, 2025, subject to shareholders approving a renewal or increase of this authorization in accordance with the current company practice;
- provide for a conditional share capital that authorizes the issuance of additional shares up to a maximum amount of 15.0 percent of the share capital registered in the commercial register as of February 11, 2025 without obtaining additional shareholder approval through: (1) the exercise of conversion, exchange, option, warrant or similar rights for the subscription of shares granted in connection with bonds, options, warrants or other securities newly or already issued in national or international capital markets or new or already existing contractual obligations by or of any of our subsidiaries; or (2) in connection with the issuance of shares, options or other share-based awards;



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- provide that any shareholder who wishes to propose any business or to nominate a person or persons for election as director at any annual meeting may only do so if we are given advance notice;
- provide that directors can be removed from office only by the affirmative vote of the holders of at least 66 2/3 percent of the shares entitled to vote;
- provide that a merger or demerger transaction requires the affirmative vote of the holders of at least 66 2/3 percent of the shares represented at the meeting and provide for the possibility of a so-called cash-out or squeeze-out merger if the acquirer controls 90 percent of the outstanding shares entitled to vote at the meeting;
- provide that any action required or permitted to be taken by the holders of shares must be taken at a duly called annual or extraordinary general meeting of shareholders;
- limit the ability of our shareholders to amend or repeal some provisions of our articles of association; and
- limit transactions between us and an "interested shareholder," which is generally defined as a shareholder that, together with its affiliates and associates, beneficially, directly or indirectly, owns 15 percent or more of our shares entitled to vote at a general meeting.

ITEM 1BUNRESOLVED STAFF COMMENTS

None.

ITEM 1CCYBERSECURITY

RISK MANAGEMENT AND STRATEGY

Our approach to managing cybersecurity risk and safeguarding information across our organization embeds data protection and cybersecurity risk management throughout our enterprise and daily operations. We maintain processes for identifying, assessing and managing material risks, including such risks from cybersecurity threats, and such processes are integrated into our overall risk management system. Our enterprise risk register inventories significant risks to our company, including significant cybersecurity risks, and we maintain a separate functional risk register, specifically focusing on potential cybersecurity risks. Within these risk registers, we record each identified risk, describe its likelihood of occurrence and assess its potential impact, including the materiality thereof. As part of this exercise, mitigating measures are planned and implemented into action as necessary. As an additional feature of our cybersecurity risk management process, we have engaged an external service provider to support our cybersecurity team by performing penetration tests and periodic external security evaluations.

We undertake to align our cybersecurity program, which encompasses both enterprise security and operational security, with the standards of the National Institute of Standards and Technology Cybersecurity Framework. We maintain continuous cyber threat-detection systems and have established an incident response plan, which contains playbooks for addressing and recovering from potential material cyberattacks and breaches of data security. In addition to establishing security measures for vendors, we require onboarding orientation and periodic training for all employees and board members that focuses on cybersecurity and information management, and we conduct regular cybersecurity awareness campaigns.

As of the date of our filing of this report, we are not aware of any cybersecurity incident that has had or is reasonably likely to have a material impact on our business operations. Given the rapid evolution of cyber-related attack techniques, including through the use of AI, cybersecurity risks associated with our information technology systems and the systems of our customers and vendors continue to grow. Notwithstanding our cybersecurity management processes, a future cybersecurity incident could have a material adverse effect on our business or on our financial position, results of operations or cash flows. See "Item 1A. Risk Factors—Risks related to laws, regulation, and governmental compliance—We are subject to cybersecurity risks and threats as well as increasing regulation of data privacy and security."

GOVERNANCE

We involve multiple levels of oversight as a part of our approach to cybersecurity risk management. Our board of directors oversees our enterprise risk register and cybersecurity program, including related policies and procedures. As part of this oversight, the audit committee of our board of directors receives regular status reports and updates from our management team and conducts periodic executive sessions with our Vice President, Information Technology. Such status reports and executive sessions cover cybersecurity matters, such as developments to our program, key risk indicators, emerging risks, and identified incidents.

In addition, our Vice President, Information Technology, who has more than 20 years of industry experience and over 25 years of experience with the development, training and controls of effective global enterprise cybersecurity programs, oversees the implementation and compliance of our cybersecurity program and mitigation of information security related risks. Such oversight includes (i) reviewing our enterprise risk register, (ii) maintaining adequate processes to manage the identified risks under our cybersecurity program, (iii) regularly analyzing logs of cybersecurity threats and vulnerabilities and (iv) overseeing prevention, detection, mitigation and remediation efforts in general, including the development and maintenance of the above-mentioned incident response plan. Additionally, we maintain an experienced information technology team at the employee level that supports our Vice President, Information Technology in implementing our cybersecurity program and internal reporting, security and mitigation functions.



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ITEM 2. PROPERTIES

The description of our property included under “Item 1. Business—Drilling Fleet” is incorporated by reference herein. We maintain office spaces, land bases and other facilities worldwide, most of which we rent or lease, including principal executive offices in Steinhausen, Switzerland, and corporate offices in Houston, Texas, and Bermuda. We maintain additional facilities in various countries in North America, Europe, South America, Asia, Africa and Australia.

ITEM 3. LEGAL PROCEEDINGS

We have certain actions, claims and other matters pending as discussed and reported in “Part II. Item 8. Financial Statements and Supplementary Data—Notes to Consolidated Financial Statements—Note 12—Commitments and Contingencies” and “Part II. Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Other Matters—Regulatory Matters” in our annual report on Form 10-K. We are also involved in various tax matters as described in “Part II. Item 8. Financial Statements and Supplementary Data—Notes to Consolidated Financial Statements—Note 10—Income Taxes” and in “Part II. Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Other Matters—Tax matters” in this annual report on Form 10-K. All such actions, claims, tax and other matters disclosed therein are incorporated herein by reference.

As of December 31, 2024, we were involved in a number of other lawsuits, regulatory matters, disputes and claims, asserted and unasserted, all of which constitute ordinary routine litigation incidental to our business and for which we do not expect the liability, if any, to have a material adverse effect on our financial position, results of operations or cash flows. We cannot predict with certainty the outcome or effect of any of the matters referred to above or of any such other pending, threatened or possible litigation or legal proceedings. We can provide no assurance that our beliefs or expectations as to the outcome or effect of any lawsuit or claim or dispute will prove correct, and the eventual outcome of these matters could materially differ from management’s current estimates.

On December 17, 2021, Transocean Offshore Deepwater Drilling Inc. (“TODDI”), our wholly owned subsidiary, received a letter from the U.S. Department of Justice (the “DOJ”) related to alleged violations by our subsidiary of its Clean Water Act (“CWA”) National Pollutant Discharge Elimination System permit for the western Gulf of Mexico (“Permit”). The alleged violations, involving seven of our drillships, were identified by the U.S. Environmental Protection Agency (“EPA”) following an initial inspection in 2018 of our compliance with the Permit and the CWA and relate to deficiencies with respect to administrative monitoring and reporting obligations. In connection with the initial EPA inspection, we initiated modifications to our Permit and CWA compliance processes and maintained a dialogue with the EPA regarding the design and implementation of enhancements to these processes. At the DOJ’s invitation, in an effort to resolve the matter, we initiated settlement discussions with the DOJ, which concluded with the execution of a civil consent decree by and between the DOJ, EPA, and TODDI, effective January 3, 2024 (the “Consent Decree”), that resolved the claims of the DOJ based upon the alleged violations of our Permit and the CWA. Pursuant to the Consent Decree, we agreed to pay an immaterial monetary civil penalty, and we further agreed (i) to take or continue to take certain corrective actions to ensure current and future Permit and CWA compliance, including implementing certain procedures and submitting reports and other information, in each case according to the timelines and as described in the Consent Decree, (ii) to appoint an independent auditor to review, audit and report on our compliance with certain of our obligations thereunder, and (iii) to certain non-exclusive stipulated monetary penalties if we fail to comply with applicable provisions of the Consent Decree. We may request termination of the Consent Decree after we have (x) completed timely the civil penalty payment and any accrued stipulated penalty requirements of the Consent Decree, and (y) maintained continuous satisfactory compliance with the Consent Decree for at least three years. We do not believe that the enforcement of the Consent Decree would have a material adverse effect on our financial position, results of operations or cash flows.

In addition to the legal proceedings described above, we may from time to time identify other matters that we monitor through our compliance program or in response to events arising generally within our industry and in the markets where we do business. We evaluate matters on a case-by-case basis, investigate allegations in accordance with our policies and cooperate with applicable governmental authorities. Through the process of monitoring and proactive investigation, we strive to ensure no violation of our policies, Code of Integrity or law has occurred, or will occur; however, we can provide no assurance as to the outcome of these matters.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT’S COMMON EQUITY, RELATED SHAREHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

MARKET FOR SHARES OF OUR COMMON EQUITY

Our shares are listed on the New York Stock Exchange under the ticker symbol “RIG.” On February 11, 2025, we had 878,886,948 shares outstanding and 4,454 holders of record of our shares.



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SHAREHOLDER MATTERS

Swiss tax consequences to our shareholders

Overview—The tax consequences discussed below are not a complete analysis or listing of all the possible tax consequences that may be relevant to our shareholders. Shareholders should consult their own tax advisors in respect of the tax consequences related to receipt, ownership, purchase or sale or other disposition of our shares and the procedures for claiming a refund of withholding tax.

Swiss income tax on dividends and similar distributions—A non-Swiss holder is not subject to Swiss income taxes on dividend income and similar distributions in respect of our shares, unless the shares are attributable to a permanent establishment or a fixed place of business maintained in Switzerland by such non-Swiss holder. However, dividends and similar distributions are subject to Swiss withholding tax, subject to certain exceptions. See “Swiss withholding tax on dividends and similar distributions to shareholders.”

Swiss wealth tax—A non-Swiss holder is not subject to Swiss wealth taxes unless the holder’s shares are attributable to a permanent establishment or a fixed place of business maintained in Switzerland by such non-Swiss holder.

Swiss capital gains tax upon disposal of shares—A non-Swiss holder is not subject to Swiss income taxes for capital gains unless the holder’s shares are attributable to a permanent establishment or a fixed place of business maintained in Switzerland by such non-Swiss holder. In such case, the non-Swiss holder is required to recognize capital gains or losses on the sale of such shares, which are subject to cantonal, communal and federal income tax.

Swiss withholding tax on dividends and similar distributions to shareholders—A Swiss withholding tax of 35 percent is due on dividends and similar distributions to our shareholders from us, regardless of the place of residency of the shareholder, subject to the exceptions discussed under “Exemption” below. We will be required to withhold at such rate and remit on a net basis any payments made to a holder of our shares and pay such withheld amounts to the Swiss federal tax authorities.

Exemption—Distributions to shareholders in the form of a par value reduction or out of qualifying additional paid-in capital for Swiss statutory purposes are exempt from Swiss withholding tax. On December 31, 2024, the aggregate amount of par value of our outstanding shares was \$87.6 million, and the aggregate amount of qualifying additional paid-in capital of our outstanding shares was \$17.4 billion. Consequently, we expect that a substantial amount of any potential future distributions may be exempt from Swiss withholding tax.

Refund available to Swiss holders—A Swiss tax resident, corporate or individual, can recover the withholding tax in full if such resident is the beneficial owner of our shares at the time the dividend or other distribution becomes due and provided that such resident reports the gross distribution received on such resident’s income tax return, or in the case of an entity, includes the taxable income in such resident’s income statement.

Refund available to non-Swiss holders—If the shareholder that receives a distribution from us is not a Swiss tax resident, does not hold our shares in connection with a permanent establishment or a fixed place of business maintained in Switzerland, and resides in a country that has concluded a treaty for the avoidance of double taxation with Switzerland for which the conditions for the application and protection of and by the treaty are met, then the shareholder may be entitled to a full or partial refund of the withholding tax described above. Switzerland has entered into bilateral treaties for the avoidance of double taxation with respect to income taxes with numerous countries, including the U.S., whereby under certain circumstances all or part of the withholding tax may be refunded. The procedures for claiming treaty refunds, and the time frame required for obtaining a refund, may differ from country to country.

Refund available to U.S. residents—The Swiss-U.S. tax treaty provides that U.S. residents eligible for benefits under the treaty can seek a refund of the Swiss withholding tax on dividends for the portion exceeding 15 percent, leading to a refund of 20 percent, or a 100 percent refund in the case of qualified pension funds. As a general rule, the refund will be granted under the treaty if the U.S. resident can show evidence of the following: (a) beneficial ownership, (b) U.S. residency and (c) meeting the U.S.-Swiss tax treaty’s limitation on benefits requirements. The claim for refund must be filed with the Swiss federal tax authorities (Eigerstrasse 65, 3003 Bern, Switzerland), not later than December 31 of the third year following the year in which the dividend payments became due. The relevant Swiss tax form is Form 82C for companies, 82E for other entities and 82I for individuals. These forms can be obtained from any Swiss Consulate General in the U.S. or from the Swiss federal tax authorities at the above address or can be downloaded from the webpage of the Swiss federal tax administration. Each form must be completed in triplicate, with each copy duly completed and signed before a notary public in the U.S. Evidence that the withholding tax was withheld at the source must also be included.

Stamp duties in relation to the transfer of shares—The purchase or sale of our shares may be subject to Swiss federal stamp taxes on the transfer of securities irrespective of the place of residency of the purchaser or seller if the transaction takes place through or with a Swiss bank or other Swiss securities dealer, as those terms are defined in the Swiss Federal Stamp Tax Act and no exemption applies in the specific case. If a purchase or sale is not entered into through or with a Swiss bank or other Swiss securities dealer, then no stamp tax will be due. The applicable stamp tax rate is 0.075 percent for each of the two parties to a transaction and is calculated based on the purchase price or sale proceeds. If the transaction does not involve cash consideration, the transfer stamp duty is computed on the basis of the market value of the consideration.



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Share repurchases

Overview—Shares repurchased for the purpose of capital reduction are treated as a partial liquidation subject to a 35 percent Swiss withholding tax based on the difference between the repurchase price and the related amount of par value and the related amount of qualifying additional paid-in capital, if any. We would be required to remit on a net basis the purchase price with the Swiss withholding tax deducted to a holder of our shares and pay the withholding tax to the Swiss federal tax authorities. However, for such repurchased shares, the portions of the repurchase price that are attributable to the par value and the qualifying additional paid-in capital for Swiss statutory reporting purposes are not subject to the Swiss withholding tax.

If we repurchase shares, we expect to use an alternative procedure pursuant to which we repurchase our shares via a "virtual second trading line" from market players, such as banks and institutional investors, who are generally entitled to receive a full refund of the Swiss withholding tax. The use of such "virtual second trading line" with respect to share repurchase programs is subject to approval of the competent Swiss tax and other authorities. We may not be able to repurchase as many shares as we would like to repurchase for purposes of capital reduction on the "virtual second trading line" without subjecting the selling shareholders to Swiss withholding taxes. The repurchase of shares for purposes other than for cancellation, such as to retain as treasury shares for use in connection with stock incentive plans, convertible debt or other instruments within certain periods, are not generally subject to Swiss withholding tax. In addition, in December 2022, the U.S. Department of the Treasury released proposed regulations under the Inflation Reduction Act of 2022, whereby an excise tax of one percent would be imposed on stock repurchases in the event one of our U.S. subsidiaries funds the stock repurchase.

Under Swiss corporate law, the right of a company and its subsidiaries to repurchase and hold its own shares is limited. A company may repurchase its shares to the extent it has freely distributable reserves as shown on its Swiss statutory balance sheet in the amount of the purchase price and if the aggregate par value of all shares held by the company as treasury shares does not exceed 10 percent of the company's share capital recorded in the Swiss Commercial Register, whereby for purposes of determining whether the 10 percent threshold has been reached, shares repurchased under a share repurchase program for cancellation purposes authorized by the company's shareholders are disregarded. As of February 11, 2025, together, Transocean Ltd. and Transocean International Limited, a Bermuda exempted company and our wholly owned subsidiary (formerly known as Transocean Inc., a Cayman Islands exempted company), held as treasury shares 6.58 percent of our issued shares. Our board of directors could, to the extent freely distributable reserves are available, authorize the repurchase of additional shares for purposes other than cancellation, such as to retain treasury shares for use in satisfying our obligations in connection with incentive plans or other rights to acquire our shares. Based on the number of shares held as treasury shares as of February 11, 2025, 3.42 percent of our issued shares could be repurchased for purposes of retention as additional treasury shares. Although our board of directors has not approved such a share repurchase program for the purpose of retaining repurchased shares as treasury shares, if it did so, any such shares repurchased would be in addition to any shares repurchased under the currently approved program.

Share repurchase program—In May 2009, at our annual general meeting, shareholders approved and authorized our board of directors, at its discretion, to repurchase for cancellation any amount of our shares for an aggregate purchase price of up to CHF 3.50 billion. On February 12, 2010, our board of directors authorized our management to implement the share repurchase program. At December 31, 2024, the authorization remaining under the share repurchase program was for the repurchase of our outstanding shares for an aggregate purchase price of up to CHF 3.24 billion, equivalent to \$3.57 billion. We intend to fund any repurchases using available cash balances and cash from operating activities. The share repurchase program could be suspended or discontinued by our board of directors or company management, as applicable, at any time. We may decide, based on our ongoing capital requirements, the price of our shares, regulatory and tax considerations, cash flow generation, the amount and duration of our contract backlog, general market conditions, debt rating considerations and other factors, that we should retain cash, reduce debt, make capital investments or acquisitions or otherwise use cash for general corporate purposes. Decisions regarding the amount, if any, and timing of any share repurchases will be made from time to time based on these factors. Any repurchased shares under the share repurchase program would be held by us for cancellation by the shareholders at a future general meeting of shareholders.

ISSUER PURCHASES OF EQUITY SECURITIES

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under the plans or programs (in millions) (a)
October 2024	—	\$ —	—	\$ 3,574
November 2024	—	—	—	3,574
December 2024	—	—	—	3,574
Total	—	\$ —	—	\$ 3,574

ITEM 6. RESERVED



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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

INTRODUCTION

Transocean Ltd. (together with its subsidiaries and predecessors, unless the context requires otherwise, "Transocean," "we," "us" or "our") is a leading international provider of offshore contract drilling services for oil and gas wells. As of February 11, 2025, we owned or had partial ownership interests in and operated 34 mobile offshore drilling units, consisting of 26 ultra-deepwater floaters and eight harsh environment floaters.

We provide, as our primary business, contract drilling services in a single operating segment, which involves contracting our mobile offshore drilling rigs, related equipment and work crews to drill oil and gas wells. We specialize in technically demanding regions of the global offshore drilling business with a particular focus on ultra-deepwater and harsh environment drilling services. Our drilling fleet is one of the most versatile fleets in the world, consisting of drillships and semisubmersible floaters used in support of offshore drilling activities and offshore support services on a worldwide basis.

We perform contract drilling services by deploying our high-specification fleet in a single, global market that is geographically dispersed in oil and gas exploration and development areas throughout the world. Although rigs can be moved from one region to another, the cost of moving rigs and the availability of rig-moving vessels may cause the supply and demand balance to fluctuate somewhat between regions. Still, significant variations between regions do not tend to persist long term because of rig mobility. The location of our rigs and the allocation of resources to operate, build or upgrade our rigs are determined by the activities and needs of our customers.

The information contained in this section should be read in conjunction with the information contained in "Part I, Item 1. Business," "Part I, Item 1A. Risk Factors" and the audited consolidated financial statements and the notes thereto included under "Item 8. Financial Statements and Supplementary Data" elsewhere in this annual report on Form 10-K. The following discussion of our results of operations and liquidity and capital resources includes comparisons for the years ended December 31, 2024 and 2023. For a discussion, including comparisons, of our results of operations and liquidity and capital resources for the years ended December 31, 2023 and 2022, see "Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" of our annual report on Form 10-K for the year ended December 31, 2023, filed with the United States ("U.S.") Securities and Exchange Commission on February 21, 2024.

SIGNIFICANT EVENTS

Acquisition—In June 2024, we transferred noncash consideration with an aggregate fair value of \$431 million, including 55.5 million Transocean Ltd. shares and \$130 million aggregate principal amount of 8.00% senior notes due February 2027 (the "8.00% Senior Notes"), to acquire the outstanding 67.0 percent ownership interest in Orion Holdings (Cayman) Limited (together with its subsidiary, "Orion"), the Cayman Islands company that owned the harsh environment floater *Transocean Norge*, and as a result, Orion became our wholly owned subsidiary. See "Operating Results" and "Liquidity and Capital Resources—Sources and uses of liquidity."

Disposal of assets—In February 2024, we completed the sale of the harsh environment floaters *Paul B. Loyd, Jr.* and *Transocean Leader*, together with related assets, for aggregate net cash proceeds of \$49 million, including \$6 million received as a deposit in the year ended December 31, 2023. See "Operating Results" and "Liquidity and Capital Resources—Sources and uses of liquidity."

In July 2024, we completed the sale of the ultra-deepwater floater *Deepwater Nautilus* and related assets for aggregate net cash proceeds of \$53 million. In the year ended December 31, 2024, we recognized a loss of \$143 million (\$138 million or \$0.15 per diluted share, net of tax) associated with the impairment of the rig and related assets, which we determined were impaired at the time that we classified the assets as held for sale. See "Operating Results," "Liquidity and Capital Resources—Sources and uses of liquidity."

In September 2024, we executed purchase and sale agreements for the sale of the ultra-deepwater floaters *Development Driller III* and *Discoverer Inspiration*, together with related assets, for aggregate expected net cash proceeds of \$343 million, and we recognized a loss of \$629 million (\$617 million or \$0.67 per diluted share, net of tax), associated with the impairment of such assets, which we determined were impaired at the time that we classified the assets as held for sale. The transactions contemplated by the binding purchase and sale agreements, executed in September 2024, for these rigs and related assets were subject to customary closing conditions, including the buyers' ability to secure financing for the purchases. In January 2025, after extending the originally agreed closing dates, we canceled the purchase and sale agreements as a result of the buyers' failure to deliver the proceeds. See "Operating Results," "Liquidity and Capital Resources—Sources and uses of liquidity."

Secured credit facility—In April 2024, we amended the credit agreement that established our secured credit facility (as amended from time to time, the "Secured Credit Facility") to, among other things, (a) extend the maturity date from June 22, 2025 to June 22, 2028 and (b) reduce the borrowing capacity from \$600 million to \$576 million through June 22, 2025, and thereafter reduce the borrowing capacity to \$510 million through June 22, 2028. See "Liquidity and Capital Resources—Sources and uses of liquidity."



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Debt issuance—In April 2024, we issued \$900 million aggregate principal amount of 8.25% senior notes due May 2029 (the “8.25% Senior Notes”) and \$900 million aggregate principal amount of 8.50% senior notes due May 2031 (the “8.50% Senior Notes”), and we received \$1.77 billion aggregate cash proceeds, net of issue costs. See “Liquidity and Capital Resources—Sources and uses of liquidity.”

Debt tender offers—In April 2024, we made an aggregate cash payment of \$886 million, including related costs, to complete tender offers (the “Tender Offers”) for \$596 million and \$249 million aggregate principal amount of the validly tendered 11.50% senior guaranteed notes due January 2027 (the “11.50% Senior Guaranteed Notes”) and 7.25% senior notes due November 2025 (the “7.25% Senior Notes”), respectively. See “Liquidity and Capital Resources—Sources and uses of liquidity.”

Debt redemption—In April 2024, we made an aggregate cash payment of \$658 million, including related costs, to fully redeem \$569 million aggregate principal amount of 7.50% senior notes due January 2026 and partially redeem \$87 million aggregate principal amount of 8.00% Senior Notes. In the year ended December 31, 2024, we made an aggregate cash payment of \$204 million to redeem the remaining \$105 million aggregate principal amount of 7.25% Senior Notes and \$91 million aggregate principal amount of 11.50% Senior Guaranteed Notes outstanding following the completion of the Tender Offers. See “Liquidity and Capital Resources—Sources and uses of liquidity.”

OUTLOOK

Drilling market—Our industry outlook is positive based upon underlying economic factors, including numerous long-term forecasts that indicate hydrocarbons will continue to be a critical source of energy for the foreseeable future, despite significant relative growth in alternative energy technologies. Economic forecasts indicate that countries that are not members of the Organization for Economic Co-operation and Development will continue to experience population growth and improvement in living standards, which will compound the increase in energy demand for the foreseeable future. We believe that these factors will contribute to robust demand for oil and gas.

The existing supply of oil and gas is depleting and requires replenishment. The replacement of reserves remains critically important given the significant underinvestment during the last several years and the challenges to new exploration and production investments imposed on many industry participants by investors and the governments of oil and gas producing nations. Additionally, energy security will remain an important geopolitical factor across Europe, the U.S. and elsewhere with the growing understanding that hydrocarbons are not easily displaced by alternatives for much of the world’s energy needs.

With deepwater and harsh environment fields generating favorable economic returns and relatively lower carbon intensity than other hydrocarbon sources, we expect a significant portion of the required spending in fossil fuel development will continue to be allocated to deepwater and harsh environment projects. Although the price for oil may continue to exhibit volatility in response to factors outside of our control, including uncertainty about future output from the major oil and gas producing countries, interest rate changes, geopolitical events and global economic growth, we nevertheless expect prices to remain at levels that continue to be supportive of investment in deepwater and harsh environment exploration and development projects.

Significantly reduced offshore contracting activity during the previous downcycle has also resulted in a smaller marketable global fleet of floating rigs available to meet the current upcycle in expected customer demands, specifically with respect to the highest specification drilling units preferred by many of our customers for their projects. Marketable supply and demand for ultra-deepwater and harsh environment rigs has become more balanced relative to prior periods. We do, however, expect some increased pressure on utilization into 2026, as several of our competitors’ rigs have yet to obtain new commitments. Our customers are planning further into the future to ensure availability of rigs for their drilling programs and are signing contracts with longer lead times and durations, as well as higher dayrates. Our customers continue to pursue offshore projects in deepwater and harsh environments where rates of return and production volumes are anticipated to be very attractive, which is reflected in the resumption of postponed projects, commencement of new drilling and exploration campaigns and extensions of current drilling campaigns.

Offshore drilling activity remains robust in every major deepwater geographic sector. Several new exploration and development programs have commenced, and our customers continue to be disciplined in their investment of capital and remain focused on project execution. Tendering activity improved during 2024 in the golden triangle area, which comprises North America, South America and West Africa.

In Norway, the largest region for harsh environment rigs, we anticipate demand will accelerate and extend through the end of the decade. Several of the high-specification semisubmersible rigs that departed the region to work in other emerging harsh environment regions may ultimately return to fulfill the anticipated increase in demand in Norway. Contract durations, including subsequent extensions, on most of these units along with other factors affecting supply and demand for drilling rigs are likely to continue to have a favorable influence on dayrates and contracting terms as competition increases for high-specification semisubmersibles.

Fleet status—We refer to the availability of our rigs in terms of the uncommitted fleet rate. The uncommitted fleet rate is defined as the number of uncommitted days divided by the total number of rig calendar days in the measurement period, expressed as a percentage. An uncommitted day is defined as a calendar day during which a rig is idle or stacked, is not contracted to a customer and is not committed



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to a shipyard. The uncommitted fleet rates exclude the effect of priced options. As of February 12, 2025, our uncommitted fleet rates for each of the five years in the period ending December 31, 2029 were as follows:

<u>Uncommitted fleet rate</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Ultra-deepwater floaters	40 %	52 %	69 %	87 %	95 %
Harsh environment floaters	20 %	36 %	82 %	94 %	100 %

PERFORMANCE AND OTHER KEY INDICATORS

Contract backlog—We believe our industry leading contract backlog distinguishes us from the competition and provides indicators of our future revenue-earning opportunities. Contract backlog is defined as the maximum contractual operating dayrate multiplied by the number of days remaining in the firm contract period, excluding revenues for mobilization, demobilization, contract preparation, other incentive provisions or reimbursement revenues, which are not expected to be material to our contract drilling revenues. The contract backlog represents the maximum contract drilling revenues that can be earned considering the contractual operating dayrate in effect during the firm contract period. The contract backlog for our fleet was as follows:

	<u>February 12, 2025</u>	<u>October 24, 2024 (in millions)</u>	<u>February 14, 2024</u>
Contract backlog			
Ultra-deepwater floaters	\$ 6,363	\$ 7,144	\$ 6,951
Harsh environment floaters	1,965	2,144	2,057
Total contract backlog	<u>\$ 8,328</u>	<u>\$ 9,288</u>	<u>\$ 9,008</u>

Our contract backlog includes only firm commitments which are represented by signed drilling contracts or, in some cases, by other definitive agreements awaiting contract execution. It does not include conditional agreements and options to extend firm commitments.

The average contractual dayrate relative to our contract backlog is defined as the average maximum contractual operating dayrate to be earned per operating day in the measurement period. An operating day is defined as a day for which a rig is contracted to earn a dayrate during the firm contract period after operations commence. At February 12, 2025, the contract backlog and average contractual dayrates for our fleet were as follows:

	<u>Total</u>	<u>For the years ending December 31,</u>				
		<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
		<u>(in millions, except average dayrates)</u>				
Contract backlog						
Ultra-deepwater floaters	\$ 6,363	\$ 2,230	\$ 2,007	\$ 1,319	\$ 584	\$ 223
Harsh environment floaters	1,965	842	811	226	86	—
Total contract backlog	<u>\$ 8,328</u>	<u>\$ 3,072</u>	<u>\$ 2,818</u>	<u>\$ 1,545</u>	<u>\$ 670</u>	<u>\$ 223</u>
Average contractual dayrates						
Ultra-deepwater floaters	\$ 435,000	\$ 443,000	\$ 457,000	\$ 452,000	\$ 489,000	\$ 509,000
Harsh environment floaters	\$ 404,000	\$ 404,000	\$ 438,000	\$ 437,000	\$ 508,000	\$ —
Total fleet average	<u>\$ 427,000</u>	<u>\$ 432,000</u>	<u>\$ 452,000</u>	<u>\$ 449,000</u>	<u>\$ 491,000</u>	<u>\$ 509,000</u>

The actual amount of revenues earned and the actual periods in which revenues are earned will differ from the amounts and periods shown in the tables above due to various factors, including shipyard and maintenance projects, unplanned downtime and other factors that result in lower applicable dayrates than the full contractual operating dayrate. Additional factors that could affect the amount and timing of actual revenues to be recognized include customer liquidity issues and contract suspension or termination that may be available to our customers under certain circumstances.

The contractual operating dayrate may be higher than the actual dayrate we ultimately receive because an alternative contractual dayrate, such as a waiting-on-weather rate, repair rate, standby rate or force majeure rate, may apply under certain circumstances. The contractual operating dayrate may also be higher than the actual dayrate we ultimately receive because of a number of factors, including rig downtime or suspension of operations. In certain contracts, the actual dayrate may be reduced to zero if, for example, repairs extend beyond a stated period of time. See “[Part I, Item 1A. Risk Factors—Risks related to our business—Our current backlog of contract drilling revenues may not be fully realized.](#)”



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Average daily revenue—We believe average daily revenue provides a comparative measurement unit for our revenue-earning performance. Average daily revenue is defined as operating revenues, excluding revenues for contract terminations, reimbursements and contract intangible amortization, earned per operating day. The average daily revenue for our fleet was as follows:

	Years ended December 31,		
	2024	2023	2022
Average daily revenue			
Ultra-deepwater floaters	\$ 428,000	\$ 393,700	\$ 329,100
Harsh environment floaters	\$ 435,900	\$ 354,300	\$ 380,000
Total fleet average daily revenue	\$ 430,100	\$ 382,300	\$ 345,500

Our average daily revenue fluctuates relative to market conditions and our revenue efficiency. The average daily revenue may be affected by incentive performance bonuses or penalties or demobilization fee revenues. Revenues for a newbuild unit are included in the calculation when the rig commences operations upon acceptance by the customer. We remove a rig from the calculation upon disposal or classification as held for sale, unless we continue to operate the rig, in which case we remove the rig upon completion or novation of the contract.

Revenue efficiency—We believe revenue efficiency measures our ability to ultimately convert our contract backlog into revenues. Revenue efficiency is defined as actual operating revenues, excluding revenues for contract terminations and reimbursements, for the measurement period divided by the maximum revenue calculated for the measurement period, expressed as a percentage. Maximum revenue is defined as the greatest amount of contract drilling revenues the drilling unit could earn for the measurement period, excluding revenues for incentive provisions, reimbursements and contract terminations. The revenue efficiency rates for our fleet were as follows:

	Years ended December 31,		
	2024	2023	2022
Revenue efficiency			
Ultra-deepwater floaters	93.4 %	96.5 %	95.7 %
Harsh environment floaters	97.5 %	97.8 %	97.6 %
Total fleet average revenue efficiency	94.5 %	96.8 %	96.4 %

Our revenue efficiency rate varies due to revenues earned under alternative contractual dayrates, such as a waiting-on-weather rate, repair rate, standby rate, force majeure rate or zero rate, that may apply under certain circumstances. Our revenue efficiency rate is also affected by incentive performance bonuses or penalties. We include newbuilds in the calculation when the rigs commence operations upon acceptance by the customer. We exclude rigs that are not operating under contract, such as those that are stacked.

Rig utilization—We present our rig utilization as an indicator of our ability to secure work for our fleet. Rig utilization is defined as the total number of operating days divided by the total number of rig calendar days in the measurement period, expressed as a percentage. The rig utilization rates for our fleet were as follows:

	Years ended December 31,		
	2024	2023	2022
Rig utilization			
Ultra-deepwater floaters	57.3 %	49.4 %	50.1 %
Harsh environment floaters	71.1 %	59.1 %	64.9 %
Total fleet average rig utilization	60.5 %	51.9 %	54.1 %

Our rig utilization rate declines as a result of idle and stacked rigs and during shipyard, contract preparation and mobilization periods. We include newbuilds in the calculation when the rigs commence operations upon acceptance by the customer. We remove a rig from the calculation upon disposal or classification as held for sale, unless we continue to operate the rig, in which case we remove the rig upon completion or novation of the contract. Accordingly, our rig utilization can increase when we remove idle or stacked units from our fleet.



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OPERATING RESULTS

Year ended December 31, 2024 compared to the year ended December 31, 2023

The following is an analysis of our operating results. See “—Performance and Other Key Indicators” for definitions of operating days, average daily revenue, revenue efficiency and rig utilization.

