

TRANSOCEAN LTD.

FORM 10-Q (Quarterly Report)

Filed 04/29/25 for the Period Ending 03/31/25

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Industry	Oil & Gas Drilling
Sector	Energy
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark one)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended **March 31, 2025**
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)

98-0599916

(I.R.S. Employer Identification No.)

**Turmstrasse 30
Steinhausen, Switzerland**

(Address of principal executive offices)

6312

(Zip Code)

+41 (41) 749-0500

(Registrant's telephone number, including area code)

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

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 (§232.405 of this chapter) 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, a 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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of April 22, 2025, 883,261,456 shares were outstanding.

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PART I. FINANCIAL INFORMATION
ITEM I. FINANCIAL STATEMENTS

TRANSOCEAN LTD. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in millions, except per share data)
(Unaudited)

	Three months ended March 31,	
	2025	2024
Contract drilling revenues	\$ 906	\$ 763
Costs and expenses		
Operating and maintenance	618	523
Depreciation and amortization	176	185
General and administrative	50	52
	844	760
Gain (loss) on disposal of assets, net	2	(6)
Operating income (loss)	64	(3)
Other income (expense), net		
Interest income	8	15
Interest expense, net of amounts capitalized	(116)	(117)
Other, net	4	12
	(104)	(90)
Loss before income tax expense (benefit)	(40)	(93)
Income tax expense (benefit)	39	(191)
Net income (loss)	(79)	98
Net income attributable to noncontrolling interest	—	—
Net income (loss) attributable to controlling interest	\$ (79)	\$ 98
Earnings (loss) per share		
Basic	\$ (0.09)	\$ 0.12
Diluted	\$ (0.11)	\$ 0.11
Weighted-average shares outstanding		
Basic	883	819
Diluted	958	955

See accompanying notes.

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

	Three months ended March 31,	
	2025	2024
Net income (loss)	\$ (79)	\$ 98
Net income attributable to noncontrolling interest	—	—
Net income (loss) attributable to controlling interest	(79)	98
Components of net periodic benefit costs before reclassifications	(3)	(2)
Other comprehensive loss before income taxes	(3)	(2)
Income taxes related to other comprehensive loss	—	—
Other comprehensive loss	(3)	(2)
Other comprehensive income attributable to noncontrolling interest	—	—
Other comprehensive loss attributable to controlling interest	(3)	(2)
Total comprehensive income (loss)	(82)	96
Total comprehensive income attributable to noncontrolling interest	—	—
Total comprehensive income (loss) attributable to controlling interest	\$ (82)	\$ 96

See accompanying notes.

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

	March 31, 2025	December 31, 2024
Assets		
Cash and cash equivalents	\$ 263	\$ 560
Accounts receivable, net of allowance of \$2 at March 31, 2025 and December 31, 2024	551	564
Materials and supplies, net of allowance of \$184 and \$178 at March 31, 2025 and December 31, 2024, respectively	453	439
Assets held for sale	344	343
Restricted cash and cash equivalents	428	381
Other current assets	165	165
Total current assets	2,204	2,452
Property and equipment	22,460	22,417
Less accumulated depreciation	(6,746)	(6,586)
Property and equipment, net	15,714	15,831
Deferred tax assets, net	50	45
Other assets	1,051	1,043
Total assets	\$ 19,019	\$ 19,371
Liabilities and equity		
Accounts payable	\$ 273	\$ 255
Accrued income taxes	24	31
Debt due within one year	712	686
Other current liabilities	647	691
Total current liabilities	1,656	1,663
Long-term debt	5,936	6,195
Deferred tax liabilities, net	519	499
Other long-term liabilities	697	729
Total long-term liabilities	7,152	7,423
Commitments and contingencies		
Shares, \$0.10 par value, 1,057,879,029 authorized, 141,262,093 conditionally authorized, 940,828,901 issued and 883,261,456 outstanding at March 31, 2025, and \$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	88	87
Additional paid-in capital	14,887	14,880
Accumulated deficit	(4,624)	(4,545)
Accumulated other comprehensive loss	(141)	(138)
Total controlling interest shareholders' equity	10,210	10,284
Noncontrolling interest	1	1
Total equity	10,211	10,285
Total liabilities and equity	\$ 19,019	\$ 19,371

See accompanying notes.

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

	Three months ended March 31,	
	2025	2024
Shares		
Balance, beginning of period	\$ 87	\$ 81
Issuance of shares	1	1
Balance, end of period	\$ 88	\$ 82
Additional paid-in capital		
Balance, beginning of period	\$ 14,880	\$ 14,544
Share-based compensation	8	11
Issuance of shares	(1)	(2)
Balance, end of period	\$ 14,887	\$ 14,553
Accumulated deficit		
Balance, beginning of period	\$ (4,545)	\$ (4,033)
Net income (loss) attributable to controlling interest	(79)	98
Balance, end of period	\$ (4,624)	\$ (3,935)
Accumulated other comprehensive loss		
Balance, beginning of period	\$ (138)	\$ (177)
Other comprehensive loss attributable to controlling interest	(3)	(2)
Balance, end of period	\$ (141)	\$ (179)
Total controlling interest shareholders' equity		
Balance, beginning of period	\$ 10,284	\$ 10,415
Total comprehensive income (loss) attributable to controlling interest	(82)	96
Share-based compensation	8	11
Issuance of shares	—	(1)
Balance, end of period	\$ 10,210	\$ 10,521
Noncontrolling interest		
Balance, beginning of period	\$ 1	\$ 1
Balance, end of period	\$ 1	\$ 1
Total equity		
Balance, beginning of period	\$ 10,285	\$ 10,416
Total comprehensive income (loss)	(82)	96
Share-based compensation	8	11
Issuance of shares	—	(1)
Balance, end of period	\$ 10,211	\$ 10,522

See accompanying notes.

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

	Three months ended March 31,	
	2025	2024
Cash flows from operating activities		
Net income (loss)	\$ (79)	\$ 98
Adjustments to reconcile to net cash provided by (used in) operating activities:		
Amortization of contract intangible asset	—	4
Depreciation and amortization	176	185
Share-based compensation expense	8	11
(Gain) loss on disposal of assets, net	(2)	6
Amortization of debt-related balances, net	13	13
Gain on adjustment to bifurcated compound exchange feature	(36)	(10)
Loss on impairment of investment in unconsolidated affiliates	—	1
Deferred income tax expense (benefit)	15	(164)
Other, net	4	—
Changes in deferred revenues, net	(38)	77
Changes in deferred costs, net	(12)	(38)
Changes in other operating assets and liabilities, net	(23)	(269)
Net cash provided by (used in) operating activities	26	(86)
Cash flows from investing activities		
Capital expenditures	(60)	(83)
Investment in loan to unconsolidated affiliate	—	(2)
Proceeds from disposal of assets, net of costs to sell	2	44
Net cash used in investing activities	(58)	(41)
Cash flows from financing activities		
Repayments of debt	(210)	(151)
Other, net	(8)	(1)
Net cash used in financing activities	(218)	(152)
Net decrease in unrestricted and restricted cash and cash equivalents	(250)	(279)
Unrestricted and restricted cash and cash equivalents, beginning of period	941	995
Unrestricted and restricted cash and cash equivalents, end of period	\$ 691	\$ 716

See accompanying notes.

TRANSOCEAN LTD. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

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 March 31, 2025, 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.

NOTE 2—SIGNIFICANT ACCOUNTING POLICIES

Presentation—We prepared our accompanying unaudited condensed consolidated financial statements in accordance with accounting principles generally accepted in the United States (“U.S.”) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X promulgated by the U.S. Securities and Exchange Commission. Pursuant to such rules and regulations, these financial statements do not include all disclosures required by accounting principles generally accepted in the U.S. for complete financial statements. The condensed consolidated financial statements reflect all adjustments, which are, in the opinion of management, necessary for a fair presentation of the financial position, results of operations and cash flows for the interim periods.

Such adjustments are considered to be of a normal recurring nature unless otherwise noted. Operating results for the three months ended March 31, 2025, are not necessarily indicative of the results that may be expected for the year ending December 31, 2025, or for any future period. The accompanying condensed consolidated financial statements and notes thereto should be read in conjunction with the audited consolidated financial statements and notes thereto as of December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, included in our annual report on [Form 10K filed on February 18, 2025](#).

Accounting estimates—To prepare financial statements in accordance with accounting principles generally accepted in the 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.

NOTE 3—ACCOUNTING STANDARDS UPDATES

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.

TRANSOCEAN LTD. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—continued
(Unaudited)

NOTE 4—REVENUES

Overview—For 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. As of March 31, 2025, 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):

	Three months ended March 31,					
	2025			2024		
	Ultra-deepwater floaters	Harsh environment floaters	Total	Ultra-deepwater floaters	Harsh environment floaters	Total
U.S.	\$ 394	\$ —	\$ 394	\$ 370	\$ —	\$ 370
Brazil	192	—	192	155	—	155
Norway	—	159	159	—	151	151
Other countries (a)	72	89	161	44	43	87
Total contract drilling revenues	\$ 658	\$ 248	\$ 906	\$ 569	\$ 194	\$ 763

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

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

	March 31, 2025	December 31, 2024
Deferred contract revenues, recorded in other current liabilities	\$ 228	\$ 231
Deferred contract revenues, recorded in other long-term liabilities	177	212
Total contract liabilities	\$ 405	\$ 443

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

	Three months ended March 31,	
	2025	2024
Total contract liabilities, beginning of period	\$ 443	\$ 398
Decrease due to recognition of revenues for goods and services	(62)	(46)
Increase due to goods and services transferred over time	24	123
Total contract liabilities, end of period	\$ 405	\$ 475

Pre-operating costs—In the three months ended March 31, 2025 and 2024, we recognized pre-operating costs of \$37 million and \$20 million, respectively, recorded in operating and maintenance costs. At March 31, 2025 and December 31, 2024, the carrying amount of our unrecognized pre-operating costs to obtain contracts was \$237 million and \$224 million, respectively, recorded in other assets.

NOTE 5—LONG-LIVED ASSETS

Disposals—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. In the three months ended March 31, 2024, we recognized an aggregate net loss of less than \$1 million, which had no tax effect, associated with the disposal of these assets. In the three months ended March 31, 2025 and 2024, we received aggregate net cash proceeds of \$2 million and \$1 million, respectively and recognized an aggregate net gain of \$2 million and an aggregate net loss of \$6 million, respectively, associated with the disposal of assets unrelated to rig sales.

Assets held for sale—At March 31, 2025 and December 31, 2024, the aggregate carrying amount of our assets held for sale, including the ultra-deepwater floaters *Development Driller III* and *Discoverer Inspiration*, together with related assets, was \$344 million and \$343 million, respectively. In January 2025, after extending the closing dates originally agreed under the purchase and sale agreements, we terminated the agreements due to the buyers' failure to deliver the proceeds. We continue to pursue other opportunities for the disposal of the rigs and related assets.

TRANSOCEAN LTD. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—continued
(Unaudited)

NOTE 6—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	
	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
4.00% Senior Guaranteed Exchangeable Bonds due December 2025	\$ 234	\$ 234	\$ 229	\$ 227
6.875% Senior Secured Notes due February 2027	289	330	287	328
8.00% Senior Notes due February 2027	655	655	654	653
7.45% Notes due April 2027	52	52	52	52
8.00% Debentures due April 2027	22	22	22	22
4.50% Shipyard Loans due September 2027	299	329	283	310
8.375% Senior Secured Notes due February 2028	475	525	469	518
7.00% Notes due June 2028	261	261	263	263
8.00% Senior Secured Notes due September 2028	265	295	262	292
8.25% Senior Notes due May 2029	900	900	887	887
4.625% Senior Guaranteed Exchangeable Bonds due September 2029	259	259	254	286
8.75% Senior Secured Notes due February 2030	940	999	923	981
7.50% Notes due April 2031	396	396	395	395
8.50% Senior Notes due May 2031	900	900	887	886
6.80% Senior Notes due March 2038	610	610	605	605
7.35% Senior Notes due December 2041	177	177	176	176
Total debt	6,734	6,944	6,648	6,881
Less debt due within one year				
4.00% Senior Guaranteed Exchangeable Bonds due December 2025	234	234	229	227
6.875% Senior Secured Notes due February 2027	83	83	82	82
4.50% Shipyard Loans due September 2027	120	120	110	108
8.375% Senior Secured Notes due February 2028	117	100	114	97
8.00% Senior Secured Notes due September 2028	65	60	64	59
8.75% Senior Secured Notes due February 2030	117	117	113	113
Total debt due within one year	736	714	712	686
Total long-term debt	\$ 5,998	\$ 6,230	\$ 5,936	\$ 6,195

Scheduled maturities—At March 31, 2025, scheduled maturities of our debt were as follows (in millions):

	Total
Twelve months ending March 31,	
2026	\$ 736
2027	1,335
2028	442
2029	509
2030	1,629
Thereafter	2,083
Total principal amount of debt	6,734
Total unamortized debt-related balances, net	(186)
Bifurcated compound exchange feature, at estimated fair value	100
Total carrying amount of debt	\$ 6,648

Credit agreement

Secured Credit Facility—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. The Secured Credit Facility has a borrowing capacity of \$576 million through June 22, 2025, which is reduced thereafter 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. At March 31, 2025, based on the credit rating of the Secured Credit Facility as of that date, the Secured Credit Facility Margin was

TRANSOCEAN LTD. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—continued
(Unaudited)

2.875 percent and the facility fee was 0.625 percent. At March 31, 2025, we had no borrowings outstanding, \$23 million of letters of credit issued, and we had \$553 million of available borrowing capacity under the Secured Credit Facility.

Exchangeable bonds

Exchange terms—At March 31, 2025, 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 due December 2025 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 due September 2029 (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.

Effective interest rates and fair values—At March 31, 2025, 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%	\$ 240
4.625% Senior Guaranteed Exchangeable Bonds due September 2029	18.3%	\$ 321

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):

	Three months ended March 31,	
	2025	2024
Contractual interest	\$ 5	\$ 5
Amortization	6	5
Gain on adjustment to bifurcated compound exchange feature	(36)	(10)
Total	<u>\$ (25)</u>	<u>\$ —</u>

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 is not considered indexed to our stock and, therefore, must be bifurcated from the host debt instrument. 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 March 31, 2025 and December 31, 2024, the carrying amount of the bifurcated compound exchange feature, recorded as a component of the carrying amount of debt, was \$100 million and \$136 million, respectively.

NOTE 7—INCOME TAXES

Tax provision and rate—In the three months ended March 31, 2025 and 2024, our effective tax rate was (95.8) percent and 206.0 percent, respectively, based on loss before income tax expense or benefit. In the three months ended March 31, 2025 and 2024, the effect of various discrete period tax items was a net tax expense of \$14 million and a net tax benefit of \$121 million, respectively. In the three months ended March 31, 2025, such discrete items included changes to various uncertain tax positions and valuation allowances. In the three months ended March 31, 2024, such discrete items included changes to deferred taxes due to rig ownership changes, as well as rig movement and contract expirations across multiple jurisdictions. In the three months ended March 31, 2025 and 2024, our effective tax rate, excluding discrete items, was (62.3) percent and 76.9 percent, respectively, based on loss before income tax expense or benefit.

