

THE PURSUIT

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Corporate Strategy Combines Fleet Enhancement with Margin Improvement

I joined Transocean in May 2015 during what has turned out to be the worst downturn in the history of the offshore drilling industry. I immediately recognized that we had the opportunity to become significantly more efficient as an organization. As a result, we've been laser-focused at removing waste, leading to lower costs, improving revenue efficiency resulting in higher revenue, and simplifying the business by eliminating unnecessary complexities. This is a multi-year process, which the company has embraced with the results to date exceeding all expectations. This is evidenced by our EBITDA margins that, for the previous few quarters and year-to-date, now lead the peer group.

Our growth strategy has focused on high-grading our rig fleet by:

- 1) adding new high-specification, harsh-environment assets and ultra-deepwater drillships, and
- 2) selling or retiring non-core and/or older assets.

We've been very active on both of those fronts. So far, we've recycled 39 rigs, sold our jackup fleet, and are currently in the process of acquiring Songa Offshore, thereby adding four high-specification, harsh-environment semisubmersibles to our fleet with an associated \$4 billion in contract backlog.

Two years ago, the Songa transaction would not have been possible. As our balance sheet has improved and we've extended our liquidity runway through improved operations and prudent financial management, our equity has become a more desired 'currency'. Today, Transocean's balance sheet is a strength to the point where we are recognized as one of the few expected survivors of this downturn and one of the few companies that can do transactions of any size. As we are still in the midst of the downturn, both drilling companies and rigs remain attractively priced, and we'll remain focused consistent with our strategy on remaining the undisputed leader in the offshore drilling industry.

In keeping with our goal to simplify the business, we purchased the outstanding interest in Transocean Partners last year and are systematically eliminating subsidiaries not required to execute current operations. Historically, Transocean has grown through acquisitions, with each one bringing an increasing amount of complexity to our business.

Today, Transocean is recognized as one of the few expected survivors of this downturn and one of the few companies that can do transactions of any size.

And despite merging and/or dissolving numerous companies and branches in the past two years, we still have more than 350 subsidiaries today. The process of eliminating excess subsidiaries is time



consuming and requires coordination between our tax, legal, accounting, treasury and other departments.

While we have little control over dayrates, we can certainly impact our cost structure and, to a large degree, our revenue efficiency. Dayrates are a function of oil prices, which not only drives our customers' decision to drill oil and gas wells, but also the magnitude of their capital expenditures. Hence, our revenue is a result of our customer spending levels, which have declined for four consecutive years. As a result, when we look out to 2018, our revenue projections are significantly below where they were for 2017, which means we need to continue to focus on safety performance, uptime, operating and shore-based costs, and reactivating expenditures.

The energy industry remains highly cyclical; and we remain challenged by the duration of the current down cycle. After a nine-year upcycle, it appears we are in for a longer down cycle than initially projected. We're four years into it, with 2018 forecasted to be marginally better but only as it relates to the level of activity. The good news is that Transocean is very well positioned for this down cycle, even if it takes a few more years. Employees can be secure in their

expectations that Transocean will survive this down cycle while positioning ourselves to thrive in the next expansion.

To summarize, Transocean has been extremely busy the past few years. These are ongoing efforts across the Finance and Global Supply Chain functions, and you can expect to see plenty more from my team going forward. In addition to continuing to fortify the balance sheet and extend our liquidity runway, we're going to continuously look at how we can drive costs lower, create additional efficiencies, reduce complexity and simplify our processes. All of this while we continue to evaluate opportunities to opportunistically grow the business through prudent acquisitions of assets and companies.

Our offshore teams are focused on operating safely and efficiently – my team is responsible for ensuring that we have the funds to support them. We all have the same goal: Let's make Transocean BOUNDLESS!

Mark Mey
Executive Vice President & Chief Financial Officer

Transocean Strong

Hurricane Harvey became the strongest hurricane since 1961 to hit Texas on August 25, 2017, dumping more than 50 inches of rain on Houston and the surrounding area, flooding some 100,000 single-family homes and countless apartments, and ruining up to a million cars. Two weeks later, Hurricane Irma made landfall in Florida after devastating islands in the Caribbean, packing a punch with winds as strong as 185 miles per hour for a steady 37 hours.



Service-Focused T-shirts worn by Transocean volunteers say it all.

These two hurricanes make 2017 the first year on record that the U.S. has been impacted by two Category 4 hurricanes in the same year. This was felt personally by Transocean people, triggering our Service-Focused spirit and bringing us together to help each other and our community.

Even before the company could schedule volunteer efforts with community partnerships, employees were in boats rescuing victims, cleaning out houses, and providing food and supplies to many in need. Our teams immediately began working to rebuild lives with remarkable kindness, logging over 3,000 volunteer hours, preparing and serving over 1,200 meals, rescuing 100+ flood victims, and cleaning out more than 100 homes.

Transocean took a proactive role in organizing its volunteer relief effort to support affected communities, reaching out to various agencies around the city to identify involvement opportunities and then schedule the volunteer activities. In addition to giving \$100,000 each to the Red Cross and the Houston Food Bank, the company matched the donations employees gave to hurricane relief efforts with equal contributions to either the Red Cross or the Houston Food Bank. This matching program is ongoing.