	Years ended December 31,			
	2024	2023	Change	% Change
	(in millions, except day amounts and percentages)			
Operating days	7,848	7,045	803	11 %
Average daily revenue	\$ 430,100	\$ 382,300	\$ 47,800	13 %
Revenue efficiency	94.5 %	96.8 %		
Rig utilization	60.5 %	51.9 %		
Contract drilling revenues	\$ 3,524	\$ 2,832	\$ 692	24 %
Operating and maintenance expense	(2,199)	(1,986)	(213)	(11)%
Depreciation and amortization expense	(739)	(744)	5	1 %
General and administrative expense	(214)	(187)	(27)	(14)%
Loss on impairment of assets	(772)	(57)	(715)	nm
Loss on disposal of assets, net	(17)	(183)	166	91 %
Operating loss	(417)	(325)	(92)	(28)%
Other income (expense), net				
Interest income	50	52	(2)	(4)%
Interest expense, net of amounts capitalized	(362)	(646)	284	44 %
Gain (loss) on retirement of debt	161	(31)	192	nm
Other, net	45	9	36	nm
Loss before income tax (expense) benefit	(523)	(941)	418	44 %
Income tax (expense) benefit	11	(13)	24	nm
Net loss	\$ (512)	\$ (954)	\$ 442	46 %

“nm” means not meaningful.

Contract drilling revenues—Contract drilling revenues increased for the year ended December 31, 2024, compared to the year ended December 31, 2023, primarily due to the following: (a) approximately \$470 million resulting from increased utilization, (b) approximately \$275 million resulting from improved average daily revenues, (c) approximately \$140 million resulting from the operations of our newbuild ultra-deepwater floaters *Deepwater Titan* and *Deepwater Aquila*, (d) approximately \$70 million resulting from increased activity for the operations of *Transocean Norge* and (e) \$48 million resulting from decreased amortization of contract intangible assets. These increases were partially offset by the following: (a) approximately \$200 million resulting from rigs sold or classified as held for sale, (b) approximately \$50 million resulting from decreased revenue efficiency for the comparable active fleet and (c) approximately \$35 million resulting from early termination fees in the year ended December 31, 2023 with no comparable activity in the current-year period and (d) approximately \$20 million resulting from unfavorable currency exchange rates.

Costs and expenses—Operating and maintenance costs and expenses increased for the year ended December 31, 2024, compared to the year ended December 31, 2023, primarily due to the following: (a) approximately \$310 million resulting from increased operating activity, (b) approximately \$70 million resulting from the operations of *Deepwater Titan* and *Deepwater Aquila*, (c) approximately \$65 million resulting from incremental in-service costs related to additional subcontracted services, (d) approximately \$60 million resulting from the effect of inflation on personnel and other operating costs, (e) approximately \$30 million resulting from the operations of *Transocean Norge*, and (f) approximately \$15 million resulting from increased out-of-service costs. These increases were partially offset by the following: (a) approximately \$180 million resulting from rigs sold or classified as held for sale, (b) approximately \$100 million resulting from lower costs incurred during contract preparation, (c) approximately \$25 million resulting from increased favorable settlements of various litigation and contingencies and (d) approximately \$20 million resulting from favorable currency exchange rates.

Depreciation and amortization expense decreased for the year ended December 31, 2024, compared to the year ended December 31, 2023, primarily due to (a) \$33 million resulting from rigs sold, contributed or classified as held for sale and (b) \$12 million resulting from assets that had reached the end of their useful lives or had been retired, partially offset by an increase of (c) \$40 million resulting from three newbuild ultra-deepwater floaters, one acquired harsh environment floater and other property and equipment placed into service.

General and administrative costs and expenses increased for the year ended December 31, 2024, compared to the year ended December 31, 2023, primarily due to the following: (a) \$17 million resulting from increased personnel costs, primarily resulting from costs associated with the early retirement of certain personnel, and (b) \$13 million resulting from increased legal and professional fees.

Loss on impairment or disposal of assets—In the year ended December 31, 2024, we recognized a loss of \$772 million associated with the impairment of *Deepwater Nautilus*, *Development Driller III* and *Discoverer Inspiration*, together with related assets. In



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the year ended December 31, 2023, we recognized a loss of \$57 million associated with the impairment of *Paul B. Loyd, Jr.* and *Transocean Leader*, together with related assets.

In the year ended December 31, 2023, we recognized a loss of \$169 million associated with our non-cash contribution of ultra-deepwater floater *Ocean Rig Olympia* and related assets in exchange for an equity ownership interest in Global Sea Mineral Resources NV. In the years ended December 31, 2024 and 2023, we recognized an aggregate net loss of \$16 million and \$14 million, respectively, associated with the disposal of assets unrelated to rig sales.

Other income and expense—Interest expense, net of amounts capitalized, decreased in the year ended December 31, 2024, compared to the year ended December 31, 2023, primarily due to the following: (a) \$342 million decreased interest resulting from the fair value adjustment of the bifurcated compound exchange feature embedded in the indenture governing the 4.625% senior guaranteed exchangeable bonds due September 2029 (the “4.625% Senior Guaranteed Exchangeable Bonds”) and (b) \$75 million decreased interest resulting from debt repaid as scheduled or early retired, partially offset by, (c) \$133 million increased interest resulting from debt issued and (d) \$24 million increased interest resulting from reduced interest costs capitalized for our recently completed newbuild construction program.

In the year ended December 31, 2024, we recognized a net gain on retirement of debt as follows: (a) a net gain of \$144 million resulting from retirement of notes validly tendered in the Tender Offers and (b) a net gain of \$17 million resulting from the redemption of \$852 million aggregate principal amount of our debt securities. In the year ended December 31, 2023, we recognized a net loss primarily resulting from the redemption of \$1.38 billion aggregate principal amount of our debt securities.

Other income net, increased in the year ended December 31, 2024, compared to the year ended December 31, 2023, primarily due to the following: (a) a loss of \$27 million associated with a payment of cash or the issuance of additional shares to certain holders that elected to exercise their exchanges rights for the 4.00% Senior Guaranteed Exchangeable Bonds and the 4.625% Senior Guaranteed Exchangeable Bonds in the year ended December 31, 2023 with no comparable activity in the current year, b) decreased losses of \$19 million related to our equity investments in unconsolidated affiliates and (c) an increased gain of \$6 million related to net changes to currency exchange rates, partially offset by (d) decreased income of \$19 million related to our dual-activity patent.

Income tax expense—In the years ended December 31, 2024 and 2023, our effective tax rate was 2.2 percent and (1.4) percent, respectively, based on loss before income tax expense or benefit. In the years ended December 31, 2024 and 2023, the aggregate effect of discrete period tax items was a net tax benefit of \$158 million and \$74 million, respectively. In the year ended December 31, 2024, discrete items included changes to deferred taxes resulting from operational and structural changes related to rig movements and asset impairments, changes to valuation allowances and settlements and expirations of various uncertain tax positions. In the year ended December 31, 2023, such discrete items included settlements and expirations of various uncertain tax positions, changes to valuation allowances and changes to deferred taxes due to new rig operations. In the years ended December 31, 2024 and 2023, our effective tax rate, excluding discrete items, was 159.1 percent and (13.3) percent, respectively, based on loss before income tax expense or benefit. In the year ended December 31, 2024 compared to the year ended December 31, 2023, our effective tax rate excluding discrete items increased primarily due to changes in the relative blend of income from operations in certain jurisdictions.

Due to our operating activities and organizational structure, our income tax expense does not change proportionally with our income before income taxes. We may have subsidiaries with tax expense on taxable earnings that exceeds the tax benefits in other jurisdictions, or vice versa, which sometimes results in a negative effective tax rate or unusually large effective tax rates relative to consolidated income or loss before income taxes. Our rig operating structures further complicate our tax calculations, especially in instances where we have more than one operating structure for the taxing jurisdiction and, thus, more than one method of calculating taxes depending on the operating structure utilized by the rig under the contract.

LIQUIDITY AND CAPITAL RESOURCES

Sources and uses of cash

In the year ended December 31, 2024, our primary sources of cash were net cash proceeds from issuance of debt, net cash provided by our operating activities and net cash proceeds tax benefit of disposal of assets. Our primary uses of cash were debt repayments and capital expenditures.

	Years ended December 31,		Change
	2024	2023 (in millions)	
Cash flows from operating activities			
Net loss	\$ (512)	\$ (954)	\$ 442
Non-cash items, net	1,213	1,351	(138)
Changes in operating assets and liabilities, net	(254)	(233)	(21)
	<u>\$ 447</u>	<u>\$ 164</u>	<u>\$ 283</u>

Net cash provided by operating activities increased primarily due to increased cash collected from customers, partially offset by increased cash paid to suppliers and increased cash paid for interest.



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	Years ended December 31,		Change
	2024	2023 (in millions)	
Cash flows from investing activities			
Capital expenditures	\$ (254)	\$ (427)	\$ 173
Investments in debt and equity of unconsolidated affiliates	(3)	(13)	10
Proceeds from disposal of assets, net of costs to sell	101	10	91
Cash acquired in acquisition of unconsolidated affiliate	5	7	(2)
	<u>\$ (151)</u>	<u>\$ (423)</u>	<u>\$ 272</u>

Net cash used in investing activities decreased primarily due to reduced capital expenditures associated with our newbuild construction program and increased proceeds from disposal of one ultra-deepwater floater and two harsh environment floaters in the year ended December 31, 2024.

	Years ended December 31,		Change
	2024	2023 (in millions)	
Cash flows from financing activities			
Repayments of debt	\$ (2,103)	\$ (1,717)	\$ (386)
Proceeds from issuance of debt, net of issue costs	1,770	1,983	(213)
Other, net	(17)	(3)	(14)
	<u>\$ (350)</u>	<u>\$ 263</u>	<u>\$ (613)</u>

Net cash used in financing activities increased primarily due to (a) increased net cash used to early retire \$1.70 billion aggregate principal amount of certain of our debt securities in tender offers and redemptions completed in the year ended December 31, 2024 compared to net cash used to redeem \$1.38 billion aggregate principal amount of certain of our debt securities in the prior year and (b) reduced net cash proceeds from the issuance of \$900 million aggregate principal amount of 8.25% Senior Notes and \$900 million aggregate principal amount of 8.50% Senior Notes in the year ended December 31, 2024 compared to net cash proceeds from the issuance of \$1.175 billion aggregate principal amount of 8.75% senior secured notes due February 2030, \$525 million aggregate principal amount of 8.375% senior secured notes due February 2028 and \$325 million aggregate principal amount of 8.00% senior secured notes due September 2028 in the prior year.

Sources and uses of liquidity

Overview—We expect to use existing unrestricted cash balances, cash flows from operating activities, borrowings under our Secured Credit Facility, proceeds from disposal of assets or proceeds from the issuance of debt or shares to fulfill anticipated near-term obligations, which may include capital expenditures, working capital and other operational requirements, scheduled debt maturities or other debt-related deposits or reservations of unrestricted cash. At December 31, 2024, we had \$560 million in unrestricted cash and cash equivalents and \$381 million in restricted cash and cash equivalents. We have generated positive cash flows from operating activities over recent years and, although we cannot provide assurances, we expect that such cash flows will continue to be positive over the next year. For example, among other factors, if we incur costs for reactivation or contract preparation of multiple rigs or to otherwise assure the marketability of our fleet or general economic, financial, industry or business conditions deteriorate, our cash flows from operations may be reduced or negative.

We have a Secured Credit Facility that provides us with a borrowing capacity of \$576 million through June 22, 2025 and \$510 million through its maturity on June 22, 2028. Our Secured Credit Facility, which is secured by, among other things, a lien on eight of our ultra-deepwater floaters and two of our harsh environment floaters, contains certain restrictive covenants, including a minimum guarantee coverage ratio of 3.0 to 1.0, a minimum collateral coverage ratio of 2.1 to 1.0 and a minimum liquidity requirement of \$200 million, among others. The Secured Credit Facility also restricts the ability of Transocean Ltd. and certain of our subsidiaries to, among other things, merge, consolidate or otherwise make changes to the corporate structure, incur liens, incur additional indebtedness, enter into transactions with affiliates and permits, subject to certain conditions, the ability to pay dividends and repurchase our shares. For more information about the restrictions in our Secured Credit Facility and maturity triggers thereof, as well as on our scheduled debt maturities in 2025 and beyond, see Notes to Consolidated Financial Statements—[Note 8—Debt](#).

Although we currently anticipate relying on these sources of liquidity, including cash flows from operating activities and borrowings under our Secured Credit Facility, among others, we may in the future consider establishing additional financing arrangements with banks or other capital providers and subject to market conditions and other factors, we may be required to provide collateral for any such future financing arrangements. Our secured indentures include collateral rig leverage ratios, and in the past, during periods when certain of these rigs have experienced reduced levels of operating efficiency or utilization, we have deposited unrestricted cash into the applicable debt service reserve account to maintain compliance with the applicable covenant. We may in the future deposit a portion of our unrestricted cash or, in lieu thereof, take other actions, including seeking covenant relief or other consents of holders of certain of our secured debt, as applicable. For more information about our indentures and our debt and equity securities, see Notes to Consolidated Financial Statements—[Note 8—Debt](#) and Notes to Consolidated Financial Statements—[Note 13—Equity](#).



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Debt and equity markets—From time to time, we seek to access the capital markets, including with respect to potential liability management transactions. For example, we have completed multiple debt and equity transactions, including tender offers, redemptions, exchanges and retirement of existing debt, in connection with our ongoing efforts to prudently manage our capital structure and improve our liquidity position. Subject to then-existing market conditions and our expected liquidity needs, among other factors, we may use existing unrestricted cash balances, cash flows from operating activities, or proceeds from asset sales to pursue liability management transactions, including among others, purchasing or exchanging any of our debt or equity-linked securities in the open market, in privately negotiated transactions, or through tender or exchange offers, or by redeeming any of our outstanding debt securities pursuant to the terms of the applicable governing document, if applicable. Any future purchases, exchanges or other transactions may be on the same terms or on terms that are more or less favorable to holders than the terms of any prior transaction. We can provide no assurance as to which, if any, of these alternatives, or combinations thereof, we may choose to pursue in the future, if at all, or as to the timing with respect to any future transactions. For more information about our debt and equity transactions during the three-year period ended December 31, 2024, see Notes to Consolidated Financial Statements—Note 8—Debt.

Our ability and willingness to access the debt and equity markets is a function of a variety of factors, including, among others, general economic, industry or market conditions, market perceptions of us and our industry and credit rating agencies' views of our debt. General economic or market conditions could have an adverse effect on our business and financial position and on the business and financial position of our customers, suppliers and lenders and could affect our ability to access the capital markets on acceptable terms or at all and our future need or ability to borrow under our Secured Credit Facility. In addition to our potential sources of funding, the effects of such global events could impact our liquidity or cause us to need to alter our allocation or sources of capital, implement further cost reduction measures and change our financial strategy. Additionally, the rating of our long-term debt is below investment grade, which is causing us to experience increased fees and interest rates under our Secured Credit Facility and indentures governing certain of our senior notes. Future downgrades may further restrict our ability to access the debt market for sources of capital and may negatively impact the cost of such capital at a time when we would like, or need, to access such markets, which could have an impact on our flexibility to react to changing economic and business conditions.

Drilling fleet—From time to time, we review possible acquisitions of businesses and drilling rigs, as well as noncontrolling ownership interests in other companies, and we may make significant future capital commitments for such purposes. We may also consider investments related to major rig upgrades, new rig construction, or the acquisition of a rig under construction. Any such acquisition or investment has involved, and in the future could involve, the payment by us of a substantial amount of cash or the issuance of a substantial number of additional shares or other securities. Our failure to subsequently secure drilling contracts in these instances, if not already secured, could have an adverse effect on our results of operations or cash flows.

In June 2024, we completed construction of *Deepwater Aquila*, and it commenced operations under its drilling contract. The seventh generation, high-specification drillship is equipped with our patented dual activity, a 1,400 short-ton hookload, large deck space, high load capacities and is dual-stack ready. The full scope of the construction project for the rig and related assets was completed for a total cost of \$440 million.

The ultimate amount of our capital expenditures is partly dependent upon financial market conditions, the actual level of operational and contracting activity, the costs associated with the current regulatory environment and customer requested capital improvements and equipment for which the customer agrees to reimburse us. As with any major shipyard project that takes place over an extended period, the actual costs, the timing of expenditures and the project completion date may vary from estimates based on numerous factors, including actual contract terms, weather, exchange rates, shipyard labor conditions, availability of suppliers to recertify equipment and market demand for required components and resources. We intend to fund the cash requirements for our projected capital expenditures by using available cash balances, cash generated from operations and asset sales, borrowings under our Secured Credit Facility and financing arrangements with banks or other capital providers. Economic conditions and other factors could impact the availability of these sources of funding.

From time to time, we may also review the possible disposition of certain drilling assets. During the year ended December 31, 2024, we completed the sale of one ultra-deepwater floater and two harsh environment floaters. Considering market conditions, we have previously committed to plans to sell certain lower specification drilling units for scrap value, and we may identify additional lower-specification drilling units to be sold for scrap, recycling or alternative purposes. See Notes to Consolidated Financial Statements—Note 6—Long-Lived Assets.

Contractual obligations—We provide additional information about our cash requirements for known contractual and other obligations on both a short-term and long-term basis in the notes to our consolidated financial statements as follows:

- For additional information regarding our operating and finance lease obligations, see Notes to Consolidated Financial Statements—Note 7—Leases.
- For additional information regarding our debt obligations and scheduled maturities, see Notes to Consolidated Financial Statements—Note 8—Debt.
- For additional information regarding the obligations to our employees under our various postemployment benefit plans, see Notes to Consolidated Financial Statements—Note 9—Benefit Plans.
- For additional information regarding our tax obligations, see Notes to Consolidated Financial Statements—Note 10—Income Taxes.
- For additional information regarding our obligations under long-term service agreements and our material contingencies, see Notes to Consolidated Financial Statements—Note 12—Commitments and Contingencies.



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Other commercial commitments—We have other commercial commitments, such as standby letters of credit and surety bonds that guarantee our performance as it relates to our drilling contracts, insurance, customs, tax and other obligations in various jurisdictions. The cash obligations of these commitments, which are primarily geographically concentrated in Brazil, are not normally called because we typically comply with the underlying performance requirements. Standby letters of credit are issued under various committed and uncommitted credit lines, some of which require cash collateral. For additional information regarding our standby letters of credit and surety bond guarantees, see Notes to Consolidated Financial Statements—Note 12—Commitments and Contingencies.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Overview

We prepare our consolidated financial statements in accordance with accounting principles generally accepted in the U.S., which require us to make estimates that affect the reported amounts of assets, liabilities, revenues, expenses and related disclosures of contingent assets and liabilities. These estimates require significant judgments and assumptions. We evaluate our estimates on an ongoing basis using historical experience and various other assumptions that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

We consider the following to be our critical accounting policies and estimates since they are very important to the portrayal of our financial condition and results and require our most subjective and complex judgments. We have discussed the development, selection and disclosure of such policies and estimates with the audit committee of our board of directors. For information about our significant accounting policies and accounting standards updates, see Notes to Consolidated Financial Statements—Note 2—Significant Accounting Policies and Notes to Consolidated Financial Statements—Note 3—Accounting Standards Updates.

Income taxes

Overview—We provide for income taxes based on expected taxable income, statutory rates and tax laws in the jurisdictions in which we operate or have a taxable presence. The relationship between our provision for or benefit from income taxes and our income or loss before income taxes can vary significantly from period to period considering, among other factors, (a) the overall level of income before income taxes, (b) changes in the blend of income that is taxed based on gross revenues rather than income before taxes, (c) rig movements between taxing jurisdictions and (d) our rig operating structures. Consequently, our income tax expense does not change proportionally with our income or loss before income taxes.

Uncertain tax positions—We apply significant judgment to evaluate our tax positions based on the interpretation of tax laws in various jurisdictions and with the use of estimates and assumptions regarding significant future events, such as the amount, timing and character of income, deductions and tax credits. Our tax liability in any given year could be affected by changes in tax laws, regulations, agreements, and treaties, currency exchange restrictions or our level or profitability of operations in each jurisdiction. The tax laws relating to the offshore drilling industry in certain jurisdictions in which we operate are not well developed, requiring us to apply incremental judgment. Although we employ the best information available at the time we prepare our annual tax provision, a number of years may elapse before the tax liabilities in the various jurisdictions are ultimately determined.

Our tax returns are undergoing examinations in a number of taxing jurisdictions covering various years. We review our liabilities on an ongoing basis and, to the extent audits or other events cause us to adjust the liabilities accrued in prior periods, we recognize those adjustments in the period of the event. Our potential tax liabilities are dependent on numerous factors that cannot be reasonably projected, including among others, the amount and nature of additional taxes potentially asserted by local tax authorities; the willingness of local tax authorities to negotiate a fair settlement through an administrative process; the impartiality of the local courts; and the potential for changes in the taxes paid to one country that either produce, or fail to produce, offsetting tax changes in other countries. Consequently, we cannot reasonably estimate the future impact of changes to the assumptions and estimates related to our annual tax provision.

Unrecognized tax benefits—We establish liabilities for estimated tax exposures, and we recognize the provisions and benefits resulting from changes to those liabilities, together with related interest and penalties, in income tax expense or benefit.

Income tax exposure items include potential challenges to permanent establishment positions, intercompany pricing, disposition transactions, and withholding tax rates and their applicability. Such tax exposures may be affected by changes in applicable tax law or other factors, which could cause us to revise our prior estimates, and are generally resolved through the settlement of audits within the tax jurisdictions or by judicial means. At December 31, 2024 and 2023, we had unrecognized tax benefits of \$414 million and \$458 million, respectively, including interest and penalties, against which we recorded net operating loss deferred tax assets of \$372 million and \$411 million, respectively, resulting in net unrecognized tax benefits of \$42 million and \$47 million, respectively, including interest and penalties, that upon reversal would favorably impact our effective tax rate.

Valuation allowance—We apply significant judgment to determine whether our deferred tax assets will be fully or partially realized. To evaluate our ability to realize deferred tax assets, we consider all available positive and negative evidence, including projected future taxable income and the existence of cumulative losses in recent years. We continually evaluate opportunities to utilize our deferred tax assets. We record a valuation allowance for deferred tax assets when it is more likely than not that some or all of the benefit from the deferred tax asset will not be realized. For example, we may record a valuation allowance for deferred tax assets resulting from net operating



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losses incurred during the year in certain jurisdictions for which the benefit of the losses will not be realized or for foreign tax credit carryforwards that may expire prior to their utilization. During the years ended December 31, 2024 and 2023, in connection with our evaluation of the projected realizability of our deferred tax assets, we determined that our consolidated cumulative loss incurred over the recent three-year period has limited our ability to consider other subjective evidence, such as projected contract activity rather than contract backlog. See Notes to Consolidated Financial Statements—[Note 10—Income Taxes](#).

Property and equipment

Overview—We apply significant judgment to account for our property and equipment, consisting primarily of offshore drilling rigs and related equipment, related to estimates and assumptions for useful lives and salvage values. At December 31, 2024 and 2023, the carrying amount of our property and equipment was \$15.83 billion and \$16.94 billion, respectively, representing 82 percent and 84 percent, respectively, of our total assets.

Useful lives and salvage values—We depreciate our assets using the straight-line method over their estimated useful lives after allowing for salvage values. We estimate useful lives and salvage values by applying judgments and assumptions that reflect both historical experience and expectations regarding future operations, rig utilization and asset performance. Useful lives and salvage values of rigs are difficult to estimate due to a variety of factors, including (a) technological advances that impact the methods or cost of oil and gas exploration and development, (b) changes in market or economic conditions and (c) changes in laws or regulations affecting the drilling industry. Applying different judgments and assumptions in establishing the useful lives and salvage values would likely result in materially different net carrying amounts and depreciation expense for our assets. We reevaluate the remaining useful lives and salvage values of our rigs when certain events occur that directly impact the useful lives and salvage values of the rigs, including changes in operating condition, functional capability and market and economic factors. We may also consider major capital upgrades required to perform certain contracts and the long-term impact of those upgrades on future marketability. At December 31, 2024, a hypothetical one-year increase in the useful lives of all of our rigs would cause a decrease in our annual depreciation expense of approximately \$29 million and a hypothetical one-year decrease would cause an increase in our annual depreciation expense of approximately \$15 million.

Long-lived asset impairment—We review our property and equipment for impairment when events or changes in circumstances indicate that the carrying amounts of our assets held and used may not be recoverable. Potential impairment indicators include rapid declines in commodity prices and related market conditions, declines in dayrates or utilization, cancellations of contracts or credit concerns of multiple customers. During periods of oversupply, we may idle or stack rigs for extended periods of time until market conditions change, or we may elect to sell certain rigs for scrap, which in combination with other indicators above, could be an indication that an asset group may be impaired since supply and demand are the key drivers of rig utilization and our ability to contract our rigs at economical rates. Our rigs are mobile units, equipped to operate in geographic regions throughout the world and, consequently, we may mobilize rigs from an oversupplied region to a more lucrative and undersupplied region when it is economical to do so. Many of our contracts generally allow our customers to relocate our rigs from one geographic region to another, subject to certain conditions, and our customers utilize this capability to meet their worldwide drilling requirements. Accordingly, our rigs are considered to be interchangeable within each asset group, and we evaluate impairment by asset group. We consider our asset groups to be ultra-deepwater floaters and harsh environment floaters.

We assess recoverability of assets held and used by projecting undiscounted cash flows for the asset group being evaluated. When the carrying amount of the asset group is determined to be unrecoverable, we recognize an impairment loss, measured as the amount by which the carrying amount of the asset group exceeds its estimated fair value. To estimate the fair value of each asset group, we apply a variety of valuation methods, incorporating income, market and cost approaches. We may weigh the approaches, under certain circumstances, when relevant data is limited, when results are inconclusive or when results deviate significantly. Our estimate of fair value generally requires us to use significant unobservable inputs, representative of Level 3 fair value measurements, including assumptions related to the long-term future performance of our asset groups, such as projected revenues and costs, dayrates, rig utilization and revenue efficiency. These projections involve uncertainties that rely on assumptions about demand for our services, future market conditions and technological developments. Because our business is cyclical, the results of our impairment testing are expected to vary significantly depending on the timing of the assessment relative to the business cycle. Altering either the timing of or the assumptions used to estimate fair value and development of significant unanticipated changes to the assumptions could materially alter an outcome that could otherwise result in an impairment loss. Given the nature of these evaluations and their application to specific asset groups and specific time periods, it is not possible to reasonably quantify the impact of changes in these assumptions. See Notes to Consolidated Financial Statements—[Note 6—Long-Lived Assets](#).

OTHER MATTERS

Related party transactions

During the year ended December 31, 2024, we entered into certain related party transactions with our unconsolidated affiliates. For additional information regarding our related party transactions, see Notes to Consolidated Financial Statements—[Note 4—Unconsolidated Affiliates](#) and Notes to Consolidated Financial Statements—[Note 8—Debt](#).



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Regulatory matters

We occasionally receive inquiries from governmental regulatory agencies regarding our operations around the world, including inquiries with respect to various tax, environmental, regulatory and compliance matters. To the extent appropriate under the circumstances, we investigate such matters, respond to such inquiries and cooperate with the regulatory agencies. See Notes to Consolidated Financial Statements—[Note 12—Commitments and Contingencies](#).

Tax matters

We conduct operations through our various subsidiaries in countries throughout the world. Each country has its own tax regimes with varying statutory rates, deductions and tax attributes, which are subject to changes resulting from new legislation, interpretation or guidance. From time to time, as a result of these changes, we may revise previously evaluated tax positions, which could cause us to adjust our recorded tax assets and liabilities. Tax authorities in certain jurisdictions are examining our tax returns and, in some cases, have issued assessments. We intend to defend our tax positions vigorously. Although we can provide no assurance as to the outcome of the aforementioned changes, examinations or assessments, we do not expect the ultimate liability to have a material adverse effect on our financial position or results of operations; however, it could have a material adverse effect on our cash flows. See Notes to Consolidated Financial Statements—[Note 10—Income Taxes](#).

ITEM 7AQUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Overview—We are exposed to interest rate risk, primarily associated with our long-term debt, including current maturities. Additionally, we are exposed to equity price risk related to certain of our exchangeable bonds and currency exchange rate risk related to our international operations.

Interest rate risk—The following table presents the scheduled installment amounts and related weighted-average interest rates of our long-term debt instruments by contractual maturity date. The following table presents information as of December 31, 2024, for each of the five years in the period ending December 31, 2029 and thereafter (in millions, except interest rate percentages):

	Years ending December 31,					Thereafter	Total	Fair value
	2025	2026	2027	2028	2029			
Debt								
Fixed rate (USD)	\$ 714	\$ 541	\$ 1,255	\$ 664	\$ 1,276	\$ 2,494	\$ 6,944	\$ 6,888
Average interest rate	6.15 %	7.21 %	7.74 %	7.83 %	7.56 %	8.03 %		

At December 31, 2024 and 2023, the fair value of our outstanding debt was \$6.89 billion and \$7.31 billion, respectively. During the year ended December 31, 2024, the fair value of our debt decreased by \$420 million due to the following: (a) a decrease of \$1.69 billion resulting from debt retired in tender offers and redemptions, (b) a decrease of \$351 million resulting from debt repaid in scheduled installments and (c) a net decrease of \$275 million resulting from changes in the market prices of our outstanding debt, including the fair value adjustment to the bifurcated compound exchange feature contained in the indenture governing the 4.625% Senior Guaranteed Exchangeable Bonds, partially offset by (d) an increase of \$1.77 billion resulting from the issuance of the 8.25% Senior Notes and the 8.50% Senior Notes and (e) an increase of \$130 million resulting from the issuance of the 8.00% Senior Notes as partial consideration to acquire the outstanding ownership interests of Orion. See Notes to Consolidated Financial Statements—[Note 8—Debt](#) and Notes to Consolidated Financial Statements—[Note 19—Risk Concentration](#).

The majority of our cash equivalents is subject to variable interest rates or short-term interest rates and such cash equivalents earn commensurately higher rates of return when interest rates increase.

Equity price risk—We are exposed to equity price risk primarily related to the bifurcated compound exchange feature contained within the indenture governing the 4.625% Senior Guaranteed Exchangeable Bonds. The market price of our shares is the primary driver of the fair value of the exchange feature. At December 31, 2024, the fair value of the bifurcated compound exchange feature was \$136 million. At December 31, 2024, a 10 percent hypothetical increase or decrease to the market price of our shares would result in a \$22 million increase or \$18 million decrease, respectively, to the carrying amount of the exchange feature, recorded as a component of our debt, and a corresponding adjustment to interest expense. See Notes to Consolidated Financial Statements—[Note 8—Debt](#) and Notes to Consolidated Financial Statements—[Note 19—Risk Concentration](#).

Currency exchange rate risk—We are exposed to currency exchange rate risk primarily related to contract drilling revenues, employee compensation costs and purchasing costs that are denominated in currencies other than our functional currency, the U.S. dollar. We use a variety of techniques to minimize the exposure to currency exchange rate risk, including structuring customer payment terms and occasionally entering into forward exchange contracts. We structure customer contracts, as our primary tool to manage currency exchange rate risk, to provide for payment in both U.S. dollars and local currency where the local currency portion is based on our anticipated local currency requirements over the contract term. Due to various factors, including customer acceptance, local banking laws, national content requirements, other statutory requirements, currency liquidity, local inflation and revenue efficiency, actual local currency needs may vary from those realized in the customer contracts, resulting in partial exposure to currency exchange rate risk. The currency exchange effect resulting from our international operations generally has not had a material impact on our operating results. See Notes to Consolidated Financial Statements—[Note 19—Risk Concentration](#).



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ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Management's Report on Internal Control Over Financial Reporting

Management of Transocean Ltd. (the "Company," "we" or "our") is responsible for the integrity and objectivity of the financial information included in this annual report. We have prepared our financial statements in accordance with accounting principles generally accepted in the United States ("U.S."), which require us to apply our best judgement to make estimates and assumptions for certain amounts. We are responsible for establishing and maintaining a system of internal controls and procedures to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the consolidated financial statements. Our internal control system is supported by a program of internal audits and appropriate reviews by management, written policies and guidelines, careful selection of qualified personnel, and a written Code of Integrity. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements and, even when determined to be effective, can only provide reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness in future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(e) and 15d-15(e) under the U.S. Securities Exchange Act of 1934. Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2024. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission, as described in *Internal Control-Integrated Framework*, as published in 2013. Based on this assessment, management believes that the Company maintained effective internal control over financial reporting as of December 31, 2024.

The Company's independent auditors, Ernst & Young LLP, a registered public accounting firm, are appointed by the audit committee of the Company's board of directors, subject to ratification by our shareholders. Ernst & Young LLP has audited and reported on the consolidated financial statements of Transocean Ltd. and subsidiaries, and the Company's internal control over financial reporting. The reports of the independent auditors are contained in this annual report.



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Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Transocean Ltd.

Opinion on Internal Control Over Financial Reporting

We have audited Transocean Ltd. and subsidiaries' internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Transocean Ltd. and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive loss, equity and cash flows for each of the three years in the period ended December 31, 2024, and the related notes and financial statement schedule listed in the Index at Item 15(a) and our report dated February 18, 2025 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Houston, Texas
February 18, 2025



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Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Transocean Ltd.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Transocean Ltd. and subsidiaries (the Company) as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive loss, equity and cash flows for each of the three years in the period ended December 31, 2024, and the related notes and financial statement schedule listed in the Index at Item 15(a) (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 18, 2025, expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the account or disclosure to which it relates.

Income Taxes

Description of the Matter

As discussed in Notes 2 and 10 to the consolidated financial statements, the Company operates in multiple jurisdictions through a complex operating structure and is subject to applicable tax laws or regulations in each jurisdiction where it operates. The Company's provision for income taxes is based on the tax laws and rates applicable in each jurisdiction.

Auditing management's provision for income taxes and related deferred taxes was complex because of the Company's multi-national operating structure. In particular, a higher degree of auditor judgment was required to evaluate the completeness of the Company's deferred tax provision as a result of the Company's interpretation of tax law in certain jurisdictions across its multiple subsidiaries.



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How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's income tax provision process, including controls over management's review of the identification of deferred income taxes and changes in tax laws and regulations that may impact the completeness of the Company's deferred income tax provision.

Our audit procedures also included, among others, (i) obtaining an understanding of the Company's overall tax structure, evaluating changes in the Company's tax structure that occurred during the year as well as changes in tax law, and assessing the interpretation of those changes under the relevant jurisdiction's tax law; (ii) utilizing tax resources with appropriate knowledge of local jurisdictional laws and regulations; and (iii) evaluating the completeness of deferred income taxes.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 1999.
Houston, Texas
February 18, 2025

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TRANSOCEAN LTD. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF OPERATIONS (in millions, except per share data)

	Years ended December 31,		
	2024	2023	2022
Contract drilling revenues	\$ 3,524	\$ 2,832	\$ 2,575
Costs and expenses			
Operating and maintenance	2,199	1,986	1,679
Depreciation and amortization	739	744	735
General and administrative	214	187	182
	3,152	2,917	2,596
Loss on impairment of assets	(772)	(57)	—
Loss on disposal of assets, net	(17)	(183)	(10)
Operating loss	(417)	(325)	(31)
Other income (expense), net			
Interest income	50	52	27
Interest expense, net of amounts capitalized	(362)	(646)	(561)
Gain (loss) on retirement of debt	161	(31)	8
Other, net	45	9	(5)
	(106)	(616)	(531)
Loss before income tax expense (benefit)	(523)	(941)	(562)
Income tax expense (benefit)	(11)	13	59
Net loss	(512)	(954)	(621)
Net income attributable to noncontrolling interest	—	—	—
Net loss attributable to controlling interest	\$ (512)	\$ (954)	\$ (621)
Loss per share			
Basic	\$ (0.60)	\$ (1.24)	\$ (0.89)
Diluted	\$ (0.76)	\$ (1.24)	\$ (0.89)
Weighted-average shares outstanding			
Basic	850	768	699
Diluted	925	768	699

See accompanying notes.



