

Transocean Ltd.  
Form DEF 14A  
March 20, 2018  
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of

the Securities Exchange Act of 1934 (Amendment No.        )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under §240.14a-12

Transocean Ltd.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

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March 19, 2018

Letter to Shareholders

While commodity prices improved throughout 2017, customers continued to curtail spending on offshore exploration and development, further extending what has become one of the worst downturns in the offshore drilling market. Still, through our continued commitment to fleet quality, operational excellence and organizational and operating efficiency, Transocean delivered another strong year, producing financial results that once again exceeded expectations.

As we enter 2018, we are encouraged by improving macro conditions, with recent prices for both Brent and WTI surpassing \$65 per barrel for the first time in over three years. This increase in oil prices, coupled with the efficiencies and resulting cost reductions that the offshore industry has realized over the past three years, has made a significant number of offshore projects around the world economically viable.

As a testament to this fact, the harsh environment markets of Northern Europe and Eastern Canada are now in recovery. Fixtures have increased over 70% from 2016, with utilization and dayrates for high-specification, harsh environment semisubmersibles increasing by approximately 20% and more than 50%, respectively. In fact, growing concern around asset availability in this market is driving customers to tender for multi-year programs.

While certainly not as promising as the harsh environment market, the world's ultra-deepwater markets are also demonstrating signs of improvement. For the first time in over two years, customers are trying to secure some of the more technically capable assets by entering into multi-year contracts. Unfortunately, utilization rates for ultra-deepwater assets remain low; therefore, leading-edge dayrates in these markets continue to remain challenged.

In short, we enter 2018 with more optimism than we had in any of the past three years; however, since the precise timing and trajectory of the eventual recovery continues to elude us, we will continue to be prudent as we take the necessary actions to maintain our industry-leading position and strategically position Transocean to benefit from the recovery ahead.

We have added contracted rigs to the industry's most competitive floating fleet, while removing our older, less competitive assets. Over the past six months, we welcomed to our fleet the fourth and fifth newbuild ultra-deepwater drillships, Deepwater Pontus and Deepwater Poseidon. All five of our newbuild assets added since 2016 are backed by long-term contracts, and represent some of the most technically capable rigs in the world. In January of 2018, we closed the acquisition of Songa Offshore, which added seven semisubmersibles, including four CAT-D high-specification, harsh environment floaters, the Equinox, Endurance, Encourage and Enabler. These four floaters were designed to the specification of our customer, Statoil, and the rigs are on long-term contracts extending out as far as 2024, with each asset including follow-on options for twelve additional years. We also opportunistically upgraded our drillship, the Discoverer India, which was recently awarded a new contract to work offshore Ivory Coast. The additions of our newbuild drillships and the harsh environment semisubmersibles, as well as the enhancement to the Discoverer India, have further strengthened our position as the industry's largest and most capable ultra-deepwater and harsh environment drilling contractor.

We continued our fleet high-grading process with the recycling of nine older, less-competitive assets. In total, we have retired 39 floaters during the past four years. Also, through the sale of our jackup fleet, we have focused our efforts exclusively on the floating rig market, where we believe that we clearly differentiate our service offering as we continue to maintain and grow our market-leading position.

We are adding new contracts to our backlog. In both the improving harsh environment markets and the more challenged deep and ultra-deepwater markets throughout the rest of the world, we successfully added fixtures in 2017.

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Over the course of the year, Transocean added almost \$900 million of backlog from 25 awards, winning approximately 20% of the global floater contracts awarded. Our contracting success is directly attributable to our recognized performance in some of the most challenging harsh environment and ultra-deepwater basins around the world. In some situations, our success was due to our willingness to propose flexible contracting arrangements that include performance-driven models, tying our success to the success of our customers' drilling programs. Our customers' trust in our ability to execute enabled us to reactivate an additional four floaters during the year for new contracts. Going forward, these assets will be well-positioned for future opportunities. As of February 19, 2018, our backlog totaled \$12.8 billion and includes the lion's share of the industry's above market, long-term contracts with the industry's strongest customers.

We are focused on efficient well delivery. In 2017, we commenced a strategic initiative related to our asset and inventory management system. This initiative will focus on the key areas of well efficiency: inventory optimization, reliability-centered maintenance, and equipment condition, as well as ensuring the timely availability and precise use of parts. Through the thorough collection, evaluation and use of data, we are positioning the company to operate our equipment in the most efficient manner possible while executing our customer's drilling plans better than previously possible. These actions support a robust condition-based monitoring program that pinpoints early detection of equipment issues to best enable us to address these in the most expedient manner, thus reducing downtime and improving our asset reliability. Our ability to identify root-causes improves our insight into maintenance planning and execution, as well as overall equipment health. This proactive management tool will enable Transocean to better demonstrate our value proposition to our customers.

We continue to identify and capitalize on opportunities to further differentiate Transocean. The downturn in the energy industry has driven change. It is imperative that we have the most capable assets and operate them in a manner that delivers more effectively and efficiently. Building on our prior success of supplier service arrangements related to the rigs' most critical equipment, in 2017, we executed several more agreements again focusing on uptime performance. These new agreements cover some of the most important equipment on the rig, including the blowout preventers, thrusters, risers, iron roughnecks, top drives, and the drill floor. These agreements rely significantly on condition-based monitoring and help keep our rigs drilling while reducing costly downtime and maintenance expenditures. With the involvement of the original equipment manufacturers, these arrangements also lengthen the time between our costly periodic surveys and allow for the scheduling of maintenance as needed, as opposed to on a calendar basis. We are excited as we enter 2018. The strategic and operational improvements we have implemented and expanded upon over the last two years should continue to enhance our operating performance.