Dave Foster, part of the work crew at the St. Joseph Condominiums, shared his feelings about this volunteer project: "The volunteer opportunity at St. Joseph's aligns perfectly with Transocean's ability to go to difficult places under challenging circumstances and get the job done well."

In another volunteer effort, Transocean was fortunate to partner with the Houston Astros to serve the Texas National Guard. Most of these first responders were sleeping on the floor of an airplane hangar after working 14-hour days under the blazing sun. Our volunteers say they were so thankful to have a wonderful hot meal and the opportunity to watch a football game from the Transocean tailgating trailer. Weeks later, the Astros donated 350 Astros tickets to Transocean family and friends in thanks.



Hurricane Harvey floods Houston with more than 50 inches of rain over three days in August.

Company leadership also acted quickly to support our most valuable assets — our people. Employees who were impacted by the hurricanes received \$500 to cover expenses if they had to evacuate their homes, \$1,000 if their car was damaged or destroyed, and up to \$5,000 if their home needed repairs from hurricane damage. Transocean also provided five days off with pay after the hurricanes if employees needed to repair their own homes or wanted to volunteer to help others. To date, nearly 200 employees have asked for financial assistance related to Hurricanes Harvey and Irma, and Transocean's contributions to employees and charitable organizations total more than \$650,000 so far.

"We are very proud of everyone who helped victims and saved lives, everyone involved in lending a hand or even a hug in the rescue and recovery efforts," said Senior Vice President, Industry & Community Relations, Terry Bonno. "At Transocean, we're in it for the long haul, and we are committed to being Service-Focused and demonstrating good citizenship while doing more to serve our employees and our communities."

We're Transocean Strong.

See our team's impact on pages 6-9

"We are very proud of everyone who helped victims and saved lives, everyone involved in lending a hand or even a hug in the rescue and recovery efforts."

Terry Bonno, Senior Vice President, Industry & Community Relations

Comprehensive Stacking & Reactivations Keep Transocean Competitive

When oil prices started their downward spiral in 2014, Transocean got busy cutting costs, paring down assets, and making tough decisions to help keep the company competitive. One of those tough decisions was to develop comprehensive stacking procedures that would preserve the more complex technologically advanced rigs without damaging their potential to go back to work. This had never been tried in the industry by anyone before, including Transocean.

At that point, no one could have predicted how long the downturn would last or how severe it would be. "This downturn has been hard to predict, especially its duration," said Kees Van Pelt, director of Newbuild, Upgrade and Repair Projects. "The market is still very tough, with short-term drilling contracts and lower day rates. Keeping some of our key assets ready with warm stacking so we can jump on the new contracts that become available is crucial. People don't realize how well preserved our rigs are."

Unique Stacking Process

Since 2015, Transocean has stacked more than 30 rigs. "We were the first in the industry to stack these new generation drillships and semis," said Asset Assurance Manager Scott Williams. "Our process is unique in that originally nobody else in the industry was going to the detailed level of preservation that we do. And now pretty much everyone has cloned Transocean's methods, even to using our PMSR (Preventative Maintenance Stacking Record)."

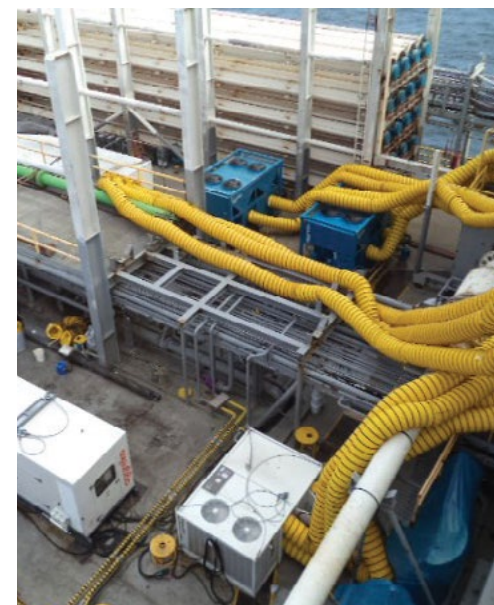
It's easy to see why when you consider costs. It costs about \$40,000 a day for a rig to sit warm stacked versus about \$15,000 a day to sit cold stacked. According to a leading maritime and off-shore industry website, Transocean has probably saved around \$90 million so far by turning to cold stacking as quickly as it did.

"No rigs out there are preserved as well as Transocean's rigs," Scott said. "From an executive level, the company made some early choices that were absolutely remarkable knowing as little as they did at that time about how severe the downturn was going to be, getting costs down to the absolute minimum possible, but still spending enough money to preserve the rigs in such a fashion that they could go back to work. It hurt a lot of people who will never come back to the drilling industry, but making these tough decisions early on were important to the success of the company."

