



# James Fisher and Sons plc

Capital Markets Event

*Welcome. The event will start shortly*

*29<sup>th</sup> June 2021*

James Fisher and Sons plc  
Marine Services Worldwide



# Welcome: Angus Cockburn

Capital Markets Event

*29<sup>th</sup> June 2021*



# This afternoon's agenda

## 1<sup>st</sup> Half



**Eoghan O'Lionaird**  
*Chief Executive Officer*

Group Strategy



**Elizabeth Skinner**  
*MD Fendercare*

Fendercare



**Richard Dellar**  
*MD JFD*

JFD

## 2<sup>nd</sup> Half



**Giovanni Corbetta**  
*MD JF Marine Contracting*

JF Marine Contracting



**Robin Stopford**  
*Head of Corporate Development*

New business streams



**Duncan Kennedy**  
*Chief Financial Officer*

ESG & Capital Allocation







# Strategy for Sustainable Profitability: Eoghan O'Lionaird

Capital Markets Event

*29<sup>th</sup> June 2021*



# Our business

Marine Support		Specialist Technical		Offshore Oil		Tankships	
							
Revenue	£249m	Revenue	£130m	Revenue	£78m	Revenue	£60m
Op. Profit	£10m	Op. Profit	£14m	Op. Profit	£11m	Op. Profit	£8m
Assets	£249m	Assets	£159m	Assets	£142m	Assets	£54m
ROCE	5%	ROCE	13%	ROCE	9%	ROCE	32%

- ▶ A group comprised of businesses in attractive niches of marine, energy and defence markets, typically in leadership positions
- ▶ Strong track record of both organic and acquisitive growth
- ▶ Operating with a federated model and limited standardisation of process
- ▶ Reset underway catalysed by change in leadership and accelerated by dramatic market changes of 2020

# Ship-to-ship Transfer #1 Global Provider



# Submarine Rescue #1 Global provider

FAST



# Offshore Wind – 200+ projects and 17GW #1 in high voltage connections made





# Unexploded Ordnance (UXO) #1 in removal offshore



# Tankships

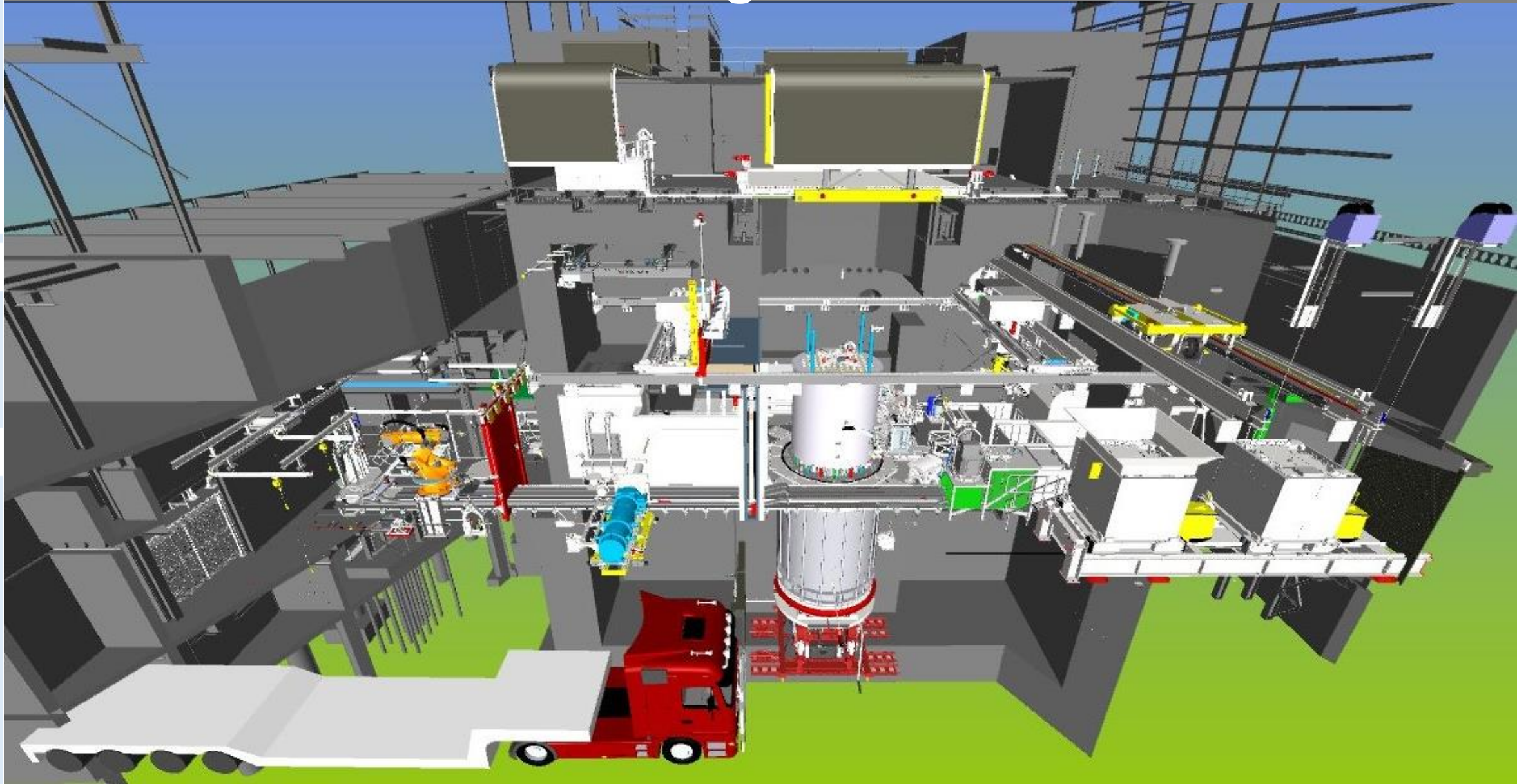
#1 in the UK across clean petroleum product delivery

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# Nuclear

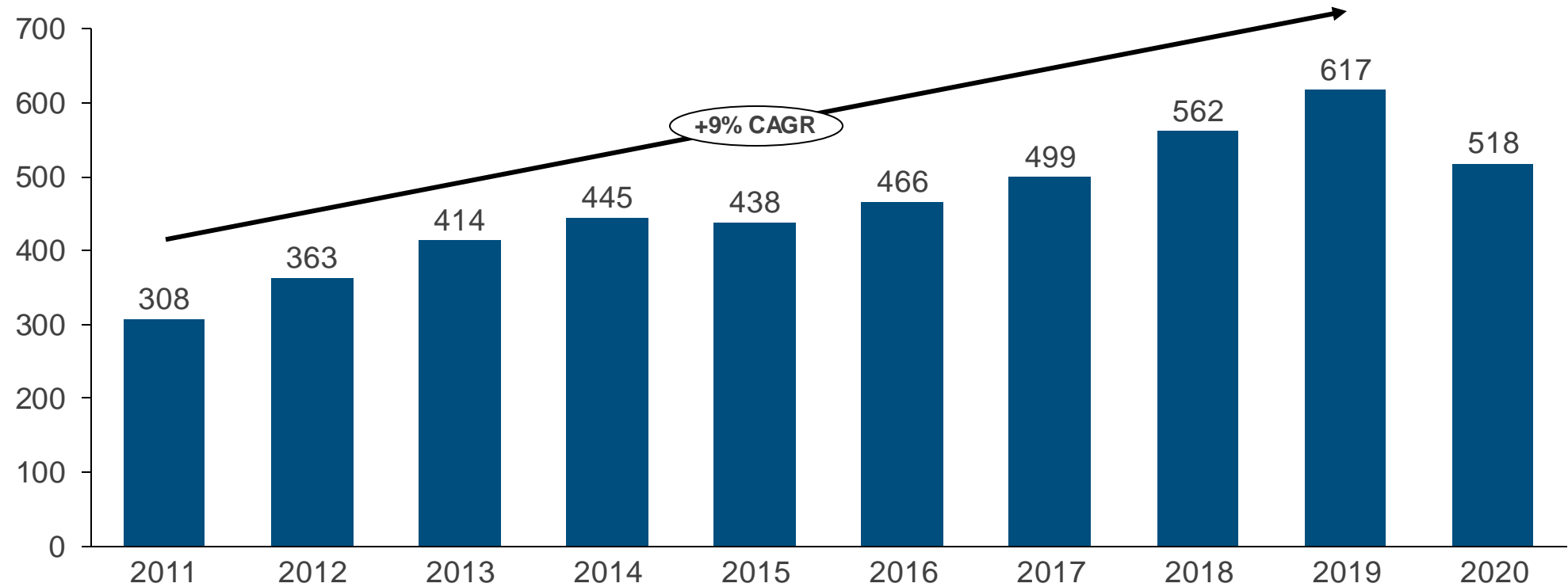
1<sup>st</sup> to decommission a Magnox reactor





# Track record of revenue growth to 2011-19

JFS Revenue  
(£m)

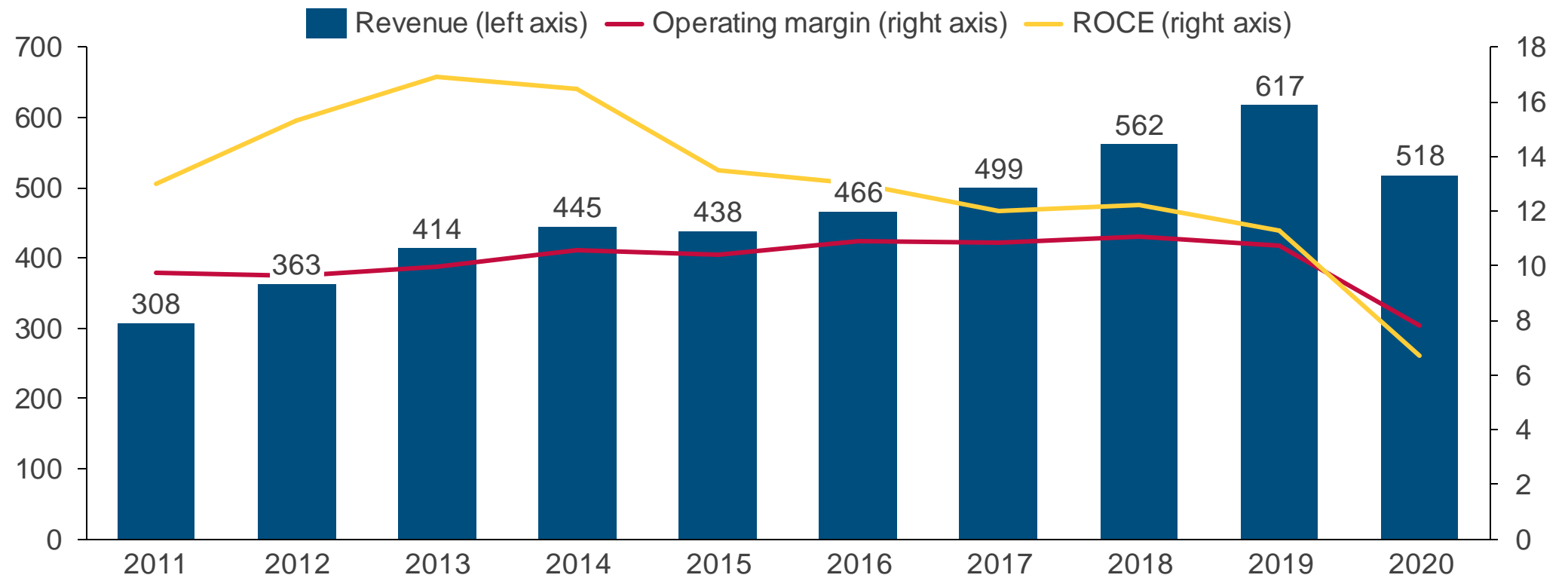




# Refocus on returns and margin improvement

JFS Revenue (£m)

JFS Returns (%)



EPS (pence):	49	56	66	75	69	77	79	90	93	48
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Note: Group post-tax ROCE, is defined as underlying operating profit, less notional tax, calculated by multiplying the effective tax rate by the underlying operating profit, divided by average capital employed

# These past 18 months have been challenging – but with highlights as well



## Lowlights

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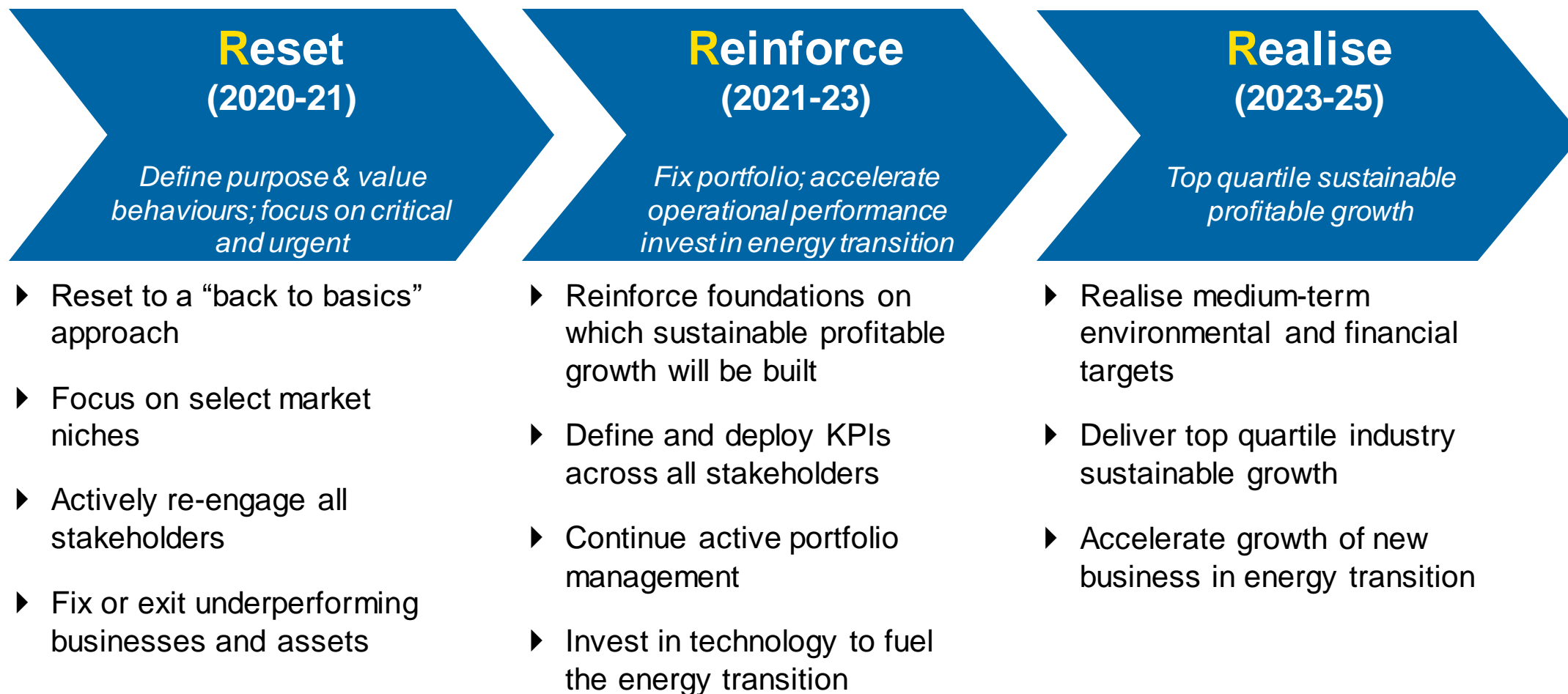
- ▶ Major impact of Covid-19 on colleagues and their families, and trading
- ▶ Ransomware attack required rapid response, on steep learning curve
- ▶ Burden of DSVs and failed Murjan acquisition badly impaired results
- ▶ Collapse in oil and gas spend exacerbated weakness in Marine Support
- ▶ Reduction in workforce by ~20% – unprecedented in recent history

## Highlights

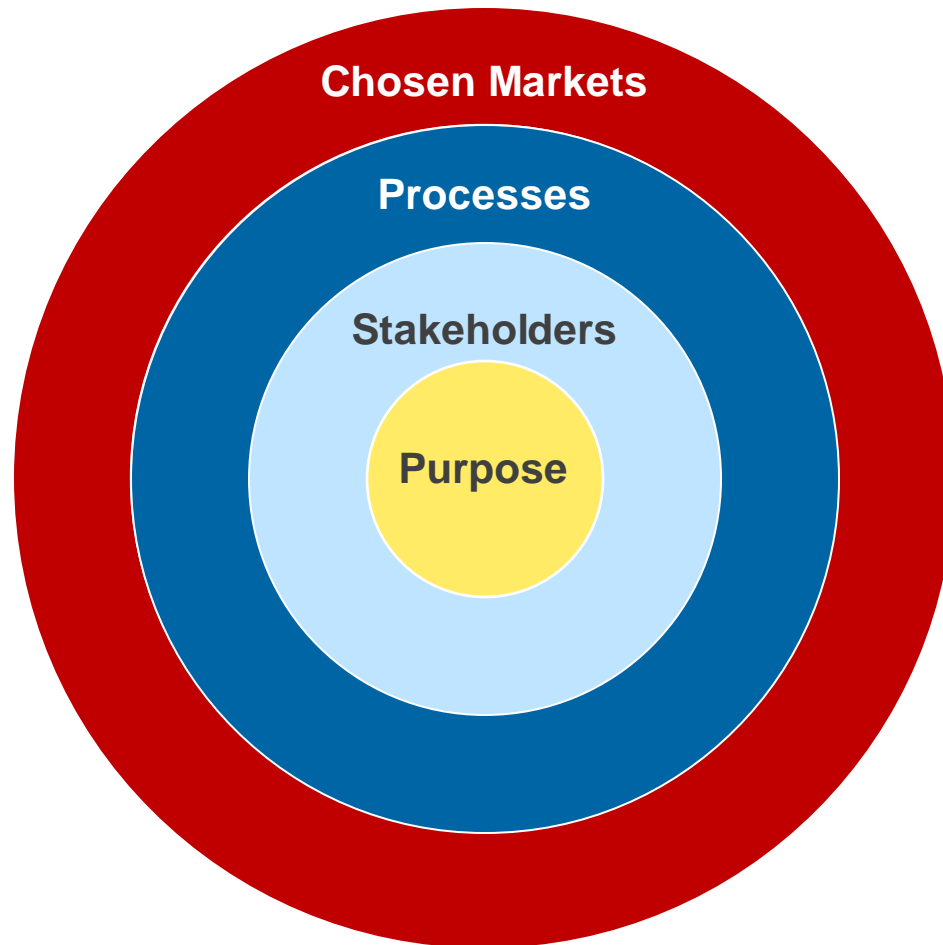
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- ▶ Uplifting ‘we’re all in this together’ response of colleagues to Covid-19 and economic crisis
- ▶ Record ship-to-ship H1 revenues on back of oil market volatility
- ▶ Completion of Shanghai Salvage 500m saturation system despite multiple lockdowns
- ▶ Global contract wins for both oil and gas decommissioning and offshore wind construction projects
- ▶ Resilient performance and rapid adaptation of most OpCos