Enhancing our liquidity runway. Following our financing successes in 2016, we again executed financing transactions during the year that further strengthened our liquidity and balance sheet. These actions provide an extended runway that enables us to successfully navigate the current industry downturn, while continuing to provide strategic optionality. In 2017, we issued approximately \$1.2 billion of debt maturing in 2022 and 2026, while retiring \$1.8 billion of debt with maturities primarily between 2017 and 2020. We additionally removed approximately \$1 billion of shipyard obligations with the sale of our five uncontracted jackups that were under construction. These transactions, along with our outstanding operational performance, positioned us with \$3.0 billion of cash and short-term investments entering 2018 and a \$3 billion undrawn, unsecured revolving credit facility.

We expect 2018 to continue to be challenging as the market remains uncertain and many of our customers remain cautious. However, we enter the year with more positive data points than we have seen in three years.

- Oil supply and demand fundamentals are improving, as OPEC continues to comply with its committed production cuts, and the global economy continues to flourish.
- Oil prices have more than doubled from their lows in early 2016, and have demonstrated stability and upward price momentum since mid-2017.

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- Global reserve replacement has plummeted to historic lows and the sanctioning of new offshore projects is expected to replace only one-third of current offshore production as global demand is anticipated to accelerate.
  - Through eliminating, standardizing, streamlining, automating and/or integrating, the offshore industry has dramatically reduced the break-even costs for many of our customers' offshore projects. As (if not more)
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important, the offshore industry has shortened the time to deliver first-oil, which is vital in a market where our customers are focused on shorter time horizons for cash returns.

Needless to say, we believe that we could soon be approaching an inflection point in the offshore drilling industry. We appreciate your patience and trust as we have battled this downturn together. And, we look forward to ultimately emerging from this downturn as the undisputed leader in deepwater and harsh environment drilling.

Merrill A. "Pete" Miller, Jr.

Chairman of the Board of Directors

Jeremy D. Thigpen

President and Chief Executive Officer

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## NOTICE TO SHAREHOLDERS

March 19, 2018

Dear Shareholder:

The 2018 annual general meeting of the shareholders (the “2018 Annual General Meeting”) of Transocean Ltd. (the “Company”) will be held on Friday, May 18, 2018, at 6:30 p.m., Swiss time, at our offices at Turmstrasse 30, CH-6312, Steinhausen, Switzerland. Information regarding the matters to be acted upon at the meeting is set forth in the attached invitation to the 2018 Annual General Meeting and the proxy statement, which is available at: [www.deepwater.com](http://www.deepwater.com) by selecting Financial Reports, Annual and Quarterly Reports in the dropdown of the Investors section.

At the 2018 Annual General Meeting, we will ask you to vote on the following items:

Agenda	Board of Directors Recommendation
Item Description	Recommendation
1 Approval of the 2017 Annual Report, Including the Audited Consolidated Financial Statements of Transocean Ltd. for Fiscal Year 2017 and the Audited Statutory Financial Statements of Transocean Ltd. for Fiscal Year 2017	FOR
2 Discharge of the Members of the Board of Directors and Executive Management Team from Liability for Activities During Fiscal Year 2017	FOR
3 Appropriation of the Accumulated Loss for Fiscal Year 2017 and Release of CHF 1,500,000,000 of Statutory Capital Reserves from Capital Contribution and Allocation to Free Capital Reserves from Capital Contribution	FOR
4 Renewal of Authorized Share Capital	FOR
5 Reelection of 11 Directors, Each for a Term Extending Until Completion of the Next Annual General Meeting	FOR
6 Election of the Chairman of the Board of Directors for a Term Extending Until Completion of the Next Annual General Meeting	FOR
7 Election of the Members of the Compensation Committee, Each for a Term Extending Until Completion of the Next Annual General Meeting	FOR
8 Reelection of the Independent Proxy for a Term Extending Until Completion of the Next Annual General Meeting	FOR
9 Appointment of Ernst & Young LLP as the Company’s Independent Registered Public Accounting Firm for Fiscal Year 2018 and Reelection of Ernst & Young Ltd, Zurich, as the Company’s Auditor for a Further One Year Term	FOR
10 Advisory Vote to Approve Named Executive Officer Compensation	FOR
11 Prospective Votes on the Maximum Compensation of the Board of Directors and the Executive Management Team	FOR
12 Approval of Amendment to Transocean Ltd. 2015 Long-Term Incentive Plan for Additional Reserves	FOR

It is important that your shares be represented and voted at the meeting, whether you plan to attend or not. If you are a shareholder registered in our share register, you may submit voting instructions electronically over the internet, or, if you request that the proxy materials be mailed to you, by completing, signing and returning the proxy card enclosed with those materials. If you hold your shares in the name of a bank, broker or other nominee, please follow the instructions provided by your bank, broker or nominee for submitting voting instructions, including whether you may

submit voting instructions by mail, telephone or over the internet.