Transocean's comprehensive stacking program is a multi-step preservation process, which we continually improve upon. The dehumidification process alone is daunting, requiring installation of approximately 1500 linear feet of air ducting, 3000 linear feet of electric cabling, two 500 kw diesel generators, five AC units that vary in size between 10-70 tons, a diesel air compressor, and two 5000 gallon diesel fuel tanks. Just cleaning a rig thoroughly, which is critical to prevent corrosion, at first took a team of 20-30 as much as 30 days to complete. Chief Operating Officer John Stobart challenged the team to do it better and faster, and rig management to keep the rigs cleaner to begin with, which further cut cleaning time. Now the time required to stack a rig to Transocean standards is approximately 15-21 days.



The Rig Reactivation team attends a Toolbox Talk prior to tackling a task on the Barents.



In the stacking process, ducting connects to exterior AC units and snakes through interior doors to keep the rig's interior dehumidified.

Comprehensive Rig Reactivations

Transocean has reactivated five rigs in the past 18 months – the *Transocean Barents*, *Henry Goodrich*, *Deepwater Asgard*, *Development Driller III* and *Development Driller I* – with the *Deepwater Nautilus* reactivation due to be completed shortly.

“We put an inordinate amount of time and expense into putting these rigs down,” said Jason Roberts, operations manager of Upgrade & Repair Project Execution. “So when we come back to do a reactivation, they’re in as good a condition, as good a state of readiness, as they possibly can be. Each of our reactivations is really a de-preservation. Transocean has invested well in terms of knowing how to stack assets, manage them when they’re stacked, work with RTO to bring them out, put the equipment through its paces, and make sure our units are absolutely compliant and ready to go to work.”

Transocean has developed a self-verification rig reactivation process called RTO, or Ready to Operate. Armed with a checklist, an in-house team ensures that each piece of equipment is working

as efficiently as planned and that it all functions together as designed. The RTO team serves a dual role, also facilitating rig deactivation and stacking.

“The biggest reactivation challenge is the people,” said Deepwater Asgard Master OIM Richard Robson. “If you spend time vetting and make sure you have the right people, everything else will fall in place.”

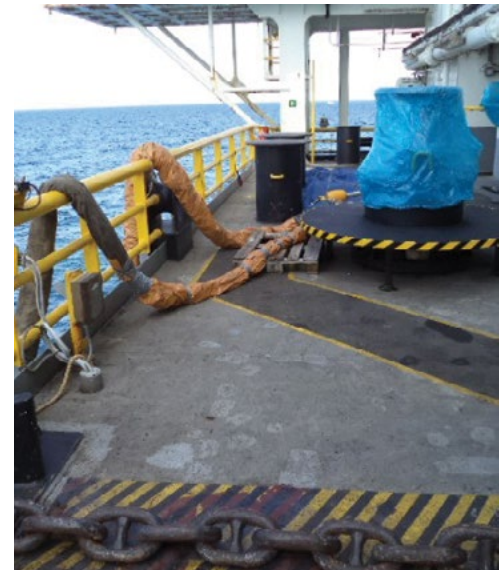
According to Jess Richards, director of Operations & Marine Assurance, “We keep close track of all our employees who are reassigned to other vessels in the fleet when a rig comes down. We know who they are and what position they previously held, so we have had good success in bringing back the people we want.”

The crews on our reactivated rigs are a mix of people from other rigs and those who have been called back. Some promotion opportunities have been available for those ready to move up. The recruiting pace can be hectic when multiple rigs are involved, especially when crewing reactivations coincides with crewing newbuilds as has been the case at Transocean recently.

In addition to recruiting, the people side of reactivation requires training, certifications, medicals and background checks. On the asset side, our Operations team looks at the scope of work needed on the rig, defines it, costs it out, and gets approval from the top to proceed.

A Transocean reactivation can be a very intense event, especially for a small project team of 8-10 people. It involves hundreds of vendors and countless hours of assistance from various departments in the company, including Operations, HR, HSE and Legal. For the RTO teams, it can mean long months away from home. But in the end, as our rigs go back to work, everyone involved agrees that it’s all worth it.

“The market will recover,” Jason concluded, “and we will put our rigs back to work. As the market comes back, we’re pretty excited to show what we can do. I think our stacking gives us a competitive advantage. The market is going to see that it can trust us with a stacked unit, to bring it back into the market as efficiently and professionally as it went out.”



Emergency tow lines are placed at both bow and stern for easy deployment while the rig is stacked.

“The biggest reactivation challenge is the people. If you spend time vetting and make sure you have the right people, everything else will fall in place.”

Richard Robson, Asgard Master OIM



Remote Bilge Monitors are powered by generators with backup power from solar panels as long as rigs remain stacked.



Shrink wrap covers as many rig surfaces as possible to prevent corrosion during stacking.



Transocean Strong

Here is a sampling of the Transocean team's many acts of kindness – from monetary support and hot meals to rescue crews helping friends, coworkers, family and complete strangers – and the expressions of gratitude that resulted.

Lunch for 400 First Responders



Precinct 2 Harris County Constables stand with the Transocean cooking team – (from left) Donna Anderson, Galina Seliounina, Robyn Goldstein, Roddie Mackenzie and Kristina Mays – as they prepare to serve lunch to 400 HPD, HFD and other emergency first responders.

