Simply Blue Energy

DeepWind Industry Presentation

May 2021

Project Salamander Introduction

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Agenda

- Introduction to Salamander
- Introduction to the Technology
- Our Supply Chain Engagement

Project Introduction

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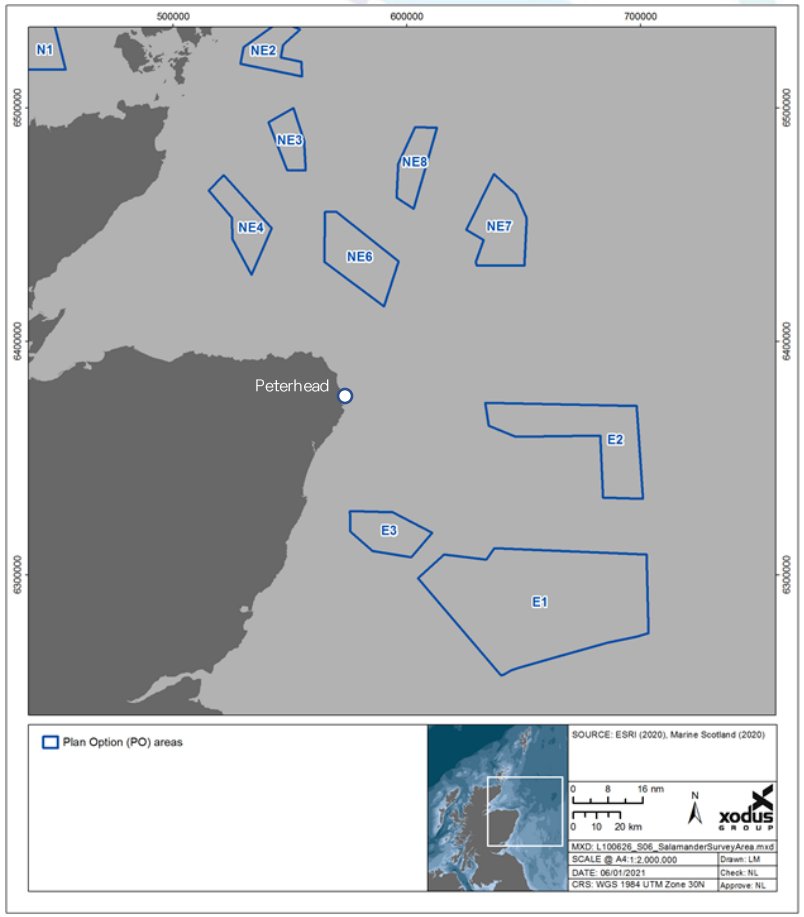
Project Salamander

THE OVERVIEW

+ A 200MW pre-commercial '***stepping-stone***' offshore floating wind project in Scottish waters
+ Site 35km to the East of Peterhead
    + Leasing outside of the ScotWind process
+ Developed by Simply Blue Energy Ltd. in partnership with Subsea 7 (and Xodus Group)
+ Project objectives focused on helping to achieve targets set by UK and & Scottish Government
+ Novel floating foundation technology targeted at local content for Scotland and wider UK
+ Exploring all our potential routes to market
    + CfD and Grid Connection
    + Connection to large scale private customer
    + Hydrogen production



Project Salamander

THE VISION

- **We want the project to be a catalyst for the Scottish and wider UK supply chain to enable future floating offshore wind local content**
- Currently a substantial gap in the UK floating wind pipeline between pilot schemes and upcoming commercial scale projects
- A stepping stone project focuses on the reduction of new technology risks, achieve cost reductions and push the local supply chain forward
- 'Stepping-stone' projects are essential to quantify the risk for investment and grow the UK supply chain to produce the necessary cost reductions
    - Previous projects have not yielded the supply chain benefits to the UK