# The 3 Rs roadmap will address both strategic and operational challenges



# Our strategic framework for sustainable profitable growth is built in four parts



Embarked on **purpose-led** and **values-driven** journey to drive alignment and engagement

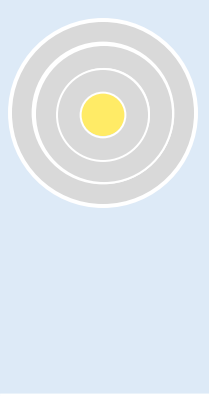
Bringing **stakeholders** into the heart of the company to create a sustainable business and upgrading leadership

Reinforcing **internal processes** is key to delivering sustainable profitable growth

Refocusing the **portfolio on niche sectors** within chosen markets and fix/ exit under-performing assets and businesses

Accelerate investments in **responsible energy transition**





# Our Purpose and Valued Behaviours underpin our cultural transformation



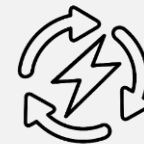
Pioneering  
safe and trusted solutions  
to complex problems  
in harsh environments,  
to create a sustainable  
future



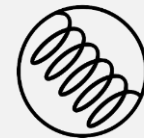
**Pioneering spirit**



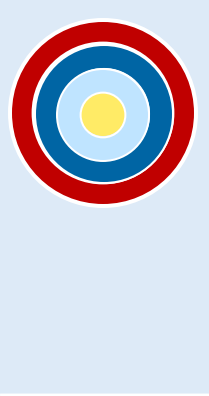
**Integrity**



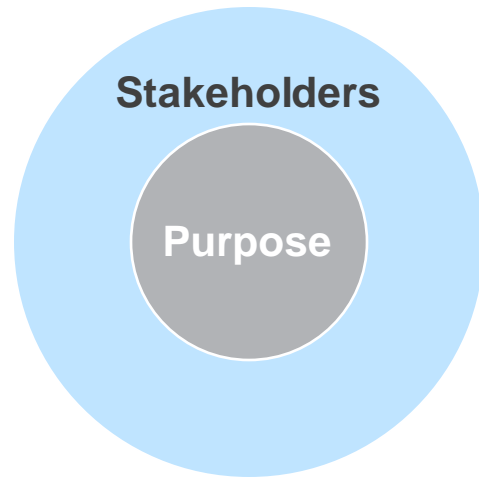
**Energy**



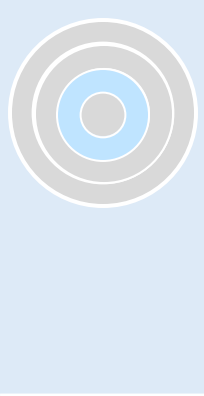
**Resilience**



# Bringing **stakeholders** into the heart of the company to create a sustainable business



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# Placing stakeholders at the core of the strategy creates an intrinsically sustainable company



- ▶ Harness the potential of our pioneering employees
- ▶ Become the trusted partner for our customers and suppliers
- ▶ Be the outstanding citizen of our communities
- ▶ Invest in our capabilities and technologies as a part of a responsible energy transition
- ▶ Drive performance to improve returns for shareholders

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# Our sustainability journey is building on a solid foundation



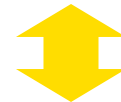
**Creating a sustainable strategy**  
*Development of sustainability strategy is integrated with Group strategy*



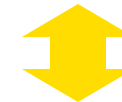
**Stakeholder engagement**  
*Developing consistent measurement of baseline performance, setting non-financial KPIs and targets and commencing engagement process*



**Environmental**  
*Increasing the coordination of the group's activities to have a meaningful impact on energy transition, and reducing day to day impact*

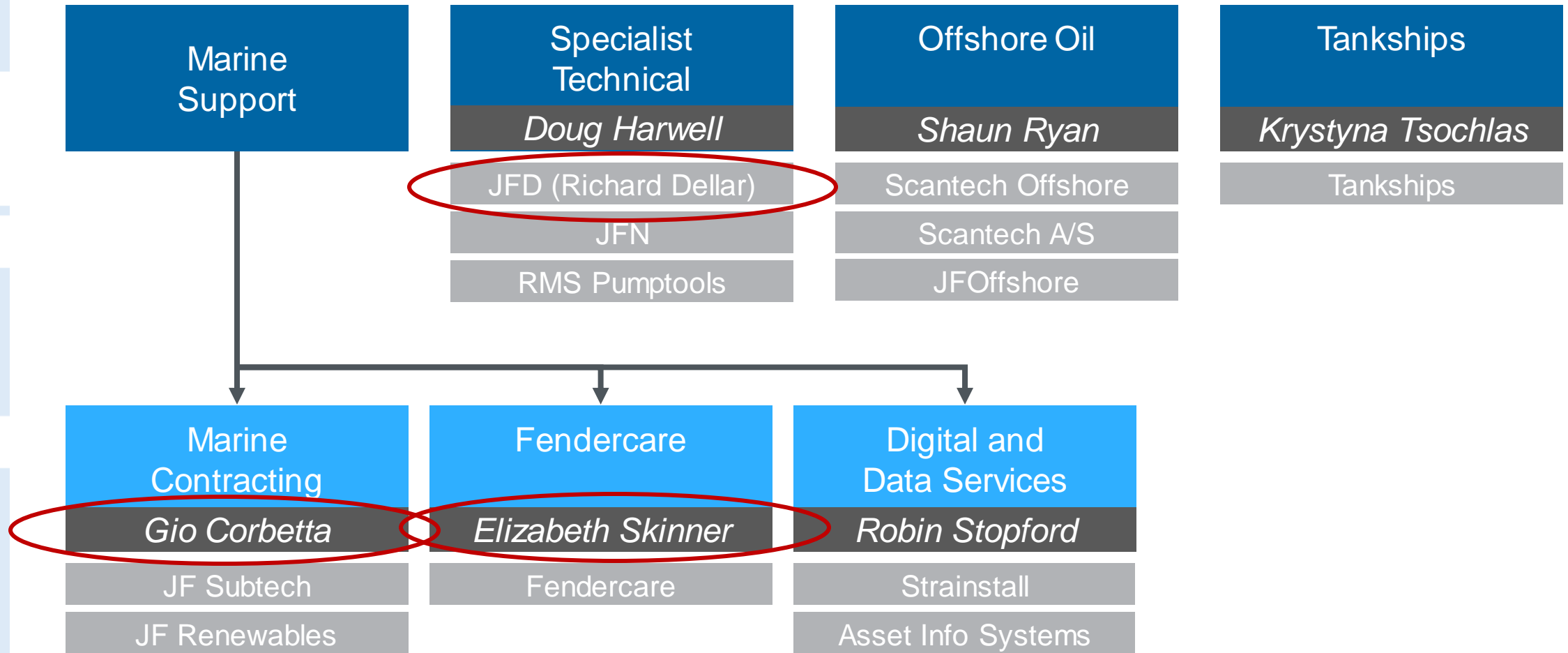


**Social**  
*Initial focus on our employees to build engagement  
Assessing how to have a more meaningful impact on local communities*



**Governance**  
*Tightening all aspects of governance to ensure continued safety and foundations for future profitable growth*

# We are implementing a divisional structure to aid governance and create synergies



Presenting their businesses today



# We have deployed a Multi-faceted employee strategy to become a great place to work



Engagement



Diversity and inclusion



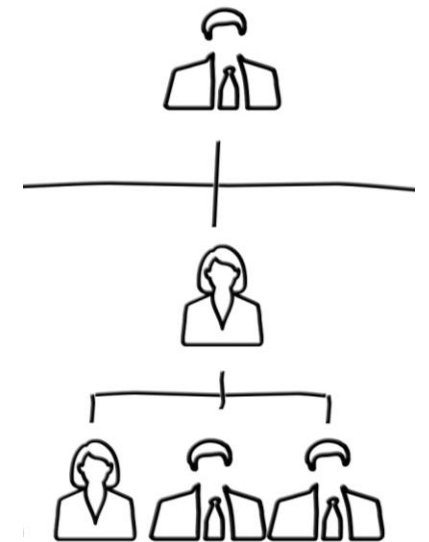
Wellbeing



Talent management



Business org. structure



# We are reducing our reliance on carbon and funding environmentally sustainable growth



- ▶ We are custodians of legacy positions in oil and gas, generating strong cash flows
- ▶ Over the past 10 years we have built a strong reputation across multiple parts of the renewable energy value chain
- ▶ Growing market presence creates opportunity for us to deploy our expertise across multiple elements of the energy transition

## Multiple investments through Energy Transition and Sustainability

Offshore Wind

Offshore decommissioning

LNG ship-to-ship transfers

Big bubble curtain

Flare gas reduction

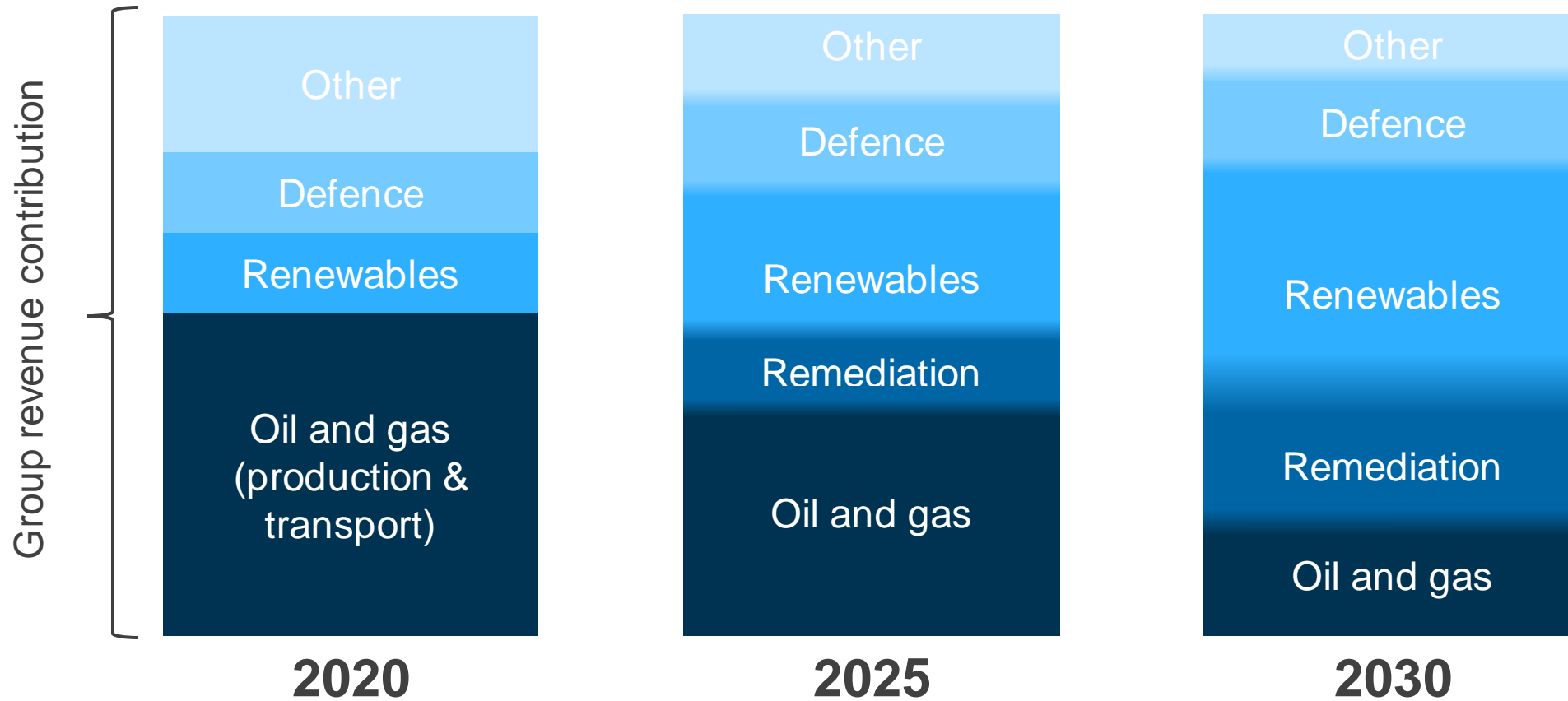
Aquaculture

Commitments, participations and disclosures:





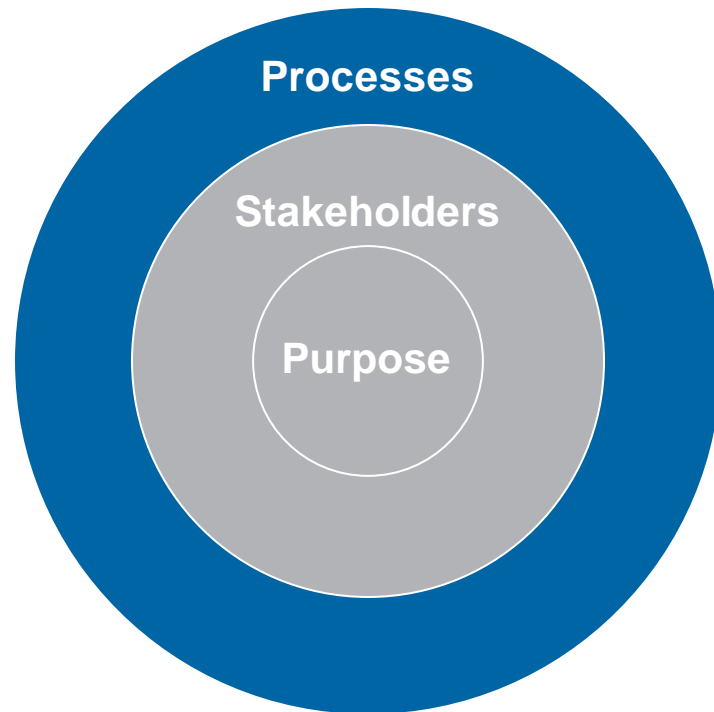
# Investments in energy transition and environmental remediation will transform us







# Reinforcing **internal processes** is key to delivering sustainable profitable growth





# Priority processes to support sustainable profitable growth



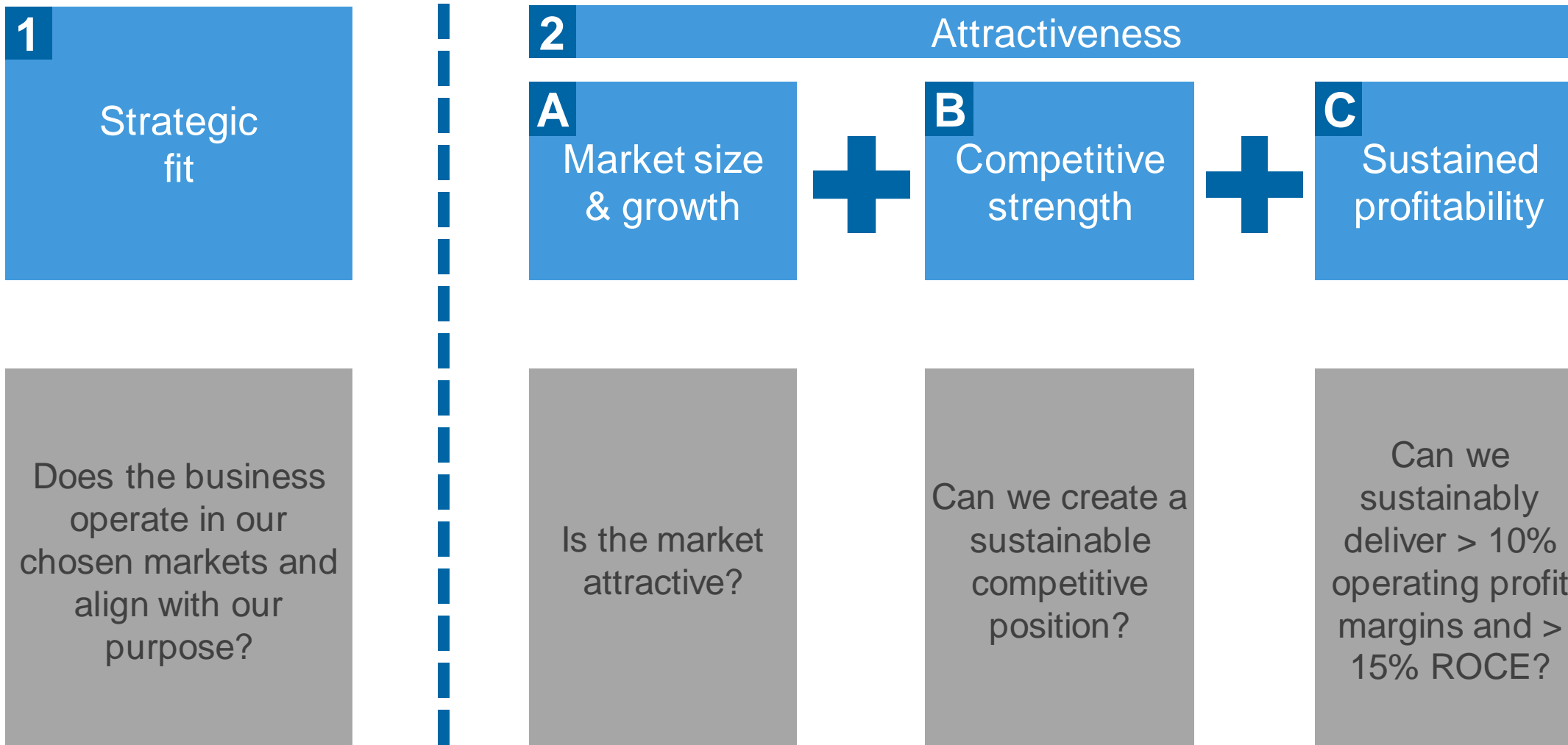
- ▶ Actively manage portfolio
- ▶ Reduce leverage and balance capital allocation
- ▶ Improve and scale commercial and contracting capabilities
- ▶ Drive world-class safety, risk and project management culture



- **Deliver sustainable growth**
- **Improve margins and ROCE**
- **Reduce leverage ratio**