"Just wanted to send a shout out and say hello. It was wonderful meeting you and the great crew of Transocean. I know you all made such a difference in so many lives. Thank you all!!"

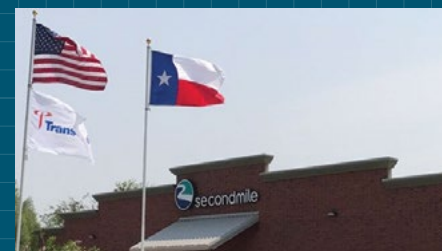
Cindy Vara-Leija, Precinct 2 Sergeant



The Transocean Legal team pauses for a photo after volunteering at Houston's NRG center, which served as a temporary shelter for hurricane victims: (from left) Dave Faure, Daniel Ro-Trock, Debra Kupferman, Mark Mroz, Brady Long, Holly Pelikan, Mary Moreland, Richard La Mothe, Pam Easton, Paige Johnson, Robyn Goldstein, Olivia Mesa.

Second Mile Mission

Transocean's cooking team serves 250 volunteers at the food distribution center, plus people impacted by the hurricane, as they pick up needed items for their families at the Second Mile Mission. See our team on YouTube – After Harvey: A Day of Food Relief.



"Thank you for your generous gift of fire-grilled burgers, hot dogs and sides on September 6 during our disaster relief efforts. In September alone, supporters like you helped us serve **130 households a day**. Around 6,000 flood survivors received nutritious food, cleaning supplies and more. Thank you for being part of these efforts! We appreciate your presence that day and your passion to serve."

Sarah White, Executive Director

“Thanks so much to the Transocean team for joining our efforts to provide meals at Ellington today. Your kindness matters to many!”

Twila Carter , Executive Director, Houston Astros Foundation

Transocean & Astros Serve Texas National Guard



Transocean cooking team volunteers prepare meals for the Texas National Guard, including (from left) Gregory Besozzi, Terry Bonno, Adam Hess, Robyn Goldstein, Craig Duncan, Bob Herrin, Keith Avery, Robert Maulding, Brian Pierce, Sarah Pruett, Kristina Mays, Marco Morin, Naomi Cancienne, David McQuilken, Dana Elliott, Glen Shropshire, Kylie McQuilken, Roddie Mackenzie.



Transocean partners with the Houston Astros Foundation to serve 500 first responders from the Texas National Guard at Ellington Field.



The Texas National Guard stands for the national anthem while watching the football game during the meal.



This tweet marks the Transocean-Astros collaboration.



Serving the Second Mile Mission are (from left) David McQuilken, Daryl Petty, Adam Hess, Naomi Cancienne and Kameron McQuilken.

Transocean Strong

St. Joseph Condominiums



The sisters of the St. Joseph's Condominiums are very thankful for Transocean's incredible work crews.



Transocean volunteers pull sheetrock, flooring and insulation in nine water-damaged condos at the St. Joseph complex.

"On behalf of the families who are affected by the flood at St. Joseph's Condo, thank you so much for all the work you and your guys did during the last three days. What you did meant a lot to them. Please tell all the guys that their presence and selfless generosity has actually given these people hope and uplifted their spirit."

Peter Dung, Houston Police Department Officer



Sean Golden (second row, far left) leads Transocean's St. Joseph's condo work crew of (front row, from left) Regulo Solis, Kim King, Robert Hedra; (second row, center) Patrick Baird and Michael John; (third row, left) David Foster and David Hollier; (back row, from left) Brent Cosner, Karsten Peterson, Jon Balciar.

Transocean Strong

Houston Food Bank

The Transocean team provides much needed volunteer support at the Houston Food Bank during Harvey relief efforts preparing meals in the Kid Café.



Helping out at the Houston Food Bank are (first row, from left) Marissa Hatton, Dray Harper, Kanesha Roy and Kashetha Watkins; (second row, from left) Timothy Hill, Hilda Wilkerson, Darlene Richardson, Rosa Ortiz, Terry Bonno and Matthew Tingsanchali.

"In these trying times for Houston and its residents and businesses, we are touched by the outpouring of support from our generous supporters and donors. We're grateful to Transocean for its ongoing support, and now this generous gift for Hurricane Harvey disaster relief efforts. With this money, we will be able to provide much-needed food, water and cleaning supplies throughout Greater Houston and all counties in our service area."

Brian Greene, President & CEO

Editor's Note: Please see PS on the back page for more Transocean first responder news.



Transocean first responders Jess and Ramsey Richards come to the aid of Hurricane Harvey flood victims.

Transocean Employee Support Fund

Hurricane Harvey inspired the formation of the Transocean Employee Support Fund, a 501(c)(9) tax-free global fund to which Transocean and its employees can contribute. Contributions are tax-deductible and may be made directly or by payroll deduction. One-third of the contributions in the fund will come from the company and the remaining two-thirds from employees. Proceeds from this fund will go to help employees in need, as determined by a committee of Transocean employees. The fund is expected to be operational on January 1, 2018.