Project Salamander & Government objectives

UK & Scottish Government policies

Net zero targets

- UK: net zero by 2050
- Scotland: net zero by 2045

Floating wind development

- UK: 1 GW by 2030

Offshore wind development

- UK: 40 GW by 2030
- Scotland: 11 GW by 2030

Supply Chain local content desire

- ScotWind 25% of local supply chain development statement
- 60 % of local supply chain content by 2030
- Scotland: **"Scottish supply chain must be fully prepared, with the capability and capacity required to deliver floating offshore wind at commercial scale "***

How SALAMANDER fits

20% of the UK floating wind target by 2030

Foundation pre-selected with very high potential for Scottish Content

Precommercial opportunity for supply chain to gear up

Decarbonisation through alternative routes to market

* Scottish Government Offshore wind policy statement

Our Supply Chain Approach

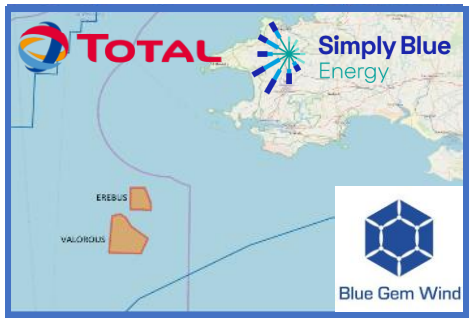
THE FUNDAMENTALS OF SALAMANDER

- The purpose of a 'stepping-stone' project is to act as a platform and catalyst for technology and supply chain development before fully commercial projects
- To achieve the full potential for local content within ScotWind projects, the supply chain must gear up now
  - The supply chain needs the pipeline to make these commitments
  - There must therefore be projects in the water pre-2030
- We are fully committed to our supply chain goals and are putting things in place now to help us succeed
  - Pre-selection of technology well suited to Scottish supply chain (more to follow)
  - Extensive and early engagement with the supply chain (why we are here today)
  - Early collaboration in the design process (opportunity for supply chain to help us optimise)

Salamander Partnership

A BLUE ECONOMY PROJECT DEVELOPER

+ A leading early stage developer of transformative and sustainable floating wind, wave energy and aquaculture projects in Ireland and the UK
+ Architects of the stepping stone concept for floating wind
+ Blue Gem Wind JV between SBE and Total developing two stepping stone projects in the Celtic Sea:
  + Erebus (96MW)
  + Valorous (300MW)
+ Emerald project portfolio in Ireland developed as a JV between Simply Blue Energy and Shell
  + Phase 1 (300MW)
  + Total final capacity (1GW)



LEADING EPCI CONTRACTOR IN OFFSHORE WIND

+ Subsea 7 is a global leader in the delivery of offshore projects and services for the evolving energy industry
+ Extensive track record in Scotland including Beatrice and Seagreen bottom fixed offshore wind projects

EXPERTS WITH ENERGY

+ Leading project development activities
+ Xodus Group is one of the world's leading offshore energy consultancies providing technical, environmental and engineering support to a wide range of clients within the oil and gas, offshore wind. Including being involved with Beatrice Offshore Wind Farm, Moray East and West and Hywind Scotland

Leasing Route & Routes to market

HOW WILL WE SECURE OUR LEASE

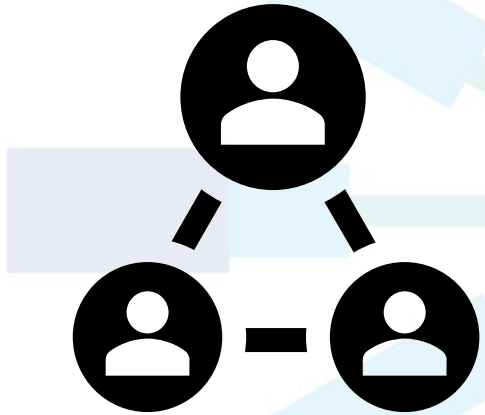
+ The project is leasing outside of the current ScotWind leasing process

+ As per the Scottish Governments Sectoral Marine Plan for Offshore Wind Energy Innovation decarbonisation projects are limited to:
    + 100MW for innovative projects
    + Larger than 100MW related to decarbonisation of the oil and gas sector