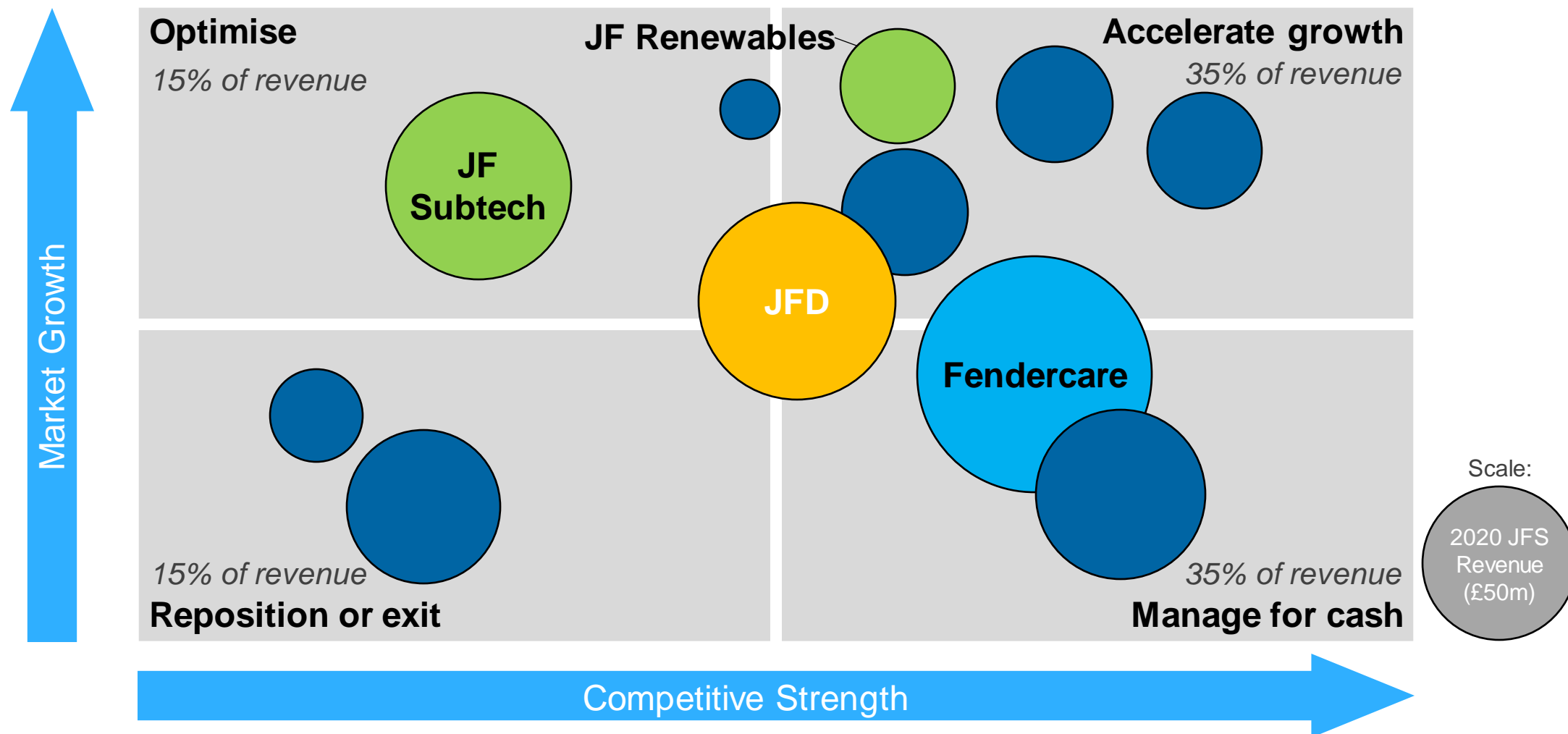


# We have deployed clear tests to manage our current and future portfolio





# Our tests are already guiding portfolio actions



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# Process excellence reinforces revenue growth *and* margin expansion



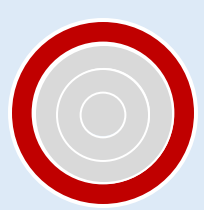
- ▶ Pockets of world-class process exist
- ▶ Will leverage best practices into centres of excellence and share across the group
- ▶ Embed continuous improvement and a lean culture
- ▶ Consistent and efficient operational delivery will underpin sustainable profitable growth



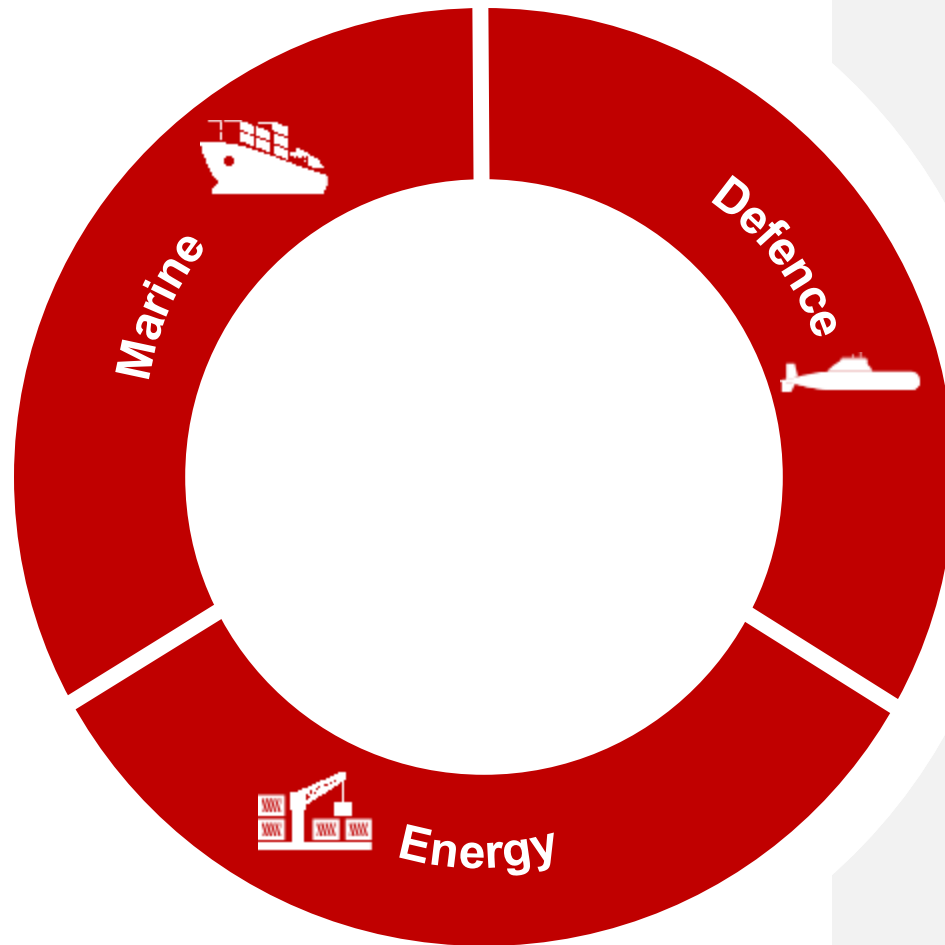
# Refocusing the portfolio on niche sectors of within **Chosen Markets**

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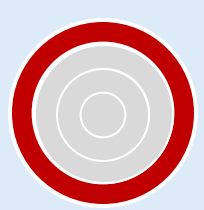




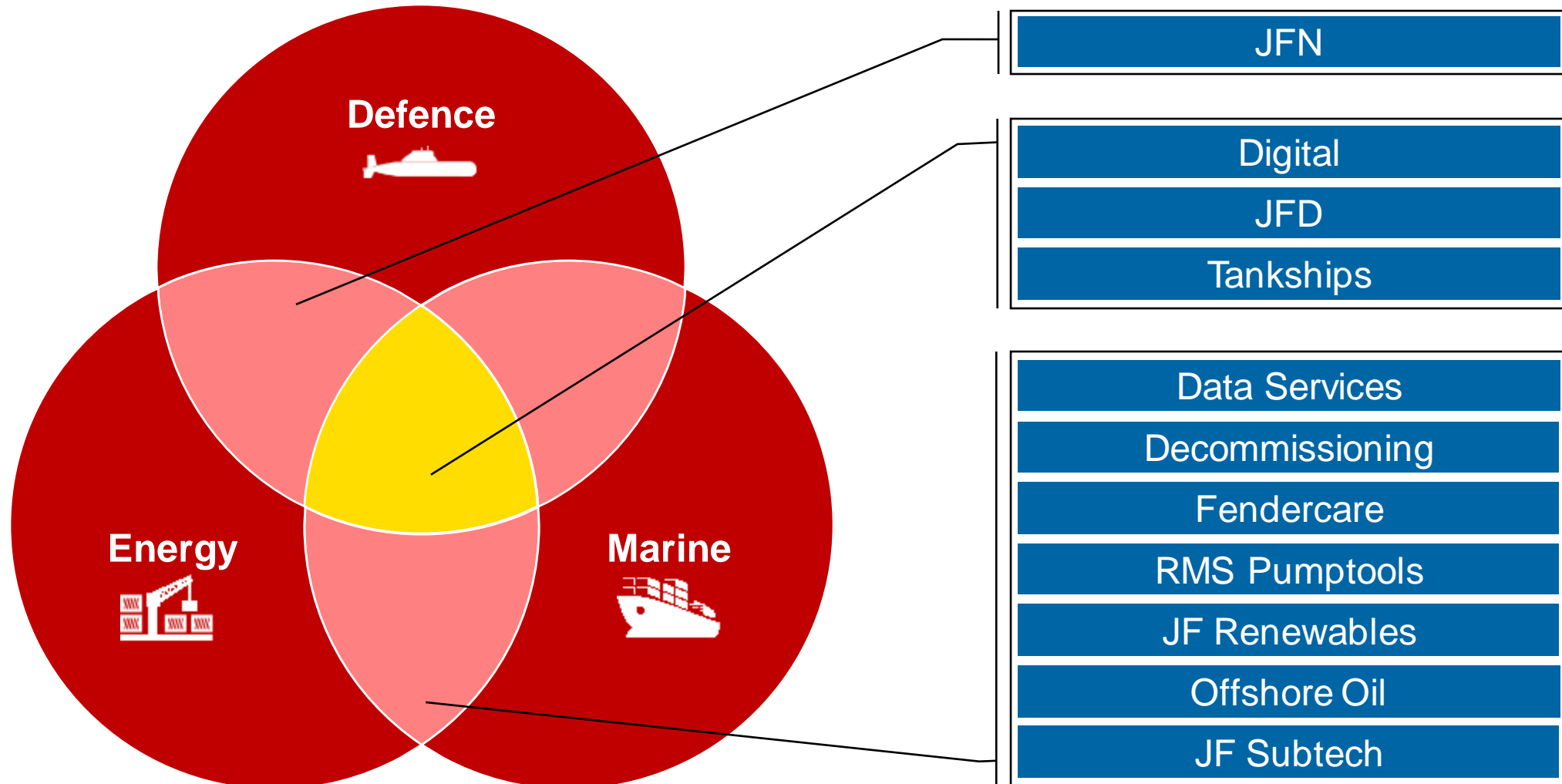
# We solve difficult problems in specialist niches across within chosen markets



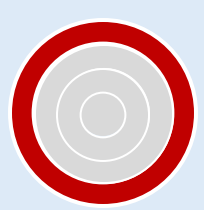
- ▶ Track record of success across three global mega-markets
- ▶ Providing differentiated solutions in higher margin niches, often where markets intersect
- ▶ Differentiation created through innovation and technology
- ▶ Global nature of these markets provides expansion opportunities
- ▶ Further growth opportunities in adjacent niches within chosen markets



# We set ourselves apart where these markets intersect







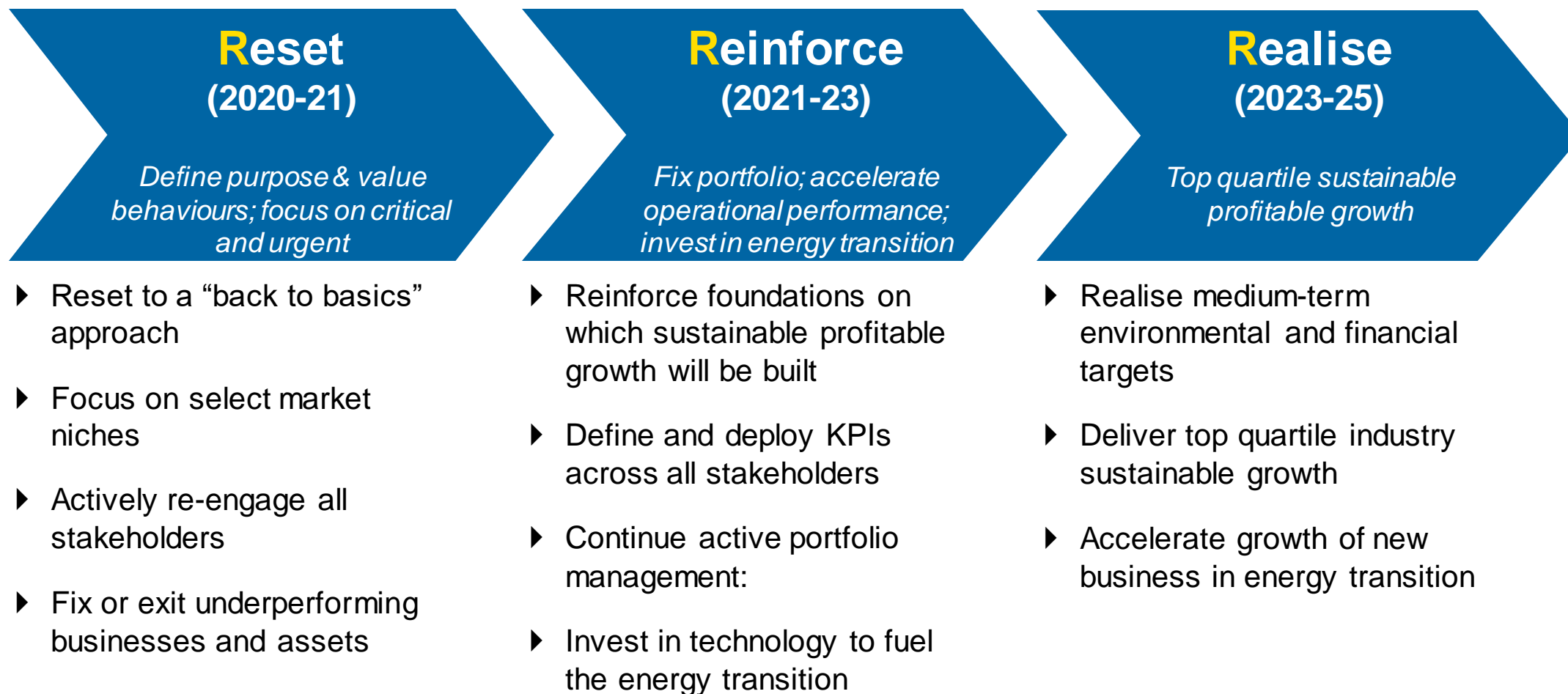
# The group footprint supports geographic expansion



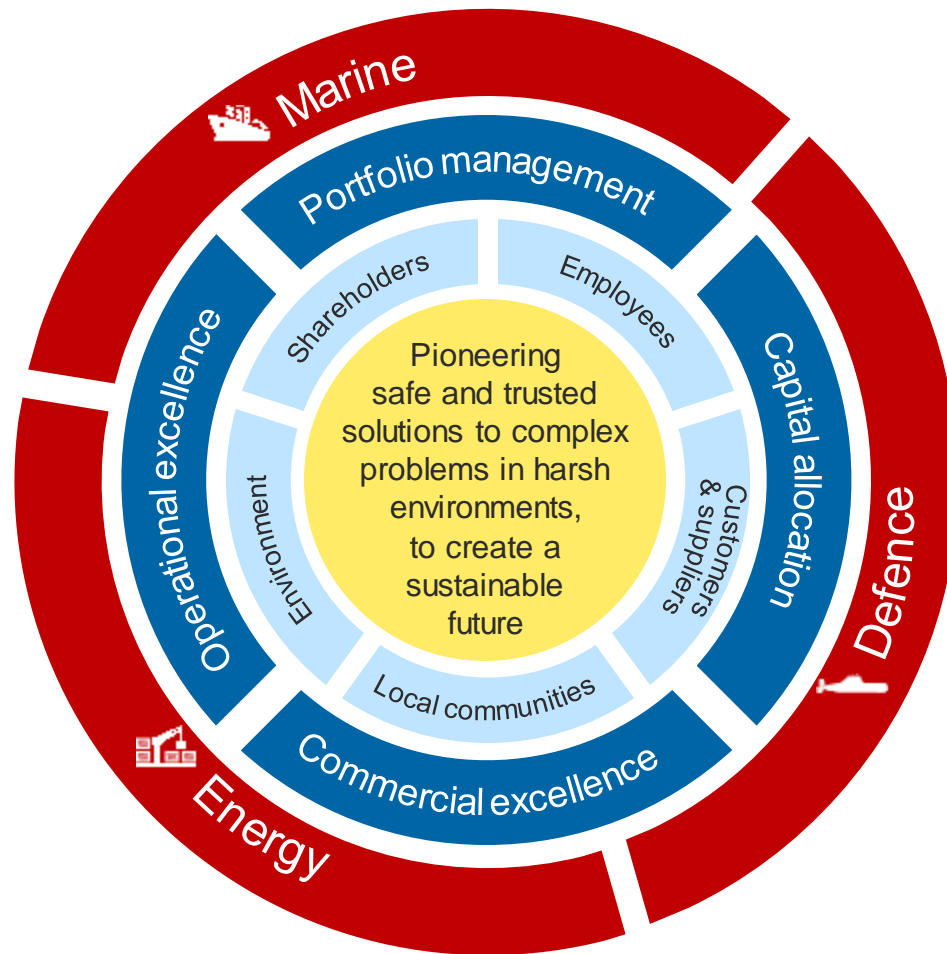
	UK	Asia	Europe	ME & Africa	South America	North America
Leading position						
Growth opportunity						
Fendercare	Green	Green	Green	Green	Green	
Offshore Oil	Green	Green	Green	Yellow	Yellow	Yellow
JF Subtech	Green		Yellow	Green	Green	
Decommissioning	Green	Green	Yellow	Yellow	Yellow	Yellow
Renewables	Green	Green	Yellow	Yellow	Yellow	Yellow
JFD	Green	Green	Yellow		Yellow	Yellow
RMS Pumptools	Green	Yellow	Yellow	Yellow	Yellow	Yellow
Digital & Data Services	Green	Yellow	Yellow	Yellow		Yellow

Note: Tankships and JFN UK only

# The way forward for James Fisher is to follow the 3 Rs roadmap



# Our strategy for sustainable profitable growth is already underway



Embarked on purpose-led and values-driven journey

Bringing stakeholders into the heart of the company

Upgrading leadership talent

Driving better governance with divisional structure

Deploying Lean principles to deliver operational excellence and underpin growth and margin expansion