Our Work Crew: Patrick Baird, Jon Balciar, Barry Braniff, Brent Cosner, Paul Fairchild, David Foster, Sean Golden, Darren Hanrahan, Robert Heddal, David Hollier, Michael John, Paul King, Kim King, John Macdonald, Travis McGuire, David Mitchell, Krystian Paczkowski, Ramsey Richards, Regulo Solis, and Jordan Wheeler

Our Cook Team: Folake Ademola, Troy Alessi, Donna Anderson & husband Marcus, Keith Avery, Greg Besozzi, Naomi Cancienne, Dan Collins and Mrs. Collins, Craig Duncan, Dana Elliott, Sean Golden, Robyn Goldstein, Roger Heddal, Miriam Herrera, Bob Herrin, Adam Hess, Paige Johnson, Nicole Lane, John MacDonald, Roddie Mackenzie, Robert Maulding, Kristina Mays, David McQuilkin & kids, David Moffitt, Marc Morin, Darrel Pelley, Brian Pierce, Sarah Pruett, Shanta Reed, Darlene Richardson, Justin Richardson & kids, Keetha Selvarajoo, Mike Shaw & daughter, and Glen Shropshire

Meet the Transocean Safety Team

The tasks performed by Transocean's Operations Integrity (OI) and HSE team may be one of the best kept secrets in the company. That is to say, a large portion of this group's work takes place behind the scenes from Houston to Aberdeen and places in between, and isn't widely known. These tasks range from contract bid input and maintaining a management system compliant with all relevant and current legislation, to handling customer queries and online training programs, to developing and facilitating roll-out material, engagement sessions and leadership sessions, to name but a few.

According to Operations Integrity and HSE Support Director Kevin Knott, "The focus of this tight-knit, cohesive group is to provide Operations Integrity and HSE support of value. We have agreed and made a commitment as a team to focus on the end user of anything we put out there to support an incident-free environment. This focus helps to ensure we provide guidance and requirements that are as simple, clear and effective as possible."

To make sure this happens, the group is divided into various sections with specific primary responsibilities:

Environmental

Maintain environmental policies and procedures that ensure Transocean complies globally with all environmental laws and regulations; provide environmental support to all the rig teams; promote and drive environmental protection improvement through waste reduction/management, energy efficiencies and pollution prevention.

Global HSE Operations

Support rig teams to ensure company policies are understood and complied with by assisting with implementation and continual follow-up support; develop, roll out and facilitate training programs, where applicable, to support Transocean's policies; drive the Hold the Zero campaign.

"A small but dynamic team of HSE Focal Points, placed in strategic locations around the world, are the key to bringing HSE Support to our rigs," said Tony Johnson, senior global manager of HSE Operations. "These subject matter resources are key to providing effective HSE support by building close relationships with our operational teams in what can be remote, challenging and diverse environments."

As HSE Manager of Training and Development Graham Cameron said, "We as a team all have extremely high standards and take great pride in everything we do and are part of. I like helping



The Safety team in Aberdeen includes (from left) Wayne Bradford, Kevin Murdoch, Chaz Simpson, Susan Dargie covering for Diana Baird, Gwen Morrison, Kimberley Watson, Andrew Beckley and Ade Adetiloye.



Dr. Francois Pelat, Medical Services senior manager.



Houston Safety team members pictured are (from left) Jason Wilson, Tony Johnson, Kirkley Burrows, Marcelo Azeredo, Ogochukwu Adaikpoh, Micah Lindsey, Ana Mata, Mike Holmes and Paul Johnson. Not shown are Graham Cameron, Adrian Garibdass and Troy Hadaway.

people see the value in safety, seeing them actually have that 'light-bulb moment' where understanding is visible."

Medical Services

Maintain occupational health policies and medical protocols to provide a safe and healthy place to work; provide oversight and support for any injuries or illnesses, ensuring employees receive the most appropriate care.

"The way we manage health at Transocean is unique and definitely far ahead of our drilling colleagues," said Dr. Francois Pelat, senior manager of Medical Services. "Our medical support is simple, global, proactive and cost-effective, and it works! We anticipate at the very early stage with our medical screening programs, greatly benefiting individuals and also significantly contributing to reduce, if not avoid, disruptions in operations."

Global HSE Support

Develop and maintain OI & HSE manual policies, ensuring effectiveness and continual improvement; review and analyze all incidents and near misses; ensure learnings are captured efficiently and embedded into the fleet.

Environmental & Global HSE Support Manager Ricky Holtom said: "The team continually searches for the lessons to be learned in the incidents we have, looking for the opportunities to ensure our people operate in a safe place of work with minimal impact to the environment. By looking at the company's HSE performance results, we can provide support to the people who live and work in some of the most challenging environments around the globe."

Operational Integrity

Develop and maintain Transocean's rig Safety Cases and the operational effectiveness of our major hazard controls through Bowties and barrier roles and responsibilities; develop and maintain effective OI policies.

"As a team," Operational Integrity Manager Kevin Murdoch explained, "we pride ourselves on being able to draw on our diverse individual skill sets to ensure that the level of support meets our customer's needs -- the customer being our offshore teams. I get great satisfaction when a Safety Case is completed and subsequently accepted by a regulatory body. These moments show our organization is adept at working together as

remote teams to meet a common goal, and the hard work by all involved has been worth it."