+ We are currently planning for a Marine Scotland and Crown Estate Scotland leasing process later this year
    + Subject to details to be announced by MS and CES

ALTERNATIVE ROUTES TO MARKET

- Project currently investigating different routes to market
- Production of hydrogen (offshore/onshore) could potentially be interesting given the location of the site and the proximity to St Fergus Gas terminal
- Project currently investigating different hydrogen production options as well as liaising with potential off takers



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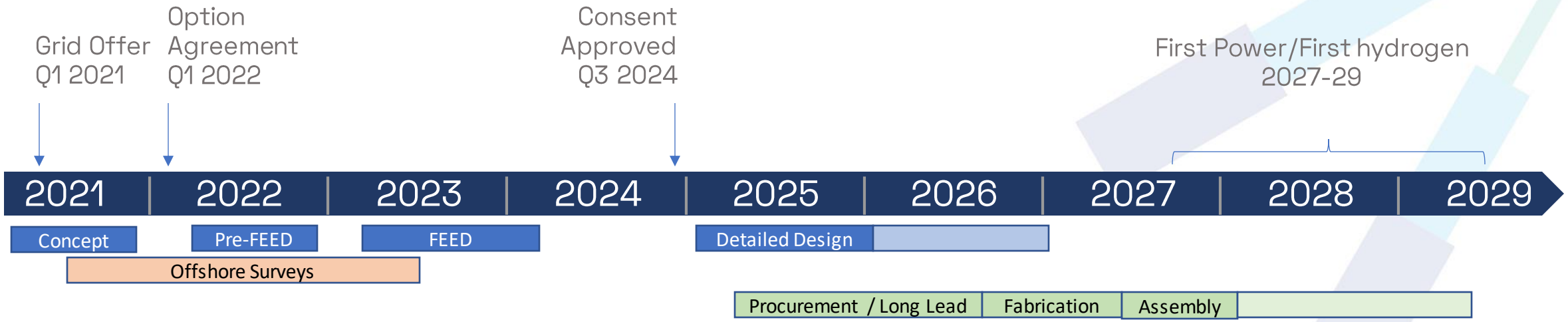
Project Timeline

- We are currently expecting to be able to secure an option agreement in Q1 2022
- Project planning will then progress to consenting with approval in Q3 2024
- One of the project routes to market includes connection to the national grid
  - If we choose to take this route to market our grid offer has connection in 2029
- The project is actively progressing with alternative routes to market
  - Should a grid connection not be necessary the project will look to accelerate timelines, with installation anytime after 2027 possible



Technology

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Technology Development

2005 | 2015 | 2027 | 2030+

PROTOTYPES

Project Goals

+ Technology demonstration

Hywind Demo
WindFloat 1
FloatGen
etc

DEMONSTRATOR PROJECTS

Project Goals

+ Technology demonstration with commercial scale turbines (and full project lifetime)
+ Reduce costs
+ Obtain project finance
+ Develop project commercial structures

Hywind Scotland

Kincardine

STEPPING-STONE PROJECTS

Project Goals

+ Develop local supply chain to maximise benefits of later projects
+ Refine project schedules
+ Optimise project commercial structures

SALAMANDER

FULL COMMERCIAL PROJECTS

Project Goals

+ Achieve commercial success for projects with financing options including limited or no subsides
+ Operate project through life

Emerging Foundation Concepts

- Newer / more novel floating foundation concepts are mostly targeted at industrialisation of fabrication / assembly

  KEY DESIGN THEMES
  - Manufacturability / Factory type fabrication
  - Installation practicalities

- Easier fabrication and assembly will reduce cost

- Modularity in fabrication and assembly makes these concepts more suited to high local content within Scotland

- These newer concepts are likely to be the cornerstones of future commercial deployment of floating wind

