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EBM
OFFSHORE



MEASUREMENT OF FAIR VALUES

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Type	Level 2 and level 3 instruments		Level 3 instruments
	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial instrument measured at fair value			
Interest rate swaps	Income approach – Present value technique	Not applicable	Not applicable
Commodity contracts	Income approach – Present value technique	Not applicable	Not applicable
Forward currency contracts	Income approach – Present value technique	Not applicable	Not applicable
Financial instrument not measured at fair value			
Loans to joint ventures and associates	Income approach – Present value technique	<ul style="list-style-type: none"> • Forecast revenues • Risk-adjusted discount rate (5%-11%) 	The estimated fair value would increase (decrease) if: <ul style="list-style-type: none"> • the revenue was higher (lower) • the risk-adjusted discount rate was lower (higher)
Finance lease receivables	Income approach – Present value technique	<ul style="list-style-type: none"> • Forecast revenues • Risk-adjusted discount rate (4%-9%) 	The estimated fair value would increase (decrease) if: <ul style="list-style-type: none"> • the revenue was higher (lower) • the risk-adjusted discount rate was lower (higher)
Loans and borrowings	Income approach – Present value technique	Not applicable	Not applicable
Other long-term debt	Income approach – Present value technique	Not applicable	Not applicable