CMS Quality and Administration

Maintain the quality and standards of the whole company's CMS; work with marketing and customers on contract bid documentation and translations.

According to Operational Integrity Manager Jason Wilson, "The team works diligently to ensure the Company Management System is maintained at a level that meets internal and external expectations, including those of our customers, recognized international standards, and regulators of countries in which we operate. While much of the team's work occurs 'behind the scenes,' they are regularly engaged with our customers as part of bid responses, new country entry requirements and customer audits."

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Kevin Knott

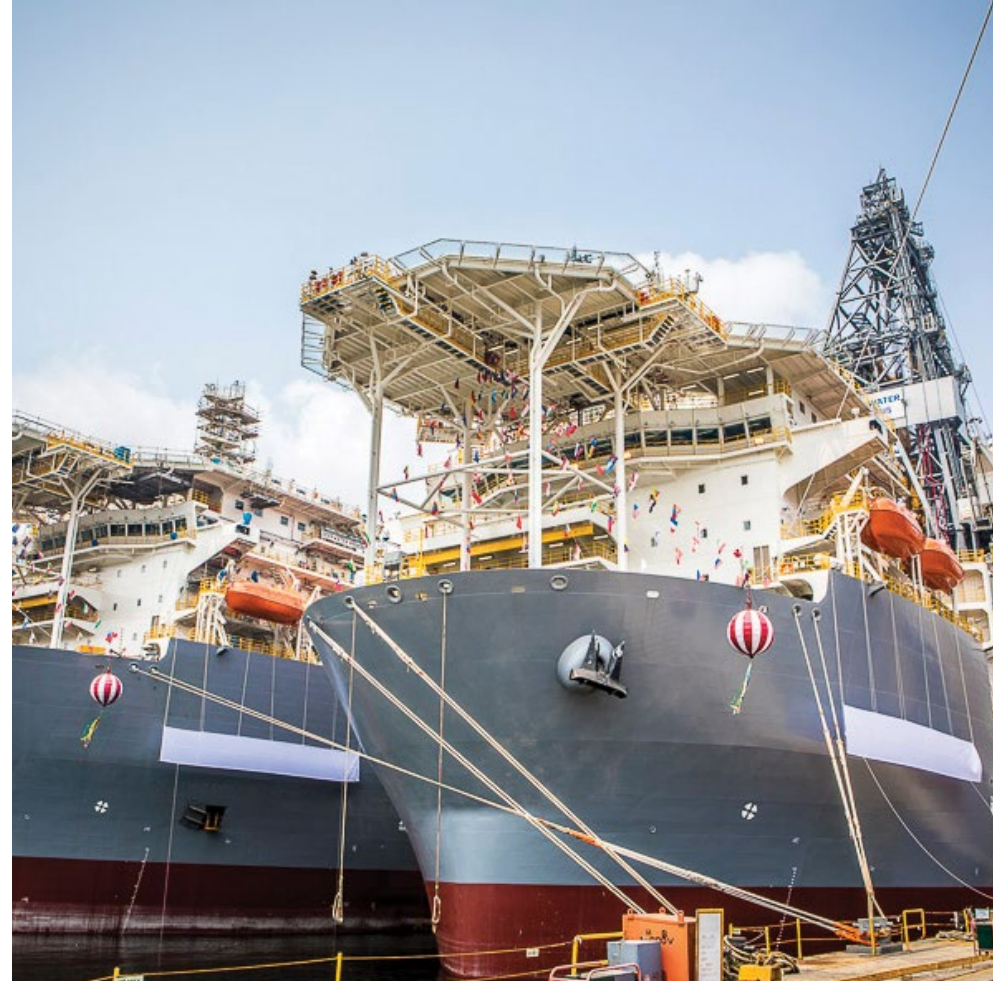
Naming Ceremony Celebrates Newbuilds



Transocean celebrated its newbuild ultra-deepwater rig additions, the *Deepwater Pontus* and the *Deepwater Poseidon*, with a traditional Naming Ceremony held in Korea at the DSME (Daewoo Shipbuilding & Marine Engineering) shipyard in June. These photos commemorate the occasion, which was attended by Shell VIPs, as well as Transocean.

Shell has awarded both rigs 10-year contracts. The *Deepwater Pontus* commenced operations in late October in the US Gulf of Mexico, while the *Deepwater Poseidon* is scheduled to join the Pontus during the first quarter of 2018.

COO John Stobart



Drilling Contracts Awarded

BHP Billiton has awarded the *Deepwater Invictus* a two-year contract, plus three one-year priced options, which is expected to start in the second quarter of 2018.

The *Dhirubhai Deepwater KG2* has secured a new contract with Woodside for offshore Myanmar. The three-well campaign with options is set to commence in May 2018.

DEA Norge has signed the *Transocean Arctic* for a four-well program plus options in Norway. The program, planned to last approximately 340 days, is expected to start in mid-2019.