PROS

MASS MANUFACTURE

MAXIMISE LOCAL CONTENT

LONG TERM COMMERCIAL VIABILITY

EASE OF INSTALLATION

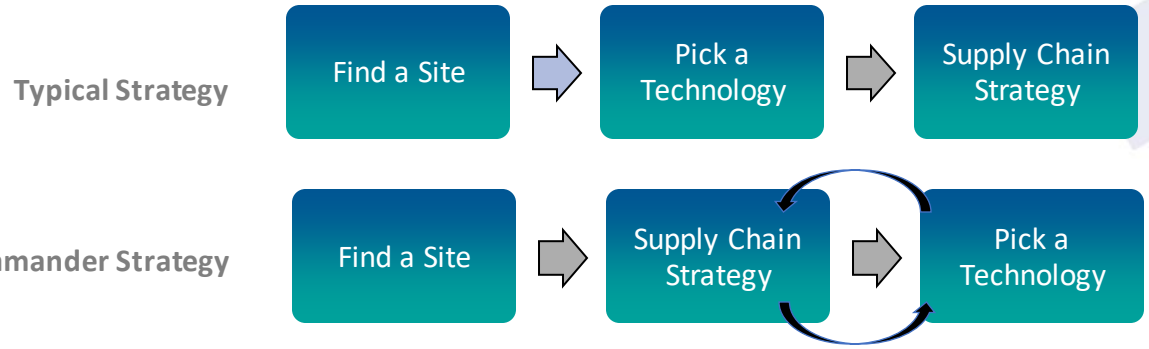
REDUCTION IN PROJECT COST

CONS

TRACK RECORD

Foundation technology in Salamander Project

- The purpose of a pre-liminary selection and communicating this to the market is so that we can more readiliy engage with suppliers
- Technology selection process turned on its head
- Initial high-level review of the Scottish and UK supply chain to determine capability to manufacture floating foundations
  - Highlighted the need for a highly modular design
  - Extensive experience of steel fabrication and assembly from shipbuilding, O&G and bottom-fixed renewables
- Given project timelines and project characteristics a semi-submersible was identified as the most preferable technology for the project
- Market review and qualification process undertaken with multiple concept designers
- Preliminary choice of foundation designer mainly influenced by potential for long-term benefit to the Scottish supply chain



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SALAMANDER

Our preliminary selection

RECHARGE
Global news and intelligence for the Energy Transition
News Analysis In-Depth Interviews Opinion Editions

Local hero: Chevron-backed floating wind platform 'could be made in Scotland'

Developer signs MoU with Ocergy over technology that is claimed to offer huge benefits to localisation effort

OE OFFSHORE ENGINEER
THE FUTURE OF OFFSHORE ENERGY & TECHNOLOGY.

Chevron, Moreld Invest in Floating Wind Tech Firm Ocergy

OE Staff • *April 14, 2021*

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US Oil Major Chevron Enters Offshore Wind Market

April 14, 2021, by Adrijana Buljan

U.S. oil major Chevron, together with Norwegian company Moreld Ocean Wind, is set to invest in offshore wind technology at Ocergy, a U.S. company developing a low-cost floating wind foundation and a multi-disciplinary environmental monitoring buoy.

reNEWS.BIZ
OFFSHORE WIND ONSHORE WIND SOLAR WAVE & TIDAL OTHER NEWS

Ocergy Inc.

- Concept publicly announced in April 2021
  - Funded by Moreld Ocean Wind and Chevron Technology Ventures
  - Prototype planned within the Mayflower project (US)
- Designed by the ex. Principle Power WindFloat inventors
- Industrialised steel semi-submersible concept
- Major innovations to:
  - Enable commercial deployment
    - Low weight
  - Increase local content
    - Modular, easy to fabricate – access of facilities not capable of full construction
  - Open up more port opportunities
    - Low draft requirement

+30%
Lighter structure

DOUBLES
Accessibility to Scottish ports

COMMERCIAL
scale fabrication processes

Our Supply Chain Engagement

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Why is Salamander different to previous offshore wind projects?