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Under rules of the U.S. Securities and Exchange Commission (“SEC”), we have elected to provide access to our proxy materials over the internet. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials (the “Notice”) to our shareholders as of the close of business on March 12, 2018. All shareholders will have the ability to access the proxy materials on the website referred to in the Notice or to request to receive a printed set of the proxy materials. Instructions on how to access the proxy materials over the internet or to request a printed copy may be found in the Notice. The Notice also instructs you on how you may submit your proxy over the internet or via mail. If you receive the Notice, you will not receive a printed copy of the proxy materials unless you request one in the manner set forth in the Notice or as otherwise described in the proxy statement.

A copy of the proxy materials, including a proxy card or voting instruction form, will also be sent to any additional shareholders who are registered in our share register as shareholders with voting rights, or who become beneficial owners through a nominee registered in our share register as a shareholder with voting rights, as of the close of business on April 30, 2018, and who were not registered as of March 12, 2018. The proxy statement and form of proxy are first being mailed to shareholders on or about March 20, 2018.

A note to Swiss and other European investors: Transocean Ltd. is incorporated in Switzerland, has issued registered shares and trades on the New York Stock Exchange; however, unlike some Swiss incorporated companies, share blocking and re-registration are not requirements for any shares of Transocean Ltd. to be voted at the meeting, and all shares may be traded after the record date.

Thank you in advance for your vote.

Sincerely,

Merrill A. “Pete” Miller, Jr.  
Chairman of the Board of Directors

Jeremy D. Thigpen  
President and Chief Executive Officer



Glyn A. Barker  
Vanessa C.L. Chang  
Frederico F. Curado  
Chadwick C. Deaton  
Vincent J. Intriери  
Samuel J. Merksamer  
Merrill A. “Pete” Miller, Jr.  
Frederik W. Mohn  
Edward R. Muller  
Tan Ek Kia  
Jeremy D. Thigpen

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\* As determined by the Board of Directors  
in accordance with applicable rules and  
regulations.

#### Swiss Minder Ordinance

Under the Swiss Ordinance Against Excessive Compensation At Public Companies (the “Minder Ordinance”) and our Articles of Association, the authority to elect the Chairman of the Board of Directors and the members of the Compensation Committee is vested in the general meeting of shareholders. The Board of Directors recommends that you

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elect Merrill A. “Pete” Miller, Jr. as Chairman of the Board of Directors (Agenda Item 6) and Frederico F. Curado, Vincent J. Intrieri and Tan Ek Kia as members of the Compensation Committee (Agenda Item 7) to serve until completion of the 2019 annual general meeting of the shareholders (the “2019 Annual General Meeting”). Note that under the Minder Ordinance and our Articles of Association, if any of these individuals were to resign or there were vacancies in the office of the Chairman or the Compensation Committee for other reasons, the Board of Directors would have the authority to replace him or her with another member of the Board of Directors for a term expiring at the next Annual General Meeting.

Pursuant to the Minder Ordinance, the Company is not permitted to appoint a corporate representative to act as the proxy for purposes of voting at the 2018 Annual General Meeting. Swiss companies may only appoint an independent proxy for these purposes. At the 2017 annual general meeting of the shareholders (the “2017 Annual General Meeting”), shareholders elected Schweiger Advokatur / Notariat to serve as our independent proxy for the 2018 Annual General Meeting. Agenda Item 8 asks that you again elect this firm to act as the independent proxy for the 2019 Annual General Meeting and any extraordinary general meeting of shareholders of the Company that may be held prior to the 2019 Annual General Meeting.

The Minder Ordinance and our Articles of Association also require that shareholders ratify the maximum aggregate amount of compensation of the Board of Directors for the period between the 2018 Annual General Meeting and the 2019 Annual General Meeting (Agenda Item 11A) and the maximum aggregate amount of compensation of the Executive Management Team for fiscal year 2019 (Agenda Item 11B). The shareholder vote is binding.

Features of Executive Compensation Program

Our executive compensation program reflects a commitment to retain and attract highly qualified executives. The elements of our program are designed to motivate our executives to achieve our overall business objectives and create sustainable shareholder value in a cost effective manner and reward executives for achieving superior financial, safety and operational performance, each of which is important to the long term success of the Company. We believe our executive

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compensation program includes key features that align the interests of our executives with those of our shareholders and does not include features that could misalign those interests.

What We Do

Conduct an annual review of our compensation strategy, including a review of our compensation-related risk profile

Mandate meaningful share ownership requirements for our executives

Maintain a clawback policy that allows for the forfeiture, recovery or adjustment of incentive compensation paid to executives due to a material misstatement of financial results

Base annual and long-term incentive payments on quantitative, formulaic metrics

Maintain compensation plans that are weighted significantly toward variable pay to align our executive compensation with long-term shareholder interests

Link long-term incentive compensation to relative performance metrics to incent strong performance

Deliver at least 50% of long-term incentives in performance-based equity awards

Retain an independent consultant who does not perform any services for management (i.e., retained by and reports to our Compensation Committee)

Maintain double trigger change-in-control provisions

What We Don't Do

Allow our executives to hedge, sell short or hold derivative instruments tied to our shares (other than options issued by us)

Allow our executives or directors to pledge Company shares

Have pre-arranged individual severance agreements or special change-in-control compensation agreements with any Executive Officers; however, to the extent permitted under Swiss law, our executives are eligible for severance and change-in-control provisions pursuant to our policies

Provide gross-ups for severance payments

Guarantee salary increases, non-performance based bonuses or unrestricted equity compensation

Provide any payments or reimbursements for tax equalization

Pay dividend equivalents on performance units that have not vested

Offer executive perquisites

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INVITATION TO 2018 ANNUAL GENERAL MEETING OF TRANSOCEAN LTD.