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,

TRANSOCEAN LTD. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—continued
(Unaudited)

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 condensed consolidated statement of financial position or results of operations; however, it could have a material adverse effect on our condensed 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. As of March 31, 2025, the remaining aggregate tax assessment, including interest and penalties, was for corporate income tax of BRL 506 million, equivalent to \$89 million, and indirect tax of BRL 91 million, equivalent to \$16 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 condensed consolidated statement of financial position, results of operations or cash flows.

NOTE 8—EARNINGS (LOSS) PER SHARE

The computations of basic and diluted earnings (loss) per share were as follows (in millions, except per share data):

	March 31,			
	2025		2024	
	Basic	Diluted	Basic	Diluted
Numerator for earnings (loss) per share				
Net income (loss) attributable to controlling interest	\$ (79)	\$ (79)	\$ 98	\$ 98
Effect of convertible debt instruments, net of tax	—	(29)	—	10
Income (loss) for per share calculation	<u>\$ (79)</u>	<u>\$ (108)</u>	<u>\$ 98</u>	<u>\$ 108</u>
Denominator for earnings (loss) per share				
Weighted-average shares outstanding	883	883	819	819
Effect of convertible debt instruments	—	75	—	120
Effect of share-based awards	—	—	—	9
Effect of warrants	—	—	—	7
Weighted-average shares for per share calculation	<u>883</u>	<u>958</u>	<u>819</u>	<u>955</u>
Earnings (loss) per share	<u>\$ (0.09)</u>	<u>\$ (0.11)</u>	<u>\$ 0.12</u>	<u>\$ 0.11</u>

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

	Three months ended March 31,	
	2025	2024
Exchangeable bonds	45	—
Share-based awards	13	4
Warrants (a)	—	—

- (a) For the three months ended March 31, 2025, the warrants were antidilutive since the average price for our shares was less than the exercise price for the warrants.

NOTE 9—CONTINGENCIES

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. As of March 31, 2025, eight plaintiffs have claims pending in Louisiana and 28 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 condensed consolidated statement of financial position, results of operations or cash flows.

TRANSOCEAN LTD. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—continued
(Unaudited)

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 March 31, 2025, the subsidiary was a defendant in approximately 357 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 condensed 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 condensed 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.

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 condensed consolidated statement of financial position, results of operations or cash flows.

NOTE 10—FINANCIAL INSTRUMENTS

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

	March 31, 2025		December 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Cash and cash equivalents	\$ 263	\$ 263	\$ 560	\$ 560
Restricted cash and cash equivalents	428	428	381	381
Total debt	6,648	6,568	6,881	6,888

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, together with unamortized discounts, premiums and issue costs. The carrying amount and fair value of our total debt also includes amounts related to certain exchangeable debt instruments (see [Note 6—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.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FORWARD-LOOKING INFORMATION

The statements included in this quarterly 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 quarterly 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 in this periodic report, 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 quarterly 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" included in Part I of our [annual report on Form 10-K for the year ended December 31, 2024](#);
- 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; and
- other factors discussed in this quarterly 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.

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 April 22, 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.

Our discussion and analysis of our financial condition, operating results and liquidity and capital resources are based upon, and should be read in conjunction with, our condensed consolidated financial statements and the notes thereto, included under [“Item 1. Financial Statements”](#) in this quarterly report on Form 10-Q and with “Part II. Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our [annual report on Form 10-K for the year ended December 31, 2024](#).

OUTLOOK

Drilling market—Our industry outlook remains positive, informed by numerous long-term forecasts that indicate hydrocarbons will continue to be a critical source of energy for the foreseeable future, despite the significant relative growth in alternative energy technologies. Economic forecasts also project that the many countries that are not members of the Organization for Economic Co-operation and Development will continue to experience rapid population growth and improving standards of living, which will compound the increase in energy demand well into the future. As a result, governments globally are rapidly revising their energy strategies to emphasize the expansion of energy sources rather than transitioning away from fossil fuels. This distinct trend acknowledges the requirement for accessible, reliable, cost-effective and transportable energy. We expect that this trend will contribute to robust, long-term demand for oil and gas.

In addition to increased demand, the existing supply of oil and gas is depleting more rapidly than forecasted and requires replenishment. This is the result of the significant underinvestment in new exploration and field development projects by oil and gas producers over the last several years. We believe the combination of greater energy demand and the accelerating decline of existing reserves will result in oil and gas producers materially increasing their investment in exploration and development activities.

Deepwater and harsh environment fields generate favorable economic returns and, versus other sources of hydrocarbons, have sizable and sustainable production volumes with relatively lower carbon intensity. Given this, we expect a significant portion of the spending in fossil fuel development will continue to be allocated to deepwater and harsh environment projects. Although the price of oil is likely to continue to exhibit volatility in response to numerous factors, including uncertainty about future output from the major oil and gas producing countries, geopolitical events, governmental economic policies and regulations, and global economic growth, we nevertheless expect project economics to remain at levels that are solidly supportive of investment in deepwater and harsh environment exploration and development projects.

Significantly reduced offshore contracting activity during the previous downcycle led to the scrapping of uncompetitive rigs, resulting in a smaller global fleet available to meet the long-term demands by our customers. We believe that the marketable supply of and demand for ultra-deepwater and harsh environment rigs will remain relatively balanced in the longer run, including the high-specification rigs preferred by many of our customers for their projects. We currently expect some increased pressure on utilization into 2026, as a number of our competitors’ rigs have yet to obtain new commitments for rigs concluding existing contracts.

While the long-term outlook for offshore drilling activity remains robust in every major deepwater geographic sector, our customers continue to be disciplined in their investment of capital and are focused on project execution. Tendering activity improved during 2024 in the Golden Triangle, which comprises North America, South America and West Africa. We currently expect contracts for many of these projects to be awarded in late 2025 and 2026.

We currently anticipate demand to begin to accelerate in Norway, the largest region for harsh environment rigs, in late 2026 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.

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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 to a shipyard. The uncommitted fleet rates exclude the effect of priced options. As of April 16, 2025, the uncommitted fleet rates for the remainder of 2025 and each of the four years in the period ending December 31, 2029 were as follows:

	2025	2026	2027	2028	2029
Uncommitted fleet rate					
Ultra-deepwater floaters	39 %	52 %	69 %	88 %	95 %
Harsh environment floaters	15 %	38 %	78 %	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:

	April 16, 2025	February 12, 2025 (in millions)	April 17, 2024
Contract backlog			
Ultra-deepwater floaters	\$ 6,040	\$ 6,363	\$ 6,850
Harsh environment floaters	1,886	1,965	2,006
Total contract backlog	\$ 7,926	\$ 8,328	\$ 8,856

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 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.

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. 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. The average daily revenue for our fleet was as follows:

	Three months ended		
	March 31, 2025	December 31, 2024	March 31, 2024
Average daily revenue			
Ultra-deepwater floaters	\$443,600	\$ 428,200	\$422,900
Harsh environment floaters	\$443,600	\$ 452,600	\$367,900
Total fleet average daily revenue	\$443,600	\$ 434,700	\$408,200

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

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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:

	Three months ended		
	March 31, 2025	December 31, 2024	March 31, 2024
Revenue efficiency			
Ultra-deepwater floaters	94.3 %	92.0 %	92.7 %
Harsh environment floaters	99.3 %	97.6 %	93.3 %
Total fleet average revenue efficiency	95.5 %	93.5 %	92.9 %

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:

	Three months ended		
	March 31, 2025	December 31, 2024	March 31, 2024
Rig utilization			
Ultra-deepwater floaters	61.5 %	64.3 %	51.2 %
Harsh environment floaters	69.5 %	75.0 %	62.0 %
Total fleet average rig utilization	63.4 %	66.8 %	53.7 %

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.

OPERATING RESULTS

Three months ended March 31, 2025 compared to the three months ended March 31, 2024

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.

	Three months ended March 31,			
	2025	2024	Change	% Change
	(In millions, except day amounts and percentages)			
Operating days	1,940	1,785	155	9 %
Average daily revenue	\$ 443,600	\$ 408,200	\$ 35,400	9 %
Revenue efficiency	95.5 %	92.9 %		
Rig utilization	63.4 %	53.7 %		
Contract drilling revenues	\$ 906	\$ 763	\$ 143	19 %
Operating and maintenance expense	(618)	(523)	(95)	(18)%
Depreciation and amortization expense	(176)	(185)	9	5 %
General and administrative expense	(50)	(52)	2	4 %
Gain (loss) on disposal of assets, net	2	(6)	8	nm
Operating income (loss)	64	(3)	67	nm
Other income (expense), net				
Interest income	8	15	(7)	(47)%
Interest expense, net of amounts capitalized	(116)	(117)	1	1 %
Other, net	4	12	(8)	(67)%
Loss before income tax (expense) benefit	(40)	(93)	53	57 %
Income tax (expense) benefit	(39)	191	(230)	nm
Net income (loss)	\$ (79)	\$ 98	\$ (177)	nm

“nm” means not meaningful.

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Contract drilling revenues—Contract drilling revenues increased for the three months ended March 31, 2025, compared to the three months ended March 31, 2024, primarily due to the following: (a) approximately \$45 million resulting from increased utilization, (b) approximately \$35 million resulting from higher revenue efficiency for the fleet, (c) approximately \$30 million resulting from higher average daily revenues, and (d) approximately \$30 million resulting from increased activity for the operations of the newbuild ultra-deepwater floater *Deepwater Aquila*.

Costs and expenses—Operating and maintenance costs and expenses increased for the three months ended March 31, 2025, compared to the three months ended March 31, 2024, primarily due to the following: (a) approximately \$30 million resulting from increased activity for the operations of our active fleet, (b) a non-cash loss of \$34 million in the current quarter resulting from an unfavorable legal outcome, (c) approximately \$20 million resulting from the operations of our newbuild ultra-deepwater floater *Deepwater Aquila*, (d) approximately \$20 million resulting from the effect of inflation on personnel and other operating costs, and (e) approximately \$10 million resulting from incremental in service costs related to additional services and contract preparation cost recognition. These increases were partially offset by the following: (a) approximately \$10 million resulting from rigs classified as held for sale and (b) approximately \$10 million favorable currency exchange rates.

Depreciation and amortization expense decreased for the three months ended March 31, 2025, compared to the three months ended March 31, 2024, primarily due to (a) \$15 million resulting from rigs sold or classified as held for sale, partially offset by (b) \$9 million resulting from one newbuild ultra-deepwater floater, one acquired harsh environment floater and other property and equipment placed into service.

Other income and expense—Interest expense, net of amounts capitalized, decreased in the three months ended March 31, 2025, compared to the three months ended March 31, 2024, primarily due to the following: (a) \$28 million decreased interest resulting from debt repaid as scheduled or early retired, (b) \$26 million decreased interest resulting from the change to the fair value of the bifurcated compound exchange feature embedded in the indenture governing the 4.625% senior guaranteed exchangeable bonds due September 2029, partially offset by (c) \$40 million increased interest resulting from debt issued and (d) \$7 million increased interest resulting from reduced interest costs capitalized following completion of our newbuild construction program.

Other income, net, decreased in the three months ended March 31, 2025, compared to the three months ended March 31, 2024, primarily due to an increased loss of \$9 million related to net changes to currency exchange rates.

Income tax expense or benefit—In the three months ended March 31, 2025 and 2024, our effective tax rate was (95.8) percent and 206.0 percent, respectively, based on loss before income tax expense or benefit. In the three months ended March 31, 2025 and 2024, the effect of various discrete period tax items was a net tax expense of \$14 million and a net tax benefit of \$121 million, respectively. In the three months ended March 31, 2025, such discrete items included changes to various uncertain tax positions and valuation allowances. In the three months ended March 31, 2024, such discrete items included changes to deferred taxes due to rig ownership changes, as well as rig movement and contract expirations across multiple jurisdictions. In the three months ended March 31, 2025 and 2024, our effective tax rate, excluding discrete items, was (62.3) percent and 76.9 percent, respectively, based on loss before income tax expense or benefit.

Due to our operating activities and organizational structure, our income tax expense or benefit does not change proportionally with our income or loss 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 tax expense or benefit. Our earnings are unevenly distributed across jurisdictions and may experience variability in timing among interim periods throughout the year and such variability may influence the allocation of income tax expense or benefit to the respective interim period. The annual effective tax rate used to allocate income tax expense or benefit to interim periods may also be influenced by the removal of loss jurisdictions from the calculations. 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 three months ended March 31, 2025, our primary sources of cash were net cash provided by operating activities. Our primary uses of cash were debt repayments and capital expenditures.

	Three months ended March 31,		Change
	2025	2024 (in millions)	
Cash flows from operating activities			
Net income (loss)	\$ (79)	\$ 98	\$ (177)
Non-cash items, net	178	46	132
Changes in operating assets and liabilities, net	(73)	(230)	157
	<u>\$ 26</u>	<u>\$ (86)</u>	<u>\$ 112</u>

Net cash provided by operating activities increased primarily due to (a) increased cash collected from customers, partially offset by (b) increased cash paid to employees.

	Three months ended March 31,		Change
	2025	2024 (in millions)	
Cash flows from investing activities			
Capital expenditures	\$ (60)	\$ (83)	\$ 23
Investments in debt and equity of unconsolidated affiliates	—	(2)	2
Proceeds from disposal of assets, net of costs to sell	2	44	(42)
	<u>\$ (58)</u>	<u>\$ (41)</u>	<u>\$ (17)</u>

Net cash used in investing activities increased primarily due to (a) reduced proceeds from disposal of assets, partially offset by (b) reduced capital expenditures.

	Three months ended March 31,		Change
	2025	2024 (in millions)	
Cash flows from financing activities			
Repayments of debt	\$ (210)	\$ (151)	\$ (59)
Other, net	(8)	(1)	(7)
	<u>\$ (218)</u>	<u>\$ (152)</u>	<u>\$ (66)</u>

Net cash used in financing activities increased primarily due to increased cash used to repay debt.

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 the 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 March 31, 2025, we had \$263 million in unrestricted cash and cash equivalents and \$428 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, and subject to certain conditions, pay dividends and repurchase our shares. For more information about our Secured Credit Facility and our outstanding debt instruments, see Notes to Condensed Consolidated Financial Statements—[Note 6—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 during periods, such as in the current quarter,

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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.

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, equity 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, see Notes to Condensed Consolidated Financial Statements—[Note 6—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.