Deepwater Invictus



Dhirubhai Deepwater KG2

Q3 2017 Financial Results

Transocean continued to deliver consistently strong operating results during the third quarter of 2017, reporting revenue efficiency of 97.1%, an EBITDA margin of 49%, and adjusted net income of \$64.0 million.

"I would like to recognize the entire Transocean team for achieving what is now approaching 19 consecutive months without a single lost-time incident," said President & CEO Jeremy Thigpen. "Because of your focused efforts, we continue to improve our safety performance. We are moving closer to our goal of 100% uptime. We are delivering wells for our customers more efficiently than ever before. As evidenced by our strong Adjusted Normalized EBITDA margin, we are managing our business more efficiently than ever before. And because of our consistent and efficient operating performance and the great work of our Finance and Legal team, we have the liquidity to continue to invest in our people and our assets despite the challenging and uncertain market. Well done and thank you."

Soles Presents at IADC Conference



When IADC held its Asset Integrity & Reliability Conference in August, Performance and Innovation Managing Director Julian Soles represented Transocean with a presentation about using big data effectively to improve drilling unit asset integrity.

Discussing the major challenges the industry needs to address, Julian said: "We want our equipment to be designed to use all of the data streaming from the machines and integrate it with maintenance data to improve equipment performance and availability."

To drive this quickly, Transocean has signed long-term contracts with OEMs on our key equipment to move us away from a transactional relationship, so we can work more closely on equipment design and operation to drive improved availability. "We are in the process of integrating this within our operations, reliability and engineering teams as part of our continuous improvement process," he added, "as we continue to learn new insights from our integrated data. Finally, Cyber security is a critical aspect to ensure our operations can be conducted safely, so we have enhanced our capabilities in this area as we continue to build our network."

Transocean Retires Six Floaters

Transocean took another step in its ongoing effort to improve the overall quality and competitiveness of the fleet, retiring ultra-deepwater floaters *GSF Jack Ryan*, *Sedco Energy*, *Sedco Express*, *Cajun Express* and *Deepwater Express* in addition to deepwater floater *Transocean Marianas*.

Hazel Meek:

Senior Legal Counsel, Aberdeen

Senior Legal Counsel Hazel Meek (formerly Vallance) has an international background, so it's appropriate that she should pick a global company like Transocean as her career choice.

A dual-qualified solicitor, Hazel started with Transocean in 2014 as Legal Counsel for Europe based in Aberdeen. She was promoted to her current position of Senior Legal Counsel in 2016, providing legal support for all Transocean operations in North West Europe, predominantly our Aberdeen and Stavanger offices. Her primary legal responsibilities cover contracts, litigation and compliance in her geographic area.



"The most challenging part of my job is trying to juggle a very high workload with a number of competing priorities," she said. "But the varied and challenging workload, along with the talented and wide range of people I get to work with, are also the things I like the most."

Born in Scotland, Hazel moved to Norway at age 12, then to Sydney and later Perth, Australia, at 15 as the family followed her father's job in Oil & Gas. She came back to Scotland at 17 to attend the University of Aberdeen. First earning a three-year undergraduate law degree, Hazel went on to get a one-year honors degree and a Diploma in Legal Practice a year later. During University, her academic awards included the Law Society of Scotland Prize for being one of the top six students to receive the Diploma in Legal Practice in 2005 and a five-year Prince of Wales Scholarship. Before qualifying to be admitted as a solicitor in Scotland in 2006, she was required to complete a two-year solicitor traineeship with a law firm.

Once qualified, Hazel went to work as an assistant solicitor in Energy & Commercial Contracts with a focus on Oil & Gas at a leading UK law firm. During the next three years there she also went on to sit exams, qualifying to be admitted as a solicitor in England and Wales. From 2010 until she joined Transocean in 2014, Hazel was in-house Legal Counsel for the Sparrows Group, a global provider of oilfield engineering services. In this role, she was responsible for legal support for the Eastern Hemisphere.



Hazel's family includes husband David and furbaby Hunter, a year-old Lab.

She has worked in the Oil & Gas industry since she first qualified as a solicitor, about 10 years now: "Most of my family and friends are in the Oil & Gas industry," she explained. "It was always my ambition to specialize once I qualified."

In addition to being qualified as a solicitor in three countries, Hazel is a Notary Public in Scotland and a Commissioner of Oaths in England and Wales.

I actively try to look for and implement improvement opportunities wherever possible. Performance at Transocean to me means embodying the FIRST values – Focused, Innovative, Reliable, Safe and Trusted – in everything you do.

Hazel is a perfect example of Transocean's performance-oriented approach. "I like to think I am quite pragmatic, customer focused and performance orientated," she said. "I actively try to look for and implement improvement opportunities wherever possible. Performance at Transocean to me means embodying the FIRST values – Focused, Innovative, Reliable, Safe and Trusted – in everything you do."

Somehow, Hazel finds time for a personal life as well. She married David Meek last year and enjoys anything to do with sports, travel or the outdoors – or even better, a combination of all three – spending time hill walking, working out at the gym, boxing, running, cycling and snowboarding. She has participated in many charitable events over the years, including running the London Marathon for Voluntary Services Aberdeen (VSA).