SALAMANDER PROJECT

- Early supply chain engagement in order to:
  - Understand capabilities very early on and ensure suitability
  - Develop a collaboration relationship with real input into the design and process development
- Preliminary selection of foundation technology early in project development process to help maximise Scottish content
  - Purpose to communicate with supply chain with realistic project details
  - Foundation selected with high potential for local content
  - Priority for Salamander to have assembly and integration within Scotland

Potential for high local content

PREVIOUS OFFSHORE WIND PROJECTS

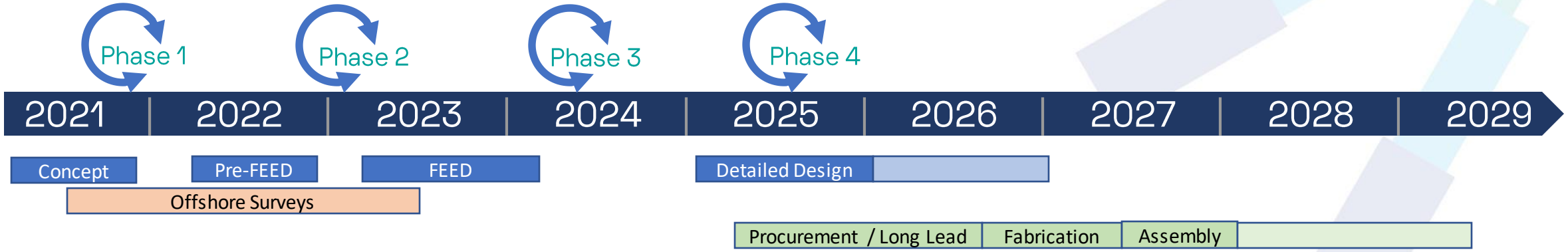
- Most projects only engage with the supply chain when they are close to FID – at this time design is finalised and there is very little room for change to suit local supply chain
- Often projects select a foundation without taking into account the capabilities of the supply chain

Low local content – most of the construction and assembly contracts carried out abroad

Engagement with the Supply Chain

THE PLAN

- We want to utilise the benefits of the current supply chain clusters (including DeepWind)
- We have planned phased approach to our engagement with the supply chain
- At each phase along the project development the project definition becomes clearer (after concept design, Pre-FEED, FEED etc)
  - This will allow us to share more information with the supply chain
  - But equally means that some options have been already ruled out
- In Phase 1 (Q2 2021) we plan to issue three separate RFIs to the UK supply chain to describe the projects likely requirements so that suppliers can engage more readily with the opportunity for them



Request for Information (Assembly/Marshalling)

MARSHALLING / ASSEMBLY

- One of the primary features of the OCG-Wind foundation is the ability to assemble the units in a timely fashion
- The project is aiming for assembly taking place in a Scottish port facility
- The RFI document details:
  - The assembly process
  - The size and mass of the components
  - Required equipment
  - Timelines for completion
  - Facility requirements (lay down areas, quayside draft etc)

Photo courtesy of Principle Power. Artist: DOCK90

Issued April 2021

Request for Information (Fabrication)

FOUNDATION FABRICATION

- The modularity of the foundation concept and clever process design allows for the fabrication of the foundation to be split amongst several facilities
- The project is aiming to maximise the fabrication scopes for Scotland and the UK
- The RFI document details:
  - The distributed fabrication process
  - The component design details
  - Fabrication requirements / standards
  - Timelines for completion

Issuing May 2021

Request for Information (Engineering Procurement)

OTHER ENGINEERING PROCUREMENT

- Outside of the big ticket items currently considered the engineering design will progress across a number of fronts in the coming year
- There are various other engineering aspects and services that the project will need to procure
- This will include:
  - Design services
  - Mooring / Anchor systems
  - Cabling
  - Onshore construction
  - Offshore services
  - Equipment
  - And many more

