



Weatherford International plc

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# **TAX STRATEGY PUBLIC STATEMENT**

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## 1 OVERVIEW

This document is the official **Tax Strategy Public Statement** of Weatherford International PLC and its global group of companies (“Weatherford” or “the Company”), and sets out the Company’s policy and approach to tax matters. Weatherford is committed to full compliance with the valid tax laws of all jurisdictions in which it operates and to accurately report tax results in the Company’s financial statements.

This document is approved by the Board of Directors of Weatherford and outlines the Company’s group tax strategy. This document will remain in effect until any amendments are approved. The document is publically available on the Company website under Corporate Governance, and will be updated as appropriate.

## 2 TAX RISK MANAGEMENT AND GOVERNANCE

Weatherford has developed and implemented a strong tax control framework covering the full tax operating cycle which includes tax planning, tax accounting, tax compliance and tax audits. This control framework creates discipline and consistency around tax processes worldwide, and ensures that our annual tax compliance obligations are met.

Weatherford believes that its finance organization is staffed with the right number and quality of personnel to operate the tax function of a complex multinational company with efficiency, accuracy, transparency and ethics. In addition, the Company has a matrix responsibility structure within the controllers and tax organizations which strengthens the internal controls over tax and enhances the effectiveness of the tax function.

The tax policies and procedures are overseen by the Company’s executive management and Audit Committee, a committee of the Board of Directors. The Company continues to review, update and draft financial policies and procedures in light of best practice in a changing tax environment.

The Chief Accounting Officer and the Vice President, Tax report quarterly to the Audit Committee on tax risks and exposures as well as provide a quarterly tax representation letter to the Chief Financial Officer. The above elements, taken together, ensure a sustainable best practice approach to tax risk management and governance for the Company.

## 3 APPROACH TO TAX PLANNING

Weatherford commits to paying the correct amount of tax due under the laws of the respective jurisdictions in which it operates. Weatherford only considers tax planning strategies that are in compliance with the law of the relevant jurisdictions and consistent with the Company’s approach to tax risk management. This approach includes considering any potential impact on Weatherford’s corporate reputation, relationship with tax authorities, as well as the legal and fiduciary duties of the Company’s Directors and employees. The Company does not enter into transactions that are knowingly contradictory to the intent of any legislation.

The Company has an established approval processes for any tax planning initiative and it is rigorously followed. Normally, Weatherford obtains advice from external advisors as part of the review process and will only proceed in cases where there is sufficient assurance that the plan is prudent and feasible from a business perspective and consistent with current law.

Where permitted under local practices, Weatherford usually seeks an advance ruling from a tax authority, confirming the tax treatment of the proposed transactions or course of action. As part of the Organisation for Economic Co-operation and Development’s (OECD) drive for greater tax transparency, such rulings will now often be part of an information exchange between tax authorities. The Company believes the certainty of treatment is important to ensure we are paying and reporting the correct amount of taxes.

To the extent jurisdictions offer tax incentives or reliefs under their domestic laws and these are consistent with Weatherford’s business operations, the Company may utilize such benefits. In all cases, Weatherford would not utilize incentives or reliefs if doing so is not supported by the law.

## 4 COMPANY CODE OF CONDUCT

Weatherford has a Code of Business Conduct (“Code”) that serves as the foundation for building an ethical and accountable workplace. Employment or business with Weatherford is subject to compliance with Weatherford’s Code. The Company’s Code applies to every director, officer, and employee globally in all business decisions and actions, including those related to tax. It also applies to third parties who work on the Company’s behalf. Weatherford is committed to enforcing the Code and holding the Company’s directors, officers, employees, and third parties working on its behalf accountable for compliance.

## 5 RELATIONSHIP WITH TAX AUTHORITIES

Weatherford strives for transparency and openness in its dealings with tax authorities which are at all times professional, courteous and timely. Weatherford believes such an approach is part of its tax compliance obligation and helps reduce misunderstandings and reduce the incidence of tax controversies. Some tax authorities (e.g. UK and Netherlands) actively seek this kind of real-time working and collaboration, which we fully support. To the extent there are disputed matters, Weatherford aims for an early resolution of those matters as it is in the interest of both the Company and the tax authorities to have certainty to the tax positions which impact our business operations.

Weatherford strongly believes that tax authorities need to also treat taxpayers fairly and in accordance with the established tax laws and norms of their country. When tax authorities take inappropriate positions, the Company will take all available steps to try to resolve the matter in accordance with the law. Weatherford makes its investment decisions based on the law, and it expects to follow the law and have the law be followed.

## 6 UK CONTEXT

This Tax Strategy Public Statement satisfies our obligations under section 161 and paragraph 19(2), Schedule 19 of Finance Act 2016. As of December 2020, our relationship with Her Majesty's Revenue & Customs (HMRC) and the approach to taxes in the United Kingdom is consistent with this Statement.