

Group Tax Strategy - Policy Statement

INTRODUCTION

The following Tax Strategy is published in compliance with the requirements of Part 2 Schedule 19 Finance Act 2016. This tax strategy, which sets out the KCA Deutag Group's (the Group) policy and approach to tax is reviewed annually and revised as appropriate to reflect any material changes in our business or applicable tax legislation. This document, last reviewed and approved by the Group's Board of Directors on 21 November 2024, applies to all group companies in the UK and overseas, for the accounting period ended 31 December 2024.

TAX STRATEGY

Our strategy is to ensure that we pay, in a timely manner, the appropriate amount of tax commensurate with the activities performed in each country where we operate. In applying the tax strategy, we undertake to fully comply with the applicable tax legislation utilising, where appropriate, any available legislative reliefs. Our tax strategy applies to all taxes and globally to all of the countries in which we operate.

TAX GOVERNANCE

Ultimate responsibility for managing the Group's tax risk and its tax affairs sits with the Group Chief Financial Officer (CFO) with day-to-day responsibility delegated to the Head of Tax and the Group tax function. All decisions are taken at the appropriate level in accordance with the Group Authority Matrix. To ensure that we fully understand our tax obligations and the impact on our business of any legislative change, advisory and technical support is provided by major accounting firms. The engagement of the Group's auditor for tax advice is prohibited.

TAX RISK MANAGEMENT

The Group operates a framework to manage tax risk which includes having a specialist team of inhouse tax professionals (Group Tax) supported by external advisers as necessary. There are regular governance meetings involving Group Tax and the business to identify, assess and monitor tax risk arising from business operations and Group Tax will provide advice and guidance necessary to ensure compliance. Any significant issues are reported to senior management who will inform the Board as necessary. The KCA Deutag Group Tax function reports annually to the KCA Deutag Audit Committee. The Group recognises that tax risks will

arise from time to time given the complexity and scale of our operations. Accordingly, a tax risk management framework is in place to manage and monitor tax risk. Where there is uncertainty as to the application or interpretation of tax law, appropriate written advice evidencing the facts, risks and conclusions may be taken from third party advisers to support the decision making process.

The Group's approach to tax is based on delivering value to our shareholders whilst aiming for certainty on the tax positions it adopts. Where tax law is unclear or subject to interpretation, professional advice or confirmation on the approach likely to be taken by tax authorities (including HMRC) will be sought, as appropriate, to ensure, so far as possible, that the outcome is in line with the tax position adopted by the Group.

TAX PLANNING AND BEHAVIOUR

The Group recognises that any tax planning activities must be conducted within its wider framework of corporate governance and in line with the Group's commercial objectives. Tax evasion or the facilitation of tax evasion, is not tolerated and there is a zero-tolerance policy to the facilitation of tax evasion by its representatives or associated persons. Any non-compliance would be dealt with in accordance with the Group's disciplinary policy. We have a confidential helpline in place for all our employees and contractors, to allow any concerns or instances of potential tax evasion to be reported in confidence.

DEALING WITH TAX AUTHORITIES

We aim to maintain a good working relationship with all tax authorities in the countries where we operate, including HMRC. We aim to deal with the tax authorities in a way that is based on trust, respect, and professionalism. We proactively engage, either directly or through our advisers, when required to ensure that our business and tax positions are well understood and that our tax positions are confirmed as quickly as possible. However, we recognise that there may be occasions where it is not possible to reconcile different points of view immediately. In these situations, we aim to work with the tax authorities in a proactive, transparent and co-operative manner in order to try to reach a swift resolution.

CONSISTENCY WITH GROUP STRATEGY

Tax decisions will be made in a manner which is consistent and compliant with the Group's overall strategy and core values. Business integrity is a key component of the Group's Excellence core value and helps to define how the Group expects each of its employees to behave in their dealings with internal and external stakeholders. The Group tax strategy fits within this framework and is a key component of the overall Group strategy.

UK CONTEXT

From a UK perspective, any dealings with HMRC will be conducted in accordance with the HMRC framework for Cooperative Compliance published in 2015. This Group Strategy aligns with that framework.



Neil Gilchrist

Chief Financial Officer

28 November 2024