Hazel's contributions to Transocean are equally all in, as UK HR Manager Alexis Hay said, "Hazel provides outstanding support to the operational and functional teams that she supports, both in terms of her competence and also her support and commitment to Transocean values."

We couldn't have said it better.

Please join us in congratulating these employees who celebrated Transocean anniversaries of 25 years or more during October, November and December of 2017.

35 YEARS

Glenn Morlan
Deepwater Asgard, GOM

25 YEARS

Stephen Hinkle
Houston, TX USA 4 Greenway

John Jorgenvag
Stavanger, Norway Office

Ricardo Marinho
Macao, Brazil Base Office

30 YEARS

Runar Ellingsen
Transocean Arctic, Norway

Jozsef Hajdu, Jr.
Transocean Arctic, Norway

Andrew Leslie
Aberdeen, Scotland Kingswells

Paul O'Rourke
Transocean Arctic, Norway

Iain MacAulay
George Town Grand Cayman Office

Colin Pratt
George Town Grand Cayman Office

Sandy Sinclair
Dhirubhai Deepwater KG1, Brazil

Gavin Smith
Aberdeen, Scotland Kingswells

John Thain
Transocean Leader, North Sea



Hungry Hungry Hippos Fitness Challenge Team winners are (from left) Keith Avery, David Faure, Roddie Mackenzie and Shawn Vigeant.

Houston Office Gets FIT to Benefit Food Bank

Houston employees more than met the challenge to get fit and benefit the Houston Food Bank by the time the 2017 FIT Challenge closed at the end of October, contributing \$1,455 and one ton of food while losing 130 pounds. Transocean will match all employee donations to the Houston Food Bank.

Congratulations to all!

Fitness Challenge Individual - Women:
Shivani Gupta, Avery Johnson,
Hilda Wilkerson

Fitness Challenge Individual - Men:
David Faure, David Foster, Rene Rodrigues

Fitness Challenge Team:
Hungry Hungry Hippos – Keith Avery, David Faure, Roddie Mackenzie, Shawn Vigeant

Weight Loss Challenge - Women: Ty Pouncy

Weight Loss Challenge - Men: David Faure

Floor Wars: 9th Floor

"Can't wait for our next FIT Challenge as we expand this initiative around the world. Everyone can do it and we can all help each other in the process!"

– Roddie Mackenzie



2017 FIT Challenge individual fitness winners include (from left) Hilda Wilkerson, David Faure (also the Men's Weight Loss winner), David Foster, Rene Rodrigues and Shivani Gupta.



Fitness Improvement at Transocean (FIT) Challenge organizers are Paul King (center), Greg Emberley (left) and Jordan Wheeler.

Editor's Note: Transocean believes in giving back to the communities where we live and work. Please send your stories to boundless@deepwater.com.

PS Transocean's Hurricane Harvey Heroes

A monstrous storm, a city under water, a repossessed bass boat. This unlikely combination inspired Transocean's Troy Alessi, Sean Golden and Adam Hess to become first responders. These hometown heroes worked tirelessly in Hurricane Harvey's aftermath to rescue people in trouble — most of them strangers they had never met.

On Saturday morning, August 26, it was clear that Houston had a big problem. By this time, the city's streets were waterways, major highways were flooded, and it was still raining. People everywhere were stranded. Adam got a call for help from Transocean coworker Travis McGuire. He, his wife, their new baby and three-year-old son needed rescuing in the flooded Meyerland neighborhood. Adam recruited Sean and Troy, who just happened to have access to a repossessed bass boat parked at Transocean's Greenway Plaza office.

With the bank's permission and the boat in tow, they set off for Meyerland, driving as far as they could in the high water before launching the boat off Loop 610. Along the way, stranded people continuously clamored for help, so they promised to come back. And come back they did for the next nine hours, bringing as many as 40 people out of flooded neighborhoods to a staging area on Loop 610 where they could be transported to shelters.

When asked why he did it, Adam said, "That is who we are as Transocean. It is the same reason I hired on with Transocean back in 2007 when I transitioned out of the military. Transocean does not hesitate to take care of its employees. I knew Travis would do the same for me if the roles were reversed."

That was just the first day. For the next week and beyond, these three along with other first responders continued their high-water rescues while also helping clear flooded homes, tear out saturated sheetrock and insulation, and cook and serve meals for the community. Adam and Sean went on to lead Transocean's community recovery efforts. (See the photos on pages 6-9.) Troy even used his jet ski to rescue people. "We had the means to do it," he said. "Whatever we could do to help."



Troy takes Transocean's Rene Rodriguez and family to higher ground.

Sean echoed the sentiment: "One lady tried to pay us for helping her rescue her parents. I told her that we couldn't take her money ... This is who we are and what we do. We are here to help the community and people in need. It's unbelievable the number of families that had their lives turned upside down. It's hard to explain the feeling we had during that time, but we knew there were people who needed help, and we were able to assist."

Hurricane Harvey heroes representing Transocean at its BOUNDLESS best.



Sean Golden and Adam Hess steady the rescue boat packed with people on Loop 610.



Adam (left) and Sean search for more flood victims.



Troy Alessi and Adam carry precious passengers to safety.