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TRANSOCEAN LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(in millions)

	Years ended December 31,		
	2024	2023	2022
Net loss	\$ (512)	\$ (954)	\$ (621)
Net income attributable to noncontrolling interest	—	—	—
Net loss attributable to controlling interest	(512)	(954)	(621)
Components of net periodic benefit costs before reclassifications	37	6	(109)
Components of net periodic benefit costs reclassified to net loss	2	—	3
Other comprehensive income (loss) before income taxes	39	6	(106)
Income taxes related to other comprehensive income (loss)	—	2	5
Other comprehensive income (loss)	39	8	(101)
Other comprehensive income attributable to noncontrolling interest	—	—	—
Other comprehensive income (loss) attributable to controlling interest	39	8	(101)
Total comprehensive loss	(473)	(946)	(722)
Total comprehensive income attributable to noncontrolling interest	—	—	—
Total comprehensive loss attributable to controlling interest	\$ (473)	\$ (946)	\$ (722)

See accompanying notes.

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TRANSOCEAN LTD. AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS (in millions, except share data)

	December 31,	
	2024	2023
Assets		
Cash and cash equivalents	\$ 560	\$ 762
Accounts receivable, net	564	512
Materials and supplies, net	439	426
Assets held for sale	343	49
Restricted cash and cash equivalents	381	233
Other current assets	165	144
Total current assets	2,452	2,126
Property and equipment	22,417	23,875
Less accumulated depreciation	(6,586)	(6,934)
Property and equipment, net	15,831	16,941
Contract intangible assets	—	4
Deferred tax assets, net	45	44
Other assets	1,043	1,139
Total assets	\$ 19,371	\$ 20,254
Liabilities and equity		
Accounts payable	\$ 255	\$ 323
Accrued income taxes	31	23
Debt due within one year	686	370
Other current liabilities	691	681
Total current liabilities	1,663	1,397
Long-term debt	6,195	7,043
Deferred tax liabilities, net	499	540
Other long-term liabilities	729	858
Total long-term liabilities	7,423	8,441
Commitments and contingencies		
Shares, \$0.10 par value, 1,057,879,029 authorized, 141,262,093 conditionally authorized, 940,828,901 issued and 875,830,772 outstanding at December 31, 2024, and CHF 0.10 par value, 1,021,294,549 authorized, 142,362,093 conditionally authorized, 843,715,858 issued and 809,030,846 outstanding at December 31, 2023	87	81
Additional paid-in capital	14,880	14,544
Accumulated deficit	(4,545)	(4,033)
Accumulated other comprehensive loss	(138)	(177)
Total controlling interest shareholders' equity	10,284	10,415
Noncontrolling interest	1	1
Total equity	10,285	10,416
Total liabilities and equity	\$ 19,371	\$ 20,254

See accompanying notes.



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TRANSOCEAN LTD. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF EQUITY (in millions)

	Years ended December 31,			Years ended December 31,		
	2024	2023	2022	2024	2023	2022
Shares						
Balance, beginning of period	809	722	655	\$ 81	\$ 71	\$ 64
Issuance of shares	67	87	67	6	10	7
Balance, end of period	876	809	722	\$ 87	\$ 81	\$ 71
Additional paid-in capital						
Balance, beginning of period				\$ 14,544	\$ 13,984	\$ 13,683
Share-based compensation				47	40	29
Issuance of shares				289	520	256
Issuance of warrants				—	—	16
Balance, end of period				\$ 14,880	\$ 14,544	\$ 13,984
Accumulated deficit						
Balance, beginning of period				\$ (4,033)	\$ (3,079)	\$ (2,458)
Net loss attributable to controlling interest				(512)	(954)	(621)
Balance, end of period				\$ (4,545)	\$ (4,033)	\$ (3,079)
Accumulated other comprehensive loss						
Balance, beginning of period				\$ (177)	\$ (185)	\$ (84)
Other comprehensive income (loss) attributable to controlling interest				39	8	(101)
Balance, end of period				\$ (138)	\$ (177)	\$ (185)
Total controlling interest shareholders' equity						
Balance, beginning of period				\$ 10,415	\$ 10,791	\$ 11,205
Total comprehensive loss attributable to controlling interest				(473)	(946)	(722)
Share-based compensation				47	40	29
Issuance of shares				295	530	263
Issuance of warrants				—	—	16
Balance, end of period				\$ 10,284	\$ 10,415	\$ 10,791
Noncontrolling interest						
Balance, beginning of period				\$ 1	\$ 1	\$ 1
Balance, end of period				\$ 1	\$ 1	\$ 1
Total equity						
Balance, beginning of period				\$ 10,416	\$ 10,792	\$ 11,206
Total comprehensive loss				(473)	(946)	(722)
Share-based compensation				47	40	29
Issuance of shares				295	530	263
Issuance of warrants				—	—	16
Balance, end of period				\$ 10,285	\$ 10,416	\$ 10,792

See accompanying notes.



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TRANSOCEAN LTD. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOWS (in millions)

	Years ended December 31,		
	2024	2023	2022
Cash flows from operating activities			
Net loss	\$ (512)	\$ (954)	\$ (621)
Adjustments to reconcile to net cash provided by operating activities:			
Amortization of contract intangible asset	4	52	117
Depreciation and amortization	739	744	735
Share-based compensation expense	47	40	29
Loss on impairment of assets	772	57	—
Loss on disposal of assets, net	17	183	10
Amortization of debt-related balances, net	53	51	33
(Gain) loss on adjustment to bifurcated compound exchange feature	(214)	127	157
(Gain) loss on retirement of debt	(161)	31	(8)
Loss on impairment of investment in unconsolidated affiliates	5	5	—
Deferred income tax expense	(42)	18	46
Other, net	(7)	43	44
Changes in deferred revenues, net	45	70	(20)
Changes in deferred costs, net	(2)	(190)	1
Changes in other operating assets and liabilities, net	(297)	(113)	(75)
Net cash provided by operating activities	447	164	448
Cash flows from investing activities			
Capital expenditures	(254)	(427)	(717)
Investment in loans to unconsolidated affiliates	(3)	(3)	(5)
Investment in equity of unconsolidated affiliates	—	(10)	(42)
Proceeds from disposal of assets, net of costs to sell	101	10	7
Cash acquired in acquisition of unconsolidated affiliates	5	7	—
Net cash used in investing activities	(151)	(423)	(757)
Cash flows from financing activities			
Repayments of debt	(2,103)	(1,717)	(554)
Proceeds from issuance of debt, net of issue costs	1,770	1,983	175
Proceeds from issuance of shares, net of issue costs	—	—	263
Proceeds from issuance of warrants, net of issue costs	—	—	12
Other, net	(17)	(3)	(8)
Net cash provided by (used in) financing activities	(350)	263	(112)
Net increase (decrease) in unrestricted and restricted cash and cash equivalents	(54)	4	(421)
Unrestricted and restricted cash and cash equivalents, beginning of period	995	991	1,412
Unrestricted and restricted cash and cash equivalents, end of period	\$ 941	\$ 995	\$ 991

See accompanying notes.



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1—BUSINESS

Transocean Ltd. (together with its subsidiaries and predecessors, unless the context requires otherwise, “Transocean,” “we,” “us” or “our”) is a leading international provider of offshore contract drilling services for oil and gas wells. As of December 31, 2024, we owned or had partial ownership interests in and operated a fleet of 34 mobile offshore drilling units, consisting of 26 ultra-deepwater floaters and eight harsh environment floaters.

We provide, as our primary business, contract drilling services in a single operating segment, which involves contracting our mobile offshore drilling rigs, related equipment and work crews to drill oil and gas wells. We specialize in technically demanding regions of the global offshore drilling business with a particular focus on ultra-deepwater and harsh environment drilling services. Our drilling fleet is one of the most versatile fleets in the world, consisting of drillships and semisubmersible floaters used in support of offshore drilling activities and offshore support services on a worldwide basis.

We perform contract drilling services by deploying our high-specification fleet in a single, global market that is geographically dispersed in oil and gas exploration and development areas throughout the world. The location of our rigs and the allocation of our resources to build or upgrade rigs are determined by the activities and needs of our customers. See [Note 15—Supplemental Segment Information](#).

NOTE 2—SIGNIFICANT ACCOUNTING POLICIES

Accounting estimates—To prepare financial statements in accordance with accounting principles generally accepted in the United States (“U.S.”), we must make judgments by applying estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosures of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates and assumptions, including those related to our income taxes, property and equipment, equity investments, contingencies, allowance for excess materials and supplies, assets held for sale, postemployment benefit plans and share-based compensation. We base our estimates and assumptions on historical experience and other factors that we believe are reasonable. Actual results could differ from such estimates.

Fair value measurements—We estimate fair value at an exchange price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. Our valuation techniques require inputs that we categorize using a three-level hierarchy, from highest to lowest level of observable inputs, as follows: (1) significant observable inputs, including unadjusted quoted prices for identical assets or liabilities in active markets (“Level 1”), (2) significant other observable inputs, including direct or indirect market data for similar assets or liabilities in active markets or identical assets or liabilities in less active markets (“Level 2”) and (3) significant unobservable inputs, including those that require considerable judgment for which there is little or no market data (“Level 3”). When a valuation requires multiple input levels, we categorize the entire fair value measurement according to the lowest level of input that is significant to the measurement even though we may have also utilized significant inputs that are more readily observable.

Consolidation—We consolidate entities in which we have a majority voting interest and entities that meet the criteria for variable interest entities for which we are deemed to be the primary beneficiary for accounting purposes. We eliminate intercompany transactions and accounts in consolidation. We apply the equity method of accounting for an equity investment in an unconsolidated entity if we have the ability to exercise significant influence over the entity that (a) does not meet the variable interest entity criteria or (b) meets the variable interest entity criteria, but for which we are not deemed to be the primary beneficiary. We measure other equity investments at fair value if the investment has a fair value that is readily determinable; otherwise, we measure the investment at cost, less any impairment. We separately present within equity on our consolidated balance sheets the ownership interests attributable to parties with noncontrolling interests in our consolidated subsidiaries, and we separately present net income attributable to such parties on our consolidated statements of operations. See [Note 4—Unconsolidated Affiliates](#) and [Note 13—Equity](#).

Functional currency—We consider the U.S. dollar to be the functional currency for all of our operations since the majority of our revenues and expenditures are denominated in U.S. dollars. Consequently, our exposure to currency exchange rate fluctuations is limited. We recognize currency exchange rate gains and losses in other, net. In the years ended December 31, 2024, 2023 and 2022, we recognized a net gain of \$16 million, a net gain of \$10 million and a net loss of \$8 million, respectively, related to currency exchange rates.

Revenues and related pre-operating costs—We recognize revenues earned under our drilling contracts based on variable dayrates, which range from a full operating dayrate to lower rates or zero rates for periods when drilling operations are interrupted or restricted, based on the specific activities we perform during the contract on an hourly, or more frequent, basis.

Such dayrate consideration is attributed to the distinct time period to which it relates within the contract term, and therefore, is recognized as we perform the services. When the operating dayrate declines over the contract term, we recognize revenues on a straight-line basis over the estimated contract period. We recognize reimbursement revenues and the corresponding costs as we provide the customer-requested goods and services, when such reimbursable costs are incurred while performing drilling operations. Prior to performing drilling operations, we may receive pre-operating revenues, on either a fixed lump-sum or variable dayrate basis, for mobilization, contract preparation, customer-requested goods and services or capital upgrades, for which we record a contract liability and recognize as revenues on a straight-line basis over the estimated contract period. We recognize losses for loss contracts as such losses are incurred. We recognize revenues for demobilization over the contract period unless otherwise constrained. We recognize revenues from contract terminations as we fulfill our obligations and



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

all contingencies have been resolved. We apply the optional exemption that permits us to exclude disclosure of the estimated transaction price related to the variable portion of unsatisfied performance obligations at the end of the reporting period, as our transaction price is typically based on a single performance obligation consisting of a series of distinct hourly, or more frequent, periods, the variability of which will be resolved at the time of the future services.

To obtain contracts with our customers, we incur pre-operating costs to prepare a rig for contract and mobilize a rig to the drilling location. We defer such pre-operating contract preparation and mobilization costs for recognition in operating and maintenance costs over the estimated contract period on a straight-line basis, consistent with the general pace of activity. See [Note 5—Revenues](#).

Income taxes—We provide for income taxes based on expected taxable income, statutory rates and tax laws in the jurisdictions in which we operate or have a taxable presence. We recognize the effect of changes in tax laws as of the date of enactment. We recognize potential global intangible low-taxed income inclusions as a period cost.

We establish liabilities for estimated tax exposures, and we recognize the provisions and benefits resulting from changes to those liabilities, together with related interest and penalties, in income tax expense or benefit. Income tax exposure items include potential challenges to permanent establishment positions, intercompany pricing, disposition transactions, and withholding tax rates and their applicability. Such tax exposures may be affected by changes in applicable tax law or other factors, which could cause us to revise our prior estimates, and are generally resolved through the settlement of audits within the tax jurisdictions or by judicial means.

We measure deferred tax assets and liabilities using enacted tax rates that will apply in the years in which the deferred tax assets and liabilities are expected to be recovered or paid. To evaluate our ability to realize deferred tax assets, we consider all available positive and negative evidence, including projected future taxable income and the existence of cumulative losses in recent years. We record a valuation allowance for deferred tax assets when it is more likely than not that some or all of the benefit from the deferred tax asset will not be realized. For example, we may record a valuation allowance for deferred tax assets resulting from net operating losses incurred during the year in certain jurisdictions for which the benefit of the losses will not be realized or for foreign tax credit carryforwards that may expire prior to their utilization. See [Note 10—Income Taxes](#).

Cash and cash equivalents—We consider cash equivalents to include highly liquid debt instruments with original maturities of three months or less, such as time deposits with commercial banks that have high credit ratings, U.S. Treasury and government securities, Eurodollar time deposits, certificates of deposit and commercial paper. We may also invest excess funds in no-load, open-ended, management investment trusts. Such management trusts invest exclusively in high-quality money market instruments.

Restricted cash and cash equivalents—We maintain restricted cash and cash equivalents that are either pledged for debt service under certain bond indentures, as required under certain bank credit arrangements, or held in accounts that are subject to restrictions due to legislation, regulation or court order. We classify such restricted cash and cash equivalents in current assets if the restriction is expected to expire or otherwise be resolved within one year or if such funds are considered to correspond to liabilities that are properly classified as current liabilities. See [Note 8—Debt](#).

Materials and supplies—We record materials and supplies at their average cost less an allowance for excess items. We estimate the allowance for excess items based on historical experience and expectations for future use of the materials and supplies. At December 31, 2024 and 2023, our allowance for excess items was \$178 million and \$198 million, respectively.

Assets held for sale—We classify an asset as held for sale when the facts and circumstances meet the criteria for such classification, including the following: (a) we have committed to a plan to sell the asset, (b) the asset is available for immediate sale, (c) we have initiated actions to complete the sale, including locating a buyer, (d) the sale is expected to be completed within one year, (e) the asset is being actively marketed at a price that is reasonable relative to its fair value, and (f) the plan to sell is unlikely to be subject to significant changes or termination. See [Note 6—Long-Lived Assets](#).

Property and equipment—We apply judgment to account for our property and equipment, consisting primarily of offshore drilling rigs and related equipment, related to estimates and assumptions for cost capitalization, useful lives and salvage values. We base our estimates and assumptions on historical experience and expectations regarding future industry conditions and operations. At December 31, 2024, the aggregate carrying amount of our property and equipment represented 82 percent of our total assets.

We capitalize expenditures for newbuilds, renewals, replacements and improvements, including capitalized interest, if applicable, and we recognize the expense for maintenance and repair costs as incurred. For newbuild construction projects, we also capitalize the initial preparation, mobilization and commissioning costs incurred until the drilling unit is placed into service. Upon sale or other disposition of an asset, we recognize a net gain or loss on disposal of the asset, which is measured as the difference between the net carrying amount of the asset and the net proceeds received. We compute depreciation using the straight-line method after allowing for salvage values.

The estimated original useful life of our drilling units is 35 years, our buildings and improvements range from three to 30 years and our machinery and equipment range from four to 20 years. We reevaluate the remaining useful lives and salvage values of our rigs when certain events occur that directly impact the useful lives and salvage values of the rigs, including changes in operating condition, functional capability and market and economic factors. When evaluating the remaining useful lives of rigs, we also consider major capital upgrades required to perform certain contracts and the long-term impact of those upgrades on future marketability.



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

Long-lived asset impairment—We review the carrying amounts of long-lived assets, including property and equipment and right-of-use assets, for potential impairment when events occur or circumstances change that indicate that the carrying amount of such assets may not be recoverable. For assets classified as held and used, we determine recoverability by evaluating the estimated undiscounted future net cash flows based on projected dayrates and utilization of the asset group under review. We consider our asset groups to be ultra-deepwater floaters and harsh environment floaters. When an impairment of an asset group is indicated, we measure an impairment as the amount by which the carrying amount of the asset group exceeds its estimated fair value. We estimate the fair value of an asset group by applying a variety of valuation methods, incorporating a combination of income, market and cost approaches, using projected discounted cash flows and estimates of the exchange price that would be received for the assets in the principal or most advantageous market for the assets in an orderly transaction between market participants as of the measurement date. For an asset classified as held for sale, we consider the asset to be impaired to the extent its carrying amount exceeds its estimated fair value less cost to sell. See [Note 6—LongLived Assets](#).

Equity investments and impairment—We review our equity-method investments, and other equity investments for which a readily determinable fair value is not available, for potential impairment when events or changes in circumstances indicate that the carrying amount of the investment might not be recoverable in the near term. If we determine that an impairment that is other than temporary exists, we recognize an impairment loss, measured as the amount by which the carrying amount of the investment exceeds its estimated fair value. To estimate the fair value of the investment, we apply valuation methods that rely primarily on the income and market approaches. We amortize the basis difference caused by such impairments using the straight-line method over the estimated life of the asset. See [Note 4—Unconsolidated Affiliates](#).

Pension and other postemployment benefit plans—We use a measurement date of January 1 to determine net periodic benefit costs and December 31 to determine plan benefit obligations and the fair values of plan assets. We determine our net periodic benefit costs based on a market-related value of assets that reduces year-to-year volatility by including investment gains or losses subject to amortization over a five-year period from the year in which they occur. We calculate investment gains or losses for this purpose as the difference between the expected return calculated using the market-related value of assets and the actual return based on the market-related value of assets. If gains or losses exceed 10 percent of the greater of plan assets or plan liabilities, we amortize such gains or losses over the average expected future lifetime of the participants.

We measure the actuarially determined obligations and related costs for our defined benefit pension and other postemployment benefit plans, retiree life insurance and medical benefits, by applying assumptions, the most significant of which include long-term rate of return on plan assets, discount rates and mortality rates. For the long-term rate of return, we develop our assumptions regarding the expected rate of return on plan assets based on projected long-term investment returns, and we weight the assumptions based on each plan's asset allocation. For the discount rate, we base our assumptions on a yield curve approach using Aa-rated corporate bonds and the expected timing of future benefit payments. At December 31, 2024 and 2023, the funded status of our pension and other postemployment benefit plans represented an aggregate liability of \$104 million and \$125 million, respectively, and an aggregate asset of \$73 million and \$31 million, respectively. See [Note 9—Benefit Plans](#).

Share-based compensation—To measure the fair values of granted or modified service-based restricted share units, we use the market price of our shares on the grant date or modification date. To measure the fair values of granted or modified performance-based restricted share units subject to market factors, we use an average price at the performance start date and project performance based on a Monte Carlo simulation model under a risk-neutral approach and apply assumptions for the expected life, risk-free interest rate, expected volatility and dividend yield. To measure the fair values of granted or modified performance-based restricted share units that are subject to performance targets, we use the market price of our shares on the grant date or modification date and adjust the value for the projected performance rate expected to be achieved at the end of the measurement period. We recognize share-based compensation expense in the same financial statement line item as cash compensation paid to the respective employees or non-employee directors. We recognize such compensation expense on a straight-line basis over the service period through the date the employee or non-employee director is no longer required to provide service to earn the award. See [Note 14—ShareBased Compensation](#).

Contingencies—We assess our contingencies on an ongoing basis to evaluate the appropriateness of our liabilities and disclosures for such contingencies. We establish liabilities for estimated loss contingencies when we believe a loss is probable and the amount of the probable loss can be reasonably estimated. Once established, we adjust the carrying amount of a contingent liability upon the occurrence of a recognizable event when facts and circumstances change, altering our previous assumptions with respect to the likelihood or amount of loss. We recognize corresponding assets for those loss contingencies that we believe are probable of being recovered through insurance. We recognize expense for legal costs as they are incurred, and we recognize a corresponding asset for such legal costs only if we expect such legal costs to be recovered through insurance.

NOTE 3—ACCOUNTING STANDARDS UPDATES

Recently adopted accounting standards

Segment reporting—Effective for the year ended December 31, 2024, we adopted the accounting standards update that requires incremental disclosures about a public entity's reportable segments but does not change the definition or guidance for determining reportable



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

segments. The update, which explicitly applies to entities such as us with a single reportable segment, requires disclosure of the significant expense categories and amounts that are regularly provided to the chief operating decision-maker and included in the reported measure of segment profit or loss. Additionally, the update requires disclosures about the individual or the group or committee identified as the chief operating decision-maker. We have provided new disclosures, as required, in our notes to consolidated financial statements. See [Note 1—Business](#) and [Note 15—Supplemental Segment Information](#).

Recently issued accounting standards updates not yet adopted

Income taxes—Effective for the year ending December 31, 2025, we will adopt the accounting standards update that requires significant incremental disclosures intended to enhance the transparency and decision-usefulness of income tax disclosures, particularly with regard to the effective tax rate reconciliation table and income taxes paid. The new guidance will be applied prospectively and permits, but does not require, retrospective application. We will provide the new disclosures, as required, for annual periods beginning with our annual report on Form 10-K for the year ending December 31, 2025. We continue to evaluate the requirements. Although our adoption will require us to augment certain disclosures in the notes to consolidated financial statements, we do not expect such adoption to have a material effect on our consolidated statements of financial position, operations or cash flows.

Disaggregated income statement expenses—Effective for the year ending December 31, 2027, we will adopt the accounting standards update that requires disaggregated disclosures, in the notes to consolidated financial statements, of certain categories of expenses that are included in expense line items on the face of the consolidated statements of operations. The disclosures will be required on an annual and interim basis. We will provide the new disclosures, as required, for annual periods beginning with our annual report on Form 10-K for the year ending December 31, 2027, and subsequently, for interim periods beginning with our quarterly report on Form 10-Q for the quarterly period ending March 31, 2028. We continue to evaluate the requirements. Although our adoption will require us to augment certain disclosures in the notes to consolidated financial statements, we do not expect such adoption to have a material effect on our consolidated statements of financial position, operations or cash flows.

NOTE 4—UNCONSOLIDATED AFFILIATES

Equity investments

Overview—At December 31, 2024, we hold equity investments in certain unconsolidated companies, including (a) our 16 percent ownership interest in Global Sea Mineral Resources NV (together with its subsidiaries, “GSR”), a Belgian company and leading developer of nodule collection technology, which is engaged in the development and exploration of deep-sea polymetallic nodules that contain metals critical to the growing renewable energy market, (b) our 19 percent ownership interest in Ocean Minerals LLC (together with its subsidiaries, “OML”), the parent company of Moana Minerals Ltd., a Cook Islands subsea resource development company that intends to explore and collect polymetallic nodules, and (c) our ownership interests in other companies involved in researching and developing technology to improve efficiency, reliability, sustainability and safety for drilling and other activities. In the years ended December 31, 2024, 2023 and 2022, we recognized income of \$4 million, a loss of \$14 million and a loss of \$24 million, respectively, recorded in other, net, associated with equity in earnings or losses of our equity investments. At December 31, 2024 and 2023, the aggregate carrying amount of our equity investments was \$123 million and \$216 million, respectively, recorded in other assets.

Contributions—In February 2023, we acquired a noncontrolling interest in GSR in exchange for a cash contribution of \$10 million and a non-cash contribution of the ultra-deepwater floater *Ocean Rig Olympia*, which had been cold stacked, and related assets, with an estimated fair value of \$85 million (see [Note 6—Long-Lived Assets](#)). We estimated the fair value of the rig using projected discounted cash flows, and our estimate required us to use significant unobservable inputs, representative of Level 3 fair value measurements, including assumptions related to future performance of the rig, projected demand for its services, rig availability and dayrates. In the year ended December 31, 2022, we acquired noncontrolling interests in various companies, including among others, our initial investment in OML and Liquila Ventures Ltd. (together with its subsidiaries, “Liquila”), for an aggregate cash contribution of \$42 million.

Acquisition—At December 31, 2023, we held a 33.0 percent noncontrolling interest in Orion Holdings (Cayman) Limited (together with its subsidiary, “Orion”), the Cayman Islands company that owned the harsh environment floater *Transocean Norge*, and the aggregate carrying amount of our investment in Orion was \$86 million. In June 2024, we acquired the outstanding 67.0 percent ownership interest in Orion in exchange for noncash consideration with an aggregate fair value of \$431 million, including 55.5 million Transocean Ltd. shares and \$130 million aggregate principal amount of 8.00% senior notes due February 2027 (the “8.00% Senior Notes”). As a result, Orion became our wholly owned subsidiary. We recorded the transaction using the asset acquisition method of accounting. See [Note 6—Long Lived Assets](#), [Note 8—Debt](#) and [Note 13—Equity](#).

Impairments—In each of the years ended December 31, 2024 and 2023, we recognized a loss of \$5 million, which had no tax effect, recorded in other, net, associated with the other-than-temporary impairment of the carrying amount of certain equity investments.

Related party transactions

Investment and acquisition—In November 2022, we and Perestroika (Cyprus) Ltd (together with its subsidiaries, “Perestroika”), an entity affiliated with one of our directors that beneficially owns approximately 10 percent of our shares, each acquired a noncontrolling



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

interest in Liquila, a previously unconsolidated Bermuda company, that was constructing the ultra-deepwater floater *Deepwater Aquila*, in exchange for a cash contribution of \$15 million and \$10 million, respectively. These initial contributions, together with a contribution from the holder of the remaining 67 percent ownership interest, were used to make an initial installment to the shipyard to acquire the newbuild drillship. In September 2023, we acquired the outstanding 80 percent ownership interest in Liquila, in exchange for the issuance of 11.9 million Transocean Ltd. shares with an aggregate value of \$99 million, which included 2.0 million Transocean Ltd. shares with an aggregate value of \$16 million issued to Perestroika. As a result, Liquila became our wholly owned subsidiary. We recorded the transaction using the asset acquisition method of accounting. See [Note 6—Long Lived Assets](#) and [Note 13—Equity](#).

Operating and lending activities—We procure and provide services and equipment from and to our unconsolidated affiliates for technological innovation and subsea minerals exploration, and we occasionally provide loans to our unconsolidated affiliates. In the years ended December 31, 2024, 2023 and 2022, we made an aggregate cash payment of \$14 million, \$12 million and \$7 million, respectively, to our unconsolidated affiliates primarily for research and development and for equipment. At December 31, 2024 and 2023, our accounts receivable from affiliates was \$3 million and \$14 million, respectively, recorded in other current assets. At December 31, 2024 and 2023, the aggregate carrying amount of balances due to us under various financing arrangements with our unconsolidated affiliates was \$10 million and \$6 million, respectively, recorded in other assets.

In the years ended December 31, 2024, 2023 and 2022, we received an aggregate cash payment of \$11 million, \$49 million and \$40 million, respectively, for services and equipment provided to, and prior to our acquisition of, Orion. In the years ended December 31, 2024, 2023, and 2022, we recognized rent expense of \$25 million, \$26 million and \$11 million, respectively, recorded in operating and maintenance costs, and made an aggregate cash payment of \$25 million, \$27 million and \$10 million, respectively, to charter the rig and rent other equipment from, and prior to our acquisition of, Orion. Additionally, in the year ended December 31, 2023, we and Orion agreed to the non-cash net settlement of a balance of \$25 million of accounts receivable and payable.

NOTE 5—REVENUES

Overview—We earn revenues primarily by performing the following activities: (i) providing our drilling rig, together with the work crews, related equipment and services necessary to operate the rig, (ii) providing certain pre-operating activities, including rig preparation and equipment modifications required for the contract, and (iii) delivering the drilling rig by mobilizing to and demobilizing from the drill location. Under most of our contracts with customers, our drilling services represent a single performance obligation that is satisfied over time, the duration of which varies by contract. At December 31, 2024, the drilling contract with the longest expected remaining duration, excluding unexercised options, extends through August 2029.

Disaggregation—Our contract drilling revenues, disaggregated by asset group and by country in which they were earned, were as follows (in millions):

	Year ended December 31, 2024			Year ended December 31, 2023			Year ended December 31, 2022		
	Ultra-deepwater floaters	Harsh environment floaters	Total	Ultra-deepwater floaters	Harsh environment floaters	Total	Ultra-deepwater floaters	Harsh environment floaters	Total
U.S.	\$ 1,566	\$ —	\$ 1,566	\$ 1,433	\$ —	\$ 1,433	\$ 1,135	\$ —	\$ 1,135
Brazil	727	—	727	298	—	298	240	—	240
Norway	—	654	654	—	603	603	—	835	835
Other countries (a)	225	352	577	341	157	498	333	32	365
Total contract drilling revenues	\$ 2,518	\$ 1,006	\$ 3,524	\$ 2,072	\$ 760	\$ 2,832	\$ 1,708	\$ 867	\$ 2,575

(a) The aggregate contract drilling revenues earned in other countries that individually represented less than 10 percent of total contract drilling revenues.

Major customers—For the year ended December 31, 2024, Shell plc (together with its affiliates, “Shell”), Petróleo Brasileiro S.A. (together with its affiliates, “Petrobras”) and Equinor ASA (together with its affiliates, “Equinor”) represented 27 percent, 21 percent and 13 percent, respectively, of our consolidated operating revenues. For the year ended December 31, 2023, Shell, Equinor, TotalEnergies SE and Petrobras represented 27 percent, 16 percent, 12 percent and 11 percent, respectively, of our consolidated operating revenues. For the year ended December 31, 2022, Shell, Equinor and Petrobras represented 33 percent, 25 percent and 11 percent, respectively, of our consolidated operating revenues.

Contract intangible assets—At December 31, 2024 and 2023, the gross carrying amount of our drilling contract intangible assets was \$907 million and the corresponding accumulated amortization was \$907 million and \$903 million, respectively.

Contract liabilities—Contract liabilities for our contracts with customers were as follows (in millions):

	December 31, 2024	December 31, 2023
Deferred contract revenues, recorded in other current liabilities	\$ 231	\$ 165
Deferred contract revenues, recorded in other long-term liabilities	212	233
Total contract liabilities	\$ 443	\$ 398



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

Significant changes in contract liabilities were as follows (in millions):

	Years ended December 31,	
	2024	2023
Total contract liabilities, beginning of period	\$ 398	\$ 328
Decrease due to recognition of revenues for goods and services	(243)	(189)
Increase due to goods and services transferred over time	288	259
Total contract liabilities, end of period	\$ 443	\$ 398

Pre-operating costs—In the years ended December 31, 2024, 2023 and 2022, we recognized pre-operating costs of \$138 million, \$69 million and \$47 million, respectively, recorded in operating and maintenance costs. Recognition increased in the year ended December 31, 2024, primarily as a result of the commencement of operations for two rigs that mobilized to Australia, one rig that mobilized to Brazil and one rig that we reactivated for a contract in Brazil. At December 31, 2024 and 2023, the carrying amount of our unrecognized pre-operating costs to obtain contracts was \$224 million and \$221 million, respectively, recorded in other assets.

NOTE 6—LONG-LIVED ASSETS

Disaggregation—The aggregate carrying amount of our long-lived assets, including our property and equipment and our right-of-use assets, disaggregated by country in which they were located, was as follows (in millions):

	December 31,	
	2024	2023
Long-lived assets		
U.S.	\$ 6,727	\$ 7,472
Greece	2,531	2,652
Norway	2,017	2,103
Brazil	1,993	1,610
Other countries (a)	3,008	3,590
Total long-lived assets	\$ 16,276	\$ 17,427

(a) The aggregate carrying amount of long-lived assets located in other countries that individually represented less than 10 percent of total long-lived assets.

Because the majority of our assets are mobile, the geographic locations of such assets at the end of the periods are not necessarily indicative of the geographic distribution of the operating revenues generated by such assets during the periods presented. Our international operations are subject to certain political and other uncertainties, including risks of war and civil disturbances or other market disrupting events, expropriation of equipment, repatriation of income or capital, taxation policies, and the general hazards associated with certain areas in which we operate. Although we are organized under the laws of Switzerland, we have minimal assets located in Switzerland, and we do not conduct any operations or earn operating revenues in Switzerland.

Construction work in progress—The changes in our construction work in progress were as follows (in millions):

	Years ended December 31,		
	2024	2023	2022
Construction work in progress, beginning of period	\$ 522	\$ 1,195	\$1,017
Capital expenditures			
Newbuild construction program	142	331	669
Other equipment and construction projects	112	96	48
Total capital expenditures	254	427	717
Non-cash capital additions acquired in exchange for issuance of Transocean Ltd. shares	—	126	—
Non-cash capital additions financed under the Shipyard Loans	—	—	382
Changes in accrued capital additions	(13)	5	3
Property and equipment placed into service			
Newbuild construction program	(552)	(1,157)	(882)
Other equipment and construction projects	(135)	(74)	(42)
Construction work in progress, end of period	\$ 76	\$ 522	\$1,195

In the years ended December 31, 2024, 2023 and 2022, we capitalized interest costs of \$15 million, \$39 million and \$73 million, respectively, for our construction work in progress.

Acquisitions—In June 2024 we acquired \$517 million of property and equipment associated with *Transocean Norge*, together with \$5 million of cash and cash equivalents and \$4 million of accounts receivable from us. In September 2023, we acquired \$126 million of property and equipment associated with *Deepwater Aquila*, together with \$7 million of cash and cash equivalents, and we assumed \$19 million of accounts payable. See Note 4—Unconsolidated Affiliates, Note 8—Debt and Note 13—Equity.



