

Dolphin Drilling Group - Tax Strategy and Principles

This statement sets out the policy / strategy applied by Dolphin Drilling AS (“DDAS”) and its subsidiaries (“the Group”) to comply with their tax obligations and manage tax risks.

References to “tax” are to obligations including income tax, corporation tax, value added tax, PAYE obligations, insurance premium tax, property taxes, stamp duty land tax, stamp duty reserve tax, petroleum revenue tax, customs duties and excise duties and any other such tax prescribed by a relevant Tax Authority.

The Group is committed to full compliance with all statutory obligations, including disclosure to all relevant tax authorities. The Group’s tax affairs are managed in a way which takes into account the Group’s wider reputation in line with our overall high standards of governance.

Approach to governance and tax planning

- The Board of Directors has delegated responsibility for tax to the CFO, who reports to the board on all material tax matters.
- The Group’s Tax Director has day to day responsibility for managing tax matters and tax risks for the Group. The Tax Director reports to the CFO.
- The group aims to observe all applicable laws, rules and regulations in meeting their tax compliance and reporting responsibilities.
- The appropriate management structures have been put in place to meet those obligations and ensure the group pay the right amount of tax.
- In meeting the group’s tax compliance requirements, the group applies professional care and judgement, including ensuring all decisions are taken at the relevant level and supported with documentation that evidences the judgements involved. Tax planning opportunities would only be considered where there is already a business purpose and would be evaluated within clear risk parameters.
- The group seeks to make use of appropriate reliefs and allowances where available, in accordance with the applicable legislation.

Approach to risk management

- The group recognise that there is risk caused by the interpretation of legislation and the volume and complexity of transactions within the group.
- The level of risk the Group accepts in relation to taxation is consistent with its objective of achieving certainty in the Group’s tax affairs and at all times complying with its regulatory and other obligations.
- The group aims to ensure that all personnel with tax responsibilities, or whose business activities are likely to have a significant tax impact, understand the significance and impact of any tax decisions they are taking.
- The tax accounting arrangements, controls and processes are maintained and managed by appropriately trained staff.
- The group consults a variety of external advisers to provide tax technical expertise to ensure compliance with reporting obligations where, based on an assessment of risk and complexity, a need for external support is identified.

Awareness of reputation and relations with tax authorities

- The group aims to work positively, pro-actively and transparently with tax authorities to create a positive constructive working environment, minimise disputes, achieve early agreement on issues when they arise and certainty, wherever possible.
- The group aims to disclose either in advance or through the return process any transactions or issues involving significant judgment in legislative interpretation.
- Where the group detects an error in submissions made to any tax authority, we will seek to disclose and rectify as soon as reasonably practical.

UK Tax Strategy obligations

The publication of this Tax Strategy is in fulfilment of the Group's obligation under paragraph 10 of Schedule 19 to the Finance Act 2016 where required. This tax strategy is reviewed by the Board of Directors on an annual basis. For these purposes the strategy applies to Dolphin Drilling Holdings Limited, Dolphin Drilling Midco Limited, Dolphin Drilling Fleetco Limited, Dolphin Drilling Offshore Limited and Dolphin Drilling Limited for the year ended 31 December 2022. References to "tax" are intended to encompass UK tax obligations including income tax, corporation tax, value added tax, PAYE obligations, diverted profits tax, insurance premium tax, annual tax on enveloped dwellings, stamp duty land tax, stamp duty reserve tax, petroleum revenue tax, customs duties and excise duties.

Document Updated 28 October 2022