Friday, May 18, 2018

6:30 p.m., Swiss time

at the Offices of Transocean Ltd.

Turmstrasse 30  
CH-6312 Steinhausen, Switzerland

Agenda Items

(1) Approval of the 2017 Annual Report, Including the Audited Consolidated Financial Statements of Transocean Ltd. for Fiscal Year 2017 and the Audited Statutory Financial Statements of Transocean Ltd. for Fiscal Year 2017.

Proposal of the Board of Directors

The Board of Directors proposes that the 2017 Annual Report, including the audited consolidated financial statements for the year ended December 31 (“fiscal year”) 2017, and the audited statutory financial statements for fiscal year 2017, be approved.

Recommendation

The Board of Directors recommends you vote “FOR” this proposal number 1.

(2) Discharge of the Members of the Board of Directors and the Executive Management Team from Liability for Activities During Fiscal Year 2017.

Proposal of the Board of Directors

The Board of Directors proposes that the members of the Board of Directors and Messrs. Jeremy D. Thigpen, Mark L. Mey and John B. Stobart, who served as members of our Executive Management Team in 2017, be discharged from liability for activities during fiscal year 2017.

Recommendation

The Board of Directors recommends you vote “FOR” this proposal number 2.

(3) Appropriation of Accumulated Loss for Fiscal Year 2017 and Release of CHF 1,500,000,000 of Statutory Capital Reserves from Capital Contribution and Allocation to Free Capital Reserves from Capital Contribution.

Proposal of the Board of Directors

The Board of Directors proposes that (i) the accumulated loss of the Company be carried forward, and (ii) CHF 1,500,000,000 of statutory capital reserves from capital contribution be released and allocated to free capital reserves from capital contribution.



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Appropriation of Accumulated Loss	in CHF thousands
Balance brought forward from previous years	(4,997,032)
Net loss of the year	(468,002)
Total accumulated loss	(5,465,034)
Appropriation of accumulated loss	
Balance to be carried forward on this account	(5,465,034)

Proposed Release of Statutory Capital Reserves from Capital Contributions to Free Capital Reserves from Capital Contribution	in CHF thousands
Statutory capital reserves from capital contribution	11,403,842
Release to free capital reserves from capital contribution	1,500,000
Remaining statutory capital reserves from capital contribution	9,903,842

## Recommendation

The Board of Directors recommends you vote “FOR” this proposal number 3.

- (4) Renewal of Authorized Share Capital.

## Proposal of the Board of Directors

The Board of Directors proposes that its authority to issue shares out of the Company’s authorized share capital be renewed for a further two-year period, expiring on May 18, 2020. Pursuant to the proposal, the Board of Directors’ authority to issue shares in one or several steps will be limited to a maximum of 27,703,889 shares, or approximately 6% of the Company’s share capital currently recorded in the Commercial Register. The Board of Directors does not currently have plans to issue shares under this authorization. The Board of Directors believes, however, that providing the flexibility to issue additional shares out of the authorized share capital quickly is a strategic benefit for the Company. The proposed amendments to the Company’s Articles of Association are included in Annex A.

## Recommendation

The Board of Directors recommends you vote “FOR” this proposal number 4.

(5) Reelection of 11 Directors, Each for a Term Extending Until Completion of the Next Annual General Meeting.

Proposal of the Board of Directors

The Board of Directors proposes that the following 11 candidates be reelected to the Board of Directors, each for a term extending until completion of the next Annual General Meeting.

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- 5A Reelection of Glyn A. Barker as a director.
- 5B Reelection of Vanessa C.L. Chang as a director.
- 5C Reelection of Frederico F. Curado as a director.
- 5D Reelection of Chadwick C. Deaton as a director.
- 5E Reelection of Vincent J. Intrieri as a director.
- 5F Reelection of Samuel J. Merksamer as a director.
- 5G Reelection of Merrill A. “Pete” Miller, Jr. as a director.
- 5H Reelection of Frederik W. Mohn as a director.
- 5I Reelection of Edward R. Muller as a director.
- 5J Reelection of Tan Ek Kia as a director.
- 5K Reelection of Jeremy D. Thigpen as a director.

Recommendation

The Board of Directors recommends you vote “FOR” the reelection of each of these nominees to the Board of Directors.

- (6) Election of the Chairman of the Board of Directors for a Term Extending Until Completion of the Next Annual General Meeting.

Proposal of the Board of Directors

The Board of Directors proposes that Merrill A. “Pete” Miller, Jr. be elected as the Chairman of the Board of Directors for a term extending until completion of the next Annual General Meeting, subject to his re-election as a member of the Board of Directors.

Recommendation

The Board of Directors recommends you vote “FOR” this proposal number 6.

- (7) Election of the Members of the Compensation Committee, Each for a Term Extending Until Completion of the Next Annual General Meeting.