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

Impairments—In the year ended December 31, 2024, we recognized a loss of \$772 million (\$755 million or \$0.82 per diluted share, net of tax) associated with the impairment of the ultra-deepwater floaters *Deepwater Nautilus*, *Development Driller III* and *Discoverer Inspiration*, together with related assets, which we determined were impaired at the time that we classified the assets as held for sale. In the year ended December 31, 2023, we recognized a loss of \$57 million (\$0.07 per diluted share), which had no tax effect, associated with the impairment of the harsh environment floaters *Paul B. Loyd, Jr.* and *Transocean Leader*, together with related assets, which we determined were impaired at the time that we classified the assets as held for sale. We measured the impairment as the amount by which the carrying amount exceeded the estimated fair value less costs to sell. We estimated the fair value of the assets using significant other observable inputs, representative of Level 2 fair value measurements, including binding contracts for the sale of the rigs and related assets.

Disposals—During the year ended December 31, 2024, we completed the sale of *Deepwater Nautilus*, *Paul B. Loyd, Jr.* and *Transocean Leader*, together with related assets, for aggregate net cash proceeds of \$102 million, including \$6 million received as a deposit in the year ended December 31, 2023. During the year ended December 31, 2023, in connection with our investment in a partial ownership interest in GSR, we made a non-cash contribution of the cold-stacked *Ocean Rig Olympia* and related assets. In the year ended December 31, 2023, we recognized a loss of \$169 million (\$0.22 per diluted share), which had no tax effect, associated with the disposal of the rig and related assets (see [Note 4—Unconsolidated Affiliates](#)). In the years ended December 31, 2024, 2023 and 2022, we received aggregate net cash proceeds of \$5 million, \$4 million and \$7 million, respectively and recognized an aggregate net loss of \$17 million, \$14 million and \$10 million, respectively, associated with the disposal of assets unrelated to rig sales.

Assets held for sale—At December 31, 2024, the aggregate carrying amount of our assets held for sale, including *Development Driller III* and *Discoverer Inspiration*, together with related assets, was \$343 million. The transactions contemplated by the binding purchase and sale agreements, executed in September 2024, for these rigs and related assets were subject to customary closing conditions, including the buyers' ability to secure financing for the purchases. In January 2025, after extending the originally agreed closing dates, we canceled the purchase and sale agreements as a result of the buyers' failure to deliver the proceeds. At December 31, 2023, the aggregate carrying amount of our assets held for sale, including *Paul B. Loyd, Jr.* and *Transocean Leader* and related assets, was \$49 million.

NOTE 7—LEASES

Overview—Our operating leases are principally for office space, storage facilities, land and operating equipment. At December 31, 2024, our operating leases had a weighted-average discount rate of 6.5 percent and a weighted-average remaining lease term of 11.1 years.

Our finance lease for the ultra-deepwater drillship *Petrobras 10000* has an implicit interest rate of 7.8 percent and requires scheduled monthly installments through the lease expiration in August 2029, after which we are obligated to acquire the drillship from the lessor for one dollar. We recognize expense for the amortization of the right-of-use asset in depreciation and amortization.

Lease costs—The components of our lease costs were as follows (in millions):

Lease costs	Years ended December 31,		
	2024	2023	2022
Short-term lease costs	\$ 10	\$ 4	\$ 14
Operating lease costs	16	14	12
Finance lease costs, amortization of right-of-use asset	20	20	20
Finance lease costs, interest on lease liability	24	27	30
Total lease costs	\$ 70	\$ 65	\$ 76

Lease payments—Supplemental cash flow information for our leases was as follows (in millions):

Cash paid for amounts included in the measurement of lease liabilities:	Years ended December 31,		
	2024	2023	2022
Operating cash flows from operating leases	\$ 20	\$ 17	\$ 14
Operating cash flows from finance lease	4	—	8
Financing cash flows from finance lease	7	—	3



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

At December 31, 2024, the aggregate future minimum lease payments were as follows (in millions):

Years ending December 31,	Operating leases	Finance lease
2025	\$ 13	\$ 65
2026	12	70
2027	12	71
2028	12	70
2029	12	47
Thereafter	74	—
Total future minimum rental payment	135	323
Less amount representing imputed interest	(40)	(52)
Present value of future minimum rental payments	95	271
Current portion, recorded in other current liabilities	7	47
Long-term lease liabilities, recorded in other long-term liabilities	\$ 88	\$ 224

NOTE 8—DEBT

Overview

Outstanding debt—The aggregate principal amounts and aggregate carrying amounts, including a bifurcated compound exchange feature and unamortized debt-related balances, such as discounts, premiums and issue costs, were as follows (in millions):

		Principal amount		Carrying amount	
		December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
7.25% Senior Notes due November 2025	(a)	\$ —	\$ 354	\$ —	\$ 352
4.00% Senior Guaranteed Exchangeable Bonds due December 2025	(b)	234	234	227	221
7.50% Senior Notes due January 2026	(a)	—	569	—	567
11.50% Senior Guaranteed Notes due January 2027	(a)	—	687	—	938
6.875% Senior Secured Notes due February 2027	(c)	330	413	328	409
8.00% Senior Notes due February 2027	(a)	655	612	653	609
7.45% Notes due April 2027	(d)	52	52	52	52
8.00% Debentures due April 2027	(d)	22	22	22	22
4.50% Shipyard Loans due September 2027	(e)	329	420	310	384
8.375% Senior Secured Notes due February 2028	(c)	525	525	518	518
7.00% Notes due June 2028	(e)	261	261	263	264
8.00% Senior Secured Notes due September 2028	(c)	295	325	292	321
8.25% Senior Notes due May 2029	(a)	900	—	887	—
4.625% Senior Guaranteed Exchangeable Bonds due September 2029	(a)	259	259	286	486
8.75% Senior Secured Notes due February 2030	(f)	999	1,116	981	1,094
7.50% Notes due April 2031	(d)	396	396	395	395
8.50% Senior Notes due May 2031	(a)	900	—	886	—
6.80% Senior Notes due March 2038	(d)	610	610	605	605
7.35% Senior Notes due December 2041	(d)	177	177	176	176
Total debt		6,944	7,032	6,881	7,413
Less debt due within one year					
4.00% Senior Guaranteed Exchangeable Bonds due December 2025	(b)	234	—	227	—
11.50% Senior Guaranteed Notes due January 2027	(a)	—	—	—	71
6.875% Senior Secured Notes due February 2027	(c)	83	83	82	81
4.50% Shipyard Loans due September 2027	(e)	120	90	108	75
8.375% Senior Secured Notes due February 2028	(c)	100	—	97	—
8.00% Senior Secured Notes due September 2028	(c)	60	30	59	30
8.75% Senior Secured Notes due February 2030	(f)	117	117	113	113
Total debt due within one year		714	320	686	370
Total long-term debt		\$ 6,230	\$ 6,712	\$ 6,195	\$ 7,043

- (a) Transocean International Limited, a wholly owned direct subsidiary of Transocean Ltd. formerly known as Transocean Inc., is the issuer of the unregistered notes (collectively, the “Priority Guaranteed Notes”). The guaranteed senior unsecured notes are fully and unconditionally, jointly and severally, guaranteed by Transocean Ltd. and certain wholly owned indirect subsidiaries of Transocean International Limited and rank equal in right of payment of all our existing and future unsecured unsubordinated obligations. Such notes are structurally senior to the Legacy Guaranteed Notes, as defined below, the 4.50% shipyard loans due September 2027 (each, a “Shipyard Loan”, and together, the “Shipyard Loans”) and the 7.00% notes due June 2028 and structurally subordinate to the Senior Priority Guaranteed Notes, as defined below, to the extent of the value of the assets of the subsidiaries guaranteeing the notes.
- (b) Transocean International Limited is the issuer of the unregistered notes (together, the “Senior Priority Guaranteed Notes”). The priority guaranteed senior unsecured notes are fully and unconditionally, jointly and severally, guaranteed by Transocean Ltd. and certain wholly owned indirect subsidiaries of Transocean.



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

International Limited and rank equal in right of payment of all of our existing and future unsecured unsubordinated obligations. Such notes are structurally senior to the Priority Guaranteed Notes to the extent of the value of the assets of the subsidiaries guaranteeing the notes.

- (c) Each subsidiary issuer of the respective unregistered notes is a wholly owned indirect subsidiary of Transocean International Limited. The senior secured notes are fully and unconditionally, jointly and severally, guaranteed by Transocean Ltd., Transocean International Limited and, in each case, the owner of the respective collateral rig or rigs.
- (d) Transocean International Limited is the issuer of the notes and debentures (the "Legacy Guaranteed Notes"). The Legacy Guaranteed Notes are fully and unconditionally, jointly and severally, guaranteed by Transocean Ltd.
- (e) The subsidiary borrowers under the Shipyard Loans and the subsidiary issuer of the registered notes are wholly owned indirect subsidiaries of Transocean International Limited. The loans and notes are fully and unconditionally guaranteed by Transocean International Limited.
- (f) Transocean International Limited is the issuer of the unregistered notes. The senior secured notes are fully and unconditionally guaranteed on an unsecured basis by Transocean Ltd. and on a limited senior secured basis by each of the wholly owned subsidiary owners of the collateral rigs.

Indentures—The indentures that govern our debt generally contain covenants that, among other things, limit our ability to incur certain liens on our drilling units without equally and ratably securing the notes, to engage in certain sale and lease back transactions covering any of our drilling units, to allow our subsidiaries to incur certain additional debt, or to engage in certain merger, consolidation or reorganization transactions or to enter into a scheme of arrangement qualifying as an amalgamation. Transocean Ltd. and Transocean International Limited are not subject to any significant restrictions on their ability to obtain funds from their consolidated subsidiaries by dividends, loans or capital distributions.

The indentures that govern the 4.00% senior guaranteed exchangeable bonds due December 2025 (the "4.00% Senior Guaranteed Exchangeable Bonds") and the 4.625% senior guaranteed exchangeable bonds due September 2029 (the "4.625% Senior Guaranteed Exchangeable Bonds") require such bonds to be repurchased upon the occurrence of certain fundamental changes and events, at specified prices depending on the particular fundamental change or event, which include changes and events related to certain (i) change of control events applicable to Transocean Ltd. or Transocean International Limited, (ii) the failure of our shares to be listed or quoted on a national securities exchange and (iii) specified tax matters.

The indentures that govern the 6.875% senior secured notes due February 2027, the 8.375% senior secured notes due February 2028 (the "8.375% Senior Secured Notes"), the 8.00% senior secured notes due September 2028 (the "8.00% Senior Secured Notes") and the 8.75% senior secured notes due February 2030 (the "8.75% Senior Secured Notes") contain certain covenants, among others, related to the debt and earnings attributable to the collateral rigs and the ability of our subsidiaries that own or operate the collateral rigs to declare or pay dividends to their affiliates. We will be required to redeem the senior secured notes at a price equal to 100 percent of the aggregate principal amount without a make-whole premium, upon the occurrence of certain events related to the respective collateral rigs and related drilling contracts. The indentures that govern our senior secured notes contain certain lien requirements, including the maintenance of certain balances in a restricted cash account to satisfy debt service requirements. At December 31, 2024, we had restricted cash and cash equivalents of \$351 million deposited in restricted accounts to satisfy debt service and reserve requirements for the senior secured notes. At December 31, 2024, the rigs encumbered for the senior secured notes and our Shipyard Loans include the ultra-deepwater floaters *Deepwater Aquila*, *Deepwater Atlas*, *Deepwater Pontus*, *Deepwater Poseidon*, *Deepwater Proteus*, *Deepwater Thalassa*, *Deepwater Titan*, and the harsh environment floaters *Transocean Enabler* and *Transocean Encourage*, the aggregate carrying amount of which was \$6.09 billion.

Interest rate adjustments—At December 31, 2024, the interest rate in effect for the 7.35% senior notes due December 2041 was 9.35 percent, which is subject to adjustment from time to time upon a change to the credit rating of our non-credit enhanced senior unsecured long-term debt.

Scheduled maturities—At December 31, 2024, the scheduled maturities of our debt were as follows (in millions):

	Total
Years ending December 31,	
2025	\$ 714
2026	541
2027	1,255
2028	664
2029	1,276
Thereafter	2,494
Total principal amount of debt	6,944
Total unamortized debt-related balances, net	(199)
Bifurcated compound exchange feature, at estimated fair value	136
Total carrying amount of debt	\$ 6,881

Credit agreements

Secured Credit Facility—As of December 31, 2024, we have a secured revolving credit facility established under a bank credit agreement (as amended from time to time, the "Secured Credit Facility"), which is scheduled to mature on June 22, 2028. In April 2024, we amended the Secured Credit Facility to, among other things, (a) extend the maturity date from June 22, 2025 to June 22, 2028 and (b) reduce



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

the borrowing capacity from \$600 million to \$576 million through June 22, 2025 and thereafter reduce the borrowing capacity to \$510 million through June 22, 2028. Throughout the term of the Secured Credit Facility, we pay a facility fee on the amount of the underlying commitment, which ranges from 0.375 percent to 1.00 percent based on the credit rating of the Secured Credit Facility. We may borrow under the Secured Credit Facility at a forward-looking term rate based on the secured overnight financing rate ("Term SOFR") plus a margin and a Term SOFR spread adjustment of 0.10 percent. The Secured Credit Facility is subject to permitted extensions and certain early maturity triggers, including if on any date the aggregate amount of scheduled principal repayments of indebtedness, with certain exceptions, due within 91 days thereof is equal to or in excess of \$325 million and available cash is less than \$250 million. The Secured Credit Facility permits us to increase the aggregate amount of commitments by up to \$250 million. The Secured Credit Facility is guaranteed by Transocean Ltd. and certain wholly owned subsidiaries. The Secured Credit Facility is secured by, among other things, a lien on the ultra-deepwater floaters *Deepwater Asgard*, *Deepwater Conqueror*, *Deepwater Corcovado*, *Deepwater Invictus*, *Deepwater Mykonos*, *Deepwater Orion*, *Deepwater Skyros* and *Dhirubhai Deepwater KG2* and the harsh environment floaters *Transocean Barents* and *Transocean Spitsbergen*, and at December 31, 2024, the aggregate carrying amount of which was \$4.30 billion.

The Secured Credit Facility contains covenants that, among other things, include maintenance of a minimum guarantee coverage ratio of 3.0 to 1.0, a minimum collateral coverage ratio of 2.1 to 1.0, a maximum debt to capitalization ratio of 0.60 to 1.00 and minimum liquidity of \$200 million. The Secured Credit Facility also restricts the ability of Transocean Ltd. and certain of our subsidiaries to, among other things, merge, consolidate or otherwise make changes to the corporate structure, incur liens, incur additional indebtedness, enter into transactions with affiliates and permits, subject to certain conditions, the ability to pay dividends and repurchase our shares. In order to utilize the Secured Credit Facility, we must, at the time of the borrowing request, be in full compliance with the terms and conditions of the Secured Credit Facility and make certain representations and warranties, including with respect to compliance with laws and solvency, to the lenders. Repayment of borrowings under the Secured Credit Facility are subject to acceleration upon the occurrence of an event of default. Under the agreements governing certain of our debt and finance lease, we are also subject to various covenants, including restrictions on creating liens, engaging in sale/leaseback transactions and engaging in certain merger, consolidation or reorganization transactions. A default under our public debt indentures, the agreements governing our senior secured notes, our finance lease contract or any other debt owed to unaffiliated entities that exceeds \$125 million could trigger a default under the Secured Credit Facility and, if not waived by the lenders or otherwise cured, could cause us to lose access to the Secured Credit Facility.

At December 31, 2024, based on the credit rating of the Secured Credit Facility as of that date, the Secured Credit Facility Margin was 2.875 percent and the facility fee was 0.625 percent. At December 31, 2024, we had no borrowings outstanding, \$7 million of letters of credit issued, and we had \$569 million of available borrowing capacity under the Secured Credit Facility.

Shipyard financing arrangement—We have credit agreements that established the Shipyard Loans to finance all or a portion of the final payments owed to the shipyard upon delivery of *Deepwater Atlas* and *Deepwater Titan*. In June 2022, we borrowed \$349 million under the Shipyard Loan for *Deepwater Atlas* and made a cash payment of \$46 million to satisfy the final milestone payment due upon delivery of the rig. In December 2022, we borrowed \$90 million under the Shipyard Loan for *Deepwater Titan* and made a cash payment of \$325 million to satisfy the final milestone payment due upon delivery of the rig. We recorded each Shipyard Loan, net of imputed interest, with an initial carrying amount of \$300 million and \$82 million, respectively, and corresponding non-cash capital additions, recorded in property and equipment. The carrying amount of each Shipyard Loan at inception represented its estimated fair value using significant other observable inputs, representative of Level 2 fair value measurements, including the terms and credit spreads of our debt, by applying an estimated discount rate of 9.4 percent and 7.6 percent, respectively. The Shipyard Loans contain covenants that, among other things, limit the ability of the subsidiary owners of the drilling rigs to incur certain types of additional indebtedness or make certain additional commitments or investments. We have the right to prepay outstanding borrowings, in full or in part, without penalty. At December 31, 2024, the Shipyard Loan for *Deepwater Atlas* had outstanding borrowings of \$259 million, which are secured by, among other security, a lien on the rig, and the Shipyard Loan for *Deepwater Titan* had outstanding borrowings of \$70 million, which are unsecured.

Exchangeable bonds

Exchange terms—At December 31, 2024, the (a) current exchange rates, expressed as the number of Transocean Ltd. shares per \$1,000 note, (b) implied exchange prices per Transocean Ltd. share and (c) aggregate shares, expressed in millions, issuable upon exchange of our exchangeable bonds were as follows:

	Exchange rate	Implied exchange price	Shares issuable
4.00% Senior Guaranteed Exchangeable Bonds due December 2025	190.4762	\$ 5.25	45
4.625% Senior Guaranteed Exchangeable Bonds due September 2029	290.6618	\$ 3.44	75

The exchange rates presented above are subject to adjustment upon the occurrence of certain events. The 4.00% Senior Guaranteed Exchangeable Bonds may be exchanged by holders at any time prior to the close of business on the second business day immediately preceding the maturity date and, at our election, such exchange may be settled by delivering cash, Transocean Ltd. shares or a combination of cash and shares. The 4.625% Senior Guaranteed Exchangeable Bonds may be exchanged by holders at any time prior to the close of business on the second business day immediately preceding the maturity date or redemption date and, at our election, such exchange may be settled by delivering cash, Transocean Ltd. shares or a combination of cash and shares.



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

Effective interest rates and fair values—At December 31, 2024, the effective interest rates and estimated fair values of our exchangeable bonds were as follows (in millions, except effective interest rates):

	Effective interest rate	Fair value
4.00% Senior Guaranteed Exchangeable Bonds due December 2025	6.9%	\$ 247
4.625% Senior Guaranteed Exchangeable Bonds due September 2029	18.3%	\$ 359

We estimated the fair values of the exchangeable debt instruments, including the exchange features, by employing a binomial lattice model using significant other observable inputs, representative of Level 2 fair value measurements, including the terms and credit spreads of our debt and the expected volatility of the market price for our shares.

Interest expense—We recognized interest expense for our exchangeable bonds as follows (in millions):

	Years ended December 31,		
	2024	2023	2022
Contractual interest	\$ 21	\$ 24	\$ 16
Amortization	20	19	9
(Gain) loss on adjustment to bifurcated compound exchange feature	(214)	127	157
Total	\$ (173)	\$ 170	\$ 182

The indenture governing the 4.625% Senior Guaranteed Exchangeable Bonds contains a compound exchange feature that, in addition to the exchange terms presented above, requires us to pay holders a make-whole premium of future interest through March 30, 2028, for exchanges exercised during a redemption notice period. Such compound exchange feature must be bifurcated from the host debt instrument since it is not considered indexed to our stock. Accordingly, we recognize changes to the liability for the estimated fair value of the bifurcated compound exchange feature with a corresponding adjustment to interest expense. At December 31, 2024 and 2023, the carrying amount of the bifurcated compound exchange feature, recorded as a component of the carrying amount of debt, was \$136 million and \$350 million, respectively.

Exchanges—In April 2023, Perestroika exchanged \$213 million aggregate principal amount of 2.50% senior guaranteed exchangeable bonds due January 2027 (the “2.50% Senior Guaranteed Exchangeable Bonds”) under the terms of the governing indenture at the applicable exchange rate of 162.1626 Transocean Ltd. shares per \$1,000 note. As part of this related party transaction, we delivered 34.6 million Transocean Ltd. shares and \$3 million cash consideration. The director’s beneficial ownership of our shares resulting from these transactions did not change.

In July 2023, the holders of the remaining outstanding \$25 million aggregate principal amount of 2.50% Senior Guaranteed Exchangeable Bonds exchanged such bonds under the terms of the governing indenture at the applicable exchange rate of 162.1626 Transocean Ltd. shares per \$1,000 note. As part of the transaction, we delivered 4.0 million Transocean Ltd. shares.

In October 2023, holders of \$60 million and \$41 million aggregate principal amount of 4.00% Senior Guaranteed Exchangeable Bonds and 4.625% Senior Guaranteed Exchangeable Bonds, respectively, exchanged such bonds under the terms of the governing indentures at the applicable exchange rate of 190.4762 and 290.6618 Transocean Ltd. shares, respectively, per \$1,000 note. As part of the transactions, we delivered an aggregate 26.5 million Transocean Ltd. shares, including an aggregate 3.1 million additional shares.

Debt issuance

Senior notes—In April 2024, we issued \$900 million aggregate principal amount of 8.25% senior notes due May 2029 (the “8.25% Senior Notes”) and \$900 million aggregate principal amount of 8.50% senior notes due May 2031 (the “8.50% Senior Notes”), and we received \$1.77 billion aggregate cash proceeds, net of issue costs. The 8.25% Senior Notes and the 8.50% Senior Notes are fully and unconditionally guaranteed on a senior unsecured basis by Transocean Ltd. and certain of our wholly owned subsidiaries. On or prior to May 15, 2026 and 2027, respectively, we may redeem all or a portion of the 8.25% Senior Notes and the 8.50% Senior Notes, respectively, at a price equal to 100 percent of the aggregate principal amount plus a make-whole premium, and subsequently, at specified redemption prices.

In June 2024, as partial consideration to acquire the outstanding 67.0 percent ownership interest in Orion, we issued \$130 million aggregate principal amount of 8.00% Senior Notes, with an equivalent aggregate fair value, as additional debt securities under the indenture governing such notes. See [Note 4—Unconsolidated Affiliates](#), [Note 6—Long-Lived Assets](#) and [Note 13—Equity](#).

Senior secured notes—In January 2023, we issued \$525 million aggregate principal amount of 8.375% Senior Secured Notes, and we received \$516 million aggregate cash proceeds, net of issue costs. The 8.375% Senior Secured Notes are secured by the assets and earnings associated with *Deepwater Titan* and the equity of the wholly owned subsidiary that owns or operates the collateral rig. We may redeem all or a portion of the 8.375% Senior Secured Notes at specified redemption prices.

In January 2023, we issued \$1.175 billion aggregate principal amount of 8.75% Senior Secured Notes, and we received \$1.148 billion aggregate cash proceeds, net of issue costs. The 8.75% Senior Secured Notes are secured by a lien on *Deepwater Pontus*, *Deepwater Proteus*, *Deepwater Thalassa*, *Transocean Enabler* and *Transocean Encourage*, together with certain related assets. We may



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

redeem all or a portion of the 8.75% Senior Secured Notes on or prior to February 15, 2026 at a price equal to 100 percent of the aggregate principal amount plus a make-whole premium, and subsequently, at specified redemption prices.

In October 2023, we issued \$325 million aggregate principal amount of 8.00% Senior Secured Notes, and we received \$319 million aggregate cash proceeds, net of issue costs. The 8.00% Senior Secured Notes are secured by the assets and certain earnings associated with *Deepwater Aquila* as well as the equity of certain of the wholly owned subsidiaries that own or operate the collateral rig. We may redeem all or a portion of the 8.00% Senior Secured Notes on or prior to September 30, 2025 at a price equal to 100 percent of the aggregate principal amount plus a make-whole premium, and subsequently, at specified redemption prices.

Senior guaranteed exchangeable bonds—In September 2022, we issued \$300 million aggregate principal amount of 4.625% Senior Guaranteed Exchangeable Bonds in connection with exchange and purchase agreements. Pursuant to the exchange and purchase agreements, we exchanged (the “2022 Private Exchange”) (a) \$73 million aggregate principal amount of 0.50% exchangeable senior bonds due January 2023 (the “0.50% Exchangeable Senior Bonds”) for (i) \$73 million aggregate principal amount of 4.625% Senior Guaranteed Exchangeable Bonds and (ii) 6.7 million warrants to purchase Transocean Ltd. shares, and (b) \$43 million aggregate principal amount of 7.25% senior notes due November 2025 for \$39 million aggregate principal amount of 4.625% Senior Guaranteed Exchangeable Bonds. In the year ended December 31, 2022, as a result of the 2022 Private Exchange, we recognized a gain of \$6 million (\$0.01 per diluted share), with no tax effect, associated with the retirement of debt. Additionally, we sold \$188 million aggregate principal amount of 4.625% Senior Guaranteed Exchangeable Bonds and issued 15.5 million warrants to purchase Transocean Ltd. shares for aggregate net cash proceeds of \$188 million. We may redeem for cash all or a portion of the 4.625% Senior Guaranteed Exchangeable Bonds on or after March 30, 2026 at a price equivalent to the aggregate principal amount to be redeemed if the closing price of our shares has been greater than 115 percent of the exchange price for a period of at least 20 trading days. The initial carrying amount of the 4.625% Senior Guaranteed Exchangeable Bonds, measured at the estimated fair value on the date of issuance, was \$281 million. We estimated the fair value of the exchangeable debt instrument, including the exchange feature, by employing a binomial lattice model and by using significant other observable inputs, representative of Level 2 fair value measurements, including the terms and credit spreads of our debt and expected volatility of the market price for our shares. See [Note 13—Equity](#).

Debt repayment, redemption, and retirement

Early retirement—During the three years ended December 31, 2024, we retired certain notes for which the aggregate principal amounts, cash payments and recognized gain or loss were as follows (in millions):

	Years ended December 31,						
	2024			2023		2022	
	Tendered	Redeemed	Total	Redeemed	Redeemed	Exchanged	Total
5.52% Senior Secured Notes due May 2022	\$ —	\$ —	\$ —	\$ —	\$ 18	\$ —	\$ 18
3.80% Senior Notes due October 2022	—	—	—	—	27	—	27
0.50% Exchangeable Senior Bonds due January 2023	—	—	—	—	18	73	91
5.375% Senior Secured Notes due May 2023	—	—	—	243	—	—	—
5.875% Senior Secured Notes due January 2024	—	—	—	311	—	—	—
7.75% Senior Secured Notes due October 2024	—	—	—	240	—	—	—
6.25% Senior Secured Notes due December 2024	—	—	—	250	—	—	—
6.125% Senior Secured Notes due August 2025	—	—	—	336	—	—	—
7.25% Senior Notes due November 2025	249	105	354	—	14	43	57
7.50% Senior Notes due January 2026	—	569	569	—	—	—	—
11.50% Senior Guaranteed Notes due January 2027	596	91	687	—	—	—	—
8.00% Senior Notes due February 2027	—	87	87	—	—	—	—
Aggregate principal amount of debt retired	\$ 845	\$ 852	\$ 1,697	\$ 1,380	\$ 77	\$ 116	\$ 193
Aggregate cash payment	\$ 886	\$ 862	\$ 1,748	\$ 1,402	\$ 75	\$ —	\$ 75
Aggregate principal amount of debt issued in exchanges	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 112	\$ 112
Aggregate fair value of warrants issued in exchanges	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 5	\$ 5
Aggregate net gain (loss)	\$ 144	\$ 17	\$ 161	\$ (32)	\$ 2	\$ 6	\$ 8

Additionally, in the year ended December 31, 2023, we recognized a net gain of \$1 million associated with the retirement of \$41 million aggregate principal amount of 4.625% Senior Guaranteed Exchangeable Bonds exchanged by holders in October 2023.

Scheduled maturities and installments—On the scheduled maturity date of January 30, 2023, we made a cash payment of \$49 million to repay an equivalent aggregate principal amount of the outstanding 0.50% Exchangeable Senior Bonds. In the years ended December 31, 2024, 2023 and 2022, we made an aggregate cash payment of \$355 million, \$262 million and \$479 million, respectively, to repay other indebtedness in scheduled installments.



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

NOTE 9—BENEFIT PLANS

Defined contribution plans

We sponsor defined contribution plans for our employees in most markets in which we operate worldwide, the most significant of which were as follows: (1) a qualified savings plan covering certain eligible employees working in the U.S., (2) various savings plans covering eligible employees working in Norway and (3) a non-qualified savings plan covering certain eligible expatriate employees. In the years ended December 31, 2024, 2023 and 2022, we recognized expense of \$63 million, \$58 million and \$61 million, respectively, related to our defined contribution plans and recorded in the same financial statement line item as cash compensation paid to the respective employees.

Defined benefit pension and other postemployment benefit plans

Overview—As of December 31, 2024, we had three funded and three unfunded defined benefit plans in the U.S. (the “U.S. Plans”) and one funded defined benefit plan in the United Kingdom (the “U.K. Plan”). We also maintain certain unfunded other postemployment benefit plans (collectively, the “OPEB Plans”), under which benefits to eligible participants diminish during a phase-out period ending December 31, 2025. We maintain the benefit obligations under our defined benefit plans until they are fully satisfied.

Net periodic benefit costs—We estimated our net periodic benefit costs using the following weighted average assumptions:

	Year ended December 31, 2024			Year ended December 31, 2023			Year ended December 31, 2022		
	U.S. Plans	U.K. Plan	OPEB Plans	U.S. Plans	U.K. Plan	OPEB Plans	U.S. Plans	U.K. Plan	OPEB Plans
Discount rate	4.88 %	4.50 %	4.80 %	5.06 %	4.80 %	4.92 %	2.92 %	1.90 %	1.83 %
Expected rate of return	6.51 %	5.10 %	na	6.41 %	5.00 %	na	4.81 %	2.00 %	na

“na” means not applicable.

The components of net periodic benefit costs, recognized in other income and expense, were as follows (in millions):

	Year ended December 31, 2024				Year ended December 31, 2023				Year ended December 31, 2022			
	U.S. Plans	U.K. Plan	OPEB Plans	Total	U.S. Plans	U.K. Plan	OPEB Plans	Total	U.S. Plans	U.K. Plan	OPEB Plans	Total
Net periodic benefit costs												
Interest cost	\$ 63	\$ 9	\$ —	\$ 72	\$ 65	\$ 9	\$ —	\$ 74	\$ 50	\$ 6	\$ —	\$ 56
Expected return on plan assets	(86)	(11)	—	(97)	(84)	(11)	—	(95)	(65)	(7)	—	(72)
Special termination benefits	—	—	2	2	—	—	—	—	—	—	—	—
Settlements and curtailments	—	—	(2)	(2)	—	—	—	—	—	—	—	—
Actuarial loss, net	1	2	—	3	—	2	—	2	5	—	—	5
Prior service gain, net	—	—	(1)	(1)	—	—	(2)	(2)	—	—	(2)	(2)
Net periodic benefit costs (income)	<u>\$ (22)</u>	<u>\$ —</u>	<u>\$ (1)</u>	<u>\$ (23)</u>	<u>\$ (19)</u>	<u>\$ —</u>	<u>\$ (2)</u>	<u>\$ (21)</u>	<u>\$ (10)</u>	<u>\$ (1)</u>	<u>\$ (2)</u>	<u>\$ (13)</u>

Funded status—We estimated our benefit obligations using the following weighted-average assumptions:

	December 31, 2024			December 31, 2023		
	U.S. Plans	U.K. Plan	OPEB Plans	U.S. Plans	U.K. Plan	OPEB Plans
Discount rate	5.58 %	5.60 %	5.02 %	4.88 %	4.50 %	4.80 %

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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

The changes in funded status, balance sheet classifications and accumulated benefit obligations were as follows (in millions):

	Year ended December 31, 2024				Year ended December 31, 2023			
	U.S. Plans	U.K. Plan	OPEB Plans	Total	U.S. Plans	U.K. Plan	OPEB Plans	Total
Change in projected benefit obligation								
Projected benefit obligation, beginning of period	\$ 1,328	\$ 208	\$ 8	\$ 1,544	\$ 1,307	\$ 188	\$ 10	\$ 1,505
Actuarial (gain) loss, net	(97)	(27)	2	(122)	32	11	—	43
Interest cost	63	9	—	72	65	9	—	74
Currency exchange rate (gain) loss	—	(2)	—	(2)	—	11	—	11
Benefits paid	(77)	(10)	(2)	(89)	(76)	(11)	(2)	(89)
Special termination benefits	—	—	2	2	—	—	—	—
Projected benefit obligation, end of period	<u>1,217</u>	<u>178</u>	<u>10</u>	<u>1,405</u>	<u>1,328</u>	<u>208</u>	<u>8</u>	<u>1,544</u>
Change in plan assets								
Fair value of plan assets, beginning of period	1,211	239	—	1,450	1,143	232	—	1,375
Actual return (loss) on plan assets	30	(16)	—	14	138	6	—	144
Currency exchange rate gain (loss)	—	(3)	—	(3)	—	12	—	12
Employer contributions	—	—	2	2	—	—	2	8
Benefits paid	(77)	(10)	(2)	(89)	(76)	(11)	(2)	(89)
Fair value of plan assets, end of period	<u>1,164</u>	<u>210</u>	<u>—</u>	<u>1,374</u>	<u>1,211</u>	<u>239</u>	<u>—</u>	<u>1,450</u>
Funded status asset (liability), end of period	<u>\$ (53)</u>	<u>\$ 32</u>	<u>\$ (10)</u>	<u>\$ (31)</u>	<u>\$ (117)</u>	<u>\$ 31</u>	<u>\$ (8)</u>	<u>\$ (94)</u>
Balance sheet classification, end of period:								
Pension asset, non-current	\$ 41	\$ 32	\$ —	\$ 73	\$ —	\$ 31	\$ —	\$ 31
Pension liability, current	(1)	—	(3)	(4)	(1)	—	(3)	(4)
Pension liability, non-current	(93)	—	(7)	(100)	(116)	—	(5)	(121)
Accumulated other comprehensive loss (income), before taxes	102	88	(1)	189	144	90	(6)	228
Accumulated benefit obligation, end of period	<u>\$ 1,217</u>	<u>\$ 178</u>	<u>\$ 10</u>	<u>\$ 1,405</u>	<u>\$ 1,328</u>	<u>\$ 208</u>	<u>\$ 8</u>	<u>\$ 1,544</u>

Because our defined benefit plans no longer accrue benefits for participants, the projected benefit obligation is equivalent to the accumulated benefit obligation. Certain amounts related to plans with a projected benefit obligation and accumulated benefit obligation in excess of plan assets were as follows (in millions):

	December 31, 2024				December 31, 2023			
	U.S. Plans	U.K. Plan	OPEB Plans	Total	U.S. Plans	U.K. Plan	OPEB Plans	Total
Projected benefit obligation / accumulated benefit obligation	\$ 100	\$ —	\$ 10	\$ 110	\$ 1,328	\$ —	\$ 8	\$ 1,336
Fair value of plan assets	6	—	—	6	1,211	—	—	1,211

The amounts in accumulated other comprehensive loss (income) that have not been recognized were as follows (in millions):

	December 31, 2024				December 31, 2023			
	U.S. Plans	U.K. Plan	OPEB Plans	Total	U.S. Plans	U.K. Plan	OPEB Plans	Total
Actuarial (gain) loss, net	\$ 102	\$ 87	\$ 2	\$ 191	\$ 144	\$ 88	\$ (1)	\$ 231
Prior service cost (credit), net	—	1	(3)	(2)	—	2	(5)	(3)
Accumulated other comprehensive loss (income), before taxes	<u>\$ 102</u>	<u>\$ 88</u>	<u>\$ (1)</u>	<u>\$ 189</u>	<u>\$ 144</u>	<u>\$ 90</u>	<u>\$ (6)</u>	<u>\$ 228</u>

Plan assets—The weighted-average target and actual allocations of assets for the funded defined benefit plans were as follows:

	December 31, 2024				December 31, 2023			
	Target allocation U.S. Plans	U.K. Plan	Actual allocation U.S. Plans	U.K. Plan	Target allocation U.S. Plans	U.K. Plan	Actual allocation U.S. Plans	U.K. Plan
Equity securities	— %	20 %	— %	26 %	38 %	20 %	37 %	21 %
Fixed income securities	99 %	73 %	99 %	65 %	62 %	73 %	62 %	72 %
Other investments	1 %	7 %	1 %	9 %	— %	7 %	1 %	7 %
Total	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>

We periodically review our investment policies, plan assets and asset allocation strategies in conjunction with asset performance relative to specified objectives. For the U.S. Plans, we establish our asset allocation strategies by reviewing the results of regression models to assess the most appropriate target allocation for each plan, given the plan's status, demographics and duration. For the U.K. Plan, the plan trustees establish the asset allocation strategies consistent with the regulations of the United Kingdom pension regulators and in consultation with financial advisors and company representatives. Investment managers for the U.S. Plans and the U.K. Plan are given established ranges within which the investments may deviate from the target allocations.