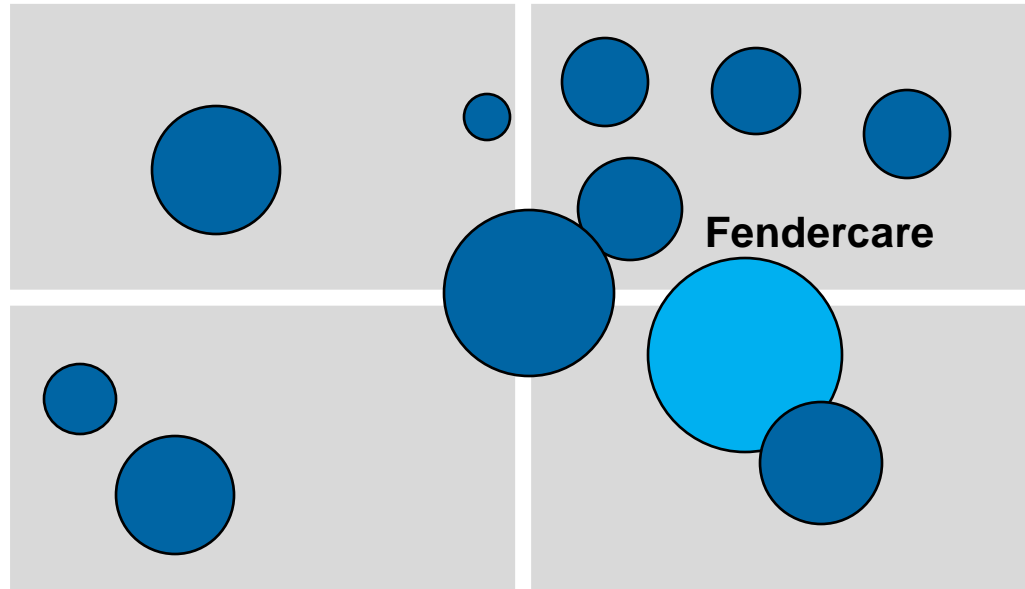
Embedding new capital allocation process and risk management culture

Refocusing the portfolio on niche segments, 'fix or exit' underperforming assets and businesses

Accelerating investments in responsible energy transition



# Introducing Elizabeth Skinner and Fendercare



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# Play Fendercare Video

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# Fendercare: Elizabeth Skinner

Capital Markets Event

*29<sup>th</sup> June 2021*



# Fendercare Overview

World leaders in:  
Ship-to-ship transfer  
service  
Supplying critical  
safety and wellbeing  
products  
Marine products



Revenue: £115m

Employees: 176

Locations: 50+

Brands





# Fendercare is globally #1



***Conducting STS services for over 26 years;  
transferred ~8 billion barrels***

● Fendercare Offices      ● Mooring Master Bases

Exemplary safety record

Scale of fully equipped bases and highest quality equipment

Significant expertise

Supply of marine and safety products



# Fendercare: Strong results with exciting future potential



**A**

## Market size & growth

- ▶ Served STS market: \$200m+
- ▶ New STS locations
- ▶ Product market: room for growth through portfolio and geographic footprint
- ▶ LNG is a new emerging growth opportunity

**B**

## Competitive strength

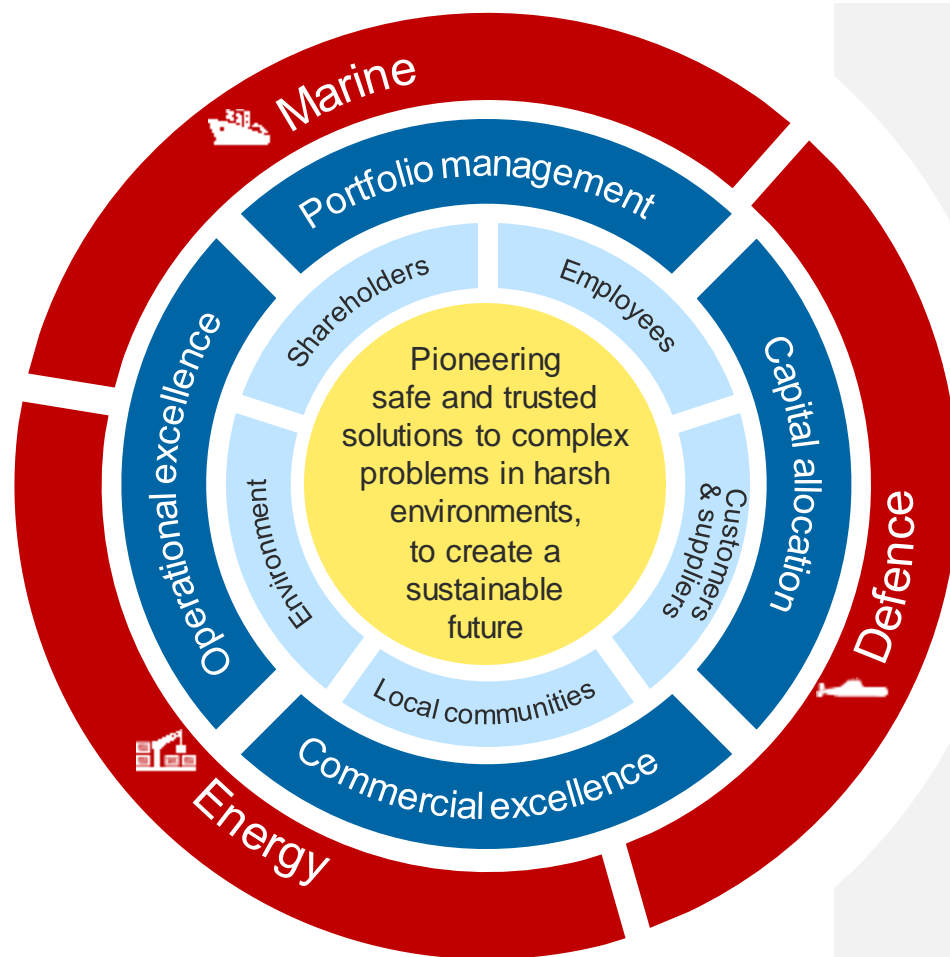
- ▶ Leading STS market share, performance an increasing differentiator
- ▶ Supplier to oil and gas majors, trading houses and national authorities who value safety, environmental impact and reliability
- ▶ Materially bigger than nearest competitor

**C**

## Sustained profitability

- ▶ Criticality of service and products supports strong margins and returns
- ▶ Capital structure highly efficient, allowing reinvestment into growth opportunities

# Fendercare focus areas



Geographic footprint  
(new STS bases & expand products)

LNG

Digital Innovation



# Focus area: Geographic footprint



## Ambition

Leverage existing bases for products expansion and extend STS services into new geographies: Mexico, Bangladesh; Canada; Australia; and Japan

## Action

Continue to establish new customer-led opportunities and develop new locations to support their local market needs

# Focus area: LNG



## Ambition

To become the leading provider of LNG STS and building this service across our current footprint and into new locations

## Action

Leveraging peerless safety and environmental credentials. Increasing scope of services and product offering and further expertise

# Focus area: Digital Innovation



## Ambition

Leverage data and analytics to strengthen leading position across STS transfers:

- ▶ Dedicated STS portal
- ▶ Forecast our client requirements

## Action

Invest in our internal capabilities and data analytics while growing our e-commerce capabilities

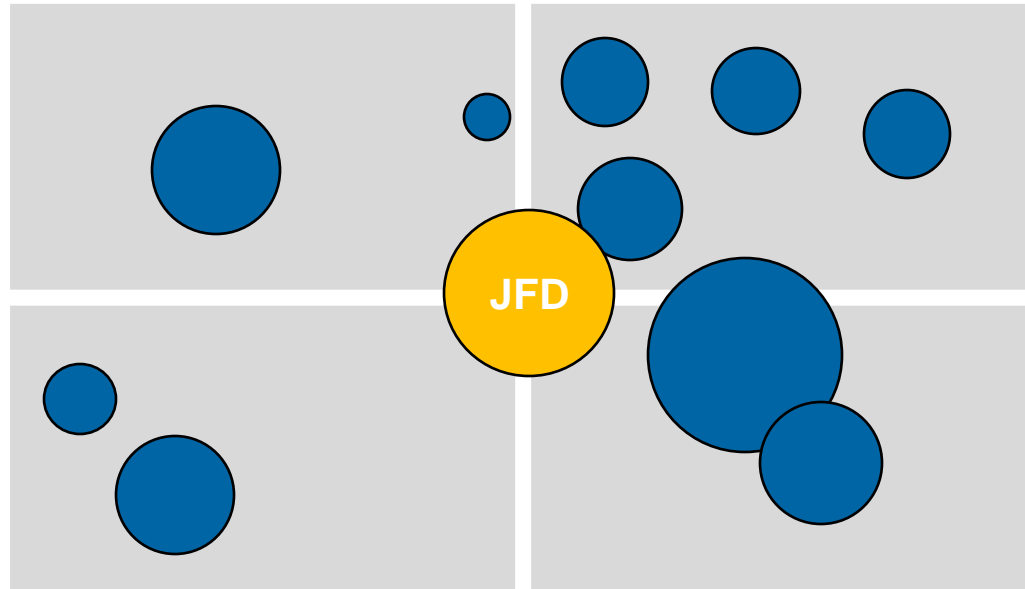


# Fendercare Summary

- 1 Global leader in providing ship-to-ship (STS) services and marine safety products
- 2 Growth through geographic expansion and supporting transition to cleaner fuels
- 3 Exemplary safety, scale and expertise delivering customer satisfaction
- 4 Strong and reliable cash generator to fund growth



# Introducing Richard Dellar and JFD





# Play JFD Video

***JFD - Confidence under pressure***



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Marine Services Worldwide



# JFD: Richard Dellar

Capital Markets Event

*29<sup>th</sup> June 2021*



# JFD Overview



*We protect life  
where customers  
operate in high  
performance  
undersea  
environments*

Revenue: £100m

Employees: 550

Locations: 8

Brands

The Brands section displays seven logos: the JFD logo, James Fisher DEFENCE, Fathom Systems, DIVEX, COWAN, national hyperbaric centre, and ORTEGA SUBMERSIBLES.



**JFD - Confidence under pressure**

# JFD delivers lifetime value to clients through intimate customer relationships



1

## Full capability – through life

Supplying equipment & services as a package to support a total capability solution



2

## Equipment & products

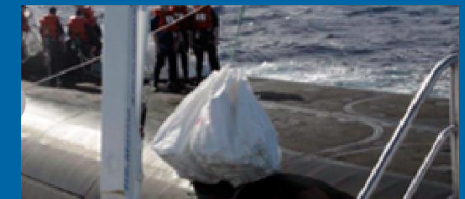
Supply of standard and bespoke products and equipment



3

## Services offering

Supply of services to support our equipment and other consumer needs over the life of the system



4

## Specialist technical

Problem solving and testing for customers



# JFD: Strong margins with attractive growth opportunities



**A**

## Market size & growth

- ▶ Overall addressable market of £500m+
- ▶ Ever present danger of life sub-sea expands need: Nangalla incident
- ▶ Continued growth in global maritime defence spending (CAGR >4% 2017-2020)

**B**

## Competitive strength

- ▶ #1 in submarine rescue
- ▶ #1 in commercial diving life support systems
- ▶ = #1 in diving re-breather systems
- ▶ Unparalleled knowledge and expertise in life “under pressure”

**C**

## Sustained profitability

- ▶ Criticality to customer demands high capability and quality, supporting strong margins and returns
- ▶ Exemplary operational and commercial excellence throughout business
- ▶ Complete integration of historic acquisitions



# Operational Strategy – one JFD

**OPEX Roadmap Progress Key:**

- ◆ Successfully delivered, implemented as BAU
- ◇ Currently under development in 2021
- ◇ Proposed for future development

### GLOBAL PROCESS

We must establish one global process suite to be utilised across the organisation to drive best practice, instil consistency and control and enabling robust governance.

### COMPETENCE & CAPABILITY

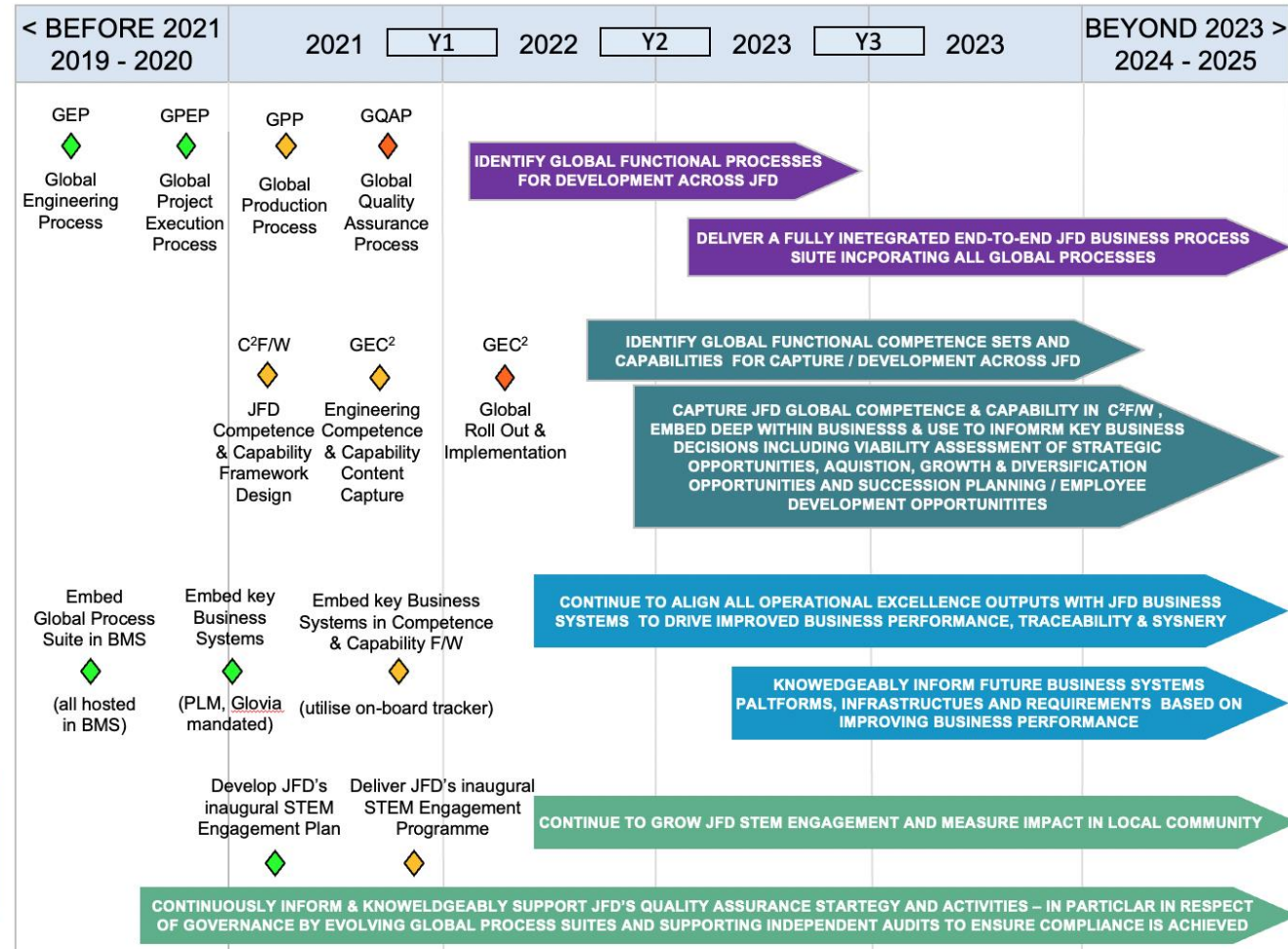
We must develop our people to build **competence** in key areas playing to the strengths of each geographical area and identify and map areas of expertise to derive our true global **capability**.

### BUSINESS SYSTEMS & TOOLS

We must have defined **systems** and **tools** utilised globally across the organisation granting access to information to all sites acting as an enabler and the gateway to fast and effective access to accurate information.

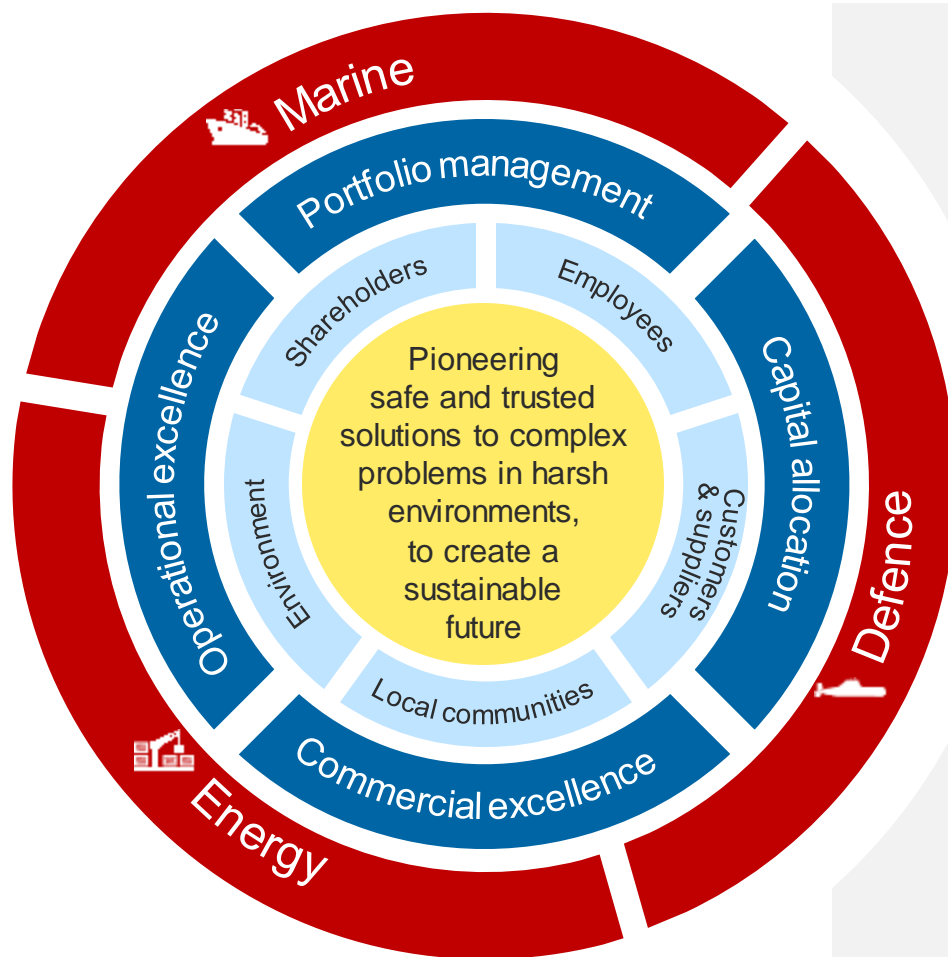
### OPERATIONAL EXCELLENCE - ESG

We must utilise our expertise to support and drive the triple bottom line, in the context of Operational Excellence this focuses on societal (STEM Engagement) and Governance (driving Global Process, governance and assurance).