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. As of March 31, 2025, we have classified as held for sale two ultra-deepwater floaters, for which we continue to pursue opportunities for the disposal of the rigs and related assets. 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 Condensed Consolidated Financial Statements—[Note 5—Long-Lived Assets](#).

Contractual obligations and other commercial commitments—As of March 31, 2025, there have been no material changes to our contractual obligations or other commercial commitments as previously disclosed in “Part II. Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our [annual report on Form 10-K for the year ended December 31, 2024](#). For additional information about our debt obligations and scheduled maturities, see Notes to Condensed Consolidated Financial Statements—[Note 6—Debt](#).

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

As of March 31, 2025, there have been no material changes to the critical accounting policies and estimates that we use as a basis for applying judgments, assumptions and estimates to prepare our condensed consolidated financial statements, as previously disclosed in “Part II. Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates” in our [annual report on Form 10-K for the year ended December 31, 2024](#).

OTHER MATTERS

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 Condensed Consolidated Financial Statements—[Note 9—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 condensed consolidated statement of financial position or results of operations; however, it could have a material adverse effect on our condensed consolidated statement of cash flows. See Notes to Condensed Consolidated Financial Statements—[Note 7—Income Taxes](#).

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

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. As of March 31, 2025, there have been no material changes to our market risks as previously disclosed in “Part II. Item 7A. Quantitative and Qualitative Disclosures About Market Risk” in our [annual report on Form 10-K for the year ended December 31, 2024](#).

ITEM 4. 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 March 31, 2025.

Internal control over financial reporting—There were no changes to our internal control over financial reporting during the quarter ended March 31, 2025, that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Transocean Ltd. (together with its subsidiaries and predecessors, unless the context requires otherwise, “Transocean,” “we,” “us,” or “our”) has 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 for the year ended December 31, 2024](#). 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 our [annual report on Form 10-K for the year ended December 31, 2024](#). All such actions, claims, tax and other matters are incorporated herein by reference.

As of March 31, 2025, 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

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have a material adverse effect on our condensed consolidated 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 United States ("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 condensed consolidated 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 1A. RISK FACTORS

There have been no material changes to the risk factors as previously disclosed in "Part I. Item 1A. Risk Factors" in our [annual report on Form 10-K for the year ended December 31, 2024](#).

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

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)
January 2025	—	\$ —	—	\$ 3,668
February 2025	—	—	—	3,668
March 2025	—	—	—	3,668
Total	—	\$ —	—	\$ 3,668

- (a) 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. At March 31, 2025, 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 \$3.67 billion. The share repurchase program could be suspended or discontinued by our board of directors or company management, as applicable, at any time.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

In accordance with Transocean's previously announced succession planning strategy, Mr. Keelan Adamson has been appointed President and Chief Executive Officer of Transocean effective as of May 1, 2025. Mr. Adamson will assume the responsibilities of Principal Executive Officer from Mr. Jeremy Thigpen as of such date.

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As part of his promotion to President and Chief Executive Officer, Mr. Adamson entered into a new employment agreement (the “Adamson Employment Agreement”) with a wholly owned indirect subsidiary of Transocean Ltd., effective May 1, 2025, which will supersede his existing employment agreement. Pursuant to the terms and conditions of the Adamson Employment Agreement, Mr. Adamson will receive a base salary of \$1,000,000 per year. Mr. Adamson’s 2025 annual cash bonus target under Transocean’s Amended and Restated Performance Award and Cash Bonus Plan (the “AIP”) will be 130% of his annual salary earned in 2025, subject to Transocean’s performance relative to a set of pre-determined performance metrics and the discretion of our Compensation Committee. Additionally, Mr. Adamson remains eligible to participate in the Amended and Restated 2015 Transocean Ltd. Long-Term Incentive Plan (the “LTIP”). Upon the effectiveness of his appointment, Mr. Adamson will receive a promotional 2025 equity award (the “equity award”) pursuant to the LTIP based on the compensation target associated with his new position and pro-rated for the portion of the year following his promotion. The equity award will be granted in the form of restricted share units with a targeted cash value of \$1,205,000, vesting in equal installments over three years, and performance units with a targeted cash value of \$1,205,000, subject to vesting and performance terms equivalent to those currently in place for the 2025-2027 performance cycle.

The foregoing description of the Adamson Employment Agreement is not complete and is subject to and qualified in its entirety by reference to the full text thereof attached hereto as Exhibit 10.3 and incorporated herein by reference. Other than as disclosed above, there are no arrangements or understandings between Mr. Adamson and any other person pursuant to which he was appointed President and Chief Executive Officer. There is no family relationship between Mr. Adamson and any director or executive officer of Transocean, and there are no transactions between Mr. Adamson and Transocean that are required to be reported under Item 404(a) of Regulation S-K.

Following Mr. Adamson’s appointment described above, Mr. Thigpen will continue his current service as a member of our board of directors (the “Board”), and if elected Chair of the Board by shareholders at our 2025 Annual General Meeting, would serve as Executive Chair of the Board. In the position of Executive Chair, Mr. Thigpen would continue to serve an integral role in providing strategic direction to Transocean and remain a member of our Executive Management Team. As part of this transition, Mr. Thigpen entered into a new employment agreement (the “Thigpen Employment Agreement”) with a wholly owned indirect subsidiary of Transocean Ltd., effective May 1, 2025, which incorporates the notice period compensation to which he is entitled under his existing employment agreement and our Articles of Association but will otherwise supersede his existing employment agreement. Pursuant to the terms of the Thigpen Employment Agreement, for continued service through May 1, 2026 (the “Initial Period”), Mr. Thigpen will receive an aggregate amount of \$2,702,500, payable in 24 semi-monthly installments (less applicable withholding), and will be eligible for a pro-rated bonus under the AIP for his service from January 1, 2025 through April 30, 2025. Mr. Thigpen remains eligible for an annual employee award under the LTIP in 2026, at the discretion of the Board, and his outstanding equity awards under the LTIP will continue to vest in accordance with the terms and conditions of those awards. Following the Initial Period, Mr. Thigpen’s compensation will be determined by our Board.

The foregoing description of the Thigpen Employment Agreement is not complete and is subject to and qualified in its entirety by reference to the full text thereof attached hereto as Exhibit 10.4 and incorporated herein by reference.

On March 11, 2025, Mr. Brady Long, our Executive Vice President and Chief Legal Officer, adopted a Rule 10b5-1 trading arrangement (as such term is defined under Item 408(a) of Regulation S-K of the Securities Act of 1933) that is intended to satisfy the affirmative defense of Rule 10b5-1(c) for the sale of up to 212,468 shares of Transocean Ltd. (the “CLO Plan”). Sales may not commence under the CLO Plan until June 10, 2025 at the earliest and only at specified market prices. Unless earlier terminated in accordance with its terms and conditions, the CLO Plan expires on March 7, 2026.

On March 28, 2025, Mr. Keelan Adamson, our President and Chief Operating Officer, adopted a Rule 10b5-1 trading arrangement (as such term is defined under Item 408(a) of Regulation S-K of the Securities Act of 1933) that is intended to satisfy the affirmative defense of Rule 10b5-1(c) for the sale of up to 233,030 shares of Transocean Ltd. (the “COO Plan”), which includes 44,118 shares of Transocean Ltd. underlying vested stock options held by Mr. Adamson. Sales may not commence under the COO Plan until June 27, 2025 at the earliest and only at specified market prices. Unless earlier terminated in accordance with its terms and conditions, the COO Plan expires on July 1, 2026.

ITEM 6. 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.	Exhibit 3.1 to Transocean Ltd.’s Current Report on Form 8-K (Commission File No. 001-38373) filed on June 28, 2024
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
10.1	Terms and Conditions of 2025 Executive Equity Awards	Filed herewith
10.2	Terms and Conditions of 2025 Executive Management Team Equity Awards	Filed herewith



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NUMBER	DESCRIPTION	LOCATION
10.3	Employment Agreement with Keelan I. Adamson dated April 29, 2025	Filed herewith
10.4	Employment Agreement with Jeremy D. Thigpen dated April 29, 2025	Filed herewith
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934 and Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934 and 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
101	Interactive data files pursuant to Rule 405 of Regulation S-T formatted in Inline Extensible Business Reporting Language: (i) our condensed consolidated balance sheets as of March 31, 2025 and December 31, 2024; (ii) our condensed consolidated statements of operations for the three months ended March 31, 2025 and 2024; (iii) our condensed consolidated statements of comprehensive income (loss) for the three months ended March 31, 2025 and 2024, (iv) our condensed consolidated statements of equity for the three months ended March 31, 2025 and 2024; (v) our condensed consolidated statements of cash flows for the three months ended March 31, 2025 and 2024; and (vi) the notes to condensed consolidated financial statements	Filed herewith
104	The cover page from our quarterly report on Form 10-Q for the quarterly period ended March 31, 2025, formatted in Inline Extensible Business Reporting Language	Filed herewith

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 April 29, 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)

**Transocean Ltd. 2015 Long-Term Incentive Plan
(As Amended and Restated Effective May 16, 2024)
Appendix A to Award Letter**

**Terms and Conditions of Awards
February 13, 2025**

To the extent you are granted an award of (1) Performance Units and (2) Restricted Share Units (the award of the Performance Units and Restricted Share Units together, the “Awards”) under the Transocean Ltd. 2015 Long-Term Incentive Plan, as amended and restated effective May 16, 2024 (the “Plan”) effective as of the date indicated above (the “Grant Date”), the target number of Performance Units and the number of shares of Restricted Share Units subject to such grant is set forth in an award letter to you (the “Award Letter”). Any such Award is subject to the terms and conditions set forth in the Plan, the Prospectus for the Plan, any rules and regulations adopted by the Committee, and the additional terms and conditions set forth in this Appendix A which forms a part of your Award Letter. Any terms used in the Award Letter or this Appendix A and not defined herein have the meanings set forth in the Plan. The terms and provisions of your Award are governed by the terms of the Plan as effective May 16, 2024, and amended from time to time thereafter. In the event there is an inconsistency between the terms of the Plan and the Award Letter, the terms of the Plan will control.

Section I. PERFORMANCE UNITS

1. Determination of Earned Performance Units

(a) Total Target Performance Unit Grant

For purposes of the Award Letter (including this Appendix A), the term “Total Target Performance Units” shall mean the total number of target Shares (or other consideration) that may be issued to you in respect of the achievement of certain performance standards as described herein, subject to the terms and conditions hereof.

(b) Earned Performance Units

The exact number of Performance Units that will actually be earned by and issued to you and subject to the vesting described in Section I.2 (the “Earned Performance Units”) will be based upon the achievement by the Company of the performance standard, as described in this Section I.1(b).

After the conclusion of the period beginning January 1, 2025 and ending December 31, 2027 (the “PSU Performance Cycle”), the Committee will make a determination as to the number of Earned Performance Units based on performance standards established for free cash flow (“FCF”) and the Company’s relative performance on total shareholder return (“TSR”) as compared against a peer group (as identified in Exhibit A). FCF performance will be measured over the three twelve-month calendar periods during the PSU Performance Cycle, with performance achievement calculated between 0% and 200% for each twelve-month period (the “FCF Performance Percentage”), and then the average of the resulting three FCF Performance

Appendix A

Percentages will be calculated (the "Average FCF Performance Percentage"). The Average FCF Performance Percentage will be modified by applying a percentage between negative 25% and positive 25% (the "TSR Modifier") determined based on the Company's relative performance on TSR as compared against a peer group (as identified in Exhibit A) over the PSU Performance Cycle, Cycle, and the result shall be referred to as the "Combined Performance Achievement Percentage." In no event shall the Combined Performance Achievement Percentage exceed 200%.

The determination by the Committee of the Average FCF Performance Percentage and the TSR Modifier will be made following the end of the PSU Performance Cycle after all necessary Company and peer information is available. The specific date on which such determination is formally made and approved by the Committee is referred to as the "Determination Date". After the Determination Date, the Company will notify you of the number of Earned Performance Units, if any.

More detailed definitions for FCF and TSR and the methodology for determining the Combined Performance Achievement Percentage and the resulting number of Earned Performance Units are incorporated herein as Exhibit A.

(c) **Committee Determinations**

The Committee shall have absolute discretion to determine the number of Earned Performance Units to which you are entitled, if any, including without limitation such adjustments as may be necessary in the opinion of the Committee to account for changes since the date of the Award Letter. The Committee's determination shall be final, conclusive and binding upon you. You shall not have any right or claim with respect to any units other than Earned Performance Units to which you become entitled based on action by the Committee in accordance with this Appendix A.

2. **Vesting**

- (a) Unless vested on an earlier date as provided in this Appendix A, the Earned Performance Units will be vested on December 31, 2027, subject to your continued employment through that date.
- (b) In certain circumstances more particularly described in Sections I.5 and I.6 below, your Earned Performance Units may vest before the date set forth in Section I.2(a). In addition, the Committee may accelerate the vesting of all or a portion of your Earned Performance Units at any time in its discretion.
- (c) You do not need to pay any purchase price for the Earned Performance Units unless otherwise required in accordance with applicable law.

3. **Restrictions**

Until and unless you vest in your Earned Performance Units and receive a distribution of Shares, you do not own any of the Shares potentially subject to this performance award and may not attempt to sell, transfer, assign or pledge any such Shares. After

the PSU Performance Cycle has ended and all Earned Performance Units are determined, the net Shares (total Shares distributable in respect of vested Earned Performance Units minus any Shares retained by the Company in accordance with the policies and requirements described in Section IV.4) will be delivered on March 15, 2028 in street name to your brokerage account (or, in the event of your death, to a brokerage account in the name of your beneficiary under the Plan) with the broker retained by the Company for such purpose (the "Broker"). Any Shares distributed to you in respect of vested Earned Performance Units will be registered in your name and will not be subject to any restrictions. Notwithstanding the foregoing, the number of Shares distributed to you will be subject to the number of Shares that remain available for issuance under Paragraph 5 of the Plan, as amended, and the Committee may make such adjustment as it deems appropriate to the number of Shares distributed to reflect any limitation on Shares available.

4. **Dividend Equivalents, Dividends and Voting**

- (a) **Vested Earned Performance Units.** In the event that dividends are paid with respect to Shares such that the applicable record date for such dividends occurs during the period beginning on the Grant Date and ending on the date you receive a distribution of Shares in satisfaction of your vested Earned Performance Units, you will be entitled to receive a cash payment equal to the amount of the dividend paid per Share as of each such dividend payment date multiplied by the number of vested Earned Performance Units (the "Earned Dividend Equivalent"). You will have no right to receive any payment of dividend equivalents with respect to Performance Units that do not become vested Earned Performance Units. All Earned Dividend Equivalents (if any) will be paid in cash on the date of the regularly scheduled payroll next following the date of distribution of Shares with respect to your vested Earned Performance Units, or as soon as administratively practicable following such date and shall be subject to all applicable withholding taxes. For any non-cash dividends, the Committee may determine in its sole discretion the cash value to be so paid to you in respect of such vested Earned Performance Units or, if applicable, the adjustment to be applied pursuant to Section 15 of the Plan.
- (b) **Voting Shares.** You will have the right to vote your Shares that have been distributed in respect of any vested Earned Performance Units. There are no voting rights associated with Performance Units (including Earned Performance Units).
- (c) **No Other Rights.** You shall have no other dividend equivalent, dividend or voting rights with respect to any Performance Unit.