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

The investments for the funded defined benefit plans were categorized as follows (in millions):

	December 31, 2024								
	Significant observable inputs			Significant other observable inputs			Total		
	U.S. Plans	U.K. Plan	Total	U.S. Plans	U.K. Plan	Total	U.S. Plans	U.K. Plan	Total
Mutual funds									
Non-U.S. equity funds	\$ 4	\$ —	\$ 4	\$ —	\$ 55	\$ 55	\$ 4	\$ 55	\$ 59
Bond funds	1,149	—	1,149	2	136	138	1,151	136	1,287
Total mutual funds	1,153	—	1,153	2	191	193	1,155	191	1,346
Other investments									
Cash and money market funds	9	2	11	—	—	—	9	2	11
Synthetic leveraged credit fund	—	—	—	—	17	17	—	17	17
Total other investments	9	2	11	—	17	17	9	19	28
Total investments	\$ 1,162	\$ 2	\$ 1,164	\$ 2	\$ 208	\$ 210	\$ 1,164	\$ 210	\$ 1,374
	December 31, 2023								
	Significant observable inputs			Significant other observable inputs			Total		
	U.S. Plans	U.K. Plan	Total	U.S. Plans	U.K. Plan	Total	U.S. Plans	U.K. Plan	Total
Mutual funds									
U.S. equity funds	\$ 316	\$ —	\$ 316	\$ —	\$ —	\$ —	\$ 316	\$ —	\$ 316
Non-U.S. equity funds	139	—	139	—	51	51	139	51	190
Bond funds	746	—	746	4	171	175	750	171	921
Total mutual funds	1,201	—	1,201	4	222	226	1,205	222	1,427
Other investments									
Cash and money market funds	6	1	7	—	—	—	6	1	7
Synthetic leveraged credit fund	—	—	—	—	16	16	—	16	16
Total other investments	6	1	7	—	16	16	6	17	23
Total investments	\$ 1,207	\$ 1	\$ 1,208	\$ 4	\$ 238	\$ 242	\$ 1,211	\$ 239	\$ 1,450

We estimated the fair values of the plan assets by applying the market approach, as categorized above, using either (i) significant observable inputs, representative of Level 1 fair value measurements, including market prices of actively traded funds, or (ii) significant other observable inputs, representative of Level 2 fair value measurements, including market prices of the underlying securities in the trust funds. The U.S. Plans and the U.K. Plan invest in passively and actively managed funds that are referenced to or benchmarked against market indices. The plan investment managers have discretion to select securities within each asset category. Given this discretion, the plans may occasionally hold positions in our debt or equity securities.

Since plan investment managers are required to maintain well diversified portfolios, the actual investment in our securities would be immaterial relative to asset categories and the overall plan assets.

Funding contributions and benefit payments—In the years ended December 31, 2024, 2023 and 2022, we made an aggregate contribution of \$2 million, \$8 million and \$3 million, respectively, to the defined benefit pension plans and the OPEB Plans using our cash flows from operations. In the year ending December 31, 2025, we expect to make an aggregate contribution of \$11 million, including \$8 million and \$3 million to the defined benefit pension plans and the OPEB Plans, respectively.

The projected benefits payments were as follows (in millions):

	U.S. Plans	U.K. Plan	OPEB Plans	Total
Years ending December 31,				
2025	\$ 84	\$ 7	\$ 3	\$ 94
2026	85	7	2	94
2027	85	7	1	93
2028	85	8	1	94
2029	85	9	1	95
2030 - 2034	430	60	2	492



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

NOTE 10—INCOME TAXES

Overview—Transocean Ltd., a holding company and Swiss resident, is subject to Swiss federal, cantonal and communal income tax. For Swiss income taxes, however, qualifying net dividend income and net capital gains on the sale of qualifying investments in subsidiaries are exempt from taxation. Consequently, there is not a direct relationship between our Swiss earnings before income taxes and our Swiss income tax expense.

Tax provision and rate—The components of our income tax provision (benefit) were as follows (in millions):

	Years ended December 31,		
	2024	2023	2022
Current tax expense (benefit)	\$ 31	\$ (5)	\$ 13
Deferred tax expense (benefit)	(42)	18	46
Income tax expense (benefit)	<u>\$ (11)</u>	<u>\$ 13</u>	<u>\$ 59</u>

In the years ended December 31, 2024, 2023 and 2022, our effective tax rate was 2.2 percent, (1.4) percent and (10.4) percent, respectively, based on loss before income tax expense (benefit). The relationship between our provision for or benefit from income taxes and our income or loss before income taxes can vary significantly from period to period considering, among other factors, (a) the overall level of income before income taxes, (b) changes in the blend of income that is taxed based on gross revenues rather than income before taxes, (c) rig movements between taxing jurisdictions and (d) our rig operating structures.

A reconciliation of the income tax benefit computed at the Swiss holding company federal effective rate of 7.83% and our reported consolidated income tax expense (benefit) was as follows (in millions):

	Years ended December 31,		
	2024	2023	2022
Income tax benefit at Swiss federal statutory rate	\$ (40)	\$ (74)	\$ (44)
Earnings subject to rates different than the Swiss federal statutory rate	74	129	52
Changes in valuation allowance	208	(23)	79
Tax attribute expirations	185	—	—
Deemed profits taxes	12	11	10
Withholding taxes	4	5	12
Changes in unrecognized tax benefits, net	(4)	(37)	2
Changes due to organizational restructuring	(452)	—	(162)
Swiss Federal Act on Tax Reform and AHV Financing	—	—	96
Audit settlement	—	—	12
Other, net	2	2	2
Income tax expense (benefit)	<u>\$ (11)</u>	<u>\$ 13</u>	<u>\$ 59</u>

In the year ended December 31, 2024, as a result of operational and structural changes related to rig movements, we remeasured our deferred tax assets and liabilities related to Luxembourg, resulting in an increase of our net deferred tax asset from \$8 million to \$280 million, and such increase was substantially offset by an increase to our valuation allowance.

In January 2020, Switzerland made effective the Federal Act on Tax Reform and AHV Financing (“TRAF”). In March 2020, we entered into discussions with the Swiss tax authorities regarding the manner by which the TRAF applies to certain Swiss subsidiaries, which allows us to access historic depreciation and costs related to financing assets not previously deducted on Swiss tax returns, which can be apportioned to offset taxable income based on the remaining useful lives of the rigs and financing assets. In the three months ended December 31, 2021, we reached an agreement with the Swiss Tax authorities regarding the TRAF treatment. At December 31, 2024 and 2023, we had a deferred tax liability of \$218 million and \$264 million, respectively, and a deferred tax asset of \$1.05 billion and \$1.21 billion, respectively, offset with a valuation allowance of \$909 million, associated with TRAF.



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

Deferred taxes—The significant components of our deferred tax assets and liabilities were as follows (in millions):

	December 31,	
	2024	2023
Deferred tax assets		
Net operating loss carryforwards	\$ 1,541	\$ 1,264
Swiss historic depreciation and financing asset costs	1,053	1,210
Interest expense limitation	87	87
United Kingdom charter limitation	53	53
Accrued costs and expenses	20	47
Deferred revenues	22	—
Accrued payroll costs not currently deductible	12	16
Tax credits	5	4
Loss contingencies	3	4
Other	61	54
Valuation allowance	(2,089)	(1,884)
Total deferred tax assets, net of allowance	768	855
Deferred tax liabilities		
Depreciation	(1,214)	(1,342)
Other	(8)	(9)
Total deferred tax liabilities	(1,222)	(1,351)
Deferred tax liabilities, net	\$ (454)	\$ (496)

We include taxes related to the earnings of all of our subsidiaries since we do not consider the earnings of any of our subsidiaries to be indefinitely reinvested.

At December 31, 2024 and 2023, our deferred tax assets included U.S. tax credits of \$5 million and \$4 million, respectively, which will expire between 2041 and 2043. Deferred tax assets related to our net operating losses were generated in various worldwide tax jurisdictions. At December 31, 2024, our net deferred tax assets related to our net operating loss carryforwards included \$1,241 million, which do not expire, and \$437 million, which will expire between 2025 and 2041.

As of December 31, 2024, our consolidated cumulative loss incurred over the recent three-year period represented significant objective negative evidence for the evaluation of the realizability of our deferred tax assets. Because such evidence has limited our ability to consider other subjective evidence, we evaluate each jurisdiction separately. We consider objective evidence, such as contract backlog activity, in jurisdictions in which we have profitable contracts, and the ability to carryback losses or utilize losses against potential exposures. If estimated future taxable income changes during the carryforward periods or if the cumulative loss is no longer present, we may adjust the amount of deferred tax assets that we expect to realize. At December 31, 2024 and 2023, due to uncertainty of realization, we had a valuation allowance of \$2.09 billion and \$1.88 billion, respectively, on net operating losses and other deferred tax assets due to the uncertainty of realization.

Unrecognized tax benefits—The changes to unrecognized tax benefits, excluding interest and penalties that we recognize as a component of income tax expense, were as follows (in millions):

	Years ended December 31,		
	2024	2023	2022
Balance, beginning of period	\$ 449	\$ 444	\$ 402
Additions for current year tax positions	13	45	28
Additions for prior year tax positions	11	5	62
Reductions related to statute of limitation expirations and changes in law	(19)	(14)	(13)
Reductions due to settlements	(30)	(5)	(5)
Reductions for prior year tax positions	(17)	(26)	(30)
Balance, end of period	\$ 407	\$ 449	\$ 444

Our unrecognized tax benefits, including related interest and penalties that we recognize as a component of income tax expense, were as follows (in millions):

	December 31,	
	2024	2023
Unrecognized tax benefits, excluding interest and penalties	\$ 407	\$ 449
Interest and penalties	7	9
Unrecognized tax benefits, including interest and penalties	\$ 414	\$ 458

In the years ended December 31, 2024, 2023 and 2022, we recognized, as a component of our income tax provision, expense of \$2 million, benefit of \$18 million and expense of \$6 million, respectively, related to interest and penalties associated with our unrecognized



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

tax benefits. As of December 31, 2024, we have unrecognized benefits of \$414 million, including interest and penalties, against which we have recorded net operating loss deferred tax assets of \$372 million, resulting in net unrecognized tax benefits of \$42 million, including interest and penalties, that upon reversal would favorably impact our effective tax rate. During the year ending December 31, 2025, it is reasonably possible that our existing liabilities for unrecognized tax benefits may increase or decrease, primarily due to the progression of open audits and the expiration of statutes of limitation. However, we cannot reasonably estimate a range of potential changes in our existing liabilities for unrecognized tax benefits due to various uncertainties, such as the unresolved nature of various audits.

Tax positions and returns—We conduct operations through our various subsidiaries in countries throughout the world. Each country has its own tax regimes with varying nominal rates, deductions and tax attributes that are subject to changes resulting from new legislation, interpretation or guidance. From time to time, as a result of these changes, we may revise previously evaluated tax positions, which could cause us to adjust our recorded tax assets and liabilities. Tax authorities in certain jurisdictions are examining our tax returns and, in some cases, have issued assessments. We intend to defend our tax positions vigorously. Although we can provide no assurance as to the outcome of the aforementioned changes, examinations or assessments, we do not expect the ultimate liability to have a material adverse effect on our consolidated statement of financial position or results of operations; however, it could have a material adverse effect on our consolidated statement of cash flows.

Brazil tax investigations—In December 2005, the Brazilian tax authorities began issuing tax assessments with respect to our tax returns for the years 2000 through 2004. In May 2014, the Brazilian tax authorities issued an additional tax assessment for the years 2009 and 2010. We filed protests with the Brazilian tax authorities for the assessments and are engaged in the appeals process, and a portion of two cases were favorably closed. In the year ended December 31, 2024, our remaining exposure decreased by BRL 219 million, equivalent to \$35 million, following our confirmation of the applicability of a law that allows taxpayers to reduce exposure associated with applicable penalties, interest and legal fees following the receipt and confirmation of a specific type of administrative determination, such as we received. As of December 31, 2024, the remaining aggregate tax assessment, including interest and penalties, was for corporate income tax of BRL 501 million, equivalent to \$81 million, and indirect tax of BRL 90 million, equivalent to \$15 million. We believe our returns are materially correct as filed, and we are vigorously contesting these assessments. An unfavorable outcome on these proposed assessments could have a material adverse effect on our consolidated statement of financial position, results of operations or cash flows.

NOTE 11—LOSS PER SHARE

The computation of basic and diluted loss per share was as follows (in millions, except per share data):

	Years ended December 31,					
	2024		2023		2022	
	Basic	Diluted	Basic	Diluted	Basic	Diluted
Numerator for loss per share						
Net loss attributable to controlling interest	\$ (512)	\$ (512)	\$ (954)	\$ (954)	\$ (621)	\$ (621)
Effect of convertible debt instruments, net of tax	—	(189)	—	—	—	—
Loss for per share calculation	<u>\$ (512)</u>	<u>\$ (701)</u>	<u>\$ (954)</u>	<u>\$ (954)</u>	<u>\$ (621)</u>	<u>\$ (621)</u>
Denominator for loss per share						
Weighted-average shares outstanding	850	850	768	768	699	699
Effect of convertible debt instruments	—	75	—	—	—	—
Weighted-average shares for per share calculation	<u>850</u>	<u>925</u>	<u>768</u>	<u>768</u>	<u>699</u>	<u>699</u>
Loss per share	<u>\$ (0.60)</u>	<u>\$ (0.76)</u>	<u>\$ (1.24)</u>	<u>\$ (1.24)</u>	<u>\$ (0.89)</u>	<u>\$ (0.89)</u>

We excluded from the computations certain shares issuable as follows because the effect would have been antidilutive (in millions):

	Years ended December 31,		
	2024	2023	2022
Exchangeable bonds	45	151	128
Share-based awards	11	19	16
Warrants	6	10	-



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

NOTE 12—COMMITMENTS AND CONTINGENCIES

Service agreement obligations

We have long-term service agreements with original equipment manufacturers to provide services and parts, primarily related to our pressure control systems and drilling systems. We estimated the commitments for our service agreements based on projected operating activity, and actual operating activity could differ from such estimates. At December 31, 2024, the aggregate future payments required under our service agreement obligations were as follows (in millions):

Years ending December 31,	Service agreement obligations
2025	\$ 137
2026	143
2027	117
2028	73
2029	49
Thereafter	91
Total	<u>\$ 610</u>

Letters of credit and surety bonds

At December 31, 2024 and 2023, we had outstanding letters of credit totaling \$9 million and \$16 million, respectively, issued under various committed and uncommitted credit lines provided by banks to guarantee various contract bidding, performance activities and customs obligations. At December 31, 2024 and 2023, we also had outstanding surety bonds totaling \$147 million and \$198 million, respectively, to secure customs obligations related to the importation of our rigs and certain performance and other obligations. At December 31, 2024 and 2023, the aggregate cash collateral held by institutions to secure our letters of credit and surety bonds was \$8 million and \$7 million, respectively.

Legal proceedings

Asbestos litigation—In 2014, several of our subsidiaries were named, along with numerous other unaffiliated defendants, in complaints filed in Louisiana. The plaintiffs, former employees of some of the defendants, generally allege that the defendants used or manufactured asbestos-containing drilling mud additives for use in connection with drilling operations, claiming negligence, products liability, strict liability and claims allowed under the Jones Act and general maritime law. One of our subsidiaries has been named in similar complaints filed in Illinois, Missouri and California. At December 31, 2024, eight plaintiffs have claims pending in Louisiana and 25 plaintiffs in the aggregate have claims pending in either Illinois, Missouri, or California, in which we have or may have an interest. We intend to defend these lawsuits vigorously, although we can provide no assurance as to the outcome. We historically have maintained broad liability insurance, although we can provide no assurance as to whether insurance will cover the liabilities, if any, arising out of these claims. Based on our evaluation of the exposure to date, we do not expect the liability, if any, resulting from these claims to have a material adverse effect on our consolidated statement of financial position, results of operations or cash flows.

One of our subsidiaries was named as a defendant, along with numerous other companies, in lawsuits arising out of the subsidiary's manufacture and sale of heat exchangers, and involvement in the construction and refurbishment of major industrial complexes alleging bodily injury or personal injury as a result of exposure to asbestos. As of December 31, 2024, the subsidiary was a defendant in approximately 364 lawsuits with a corresponding number of plaintiffs. For many of these lawsuits, we have not been provided sufficient information from the plaintiffs to determine whether all or some of the plaintiffs have claims against the subsidiary, the basis of any such claims, or the nature of their alleged injuries. The operating assets of the subsidiary were sold in 1989. In December 2021, the subsidiary and certain insurers agreed to a settlement of outstanding disputes that provide the subsidiary with cash. An earlier settlement, achieved in September 2018, provided the subsidiary with cash and an annuity for which installments began in December 2024. Together with a coverage-in-place agreement with certain insurers and additional coverage issued by other insurers, we believe the subsidiary has sufficient resources to respond to both the current lawsuits as well as future lawsuits of a similar nature. While we cannot predict or provide assurance as to the outcome of these matters, we do not expect the ultimate liability, if any, resulting from these claims to have a material adverse effect on our consolidated statement of financial position, results of operations or cash flows.

Other matters—We are involved in various regulatory matters and a number of claims and lawsuits, asserted and unasserted, all of which have arisen in the ordinary course of our business. We do not expect the liability, if any, resulting from these other matters to have a material adverse effect on our consolidated statement of financial position, results of operations or cash flows. We cannot predict with certainty the outcome or effect of any of the litigation matters specifically described above or of any such other pending, threatened, or possible litigation or liability. We can provide no assurance that our beliefs or expectations as to the outcome or effect of any tax, regulatory, lawsuit or other litigation matter will prove correct and the eventual outcome of these matters could materially differ from management's current estimates.



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

Environmental matters

We have certain potential liabilities under the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”) and similar state acts regulating cleanup of hazardous substances at various waste disposal sites, including those described below. CERCLA is intended to expedite the remediation of hazardous substances without regard to fault. Potentially responsible parties (“PRPs”) for each site include present and former owners and operators of, transporters to and generators of the substances at the site. It is difficult to quantify the potential cost of environmental matters and remediation obligations. Liability is strict and can be joint and several.

One of our subsidiaries was named as a PRP in connection with a site located in Santa Fe Springs, California, known as the Waste Disposal, Inc. site. We and other PRPs agreed, under a participation agreement with the U.S. Environmental Protection Agency (the “EPA”) and the U.S. Department of Justice, to settle our potential liabilities by remediating the site. The remedial action for the site was completed in 2006. Our share of the ongoing operating and maintenance costs has been insignificant, and we do not expect any additional potential liabilities to be material. Resolutions of other claims by the EPA, the involved state agency or PRPs are at various stages of investigation. Nevertheless, based on available information with respect to all environmental matters, including all related pending legal proceedings, asserted legal claims and known potential legal claims that are likely to be asserted, we do not expect the ultimate liability, if any, resulting from such matters, to have a material adverse effect on our consolidated statement of financial position, results of operations or cash flows.

NOTE 13—EQUITY

Share capital currency change—In May 2024, at our annual general meeting, shareholders approved (a) redenominating the currency of our share capital from Swiss francs to U.S. dollars and (b) reducing the par value of our shares for purposes of such redenomination. As a result of the redenomination and reduction, made effective as of January 1, 2024, the par value of each of our shares was changed to \$0.10 from CHF 0.10.

Share issuance—In June 2024, we issued 55.5 million Transocean Ltd. shares with an aggregate fair value of \$297 million as partial consideration to acquire the outstanding 67.0 percent ownership interest in Orion. In September 2023, we issued 11.9 million Transocean Ltd. shares with an aggregate fair value of \$99 million to acquire the outstanding 80.0 percent ownership interests in Liquila (see [Note 4—Unconsolidated Affiliates](#) and [Note 6—Long-Lived Assets](#)). In the year ended December 31, 2023, we issued 65.1 million shares to certain holders that elected to exchange exchangeable bonds under terms of the governing indentures (see [Note 8—Debt](#)).

We maintain an at-the-market equity offering program (the “ATM Program”). We intend to use the net proceeds from our ongoing ATM Program for general corporate purposes, which may include, among other things, the repayment or refinancing of indebtedness and the funding of working capital, capital expenditures, investments and additional balance sheet liquidity. In June 2021, we entered into an equity distribution agreement with a sales agent for the offer and sale of our shares, with a maximum aggregate net offering price of up to \$400 million, under the ATM Program. In August 2022, we entered into an equity distribution agreement with a sales agent for the offer and sale of our shares, with a maximum aggregate net offering price of up to \$435 million, under the ATM Program. In the years ended December 31, 2024 and 2023, we did not issue any shares under the ATM Program. In the year ended December 31, 2022, we received aggregate cash proceeds of \$263 million, net of issue costs, for the aggregate sale of 61.0 million shares under the ATM Program.

Shares held by us—We and one of our subsidiaries hold Transocean Ltd. shares for future use to deliver shares in connection with sales under the ATM Program and in connection with awards granted under our incentive plans or other rights to acquire our shares. At December 31, 2024, we and our subsidiary held 22.5 million and 42.5 million shares, respectively, and at December 31, 2023, our subsidiary held 34.7 million shares.

Warrants—In September 2022, we issued 22.2 million warrants to purchase Transocean Ltd. shares. The warrants may be exercised by holders at any time prior to the close of business on March 13, 2026 at an exercise price equal to \$3.71 per share, subject to certain anti-dilutive adjustments, and at our election, such exercise may be settled by delivering cash, Transocean Ltd. shares or a combination of cash and shares. If at any time prior to expiration, the closing price of our shares equals or exceeds \$10.00 per share, subject to adjustment upon the occurrence of certain events, for a period of five consecutive trading days, we will have the right to effect an exercise of all, but not less than all, of the warrants upon notice to holders. The initial carrying amount of the warrants, recorded in additional paid-in capital and measured at the estimated fair value on the date of issuance, was \$16 million, net of issue costs. We estimated the fair value by employing a binomial lattice model and by using significant other observable inputs, representative of Level 2 fair value measurements, including the expected volatility of the market price for our shares. At December 31, 2024, 22.2 million warrants were outstanding.

NOTE 14—SHARE-BASED COMPENSATION

Overview

We have a long-term incentive plan (the “Long-Term Incentive Plan”) for executives, key employees and non-employee directors under which awards can be granted in the form of restricted share units, restricted shares, stock options, stock appreciation rights and cash performance awards. Awards may be granted as service awards that are earned over a defined service period or as performance awards that are earned based on the achievement of certain market factors or performance targets or a combination of market factors and performance targets. The compensation committee of our board of directors determines the terms and conditions of the awards granted



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

under the Long-Term Incentive Plan. At December 31, 2024, we had 138.2 million shares authorized and 36.4 million shares available to be granted under the Long-Term Incentive Plan. At December 31, 2024, the total unrecognized compensation cost related to our unvested share-based awards was \$35 million, which we expect to recognize over a weighted-average period of 1.7 years.

Service awards typically vest either in three equal annual installments beginning on the first anniversary date of the grant or in an aggregate installment at the end of the stated vesting period. Service-based stock options, once fully vested, are typically exercisable during a seven-year period. Performance awards are typically subject to a three-year measurement period and typically vest in one aggregate installment following the ultimate determination date.

Service awards

Restricted share units—A restricted share unit subject to service requirements is a notional unit that is equivalent to one share but has no voting rights until the underlying share is issued. The following table summarizes unvested activity during the year ended December 31, 2024 for service-based units granted under our incentive plan:

	Number of units	Weighted-average grant-date fair value per unit
Unvested at January 1, 2024	9,560,008	\$ 5.01
Granted	5,116,762	5.29
Vested	(6,727,943)	4.78
Forfeited	(289,799)	5.52
Unvested at December 31, 2024	7,659,028	\$ 5.44

In the year ended December 31, 2024, the service-based units that vested had an aggregate grant-date fair value of \$32 million. In the years ended December 31, 2023 and 2022, we granted 3,744,049 and 6,768,943 service-based units, respectively, with a per unit weighted-average grant-date fair value of \$7.23 and \$3.60, respectively. In the years ended December 31, 2023 and 2022, we had 6,200,155 and 5,075,374 service-based units, respectively, that vested with an aggregate grant-date fair value of \$18 million.

Stock options—The following table summarizes activity during the year ended December 31, 2024 for vested service-based stock options outstanding under our incentive plan:

	Number of shares under option	Weighted-average exercise price per share	Weighted-average remaining contractual term (years)	Aggregate intrinsic value (in millions)
Outstanding at January 1, 2024	4,083,929	\$ 9.54	3.92	\$ —
Forfeited	(14,595)	10.95		
Outstanding at December 31, 2024	4,069,334	\$ 9.53	2.93	\$ —
Vested and exercisable at December 31, 2024	4,069,334	\$ 9.53	2.93	\$ —

At December 31, 2024 and 2023, there were no outstanding unvested stock options to purchase our shares. In the year ended December 31, 2022, the stock options that vested had an aggregate grant-date fair value of \$4 million.

Performance awards

Restricted share units—A restricted share unit subject to performance requirements is a notional unit for which the awarded number of shares to be issued per unit remains uncertain until quantified as of the ultimate determination date following completion of the performance period. The following table summarizes unvested activity during the year ended December 31, 2024 for performance-based units under our incentive plan:

	Number of units	Weighted-average grant-date fair value per unit
Unvested at January 1, 2024	5,432,149	\$ 4.91
Granted	2,687,268	5.10
Vested	(4,429,028)	4.67
Forfeited	(194,464)	5.47
Unvested at December 31, 2024	3,495,925	\$ 5.78

In the years ended December 31, 2024, the performance-based units that vested had an aggregate grant-date fair value of \$21 million. In the years ended December 31, 2023 and 2022, we granted 1,912,292 and 3,519,857 performance-based units, respectively, with a per unit weighted-average grant-date fair value of \$6.74 and \$3.91, respectively. In the years ended December 31, 2023 and 2022, we had 3,025,512 and 2,363,878 performance-based units, respectively, that vested with an aggregate grant-date fair value of \$11 million and \$5 million, respectively.



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

NOTE 15—SUPPLEMENTAL SEGMENT INFORMATION

Our Chief Executive Officer serves as our chief operating decision maker (“CODM”) and assesses performance for and allocates resources for our single contract drilling services segment based on our consolidated net income or loss, as presented on our consolidated statements of operations. The significant segment expense categories regularly provided to our CODM includes our operating and maintenance costs and our general and administrative costs, as presented on our consolidated statements of operations. Other segment items included in our consolidated net income or loss include depreciation and amortization, loss on impairment of assets, gain or loss on disposal of assets, interest expense, net of amounts capitalized, and income tax expense or benefit. Additionally, our CODM reviews our segment assets, as presented on our consolidated balance sheets.

Our CODM uses our consolidated results of operations to evaluate income or loss generated from segment assets, or return on assets, to make decisions to deploy cash flows from operations for reinvestment in our contract drilling services segment or for other uses, such as for acquisitions, debt and equity investments, liability management or to pay dividends to our shareholders. Consolidated results of operations are used to monitor actual results relative to historical, budgeted and forecasted results and to assess segment performance against our peers.

NOTE 16—SUPPLEMENTAL BALANCE SHEET INFORMATION

Other current liabilities were comprised of the following (in millions):

	December 31,	
	2024	2023
Other current liabilities		
Accrued employee benefits and payroll-related liabilities	\$ 136	\$ 145
Accrued interest	134	146
Accrued taxes, other than income	39	47
Finance lease liability	47	43
Operating lease liabilities	7	12
Deferred revenues	231	165
Contingent liabilities	94	116
Other	3	7
Total other current liabilities	\$ 691	\$ 681

Other long-term liabilities were comprised of the following (in millions):

	December 31,	
	2024	2023
Other long-term liabilities		
Postemployment benefit plan obligations	\$ 100	\$ 121
Finance lease liability	224	276
Operating lease liabilities	88	108
Income taxes payable	65	80
Deferred revenues	212	233
Other	40	40
Total other long-term liabilities	\$ 729	\$ 858

NOTE 17—SUPPLEMENTAL CASH FLOW INFORMATION

The reconciling adjustments of our net cash provided by operating activities that were attributable to the net change in other operating assets and liabilities were as follows (in millions):

	Years ended December 31,		
	2024	2023	2022
Changes in other operating assets and liabilities			
Increase in accounts receivable	\$ (94)	\$ (99)	\$ (15)
Increase in other assets	(100)	(98)	(12)
Increase (decrease) in accounts payable and other current liabilities	(91)	135	8
Decrease in other long-term liabilities	(2)	(7)	(2)
Change in income taxes receivable / payable, net	(19)	(36)	(42)
Change in receivables from / payables to affiliates, net	9	(8)	(12)
	\$ (297)	\$ (113)	\$ (75)



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

Additional cash flow information was as follows (in millions):

	Years ended December 31,		
	2024	2023	2022
Certain cash operating activities			
Cash payments for interest	\$ 521	\$ 408	\$ 355
Cash payments for income taxes	60	41	66
Noncash investing and financing activities			
Capital additions accrued at end of period	(a) \$ 23	\$ 36	\$ 31
Capital additions acquired in exchange for debt	(b) —	—	382
Acquisition of outstanding ownership interests in exchange for shares and debt	(c) 431	99	—
Debt investment exchanged for additional equity ownership interests	(d) —	37	—
Finance lease installments settled with credits issued to customer	(e) 40	44	41
Shares issued in exchanges of exchangeable bonds	(f) —	434	—
Debt and warrants issued in exchange transactions	(g) —	—	110

- (a) Additions to property and equipment for which we had accrued a corresponding liability in accounts payable at the end of the period. See [Note 6—Long-Lived Assets](#).
- (b) In the year ended December 31, 2022, we borrowed an aggregate principal amount of \$439 million under the Shipyard Loans to satisfy a portion of the final milestone payments due upon delivery of *Deepwater Atlas* and *Deepwater Titan* and recorded the initial carrying amount, net of imputed interest, with a corresponding entry to construction in progress, recorded in property and equipment. See [Note 6—Long-Lived Assets](#) and [Note 8—Debt](#).
- (c) In June 2024, we issued 55.5 million Transocean Ltd. shares and \$130 million aggregate principal amount of 8.00% Senior Notes to acquire the outstanding ownership interest in Orion. In September 2023, we issued 11.9 million Transocean Ltd. shares to acquire the outstanding ownership interest in Liquila. See [Note 4—Unconsolidated Affiliates](#), [Note 6—Long-Lived Assets](#) and [Note 13—Equity](#).
- (d) In September 2023, we agreed to exchange borrowings due to us under a financing arrangement with Orion for additional equity ownership interests in Orion. See [Note 4—Unconsolidated Affiliates](#).
- (e) In the years ended December 31, 2024, 2023 and 2022, we agreed to settle installments due to the lessor under our finance lease by issuing corresponding credits to our customer for amounts due to us under the drilling contract. See [Note 7—Leases](#).
- (f) In the year ended December 31, 2023, we issued 65.1 million Transocean Ltd. shares to certain holders that elected to exchange the 2.50% Senior Guaranteed Exchangeable Bonds, the 4.00% Senior Guaranteed Exchangeable Bonds and the 4.625% Senior Guaranteed Exchangeable Bonds. See [Note 8—Debt](#) and [Note 13—Equity](#).
- (g) In the year ended December 31, 2022, in connection with the 2022 Private Exchange, we issued \$112 million aggregate principal amount of 4.625% Senior Guaranteed Exchangeable Bonds with an estimated fair value of \$105 million and 6.7 million warrants to purchase Transocean Ltd. shares with an estimated fair value of \$5 million. See [Note 8—Debt](#) and [Note 13—Equity](#).

NOTE 18—FINANCIAL INSTRUMENTS

Overview—The carrying amounts and fair values of our financial instruments were as follows (in millions):

	December 31, 2024		December 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Cash and cash equivalents	\$ 560	\$ 560	\$ 762	\$ 762
Restricted cash and cash equivalents	381	381	233	233
Total debt	6,881	6,888	7,413	7,308

Cash and cash equivalents—Our cash and cash equivalents are primarily invested in demand deposits, short-term time deposits and money market funds. The carrying amount of our cash and cash equivalents represents the historical cost, plus accrued interest, which approximates fair value because of the short maturities of the instruments.

Restricted cash and cash equivalents—Our restricted cash and cash equivalents, which are subject to restrictions due to collateral requirements, legislation, regulation or court order, are primarily invested in demand deposits and money market funds. The carrying amount of our restricted cash and cash equivalents represents the historical cost, plus accrued interest, which approximates fair value because of the short maturities of the instruments.

Total debt—The carrying amount of our total debt represents the principal amount, contractual interest payments of previously restructured debt and unamortized discounts, premiums and issue costs. The carrying amount and fair value of our total debt includes amounts related to certain exchangeable debt instruments (see [Note 8—Debt](#)). We estimated the fair value of our total debt using significant other observable inputs, representative of Level 2 fair value measurements, including the terms and credit spreads for the instruments and, with respect to the exchangeable debt instruments, the expected volatility of the market price for our shares.