Proposal of the Board of Directors

The Board of Directors proposes that the following three candidates be reelected as members of the Compensation Committee, each for a term extending until completion of the next Annual General Meeting, subject in each case to such candidate’s re-election as a member of the Board of Directors:

- 7A Election of Frederico F. Curado as a member of the Compensation Committee.
- 7B Election of Vincent J. Intrieri as a member of the Compensation Committee.
- 7C Election of Tan Ek Kia as a member of the Compensation Committee.

Recommendation

The Board of Directors recommends you vote “FOR” the election of each of these nominees as members of the Compensation Committee.

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(8) Reelection of the Independent Proxy for a Term Extending Until Completion of the Next Annual General Meeting.

Proposal of the Board of Directors

The Board of Directors proposes that Schweiger Advokatur / Notariat be reelected to serve as independent proxy at (and until completion of) the 2019 Annual General Meeting and at any extraordinary general meeting of shareholders of the Company that may be held prior to the 2019 Annual General Meeting.

Recommendation

The Board of Directors recommends you vote “FOR” this proposal number 8.

(9) Appointment of Ernst & Young LLP as the Company’s Independent Registered Public Accounting Firm for Fiscal Year 2018 and Reelection of Ernst & Young Ltd, Zurich, as the Company’s Auditor for a Further One Year Term.

Proposal of the Board of Directors

The Board of Directors proposes that Ernst & Young LLP be appointed as the Company’s independent registered public accounting firm for fiscal year 2018 and that Ernst & Young Ltd, Zurich, be reelected as the Company’s auditor pursuant to the Swiss Code of Obligations for a further one year term, commencing on the date of the 2018 Annual General Meeting and terminating on the date of the 2019 Annual General Meeting.

Recommendation

The Board of Directors recommends you vote “FOR” this proposal number 9.

(10) Advisory Vote to Approve Named Executive Officer Compensation for Fiscal Year 2018.

Proposal of the Board of Directors

Pursuant to Section 14A of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), shareholders are entitled to cast an advisory vote on the Company’s executive compensation program for the Company’s Named Executive Officers. Detailed information regarding the Company’s compensation program for its Named Executive Officers is set forth in the Compensation Discussion and Analysis, the accompanying compensation tables and the related narrative disclosure in this proxy statement. The Board of Directors believes the Company’s compensation program is designed to reward performance that creates long term value for the Company’s shareholders and has proposed the following resolution to provide shareholders with the opportunity to endorse or not endorse the Company’s Named Executive Officer compensation program by voting on the below resolution:

RESOLVED, that the compensation of the Company’s Named Executive Officers, as disclosed pursuant to the compensation disclosure rules of the SEC, including the Compensation Discussion and Analysis, the accompanying compensation tables and the related narrative disclosure in the proxy statement for the Company’s 2018 Annual General Meeting, is hereby APPROVED.

Recommendation

The Board of Directors recommends you vote “FOR” this proposal number 10.

(11) Prospective Vote on the Maximum Compensation of the Board of Directors and the Executive Management Team.

11A Ratification of the Maximum Aggregate Amount of Compensation of the Board of Directors for the Period Between the 2018 Annual General Meeting and the 2019 Annual General Meeting.

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Proposal of the Board of Directors

The Board of Directors proposes that the shareholders ratify an amount of U.S. \$4,121,000 as the maximum aggregate amount of compensation of the Board of Directors for the period between the 2018 Annual General Meeting and the 2019 Annual General Meeting.

Recommendation

The Board of Directors recommends you vote “FOR” this proposal number 11A.

11B Ratification of the Maximum Aggregate Amount of Compensation of the Executive Management Team for Fiscal Year 2019.

Proposal of the Board of Directors

The Board of Directors proposes that the shareholders ratify an amount of U.S. \$24,000,000 as the maximum aggregate amount of compensation of the Executive Management Team for fiscal year 2019.

Recommendation

The Board of Directors recommends you vote “FOR” this proposal number 11B.

(12) Approval of Amendment to Transocean Ltd. 2015 Long-Term Incentive Plan for Additional Reserves

Proposal of the Board of Directors

The Board of Directors proposes that the shareholders approve an increase of 12,000,000 shares in the aggregate amount of shares available for issuance pursuant to the Transocean Ltd. 2015 Long-Term Incentive Plan.

Recommendation

The Board of Directors recommends you vote “FOR” this proposal number 12.

Organizational Matters

A copy of the Notice has been sent to each shareholder registered in Transocean Ltd.’s share register as of the close of business on March 12, 2018. Any additional shareholders who are registered in Transocean Ltd.’s share register as of the close of business on April 30, 2018, will receive after that date a copy of the proxy materials, including a proxy card. Shareholders not registered in Transocean Ltd.’s share register as of April 30, 2018, will not be entitled to attend, vote or grant proxies to vote at the 2018 Annual General Meeting. While no shareholder will be entered in Transocean Ltd.’s share register as a shareholder with voting rights between the close of business on April 30, 2018, and the opening of business on the day following the 2018 Annual General Meeting, share blocking and re registration are not requirements for any shares of Transocean Ltd. to be voted at the meeting, and all shares may be traded after the record date. Computershare, which maintains Transocean Ltd.’s share register, will continue to register transfers of Transocean Ltd. shares in the share register in its capacity as transfer agent during this period.

