

McDermott International, Ltd – UK Tax Policy

This document sets out McDermott International, Ltd Group (The Group) Tax Policy for its UK Operations (“UK Tax Policy”), including its policy and approach to conducting its tax affairs and dealing with tax risk in relation to its UK Operations. McDermott International, Ltd conducts its UK Operations through a number of UK based companies. The UK companies are part of a Multi-National Enterprise (MNE) group. The MNE parent tax policy/strategy has been adopted by each of the UK companies. The UK Tax Policy is periodically reviewed by the Management of these companies in conjunction with the Group tax team. The UK Tax Policy is effective for the year ending 31 December 2023.

The Group’s vision is to maximize the potential of natural resources for its customers, and this is supported by five values – Integrity, One Team, Go Beyond, Commitment and Well-Being. “Integrity” requires a firm adherence to legal and ethical conduct. The Group’s Code of Business Conduct sets out in more detail the Groups’ commitment to integrity.

Our approach to our UK tax affairs is therefore built on a firm adherence to legal and ethical conduct.

We view tax compliance as a commitment to ensure that we account for the right amount of tax in the right place at the right time, while taking advantage of available reliefs. Being tax compliant is an integral part of our adherence to legal conduct as part of our value of Integrity. Similarly, the commitment to ethical conduct prescribes that through our policies, procedures, and awareness programs, we foster an environment where every employee is accountable to exercise due diligence to prevent, detect and report conduct that violates our Code of Business Conduct, applicable laws, or regulations and that we hold our business partners and vendors to this standard.

1. Tax Risk Management and Governance

We apply all diligent efforts to understand and interpret the law accurately and within legislative intents, including obtaining advice of external local professionals. Given tax legislation complexity there may be alternative interpretations and viewpoints as to its application. When such alternative interpretations are identified, we have a system and process to ensure any potential tax liabilities are clearly defined, categorized, and recorded in line with our Code of Business Conduct and internal controls. As part of this process, we will maintain the integrity of accounting records; document our compliance with laws, regulations, and corporate policies; and ensure such positions are regularly reviewed and adjusted as additional information and clarity is obtained. Tax controls are tested annually and results documented by the company’s internal auditors and signed off by Management

2. Attitude Towards UK Tax Planning

As a global company we operate in many taxing jurisdictions, each of which are complex and occasionally contradictory in cross border transactions. Diligent and thoughtful planning is required to help ensure the Company’s economic profits are subject to appropriate level of tax within the appropriate jurisdictions. We apply these principles utilizing advice and guidance of internal and external professional advisors to UK tax planning.

3. Level of Acceptance of UK Tax Risks

As with all business risks, we endeavor to limit tax risks associated with alternative interpretations of UK tax legislation. As discussed in point 2. above, the Company will make all diligent efforts to seek legislative clarity to reduce such risks.

4. Our Approach to Dealing with HMRC

HMRC openly displays a culture of taxpayer engagement and communication (which we strive to achieve) and we therefore have no hesitation to approach HMRC whenever required, be that to discuss potential tax risks or to seek clarification on the interpretation of tax law.

Communication with HMRC has and will continue to be conducted in a spirit of co-operation, transparency, and professionalism and we aim to always maintain a good working relationship with HMRC.

This UK tax strategy applies to all UK group companies and has been approved by the relevant Directors, in accordance with paragraph 22 of Schedule 19 to the Finance Act 2016.