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TRANSOCEAN LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—continued

NOTE 19—RISK CONCENTRATION

Interest rate risk—We are exposed to the interest rate risk related to our fixed-rate debt when we refinance maturing debt with new debt or when we early retire debt in open market repurchases, exchanges or other market transactions. We are also exposed to interest rate risk related to our restricted and unrestricted cash equivalents, as the interest income earned on these investments is based on variable or short-term interest rates, which change with market interest rates.

Equity price risk—We are exposed to equity price risk primarily related to the bifurcated compound exchange feature contained within the indenture governing the 4.625% Senior Guaranteed Exchangeable Bonds. The market price of our shares is the primary driver of the fair value of the exchange feature. An increase or decrease to the market price of our shares yields an increase or decrease to the carrying amount of the exchange feature, recorded as a component of our debt, and a corresponding change to interest expense.

Currency exchange rate risk—We are exposed to currency exchange rate risk primarily related to contract drilling revenues, employee compensation costs and purchasing costs that are denominated in currencies other than our functional currency, the U.S. dollar. To minimize the exposure to currency exchange rate risk, we use a variety of techniques, including structuring customer payment terms and occasionally entering into forward exchange contracts. We structure customer contracts, as our primary tool to manage currency exchange rate risk, to provide for payment in both U.S. dollars and local currency where the local currency portion is based on our anticipated local currency requirements over the contract term. Due to various factors, including customer acceptance, local banking laws, national content requirements, other statutory requirements, currency liquidity, local inflation and revenue efficiency, actual local currency needs may vary from those realized in the customer contracts, resulting in partial exposure to currency exchange rate risk. The currency exchange effect resulting from our international operations generally has not had a material impact on our operating results.

Credit risk—We are exposed to concentrations of credit risk primarily related to our restricted and unrestricted cash and cash equivalents and customer receivables. We generally maintain our restricted and unrestricted cash and cash equivalents in time deposits at commercial banks with high credit ratings or mutual funds, which invest exclusively in high-quality money market instruments, and because we limit the amount of exposure to any one institution, we do not believe we are exposed to any significant credit risk. Our customer receivables, dispersed across various countries, are due from integrated energy companies, government-owned or government-controlled energy companies and other independent energy companies. For such receivables, we establish an allowance for credit losses by applying an expected loss rate based on current, forecasted and historical experience. Although we have encountered only isolated credit concerns related to independent energy companies, we occasionally require collateral or other security to support customer receivables. Additionally, in certain infrequent instances, when we determine that collection is uncertain, we may offer extended payment terms and recognize revenues associated with the contract on a cash basis.

Labor agreements—At December 31, 2024, we had a global workforce of approximately 5,800 individuals, including approximately 330 contractors. Approximately 43 percent of our total workforce, working primarily in Brazil and Norway, is represented by, and some of our contracted labor work is subject to, collective bargaining agreements, substantially all of which are subject to annual salary negotiations. Negotiations for annual salary or other labor matters could result in higher personnel or other costs or increased operational restrictions or disruptions. The outcome of any such negotiation generally affects the market for all offshore employees, not only union members. A failure to reach an agreement on certain key issues could result in strikes, lockouts or other work stoppages.



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ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

We have not had a change in or disagreement with our accountants within 24 months prior to the date of our most recent financial statements or in any period subsequent to such date.

ITEM 9A CONTROLS AND PROCEDURES

Disclosure controls and procedures—Our disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed in our reports filed or submitted under the U.S. Securities Exchange Act of 1934 is (1) accumulated and communicated to our management, including our Chief Executive Officer, who is our principal executive officer, and our Chief Financial Officer, who is our principal financial officer, to allow timely decisions regarding required disclosure and (2) recorded, processed, summarized and reported within the time periods specified in the U.S. Securities and Exchange Commission's rules and forms. Under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer, we performed an evaluation of the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2024.

Internal control over financial reporting—There were no changes to our internal control over financial reporting during the quarter ended December 31, 2024 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting. See "[Management's Report on Internal Control Over Financial Reporting](#)" and "[Report of Independent Registered Public Accounting Firm](#)," included in Item 8 of this annual report.

ITEM 9B OTHER INFORMATION

During the three months ended December 31, 2024, no director or officer of Transocean adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

ITEM 9C DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10 DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

ITEM 11 EXECUTIVE COMPENSATION

ITEM 12 SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED SHAREHOLDER MATTERS

ITEM 13 CERTAIN RELATIONSHIPS, RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

ITEM 14 PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by Items 10, 11, 12, 13 and 14 is incorporated herein by reference to our definitive proxy statement for our 2025 annual general meeting of shareholders, which will be filed with the U.S. Securities and Exchange Commission pursuant to Regulation 14A under the U.S. Securities Exchange Act of 1934 within 120 days of December 31, 2024. Certain information with respect to our executive officers is set forth in Part I of this annual report under the caption "[Executive Leadership](#)."



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PART IV

ITEM 15 EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(A) INDEX TO FINANCIAL STATEMENTS, FINANCIAL STATEMENT SCHEDULES AND EXHIBITS

(1) Index to Financial Statements

Included in Part II of this report:	Page
<u>Management's Report on Internal Control Over Financial Reporting</u>	37
<u>Reports of Independent Registered Public Accounting Firm (PCAOB ID 00042)</u>	38
<u>Consolidated Statements of Operations</u>	41
<u>Consolidated Statements of Comprehensive Loss</u>	42
<u>Consolidated Balance Sheets</u>	43
<u>Consolidated Statements of Equity</u>	44
<u>Consolidated Statements of Cash Flows</u>	45
<u>Notes to Consolidated Financial Statements</u>	46

Financial statements of unconsolidated subsidiaries are not presented herein because such subsidiaries do not meet the significance test.

(2) Financial Statement Schedules

TRANSOCEAN LTD. AND SUBSIDIARIES SCHEDULE II—VALUATION AND QUALIFYING ACCOUNTS (in millions)

	Years ended December 31,		
	2024	2023	2022
Allowance for credit losses			
Balance, beginning of period	\$ 2	\$ 2	\$ 2
Additions: charged to cost and expenses	—	—	—
Additions: charged to other accounts	—	—	—
Deductions	—	—	—
Balance, end of period	\$ 2	\$ 2	\$ 2
Allowance for excess materials and supplies			
Balance, beginning of period	\$ 198	\$ 199	\$ 183
Additions: charged to cost and expenses	7	6	16
Additions: charged to other accounts	—	—	—
Deductions	(a) (27)	(7)	—
Balance, end of period	\$ 178	\$ 198	\$ 199
Valuation allowance on deferred tax assets			
Balance, beginning of period	\$ 1,884	\$ 1,910	\$ 1,820
Additions: charged to cost and expenses	208	—	79
Additions: charged to other accounts	(b) —	—	11
Deductions	(b) (3)	(26)	—
Balance, end of period	\$ 2,089	\$ 1,884	\$ 1,910

(a) Amount related to materials and supplies on rigs and related assets sold or classified as held for sale.

(b) Amount related to adjustments to other deferred tax assets with valuation allowances.

(3) Exhibits

The following exhibits are filed or furnished herewith, as indicated, or incorporated by reference to the location indicated:

NUMBER	DESCRIPTION	LOCATION
3.1	Articles of Association of Transocean Ltd.	<u>Exhibit 3.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-38373) filed on June 28, 2024</u>



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NUMBER	DESCRIPTION	LOCATION
3.2	Organizational Regulations of Transocean Ltd., amended effective as of August 15, 2024	Exhibit 3.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-38373) filed on August 20, 2024
4.1	Description of Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934	Filed herewith
4.2	Indenture, dated as of February 26, 2021, by and among Transocean International Limited, the guarantors and Wells Fargo Bank, National Association	Exhibit 4.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-38373) filed on February 26, 2021
4.3	Credit Agreement, dated June 22, 2018, among Transocean International Limited, the lenders parties thereto and Citibank, N.A., as administrative agent and collateral agent	Exhibit 4.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 000-53533) filed on June 27, 2018
4.3.1	Increase of Commitments and First Amendment to Credit Agreement, dated May 13, 2019, among Transocean International Limited, the lenders and issuing banks parties thereto, Citibank, N.A., as administrative agent, and for the limited purposes set forth therein, Transocean Ltd. and certain of its subsidiaries	Exhibit 10.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-38373) filed on May 13, 2019
4.3.2	Increase of Commitments, Second Amendment to Credit Agreement and First Amendment to Guaranties, dated July 15, 2019, among Transocean International Limited, the lenders and issuing banks parties thereto, Citibank, N.A., as administrative agent, and for the limited purposes set forth therein, Transocean Ltd. and certain of its subsidiaries	Exhibit 10.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-38373) filed on July 15, 2019
4.3.3	Curative Agreement, dated September 24, 2019, between Transocean International Limited and Citibank, N.A., as administrative agent for the lenders under the Credit Agreement dated June 22, 2018, as amended	Exhibit 10.2 to Transocean Ltd.'s Quarterly Report on Form 10-Q (Commission File No. 001-38373) for the quarter ended September 30, 2019
4.3.4	Increase of Commitments and Third Amendment to Credit Agreement, dated December 23, 2019, among Transocean International Limited, the lenders and issuing banks parties thereto, Citibank, N.A., as administrative agent, and for the limited purposes set forth therein, Transocean Ltd. and certain of its subsidiaries	Exhibit 4.6 to Transocean Ltd.'s Annual Report on Form 10-K (Commission File No. 001-38373) for the year ended December 31, 2019
4.3.5	Fourth Amendment to Credit Agreement, dated November 30, 2020, among Transocean International Limited, the lenders and issuing banks parties thereto, Citibank, N.A., as administrative agent, and for the limited purposes set forth therein, certain of Transocean International Limited's subsidiaries	Exhibit 10.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-38373) filed on December 1, 2020
4.3.6	Fifth Amendment to Credit Agreement, dated July 27, 2022, among Transocean International Limited, the lenders and issuing banks parties thereto, Citibank, N.A., as administrative agent, and for the limited purposes set forth therein, Transocean Ltd. and certain of Transocean International Limited's subsidiaries	Exhibit 10.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-38373) filed on August 1, 2022
4.3.7	Sixth Amendment to Credit Agreement, dated April 18, 2024, among Transocean International Limited, the lenders parties thereto, Citibank, N.A. as administrative agent and collateral agent, and for the limited purposes set forth therein, Transocean Ltd. and certain of Transocean International Limited's subsidiaries	Exhibit 10.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-38373) filed on April 18, 2024
4.4	Indenture, dated as of April 15, 1997, between Transocean Offshore Inc. and Texas Commerce Bank National Association, as trustee	Exhibit 4.1 to Transocean Offshore Inc.'s Current Report on Form 8-K (Commission File No. 001-07746) filed on April 30, 1997
4.4.1	First Supplemental Indenture, dated as of April 15, 1997, between Transocean Offshore Inc. and Texas Commerce Bank National Association, as trustee, supplementing the Indenture dated as of April 15, 1997	Exhibit 4.2 to Transocean Offshore Inc.'s Current Report on Form 8-K (Commission File No. 001-07746) filed on April 30, 1997
4.4.2	Second Supplemental Indenture, dated as of May 14, 1999, between Transocean Offshore (Texas) Inc., Transocean Offshore Inc. and Chase Bank of Texas, National Association, as trustee	Exhibit 4.5 to Transocean Offshore Inc.'s Post-Effective Amendment No. 1 to Registration Statement on Form S-3 (Registration No. 333-59001-99) filed on June 29, 1999
4.4.3	Fifth Supplemental Indenture, dated as of December 18, 2008, among Transocean Ltd., Transocean International Limited and The Bank of New York Mellon Trust Company, N.A., as trustee	Exhibit 4.4 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 333-75899) filed on December 19, 2008
4.4.4	Form of 7.45% Notes due April 15, 2027	Exhibit 4.3 to Transocean Offshore Inc.'s Current Report on Form 8-K (Commission File No. 001-07746) filed on April 30, 1997



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NUMBER	DESCRIPTION	LOCATION
4.4.5	Form of 8.00% Debentures due April 15, 2027	Exhibit 4.4 to Transocean Offshore Inc.'s Current Report on Form 8-K (Commission File No. 001-07746) filed on April 30, 1997
4.4.6	Officers' Certificate establishing the terms of the 7.50% Notes due April 15, 2031	Exhibit 4.3 to Transocean Sedco Forex Inc.'s Current Report on Form 8-K (Commission File No. 333-75899) filed on April 9, 2001
4.4.7	Officers' Certificate establishing the terms of the 7.375% Notes due April 15, 2018	Exhibit 4.14 to Transocean Sedco Forex Inc.'s Annual Report on Form 10-K (Commission File No. 333-75899) for the year ended December 31, 2001
4.5	Indenture, dated as of September 1, 1997, between Global Marine Inc. and Wilmington Trust Company, as Trustee, relating to Debt Securities of Global Marine Inc.	Exhibit 4.1 of Global Marine Inc.'s Registration Statement on Form S-4 (No. 333-39033) filed on October 30, 1997
4.5.1	First Supplemental Indenture, dated as of June 23, 2000, between Global Marine Inc. and Wilmington Trust Company, as Trustee, relating to Debt Securities of Global Marine Inc.	Exhibit 4.2 of Global Marine Inc.'s Quarterly Report on Form 10-Q (Commission File No. 001-05471) for the quarter ended June 30, 2000
4.5.2	Second Supplemental Indenture, dated as of November 20, 2001, between Global Marine Inc. and Wilmington Trust Company, as Trustee, relating to Debt Securities of Global Marine Inc.	Exhibit 4.2 to Global Santa Fe Corporation's Annual Report on Form 10-K (Commission File No. 001-14634) for the year ended December 31, 2004
4.5.3	Third Supplemental Indenture, dated as of July 29, 2019, among Global Marine Inc., Transocean International Limited and Wilmington Trust Company, as trustee, relating to Debt Securities of Global Marine Inc.	Exhibit 4.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-38373) filed on July 29, 2019
4.5.4	Form of 7% Note Due 2028	Exhibit 4.2 of Global Marine Inc.'s Current Report on Form 8-K (Commission File No. 001-05471) filed on May 22, 1998
4.5.5	Terms of 7% Notes Due 2028	Exhibit 4.1 of Global Marine Inc.'s Current Report on Form 8-K (Commission File No. 001-05471) filed on May 22, 1998
4.6	Indenture, dated as of December 11, 2007, between Transocean International Limited and Wells Fargo Bank, National Association	Exhibit 4.36 to Transocean International Limited's Annual Report on Form 10-K (Commission File No. 333-75899) for the year ended December 31, 2007
4.6.1	First Supplemental Indenture, dated as of December 11, 2007, between Transocean International Limited and Wells Fargo Bank, National Association	Exhibit 4.37 to Transocean International Limited's Annual Report on Form 10-K (Commission File No. 333-75899) for the year ended December 31, 2007
4.6.2	Third Supplemental Indenture, dated as of December 18, 2008, among Transocean Ltd., Transocean International Limited and Wells Fargo Bank, National Association, as trustee	Exhibit 4.3 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 333-75899) filed on December 19, 2008
4.6.3	Fourth Supplemental Indenture, dated as of September 21, 2010, among Transocean Ltd., Transocean International Limited and Wells Fargo Bank, National Association, as trustee	Exhibit 4.1 to Transocean Ltd.'s Quarterly Report on Form 10-Q (Commission File No. 000-53533) for the quarter ended September 30, 2010
4.6.4	Fifth Supplemental Indenture, dated as of December 5, 2011, among Transocean Ltd., Transocean International Limited and Wells Fargo Bank, National Association, as trustee	Exhibit 4.3 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 000-53533) filed on December 5, 2011
4.6.5	Sixth Supplemental Indenture, dated as of September 13, 2012, among Transocean International Limited, Transocean Ltd. and Wells Fargo Bank, National Association, as trustee	Exhibit 4.3 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 000-53533) filed on September 13, 2012
4.7	Registration Rights Agreement, dated as of January 30, 2018, among Transocean Ltd., Transocean International Limited, and the security holders named therein	Exhibit 4.3 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 000-53533) filed on January 30, 2018
4.7.1	Amendment to Registration Rights Agreement, dated as of August 14, 2020, by and among Transocean Ltd., Transocean International Limited and Perestroika (Cyprus) Ltd.	Exhibit 4.2 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-38373) filed on August 14, 2020
4.8	Indenture, dated February 1, 2019, by and among Transocean Poseidon Limited, the Guarantors and Wells Fargo Bank, National Association, as trustee and collateral agent	Exhibit 4.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-38373) filed on February 1, 2019
4.9	Indenture, dated January 17, 2020, by and among Transocean International Limited, the guarantors party thereto and Wells Fargo Bank, National Association	Exhibit 4.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-38373) filed on January 17, 2020
4.10	Indenture, dated as of September 30, 2022, by and among Transocean International Limited, the Guarantors and Trust Bank, as trustee	Exhibit 4.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-38373) filed on September 30, 2022



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NUMBER	DESCRIPTION	LOCATION
4.11	Warrant Agreement, dated as of September 30, 2022, by and among Transocean International Limited, Transocean Ltd. and Computershare Inc. and Computershare Trust Company, N.A., as warrant agent	Exhibit 4.2 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-38373) filed on September 30, 2022
4.12	Indenture, dated as of January 17, 2023, among Transocean Titan Financing Limited, the Guarantors and Truist Bank, as trustee and collateral agent	Exhibit 4.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-38373) filed on January 17, 2023
4.12.1	First Supplemental Indenture, dated as of May 8, 2024, among Transocean Titan Financing Limited, the Guarantors and Truist Bank, as trustee and collateral agent	Exhibit 4.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-138373) filed on May 8, 2024
4.13	Indenture, dated as of January 31, 2023, among Transocean International Limited, the Guarantors named therein and Truist Bank, as trustee and collateral agent	Exhibit 4.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-38373) filed on January 31, 2023
4.13.1	First Supplemental Indenture, dated as of January 26, 2024, by and among Transocean International Limited, the Additional Guarantors, the Note Parties and Truist Bank, as trustee and collateral agent, supplementing the Indenture dated as of January 31, 2023	Exhibit 4.16.1 to Transocean Ltd.'s Annual Report on Form 10-K (Commission File No. 001-38373) for the year ended December 31, 2023
4.13.2	Second Supplemental Indenture, dated as of May 30, 2024, by and among Transocean International Limited, the Additional Guarantors, the Note Parties and Truist Bank, as trustee and collateral agent, supplementing the Indenture dated as of January 31, 2023	Exhibit 4.3 to Transocean Ltd.'s Quarterly Report on Form 10-Q (Commission File No. 001-38373) for the quarter ended June 30, 2024
4.14	Indenture, dated as of October 11, 2023, among Transocean Aquila Limited, the Guarantors and Truist Bank, as trustee and collateral agent	Exhibit 4.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-38373) filed on October 11, 2023
4.14.1	First Supplemental Indenture, dated as of March 18, 2024, by and among Transocean Aquila Limited, the Additional Guarantors, the Note Parties and Truist Bank, as trustee and collateral agent, supplementing the Indenture dated as of October 11, 2023	Exhibit 4.2 to Transocean Ltd.'s Quarterly Report on Form 10-Q (Commission File No. 001-38373) for the quarter ended March 31, 2024
4.15	Indenture, dated as of April 18, 2024, by and among Transocean International Limited, the Guarantors and Truist Bank, as trustee.	Exhibit 4.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-38373) filed on April 18, 2024
4.16	Registration Rights Agreement dated June 28, 2024 by and among the Company and Hayfin	Exhibit 10.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-38373) filed on June 28, 2024
10.1	Shipyard Credit Agreement for <i>Deepwater Atlas</i> , dated as of June 5, 2021, by and between Jurong Shipyard Pte. Ltd. and Transocean Offshore Deepwater Holdings Limited	Exhibit 10.2 to Transocean Ltd.'s Quarterly Report on Form 10-Q (Commission File No. 001-38373) for the quarter ended June 30, 2021
10.2	Shipyard Credit Agreement for <i>Deepwater Titan</i> , dated as of June 5, 2021, by and between Jurong Shipyard Pte. Ltd. and Transocean Offshore Deepwater Holdings Limited	Exhibit 10.3 to Transocean Ltd.'s Quarterly Report on Form 10-Q (Commission File No. 001-38373) for the quarter ended June 30, 2021
† 10.3	Amended and Restated 2015 Transocean Ltd. Long-Term Incentive Plan	Exhibit 10.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission No. 001-38373) filed on May 22, 2024
† 10.4	Terms and Conditions of 2013 Director Deferred Unit Award	Exhibit 10.14 to Transocean Ltd.'s Annual Report on Form 10-K (Commission File No. 000-53533) for the year ended December 31, 2015
† 10.5	Terms and Conditions of 2014 Director Deferred Unit Award	Exhibit 10.15 to Transocean Ltd.'s Annual Report on Form 10-K (Commission File No. 000-53533) for the year ended December 31, 2015
† 10.6	Terms and Conditions of 2015 Director Restricted Share Unit Award	Exhibit 10.16 to Transocean Ltd.'s Annual Report on Form 10-K (Commission File No. 000-53533) for the year ended December 31, 2015
† 10.7	Transocean Ltd. Pension Equalization Plan, as amended and restated, effective January 1, 2009	Exhibit 10.41 to Transocean Ltd.'s Annual Report on Form 10-K (Commission File No. 000-53533) for the year ended December 31, 2008
† 10.8	Transocean U.S. Supplemental Savings Plan, as amended and restated, effective as of January 1, 2009	Exhibit 10.44 to Transocean Ltd.'s Annual Report on Form 10-K (Commission File No. 000-53533) for the year ended December 31, 2008
10.9	Form of Indemnification Agreement entered into between Transocean Ltd. and each of its Directors and Executive Officers	Exhibit 10.1 to Transocean International Limited's Current Report on Form 8-K (Commission File No. 333-75899) filed on October 10, 2008



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NUMBER	DESCRIPTION	LOCATION
† 10.10	Amended and Restated Executive Severance Benefit Policy	Exhibit 10.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 000-53533) filed on November 22, 2023
† 10.11	Employment Agreement with Jeremy D. Thigpen effective September 1, 2016	Exhibit 10.1 to Transocean Ltd.'s Quarterly Report on Form 10-Q (Commission File No. 000-53533) for the quarter ended September 30, 2016
† 10.12	Employment Agreement with Mark L. Mey effective September 1, 2016	Exhibit 10.2 to Transocean Ltd.'s Quarterly Report on Form 10-Q (Commission File No. 000-53533) for the quarter ended September 30, 2016
† 10.13	Amended and Restated Performance Award and Cash Bonus Plan of Transocean Ltd.	Exhibit 10.48 to Transocean Ltd.'s Annual Report on Form 10-K (Commission File No. 001-38373) for the year ended December 31, 2020
† 10.14	Terms and Conditions of 2020 Director Restricted Share Unit Award	Exhibit 10.3 to Transocean Ltd.'s Quarterly Report on Form 10-Q (Commission File No. 001-38373) for the quarter ended June 30, 2020
† 10.15	Terms and Conditions of 2022 Executive Equity Awards	Exhibit 10.52 to Transocean Ltd.'s Annual Report on Form 10-K (Commission File No. 001-38373) for the year ended December 31, 2021
† 10.16	Terms and Conditions of 2023 Executive Equity Awards	Exhibit 10.50 to Transocean Ltd.'s Annual Report on Form 10-K (Commission File No. 001-38373) for the year ended December 31, 2022
† 10.17	Employment Agreement with Keelan Adamson effective February 16, 2022	Exhibit 10.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 001-38373) filed on February 17, 2022
† 10.18	Terms and Conditions of 2024 Executive Equity Awards	Exhibit 10.1 to Transocean Ltd.'s Quarterly Report on Form 10-Q (Commission File No. 001-38373) for the quarter ended March 31, 2024
† 10.19	Terms and Conditions of 2024 Executive Management Team Equity Awards	Exhibit 10.2 to Transocean Ltd.'s Quarterly Report on Form 10-Q (Commission File No. 001-38373) for the quarter ended March 31, 2024
† 10.20	Employment Agreement with Mr. Thad Vayda dated May 20, 2024	Exhibit 10.2 to Transocean Ltd.'s Current Report on Form 8-K (Commission No. 001-38373) filed on May 22, 2024
19	Transocean Ltd. Insider Trading Policy	Filed herewith
21	Subsidiaries of Transocean Ltd.	Filed herewith
23	Consent of Ernst & Young LLP	Filed herewith
24	Powers of Attorney	Filed herewith
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Furnished herewith
32.2	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Furnished herewith
97	Transocean Ltd. Executive Officer Incentive-Based Compensation Recoupment Policy	Exhibit 97 to Transocean Ltd.'s Annual Report on Form 10-K (Commission File No. 001-38373) for the year ended December 31, 2023
101	Interactive data files pursuant to Rule 405 of Regulation S-T formatted in Inline Extensible Business Reporting Language: (i) our consolidated balance sheets as of December 31, 2024 and December 31, 2023; (ii) our consolidated statements of operations for the years ended December 31, 2024, 2023 and 2022; (iii) our consolidated statements of comprehensive loss for the years ended December 31, 2024, 2023 and 2022; (iv) our consolidated statements of equity for the years ended December 31, 2024, 2023 and 2022; (v) our consolidated statements of cash flows for the years ended December 31, 2024, 2023 and 2022; and (vi) the notes to consolidated financial statements	Filed herewith



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NUMBER	DESCRIPTION	LOCATION
104	The cover page from our annual report on Form 10-K for the year ended December 31, 2024, formatted in Inline Extensible Business Reporting Language	Filed herewith

† Compensatory plan or arrangement

Exhibits listed above as previously having been filed with the U.S. Securities and Exchange Commission are incorporated herein by reference pursuant to Rule 12b-32 under the Securities Exchange Act of 1934 and made a part hereof with the same effect as if filed herewith.

Certain instruments relating to our long-term debt and our subsidiaries have not been filed as exhibits since the total amount of securities authorized under any such instrument does not exceed 10 percent of our total assets and our subsidiaries on a consolidated basis. We agree to furnish a copy of each such instrument to the U.S. Securities and Exchange Commission upon request.

Certain agreements filed as exhibits to this Report may contain representations and warranties by the parties to such agreements. These representations and warranties have been made solely for the benefit of the parties to such agreements and (1) may be intended not as statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate, (2) may have been qualified by certain disclosures that were made to other parties in connection with the negotiation of such agreements, which disclosures are not reflected in such agreements, and (3) may apply standards of materiality in a way that is different from what may be viewed as material to investors.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on February 18, 2025.

TRANSOCEAN LTD.

By: /s/ Robert Thaddeus Vayda
Robert Thaddeus Vayda
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

By: /s/ Jason Pack
Jason Pack
Senior Vice President and Chief Accounting Officer
(Principal Accounting Officer)

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Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant in the capacities indicated on February 18, 2025.

Signature	Title
*	Chair
	of the Board of Directors
Chadwick C. Deaton	
/s/ Jeremy D. Thigpen	Chief Executive Officer
	and Director
Jeremy D. Thigpen	(Principal Executive Officer)
/s/ Robert Thaddeus Vayda	Executive Vice President and
	Chief Financial Officer
Robert Thaddeus Vayda	(Principal Financial Officer)
/s/ Jason Pack	Senior Vice President and
	Chief Accounting Officer
Jason Pack	(Principal Accounting Officer)
*	Director
Glyn A. Barker	
*	Director
Vanessa C.L. Chang	
*	Director
Frederico F. Curado	
*	Director
Domenic J. Dell'Osso, Jr.	
*	Director
Vincent J. Intrieri	
*	Director
Samuel J. Merksamer	
*	Director
Frederik W. Mohn	
*	Director
Margareth Øvrum	
By: /s/ Jason Pack	
(Attorney-in-Fact)	



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Exhibit 4.1

DESCRIPTION OF TRANSOCEAN LTD.'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

As of December 31, 2024, Transocean Ltd. had one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended: registered shares, par value USD 0.10 per share ("shares").

Description of the Shares

The following description of the share capital of Transocean Ltd. is a summary and is subject to the complete text of our Articles of Association, filed as Exhibit 3.1 to our Current Report on Form 8-K (Commission File No. 001-38373) filed on June 28, 2024 (the "Articles of Association"). We encourage you to read the Articles of Association carefully. In this description, references to "Transocean," "we," "our" and "us" mean Transocean Ltd. Unless otherwise provided herein, the following description of shares is as of February 18, 2025.

General

Issued Share Capital. As of February 18, 2025, the share capital of Transocean registered shares in the Commercial Register of the Canton of Zug (the "commercial register"), which reflects our total issued share capital, was USD 94,082,890.10, divided into 940,828,901 registered shares, par value USD 0.10 per share. The issued shares are fully paid, non-assessable, and rank pari passu with each other.

Capital Authorization (Capital Band). Article 5 of our Articles of Association provides for a share authorization within a capital band, ranging from USD 86,281,585.80 (lower limit) to USD 105,787,902.90 (upper limit), which may be used by our board of directors to issue new shares for (a) general purposes or (b) incentive compensation plans.

General Authorization. Article 5 of our Articles of Association provides for a capital band that authorizes our board of directors to issue up to 172,563,171 new fully paid-in shares for general corporate purposes at any time until May 29, 2025, and thereby increase the stated share capital from time to time. A capital increase may further be effected within the range of the capital band by way of an increase of the par value of the shares (but in any event, at a maximum of USD 17,256,317.10).

Our board of directors determines the time of the issuance, the issue price, the manner in which the new shares have to be paid in, the date from which the new shares carry the right to dividends and, subject to the provisions of our Articles of Association, the conditions for the exercise of the preemptive rights with respect to the issuance and the allotment of preemptive rights that are not exercised. The board of directors may allow preemptive rights that are not exercised to expire, or it may place such rights or shares, the preemptive rights in respect of which have not been exercised, at market conditions or use them otherwise in our interest. For further information on preemptive rights with respect to our capital authorization for general purposes, see "*—Preemptive Rights and Advance Subscription Rights*" below.

An increase of the share capital by means of an offering underwritten by a financial institution, a syndicate of financial institutions or another third party or third parties, followed by an offer to the then-existing shareholders of Transocean is permissible.

Specific Authorization. For incentive compensation plans, our board of directors is authorized to issue, directly or indirectly, up to 22,500,000 new fully paid-in shares under our incentive compensation plans to members of our board of directors, members of our executive management team, officers, employees, contractors, consultants or other persons providing services to us or our subsidiaries at any time until May 16, 2029, and thereby increase the stated share capital from time to time. For such purposes, the preemptive rights of existing shareholders are excluded. Our board of directors determines the time of the issuance, the issue price (which may be lower than the current market price), the manner in which the new shares have to be paid and the date from which the new shares carry the right to dividends.



The capital authorization expires (a) for general purposes on May 29, 2025, (b) for incentive plans on May 16, 2029, (c) upon an earlier complete use of the maximum number of authorized shares, or (d) upon an earlier expiration of the authorization following an ordinary capital increase, an ordinary capital reduction or a change of the currency of the share capital resolved by the general meeting of shareholders.

The shares will be subject to the limitations for registration in the share register pursuant to Articles 7 and 9 of our Articles of Association.

Conditional Share Capital Article 6 of our Articles of Association provides for a conditional share capital that allows the issuance by Transocean of up to 141,262,093 shares and thus an increase of the stated share capital by a maximum amount of USD 14,126,209.30. These shares may be issued through:

- the exercise of conversion, exchange, option, warrant or similar rights for the subscription of shares granted to third parties or shareholders in connection with bonds, options, warrants or other securities newly or already issued in national or international capital markets or new or already existing contractual obligations by or of us or any of our group companies or any of our respective predecessors; or
- in connection with the issuance of shares, options or other share-based awards to members of the board of directors, members of our executive management team, officers, employees, contractors, consultants or other persons providing services to us or our subsidiaries.

For information on preemptive rights with respect to our conditional share capital, see “—*Preemptive Rights and Advance Subscription Rights*” below.

Other Classes or Series of Shares / Non-Voting Stock The board of directors may not create shares with increased voting powers (*Stimmrechtsaktien*) without the affirmative resolution adopted by shareholders holding at least two-thirds of the voting rights and an absolute majority of the par value of the shares, each as represented (in person or by proxy) at a general meeting of the shareholders. The board of directors may create preferred stock (*Vorzugsaktien*) with the vote of a relative majority of the votes cast at a general meeting of our shareholders (not counting broker non-votes, abstentions and blank or invalid ballots). We have not issued any non-voting stock to date (*Partizipationsscheine, Genussscheine*).

Preemptive Rights and Advance Subscription Rights

Under the Swiss Code of Obligations (the “Swiss Code”), the prior approval of a general meeting of shareholders is generally required to authorize, for later issuance, the issuance of shares, or rights to subscribe for, or convert into, shares (which rights may be connected to debt instruments or other obligations). In addition, the existing shareholders will have preemptive rights in relation to such shares or rights in proportion to the respective par values of their holdings (*Bezugsrechte*). The shareholders may, with the affirmative vote of shareholders holding two-thirds of the votes and the absolute majority of the par value of the shares represented at the general meeting, withdraw or limit the preemptive rights for valid reasons (such as a merger, an acquisition or any of the reasons authorizing the board of directors to withdraw or limit the preemptive rights of shareholders in the context of an authorized capital increase as described below).

If the general meeting of shareholders has approved the creation of a capital band or conditional capital, it may withdraw or restrict preemptive and advance subscription rights for valid reasons or delegate such decision to the board of directors. If delegated, the valid reasons justifying the exclusion of the preemptive right must be stated in the articles of association. Our Articles of Association provide for this delegation and state the valid reasons with respect to our capital band and conditional share capital in the circumstances described below under “—*Capital Authorization (Capital Band)*” and “—*Conditional Share Capital*.”

Capital Authorization (Capital Band) At any time until May 29, 2025, and pursuant to Article 5 of our Articles of Association, our board of directors is authorized to withdraw or restrict the preemptive rights of the shareholders with respect to a maximum of 172,563,171 shares issued for general purposes and to allot them to individual shareholders, third parties, Transocean or any of its group companies with respect to the issuance of shares within the capital band if:



- the issue price of the new shares is determined by reference to the market price;
- the shares are issued for raising equity capital in a fast and flexible manner, which would not be possible, or would only be possible with great difficulty or at significantly less favorable conditions, without the withdrawal of the preemptive rights of existing shareholders;
- the shares are issued in connection with the acquisition of companies, part(s) of companies or participations, for the acquisition of products, intellectual property or licenses by or for investment projects of Transocean or any of its group companies, or the financing or refinancing of any such transactions through a placement of shares;
- the shares are issued for purposes of broadening the shareholder constituency of Transocean in certain financial or investor markets, for the purposes of the participation of strategic partners, including financial investors, or in connection with the listing of the shares on domestic or foreign stock exchanges; or
- the shares are issued for purposes of granting an over-allotment option (*Greenshoe*) of up to 20% of the total number of shares to the respective initial purchaser(s) or underwriter(s).