Issuing Summer 2021

To be issued by DeepWind to all FOW subgroup supply chain members

How you can engage with us

REGISTER AS A POTENTIAL SUPPLIER

+ Our primary mean of registering potential suppliers is through the database on our website **www.salamanderfloatingwind.com/contact/become-a-supplier/**

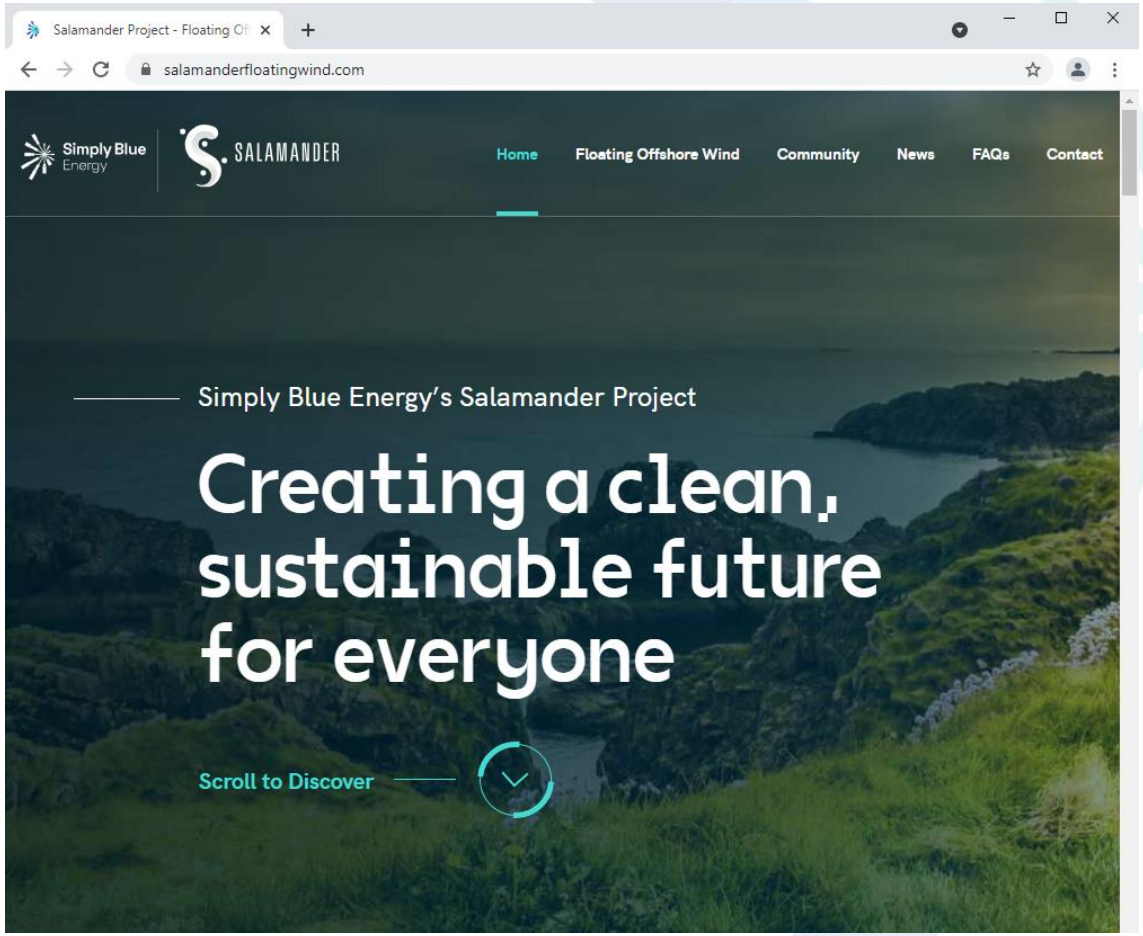
+ Please be as specific as possible about your capabilities and where it fits within the project

THROUGH DEEPWIND

+ Look out for updates, RFIs and other engagement distributed by DeepWind

DIRECTLY THROUGH EMAIL

+ salamanderwind@simplyblueenergy.com



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Questions / Enquiries

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