Shareholders registered in Transocean Ltd.’s share register as of April 30, 2018, have the right to attend the 2018 Annual General Meeting and vote their shares (in person or by proxy), or may grant a proxy to vote on each of the proposals in this invitation and any modification to any agenda item or proposal identified in this invitation or other

matter on which voting is permissible under Swiss law and which is properly presented at the 2018 Annual General Meeting for consideration. Such shareholders may designate proxies to vote their shares electronically over the internet or, if they request that the proxy materials be mailed to them, by completing, signing and returning the proxy card enclosed with those materials at the 2018 Annual General Meeting. Even if you plan to attend the 2018 Annual General Meeting, we encourage you to submit your voting instructions prior to the meeting.

We urge you to submit your voting instructions electronically over the internet or return the proxy card as soon as possible. All electronic voting instructions or proxy cards must be received no later than 8:00 a.m. Eastern Daylight Time (2:00 p.m. Swiss time), on Friday, May 18, 2018 unless extended by the Company.

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If you have timely submitted electronic voting instructions or a properly executed proxy card, your shares will be voted by the independent proxy in accordance with your instructions. Holders of shares who have timely submitted their proxy, but have not specifically indicated how to vote their shares, will be deemed to have instructed the independent proxy to vote in accordance with the recommendations of the Board of Directors with regard to the items listed in the notice of meeting. If any modifications to agenda items or proposals identified in this invitation or other matters on which voting is permissible under Swiss law are properly presented at the 2018 Annual General Meeting for consideration, you will be deemed to have instructed the independent proxy, in the absence of other specific instructions, to vote in accordance with the recommendations of the Board of Directors.

As of the date of this proxy statement, the Board of Directors is not aware of any such modifications or other matters proposed to come before the 2018 Annual General Meeting.

Shareholders who hold their shares in the name of a bank, broker or other nominee should follow the instructions provided by their bank, broker or nominee for voting their shares, including whether they may submit voting instructions by mail, telephone or over the internet.

Shareholders may grant proxies to any third party. Such third party need not be a shareholder.

Directions to the 2018 Annual General Meeting can be obtained by contacting our Corporate Secretary at our registered office, Turmstrasse 30, CH 6312 Steinhausen, Switzerland, telephone number +41 (41) 749 0500, or Investor Relations at our offices in the United States, at 4 Greenway Plaza, Houston, Texas 77046, USA, telephone number +1 (713) 232 7500. If you plan to attend and vote at the 2018 Annual General Meeting in person, you are required to present either the Notice or any proxy card that is sent to you, together with proof of identification, or, if you own shares held in the name of a bank, broker or other nominee, a legal proxy issued by your bank, broker or other nominee in your name, together with proof of identification. If you plan to attend the 2018 Annual General Meeting in person, we urge you to arrive at the meeting location no later than 5:30 p.m., Swiss time on Friday, May 18, 2018. In order to determine attendance correctly, any shareholder leaving the 2018 Annual General Meeting early or temporarily, will be requested to present such shareholder's admission card upon exit.

Annual Report, Consolidated Financial Statements, Statutory Financial Statements

A copy of the 2017 Annual Report (including the consolidated financial statements for fiscal year 2017, the statutory financial statements of Transocean Ltd. for fiscal year 2017 and the audit reports on such consolidated and statutory financial statements) and the 2017 Compensation Report is available for physical inspection at Transocean Ltd.'s registered office, Turmstrasse 30, CH 6312 Steinhausen, Switzerland. Copies of these materials may be obtained without charge by contacting our Corporate Secretary at our registered office, Turmstrasse 30, CH 6312 Steinhausen, Switzerland, telephone number +41 (41) 749 0500, or Investor Relations at our offices in the United States, at 4 Greenway Plaza, Houston, Texas 77046, USA, telephone number +1 (713) 232 7500.

On behalf of the Board of Directors,

Merrill A. "Pete" Miller, Jr.  
Chairman of the Board of Directors

Steinhausen, Switzerland

March 19, 2018

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**YOUR VOTE IS IMPORTANT**

You may designate a proxy to vote your shares by submitting your voting instructions electronically over the internet or, if you requested a printed copy of the proxy materials, by completing, signing and returning by mail the proxy card you will receive in response to your request. Please review the instructions in the Notice of Internet Availability of Proxy Materials and the proxy statement.

Shareholders who hold their shares in the name of a bank, broker or other nominee should follow the instructions provided by their bank, broker or nominee for voting their shares, including whether they may submit voting instructions by mail, telephone or over the internet.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE 2018 ANNUAL GENERAL MEETING TO BE HELD ON MAY 18, 2018.**

Our proxy statement and 2017 Annual Report are available at:

[www.proxyvote.com](http://www.proxyvote.com)

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PROXY STATEMENT

FOR 2018 ANNUAL GENERAL MEETING OF SHAREHOLDERS OF TRANSOCEAN LTD.

MAY 18, 2018

INFORMATION ABOUT THE MEETING AND VOTING

This proxy statement is furnished in connection with the solicitation of proxies by Transocean Ltd., on behalf of the Board of Directors, to be voted at our 2018 Annual General Meeting to be held on May 18, 2018 at 6:30 p.m., Swiss time, at our offices at Turmstrasse 30, CH-6312, Steinhausen, Switzerland. This proxy statement and form of proxy are first being mailed to shareholders on or about March 20, 2018.

Record Date

Only shareholders of record on April 30, 2018, are entitled to notice of, to attend, and to vote or to grant proxies to vote at, the 2018 Annual General Meeting. No shareholder will be entered in Transocean Ltd.'s share register with voting rights between the close of business on April 30, 2018, and the opening of business on the day following the 2018 Annual General Meeting.

While no shareholder will be entered in Transocean Ltd.'s share register as a shareholder with voting rights between the close of business on April 30, 2018, and the opening of business on the day following the 2018 Annual General Meeting, share blocking and re registration are not requirements for any shares of Transocean Ltd. to be voted at the meeting, and all shares may be traded after the record date. Computershare, which maintains Transocean Ltd.'s share register, will continue to register transfers of Transocean Ltd. shares in the share register in its capacity as transfer agent during this period.

Quorum

Our Articles of Association provide that the presence of shareholders, in person or by proxy, holding at least a majority of all the shares entitled to vote at the meeting constitutes a quorum for purposes of convening the 2018 Annual General Meeting and voting on all of the matters described in the notice of meeting. Abstentions and "broker non votes" will be counted as present for purposes of determining whether there is a quorum at the meeting, so long as the broker has discretion to vote the shares on at least one matter before the 2018 Annual General Meeting.

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## Votes Required

The following table sets forth the applicable vote standard required to pass each enumerated agenda item:

Agenda Item	Description	Relative Majority(1)	Qualified Two-Thirds Majority	Plurality of Votes
1	Approval of the 2017 Annual Report, Including the Audited Consolidated Financial Statements and Audited Statutory Financial Statements for Fiscal Year 2017 of Transocean Ltd.			
2	Discharge of the Members of the Board of Directors and Executive Management Team from Liability for Activities During Fiscal Year 2017			
3	Appropriation of the Accumulated Loss and Release of CHF 1,500,000,000 of Statutory Capital Reserves from Capital Contribution and Allocation to Free Reserves from Capital Contribution			
4	Renewal of Authorized Share Capital		(4)	
5	Reelection of 11 Directors			(2)(5)
6	Election of Chairman of the Board of Directors			(2)
7	Election of Members of the Compensation Committee			(2)
8	Reelection of Independent Proxy			
9	Appointment of Ernst & Young as Independent Auditor			
10	Advisory Vote to Approve Named Executive Officer Compensation	(3)		
11	Prospective Votes on the Maximum Compensation of the Board of Directors and the Executive Management Team			
12	Approval of Amendment to Transocean Ltd. 2015 Long-Term Incentive Plan for Additional Reserves			

(1) Affirmative vote of a simple majority of the votes cast in person or by proxy at the 2018 Annual General Meeting on the applicable agenda item. Abstentions, broker non votes (if any) or blank or invalid ballots are not counted for such purposes and shall have no impact on the approval of such agenda item.

(2) Affirmative vote of a plurality of the votes cast in person or by proxy at the 2018 Annual General Meeting. The plurality requirement means that the nominee who receives the largest number of votes for a board position, or the chair or a position on the Compensation Committee, as applicable, is elected to that position. Only votes “FOR” are counted in determining whether a plurality has been cast in favor of a nominee. Abstentions, broker non votes, blank or invalid ballots are not counted for such purposes and shall have no impact on the election of such nominees. As described later in this proxy statement, our Corporate Governance Guidelines set forth our procedures if a nominee is elected but does not receive more votes cast “FOR” than “AGAINST” the nominee’s election.

(3) The proposal is an advisory vote; as such, the vote is not binding on the Company.

(4) The affirmative vote of at least two-thirds of the votes and the absolute majority of the par value of shares, each as present or represented at the 2018 Annual General Meeting. An abstention, blank or invalid ballot will have the effect of a vote “AGAINST” this proposal. Broker non-votes are not counted for this agenda item and therefore will have no impact on the approval of this agenda item.

(5) Even if a nominee receives a plurality of votes that nominee may not ultimately serve as a director if the nominee does not receive more votes cast for than against the nominee's election, and the Company's Board of Directors accepts the resignation of the nominee pursuant to the Company's majority vote policy, as described later in this proxy statement.

#### Outstanding Shares

As of March 12, 2018, there were 460,506,997 Transocean Ltd. shares outstanding, which exclude 1,225,664 issued shares that are held by our subsidiaries. Only registered holders of our shares on April 30, 2018, the record date

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established for the 2018 Annual General Meeting, are entitled to notice of, to attend and to vote at, the meeting. Holders of shares on the record date are entitled to one vote for each share held.

Voting Procedures

A copy of the Notice of Internet Availability of Proxy Materials has been sent to each shareholder registered in Transocean Ltd.'s share register as of the close of business on March 12, 2018. Any additional shareholders who are registered in Transocean Ltd.'s share register as of the close of business on April 30, 2018, but who were not registered in the share register as of March 12, 2018, will receive a copy of the proxy materials, including a proxy card, after April 30, 2018. Shareholders not registered in Transocean Ltd.'s share register as of April 30, 2018, will not be entitled to attend, vote or grant proxies to vote at, the 2018 Annual General Meeting.

If you are registered as a shareholder in Transocean Ltd.'s share register as of April 30, 2018, or if you hold shares of Transocean Ltd. in "street name" as of such date, you may grant a proxy to vote on each of the proposals and any modification to any of the proposals or other matter on which voting is permissible under Swiss law and which is properly presented at the meeting for consideration in one of the following ways:

By Internet: Go to [www.proxyvote.com](http://www.proxyvote.com) 24 hours a day, seven days a week, and follow the instructions. You will need the 12 digit control number that is included in the Notice, proxy card or voting instructions form that is sent to you. The internet system allows you to confirm that the system has properly recorded your voting instructions. This method of submitting voting instructions will be available up until 8:00 a.m. Eastern Daylight Time (2:00 p.m. Swiss time), on Friday, May 18, 2018 unless extended by the Company.

By Telephone (available only to beneficial owners of our shares): On a touch tone telephone, call toll free +1 (800) 690 6903, 24 hours a day, seven days a week, and follow the instructions. You will need the 12 digit control number that is included in the Notice, proxy card or voting instructions form that is sent to you. As with the internet system, you will be able to confirm that the telephonic system has properly recorded your votes. This method of submitting voting instructions will be available up until 8:00 a.m. Eastern Daylight Time (2:00 p.m. Swiss time), on Friday, May 18, 2018 unless extended by the Company. If you are a holder of record, you cannot vote by telephone.

By Mail: Mark, date and sign your proxy card exactly as your name appears on the card and return it by mail to:

Transocean 2018 AGM	Transocean 2018 AGM
Vote Processing	Vote Processing
c/o Broadridge	Schweiger Advokatur / Notariat
51 Mercedes Way	Or Dammstrasse 19
Edgewood, NY 11717	CH 6300 Zug
USA	Switzerland

All proxy cards must be received no later than 8:00 a.m. Eastern Daylight Time (2:00 p.m. Swiss time), on Friday, May 18, 2018 unless extended by the Company. Do not mail the proxy card or voting instruction form if you are submitting voting instructions over the internet or (if you are a beneficial owner of our shares) by telephone.

Edgar Filing: Transocean Ltd. - Form DEF 14A

Even if you plan to attend the 2018 Annual General Meeting, we encourage you to submit your voting instructions over the internet or by mail prior to the meeting.

If you hold your shares in the name of a bank, broker or other nominee, you should follow the instructions provided by your bank, broker or nominee for voting your shares, including whether you may submit voting instructions by mail, telephone or over the internet.

Many of our shareholders hold their shares in more than one account and may receive more than one Notice. To ensure that all of your shares are represented at the 2018 Annual General Meeting, please submit your voting instructions for each account.

Under New York Stock Exchange (“NYSE”) rules, brokers who hold shares in street name for customers, such that the shares are registered on the books of the Company as being held by the brokers, have the authority to vote on “routine” proposals when they have not received instructions from beneficial owners, but are precluded from exercising their voting discretion with respect to proposals for “non routine” matters. Proxies submitted by brokers without

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instructions from customers for these non-routine or contested matters are referred to as “broker non-votes.” The following matters are non-routine matters under NYSE Rules:

- Agenda Item No. 2—Discharge of the Members of the Board of Directors and the Executive Management Team from Liability for Activities During Fiscal Year 2017
- Agenda Item No. 5—Reelection of 11 Directors
- Agenda Item No. 6—Election of the Chairman of the Board of Directors
- Agenda Item No. 7—Election of the Members of the Compensation Committee
- Agenda Item No. 10—Advisory Vote to Approve Named Executive Officer Compensation
- Agenda Item No. 11A—Ratification of the Maximum Aggregate Compensation of the Board of Directors for the Period Between the 2018 Annual General Meeting and the 2019 Annual General Meeting
- Agenda Item No. 11B—Ratification of the Maximum Aggregate Compensation of the Executive Management Team for Fiscal Year 2019
- Agenda Item No. 12 – Approval of Amendment to Transocean Ltd. 2015 Long-Term Incentive Plan for Additional Reserves

If you hold your shares in “street name,” your broker will not be able to vote your shares on the agenda items set forth above and may not be able to vote your shares on other matters at the 2018 Annual General Meeting unless the broker receives appropriate instructions from you. We recommend that you contact your broker to exercise your right to vote your shares.

If you have timely submitted electronic or telephonic voting instructions or a properly executed proxy card, your shares will be voted by the independent proxy according to your instructions. Holders of shares who have timely submitted their proxy, but have not specifically indicated how to vote their shares will be deemed to have instructed the independent proxy to vote in accordance with the recommendations of the Board of Directors with regard to the items listed in the notice of meeting.

If any modifications to agenda items or proposals identified in this invitation or other matters on which voting is permissible under Swiss law are properly presented at the 2018 Annual General Meeting for consideration, you will be deemed to have instructed the independent proxy, in the absence of other specific instructions, to vote in accordance with the recommendations of the Board of Directors.

As of the date of this proxy statement, the Board of Directors is not aware of any such modifications or other matters to come before the 2018 Annual General Meeting.

You may revoke your proxy card at any time prior to its exercise by taking one of the following actions:

- submitting a properly completed and executed proxy card with a later date and timely delivering it either directly to the independent proxy or to Vote Processing, c/o Broadridge at the addresses indicated below
- giving written notice of the revocation prior to the meeting to:

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Transocean 2018 AGM	Transocean 2018 AGM
Vote Processing	Vote Processing
c/o Broadridge	Schweiger Advokatur / Notariat
51 Mercedes Way	Or Dammstrasse 19
Edgewood, NY 11717	CH 6300 Zug
USA	Switzerland