Pursuant to Article 5 of our Articles of Association, the preemptive rights of existing shareholders are excluded with respect to up to 22,500,000 shares that our board of directors is authorized to issue, directly or indirectly, within the capital band under our incentive compensation plans to members of our board of directors, members of our executive management team, employees, contractors, consultants and other persons performing services to us or of any of our subsidiaries.

Conditional Share Capital. In connection with the issuance of bonds, notes, options, warrants or other securities or contractual obligations convertible into or exercisable or exchangeable for our shares, the preemptive rights of shareholders are excluded and the board of directors is authorized to withdraw or limit the advance subscription rights (*Vorwegzeichnungsrecht*) of shareholders in connection with the issuance of bonds, notes, options, warrants or other securities or contractual obligations convertible into or exercisable or exchangeable for our shares if the issuance is for purposes of financing or refinancing the acquisition of an enterprise or business, parts of an enterprise, participations or investments, or if the issuance occurs in national or international capital markets or through a private placement.

If the advance subscription rights are withdrawn or limited:

- such securities or contractual obligations will be issued or entered into at market conditions;
- the conversion, exchange or exercise price, if any, for such securities or contractual obligations will be set with reference to the market conditions prevailing at the date on which such securities or obligations are issued or entered into; and
- such securities or contractual obligations may be converted, exercised or exchanged during a maximum period of 30 years.

The preemptive rights and the advance subscription rights of shareholders are excluded with respect to shares, bonds, notes, options, warrants or other securities or contractual obligations issued from our conditional share capital under our incentive compensation plans to members of our board of directors, members of our executive management team, employees, contractors, consultants or other persons providing services to us or any of our subsidiaries.

Dividends and Other Distributions

Under the Swiss Code, dividends (including interim dividends) may be paid out only if we have sufficient distributable profits from the previous fiscal year or the current fiscal year or if we have freely distributable reserves (including statutory capital contribution reserves, which are also referred to as additional paid-in capital), each as will be presented on our audited annual stand-alone statutory balance sheet and an audited interim stand-alone statutory balance sheet, respectively. The affirmative vote of shareholders holding a relative majority of the votes cast at a general meeting of shareholders (not counting broker non-votes, abstentions and blank or invalid ballots) must approve



the distribution of dividends. The board of directors may propose to shareholders that a dividend or other distribution be paid but cannot itself authorize the distribution.

Payments out of our share capital (in other words, the aggregate par value of our registered share capital) in the form of dividends are not allowed; however, payments out of registered share capital may be made by way of a par value reduction. Such a par value reduction requires the approval of shareholders holding a relative majority of the votes cast at the general meeting of shareholders (not counting broker non-votes, abstentions and blank or invalid ballots). A special audit report must confirm that claims of our creditors remain fully covered despite the reduction in the share capital recorded in the commercial register. A licensed audit expert must prepare the audit report and be present at the general meeting of shareholders that adopts the resolution. The board of directors must further give public notice of the par value reduction resolution in the Swiss Official Gazette of Commerce and notify creditors that they may request, within one month of the public notice, satisfaction of or security for their claims. The notification may be given before or after the general meeting of shareholders at which resolutions regarding the par value reduction were passed.

Under the Swiss Code, if our statutory profit reserves (*gesetzliche Gewinnreserve*) together with our statutory capital reserves (*gesetzliche Kapitalreserve*) amount to less than 20% of our share capital recorded in the commercial register (*i.e.*, 20% of the aggregate par value of our registered capital), then at least 5% of our annual profit must be allocated to the statutory profit reserves. The Swiss Code and our Articles of Association permit us to accrue additional general reserves. In addition, if we acquire our own shares, we are required to account for these shares, if acquired by our parent company Transocean Ltd., as a negative item in our shareholders' equity or, if these shares are acquired by one of our subsidiaries, to create a special reserve, in each case on our audited annual or interim stand-alone statutory balance sheet in the amount of the purchase price of the shares repurchased by our parent or our subsidiary. The negative item in our shareholders' equity or the reserve amount would effectively reduce our capacity to declare dividends or effect subsequent repurchases of our shares.

Swiss companies generally must maintain a separate company, stand-alone "statutory" balance sheet for the purpose of, among other things, determining the amounts available for the return of capital to shareholders, including by way of a distribution of dividends. Our auditor must confirm that a proposal made by our board of directors to shareholders regarding the appropriation of our available earnings or the distribution of freely distributable reserves conforms to the requirements of the Swiss Code and our Articles of Association. Dividends are usually due and payable shortly after the shareholders have passed a resolution approving the payment, but shareholders may also resolve at the annual or extraordinary general meeting of shareholders to pay dividends in quarterly or other installments. Our Articles of Association provide that dividends that have not been claimed within five years after the payment date become our property and are allocated to the general statutory reserves. Dividends paid out of distributable profits or distributable general reserves are subject to Swiss withholding tax, all or part of which can potentially be reclaimed under the relevant tax rules in Switzerland or double taxation treaties concluded between Switzerland and foreign countries. Distributions to shareholders in the form of a par value reduction and distributions out of qualifying additional paid-in capital (capital contribution reserves (*Reserven aus Kapitaleinzulagen*)) are not subject to the Swiss federal withholding tax.

Dividends, if declared by us, are expected to be declared, subject to applicable limitations under Swiss law, in U.S. dollars. Distribution through a reduction in the par value of the shares must be declared in U.S. dollars.

Repurchases of Shares

The Swiss Code limits our ability to hold or repurchase our own shares. We and our subsidiaries may only repurchase shares if and to the extent that sufficient freely distributable equity capital is available, as described above under "*Dividends and Other Distributions*." The aggregate par value of all of our shares held by us and our subsidiaries may not exceed 10% of the registered share capital. However, we may repurchase our own shares beyond the statutory limit of 10% if the shareholders have authorized our board of directors at a general meeting of shareholders (including as part of our capital band) to repurchase shares in an amount in excess of 10% and the repurchased shares are dedicated for cancellation. Any shares repurchased pursuant to such authorization will then be cancelled based on a resolution of shareholders adopted at a general meeting of shareholders subject to the approval of shareholders holding a relative majority of the votes cast or, if shareholders have adopted a capital band authorizing our board of directors to reduce the share capital by way of a cancellation of shares, based on a resolution of the board of directors. Repurchased shares held by us or our subsidiaries do not carry any rights to vote at a general meeting of



shareholders but are, unless otherwise resolved by our shareholders at a general meeting, entitled to the economic benefits generally associated with the shares.

General Meetings of Shareholders

The general meeting of shareholders is our supreme corporate body. Ordinary and extraordinary general meetings of shareholders may be held. Among other things, the following powers will be vested exclusively in the general meeting of shareholders:

- adoption and amendment of our Articles of Association;
- the annual election of the chairperson of the board of directors, the members of the board of directors, the members of the compensation committee of the board of directors, the auditor and the independent proxy;
- approval of the annual management report, the stand-alone statutory financial statements and the consolidated financial statements;
- appropriation of the annual profit shown on our annual stand-alone statutory balance sheet, in particular, the distribution of any dividends;
- the determination of interim dividends and the approval of interim stand-alone statutory financial statements required for such purposes;
- the resolution regarding the repayment of the statutory capital reserves;
- the combination of shares ("reverse stock split");
- discharge of the members of the board of directors and the executive management team from liability for business conduct during the previous fiscal year(s) to the extent such conduct is known to the shareholders;
- ratification of the maximum aggregate amounts of compensation of the board of directors and the executive management team;
- an advisory vote on the statutory compensation report in relation to the prior fiscal year;
- subject to certain exceptions, the approval of a business combination with an interested shareholder (as such terms are defined in our Articles of Association);
- the delisting of our shares from a stock exchange;
- the approval of the report on non-financial matters pursuant to article 964c of the Swiss Code; and
- any other resolutions that are submitted to a general meeting of shareholders pursuant to law, our Articles of Association or by voluntary submission by the board of directors (unless a matter is within the exclusive competence of the board of directors pursuant to the Swiss Code).

Notice and Proxy Statements

Under the Swiss Code and our Articles of Association, we must hold an annual, ordinary general meeting of shareholders within six months after the end of our fiscal year for the purpose, among other things, of approving the annual financial statements and the annual management report, the annual election of the chairperson of our board of directors, the members of our board of directors, the members of the compensation committee of our board of directors, our auditor and our independent proxy, and the ratification of the maximum aggregate amounts of compensation of the board of directors and the executive management team. The invitation to general meetings must be published in the Swiss Official Gazette of Commerce at least 20 calendar days prior to the date of the relevant general meeting of shareholders. The notice of a meeting must state the items on the agenda and the proposals of the board of directors and of the shareholders who requested that a shareholders meeting be held or that an item be included on the agenda



and, in case of elections, the names of the nominated candidates. The notice must also include a short explanation of the items and proposals on the agenda of the general meeting. No resolutions may be passed at a general meeting of shareholders concerning agenda items for which proper notice was not given. This does not apply, however, to proposals made during a general meeting of shareholders to convene an extraordinary general meeting of shareholders, to initiate a special investigation or to elect the statutory auditor. No previous notification will be required for proposals concerning items included on the agenda or for debates as to which no vote is taken.

Annual general meetings of shareholders are convened by the board of directors or, under certain circumstances required by law, by the auditor. A general meeting of shareholders can be held anywhere in Switzerland. A special authorizing provision in the articles of association is required to hold a general meeting outside of Switzerland. Our current Articles of Association do not include such authorization. General meetings that are held only virtually require special authorization in the articles of association. Our current Articles of Association do not include such authorization.

We expect to set the record date for each general meeting of shareholders on a date not more than 20 calendar days prior to the date of each general meeting and announce the date of the general meeting of shareholders prior to the record date.

Extraordinary General Meetings of Shareholders

An extraordinary general meeting may be called upon the resolution of the board of directors or, under certain circumstances required by law, by the auditor. In addition, the board of directors is required to convene an extraordinary general meeting of shareholders if so resolved by the general meeting of shareholders, or if so requested by shareholders who, in the aggregate, represent at least 5% of the share capital or votes recorded in the commercial register, specifying the items to be included on the agenda and their proposals. Upon such a shareholder request, the board of directors must publish the necessary notice to convene a general meeting within 60 calendar days.

If it appears from the annual stand-alone statutory balance sheet that half of the sum of our share capital, the non-distributable statutory capital reserves and the statutory profit reserves are not covered by our assets (*Kapitalverlust*), the board of directors is required to take measures to remedy the capital loss situation of the company, where necessary take further measures to effect a financial restructuring of the company or request the general meeting of shareholders to approve such measures as are within its authority.

Agenda Requests

Under our Articles of Association, any shareholder may request that an item or a proposal relating to an agenda item be included on the agenda of a general meeting of shareholders. Such shareholder may also nominate one or more directors for election. A request for inclusion of an item on the agenda or a proposal relating to an agenda item must be made in writing at least 30 calendar days prior to the anniversary date of the proxy statement in connection with our last annual general meeting of shareholders; provided, however, that if the date of the general meeting of shareholders is more than 30 calendar days before or after the anniversary date of the last annual general meeting of shareholders, such request must instead be made by the tenth calendar day following the date on which we have made public disclosure of the date of the general meeting of shareholders. The request must specify in writing the relevant agenda items and proposals, together with evidence of the required shares recorded in the share register, as well as any other information as would be required to be included in a proxy statement pursuant to the rules of the U.S. Securities and Exchange Commission.

Under the Swiss Code, a general meeting of shareholders for which a notice of meeting has been duly published may not be adjourned without publishing a new notice of meeting.

Our annual report, our stand-alone and consolidated financial statements, the auditors' reports thereon, our compensation report pursuant to Swiss law and the auditor's reports thereon, and our report on non-financial matters pursuant to article 964c of the Swiss Code (to the extent required by applicable law) must be made available to our shareholders no later than 20 calendar days prior to the annual general meeting of shareholders. If these documents are not accessible electronically, each shareholder may request that these documents be promptly sent to it in due course, free of charge.



Voting

Each of our shares carries one vote at a general meeting of shareholders. Voting rights may be exercised by shareholders registered in our share register or by a duly appointed proxy of a registered shareholder (including the independent proxy), which proxy need not be a shareholder. Our Articles of Association do not limit the number of shares that may be voted by a single shareholder. Shareholders wishing to exercise their voting rights who hold their shares through a bank, broker or other nominee should follow the instructions provided by such bank, broker or other nominee or, absent instructions, contact such bank, broker or other nominee for instructions. Shareholders holding their shares through a bank, broker or other nominee will not automatically be registered in our share register. If any such shareholder wishes to be registered in our share register, such shareholder should contact the bank, broker or other nominee through which it holds our shares.

Treasury shares, whether owned by us or one of our majority-owned subsidiaries, will not be entitled to vote at general meetings of shareholders.

Our Articles of Association do not provide for cumulative voting for the election of directors.

Pursuant to our Articles of Association, the shareholders generally pass resolutions by the affirmative vote of a relative majority of the votes cast at the general meeting of shareholders (broker non-votes, abstentions and blank and invalid ballots will be disregarded), unless otherwise provided by law or our Articles of Association. However, our Articles of Association provide that directors may be elected at a general meeting of shareholders by a plurality of the votes cast by the shareholders present in person or by proxy at the meeting. Our Corporate Governance Guidelines have a majority vote policy that provides that the board may nominate only those candidates for director who have submitted an irrevocable letter of resignation which would be effective upon and only in the event that (1) such nominee fails to receive a sufficient number of votes from shareholders in an uncontested election and (2) the board accepts the resignation following such failure. If a nominee who has submitted such a letter of resignation does not receive more votes cast “for” than “against” the nominee’s election, the corporate governance committee must promptly review the letter of resignation and recommend to the board of directors whether to accept the tendered resignation or reject it. The board of directors must then act on the corporate governance committee’s recommendation within 90 days following the shareholder vote. The board of directors must promptly disclose its decision regarding whether or not to accept the nominee’s resignation letter.

The acting chair may direct that resolutions and elections be held by use of an electronic voting system. Electronic resolutions and elections are considered equal to resolutions and elections taken by way of a written ballot. The board of directors can determine that shareholders who are not present at the venue of the general meeting of shareholders may exercise their rights by electronic means. Virtual-only meetings may only be held if the articles of association expressly authorize such a form of the general meeting. Our current Articles of Association do not include such authorization.

The Swiss Code and/or our Articles of Association require the affirmative vote of at least two-thirds of the voting rights and the absolute majority of the par value of the shares, each as represented at a general meeting, to approve, among other things, the following matters:

- the amendment to or the modification of the purpose clause in our Articles of Association;
- a reverse stock split;
- the creation or cancellation of shares with privileged voting rights;
- the restriction on the transferability of shares or cancellation thereof;
- the restriction on the exercise of the right to vote or the cancellation thereof;
- the introduction of or the amendment to a capital band or conditional share capital;
- the change of currency of our share capital;



- the delisting of our shares from a stock exchange;
- an increase in the share capital through (1) the conversion of capital surplus, (2) a contribution in kind, or for purposes of an acquisition of assets, or (3) a grant of special privileges;
- the limitation on or withdrawal of preemptive rights;
- a change in our registered office;
- the conversion of registered shares into bearer shares and vice versa;
- the introduction of an arbitration agreement in our Articles of Association; and
- our dissolution.

The same qualified voting requirements apply to resolutions in relation to transactions among corporations based on Switzerland's Federal Act on Mergers, Demergers, Transformations and the Transfer of Assets and Liabilities (the "Merger Act"), including a merger, demerger or conversion of a corporation (other than a cash-out or certain squeeze-out mergers, in which minority shareholders of the company being acquired may be compensated in a form other than through shares of the acquiring company, for instance, through cash or securities of a parent company of the acquiring company or of another company—in such a merger, an affirmative vote of 90% of the outstanding shares is required). Swiss law may also impose this qualified voting requirement in connection with the sale of "all or substantially all of our assets" by us. See "*Compulsory Acquisitions; Appraisal Rights*" below.

Our Articles of Association require the affirmative vote of at least two-thirds of the shares entitled to vote at a general meeting to approve the following matters:

- the removal of a serving member of the board of directors;
- any changes to Article 14, paragraph 1 specifying advance notice of proposal requirements;
- any changes to Article 18 specifying vote requirements for resolutions and elections;
- any changes to Article 20, paragraph 2 specifying qualified vote requirements;
- any changes to Article 21 specifying quorum requirements;
- any changes to Article 22 specifying the number of members of the board of directors;
- any changes to Article 23 specifying the term of the board of directors; and
- any changes to Article 24 specifying the organization of the board of directors and the indemnification provisions for directors and officers.

Our Articles of Association require the affirmative vote of holders of the number of our shares at least equal to the sum of (A) two-thirds of the number of all shares outstanding and entitled to vote at a general meeting, plus (B) a number of shares outstanding and entitled to vote at the general meeting that is equal to one-third of the number of shares held by an interested shareholder, for us to engage in any business combination with an interested shareholder (as those terms are defined in our Articles of Association) and for the amendment of the provisions in our Articles of Association relating to this shareholder approval requirement.

Quorum for General Meetings

The presence of shareholders, in person or by proxy, holding at least a majority of the shares entitled to vote at the time when the general meeting proceeds to business is generally the required presence for a quorum for the transaction of business at a general meeting of shareholders. However, the presence of shareholders, in person or by proxy, holding at least two-thirds of the share capital recorded in the commercial register at the time when the general



meeting proceeds to business is the required presence for a quorum to adopt a resolution to amend, vary, suspend the operation of or cause any of the following provisions of our Articles of Association to cease to apply:

- Article 18—which relates to proceedings and procedures at general meetings;
- Article 19(j)—which relates to business combinations with interested shareholders;
- Article 20—which sets forth the level of shareholder approval required for certain matters;
- Article 21—which sets forth the quorum at a general meeting required for certain matters, including the removal of a serving member of the board of directors; and
- Articles 22, 23 and 24—which relate to the size and the organization of the board of directors, the term of directors and the indemnification provisions for directors and officers.

Additionally, shareholders present, in person or by proxy, holding at least two-thirds of the share capital recorded in the commercial register at the time when the general meeting proceeds to business constitute the required presence for a quorum at a general meeting to adopt a resolution to remove a serving director.

Under the Swiss Code, the board of directors has no authority to waive quorum requirements stipulated in the articles of association.

Inspection of Books and Records

Under the Swiss Code, a shareholder has a right to inspect the share register with regard to his, her or its own shares and otherwise to the extent necessary to exercise his, her or its shareholder rights. No other person has a right to inspect the share register. Shareholders who hold, alone or together, shares representing at least 5% of the share capital or the votes may request to inspect our books and records. Subject to safeguarding business secrets or other of our material interests, our board of directors may authorize such inspection to the extent necessary to exercise shareholder rights within four months following receipt of such requests. At a general meeting of shareholders, any shareholder is entitled to request information from the board of directors concerning the affairs of the company. Shareholders may also ask the auditor questions regarding its audit of the company. The board of directors and the auditor must answer shareholders' questions to the extent necessary for the exercise of shareholder rights and subject to safeguarding business secrets or other of our material interests.

Special Investigation

If the shareholders' inspection and information rights, as outlined above, prove to be insufficient, any shareholder may propose to the general meeting of shareholders that a special independent commissioner investigate specific facts in a special investigation. If the general meeting of shareholders approves the proposal, we or any shareholder may, within 30 calendar days after the general meeting of shareholders, request the court at our registered office to appoint a special independent commissioner. If the general meeting of shareholders rejects the request, one or more shareholders representing at least 5% of the share capital or the votes may request, within three months after the general meeting, the court to appoint a special independent commissioner. The court will issue such an order if the petitioners can demonstrate *prima facie* that the board of directors, any member of our board of directors or one of our officers infringed the law or our Articles of Association and such infringements are capable of causing damage to the company or the shareholders. The costs of the investigation would generally be allocated to us and only in exceptional cases to the petitioners.

Compulsory Acquisitions; Appraisal Rights

Swiss companies that undertake business combinations and other transactions that are binding on all shareholders are governed by the Merger Act. A statutory merger or demerger requires that at least two-thirds of the votes and the absolute majority of the par value of the shares, each as represented at the general meeting of shareholders, vote in favor of the transaction. Under the Merger Act, a "demerger" may take two forms:



- a legal entity may divide all of its assets and transfer such assets to other legal entities, with the shareholders of the transferring entity receiving equity securities in the acquiring entities and the transferring entity dissolving upon deregistration in the commercial register; or
- a legal entity may transfer all or a portion of its assets to other legal entities, with the shareholders of the transferring entity receiving equity securities in the acquiring entities.

If a transaction under the Merger Act receives all of the necessary consents, all shareholders would be compelled to participate in the transaction. See “—Voting” above.

Swiss companies may be acquired by an acquirer through the direct acquisition of the share capital of the Swiss company. With respect to corporations limited by shares, such as Transocean, the Merger Act provides for the possibility of a so-called “cash-out” or “squeeze-out” merger if the acquirer controls 90% of the outstanding shares. In these limited circumstances, minority shareholders of the company being acquired may be compensated in a form other than through shares of the acquiring company (for instance, through cash or securities of a parent company of the acquiring company or of another company). For business combinations effected in the form of a statutory merger or demerger and subject to Swiss law, the Merger Act provides that if the equity rights have not been adequately preserved or compensation payments in the transaction are unreasonable, a shareholder may request the competent court to determine a reasonable amount of compensation.

In addition, under Swiss law, the sale of “all or substantially all of our assets” by us may require a resolution of the general meeting of shareholders passed by holders of at least two-thirds of the votes and the absolute majority of the par value of the shares, each as represented at the general meeting of shareholders. Whether or not a shareholder resolution is required depends on the particular transaction, including whether the following test is satisfied:

- the company sells a core part of its business, without which it is economically impracticable or unreasonable to continue to operate the remaining business;
- the company’s assets, after the divestment, are not invested in accordance with the company’s statutory business purpose; and
- the proceeds of the divestment are not earmarked for reinvestment in accordance with the company’s business purpose but, instead, are intended for distribution to shareholders or for financial investments unrelated to the company’s business.

If all of the foregoing apply, a shareholder resolution would likely be required.

Legal Name; Formation; Fiscal Year; Registered Office

Transocean Ltd. was initially formed on August 18, 2008. It is incorporated and domiciled in Steinhausen, Canton of Zug, Switzerland, and operates under the Swiss Code as a stock corporation (*Aktiengesellschaft*). Transocean Ltd. is recorded in the Commercial Register of the Canton of Zug with the registration number CHE-114.461.224. Transocean’s fiscal year is the calendar year.

The address of Transocean’s registered office is Transocean Ltd., Turmstrasse 30, 6312 Steinhausen, Switzerland, and the telephone number at that address is +41 (41) 749 0500.

Corporate Purpose

Transocean Ltd. is the parent holding company of the Transocean group. Pursuant to its Articles of Association, its business purpose is to acquire, hold, manage, exploit and sell, whether directly or indirectly, participations in businesses in Switzerland and elsewhere, in particular in businesses that are involved in offshore contract drilling services for oil and gas wells, oil and gas drilling management services, drilling engineering services and drilling project management services and oil and gas exploration and production activities, and to provide financing for this purpose. Transocean Ltd. may acquire, hold, manage, mortgage and sell real estate and intellectual property rights in Switzerland and elsewhere.



Duration and Liquidation

Our Articles of Association do not limit our duration. Under Swiss law, we may be dissolved at any time by a resolution adopted at a general meeting of shareholders, which must be passed by the affirmative vote of holders of at least two-thirds of votes and the absolute majority of the par value of the shares, each as represented (in person or by proxy) at the general meeting. Dissolution and liquidation by court order is possible if (1) we become bankrupt or (2) shareholders holding at least 10% of our share capital so request for valid reasons. Under Swiss law, any surplus arising out of liquidation (after the settlement of all claims of all creditors) is distributed in proportion to the paid-up par value of shares held. The amount exceeding the par value of the share is subject to Swiss withholding tax of 35%. Our shares carry no privilege with respect to such liquidation surplus.

Uncertificated Shares

Our shares have been issued in uncertificated form in accordance with article 973c of the Swiss Code as uncertificated securities, which have been registered with Computershare Inc., and constitute intermediated securities within the meaning of the Swiss Federal Act on Intermediated Securities. In accordance with article 973c of the Code, Transocean Ltd. maintains a register of uncertificated securities (*Wertrechtebuch*).

Stock Exchange Listing

Our shares are listed and trade on the New York Stock Exchange under the symbol "RIG."

No Sinking Fund

The shares have no sinking fund provisions.

No Liability for Further Calls or Assessments

The shares that have been issued to date are duly and validly issued, fully paid and non-assessable.

No Redemption and Conversion

The shares are not convertible into shares of any other class or series or subject to redemption either by us or the holder of the shares.

Transfer and Registration of Shares

We have not imposed any restrictions applicable to the transfer of our shares, other than the requirement that an acquirer of shares expressly declares to have acquired the shares in its own name and for its own account. Our share register is maintained by Computershare Inc., which acts as transfer agent and registrar. The share register reflects only record owners of our shares. Swiss law does not recognize fractional share interests.



1 POLICY

Exhibit 19

This Insider Trading Policy (the "**Policy**") addresses obligations of directors, officers and employees of Transocean Ltd. and its subsidiaries ("**Transocean**" or the "**Company**") with respect to information they receive that may be considered to be material non-public information.

2 PURPOSE

The purpose of this policy is to inform the Company's directors, officers and employees of their responsibilities with respect to material non-public information and to make it clear that misuse of such information is illegal and subject to serious fines and/or penalties, as well as contrary to Company policy.

3 SCOPE

This policy applies to all Company personnel.

The transactions subject to this Policy include any direct or indirect purchases, sales, gifts or other transfers of Company securities or derivatives thereof. As used herein, the terms "trade" and "trading" shall be construed to mean any of the foregoing transactions, as applicable.

4 REQUIREMENTS

In the normal course of business, directors, officers and employees of Transocean may come into possession of material non-public information about Transocean or other companies. Such persons shall not seek to profit or otherwise benefit from such information by trading in securities of Transocean or other companies, or pass on the information to others.

Misuse of material non-public information is illegal and subject to serious fines and/or penalties, as well as contrary to Company policy. Depending on where a person trades or resides, they can be subject to the applicable insider trading laws of those jurisdictions. Each director, officer and employee is responsible for ensuring that he or she, and the members of his or her immediate family, do not violate U.S. federal or state securities laws, Swiss laws, the insider trading laws of the country in which they trade or reside, or this Policy. Accordingly, directors, officers and employees should read and understand this Policy and retain a copy for their files.

Insider trading laws generally prohibit any officer, director or employee (or any of their dependents or family members living in their household) who possesses material non-public information ("**inside information**") relating to the Company from:

- trading in the Company's securities (including, among other things, the exercise of options and stock appreciation rights, derivative transactions, and the entering into, amendment or termination of trading plans) while in possession of inside information;
- passing on the inside information or recommending trading in the Company's securities based on the inside information ("**tipping**"), directly or indirectly, to friends, family or others;





or

- otherwise using the information to his or her own advantage.

The prohibition extends to trading in securities of other companies, such as customers or suppliers of the Company and companies with which the Company may be negotiating major transactions, about which the director, officer or employee obtains inside information in connection with any Company-related activities. Information that is not material to the Company may nevertheless be material to one of those other companies.

The same restrictions apply to dependents or family members living in a director's, officer's or employee's household, as the director, officer or employee is expected to be responsible for the compliance by such persons. Transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure) are no exception to this Policy.

The prohibitions on trading, tipping or using inside information in this Policy continues to apply to all transactions in Company securities after a person is no longer employed by or affiliated with the Company. Any person in possession of inside information when their employment terminates may not trade in Company securities until that inside information has become public (as described herein) or is no longer material to the Company.

Inside information is material non-public information relating to the Company. Information may be considered "material" when the information, whether positive or negative, would be expected to affect the investment decision of a reasonable investor in a decision to purchase, sell or hold stock or other securities or if the disclosure would be expected to significantly alter the total mix of information in the marketplace about the Company or otherwise materially affect the price of the Company's securities.

A director, officer or employee may not trade in the stock or other securities of the Company when they are in possession of inside information relating to the Company.

If a director, officer or employee has any question regarding whether or not they are in possession of inside information or whether they may trade, they should contact the Company's General Counsel.

In addition, if prior to trading you would feel more comfortable in ascertaining that the Company is aware of no inside information, you should feel free to contact the Company's General Counsel.

All directors, officers and managing directors must obtain approval from the Company's General Counsel prior to trading and, unless notified of an open trading period by the Company's General Counsel, are subject to a black-out period where trading by such persons is prohibited except on a case-by-case basis. As a general rule, black-out periods run from the first day of the quarter until one full trading day after the Company's public release of its financial results for the applicable reporting period. Additional black-out and open trading periods may be established and extended by the General Counsel, where advisable and appropriate.

The Legal Department may identify additional individuals or groups of individuals to be subject to certain specific blackout periods where such individuals or groups are known to have inside



information related to a discrete project or matter (a **"Blackout Group"**). Any individual who receives notice that such individual has been included in a Blackout Group shall be restricted from trading unless notified by the Company's General Counsel that either the Blackout Group is no longer active or an open trading period has been instituted. In case of an open trading period, such individual must obtain pre-clearance by the Company's General Counsel prior to trading.

During open trading periods, directors, officers or employees may enter into, amend or terminate a trading plan, such as a plan pursuant to Rule 10b5-1 of the U.S. Securities Exchange Act of 1934, as amended, provided such director, officer or employee is not in possession of inside information. The entering into, amendment or termination of a trading plan requires written pre-clearance from the Company's General Counsel. Further, new trading plans (and any modifications or terminations of old plans) by directors and certain officers are required to be disclosed every quarter in the Company's periodic reports on Forms 10-K and 10-Q.

4.1 Public Information

Information is considered **"public"** and no longer **"inside"** only after it has been effectively disclosed in a manner sufficient to insure its availability to the investing public. Selective disclosure to a few persons does not make information public. The Company generally discloses material information to the public in the form of press releases distributed through the major wire services or in filings made with the SEC.

Even after information is released, it is important to be sure that sufficient time elapses to enable the information to be disseminated to, and considered by, investors. Therefore, directors, officers and employees should not enter into trades immediately after the Company has made a public announcement of material information. Generally, information will be deemed for purposes of this Policy to have been adequately disseminated to and considered by the market by the beginning of the second trading day after the date of its release. A trading day is any day on which the New York Stock Exchange is open for trading.

You should not engage in trading in the Company's securities in advance of a public release of important information, such as quarterly or year-end financial results or other important news. The safest time to trade is the period beginning on the second trading day after the release and publication of that kind of information (assuming that you are not aware of other inside information). If you have any questions whether sufficient time has passed since a company announcement, you must contact the Company's General Counsel for guidance.

4.1.1 Managers Can Be Responsible For Subordinates

Under U.S. federal and Swiss securities laws or other applicable insider trading laws, in addition to managers being responsible for their own activities, managerial personnel may also be responsible for the insider trading of their subordinates if the manager knows or recklessly disregards the fact that the subordinate is likely to engage in insider trading and fails to take steps to prevent the abuse. This means that managers must not only exercise caution in their own trading, but must also carefully supervise any subordinates who routinely come into possession of inside information. Any manager who believes that one of his or her subordinates is participating in insider trading or is tipping others should alert the Company's General Counsel



immediately.

4.1.2 Additional Prohibited Transactions

The Company considers it improper for any employee, officer or director of the Company to engage in short-term or speculative transactions in the Company's securities. It therefore is the Company's policy that employees, officers and directors and their family members or wholly-owned businesses not engage in any of the following transactions:

Short Sales

Short sales of the Company's securities evidence an expectation on the part of the seller that the securities will decline in value and may signal to the market that the seller has no confidence in the Company or its shorter-term prospects. In addition, short sales may reduce the seller's incentive to improve the Company's performance. For these reasons, short sales of the Company's securities are prohibited by this Policy.

Publicly Traded Options

A transaction in publicly traded options is, in effect, a bet on the short-term movement of the Company's stock and therefore creates the appearance that the employee, officer or director is trading based on material non-public information. Transactions in options may also focus the employee, officer or director's attention on short-term performance at the expense of the Company's long-term objectives. Accordingly, transactions in puts, calls or other derivative securities, on an exchange or in any other organized market, are prohibited by this Policy (other than transactions in options granted to an employee, officer or director by the Company).

Hedging Transactions

Certain forms of hedging or monetization transactions, such as zero-cost collars and forward sale contracts, allow an employee, officer or director to lock in much of the value of his or her stock, security or holdings, often in exchange for all or part of the potential upside appreciation in the stock, security or holding. These transactions allow the employee, officer or director to continue to own the covered securities, but without the full risks and rewards of ownership. When that occurs, the employee, officer or director may no longer have the same objectives as the Company's other shareholders. For this reason, employees, officers and directors are prohibited from entering into hedging or monetization transactions involving the Company's securities.

Margin Accounts and Pledging

Securities held in a margin account may be sold by the broker without the customer's consent if the customer fails to meet a margin call. Similarly, securities pledged (or hypothecated) as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. Because a margin sale or foreclosure sale may occur at a time when the pledger is aware of material non-public information or otherwise not permitted to trade in Company securities, employees, officers and directors are prohibited from holding Company securities in a margin account or pledging Company securities as collateral for a loan.



4.1.3 What Are The Penalties?

The civil and criminal penalties for trading on inside information, tipping the inside information to others, or otherwise using the inside information to his or her advantage are extremely serious, and can include, among other things, (i) the disgorgement of gains, (ii) civil monetary penalties equal to three times the amount gained or the loss avoided, (iii) criminal fines up to \$5 million and (iv) imprisonment not to exceed 20 years.

In addition to the potential fines and penalties, litigation of this type is often financially devastating for the person involved and can subject him or her and the Company to a great deal of public embarrassment. In addition, persons violating this Policy may be subject to disciplinary action by the Company, including termination of employment.

There is no prosecution threshold for insider trading cases. ***The SEC has brought charges against persons making as little as \$2,000 in profits.*** The SEC's computerized detection system can detect even the smallest suspicious trade and the likelihood of getting caught is high.

5 RESPONSIBILITIES

5.1 Who is responsible for complying with this Policy?

This Policy applies to all Company personnel.

5.2 Who may I contact if I have any questions?

You may contact the Company's General Counsel with any questions related to this Policy.

6 DOCUMENTATION

There is no additional documentation associated with this Policy.

*** **

This Policy was approved by the Board of Directors of Transocean Ltd. on May 13, 2011, and last amended on May 12, 2023.



Exhibit 21

SUBSIDIARIES OF TRANSOCEAN LTD.