5. **Termination of Employment**

- (a) **Termination prior to the end of the PSU Performance Cycle**

The terms set out in subsections (i)–(iii) below of this Section I.5(a) shall apply to the vesting and settlement of Earned Performance Units in the event of your termination of employment prior to the last day of the PSU Performance Cycle.

- (i) **Death or Disability.** If your employment is terminated by reason of death or Disability, you will be entitled to earn a Pro-Rata Earned Award. Distribution under Section I.3 in satisfaction of all such Earned Performance Units shall be made on March 15, 2028.
- (ii) **Involuntary Termination or Retirement.** If your employment is terminated in an Involuntary Termination or by reason of you becoming a Retiree, you will be entitled to earn a Pro-Rata Earned Award. Distribution under Section I.3 in satisfaction of all such Earned Performance Units shall be made on March 15, 2028.
- (iii) **Other Termination of Employment.** If your employment is terminated prior to the end of the PSU Performance Cycle for any reason other than those set forth in Section I.5(a)(i), I.5(a)(ii) and I.6(b), you will not be entitled to any Earned Performance Units.

(b) **Adjustments by the Committee**

The Committee may, in its sole discretion, accelerate the vesting of your right to receive all or any portion of any Earned Performance Units, distributed on the distribution date under Section I.3.

(c) **Forfeiture of Performance Units**

In addition to forfeitures of Performance Units pursuant to Section I.5(a) above, if you violate or fail to comply with any of the covenants or obligations applicable to you under the Executive Severance Benefit Policy, you shall immediately forfeit any Performance Units, whether or not earned.

6. **Change of Control**

(a) **Change of Control**

Upon the occurrence of a Change of Control, if you are employed by the Company on the date of such Change of Control and the Determination Date has not occurred, the number of Earned Performance Units to which you are entitled shall be equal to the Total Target Performance Units, subject to the vesting provisions described in the Award Letter and Section I.2, I.5, and I.6(b).

The Shares (or other consideration) shall be issued in satisfaction of the Earned Performance Units on the distribution date under Section I.3.

(b) **Change of Control Termination**

Notwithstanding the provisions of the Award Letter or Sections I.2, I.5 or I.6(a), all of your Earned Performance Units (as described in Section I.6(a)) will vest immediately upon a Change of Control Termination and the Shares (or other consideration) shall be issued in satisfaction of the Earned Performance Units thirty days after the date of such Change of Control Termination.

Section II.RESTRICTED SHARE UNITS

1. Vesting and Restricted Share Units

- (a) Unless vested on an earlier date as provided in this Appendix A, the Restricted Share Units granted pursuant to your Award Letter will fully vest in installments in accordance with the following vesting schedule (each date below, an “RSU Vesting Date”) provided that you remain continuously employed through the applicable RSU Vesting Date:

RSU Vesting Date	Portion of Restricted Share Units Vesting
March 1, 2026	1/3
March 1, 2027	1/3
March 1, 2028	1/3

To the extent that the vesting schedule above would result in vesting of a fractional Restricted Share Unit, such fractional Restricted Share Unit shall be rounded to a whole number as determined by the Committee.

- (b) In certain circumstances described in Section II.4 below, your Restricted Share Units may fully vest before the final scheduled RSU Vesting Date. In addition, the Committee may accelerate the vesting of all or a portion of your Restricted Share Units at any time in its discretion, subject to the provisions of Section II.4(d). The date of any accelerated vesting under Section II.4 below will be a RSU Vesting Date for purposes of this Appendix A.
- (c) You do not need to pay any purchase price for the Restricted Share Units unless otherwise required in accordance with applicable law.

2. Restrictions on the Restricted Share Units

Until and unless you vest in your Restricted Share Units and receive a distribution of Shares, you may not attempt to sell, transfer, assign or pledge them. Until the date on which you receive a distribution of the Shares in respect of any vested Restricted Share Units awarded hereunder, your award of Restricted Share Units will be evidenced by credit to a book entry account.

When Restricted Share Units vest and become payable, the net Shares (total Shares distributable in respect of vested Restricted Share Units minus any Shares retained by the Company in accordance with the policies and requirements described in Section IV.4), will be delivered to you within sixty days after the RSU Vesting Date in street name to your brokerage account (or, in the event of your death, to a brokerage account in the name of your beneficiary under the Plan) with the Broker. Any Shares distributed to you in respect of vested Restricted Share Units will be registered in your name and will not be subject to any restrictions. There will be some delay between the RSU Vesting Date and the date your Shares become available to you due to administrative reasons.

3. **Dividend Equivalents and Voting**

(a) **Dividend Equivalents**

In the event that dividends are paid with respect to Shares such that the applicable record date occurs during the period beginning on the Grant Date and ending on the date you receive a distribution of Shares in satisfaction of your vested Restricted Share Units, you will be entitled to receive a cash payment equal to the amount of the dividend paid per Share as of such dividend payment date multiplied by the number of vested Restricted Share Units (the "Dividend Equivalent"). Dividend Equivalents (if any) payable with respect to your vested Restricted Share Units will be paid in cash on the date of the regularly scheduled payroll next following the applicable Vesting Date, or as soon as administratively practicable following such date, and shall be subject to all applicable withholding taxes. For any non-cash dividends, the Committee may determine in its sole discretion the cash value to be so paid to you in respect of such Restricted Share Units or, if applicable, the adjustment to be applied pursuant to Section 15 of the Plan.

(b) **Voting Shares**

You will have the right to vote your Shares that have been distributed in respect of any vested Restricted Share Units. There are no voting rights associated with Restricted Share Units.

(c) **No Other Rights**

You shall have no other dividend equivalent, dividend or voting rights with respect to any Restricted Share Unit.

4. **Termination of Employment**

The following rules apply to the vesting of your Restricted Share Units in the event of your termination of employment.

(a) **Death or Disability.** If your employment is terminated by reason of death or Disability, all of your Restricted Share Units will vest on your date of termination. If you are Retirement Eligible and you experience a Disability that satisfies the requirements of U.S. Treasury Regulation Section 1.409A-3(i)(4) prior to the termination of your employment, all of your Restricted Share Units will vest on the date of such Disability.

(b) **Involuntary Termination or Retirement.** If your employment is terminated in an Involuntary Termination or by reason of you becoming a Retiree, a pro rata portion of your Restricted Share Units will vest on your date of termination; such pro rata portion shall be determined by multiplying the number of Restricted Share Units granted to you and remaining outstanding and unvested at the time your employment is terminated by a fraction, the numerator of which is the number of calendar days you were employed between the Grant Date and your date of termination and the denominator

of which is the number of calendar days between the Grant Date and the final scheduled RSU Vesting Date.

- (c) **Other Termination of Employment.** If your employment terminates for any reason other than those set forth in Sections II.4(a), II.4(b) and II.5, any of your Restricted Share Units which have not vested prior to your termination of employment will be forfeited.
- (d) **Adjustments by the Committee.** The Committee may, in its sole discretion, accelerate the vesting of all or any portion of your Restricted Share Units; provided, however, that no acceleration of delivery of Shares shall be made in a manner that is not in compliance with, or exempt from, any applicable requirements of Code Section 409A.

5. **Change of Control.**

Notwithstanding the provisions of the Award Letter or Sections II.1 or II.4, all of your Restricted Share Units will vest immediately upon a Change of Control Termination.

Section III. Miscellaneous

The terms and provisions of this Section III apply to all Awards.

1. **Definitions**

- (a) **“Cause”** means (1) your willful and continued failure to substantially perform your duties with the Company (other than any such failure resulting from your incapacity due to physical or mental illness), (2) your willful engagement in conduct which is demonstrably and materially injurious to the Company or its Subsidiaries, monetarily or otherwise, (3) your willful, material breach of any written policy of the Company or any written agreement between you and the Company or any of its Subsidiaries, including, but not limited to, the Company’s Code of Integrity, human resource or legal compliance and ethics policies or any employment agreement, (4) your indictment of a felony or a misdemeanor involving fraud, dishonesty or moral turpitude, or (5) such other events, acts or omissions as shall be determined in good faith. For purposes of clauses (1), (2) and (3) of this definition, no act, or failure to act, on your part shall be deemed “willful” unless done, or omitted to be done, by you not in good faith and without reasonable belief that your act, or failure to act, was in the best interest of the Company.
- (b) **“Change of Control Termination”** means and occurs on the date of your termination of employment by the Company or any Subsidiary for any reason other than Cause within two years after the date of a Change of Control.
- (c) **“Disability”** means (1) you qualify for disability benefits under a long term disability plan sponsored by the Company or (2) if you are not covered by any such long term disability plan, the Chief Executive Officer of the Company, or in the case of the termination of employment of the Chief Executive Officer of the Company, the Committee, has determined that you are disabled.

- (d) **“Good Reason”** means (1) the diminution of your duties or responsibilities, or a demotion of your position, to such an extent or in such a manner as to relegate you to a position not substantially similar to that which you held prior to such change or (2) a material reduction in your base salary or annual incentive plan opportunities other than in connection with such reductions that are applicable to the Company’s executives as a group. You shall not be considered to have terminated for Good Reason unless you notify the Company in writing within 30 days of the date the event giving rise to Good Reason occurs, the Company does not cure such condition within 30 days of such notice and you terminate your employment no later than 90 days after the date the event giving rise to Good Reason occurred.
- (e) **“Involuntary Termination”** means the termination of your employment (i) by the Company without Cause or (ii) by you for Good Reason.
- (f) With respect to an award of Performance Units, **“Pro-Rata Earned Award”** is determined by multiplying the number of Earned Performance Units which would have otherwise been earned had your employment not been terminated by a fraction, the numerator of which is the number of calendar days you were employed during the period beginning January 1, 2025 and ending December 31, 2027 and the denominator of which is the total number of calendar days in the period beginning January 1, 2025 and ending December 31, 2027.
- (g) You are a **“Retiree”** if your separation from service occurs for any reason other than Cause, Involuntary Termination, Change in Control Termination, death or Disability after (a) attainment of age 62 and (b) completion of at least five years of service with the Company or its Subsidiaries.
- (h) With respect to an award of Restricted Share Units, **“Retirement Eligible”** means, and will apply if, your final RSU Vesting Date is scheduled to occur after the calendar year in which you will complete at least five years of service with the Company or its Subsidiaries and will attain at least age 62.

2. **Award Determinations**

The Chief Executive Officer of the Company, or in the case of the termination of employment of the Chief Executive Officer of the Company, the Committee, shall have absolute discretion to determine the date and circumstances of termination of your employment or separation from service, including without limitation whether as a result of Disability, Involuntary Termination, Cause, Good Reason or any other reason and whether you are a Retiree, and such determination shall be final, conclusive and binding upon you.

3. **Section 280G Limitation**

Notwithstanding anything in the Award Letter (including this Appendix A) to the contrary, if all or any portion of the benefits provided hereunder, either alone or together with other payments and benefits received or to be received from the Company or any affiliate or successor, would constitute a “parachute payment”, as

such term is defined in Code Section 280G(b)(2), the aggregate of the amounts constituting the parachute payment shall be reduced to the extent necessary so that no portion thereof shall be subject to the excise tax imposed by Code Section 4999, but only if, by reason of such reduction, the net after-tax benefit shall exceed the net after-tax benefit if such reduction were not made. "Net after-tax benefit" for these purposes shall mean the sum of (w) the total amount payable under this Award, plus (x) all other payments and benefits which you receive or are then entitled to receive from the Company or an Affiliate that, alone or in combination with the amounts payable under the Award, would constitute a "parachute payment" within the meaning of Code Section 280G, less (y) the amount of federal income taxes payable with respect to the foregoing calculated at the maximum marginal income tax rate for each year in which the foregoing shall be paid (based upon the rate in effect for such year as set forth in the Code at the time of the payment under the Plan), less (z) the amount of excise taxes imposed with respect to the payments and benefits described in (w) and (x) above by Code Section 4999. Such reduction shall be made to those amounts that provide you with the best economic benefit (and to the extent any payments are economically equivalent, each shall be reduced pro rata), which may include, without limitation and to the extent necessary, a reduction to the Awards or vesting of the Awards in order that this limitation not be exceeded; provided, however, that this Section IV.3 shall be superseded in its entirety by (i) any contrary treatment of parachute payments to which you have agreed in writing prior to the Change of Control pursuant to any other plan, program or agreement, or (ii) any more favorable treatment of the excise tax on parachute payments extended to you by the Company or its affiliates pursuant to any other plan, program or agreement.

4. Tax Consequences and Withholding

- (a) You should consult the Plan Prospectus for a general summary of the Swiss federal income tax consequences to you and, if applicable, the U.S. tax consequences to you, upon the grant, vesting or distribution to you of the Awards based on currently applicable provisions of the Code, related regulations and Swiss tax rules. The summary does not discuss state and local tax laws or the laws of any other jurisdictions, which may differ from the U.S. federal tax law and Swiss tax rules. For these reasons, you are urged to consult your own tax advisor regarding the application of the tax laws to your particular situation.
- (b) With respect to Awards of Performance Units under Section I and Restricted Share Units under Section II, the Company shall reduce the number of Shares otherwise deliverable to you with respect to your Earned Performance Units or Restricted Share Units by a number of Shares having a value approximately equal to the amount required to be withheld under the Company's policies and procedures or applicable law. Further, any dividend equivalents paid to you in respect of Earned Performance Units or Restricted Share Units pursuant to Section I.4 or II.3, respectively, will be subject to tax withholding, as appropriate, as additional compensation.
- (c) You may not elect to have the Broker withhold Shares having a value less than the minimum statutory withholding tax liability or, if you are serving as an

expatriate employee, the “standard deduction” withheld in accordance with the Company’s policies and procedures. If you fail to satisfy such withholding obligation in a time and manner satisfactory to the Company, the Company shall have the right to withhold the required amount from your salary or other amounts payable to you.

- (d) In addition to the previous withholding requirements, any award under the Plan is also subject to all applicable withholding policies of the Company as may be in effect from time to time, at the sole discretion of the Company. Without limiting the generality of the foregoing, the Company expressly has the right to collect or cause to be collected, pursuant to any tax equalization or other plan or policy, as any such policies or plans may be in effect from time to time (irrespective of whether such withholding correlates to the applicable tax withholding requirement with respect to your award) proceeds of the sale of Shares acquired upon vesting of the applicable award through a sale arranged by the Company or Broker on your behalf pursuant to this authorization without further consent. Awards are further subject to any tax and other reporting requirement that may be applicable in any pertinent jurisdiction including any obligation to report awards (whether related to the granting or vesting thereof or exercise of rights thereunder) to any taxing authority or other pertinent third party.

5. Restrictions on Resale

Other than the restrictions referenced in Sections I.3 and II.2, there are no restrictions imposed by the Plan on the resale of Shares acquired under the Plan. However, under the provisions of the Securities Act and the rules and regulations of the SEC, resales of Shares acquired under the Plan by certain officers and directors of the Company who may be deemed to be “affiliates” of the Company must be made pursuant to an appropriate effective registration statement filed with the SEC, pursuant to the provisions of Rule 144 issued under the Securities Act, or pursuant to another exemption from registration provided in the Securities Act. At the present time, the Company does not have a currently effective registration statement pursuant to which such resales may be made by affiliates. There are no restrictions imposed by the SEC on the resale of Shares acquired under the Plan by persons who are not affiliates of the Company; provided, however, that all employees are subject to the Company’s policies against insider trading, and restrictions against resale may be imposed by the Company from time-to-time as may be necessary under applicable law.

6. Beneficiary

You may designate a beneficiary to receive any portion of your Performance Units and Restricted Share Units that become due to you after your death, and you may change your beneficiary from time to time. Beneficiary designations should be filed with the Broker with respect to Performance Units and Restricted Share Units. The beneficiary if you fail to file a designation with the Broker for the Performance Units and the Restricted Share Units, will be (1) the beneficiary you designated under any group life insurance plan maintained by the Company or its Subsidiaries that provides the largest

death benefit, which will constitute the designated beneficiary for purposes of this Section IV.6, or, if none, (2) the executor or administrator of your estate.

7. Effect on Other Benefits

Income recognized by you as a result of the grant, vesting, exercise or distribution of Shares with respect to Awards will not be included in the formula for calculating benefits under any of the Company's retirement and disability plans or any other benefit plans.

8. Code Section 409A Compliance

- (a) The award of Performance Units under Section I is intended to be exempt from or to comply with the provisions of Section 409A and, wherever possible, shall be consistent therewith. No action taken to comply with Section 409A shall be deemed to impair a benefit under the Award Letter or this Appendix A.
- (b) The award of Restricted Share Units under Section II is intended to be exempt from or to comply with the provisions of Section 409A and, wherever possible, shall be interpreted consistent therewith. Specifically, (1) if you are not Retirement Eligible, the time of payment specified in Sections II.2 and II.4 is exempt from Code Section 409A as a short term deferral in compliance with U.S. Treasury Regulation Section 1.409A-1(b)(4), and (2) if you are Retirement Eligible the time of payment specified with respect to Section II.4(b) is compliant with U.S. Treasury Regulation Section 1.409A-3(a)(1) and is compliant with Code Section 409A as being paid pursuant to a permissible payment date of separation from service under U.S. Treasury Regulation Section 1.409A-1(h) and the time of payment specified in Section II.4(a) with respect to Disability is compliant with U.S. Treasury Regulation Section 1.409A-3(a)(2) and is compliant with Code Section 409A as being paid pursuant to the permissible payment event of disability under U.S. Treasury Regulation Section 1.409A-3(i)(4). If you are Retirement Eligible, you will not be considered to have a termination from employment unless such termination meets the requirements for a "separation from service" within the meaning of U.S. Treasury Regulation Section 1.409A-1(h), if applicable. If you are a "specified employee" on the date of your "separation from service" within the meaning of Code Section 409A, the time of payment otherwise specified in the Award Letter or this Appendix A will be deferred to the extent required by Code Section 409A. No action taken to comply with Code Section 409A shall be deemed to impair a benefit under the Award Letter or this Appendix A.

Exhibit "A" to Performance Unit Award

A. Committee Methodology for FCF

Total Earned Performance Units will be determined taking into account FCF (as defined under Section B below) during each of the three calendar years during the PSU Performance Cycle, with the FCF Performance Percentage determined as a percentage between 0% and 200% for each calendar year. The FCF Performance Percentages shall be averaged for the three years at the conclusion of the PSU Performance Cycle to determine the Average FCF Performance Percentage for the PSU Performance Cycle.

The Company's achievement of FCF shall determine the FCF Performance Percentage based on the following schedule:

Achievement of FCF	FCF Performance Percentage
Threshold	0%
Target	100%
Maximum	200%

The Committee shall establish the criteria for the threshold, target and maximum FCF for each of the calendar years in the PSU Performance Cycle during the first calendar quarter of each of the relevant calendar years.

For any achievement of FCF between the levels set forth in the schedule above, the FCF Performance Percentage will be determined by linear interpolation between the percentages assigned in the schedule above. The FCF Performance Percentage for FCF equal to or below the threshold above shall be 0%, and in no event shall the FCF Performance Percentage for any calendar year exceed 200%.

B. Definition of Free Cash Flow

Free Cash Flow ("FCF") means cash provided by (used in) operating activities, reduced by capital expenditures. FCF achieved may be adjusted by the Committee to account for any significant transaction not contemplated in the annual goal established by the Committee in the first quarter of each calendar year. Adjustments may include, but are not limited to, the related or indirect effect on FCF resulting from acquisition, divestiture, reactivation of rigs and any other transaction or activity that may have an impact on FCF as determined appropriate by the Committee.

C. Committee Methodology for TSR

Total Earned Performance Units will be determined taking into account achievement of relative TSR performance. The Committee will make a determination on the Determination Date with respect to the achievement of TSR (as defined under Section D below) by the Company and the members of its peer group (as described under Section E below) and the resulting TSR Modifier.

"Relative Performance" shall be determined by ranking the Company, along with the other companies in its peer group, from best to worst based on TSR, and then determining the percentile ranking to assess the TSR Modifier as described below.

If, during the PSU Performance Cycle, (i) any peer group company files for or is the subject of any bankruptcy, insolvency or liquidation proceeding, (ii) any peer group company continues to exist but is no longer publicly traded on an established securities market as a result of a de-listing event (other than due to an acquisition), or (iii) any other corporate financial restructuring event, condition or circumstance exists that, in the determination of the Committee, causes a peer performance to no longer be appropriate for a TSR comparison, such peer group company will remain in the peer group positioned below the lowest performing member of the peer group in chronological order by the date of such bankruptcy, insolvency, liquidation, de-listing or other event, condition or circumstance for the applicable period. In the event that a peer group company is subject to a transaction in which more than 50% of the value of the company's outstanding shares immediately prior to the transaction are acquired by another person or entity, such company shall be removed from the peer group company listing for the applicable period in which the transaction occurred.

The Company's percentile ranking in its peer group shall determine the TSR Modifier for the number of Earned Performance Units due to relative performance based on the following schedule:

Transocean Percentile	TSR Modifier Percentage ("Relative Performance")
90th percentile or greater	25%
50th percentile (Target)	0%
Less than 25th percentile	-25%

For any achievement of a percentile ranking between the percentiles set forth in the schedule above, the TSR Modifier will be determined by linear interpolation between the percentages assigned in the schedule above.

D. Definition of Total Shareholder Return

Total Shareholder Return ("TSR") through the PSU Performance Cycle is based on the comparison of the average closing share price for the thirty (30) business days prior to January 1, 2024 and the average closing share price for the last thirty (30) business days in the calendar year ending December 31, 2026, adjusted for dividends. The same calculation is conducted for the Company and each of the companies in the peer group.

E. Peer Group

The peer group shall consist of:

Aker Solutions ASA	Oil States International, Inc.
Baker Hughes Company	Seadrill Limited
Borr Drilling Limited	Subsea 7 S.A.
Helmerich & Payne, Inc.	TechnipFMC plc
Noble Corporation Plc	Tidewater Inc.
NOV Inc.	Valaris Limited
Oceaneering International, Inc.	

F. Determination of Total Earned Performance Units

The number of Earned Performance Units shall be determined by multiplying the Total Target Performance Units by a percentage equal to the sum of (i) the Average FCF Performance Percentage and (ii) the TSR Modifier (the “Combined Performance Achievement Percentage”). In no event shall the Combined Performance Achievement Percentage exceed 200%. If any calculation with respect to the Earned Performance Units would result in a fractional share, the numbers of Earned Performance Units shall be rounded down to the nearest whole share.

Notwithstanding the foregoing, a “Price Cap” will apply such that if the Fair Market Value of a Share exceeds \$20, subject to adjustment pursuant to Section 15 of the Plan, on the Determination Date, the number of Performance Units that would have become Earned Performance Units as calculated using the Combined Performance Achievement Percentage will be reduced by multiplying such number of Earned Performance Units by a fraction, the numerator of which is \$20, subject to adjustment pursuant to Section 15 of the Plan, and the denominator of which is the Fair Market Value of a Share on the Determination Date. If the Price Cap applies, delivery of a number of Shares equal to such reduced number of Earned Performance Units will be in full satisfaction of the Performance Units. As an example of the application of the Price Cap, if 100 Performance Units would become Earned Performance Units based on the Combined Performance Achievement Percentage and the Fair Market Value of a Share is \$25 on the Determination Date, 80 Shares will be delivered in settlement of the Performance Units ($100 \times 20/25$).

NOTE: The Committee has the sole authority to interpret the terms of this Exhibit A, including determination of FCF and the formula for TSR. The Committee’s determination of all matters in connection with the award will be final and binding.

Transocean Ltd. 2015 Long-Term Incentive Plan
(As Amended and Restated Effective May 16, 2024)
Appendix A to Award Letter

Terms and Conditions of Awards
February 13, 2025

To the extent you are granted an award of (1) Performance Units and (2) Restricted Share Units (the award of the Performance Units and Restricted Share Units together, the “Awards”) under the Transocean Ltd. 2015 Long-Term Incentive Plan, as amended and restated effective May 16, 2024 (the “Plan”) effective as of the date indicated above (the “Grant Date”), the target number of Performance Units and the number of shares of Restricted Share Units subject to such grant is set forth in an award letter to you (the “Award Letter”). Any such Award is subject to the terms and conditions set forth in the Plan, the Prospectus for the Plan, any rules and regulations adopted by the Committee, and the additional terms and conditions set forth in this Appendix A which forms a part of your Award Letter. Any terms used in the Award Letter or this Appendix A and not defined herein have the meanings set forth in the Plan. The terms and provisions of your Award are governed by the terms of the Plan as effective May 16, 2024, and amended from time to time thereafter. In the event there is an inconsistency between the terms of the Plan and the Award Letter, the terms of the Plan will control.

Section I. PERFORMANCE UNITS

1. Determination of Earned Performance Units

(a) Total Target Performance Unit Grant

For purposes of the Award Letter (including this Appendix A), the term “Total Target Performance Units” shall mean the total number of target Shares (or other consideration) that may be issued to you in respect of the achievement of certain target performance standards as described herein, subject to the terms and conditions hereof.

(b) Earned Performance Units

The exact number of Performance Units that will actually be earned by and issued to you and subject to the vesting described in Section I.2 (the “Earned Performance Units”) will be based upon the achievement by the Company of the performance standard, as described in this Section I.1(b).

After the conclusion of the period beginning January 1, 2025 and ending December 31, 2027 (the “PSU Performance Cycle”), the Committee will make a determination as to the number of Earned Performance Units based on performance standards established for free cash flow (“FCF”) and the Company’s relative performance on total shareholder return (“TSR”) as compared against a peer group (as identified in Exhibit A). FCF performance will be measured over the three twelve-month calendar periods during the PSU Performance Cycle, with performance achievement calculated between 0% and 200% for each twelve-month period (the “FCF Performance Percentage”), and then the average of the resulting three FCF Performance

Appendix A

Percentages will be calculated (the “Average FCF Performance Percentage”). The Average FCF Performance Percentage will be modified by applying a percentage between negative 25% and positive 25% (the “TSR Modifier”) determined based on the Company’s relative performance on TSR as compared against a peer group (as identified in Exhibit A) over the PSU Performance Cycle, and the result shall be referred to as the “Combined Performance Achievement Percentage.” In no event shall the Combined Performance Achievement Percentage exceed 200%. The determination by the Committee of the Average FCF Performance Percentage and the TSR Modifier will be made following the end of the PSU Performance Cycle after all necessary Company and peer information is available. The specific date on which such determination is formally made and approved by the Committee is referred to as the “Determination Date”. After the Determination Date, the Company will notify you of the number of Earned Performance Units, if any.

More detailed definitions for FCF and TSR and the methodology for determining the Combined Performance Achievement Percentage and the resulting number of Earned Performance Units are incorporated herein as Exhibit A.

(c) **Committee Determinations**

The Committee shall have absolute discretion to determine the number of Earned Performance Units to which you are entitled, if any, including without limitation such adjustments as may be necessary in the opinion of the Committee to account for changes since the date of the Award Letter. The Committee’s determination shall be final, conclusive and binding upon you. You shall not have any right or claim with respect to any units other than Earned Performance Units to which you become entitled based on action by the Committee in accordance with this Appendix A.

2. **Vesting**

- (a) Unless vested on an earlier date as provided in this Appendix A, the Earned Performance Units will be vested on December 31, 2027, subject to your continued employment through that date.
- (b) In certain circumstances more particularly described in Sections I.5 and I.6 below, your Earned Performance Units may vest before the date set forth in Section I.2(a) or may continue to vest following your Termination of Employment. In addition, the Committee may accelerate the vesting of all or a portion of your Earned Performance Units at any time in its discretion, subject to Section III.8.
- (c) You do not need to pay any purchase price for the Earned Performance Units unless otherwise required in accordance with applicable law.

3. **Restrictions**

Until and unless you vest in your Earned Performance Units and receive a distribution of Shares, you do not own any of the Shares potentially subject to this performance award and may not attempt to sell, transfer, assign or pledge any such Shares. After the PSU Performance Cycle has ended and all Earned Performance Units are determined, the net Shares (total Shares distributable in respect of vested Earned Performance Units minus any Shares retained by the Company in accordance with the policies and requirements described in Section IV.4) will be delivered on March 15, 2028 in street name to your brokerage account (or, in the event of your death, to a brokerage account in the name of your beneficiary under the Plan) with the broker retained by the Company for such purpose (the "Broker"). Any Shares distributed to you in respect of vested Earned Performance Units will be registered in your name and will not be subject to any restrictions. Notwithstanding the foregoing, the number of Shares distributed to you will be subject to the number of Shares that remain available for issuance under Paragraph 5 of the Plan, as amended, and the Committee may make such adjustment as it deems appropriate to the number of Shares distributed to reflect any limitation on Shares available.

4. **Dividend Equivalents, Dividends and Voting**

- (a) **Vested Earned Performance Units.** In the event that dividends are paid with respect to Shares such that the applicable record date for such dividends occurs during the period beginning on the Grant Date and ending on the date you receive a distribution of Shares in satisfaction of your vested Earned Performance Units, you will be entitled to receive a cash payment equal to the amount of the dividend paid per Share as of each such dividend payment date multiplied by the number of vested Earned Performance Units (the "Earned Dividend Equivalent"). You will have no right to receive any payment of dividend equivalents with respect to Performance Units that do not become vested Earned Performance Units. All Earned Dividend Equivalents (if any) will be paid in cash on the date of the regularly scheduled payroll next following the date of distribution of Shares with respect to your vested Earned Performance Units, or as soon as administratively practicable following such date and shall be subject to all applicable withholding taxes. For any non-cash dividends, the Committee may determine in its sole discretion the cash value to be so paid to you in respect of such vested Earned Performance Units or, if applicable, the adjustment to be applied pursuant to Section 15 of the Plan.
- (b) **Voting Shares.** You will have the right to vote your Shares that have been distributed in respect of any vested Earned Performance Units. There are no voting rights associated with Performance Units (including Earned Performance Units).
- (c) **No Other Rights.** You shall have no other dividend equivalent, dividend or voting rights with respect to any Performance Unit.

5. **Termination of Employment**

- (a) **Termination prior to the end of the PSU Performance Cycle**

The terms set out in subsections (i)–(iii) below of this Section I.5(a) shall apply to the vesting and settlement of Earned Performance Units in the event of your Termination of Employment prior to the last day of the PSU Performance Cycle.

- (i) **Death or Disability.** If you have a Termination of Employment by reason of death or Disability prior to the first anniversary of the Grant Date, you will be entitled to earn a Pro-Rata Earned Award. Distribution under Section I.3 in satisfaction of all such Earned Performance Units shall be made on March 15, 2028. If your Termination of Employment is by reason of death or Disability on or after the first anniversary of the Grant Date, you will continue to earn your Performance Units as if you had remained continuously employed through December 31, 2027.
- (ii) **Involuntary Termination or Retirement.** If you have an Involuntary Termination or you become a Retiree prior to the first anniversary of the Grant Date, you will be entitled to earn a Pro-Rata Earned Award. Distribution under Section I.3 in satisfaction of all such Earned Performance Units shall be made on March 15, 2028. If you have an Involuntary Termination or you become a Retiree on or after the first anniversary of the Grant Date, you will continue to earn your Performance Units as if you had remained continuously employed through December 31, 2027. Notwithstanding the preceding and to the extent permissible under applicable law, your right to any Earned Performance Units shall be forfeited on the date you first provide services to a Competitor, as described in Section III below.
- (iii) **Other Termination of Employment.** If you have a Termination of Employment prior to the end of the PSU Performance Cycle for any reason other than those set forth in Section I.5(a)(i), I.5(a)(ii) and I.6(b), you will not be entitled to any Earned Performance Units.

(b) **Adjustments by the Committee**

The Committee may, in its sole discretion, accelerate the vesting of your right to receive all or any portion of any Earned Performance Units, distributed on the distribution date under Section I.3.

(c) **Forfeiture of Performance Units**

In addition to forfeitures of Performance Units pursuant to Section I.5(a) above, if you violate or fail to comply with any of the covenants or obligations applicable to you, you shall immediately forfeit any Performance Units, whether or not earned.

6. **Change of Control**

(a) **Change of Control**

Upon the occurrence of a Change of Control, if you are employed by the Company on the date of such Change of Control and the Determination Date has not occurred, the number of Earned Performance Units to which you are entitled shall be equal to the Total Target Performance Units, subject to the vesting provisions described in the Award Letter and Section I.2, I.5, and I.6(b).

The Shares (or other consideration) shall be issued in satisfaction of the Earned Performance Units on the distribution date under Section I.3.

(b) **Change of Control Termination**

Notwithstanding the provisions of the Award Letter or Sections I.2, I.5 or I.6(a), all of your Earned Performance Units (as described in Section I.6(a)) will vest immediately upon a Change of Control Termination and the Shares (or other consideration) shall be issued in satisfaction of the Earned Performance Units thirty days after the date of such Change of Control Termination.

Section II. RESTRICTED SHARE UNITS

1. Vesting and Restricted Share Units

- (a) Unless vested on an earlier date as provided in this Appendix A, the Restricted Share Units granted pursuant to your Award Letter will fully vest in installments in accordance with the following vesting schedule (each date below, an "RSU Vesting Date") provided that you do not have a Termination of Employment prior to the applicable RSU Vesting Date:

RSU Vesting Date	Portion of Restricted Share Units Vesting
March 1, 2026	1/3
March 1, 2027	1/3
March 1, 2028	1/3

To the extent that the vesting schedule above would result in vesting of a fractional Restricted Share Unit, such fractional Restricted Share Unit shall be rounded to a whole number as determined by the Committee.

- (b) In certain circumstances described in Section II.4 below, your Restricted Share Units may continue to vest following Termination of Employment or may fully vest before the final scheduled RSU Vesting Date. In addition, the Committee may accelerate the vesting of all or a portion of your Restricted Share Units at any time in its discretion, subject to the provisions of Section II.4(d). The date of any accelerated vesting under Section II.4(a) below will be a RSU Vesting Date for purposes of this Appendix A.
- (c) You do not need to pay any purchase price for the Restricted Share Units unless otherwise required in accordance with applicable law.

2. Restrictions on the Restricted Share Units

Until and unless you vest in your Restricted Share Units and receive a distribution of Shares, you may not attempt to sell, transfer, assign or pledge them. Until the date on which you receive a distribution of the Shares in respect of any vested Restricted Share Units awarded hereunder, your award of Restricted Share Units will be evidenced by credit to a book entry account.

When Restricted Share Units vest and become payable, the net Shares (total Shares distributable in respect of vested Restricted Share Units minus any Shares retained by the Company in accordance with the policies and requirements described in Section IV.4), will be delivered to you within sixty days after the RSU Vesting Date in street name to your brokerage account (or, in the event of your death, to a brokerage account in the name of your beneficiary under the Plan) with the Broker. Any Shares distributed to you in respect of vested Restricted Share Units will be registered in your name and will not be subject to any restrictions. There will be some delay between the RSU Vesting Date and the date your Shares become available to you due to administrative reasons.

3. Dividend Equivalents and Voting

(a) Dividend Equivalents

In the event that dividends are paid with respect to Shares such that the applicable record date occurs during the period beginning on the Grant Date and ending on the date you receive a distribution of Shares in satisfaction of your vested Restricted Share Units, you will be entitled to receive a cash payment equal to the amount of the dividend paid per Share as of such dividend payment date multiplied by the number of vested Restricted Share Units (the "Dividend Equivalent"). Dividend Equivalents (if any) payable with respect to your vested Restricted Share Units will be paid in cash on the date of the regularly scheduled payroll next following the applicable Vesting Date, or as soon as administratively practicable following such date, and shall be subject to all applicable withholding taxes. For any non-cash dividends, the Committee may determine in its sole discretion the cash value to be so paid to you in respect of such Restricted Share Units or, if applicable, the adjustment to be applied pursuant to Section 15 of the Plan.

(b) Voting Shares

You will have the right to vote your Shares that have been distributed in respect of any vested Restricted Share Units. There are no voting rights associated with Restricted Share Units.

(c) No Other Rights

You shall have no other dividend equivalent, dividend or voting rights with respect to any Restricted Share Unit.

4. Termination of Employment

The following rules apply to the vesting of your Restricted Share Units in the event of your Termination of Employment.

- (a) **Death or Disability.** If you have a Termination of Employment by reason of death or Disability, all your Restricted Share Units will vest on your date of termination. If you are Retirement Eligible and you experience a Disability that satisfies the requirements of U.S. Treasury Regulation Section 1.409A-3(i)(4) prior to the termination of your employment, all your Restricted Share Units will vest on the date of such Disability.
- (b) **Involuntary Termination or Retirement.** If you have an Involuntary Termination or you become a Retiree prior to the first anniversary of the Grant Date, a pro rata portion of your Restricted Share Units will vest on your date of termination and will be settled on the first RSU Vesting Date thereafter; such pro rata portion shall be determined by multiplying the number of Restricted Share Units granted to you and remaining outstanding and unvested at the time your employment is terminated by a fraction, the numerator of which is the number of calendar days you were employed between the Grant Date and your date of termination and the denominator of which is the number of calendar days between the Grant Date and the final scheduled RSU Vesting Date. If you have an Involuntary Termination or you become a Retiree on or after the first anniversary of the Grant Date, you will continue to vest following such termination to the same extent as if you continued to be employed by the Company or one of its subsidiaries. Notwithstanding the foregoing and to the extent permissible under applicable law, in no event shall the restricted share units granted hereunder continue to vest beyond the day on which you first provide services to a Competitor, as described in Section III below.
- (c) **Other Termination of Employment.** If you have a Termination of Employment for any reason other than those set forth in Sections II.4(a), II.4(b) and II.5, any of your Restricted Share Units which have not vested prior to your Termination of Employment will be forfeited.
- (d) **Adjustments by the Committee.** The Committee may, in its sole discretion, accelerate the vesting of all or any portion of your Restricted Share Units; provided, however, that no acceleration of delivery of Shares shall be made in a manner that is not in compliance with, or exempt from, any applicable requirements of Code Section 409A.

5. **Change of Control.**

Notwithstanding the provisions of the Award Letter or Sections II.1 or II.4, all of your Restricted Share Units will vest immediately upon a Change of Control Termination.

Section III. Miscellaneous

The terms and provisions of this Section III apply to all Awards.

1. **Definitions**

- (a) **“Cause”** means (1) your willful and continued failure to substantially perform your duties with the Company (other than any such failure resulting from your incapacity due to physical or mental illness), (2) your willful engagement in conduct which is demonstrably and materially injurious to the Company or its Subsidiaries, monetarily or otherwise, (3) your willful, material breach of any written policy of the Company or any written agreement between you and the Company or any of its Subsidiaries, including, but not limited to, the Company’s Code of Integrity, human resource or legal compliance and ethics policies or any employment agreement, (4) your indictment of a felony or a misdemeanor involving fraud, dishonesty or moral turpitude, or (5) such other events, acts or omissions as shall be determined in good faith. For purposes of clauses (1), (2) and (3) of this definition, no act, or failure to act, on your part shall be deemed “willful” unless done, or omitted to be done, by you not in good faith and without reasonable belief that your act, or failure to act, was in the best interest of the Company.
- (b) **“Change of Control Termination”** means and occurs on the date of your Termination of Employment by the Company or any Subsidiary for any reason other than Cause within two years after the date of a Change of Control.
- (c) **“Competitor”** means any business that, as of the Grant Date, is engaged in the ownership and/or operation of ultra-deepwater or harsh environment offshore drilling rigs in direct competition with the Company and its affiliates. This restriction shall not prevent you from working for a subsidiary, division, venture or other business or functional service unit (collectively a “Unit”) of a Competitor so long as (i) such Unit is not itself a Competitor, and (ii) you do not manage or participate in business activities or projects of any Unit that is a Competitor. For purposes of this Agreement, you will be deemed to provide services to a Competitor if, in the Committee’s sole discretion, you, directly or indirectly, whether as an employee, officer, director, investor, independent contractor, consultant, or otherwise, in any job function or capacity which is the same, similar to, or greater than that performed by you for the Company, accept a position to engage in, work for, provide advice to, or provide services to, any Competitor in the Restricted Territory. Further, nothing in this provision prohibits you from owning an investment interest of less than 5% in a publicly traded company. The term **“Restricted Territory”** means all countries, counties and parishes in which the Company operated or planned to operate during the preceding five (5) years of your employment with the Company, as determined in the sole discretion of the Committee. The Committee may, by written notice to you, modify the definition of the terms “Competitor” and “Restricted Territory” to make them less restrictive if deemed necessary to comply with applicable law.
- (d) **“Disability”** means (1) you qualify for disability benefits under a long term disability plan sponsored by the Company or (2) if you are not covered by any such long term disability plan, the Chief Executive Officer of the Company, or in the case of the Termination of Employment of the Chief Executive Officer of the Company, the Committee, has determined that you are disabled.

- (e) **“Good Reason”** means, with respect to your service as an Employee, (1) the diminution of your duties or responsibilities, or a demotion of your position, to such an extent or in such a manner as to relegate you to a position not substantially similar to that which you held prior to such change or (2) a material reduction in your base salary or annual cash incentive plan opportunities other than in connection with such reductions that are applicable to the Company’s executives as a group. You shall not be considered to have terminated for Good Reason unless you notify the Company in writing within 30 days of the date the event giving rise to Good Reason occurs, the Company does not cure such condition within 30 days of such notice and you terminate your employment no later than 90 days after the date the event giving rise to Good Reason occurred.
- (f) **“Involuntary Termination”** means the termination of your service as an Employee (i) by the Company without Cause or (ii) by you for Good Reason.
- (g) With respect to an award of Performance Units, **“Pro-Rata Earned Award”** is determined by multiplying the number of Earned Performance Units which would have otherwise been earned had your employment not been terminated by a fraction, the numerator of which is the number of calendar days you were employed during the period beginning January 1, 2025 and ending December 31, 2027 and the denominator of which is the total number of calendar days in the period beginning January 1, 2025 and ending December 31, 2027.
- (h) You are a **“Retiree”** if your separation from service as an Employee occurs for any reason other than Cause, Involuntary Termination, Change of Control Termination, death or Disability after (a) attainment of age 62 and (b) completion of at least five years of service as an Employee with the Company or its Subsidiaries; provided that you will not be treated as a “Retiree” if you are a member of the Board following separation from service as an Employee.
- (i) With respect to an award of Restricted Share Units, **“Retirement Eligible”** means, and will apply if, your final RSU Vesting Date is scheduled to occur after the calendar year in which you will complete at least five years of service as an Employee with the Company or its Subsidiaries and will attain at least age 62.
- (j) With respect to this Award and all outstanding Awards granted to the Participant under the Plan, **“Termination of Employment”** means, termination of service to the Company or any of its Subsidiaries as an Employee or, if later, termination of service as a member of the Board; provided, however, that the provisions relating to termination for “Retirement”, “Cause”, “Good Reason”, or “Involuntary Termination” shall not apply to service as member of the Board.

2. **Award Determinations**

The Chief Executive Officer of the Company, or in the case of the Termination of Employment of the Chief Executive Officer of the Company, the Committee, shall have

absolute discretion to determine the date and circumstances of termination of your employment or separation from service, including without limitation whether as a result of Disability, Involuntary Termination, Cause, Good Reason or any other reason and whether you are a Retiree, and such determination shall be final, conclusive and binding upon you.

3. Section 280G Limitation

Notwithstanding anything in the Award Letter (including this Appendix A) to the contrary, if all or any portion of the benefits provided hereunder, either alone or together with other payments and benefits received or to be received from the Company or any affiliate or successor, would constitute a “parachute payment”, as such term is defined in Code Section 280G(b)(2), the aggregate of the amounts constituting the parachute payment shall be reduced to the extent necessary so that no portion thereof shall be subject to the excise tax imposed by Code Section 4999, but only if, by reason of such reduction, the net after-tax benefit shall exceed the net after-tax benefit if such reduction were not made.

“Net after-tax benefit” for these purposes shall mean the sum of (w) the total amount payable under this Award, plus (x) all other payments and benefits which you receive or are then entitled to receive from the Company or an Affiliate that, alone or in combination with the amounts payable under the Award, would constitute a “parachute payment” within the meaning of Code Section 280G, less (y) the amount of federal income taxes payable with respect to the foregoing calculated at the maximum marginal income tax rate for each year in which the foregoing shall be paid (based upon the rate in effect for such year as set forth in the Code at the time of the payment under the Plan), less (z) the amount of excise taxes imposed with respect to the payments and benefits described in (w) and (x) above by Code Section 4999. Such reduction shall be made to those amounts that provide you with the best economic benefit (and to the extent any payments are economically equivalent, each shall be reduced pro rata), which may include, without limitation and to the extent necessary, a reduction to the Awards or vesting of the Awards in order that this limitation not be exceeded; provided, however, that this Section IV.3 shall be superseded in its entirety by (i) any contrary treatment of parachute payments to which you have agreed in writing prior to the Change of Control pursuant to any other plan, program or agreement, or (ii) any more favorable treatment of the excise tax on parachute payments extended to you by the Company or its affiliates pursuant to any other plan, program or agreement.

4. Tax Consequences and Withholding

- (a) You should consult the Plan Prospectus for a general summary of the Swiss federal income tax consequences to you and, if applicable, the U.S. tax consequences to you, upon the grant, vesting or distribution to you of the Awards based on currently applicable provisions of the Code, related regulations and Swiss tax rules. The summary does not discuss state and local tax laws or the laws of any other jurisdictions, which may differ from the U.S. federal tax law and Swiss tax rules. For these reasons, you are urged to consult your own tax advisor regarding the application of the tax laws to your particular situation.

- (b) With respect to Awards of Performance Units under Section I and Restricted Share Units under Section II, the Company shall reduce the number of Shares otherwise deliverable to you with respect to your Earned Performance Units or Restricted Share Units by a number of Shares having a value approximately equal to the amount required to be withheld under the Company's policies and procedures or applicable law. Further, any dividend equivalents paid to you in respect of Earned Performance Units or Restricted Share Units pursuant to Section I.4 or II.3, respectively, will be subject to tax withholding, as appropriate, as additional compensation.
- (c) You may not elect to have the Broker withhold Shares having a value less than the minimum statutory withholding tax liability or, if you are serving as an expatriate employee, the "standard deduction" withheld in accordance with the Company's policies and procedures. If you fail to satisfy such withholding obligation in a time and manner satisfactory to the Company, the Company shall have the right to withhold the required amount from your salary or other amounts payable to you.
- (d) In addition to the previous withholding requirements, any award under the Plan is also subject to all applicable withholding policies of the Company as may be in effect from time to time, at the sole discretion of the Company. Without limiting the generality of the foregoing, the Company expressly has the right to collect or cause to be collected, pursuant to any tax equalization or other plan or policy, as any such policies or plans may be in effect from time to time (irrespective of whether such withholding correlates to the applicable tax withholding requirement with respect to your award) proceeds of the sale of Shares acquired upon vesting of the applicable award through a sale arranged by the Company or Broker on your behalf pursuant to this authorization without further consent. Awards are further subject to any tax and other reporting requirement that may be applicable in any pertinent jurisdiction including any obligation to report awards (whether related to the granting or vesting thereof or exercise of rights thereunder) to any taxing authority or other pertinent third party.

5. Restrictions on Resale

Other than the restrictions referenced in Sections I.3 and II.2, there are no restrictions imposed by the Plan on the resale of Shares acquired under the Plan. However, under the provisions of the Securities Act and the rules and regulations of the SEC, resales of Shares acquired under the Plan by certain officers and directors of the Company who may be deemed to be "affiliates" of the Company must be made pursuant to an appropriate effective registration statement filed with the SEC, pursuant to the provisions of Rule 144 issued under the Securities Act, or pursuant to another exemption from registration provided in the Securities Act. At the present time, the Company does not have a currently effective registration statement pursuant to which such resales may be made by affiliates. There are no restrictions imposed by the SEC on the resale of Shares acquired under the Plan by persons who are not affiliates of the Company; provided, however, that all employees are subject to the Company's

policies against insider trading, and restrictions against resale may be imposed by the Company from time-to-time as may be necessary under applicable law.

6. Beneficiary

You may designate a beneficiary to receive any portion of your Performance Units and Restricted Share Units that become due to you after your death, and you may change your beneficiary from time to time. Beneficiary designations should be filed with the Broker with respect to Performance Units and Restricted Share Units. The beneficiary if you fail to file a designation with the Broker for the Performance Units and the Restricted Share Units, will be (1) the beneficiary you designated under any group life insurance plan maintained by the Company or its Subsidiaries that provides the largest death benefit, which will constitute the designated beneficiary for purposes of this Section IV.6, or, if none, (2) the executor or administrator of your estate.

7. Effect on Other Benefits

Income recognized by you as a result of the grant, vesting, exercise or distribution of Shares with respect to Awards will not be included in the formula for calculating benefits under any of the Company's retirement and disability plans or any other benefit plans.

8. Code Section 409A Compliance

- (a) The award of Performance Units under Section I is intended to be exempt from or to comply with the provisions of Section 409A and, wherever possible, shall be consistent therewith. No action taken to comply with Section 409A shall be deemed to impair a benefit under the Award Letter or this Appendix A.
- (b) The award of Restricted Share Units under Section II is intended to be exempt from or to comply with the provisions of Section 409A and, wherever possible, shall be interpreted consistent therewith. Specifically, (1) if you are not Retirement Eligible, the time of payment specified in Sections II.2 and II.4 is exempt from Code Section 409A as a short term deferral in compliance with U.S. Treasury Regulation Section 1.409A-1(b)(4), and (2) if you are Retirement Eligible or if your employment is terminated in an Involuntary Termination, the time of payment specified with respect to Section II.4(b) is compliant with U.S. Treasury Regulation Section 1.409A-3(a) and is compliant with Code Section 409A as being paid pursuant to a permissible payment date and the time of payment specified in Section II.4(a) with respect to Disability is compliant with U.S. Treasury Regulation Section 1.409A-3(a)(2) and is compliant with Code Section 409A as being paid pursuant to the permissible payment event of disability under U.S. Treasury Regulation Section 1.409A-3(i)(4). If you are Retirement Eligible, you will not be considered to have a termination from employment unless such termination meets the requirements for a "separation from service" within the meaning of U.S. Treasury Regulation Section 1.409A-1(h), if applicable. If you are a "specified employee" on the date of your "separation from service" within the meaning of Code Section 409A, the time of payment otherwise specified in the Award Letter or this Appendix A will be deferred to the extent required by Code

Section 409A. No action taken to comply with Code Section 409A shall be deemed to impair a benefit under the Award Letter or this Appendix A.

Exhibit "A" to Performance Unit Award

A. Committee Methodology for FCF

Total Earned Performance Units will be determined taking into account FCF (as defined under Section B below) during each of the three calendar years during the PSU Performance Cycle, with the FCF Performance Percentage determined as a percentage between 0% and 200% for each calendar year. The FCF Performance Percentages shall be averaged for the three years at the conclusion of the PSU Performance Cycle to determine the Average FCF Performance Percentage for the PSU Performance Cycle.

The Company's achievement of FCF shall determine the FCF Performance Percentage based on the following schedule:

Achievement of FCF	FCF Performance Percentage
Threshold	0%
Target	100%
Maximum	200%

The Committee shall establish the criteria for the threshold, target and maximum FCF for each of the calendar years in the PSU Performance Cycle during the first calendar quarter of each of the relevant calendar years.

For any achievement of FCF between the levels set forth in the schedule above, the FCF Performance Percentage will be determined by linear interpolation between the percentages assigned in the schedule above. The FCF Performance Percentage for FCF equal to or below the threshold above shall be 0%, and in no event shall the FCF Performance Percentage for any calendar year exceed 200%.

B. Definition of Free Cash Flow

Free Cash Flow ("FCF") means cash provided by (used in) operating activities, reduced by capital expenditures. FCF achieved may be adjusted by the Committee to account for any significant transaction not contemplated in the annual goal established by the Committee in the first quarter of each calendar year. Adjustments may include, but are not limited to, the related or indirect effect on FCF resulting from acquisition, divestiture, reactivation of rigs and any other transaction or activity that may have an impact on FCF as determined appropriate by the Committee.

C. Committee Methodology for TSR

Total Earned Performance Units will be determined taking into account achievement of relative TSR performance. The Committee will make a determination on the Determination Date with respect to the achievement of TSR (as defined under Section D below) by the Company and the members of its peer group (as described under Section E below) and the resulting TSR Modifier.

"Relative Performance" shall be determined by ranking the Company, along with the other companies in its peer group, from best to worst based on TSR, and then determining the percentile ranking to assess the TSR Modifier, as described below.

If, during the PSU Performance Cycle, (i) any peer group company files for or is the subject of any bankruptcy, insolvency or liquidation proceeding, (ii) any peer group company continues to exist but is no longer publicly traded on an established securities market as a result of a de-listing event (other than due to an acquisition), or (iii) any other corporate financial restructuring event, condition or circumstance exists that, in the determination of the Committee, causes a peer performance to no longer be appropriate for a TSR comparison, such peer group company will remain in the peer group positioned below the lowest performing member of the peer group in chronological order by the date of such bankruptcy, insolvency, liquidation, de-listing or other event, condition or circumstance for the applicable period. In the event that a peer group company is subject to a transaction in which more than 50% of the value of the company's outstanding shares immediately prior to the transaction are acquired by another person or entity, such company shall be removed from the peer group company listing for the applicable period in which the transaction occurred.

The Company's percentile ranking in its peer group shall determine the TSR Modifier for the number of Earned Performance Units due to relative performance based on the following schedule:

Transocean Percentile	TSR Modifier Percentage ("Relative Performance")
90 th percentile or greater	25%
50 th percentile (Target)	0%
Less than 25 th percentile	-25%

For any achievement of a percentile ranking between the percentiles set forth in the schedule above, the TSR Modifier will be determined by linear interpolation between the percentages assigned in the schedule above.

D. Definition of Total Shareholder Return

Total Shareholder Return ("TSR") through the PSU Performance Cycle is based on the comparison of the average closing share price for the thirty (30) business days prior to January 1, 2025 and the average closing share price for the last thirty (30) business days in the calendar year ending December 31, 2027, adjusted for dividends. The same calculation is conducted for the Company and each of the companies in the peer group.

E. Peer Group

The peer group shall consist of:

Aker Solutions ASA	Oil States International, Inc.
Baker Hughes Company	Seadrill Limited
Borr Drilling Limited	Subsea 7 S.A.
Helmerich & Payne, Inc.	TechnipFMC plc
Noble Corporation Plc	Tidewater Inc.
NOV Inc.	Valaris Limited
Oceaneering International, Inc.	

F. Determination of Total Earned Performance Units

The number of Earned Performance Units shall be determined by multiplying the Total Target Performance Units by a percentage equal to the sum of (i) the Average FCF Performance

Percentage and (ii) the TSR Modifier (the “Combined Performance Achievement Percentage”). In no event shall the Combined Performance Achievement Percentage exceed 200%. If any calculation with respect to the Earned Performance Units would result in a fractional share, the numbers of Earned Performance Units shall be rounded down to the nearest whole share.

Notwithstanding the foregoing, a “Price Cap” will apply such that if the Fair Market Value of a Share exceeds \$20, subject to adjustment pursuant to Section 15 of the Plan, on the Determination Date, the number of Performance Units that would have become Earned Performance Units as calculated using the Combined Performance Achievement Percentage will be reduced by multiplying such number of Earned Performance Units by a fraction, the numerator of which is \$20, subject to adjustment pursuant to Section 15 of the Plan, and the denominator of which is the Fair Market Value of a Share on the Determination Date. If the Price Cap applies, delivery of a number of Shares equal to such reduced number of Earned Performance Units will be in full satisfaction of the Performance Units. As an example of the application of the Price Cap, if 100 Performance Units would become Earned Performance Units based on the Combined Performance Achievement Percentage and the Fair Market Value of a Share is \$25 on the Determination Date, 80 Shares will be delivered in settlement of the Performance Units ($100 \times 20/25$).

NOTE: The Committee has the sole authority to interpret the terms of this Exhibit A, including the determination of FCF and the formula for TSR. The Committee’s determination of all matters in connection with the award will be final and binding.

April 29, 2025

Mr. Keelan Adamson
Transocean
1414 Enclave Parkway
Houston, Texas 77077

Dear Mr. Adamson:

This employment agreement (the “Agreement”) between you and Transocean Offshore Deepwater Drilling Inc. (“TODDI”) supersedes all prior arrangements with TODDI. All references in this Agreement to “Transocean” or “Company” shall mean Transocean Ltd. and its affiliates.

1. **Effectiveness:** The Agreement is effective May 1, 2025, subject to your appointment to the role of Chief Executive Officer by the Board of Directors of Transocean Ltd. (the “Board”).
 2. **Title:** You will serve as President and Chief Executive Officer of Transocean Ltd.
 3. **Reporting:** You will report directly to the Board.
 4. **Remuneration and other Benefits:** The compensation and benefits described in this Agreement are subject to the terms and conditions of the underlying policies and/or plan documents and award agreements governing such compensation or benefits. In the event of any discrepancy, the underlying policies, plan documents or award agreements prevail.
 - a) **Base Salary:** Your annual gross base salary will be \$1,000,000 and paid on the Company’s U.S. Dollar payroll in accordance with normal Transocean payroll policy (the “Base Salary”). Your annual gross base salary will be reviewed each year by the Compensation Committee (the “Committee”) of the Board and communicated to you in writing.
 - b) **Performance Award and Cash Bonus Plan of Transocean Ltd.:** In addition to your Base Salary, you continue to be eligible to participate in the Performance Award and Cash Bonus Plan or any successor plan (the “AIP”) in accordance with its applicable terms and to the extent determined by the Committee in its sole discretion.
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- c) **Amended and Restated Transocean Ltd. 2015 Long-Term Incentive Plan (LTIP):** You continue to be eligible to participate in the LTIP in accordance with its applicable terms and to the extent determined by the Committee, in its sole discretion.

5. **Compensation Condition:** Any compensation (including benefits) to be paid under this Agreement shall, to the extent required by applicable Swiss laws and the Company's articles of association, be subject to shareholder approval at the general meeting of shareholders of the Company.
6. **Clawback:** You agree that any compensation paid for your service with the Company under this Agreement shall be subject to forfeiture or reimbursement by you upon first request by the Company if shareholder approval is not obtained at the general meeting of shareholders of the Company to which the respective proposal of the Board regarding the compensation for the Company's Executive Management Team has been submitted. In addition, you agree that you will be subject to the terms of the Transocean Ltd. Executive Officer Incentive-Based Compensation Recoupment Policy.
7. **Payment of Taxes:** You are responsible for payment of any taxes and the preparation and the filing of any tax returns required pursuant to your employment with Transocean. You are required to annually submit certain information to Transocean's current tax advisors.
8. **Tax Treatment:** Transocean makes no representations as to the tax treatment, favorable or otherwise, of compensation or benefits provided to you pursuant to your employment with Transocean. The Company undertakes to use commercially reasonable efforts to structure and deliver the compensation and benefits outlined in this Agreement in such a way as to avoid taxation and penalties under Section 409A of the United States Internal Revenue Code ("Section 409A"). Notwithstanding the foregoing, Transocean shall not be responsible for any adverse tax consequences to which you may be subject, including any taxation or other penalties under Section 409A.
9. **Deductions:** Transocean will deduct from any compensation and benefits pursuant to this Agreement the applicable employee contributions to social security schemes and pension fund as well as applicable taxes and withholding, if any, payable by you in accordance with the applicable laws and regulations.
10. **Secondment:** TODDI has the right to second you to an affiliate of Transocean Ltd.
11. **Working Time:** You are employed on a full-time basis. You shall continue to dedicate full time, attention and energy to the business of Transocean. Any overtime work or additional tasks performed by you are fully compensated by your Base Salary.

12. Vacation: You are eligible for vacation in accordance with Transocean's Vacation Standard.

13. Employment Regulations: In addition to these terms and conditions, you are subject to Transocean's policies, procedures and practices, as from time-to-time issued and applicable for Transocean's employees and which may be modified from time to time by Transocean. You confirm receipt of the following documents and understand their content:

- Amended and Restated Transocean Ltd. 2015 Long-Term Incentive Plan (LTIP)
- Performance Award and Cash Bonus Plan of Transocean Ltd. (AIP)
- Transocean Ltd. Executive Stock Ownership Policy
- Transocean Insider Trading Policy
- Transocean Ltd. Executive Officer Incentive-Based Compensation Recoupment Policy
- Employee Patent and Secrecy Agreement
- Transocean Code of Integrity
- Vacation Standard
- Drugs, Alcohol and Dangerous Weapons Standard
- Workplace Discrimination and Harassment Prevention Standard

14. Termination: Either party may terminate the employment relationship as per month end by giving 12 months written notice. During a notice period you will continue to receive your Base Salary at the rate in effect as of such date along with an amount equal to the pro-rata portion of your AIP in the year of termination assuming target achievement. The Company shall have the right to release you from your obligation to work (i.e., place you on garden leave) during the notice period.

15. Severance Pay: In accordance with articles 735c and 735d of the Swiss Code of Obligations (the "Compensation Regulations"), you are not eligible to participate in the Executive Severance Benefit Policy.

16. Confidentiality: Except in the proper performance of your duties or with the written consent of Transocean, you shall not during employment nor at any time thereafter disclose to any person or use for your own purpose or that of others and shall during employment use your best endeavors to prevent the publication or disclosure of any information of a private, confidential or secret nature concerning the business or affairs of Transocean or of any person having dealings with Transocean and which comes to your knowledge during the course of or in connection with your employment.

17. Data Protection: You agree that Transocean may forward your data for processing purposes to its affiliated companies in Switzerland, the European Union or any other location.

18. Severability: If any provision of this Agreement shall be determined or held to be invalid, illegal or unenforceable, including if such invalidity, illegality or unenforceability is due to the Compensation Regulations, the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby. The parties shall negotiate in good faith, to the extent possible, a provision or provisions that are economically similar to the provision or provisions determined or held to be invalid, illegal or unenforceable, including such invalidity, illegality or unenforceability due to the Compensation Regulations, taking into account the intentions of the parties at the date of this Agreement, it being understood that failure of an agreement on such replacement provisions shall not in any way affect the validity, legality and enforceability of the remaining provisions of this Agreement.

19. Applicable Law and Jurisdiction: The validity, interpretation, construction and performance of this Agreement shall in all respects be governed by the laws of the State of Texas, without reference to principles of conflict of law. Any legal suit, action or proceeding arising out of or relating to this Agreement shall be brought in either the federal District Court for the Southern District of Texas—Houston Division or in a judicial district court of Harris County, Texas.

Please confirm your understanding and acceptance of the above terms and conditions by signing and returning to us a copy of this Agreement.

Sincerely,

Transocean Offshore Deepwater Drilling Inc.

/s/ Janelle Daniel

April 29, 2025

Janelle Daniel
Senior Vice President,
Human Capital Management &
Administrative Services

Date

Accepted and Agreed:

/s/ Keelan Adamson

April 29, 2025

Keelan Adamson

Date

EMPLOYMENT AGREEMENT

This Employment Agreement (the “*Agreement*”) is knowingly and voluntarily made and entered into as of April 29, 2025, by and between Transocean Offshore Deepwater Drilling Inc. (“**TODDI**”) and Jeremy D. Thigpen (hereinafter, “**you**” or “*Executive*”). All references in this Agreement to “Transocean” shall mean Transocean Ltd. and its parent, subsidiaries, affiliates and related entities, including TODDI.

1. **Employment.** Commencing May 1, 2025 (the “Transition Date”) your service in the role of Chief Executive Officer of Transocean Ltd. will cease. You agree to remain on the Board of Directors of Transocean Ltd. (the “Board”) and to remain an employee of TODDI for the period (the “Employment Period”) beginning on the Transition Date and ending on the date of the annual general meeting of shareholders in 2027 (the “2027 AGM”). You agree to provide services as described in Section 2 during the period from the Transition Date to the date of the annual general meeting of shareholders in 2025, and thereafter, subject to your election to the Board by the shareholders of Transocean Ltd., to serve as Executive Chair of the Board. In the position of Executive Chair of the Board, you will remain a full-time employee of TODDI and a member of Transocean’s Executive Management Team.
2. **Duties.** In your role as an employee of TODDI and as Executive Chair of the Board, you will be responsible for long-term strategic leadership, and you will be expected to ensure effective governance at the Board level, to mentor and support the successor Chief Executive Officer, to provide outreach to investors and major customers, to provide strategic oversight of corporate transactions, and to assist with government relations.
3. **Compensation During Initial Period.** Under the terms of your prior Employment Agreement with TODDI dated August 23, 2016 (the “Prior Employment Agreement”), you are entitled to twelve months’ notice (the “Notice Period”) of termination of your employment relationship and to certain compensation during the Notice Period (the “Notice Period Payments”). In recognition of your waiver of continuing rights under the Prior Employment Agreement and your continued service as an employee of TODDI in the position of Executive Chair of the Board, you will be entitled to the compensation set forth below during the one-year period commencing on the Transition Date (the “Initial Period”).

(A) During the Initial Period, TODDI agrees to provide you with a gross amount equal to \$2,702,500, payable in 24 semi-monthly installments, less applicable withholding.

(B) During the Initial Period, you shall continue to receive group medical insurance benefits, subject to your payment to TODDI of the monthly cost paid by similarly situated active employees. Except as specifically set forth below, you will be eligible to participate in other Transocean benefit plans on the terms and conditions set forth in such plans. Nothing in this Agreement shall limit or

constrain in any way Transocean's ability to amend the terms and/or conditions of the benefits provided.

(C) You will be entitled to receive a pro-rata portion of one-third of your payment under the Performance Award and Cash Bonus Plan ("AIP") for 2025 based upon your four months of service prior to the Transition Date, with the amount payable based on performance achieved as determined by the Board.

(D) You will be eligible to be considered for an award under the Transocean Ltd. 2015 Long-Term Incentive Plan (the "LTIP") in 2026 prior to the expiration of the Initial Period, subject to the full discretion of the Board with respect to the grant of an award and the terms thereof.

(E) In the event the shareholders of Transocean Ltd. do not elect you to serve on the Board at the 2025 annual general meeting of shareholders, you will remain an employee during the Initial Period and shall be entitled to the benefits described in this Section 3. TODDI shall have the right to release you from your obligation to work (i.e., place you on garden leave) during the remainder of the Initial Period. In the event your employment is terminated upon the expiration of the Initial Period, your termination of employment shall be treated as an "Involuntary Termination" for purposes of vesting treatment for awards made under the LTIP while you were an employee.

4. Compensation for Service as Executive Chair Following Initial Period. During the period in which you serve as Executive Chair following the expiration of the Initial Period through the date of the 2027 AGM, you will continue in the capacity of an employee of TODDI; however, your compensation will be limited as described below.

(A) Your compensation during your service as Executive Chair following the expiration of the Initial Period through the date of the 2027 AGM will be as determined by the Compensation Committee of the Board in its sole discretion; provided, however, that you will be entitled to continued vesting of outstanding equity awards under the LTIP during your service on the Board. Any compensation following the date of the 2027 AGM shall also be determined by the Board in its sole discretion.

(B) During your service as Executive Chair of the Board you will continue to be eligible to receive group medical insurance benefits, subject to your payment to TODDI of the monthly cost paid by similarly situated active employees. The date of your cessation of service in the role of Executive Chair of the Board shall be the "qualifying event" date under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"). You may elect to continue group medical insurance benefits under COBRA, if applicable, following qualifying event at your own cost, and enrollment materials will be separately

provided. Except as specifically set forth below, you will be eligible to participate in other Transocean benefit plans on the terms and conditions set forth in such plans.

(C) Following the Initial Period, you will not be eligible to receive an employee award under the Transocean Ltd. Long-Term Incentive Plan (the "LTIP") or to receive any benefit under the AIP. You will be entitled to continued vesting of outstanding equity awards granted under the LTIP during your service on the Board in accordance with the terms thereof. In the event you are not nominated or elected to serve on the Board at the annual general meeting of shareholders in 2026 (the "2026 AGM"), 2027 or 2028, or you cease service as Executive Chair by action of the Board at the 2026 AGM, your termination of employment shall be treated as an "Involuntary Termination" for purposes of vesting treatment for outstanding awards granted under the LTIP.

5. Executive Management Team Proposal. Your compensation under this Agreement shall be reduced by the Company to the extent that the compensation exceeds the amount allocated to you in the executive management team proposal included in Transocean Ltd.'s definitive proxy statement and approved by the Transocean Ltd. shareholders at the most recent annual general meeting of shareholders.
6. Cooperation. Following the termination of your service as Executive Chair of the Board, you agree to reasonably cooperate with and make yourself available on a continuing basis to Transocean and its representatives and legal advisors in connection with any matters in which you are or were involved during your employment with Transocean or any existing or future claims, investigations, administrative proceedings, lawsuits and other legal and business matters as reasonably requested by Transocean. You also agree to promptly send the General Counsel, Transocean Ltd., copies of all correspondence (for example, but not limited to, subpoenas) received by you in connection with any such matters involving or relating to Transocean, unless you are expressly prohibited by law from so doing. You agree not to cooperate voluntarily in any third-party claims against Transocean. You agree that nothing in this Agreement restricts your ability to appropriately respond to a subpoena or other request from the government or regulators nor does this Agreement restrict your ability to voluntarily provide information to the government or regulators to aid in law enforcement efforts.
7. Choice of Law. This Agreement shall be interpreted and construed in accordance with and shall be governed by the laws of the State of Texas, notwithstanding any conflicts of law principles which may refer to the laws of any other jurisdiction. Any legal suit, action or proceeding arising out of or relating to this Agreement shall be brought in either the

federal District Court for the Southern District of Texas—Houston Division or in a judicial district court of Harris County, Texas.

8. Taxes. Transocean will have the right to deduct from all benefits and payment made under this Agreement any and all taxes required by law to be paid or withheld with respect to such benefits or payments.
9. Section 409A.

The Agreement is intended to comply with the provisions of Section 409A and applicable Treasury authorities and, wherever possible, shall be construed and interpreted to ensure that any payments that may be paid, distributed, provided, reimbursed, deferred or settled under this Agreement will not be subject to any additional taxation under Section 409A. This section does not create an obligation on the part of Transocean to modify the Agreement in the future and does not guarantee that the amounts or benefits owed under the Agreement will not be subject to interest and penalties under Code Section 409A. Notwithstanding any provision of the Agreement to the contrary, continued medical benefits, if any, are intended to satisfy the exemption for medical expense reimbursements under Treasury Regulation Section 1.409A-1(b)(9)(v)(B).

Notwithstanding any other provision in this Agreement to the contrary, if you are a “specified employee” on the date of your “separation from service” within the meaning of Section 409A, payments and benefits payable under this Agreement due to a separation from service that are deferred compensation subject to (but not otherwise exempt from) Section 409A that would otherwise be paid or provided during the six-month period commencing on your separation from service for purposes of Section 409A will be deferred until the second business day after the date that is six (6) months following your separation from service.

10. Notices. Notices provided for in this Agreement shall be in writing and shall either be personally delivered by hand or sent by: (i) mail service, postage prepaid, properly packaged, addressed and deposited with the mail service system; (ii) via facsimile transmission or electronic mail if the receiver acknowledges receipt; or (iii) via Federal Express or other expedited delivery service provided that acknowledgment of receipt is received and retained by the deliverer and furnished to the sender. Notices to you by Transocean shall be delivered to the last address you have filed, in writing, with Transocean, and notices by you to Transocean shall be delivered to Transocean c/o Executive Vice President and Chief Legal Officer, 1414 Enclave Parkway, Houston, TX 77077.
11. Assignment. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and any successors or assigns of Transocean.
12. No Other Payments or Benefits. Except as expressly provided in this Agreement, you acknowledge and agree that you are not entitled to and will not receive any other

compensation, payments, benefits, or recovery of any kind from Transocean, including without limitation any bonus, severance, equity or other payments, including, without limitation, compensation, payments or benefits under the Prior Employment Agreement.

TRANSOCEAN OFFSHORE DEEPWATER DRILLING INC.

/s/ Janelle Daniel
Janelle Daniel
Senior Vice President,
Human Capital Management &
Administrative Services

Date: April 29, 2025

ACCEPTANCE OF AGREEMENT BY EMPLOYEE

I hereby accept this Agreement and agree to be bound by the terms and conditions stated in it.

Accepted this 29th day of April 2025.

/s/ Jeremy D. Thigpen
Jeremy D. Thigpen

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-Q 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: April 29, 2025

/s/ Jeremy D. Thigpen

Jeremy D. Thigpen
Chief Executive Officer

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-Q 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: April 29, 2025

/s/ Robert Thaddeus Vayda
Robert Thaddeus Vayda
Executive Vice President and Chief Financial Officer

**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 Quarterly Report on Form 10-Q for the quarter ended March 31, 2025 (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: April 29, 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.

**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 Quarterly Report on Form 10-Q for the quarter ended March 31, 2025 (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: April 29, 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.