# JFD future focus areas



Maintain	Commercial products & systems
Maintain and Grow	Submarine escape & rescue
	Defence life support – rebreathers
Grow	Submarine platforms
	Mobility solutions

**JFD - Confidence under pressure**

# Commercial Diving Products and Systems



## Maintain



**JFD - Confidence under pressure**

Ambition

Maintain market leadership

Action

Utilise capabilities to drive value upgrades in safety and customer operational efficiency

# Defence Life Support – Rebreathers

*Maintain and grow*



**JFD - Confidence under pressure**

Ambition

Become clear #1 underwater special mission rebreathers to navy and special operations divers

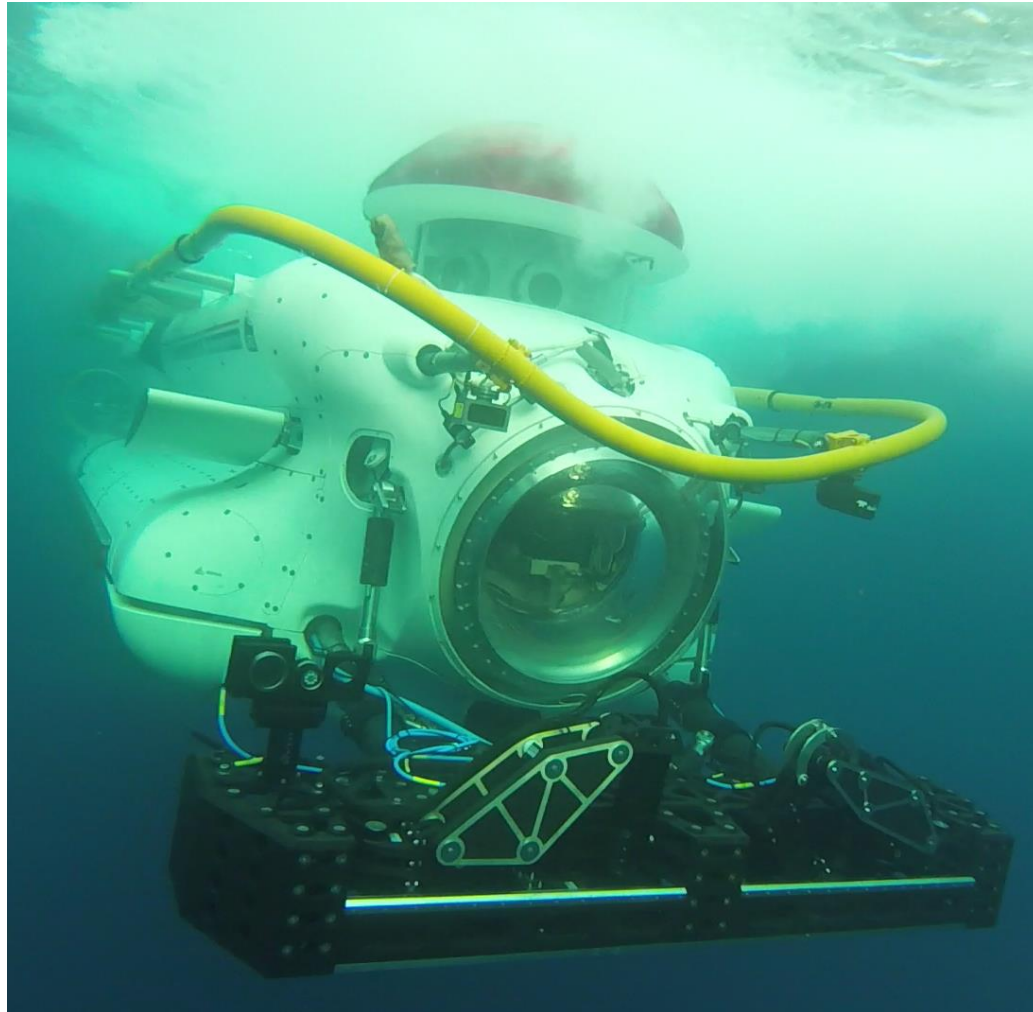
Action

Ongoing development of next generation diving products to secure high margin contracts across navy diving operations



# Submarine Escape & Rescue

*Maintain and grow*



**JFD - Confidence under pressure**

Ambition

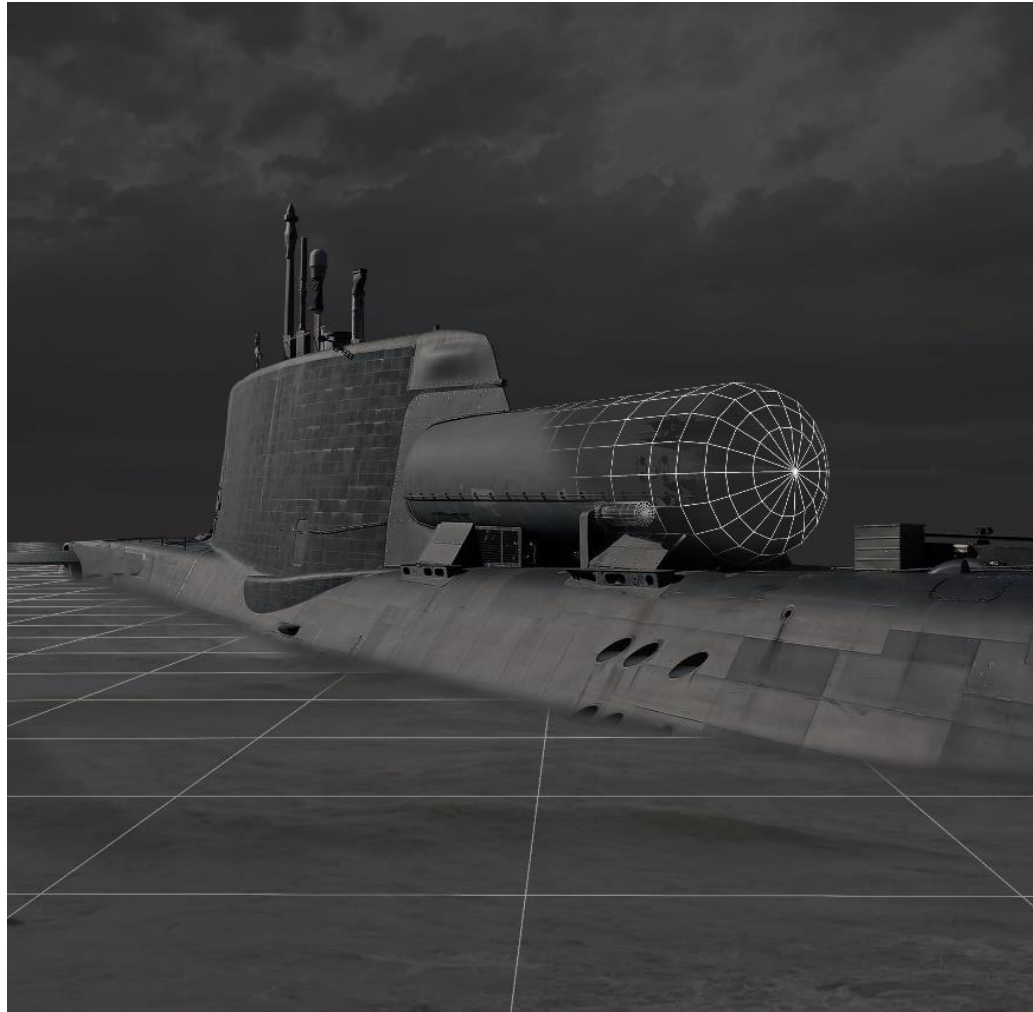
Enter the US market while maintaining leadership elsewhere

Action

Invest or partner in the US. Continue development of new systems & sub-systems & secure incremental international rescue services

# Submarine Platform Solutions

## Grow



**JFD - Confidence under pressure**

Ambition

Translate leadership into major submarine programme, initially combining life support and special operations capabilities

Action

First major contract win as 'Through-Life' prime contractor. Secure further long-term contracts to expand market penetration

# Mobility Solutions

## Grow



**JFD - Confidence under pressure**

Ambition

Become the market leader in maritime mobility solutions

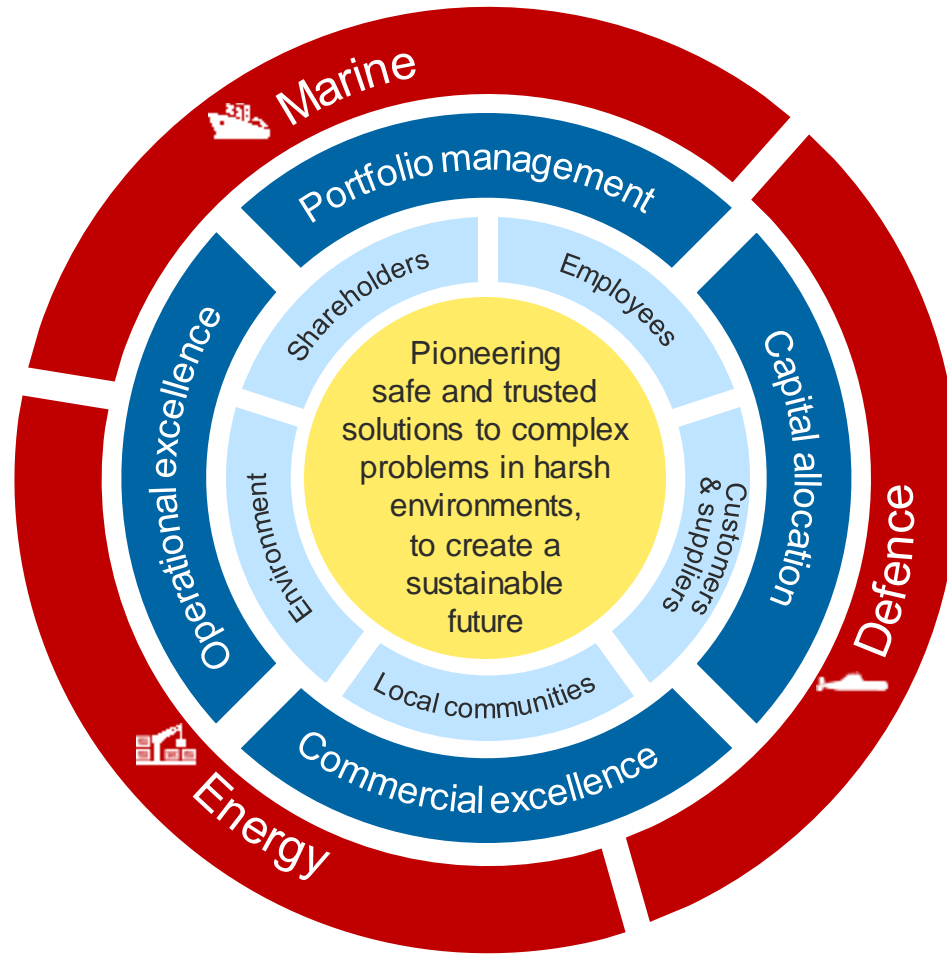
Action

Support multiple navies in adopting this capability, building on first contract win of £30m+



# JFD Summary

- 1 Portfolio of world leading capabilities, bound together by critical life support expertise
- 2 Margins > 10% driven by niche high-performance sectors
- 3 A more integrated model will create future profitable growth
- 4 Continued geographic expansion and service extension



# 1<sup>st</sup> half Q & A



# James Fisher and Sons plc

Capital Markets Event

*5 minute break*

*29<sup>th</sup> June 2021*



# Welcome back

## 1<sup>st</sup> Half



**Eoghan O'Lionaird**  
*Chief Executive Officer*

Group Strategy



**Elizabeth Skinner**  
*MD Fendercare*

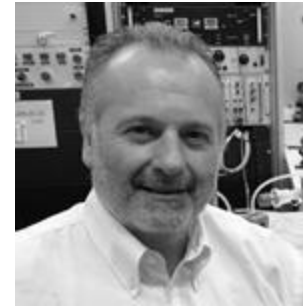
Fendercare



**Richard Dellar**  
*MD JFD*

JFD

## 2<sup>nd</sup> Half



**Giovanni Corbetta**  
*MD JF Marine Contracting*

JF Marine Contracting



**Robin Stopford**  
*Head of Corporate Development*

New business streams



**Duncan Kennedy**  
*Chief Financial Officer*

ESG & Capital Allocation



# JFMC Video

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# JF Marine Contracting: Giovanni Corbetta

Capital Markets Event

*29<sup>th</sup> June 2021*



# Overview of JF Marine Contracting

James Fisher  
Marine Contracting Division



Revenue: £101m

Employees: 520

Locations: 20

The Marine Contracting Division delivers marine projects and services across offshore wind, oil and gas, marine civils and salvage markets

## Brands



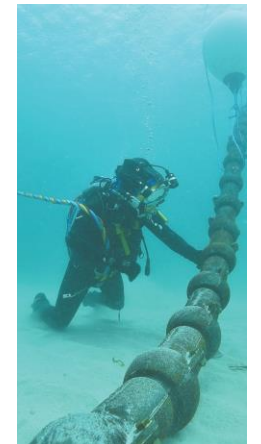
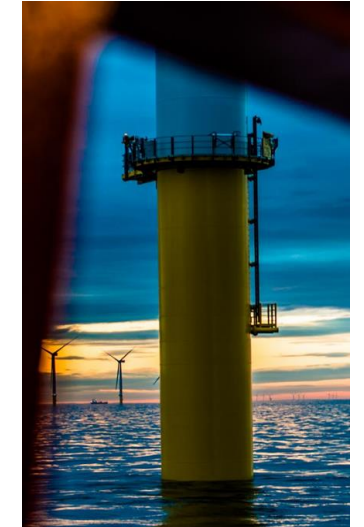
James Fisher  
Marine Services



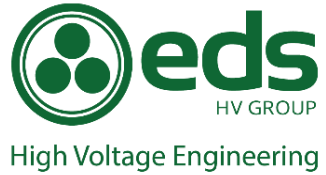
eds  
HV GROUP  
High Voltage Engineering



James Fisher  
Rumic



# In the past we have operated as a collection of businesses....



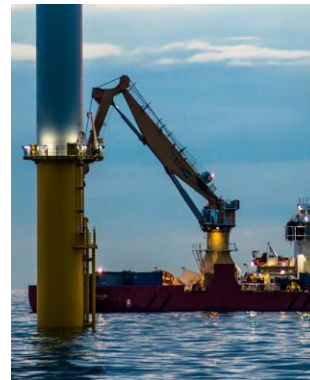
# ...now restructured into two groups addressing market verticals



## James Fisher Renewables



- ▶ Offshore wind construction and operations and maintenance (O&M)
- ▶ Unexploded ordnance (UXO) disposal
- ▶ High voltage (HV) asset engineering, monitoring and management
- ▶ Blade maintenance and repair
- ▶ Consolidated asset monitoring and management



## James Fisher Subtech



- ▶ Consolidation of JFMS, Subtech and Continental
- ▶ Specialise in subsea oil and gas inspection, maintenance, repair and light construction
- ▶ Provide rapid response and salvage



# Reversing previous investment decisions

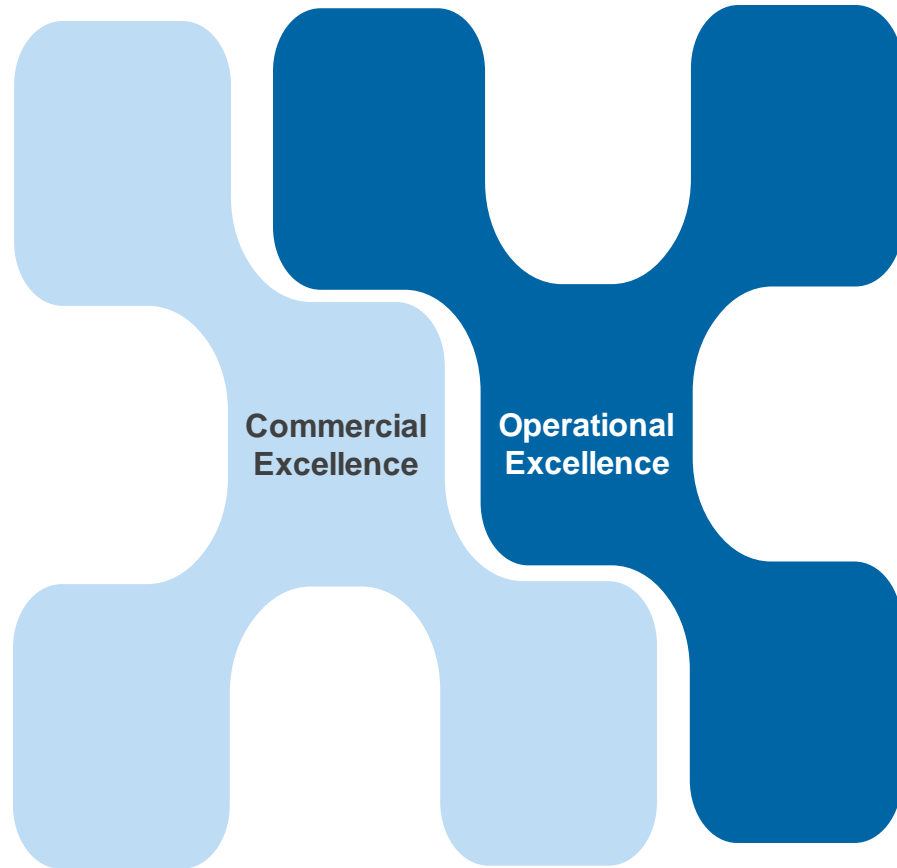
2019 Acquired **two dive support vessels**

2020 Market conditions necessitated a change of approach returning to an **asset-light strategy** to enable focus on delivery of **high-end niche services**

2021 Pivoting to portfolio of **partnerships** that facilitate access to multiple vessel platforms in exchange for market access



# Now focused on operational and commercial excellence



- Contract management
- Management of assets across geographies/projects
- Tendering and project support
- Centralised functions/processes
- Optimise synergies
- Risks and opportunities management
- Share best practice
- Specialist subsea capability supporting complex projects
- Standardised safety practices

# JF Marine Contracting: Positioned to meet the portfolio tests



**A**

## Market size & growth

- ▶ Offshore wind power forecast 21% CAGR between 2010 and 2030
- ▶ Oil and gas market will be steady with potential for high value upside

**B**

## Competitive strength

- ▶ Hazardous & specialist niche capabilities: e.g. high voltage; UXO disposal; experience in difficult territories
- ▶ Partner with 3rd parties to provide bundled solutions
- ▶ Emergency response & unplanned interventions

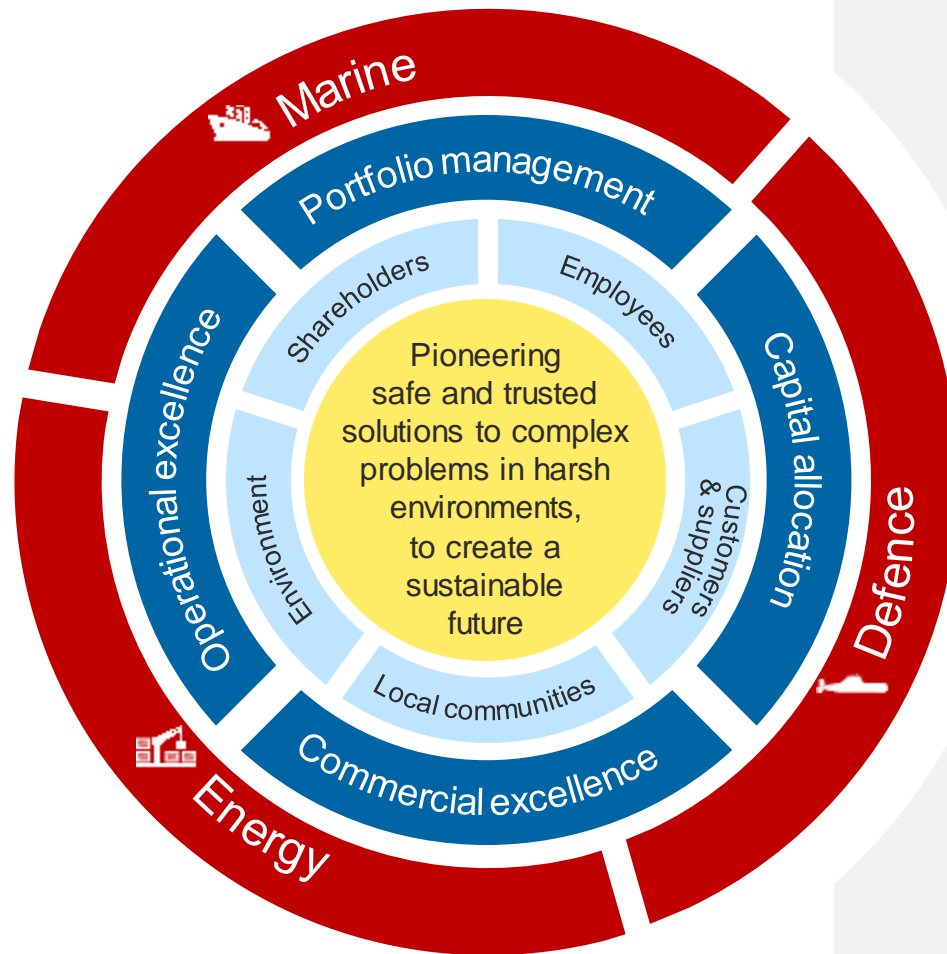
**C**

## Sustained profitability

- ▶ Synergies, new operational model and revised asset profile enables the return to profitability and sustained returns
- ▶ Focusing into profitable niche segments
- ▶ Smarter use of existing capabilities



# JFMC focus areas



Offshore wind – leadership in attractive niches

Offshore wind – geographic expansion

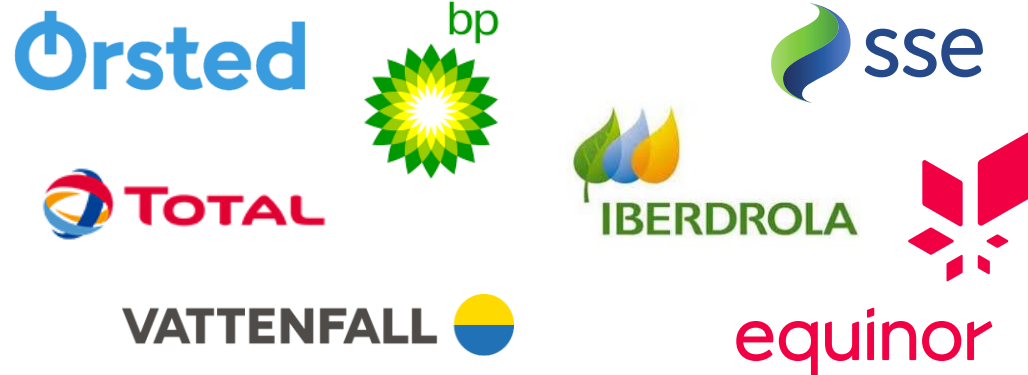
Oil and gas recovery





# Offshore wind leadership in attractive niches

As the market matures, customers want to have a scalable, credible counterparty



Ambition

Build on leadership in unexploded ordnance, blade repair and high voltage management to increase presence in attractive niches

Action

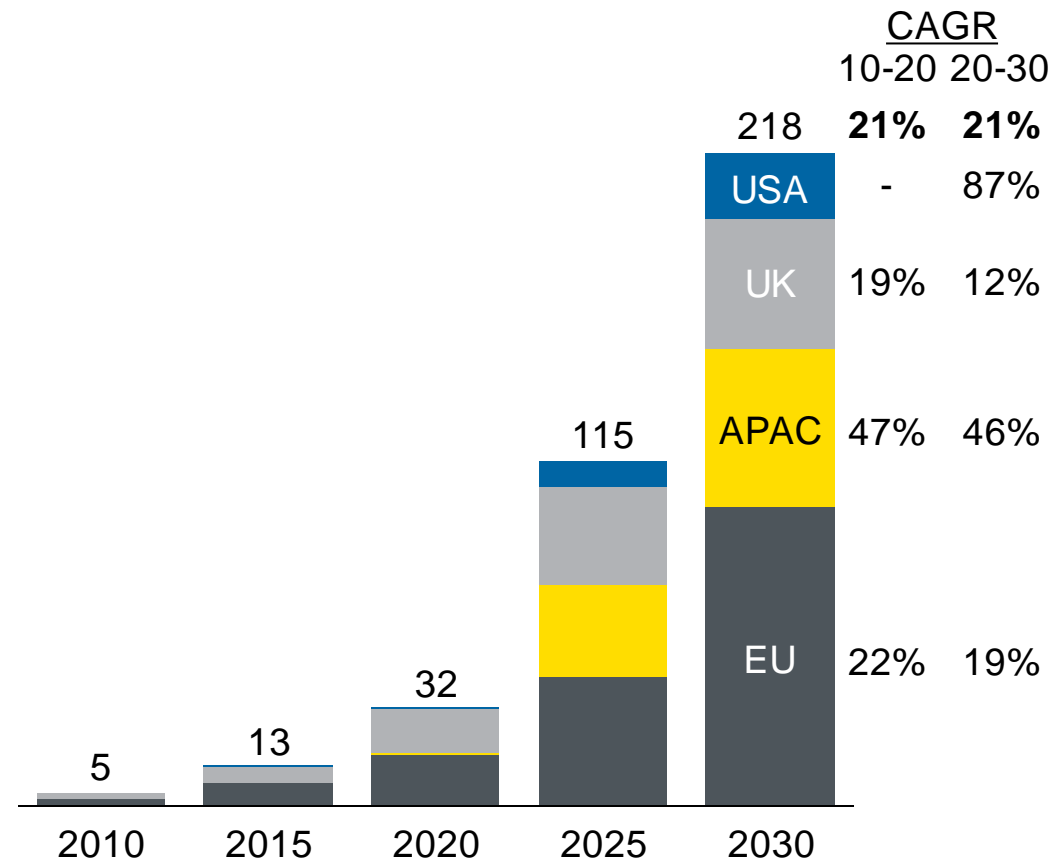
Optimise current activities and add further adjacent capabilities that strengthen market position





# Offshore wind – Geographic expansion

**Offshore wind generation capacity expected to grow at 21% CAGR to 2030**



Ambition

To build a global presence that capitalises on offshore wind market growth

Action

Establishing regional presence in Taiwan, wider NE Asia and USA to complement the established North Sea presence

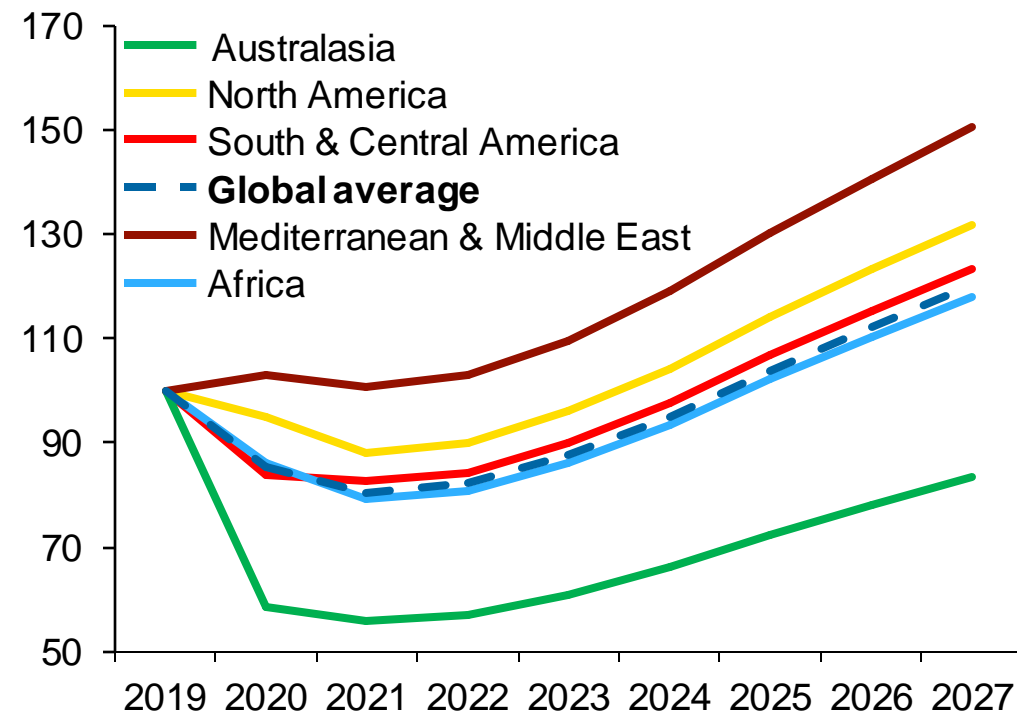
Note: Includes sites which have passed financial investment decision milestones. Excludes China  
Source: 4C Offshore

# Oil and gas recovery and growth potential – Brazil, Africa & Middle East



## Oil and gas subsea market growth begins to recover from 2021

**Oil & Gas subsea market growth**  
Indexed at 100 in 2019



Source: Strategic Offshore Research, 2021

**Ambition** Take advantage of steady oil and gas recovery in key regions

**Action** Benefit from global presence to provide our specialist high-margin capabilities locally



# The recovery is underway

**Contract wins so far in 2021**  
totaling **£64m** to date\*  
plus a pipeline with  
potential value of  
**£240m**

**Compared with 2020**  
**same period: +110% on**  
**contract wins**

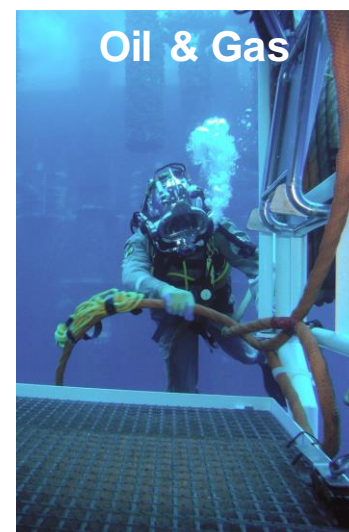
Note: (\*) Include multi-year contracts



Offshore Wind

Orsted ICCP  
RTE Fecamp  
Iberdrola St Briec  
Iberdrola Baltic Eagle  
Other HV/Blade maintenance

**Total £24m**



Oil & Gas

Swordfish contracts for ME  
Paladin contracts for WA  
Air Dive Services in ME & WA  
Shell North Sea  
Others

**Total £40m**

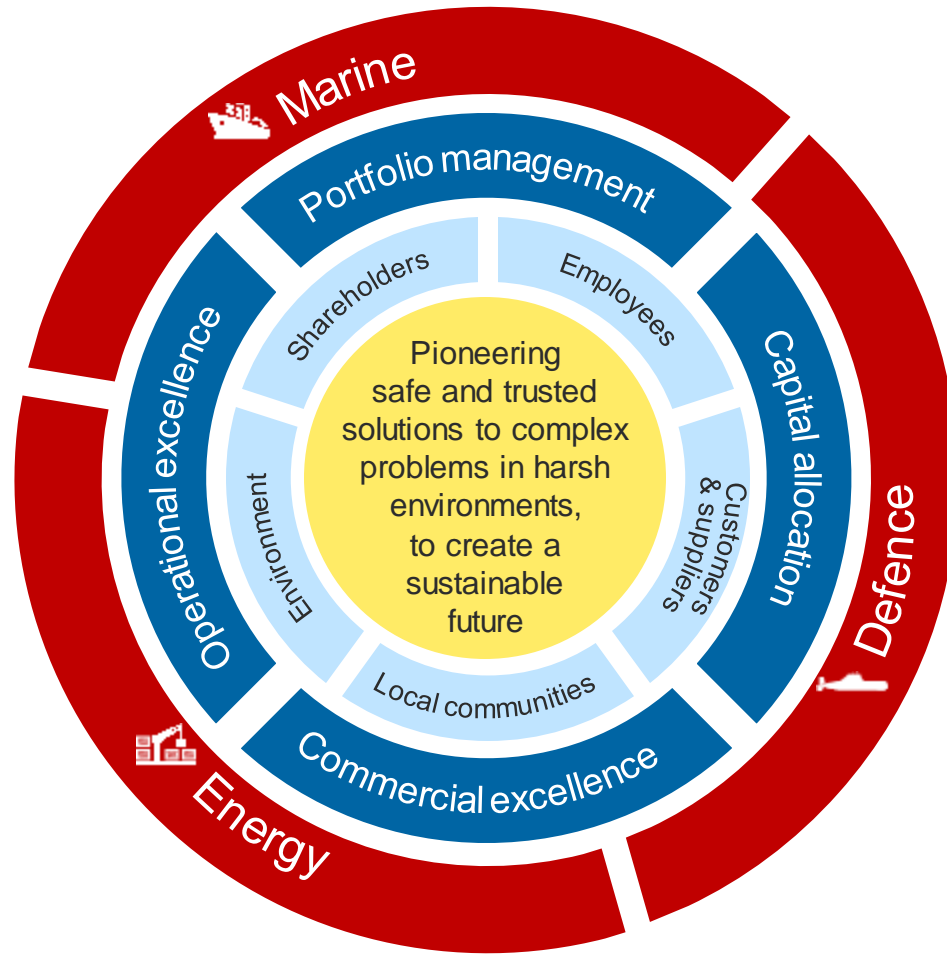


# JF Marine Contracting Summary

- 1 Complementary businesses providing engineering and operational execution in global energy transition markets
- 2 Asset-light strategy to deliver sustainable profits and ROCE
- 3 Focused on high-margin, defensible niches where our capabilities are differentiated
- 4 Exciting growth potential as offshore wind market globalises



# Introducing Robin Stopford and New Businesses



# Video



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# New Businesses: Robin Stopford

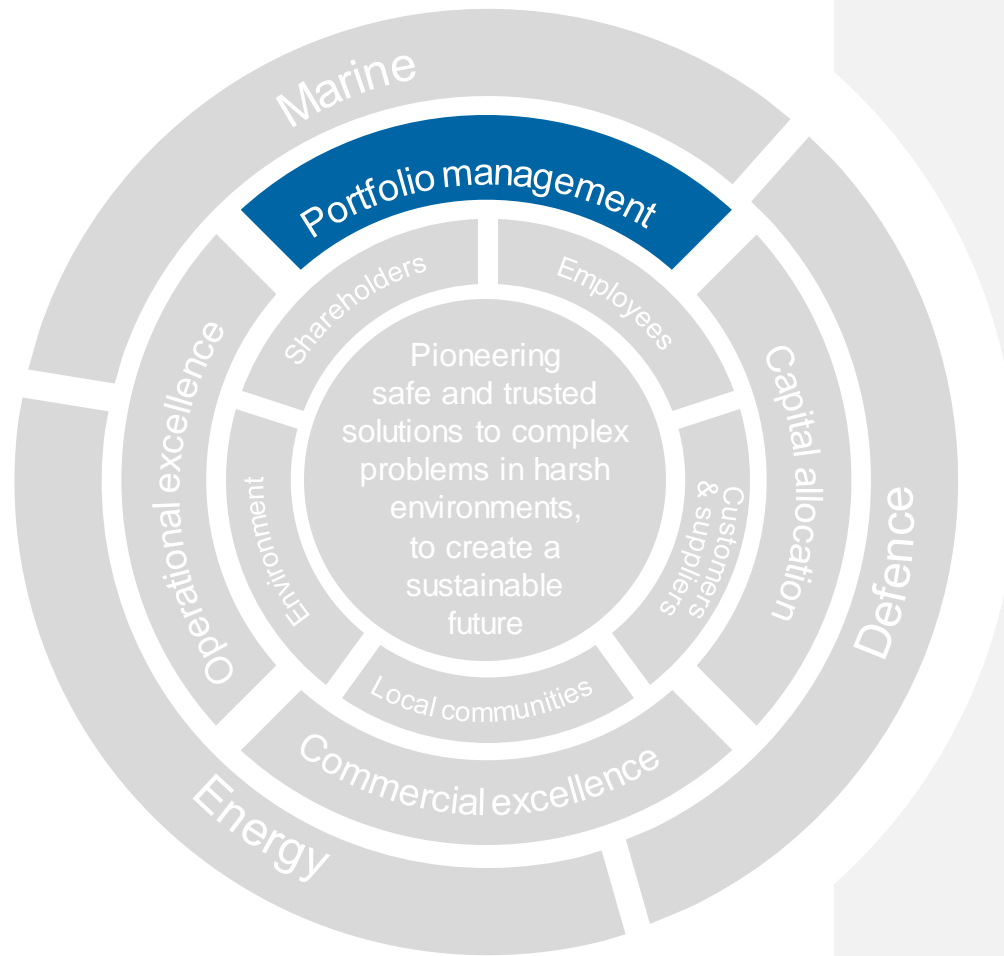
Capital Markets Event

*29<sup>th</sup> June 2021*





# Recap: Portfolio management is a critical process in our strategy



- ▶ Actively manage portfolio
- ▶ Reduce debt and **balance capital allocation**
- ▶ Improve and scale **commercial and contracting** capabilities
- ▶ Drive **world-class safety, risk and project management** culture to deliver operational excellence
- ▶ Accelerate investment in **responsible energy transition**

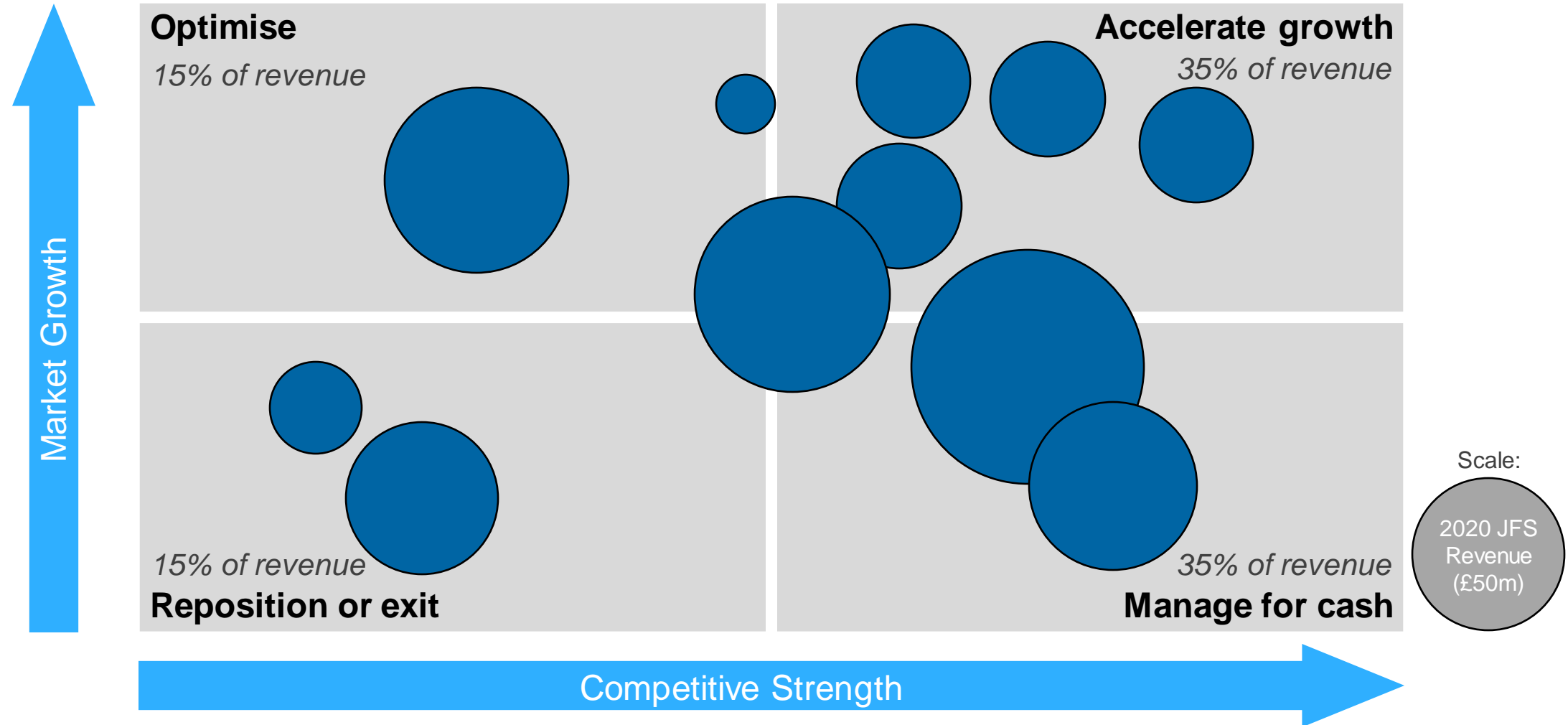


# New Business highlights

- 1 Re-invigorating profitable top line growth across the group is an imperative
- 2 The greatest opportunities lie in energy transition and geographic expansion, with sustainability and technology creating longer-term potential
- 3 We are applying 'growth pipeline' thinking to prioritise, coordinate and manage capital allocation for these opportunities
- 4 Achieving this will require a combination of organic investment, M&A and partnering



# In parallel with driving performance, ~50% of the group is positioned for growth





# Growth opportunities have consistent themes across the group



## Energy transition



- Low carbon shipping
- Offshore decommissioning
- Offshore wind
- LNG ship-to-ship transfer

## Geographic expansion



- US
- Brazil
- Africa
- Taiwan
- ASEAN

## Sustainable resources



- Oxygenation for aquaculture
- Flare gas reduction
- Waste management

## Technology innovation



- IP-backed innovation
- Digitalisation of offshore services
- Remote and autonomous subsea operations

 Opportunities discussed in more detail

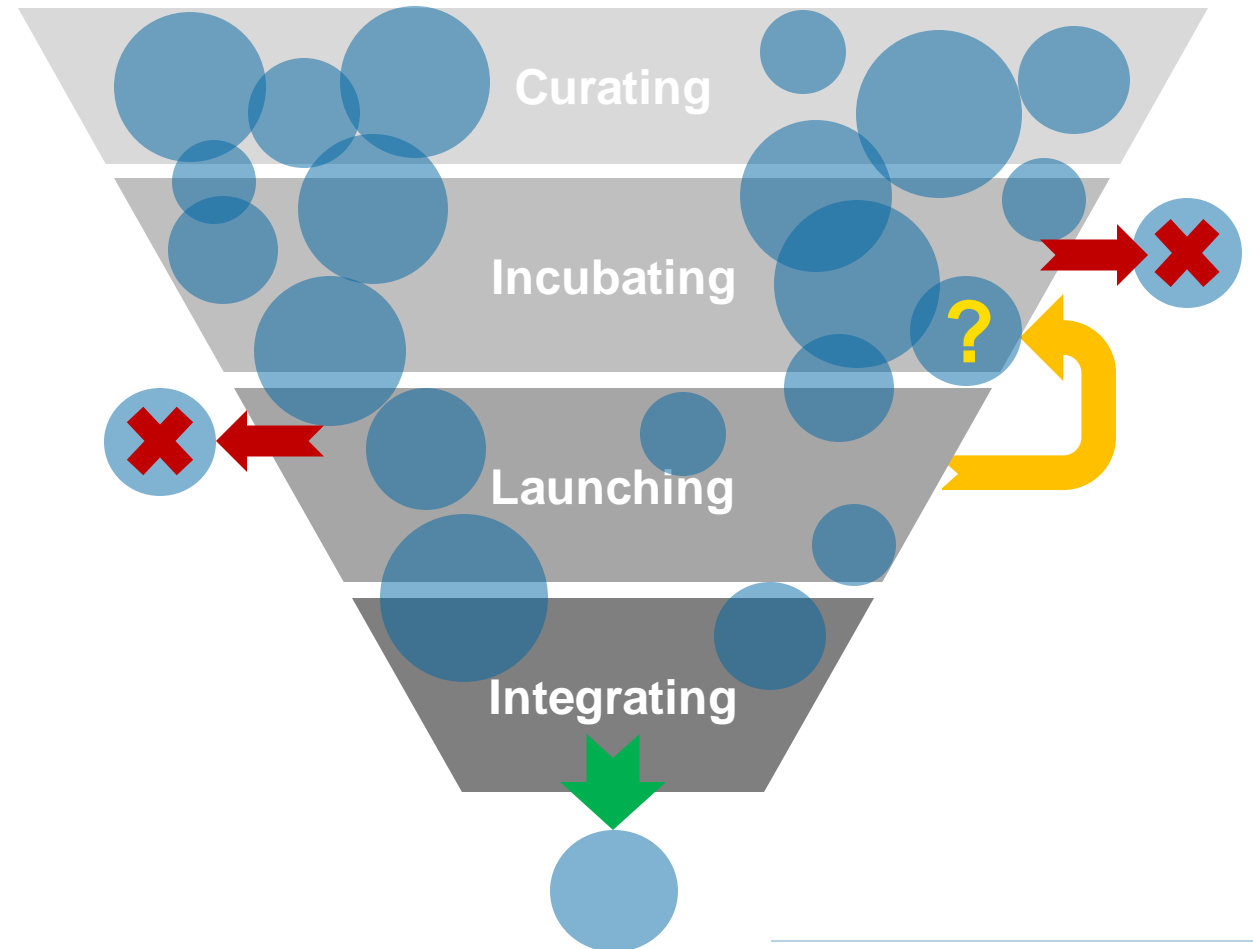


# Energising our growth pipeline and applying a consistent appraisal approach



- ▶ Curating significant number of growth ideas across the group: incubating many of these centrally (scale or multi-OpCo driven)
- ▶ Prioritising towards the “vital few” projects supporting strategic direction
- ▶ Creating pipeline for future capex, M&A and partnerships for implementation
- ▶ Providing best possible information for effective capital allocation

## Growth Pipeline Process



# Big Bubble Curtain

## Exploit global leadership



### Description

- Noise attenuation solution for piling and UXO disposal protecting marine life
- Mandated in most markets (except UK)
- Scantech Offshore and partners provide complete solution
- Revenue: 40% CAGR to £6m in 2021



Strategic Fit

Sustainable environmental solution for the marine and energy markets

Market Size & Growth

Currently small, but high growth end market

Competitive Strength

Market leader through providing combination of Big Bubble Curtain, compressors and expertise

Sustained Profitability

Service model supported by investment in cutting-edge electric compressors

# Offshore Decommissioning

## Gaining traction at scale



### Description

- Existing foothold in well severance, structure and associated infrastructure removal
- Investment in Subsea Engenuity gives new technology for complex well abandonment
- Projects include Brent in North Sea, Petronas in Malaysia, Chevron in Thailand
- Revenue >200% to £13m+ in 2021



DEEPOCEAN



Strategic Fit

Energy transition in the marine sector

Market Size & Growth

Accelerating government-led global need: US\$85b will be spent in next decade

Competitive Strength

IP-backed technology  
Agile and flexible approach to solving challenging situations

Sustained Profitability

Largely service business, focused on high-end expertise

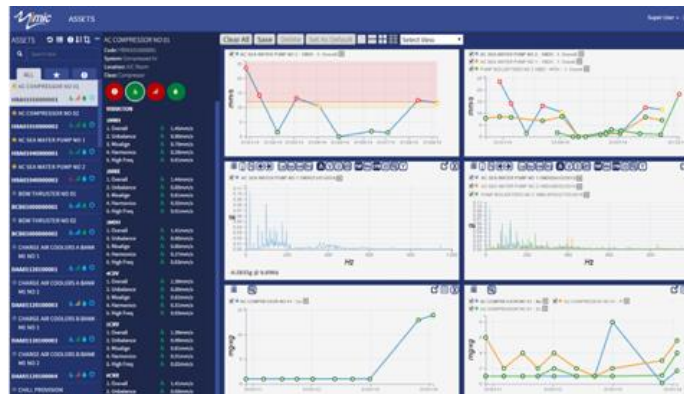
# Examples of select early-stage opportunities

## Flare gas reduction



- Integrates existing technologies to reduce flare gas emissions
- Aligned to the 'Zero Routine Flaring by 2030' initiative
- Uses flare gas to generate power, to enhance hydrocarbon recovery or to convert to liquid fuels
- Experts in delivery of technology in hard to reach parts of the world

## Digital Twin solutions



- Customer demand for improved asset management tools, especially offshore
- Powerful component of Digital Twin methodology allowing for remote management
- Partner where appropriate to provide broader solution comprised of best in class
- Already strengthening order book

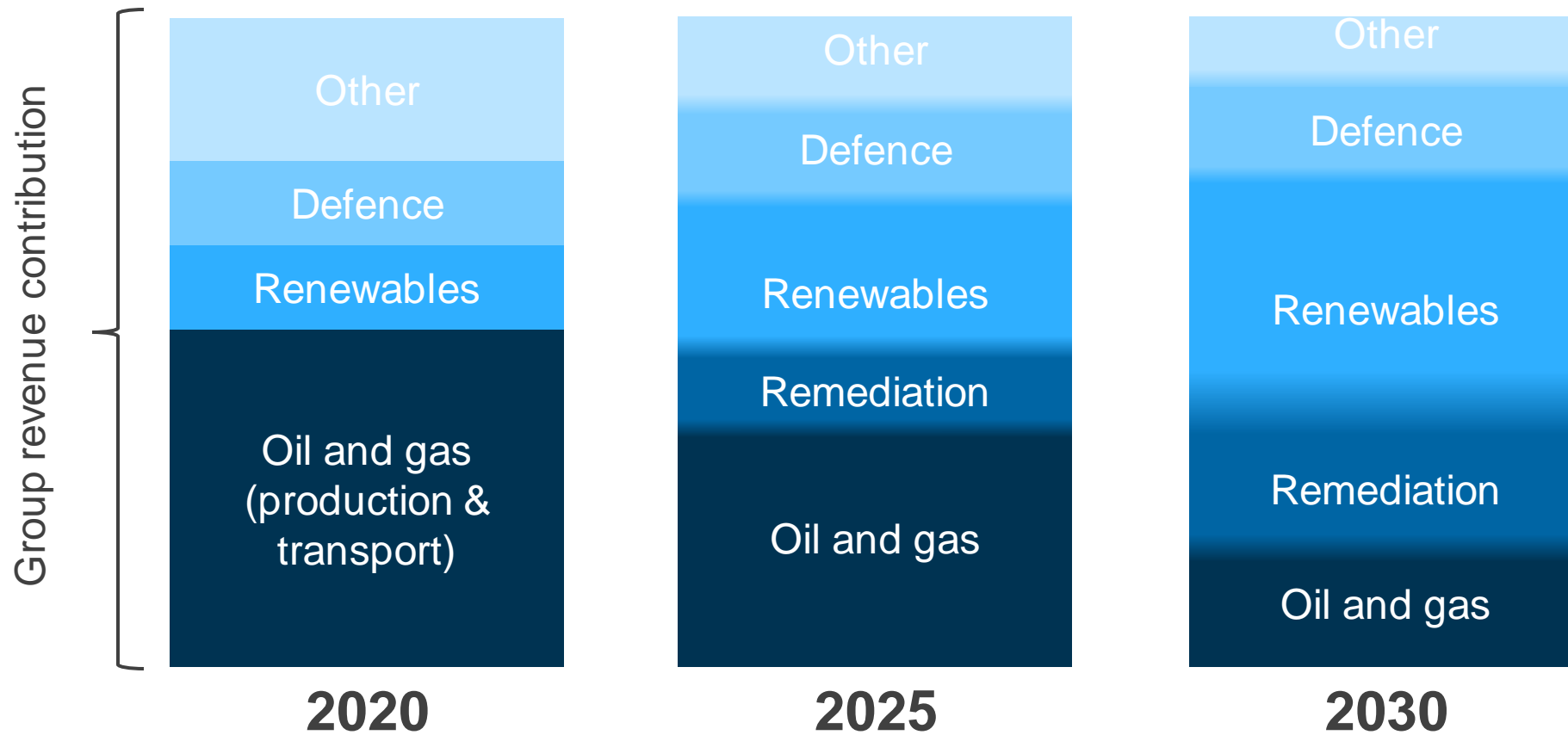
## Oxygenation for aquaculture



- Novel oxygenation system which reduces oxygen use and saves costs
- Accelerates fish growth, reduces lice and minimizes waste
- Initial focus on the Norwegian salmon market
- First sales in May 2021, with strong pipeline of future customers



# These projects are significant for remediation and renewables growth

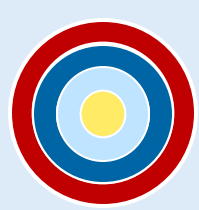


Note: Digital is across multiple sectors

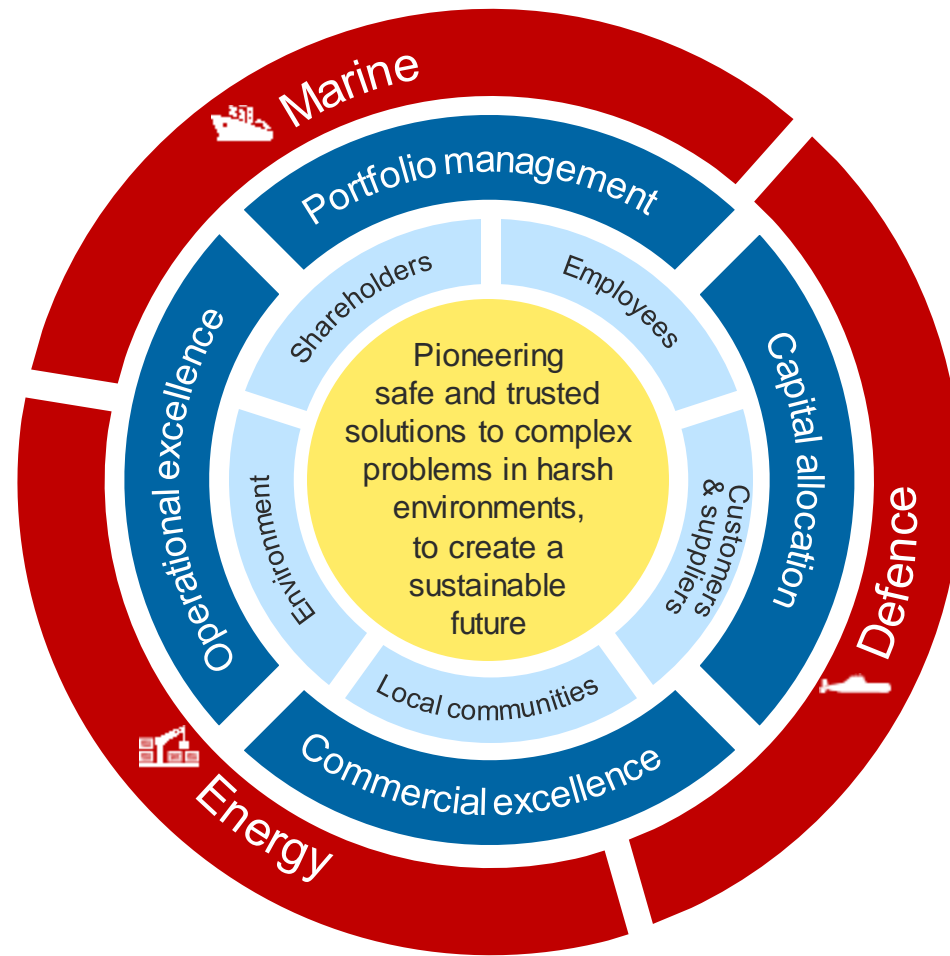


# New Business Summary

- 1 Re-invigorating profitable top line growth
- 2 Large customer-driven adjacent opportunities
- 3 Using a structured 'growth pipeline' process
- 4 Significant potential to transform the group



# Introducing Duncan Kennedy to describe our approach to capital allocation



James Fisher and Sons plc  
Marine Services Worldwide



# Capital Allocation: Duncan Kennedy

Capital Markets Event

*29<sup>th</sup> June 2021*



# Duncan Kennedy, CFO

## Background

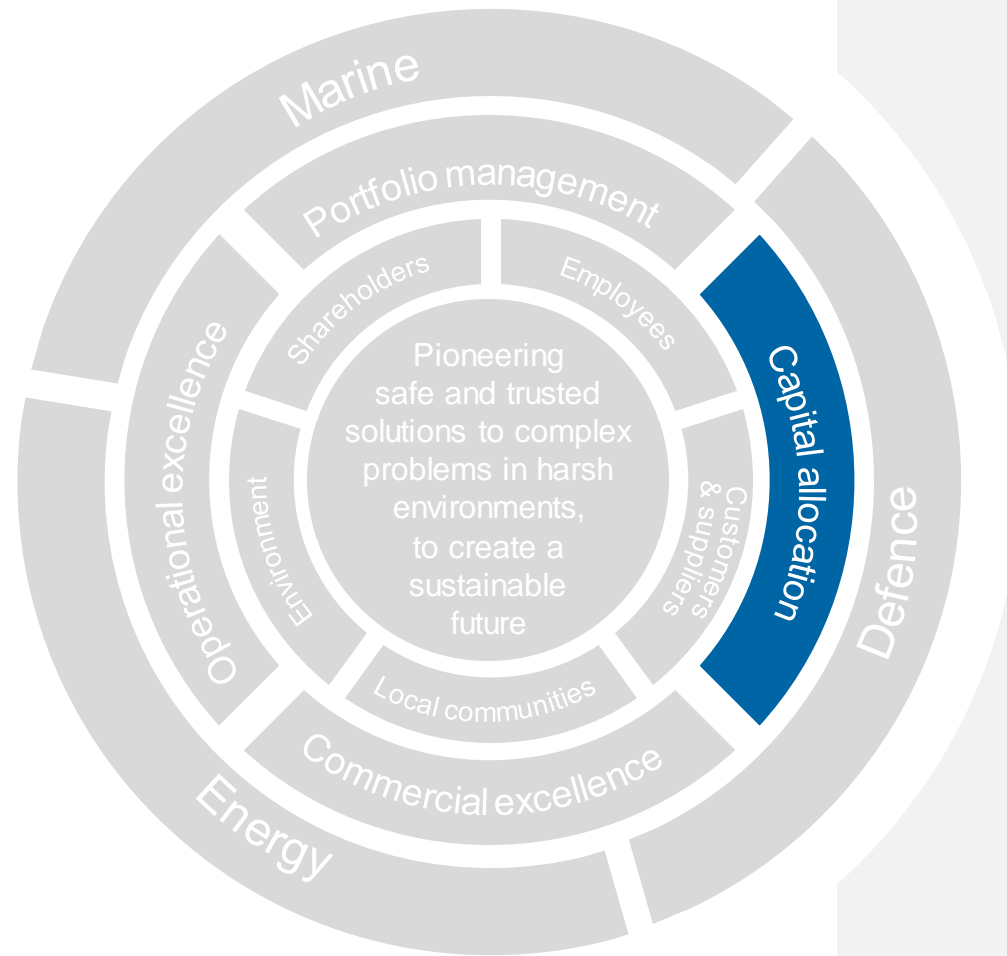
- ▶ **BTG plc:** Group FC, Divisional FD, Divisional MD, CFO
- ▶ **Wembley plc:** Group reporting roles
- ▶ **Arthur Andersen:** Audit, ACA
- ▶ **Durham University:** BSc Mathematics

## First impressions

- ▶ **Proud, focused, resilient and welcoming** workforce
- ▶ **Key governance frameworks in place;** commitment to continuous improvement
- ▶ Continued market disruption as **Covid-19 affects global trading**
- ▶ **Exciting opportunity** at the heart of the energy transition



# Recap: Capital allocation is a critical process in our strategy



- ▶ Actively manage portfolio
- ▶ Reduce debt and balance capital allocation
- ▶ Improve and scale commercial and contracting capabilities
- ▶ Drive world-class safety, risk and project management culture to deliver operational excellence
- ▶ Accelerate investment in responsible energy transition



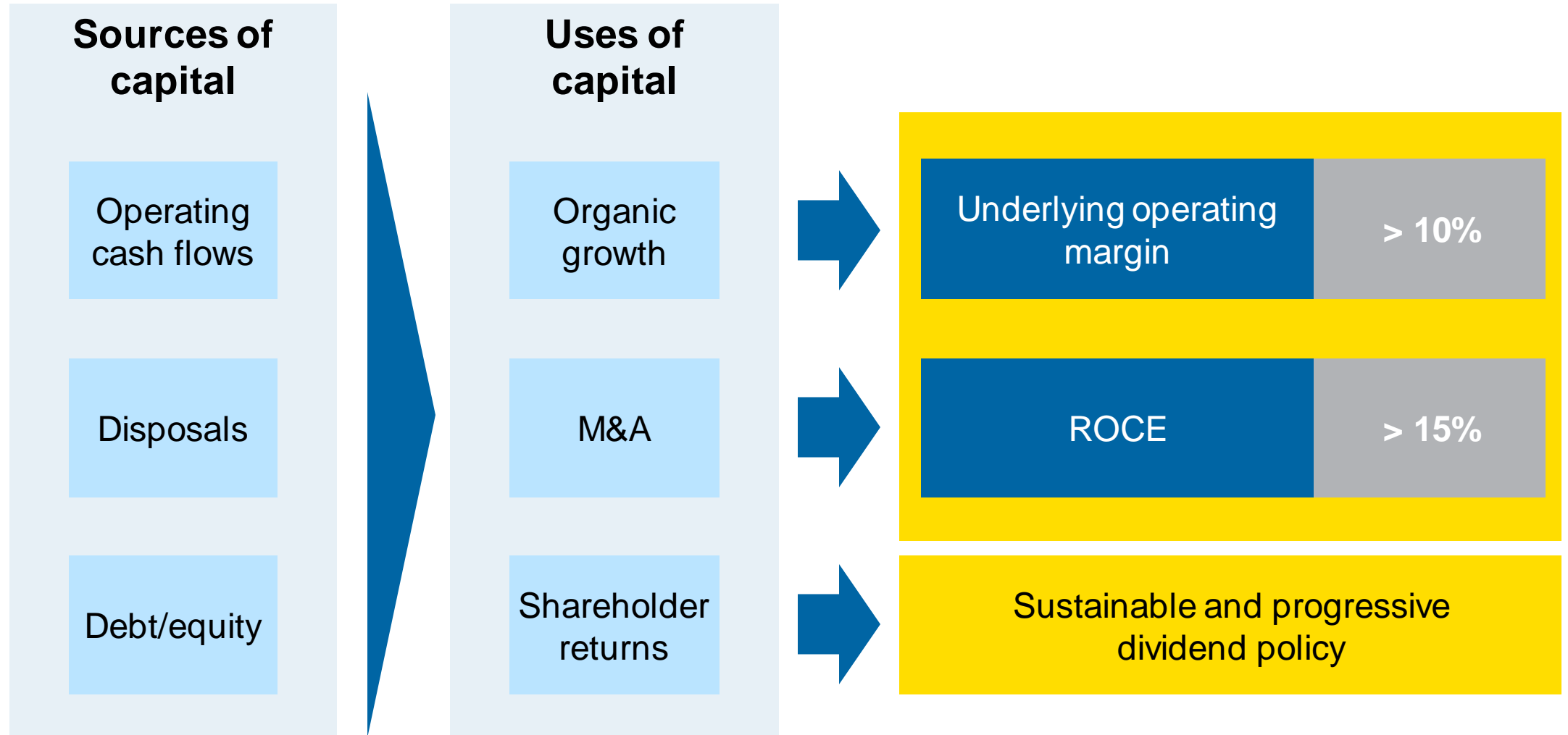
# Capital Allocation Priorities

- 1** Driving sustainable, profitable growth:
  - delivering >10% OP and >15% ROCE
- 2** Reducing leverage:
  - increasing profits and taking positive actions to generate cash
- 3** Reinstate progressive, sustainable dividend:
  - at the right time, balancing leverage, growth and returns
- 4** Deploy capital to improve our environmental impact:
  - opportunities in environmental remediation and renewables



# Our financial framework:

## Targeting operating margins > 10% and ROCE > 15%







# Our capital allocation strategy

## Sources of capital

### Operating cash flows:

- ▶ +ve business momentum
- ▶ Working capital discipline

### Disposals:

- ▶ Non-core businesses
- ▶ Asset monetisation

### Debt/equity:

- ▶ Focus on reducing leverage
- ▶ Target 1.0 – 2.0X EBITDA

## Uses of capital

### Organic growth:

- ▶ Products, services, geographies
- ▶ Growth capex subject to ROCE targets

### M&A:

- ▶ Sustainable growth opportunities
- ▶ Adjacencies to current portfolio

### Shareholder returns:

- ▶ Progressive, sustainable dividend policy reinstated at the right time



# Using capital allocation to improve our environmental impact



## Oil and gas

- ▶ Responsible owners
- ▶ Stable, cash generative businesses
- ▶ Continue to fund and improve



## Environmental remediation

Existing capabilities already being deployed



## Renewable energy

Offshore wind farms



## New businesses

Aquaculture, noise attenuation, flare gas reduction

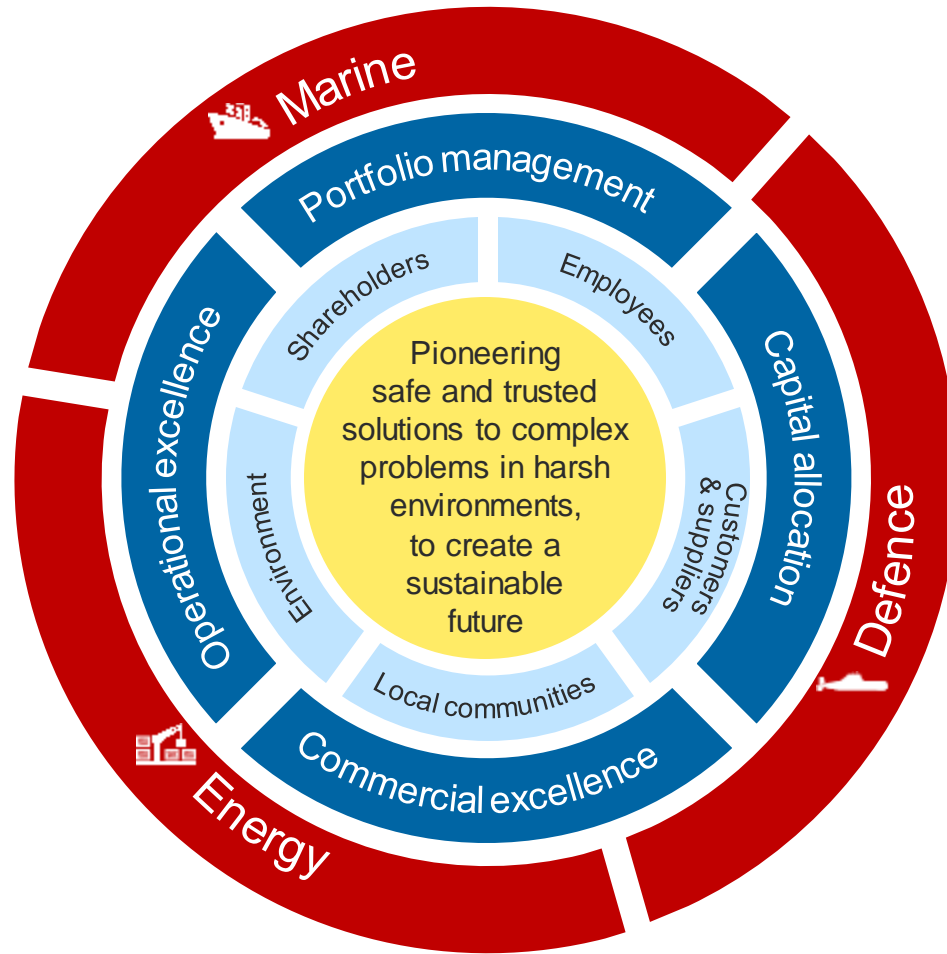




# Capital Allocation Summary

- 1 Driving sustainable, profitable growth
- 2 Reducing leverage
- 3 Reinststate progressive, sustainable dividend
- 4 Deploy capital to improve our environmental impact

# Returning to Eoghan O'Lionaird for closing remarks and Q&A





# Closing: Eoghan O'Lionaird

Capital Markets Event

*29<sup>th</sup> June 2021*



# Strategy for sustainable profitable growth

Embarked on purpose-led and values-driven journey

Bringing stakeholders into the heart of the company

Upgrading leadership talent

Driving better governance with divisional structure

Deploying Lean principles to deliver operational excellence and underpin growth and margin expansion

Embedding new capital allocation process and risk management culture

Refocusing the portfolio on niche segments, 'fix or exit' underperforming assets and businesses

Accelerating investments in responsible energy transition



**Reset**  
(2020-21)

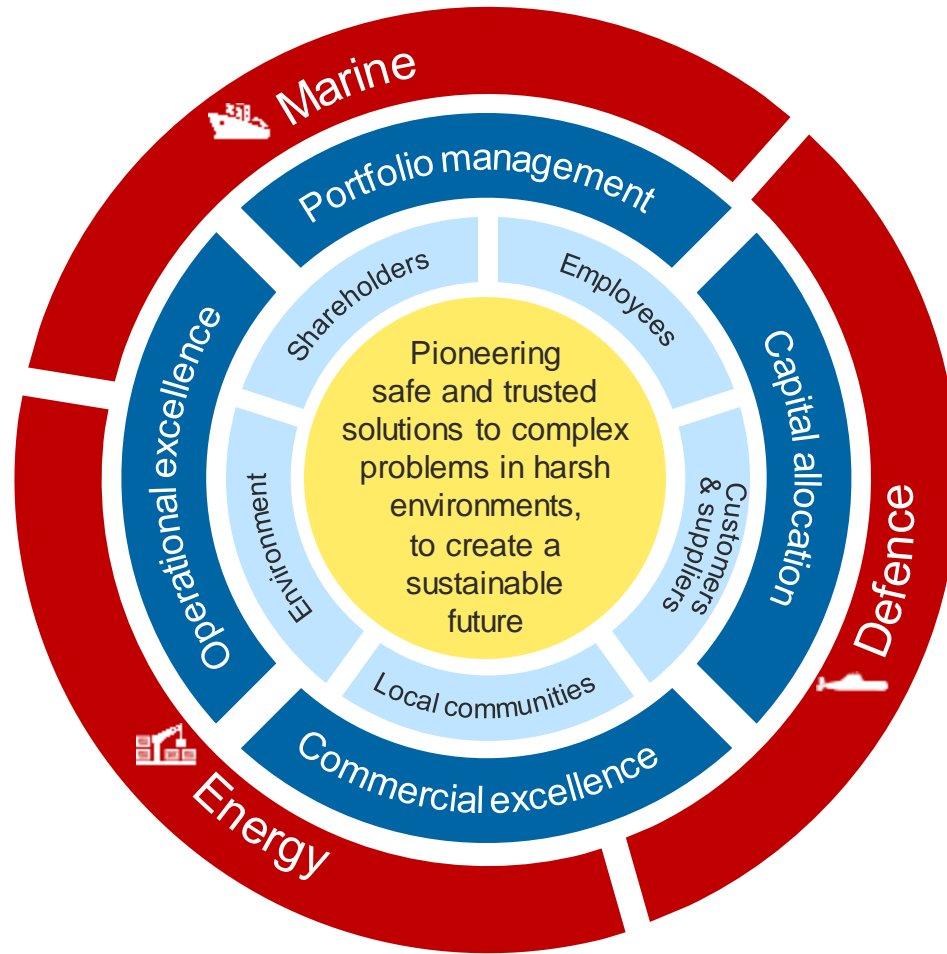
*Define purpose &  
valued behaviours  
Focus on critical and  
urgent*

**Reinforce**  
(2021-23)

*Fix portfolio  
Accelerate operational  
performance  
Invest in energy transition*

**Realise**  
(2023-25)

*Top quartile sustainable  
profitable growth*

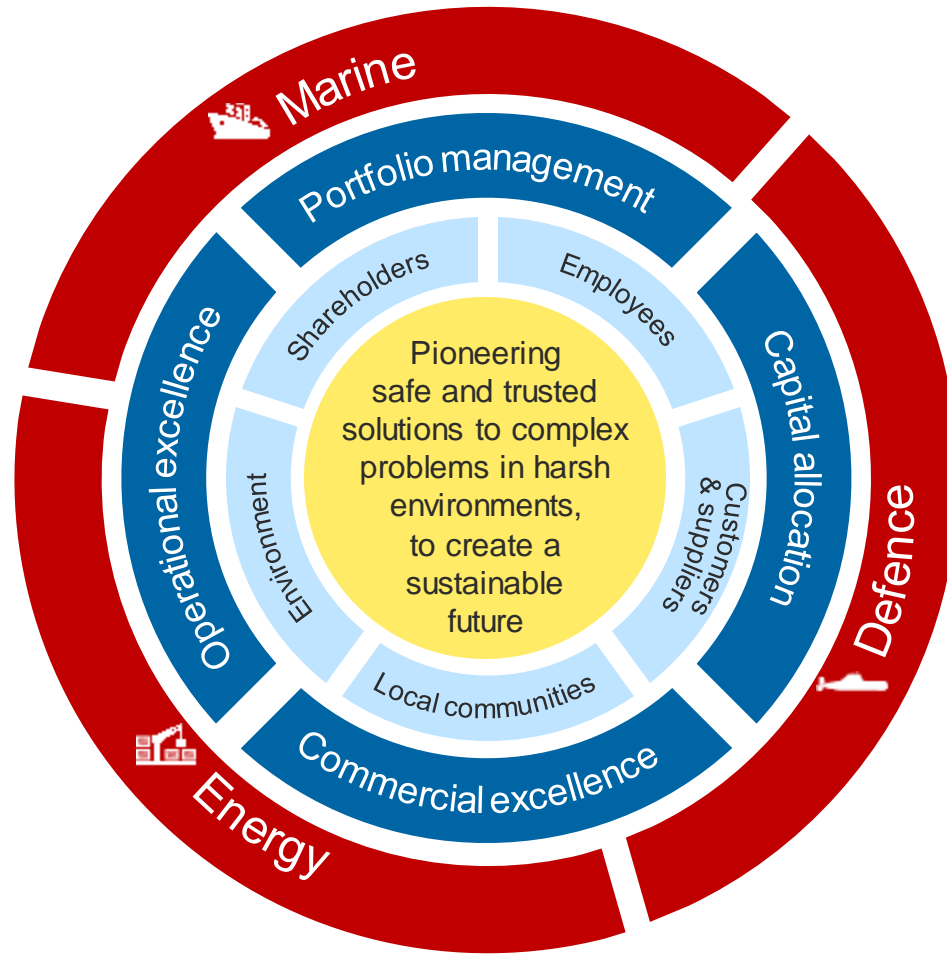


## James Fisher and Sons plc

Pioneering Sustainably







# Closing Q & A

# James Fisher and Sons plc

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Pioneering Sustainably