(as of December 31, 2024)

Entity	Jurisdiction
15375 Memorial Corporation	Delaware
Aguas Profundas, Limitada	Angola
Angola Deepwater Drilling Company (Offshore Services) Ltd	Bermuda
AngoSantaFe - Prestacao de Servicos Petroliferos, Limitada	Angola
Arcade Drilling AS	Norway
Asie Sonat Offshore Sdn. Bhd.	Malaysia
Challenger Minerals Inc.	California
Deepwater Drilling (Transocean Ghana) LTD	Ghana
Deepwater Drilling North Africa LLC - Free Zone	Egypt
Deepwater Pacific 1 Limited	Bermuda
Deepwater Supply Inc.	Delaware
Drillship Alonissos Owners Limited	Bermuda
Drillship Hydra Owners Limited	Bermuda
Drillship Paros Owners Limited	Bermuda
Drillship Skopelos Owners Limited	Bermuda
Drillship Skyros Owners Limited	Bermuda
Entities Holdings, Inc.	Delaware
Global Marine Inc.	Delaware
Global Offshore Drilling Limited	Nigeria
GlobalSantaFe B.V.	Netherlands
GlobalSantaFe Denmark Holdings ApS	Denmark
GlobalSantaFe Drilling (N.A.) N.V.	Netherlands Antilles
GlobalSantaFe Drilling Company	Delaware
GlobalSantaFe Drilling Mexico, S. de R.L. de C.V.	Mexico
GlobalSantaFe Drilling Trinidad LLC	Delaware
GlobalSantaFe Drilling Venezuela, C.A.	Venezuela
GlobalSantaFe Financial Services (Luxembourg) S.a.r.l.	Luxembourg
GlobalSantaFe Group Financing Limited Liability Company	Hungary
GlobalSantaFe Hungary Services Limited Liability Company	Hungary
GlobalSantaFe International Drilling Corporation Limited	Bermuda
GlobalSantaFe International Drilling Limited	Bermuda
GlobalSantaFe International Services Limited	Bermuda
GlobalSantaFe Nederland B.V.	Netherlands
GlobalSantaFe Offshore Services Limited	Bermuda
GlobalSantaFe Operations (Mexico) LLC	Delaware
GlobalSantaFe Saudi Arabia Ltd.	Bermuda
GlobalSantaFe Services (BVI) Limited	Bermuda
GlobalSantaFe Services Netherlands B.V.	Netherlands
GlobalSantaFe Servicios de Venezuela, C.A.	Venezuela
GlobalSantaFe South America LLC	Delaware
GlobalSantaFe Tampico, S. de R.L. de C.V.	Mexico
GlobalSantaFe U.S. Holdings Inc.	Delaware
GSF Leasing Services GmbH	Switzerland
Indigo Drilling Limited	Nigeria
Inteliwell Limited	England & Wales
Liquila DWA LLC	Hungary
Liquila Ventures Ltd.	Cayman Islands
Ocean Rig Canada Inc.	Nova Scotia
Ocean Rig Cubango Operations Inc.	Cayman Islands



Exhibit 21

Entity	Jurisdiction
Ocean Rig Management Limited	Bermuda
Ocean Rig Operations Limited	Bermuda
Ocean Rig UDW Limited	Bermuda
Offshore Ghana Transocean LTD	Ghana
Olympia Rig Angola Holding, S.A.	Angola
Olympia Rig Angola, Limitada	Angola
OR Norge Operations Inc.	Marshall Islands
Orion Holdings (Cayman) Limited	Cayman Islands
Orion RigCo (Cayman) Limited	Cayman Islands
Platform Capital N.V.	Netherlands Antilles
Platform Financial N.V.	Netherlands Antilles
Primelead Limited	Cyprus
PT SantaFe Subsea Indonesia	Indonesia
PT. Transocean Indonesia	Indonesia
R&B Falcon (A) Pty Ltd	Western Australia
R&B Falcon (Caledonia) Limited	England & Wales
R&B Falcon (U.K.) Limited	England & Wales
R&B Falcon Exploration Co., LLC	Oklahoma
Ranger Insurance Limited	Bermuda
RBF Rig Corporation, LLC	Delaware
Reading & Bates Coal Co., LLC	Nevada
Safemal Drilling Sdn. Bhd.	Malaysia
Santa Fe Braun Inc.	Delaware
Santa Fe Construction Company	Delaware
Santa Fe Drilling Company of Venezuela, C.A.	California
Saudi Drilling Company Limited	Saudi Arabia
Sedco Forex International Limited	Bermuda
Services Petroliers Transocean	France
Servicios Petroleros Santa Fe, S.A.	Venezuela
Songa Offshore Delta Limited	Cyprus
Songa Offshore Drilling Limited	Cyprus
Songa Offshore Enabler Limited	Cyprus
Songa Offshore Encourage Limited	Cyprus
Songa Offshore Endurance Limited	Cyprus
Songa Offshore Equinox Limited	Cyprus
Songa Offshore Management Limited	Cyprus
Songa Offshore Pte. Ltd.	Singapore
Songa Offshore Rig 2 AS	Norway
Songa Offshore Rig 3 AS	Norway
Songa Offshore Saturn Limited	Cyprus
Songa Offshore SE	Cyprus
Songa Offshore T & P Cyprus Limited	Cyprus
T. I. International Mexico, S. de R.L. de C.V.	Mexico
TILAM Holdings Limited	Bermuda
Transocean Africa Drilling Limited	Bermuda
Transocean Aquila Limited	Bermuda
Transocean Asia Services Sdn Bhd	Malaysia
Transocean Asset Holdings 1 Limited	Bermuda
Transocean Asset Holdings 2 Limited	Bermuda
Transocean Asset Holdings 3 Limited	Bermuda
Transocean Atlas Limited	Bermuda
Transocean Barents ASA	Norway
Transocean Brasil Ltda.	Brazil



Exhibit 21

Entity	Jurisdiction
Transocean Britannia Limited	Bermuda
Transocean Canada Drilling Services Ltd.	Nova Scotia
Transocean Cayman Management Services Limited	Cayman Islands
Transocean Conqueror Limited	Bermuda
Transocean Conqueror Opco LLC	Delaware
Transocean Corporate Services Limited	Cayman Islands
Transocean Cyprus Capital Management Public Limited	Cyprus
Transocean Deepwater Drilling Services Limited	Bermuda
Transocean Deepwater Holdings Limited	Bermuda
Transocean Deepwater Inc.	Delaware
Transocean Deepwater Mauritius	Mauritius
Transocean Deepwater Nautilus Limited	Cayman Islands
Transocean Deepwater Seafarer Services Limited	Bermuda
Transocean Discoverer 534 LLC	Delaware
Transocean Drilling Enterprises S.a r.l.	Luxembourg
Transocean Drilling Israel Ltd.	Cayman Islands
Transocean Drilling Namibia Limited	Bermuda
Transocean Drilling Offshore S.a r.l.	Luxembourg
Transocean Drilling Sdn. Bhd.	Malaysia
Transocean Drilling Services (India) Private Limited	India
Transocean Drilling U.K. Limited	Scotland
Transocean DWA Limited	Cayman Islands
Transocean DWL Limited	Cayman Islands
Transocean Eastern Pte. Ltd.	Singapore
Transocean Employee Support Fund	Texas
Transocean Enabler Financing Limited	Bermuda
Transocean Enabler Limited	Bermuda
Transocean Encourage Financing Limited	Bermuda
Transocean Encourage Limited	Bermuda
Transocean Endurance Limited	Cayman Islands
Transocean Endurance Rigco Limited	Cayman Islands
Transocean Entities Holdings GmbH	Switzerland
Transocean Equinox Limited	Cayman Islands
Transocean Equinox Rigco Limited	Cayman Islands
Transocean Finance Limited	Bermuda
Transocean Financing (Cayman) Limited	Bermuda
Transocean Financing GmbH	Switzerland
Transocean Guardian Limited	Bermuda
Transocean Holdings 1 Limited	Bermuda
Transocean Holdings 2 Limited	Bermuda
Transocean Holdings 3 Limited	Bermuda
Transocean Holdings LLC	Delaware
Transocean Hungary Holdings LLC	Hungary
Transocean Hungary Ventures LLC	Hungary
Transocean Innovation Labs Ltd.	Bermuda
Transocean International Holdings Limited	Bermuda
Transocean International Limited	Bermuda
Transocean International Resources, Limited	Bermuda
Transocean Investimentos Ltda.	Brazil
Transocean Investments Holdings LLC	Delaware
Transocean Investments S.a r.l.	Luxembourg
Transocean Ltd.	Switzerland
Transocean Management Services GmbH	Switzerland



Exhibit 21

Entity	Jurisdiction
Transocean Minerals Holdings Limited	Bermuda
Transocean Nautilus Limited	Cayman Islands
Transocean Norge Limited	Cayman Islands
Transocean Norway Operations AS	Norway
Transocean Offshore (North Sea) Ltd.	Bermuda
Transocean Offshore Deepwater Drilling Inc.	Delaware
Transocean Offshore Deepwater Holdings Limited	Bermuda
Transocean Offshore Gulf of Guinea II Limited	Bermuda
Transocean Offshore Gulf of Guinea VII Limited	Bermuda
Transocean Offshore Gulf of Guinea XIII Limited	Bermuda
Transocean Offshore International Limited	Bermuda
Transocean Offshore International Ventures Limited	Bermuda
Transocean Offshore Limited	Delaware
Transocean Offshore PR Limited	Bermuda
Transocean Offshore USA Inc.	Delaware
Transocean Onshore Support Services Limited	Scotland
Transocean Orion Limited	Cayman Islands
Transocean Pontus Limited	Bermuda
Transocean Pontus Opco, Inc.	Delaware
Transocean Poseidon Limited	Bermuda
Transocean Poseidon Opco, Inc.	Delaware
Transocean Proteus Limited	Bermuda
Transocean Proteus Opco LLC	Delaware
Transocean Quantum Holdings Limited	Cayman Islands
Transocean Quantum Management Limited	Bermuda
Transocean Quantum Rig Holdings Limited	Cayman Islands
Transocean Quantum Sentry Holdings Limited	Cayman Islands
Transocean Rig 140 Limited	Bermuda
Transocean Rig Ventures Limited	Cayman Islands
Transocean Sedco Forex Ventures Limited	Bermuda
Transocean Sentry Limited	Bermuda
Transocean Services (India) Private Limited	India
Transocean Services AS	Norway
Transocean Skyros Limited	Bermuda
Transocean Spitsbergen ASA	Norway
Transocean SPSF Holdings Limited	Bermuda
Transocean Sub Asset Holdings 1 Limited	Bermuda
Transocean Sub Asset Holdings 2 Limited	Bermuda
Transocean Sub Asset Holdings 3 Limited	Bermuda
Transocean Support Services Limited	Bermuda
Transocean Support Services Nigeria Limited	Nigeria
Transocean Support Services Private Limited	India
Transocean Technical Services Egypt LLC	Egypt
Transocean Titan Financing Limited	Bermuda
Transocean U.S. Holdings LLC	Delaware
Transocean UK Limited	England & Wales
Transocean Voyager 1 Limited	Bermuda
Transocean Worldwide Limited	Bermuda
Triton Aquila GmbH	Switzerland
Triton Asset Leasing GmbH	Switzerland
Triton Atlas GmbH	Switzerland
Triton Capital I GmbH	Switzerland
Triton Capital II GmbH	Switzerland



Exhibit 21

Entity	Jurisdiction
Triton Capital Mexico GmbH	Switzerland
Triton Conqueror GmbH	Switzerland
Triton Corcovado LLC	Hungary
Triton Financing LLC	Hungary
Triton Gemini GmbH	Switzerland
Triton Holdings Limited	Bermuda
Triton Hungary Asset Management LLC	Hungary
Triton Hungary Investments 1 Limited Liability Company	Hungary
Triton Industries Limited	Bermuda
Triton KG2 GmbH	Switzerland
Triton Management Services LLC	Hungary
Triton Mykonos LLC	Hungary
Triton Nautilus Asset Leasing GmbH	Switzerland
Triton Nautilus Asset Management LLC	Hungary
Triton Poseidon GmbH	Switzerland
Triton Quantum I GmbH	Switzerland
Triton Quantum II GmbH	Switzerland
Triton Quantum Rig Holdings GmbH	Switzerland
Triton Titan GmbH	Switzerland
Triton Voyager Asset Leasing GmbH	Switzerland
TRM Holdings Limited	Bermuda
TSSA - Servicos de Apoio, Lda.	Angola



Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements of Transocean Ltd. and subsidiaries:

- (1) Registration Statement (Form S-4 No. 333-46374-99) as amended by Post-Effective Amendments on Form S-8 and Form S-3,
- (2) Registration Statement (Form S-4 No. 333-54668-99) as amended by Post-Effective Amendments on Form S-8 and Form S-3,
- (3) Registration Statement (Form S-8 No. 033-64776-99) as amended by Post-Effective Amendments on Form S-8,
- (4) Registration Statement (Form S-8 No. 333-12475-99) as amended by Post-Effective Amendments on Form S-8,
- (5) Registration Statement (Form S-8 No. 333-58211-99) as amended by Post-Effective Amendments on Form S-8,
- (6) Registration Statement (Form S-8 No. 333-58203-99) as amended by Post-Effective Amendments on Form S-8,
- (7) Registration Statement (Form S-8 No. 333-94543-99) as amended by Post-Effective Amendment on Form S-8,
- (8) Registration Statement (Form S-8 No. 333-94569-99) as amended by Post-Effective Amendment on Form S-8,
- (9) Registration Statement (Form S-8 No. 333-94551-99) as amended by Post-Effective Amendment on Form S-8,
- (10) Registration Statement (Form S-8 No. 333-75532-99) as amended by Post-Effective Amendment on Form S-8,
- (11) Registration Statement (Form S-8 No. 333-75540-99) as amended by Post-Effective Amendment on Form S-8,
- (12) Registration Statement (Form S-8 No. 333-106026-99) as amended by Post-Effective Amendment on Form S-8,
- (13) Registration Statement (Form S-8 No. 333-115456-99) as amended by Post-Effective Amendment on Form S-8,
- (14) Registration Statement (Form S-8 No. 333-130282-99) as amended by Post-Effective Amendment on Form S-8,
- (15) Registration Statement (Form S-8 No. 333-147669-99) as amended by Post-Effective Amendment on Form S-8,
- (16) Registration Statement (Form S-8 No. 333-163320),
- (17) Registration Statement (Form S-8 No. 333-204359),
- (18) Registration Statement (Form S-4 No. 333-213146) as supplemented by Registration Statement (Form S-4 No. 333-214768),
- (19) Registration Statement (Form S-4 No. 333-220791),
- (20) Registration Statement (Form S-4 No. 333-222894),
- (21) Registration Statement (Form S-3 No. 333-222895),
- (22) Registration Statement (Form S-3 No. 333-222896),
- (23) Registration Statement (Form S-4 No. 333-227487),
- (24) Registration Statement (Form S-8 No. 333-227750),
- (25) Registration Statement (Form S-8 No. 333-238091),
- (26) Registration Statement (Form S-3 No. 333-248616),
- (27) Registration Statement (Form S-3 No. 333-257093),
- (28) Registration Statement (Form S-8 No. 333-257804),
- (29) Registration Statement (Form S-8 No. 333-272734),
- (30) Registration Statement (Form S-3 No. 333-274320),
- (31) Registration Statement (Form S-3 No. 333-274790),
- (32) Registration Statement (Form S-3 No. 333-280592),
- (33) Registration Statement (Form S-8 No. 333-280610) as amended by Post-Effective Amendment on Form S-8, and
- (34) Registration Statement (Form S-3 No. 333-280617),

of our reports dated February 18, 2025, with respect to the consolidated financial statements of Transocean Ltd. and subsidiaries and the effectiveness of internal control over financial reporting of Transocean Ltd. and subsidiaries included in this Annual Report (Form 10-K) of Transocean Ltd. for the year ended December 31, 2024.

/s/ Ernst & Young LLP

Houston, Texas
February 18, 2025



TRANSOCEAN LTD.

Power of Attorney

WHEREAS, TRANSOCEAN LTD., a Swiss company (the “Company”), intends to file with the Securities and Exchange Commission (the “Commission”) pursuant to the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder, an Annual Report on Form 10-K for the fiscal year ended December 31, 2024 of the Company, together with any and all exhibits, documents and other instruments and documents necessary, advisable or appropriate in connection therewith, including any amendments thereto (the “Form 10-K”);

NOW, THEREFORE, the undersigned, in his capacity as a director or officer or both, as the case may be, of the Company, does hereby appoint Jeremy D. Thigpen, Robert Thaddeus Vayda, Brady K. Long, Jason Pack, Daniel Ro-Trock and Sandro Thoma, and each of them severally, his true and lawful attorney or attorneys with power to act with or without the other, and with full power of substitution and resubstitution, to execute in his name, place and stead, in his capacity as director, officer or both, as the case may be, of the Company, the Form 10-K and any and all amendments thereto, including any and all exhibits and other instruments and documents said attorney or attorneys shall deem necessary, appropriate or advisable in connection therewith, and to file the same with the Commission and to appear before the Commission in connection with any matter relating thereto. Each of said attorneys shall have the full power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act whatsoever necessary or desirable to be done in the premises, as fully and to all intents and purposes as the undersigned might or could do in person, the undersigned hereby ratifying and approving the acts that said attorneys and each of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has executed this power of attorney to be effective as of the 18th day of February 2025.

By: /s/ Chadwick C. Deaton

Name: Chadwick C. Deaton



Exhibit 24

TRANSOCEAN LTD.

Power of Attorney

WHEREAS, TRANSOCEAN LTD., a Swiss company (the “Company”), intends to file with the Securities and Exchange Commission (the “Commission”) pursuant to the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder, an Annual Report on Form 10-K for the fiscal year ended December 31, 2024 of the Company, together with any and all exhibits, documents and other instruments and documents necessary, advisable or appropriate in connection therewith, including any amendments thereto (the “Form 10-K”);

NOW, THEREFORE, the undersigned, in his capacity as a director or officer or both, as the case may be, of the Company, does hereby appoint Jeremy D. Thigpen, Robert Thaddeus Vayda, Brady K. Long, Jason Pack, Daniel Ro-Trock and Sandro Thoma, and each of them severally, his true and lawful attorney or attorneys with power to act with or without the other, and with full power of substitution and resubstitution, to execute in his name, place and stead, in his capacity as director, officer or both, as the case may be, of the Company, the Form 10-K and any and all amendments thereto, including any and all exhibits and other instruments and documents said attorney or attorneys shall deem necessary, appropriate or advisable in connection therewith, and to file the same with the Commission and to appear before the Commission in connection with any matter relating thereto. Each of said attorneys shall have the full power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act whatsoever necessary or desirable to be done in the premises, as fully and to all intents and purposes as the undersigned might or could do in person, the undersigned hereby ratifying and approving the acts that said attorneys and each of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has executed this power of attorney to be effective as of the 18th day of February 2025.

By: /s/ Domenic J. “Nick” Dell’Osso, Jr.

Name: Domenic J. “Nick” Dell’Osso, Jr.



Exhibit 24

TRANSOCEAN LTD.

Power of Attorney

WHEREAS, TRANSOCEAN LTD., a Swiss company (the “Company”), intends to file with the Securities and Exchange Commission (the “Commission”) pursuant to the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder, an Annual Report on Form 10-K for the fiscal year ended December 31, 2024 of the Company, together with any and all exhibits, documents and other instruments and documents necessary, advisable or appropriate in connection therewith, including any amendments thereto (the “Form 10-K”);

NOW, THEREFORE, the undersigned, in his capacity as a director or officer or both, as the case may be, of the Company, does hereby appoint Jeremy D. Thigpen, Robert Thaddeus Vayda, Brady K. Long, Jason Pack, Daniel Ro-Trock and Sandro Thoma, and each of them severally, his true and lawful attorney or attorneys with power to act with or without the other, and with full power of substitution and resubstitution, to execute in his name, place and stead, in his capacity as director, officer or both, as the case may be, of the Company, the Form 10-K and any and all amendments thereto, including any and all exhibits and other instruments and documents said attorney or attorneys shall deem necessary, appropriate or advisable in connection therewith, and to file the same with the Commission and to appear before the Commission in connection with any matter relating thereto. Each of said attorneys shall have the full power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act whatsoever necessary or desirable to be done in the premises, as fully and to all intents and purposes as the undersigned might or could do in person, the undersigned hereby ratifying and approving the acts that said attorneys and each of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has executed this power of attorney to be effective as of the 18th day of February 2025.

By: /s/ Frederico F. Curado

Name: Frederico F. Curado



Exhibit 24

TRANSOCEAN LTD.

Power of Attorney

WHEREAS, TRANSOCEAN LTD., a Swiss company (the “Company”), intends to file with the Securities and Exchange Commission (the “Commission”) pursuant to the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder, an Annual Report on Form 10-K for the fiscal year ended December 31, 2024 of the Company, together with any and all exhibits, documents and other instruments and documents necessary, advisable or appropriate in connection therewith, including any amendments thereto (the “Form 10-K”);

NOW, THEREFORE, the undersigned, in his capacity as a director or officer or both, as the case may be, of the Company, does hereby appoint Jeremy D. Thigpen, Robert Thaddeus Vayda, Brady K. Long, Jason Pack, Daniel Ro-Trock and Sandro Thoma, and each of them severally, his true and lawful attorney or attorneys with power to act with or without the other, and with full power of substitution and resubstitution, to execute in his name, place and stead, in his capacity as director, officer or both, as the case may be, of the Company, the Form 10-K and any and all amendments thereto, including any and all exhibits and other instruments and documents said attorney or attorneys shall deem necessary, appropriate or advisable in connection therewith, and to file the same with the Commission and to appear before the Commission in connection with any matter relating thereto. Each of said attorneys shall have the full power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act whatsoever necessary or desirable to be done in the premises, as fully and to all intents and purposes as the undersigned might or could do in person, the undersigned hereby ratifying and approving the acts that said attorneys and each of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has executed this power of attorney to be effective as of the 18th day of February 2025.

By: /s/ Frederik W. Mohn

Name: Frederik W. Mohn



Exhibit 24

TRANSOCEAN LTD.

Power of Attorney

WHEREAS, TRANSOCEAN LTD., a Swiss company (the “Company”), intends to file with the Securities and Exchange Commission (the “Commission”) pursuant to the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder, an Annual Report on Form 10-K for the fiscal year ended December 31, 2024 of the Company, together with any and all exhibits, documents and other instruments and documents necessary, advisable or appropriate in connection therewith, including any amendments thereto (the “Form 10-K”);

NOW, THEREFORE, the undersigned, in his capacity as a director or officer or both, as the case may be, of the Company, does hereby appoint Jeremy D. Thigpen, Robert Thaddeus Vayda, Brady K. Long, Jason Pack, Daniel Ro-Trock and Sandro Thoma, and each of them severally, his true and lawful attorney or attorneys with power to act with or without the other, and with full power of substitution and resubstitution, to execute in his name, place and stead, in his capacity as director, officer or both, as the case may be, of the Company, the Form 10-K and any and all amendments thereto, including any and all exhibits and other instruments and documents said attorney or attorneys shall deem necessary, appropriate or advisable in connection therewith, and to file the same with the Commission and to appear before the Commission in connection with any matter relating thereto. Each of said attorneys shall have the full power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act whatsoever necessary or desirable to be done in the premises, as fully and to all intents and purposes as the undersigned might or could do in person, the undersigned hereby ratifying and approving the acts that said attorneys and each of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has executed this power of attorney to be effective as of the 18th day of February 2025.

By: /s/ Glyn A. Barker

Name: Glyn A. Barker



Exhibit 24

TRANSOCEAN LTD.

Power of Attorney

WHEREAS, TRANSOCEAN LTD., a Swiss company (the “Company”), intends to file with the Securities and Exchange Commission (the “Commission”) pursuant to the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder, an Annual Report on Form 10-K for the fiscal year ended December 31, 2024 of the Company, together with any and all exhibits, documents and other instruments and documents necessary, advisable or appropriate in connection therewith, including any amendments thereto (the “Form 10-K”);

NOW, THEREFORE, the undersigned, in his capacity as a director or officer or both, as the case may be, of the Company, does hereby appoint Robert Thaddeus Vayda, Brady K. Long, Jason Pack, Daniel Ro-Trock and Sandro Thoma, and each of them severally, his true and lawful attorney or attorneys with power to act with or without the other, and with full power of substitution and resubstitution, to execute in his name, place and stead, in his capacity as director, officer or both, as the case may be, of the Company, the Form 10-K and any and all amendments thereto, including any and all exhibits and other instruments and documents said attorney or attorneys shall deem necessary, appropriate or advisable in connection therewith, and to file the same with the Commission and to appear before the Commission in connection with any matter relating thereto. Each of said attorneys shall have the full power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act whatsoever necessary or desirable to be done in the premises, as fully and to all intents and purposes as the undersigned might or could do in person, the undersigned hereby ratifying and approving the acts that said attorneys and each of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has executed this power of attorney to be effective as of the 18th day of February 2025.

By: /s/ Jeremy D. Thigpen

Name: Jeremy D. Thigpen



Exhibit 24

TRANSOCEAN LTD.

Power of Attorney

WHEREAS, TRANSOCEAN LTD., a Swiss company (the “Company”), intends to file with the Securities and Exchange Commission (the “Commission”) pursuant to the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder, an Annual Report on Form 10-K for the fiscal year ended December 31, 2024 of the Company, together with any and all exhibits, documents and other instruments and documents necessary, advisable or appropriate in connection therewith, including any amendments thereto (the “Form 10-K”);

NOW, THEREFORE, the undersigned, in her capacity as a director or officer or both, as the case may be, of the Company, does hereby appoint Jeremy D. Thigpen, Robert Thaddeus Vayda, Brady K. Long, Jason Pack, Daniel Ro-Trock and Sandro Thoma, and each of them severally, her true and lawful attorney or attorneys with power to act with or without the other, and with full power of substitution and resubstitution, to execute in her name, place and stead, in her capacity as director, officer or both, as the case may be, of the Company, the Form 10-K and any and all amendments thereto, including any and all exhibits and other instruments and documents said attorney or attorneys shall deem necessary, appropriate or advisable in connection therewith, and to file the same with the Commission and to appear before the Commission in connection with any matter relating thereto. Each of said attorneys shall have the full power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act whatsoever necessary or desirable to be done in the premises, as fully and to all intents and purposes as the undersigned might or could do in person, the undersigned hereby ratifying and approving the acts that said attorneys and each of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has executed this power of attorney to be effective as of the 18th day of February 2025.

By: /s/ Margareth Øvrurn

Name:

Margareth Øvrurn



TRANSOCEAN LTD.

Power of Attorney

WHEREAS, TRANSOCEAN LTD., a Swiss company (the “Company”), intends to file with the Securities and Exchange Commission (the “Commission”) pursuant to the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder, an Annual Report on Form 10-K for the fiscal year ended December 31, 2024 of the Company, together with any and all exhibits, documents and other instruments and documents necessary, advisable or appropriate in connection therewith, including any amendments thereto (the “Form 10-K”);

NOW, THEREFORE, the undersigned, in his capacity as a director or officer or both, as the case may be, of the Company, does hereby appoint Jeremy D. Thigpen, Robert Thaddeus Vayda, Brady K. Long, Jason Pack, Daniel Ro-Trock and Sandro Thoma, and each of them severally, his true and lawful attorney or attorneys with power to act with or without the other, and with full power of substitution and resubstitution, to execute in his name, place and stead, in his capacity as director, officer or both, as the case may be, of the Company, the Form 10-K and any and all amendments thereto, including any and all exhibits and other instruments and documents said attorney or attorneys shall deem necessary, appropriate or advisable in connection therewith, and to file the same with the Commission and to appear before the Commission in connection with any matter relating thereto. Each of said attorneys shall have the full power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act whatsoever necessary or desirable to be done in the premises, as fully and to all intents and purposes as the undersigned might or could do in person, the undersigned hereby ratifying and approving the acts that said attorneys and each of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has executed this power of attorney to be effective as of the 18th day of February 2025.

By: /s/ Samuel J. Merksamer

Name: Samuel J. Merksamer



Exhibit 24

TRANSOCEAN LTD.

Power of Attorney

WHEREAS, TRANSOCEAN LTD., a Swiss company (the “Company”), intends to file with the Securities and Exchange Commission (the “Commission”) pursuant to the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder, an Annual Report on Form 10-K for the fiscal year ended December 31, 2024 of the Company, together with any and all exhibits, documents and other instruments and documents necessary, advisable or appropriate in connection therewith, including any amendments thereto (the “Form 10-K”);

NOW, THEREFORE, the undersigned, in her capacity as a director or officer or both, as the case may be, of the Company, does hereby appoint Jeremy D. Thigpen, Robert Thaddeus Vayda, Brady K. Long, Jason Pack, Daniel Ro-Trock and Sandro Thoma, and each of them severally, her true and lawful attorney or attorneys with power to act with or without the other, and with full power of substitution and resubstitution, to execute in her name, place and stead, in her capacity as director, officer or both, as the case may be, of the Company, the Form 10-K and any and all amendments thereto, including any and all exhibits and other instruments and documents said attorney or attorneys shall deem necessary, appropriate or advisable in connection therewith, and to file the same with the Commission and to appear before the Commission in connection with any matter relating thereto. Each of said attorneys shall have the full power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act whatsoever necessary or desirable to be done in the premises, as fully and to all intents and purposes as the undersigned might or could do in person, the undersigned hereby ratifying and approving the acts that said attorneys and each of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has executed this power of attorney to be effective as of the 18th day of February 2025.

By: /s/ Vanessa C. L. Chang

Name: Vanessa C. L. Chang



Exhibit 24

TRANSOCEAN LTD.

Power of Attorney

WHEREAS, TRANSOCEAN LTD., a Swiss company (the “Company”), intends to file with the Securities and Exchange Commission (the “Commission”) pursuant to the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder, an Annual Report on Form 10-K for the fiscal year ended December 31, 2024 of the Company, together with any and all exhibits, documents and other instruments and documents necessary, advisable or appropriate in connection therewith, including any amendments thereto (the “Form 10-K”);

NOW, THEREFORE, the undersigned, in his capacity as a director or officer or both, as the case may be, of the Company, does hereby appoint Jeremy D. Thigpen, Robert Thaddeus Vayda, Brady K. Long, Jason Pack, Daniel Ro-Trock and Sandro Thoma, and each of them severally, his true and lawful attorney or attorneys with power to act with or without the other, and with full power of substitution and resubstitution, to execute in his name, place and stead, in his capacity as director, officer or both, as the case may be, of the Company, the Form 10-K and any and all amendments thereto, including any and all exhibits and other instruments and documents said attorney or attorneys shall deem necessary, appropriate or advisable in connection therewith, and to file the same with the Commission and to appear before the Commission in connection with any matter relating thereto. Each of said attorneys shall have the full power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act whatsoever necessary or desirable to be done in the premises, as fully and to all intents and purposes as the undersigned might or could do in person, the undersigned hereby ratifying and approving the acts that said attorneys and each of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has executed this power of attorney to be effective as of the 18th day of February 2025.

By: /s/ Vincent J. Intrieri

Name: Vincent J. Intrieri



Exhibit 31.1

CEO CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jeremy D. Thigpen, certify that:

1. I have reviewed this report on Form 10-K of Transocean Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: February 18, 2025

/s/ Jeremy D. Thigpen

Jeremy D. Thigpen
Chief Executive Officer



Exhibit 31.2

CFO CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Robert Thaddeus Vayda, certify that:

1. I have reviewed this report on Form 10-K of Transocean Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: February 18, 2025

/s/ Robert Thaddeus Vayda

Robert Thaddeus Vayda

Executive Vice President and Chief Financial Officer



Exhibit 32.1

**CERTIFICATION PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002 (SUBSECTIONS (a) AND (b)
OF SECTION 1350, CHAPTER 63 OF TITLE 18, UNITED STATES CODE)**

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), I, Jeremy D. Thigpen, Chief Executive Officer of Transocean Ltd., a Swiss corporation (the "Company"), hereby certify, to my knowledge, that:

- (1) the Company's Annual Report on Form 10-K for the year ended December 31, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 18, 2025

/s/ Jeremy D. Thigpen

Jeremy D. Thigpen
Chief Executive Officer

The foregoing certification is being furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) and is not being filed as part of the Report or as a separate disclosure document.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the U.S. Securities and Exchange Commission or its staff upon request.



Exhibit 32.2

**CERTIFICATION PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002 (SUBSECTIONS (a) AND (b)
OF SECTION 1350, CHAPTER 63 OF TITLE 18, UNITED STATES CODE)**

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), I, Robert Thaddeus Vayda, Executive Vice President and Chief Financial Officer of Transocean Ltd., a Swiss corporation (the "Company"), hereby certify, to my knowledge, that:

- (1) the Company's Annual Report on Form 10-K for the year ended December 31, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 18, 2025

/s/ Robert Thaddeus Vayda

Robert Thaddeus Vayda

Executive Vice President and Chief Financial Officer

The foregoing certification is being furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) and is not being filed as part of the Report or as a separate disclosure document.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the U.S. Securities and Exchange Commission or its staff upon request.



Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Torstein Kinden Helleland	25.09.2013	07.10.2013
Telefon	Deres referanse	Vår referanse
22078139	Iain Robert Inglis	2013/750180

TRANSOCEAN SERVICES AS
Postboks 8200
4069 STAVANGER

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Det vises til deres brev 25. september 2013 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper;

Transocean Services AS	org. nr. 980 891 402
Transocean Norway Operations AS	org. nr. 990 687 846
Transocean Offshore Norway Services AS	org. nr. 990 687 803
Transocean Norway Operations Support AS	org. nr. 992 992 549
Transocean Norway Drilling AS	org. nr. 982 000 564
Transocean Barents ASA	org. nr. 988 571 326
Transocean Spitsbergen ASA	org. nr. 888 571 302
Transocean Offshore North Sea Ltd NUF	org. nr. 977 368 448
Transocean Offshore Europe Ltd NUF	org. nr. 980 865 797

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Bakgrunn

Transocean Services AS er morselskap for flere selskaper som inngår i Transocean konsernet og som er registrert i Norge. Tilsammen utgjør selskapene Transocean Norway Division. Konsernspiss er det sveitsiske selskapet Transocean Ltd. Selskapene driver virksomhet innen offshore herunder inn- og utleie av boreplattformer og tilhørende personell. Selskapet driver virksomhet i en bransje der alle sentrale aktører og samarbeidspartnere behersker engelsk. Arbeidsspråket er engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets 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."

Postadresse	Besøksadresse:	Sentralbord
Postboks 9200 Grønland	Se www.skatteetaten.no	800 80 000
0134 Oslo	Org.nr: 996250318	Telefaks
skatteetaten.no/sendepost		22 17 08 60



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 og lokalsamfunnet.

Det er etter Skattedirektoratets 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.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapene er en datterselskaper av et utenlandsk selskap. Eierkretsen er således begrenset. Selskapenes arbeidsspråk er engelsk og all kommunikasjon skjer på engelsk. Videre er det vektlagt at selskapene driver virksomhet i en bransje der alle aktører behersker engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad
Seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland