



## APPROACH TO TAX

SLB (the "Company", "we", or "our") has a long-standing commitment to compliance and accountability and in line with our Code of Conduct, we are fully committed to comply with the laws and regulations of the countries where we operate. We expect this to be embodied in the mindset of all our employees. This mindset underpins the way we do business. We recognize that our stakeholders include our shareholders, employees, customers, the governments of the countries in which we operate, and the public. SLB's tax policies and strategy are specifically formulated to reflect this mindset.

As a multinational company, SLB conducts business in more than 100 jurisdictions. Our operations are organized to conduct business in these jurisdictions based on our business needs and in accordance with local regulations. We are committed to pay tax on a timely basis in accordance with the applicable legal requirements in the countries in which we operate, including taxes on business profits, withholding taxes, employment, property, and other indirect taxes such as VAT, sales, customs and excise taxes. We recognize the obligations of governments to protect a sustainable tax base and are committed to fully comply with the tax laws and compliance obligations of the countries in which we operate.

Our global tax policy is designed to ensure that we adopt clear and transparent compliance processes for all taxes applicable to our business in the countries in which we operate in a complete and timely manner. We believe in maintaining strong, cooperative, and respectful relationships with the tax authorities, based on transparency and mutual trust. At the same time, the Company has an obligation to efficiently manage its tax liabilities through technically defensible positions based on strong adherence to the tax laws and regulations in place.

### Tax Governance

The Company's Vice President of Tax has full ownership of our approach to tax and responsibility for its implementation.

The Vice President of Tax is responsible for ensuring that policies and procedures supporting our approach to tax are appropriately implemented, adequately maintained, and consistently applied by the Tax Department across the world. The Vice President of Tax also ensures that the Tax Department is properly staffed and that the tax team has the proper skills, experience, and resources.

The Vice President of Tax reports to the Chief Financial Officer, who is ultimately accountable to the Audit Committee of the Company's Board of Directors. The Audit Committee meets periodically with the Vice President of Tax to review the Company's tax strategy and policies.



The Company employs highly trained tax professionals located around the globe, supported by centralized compliance teams that are committed to ensuring compliance across the various jurisdictions in which we operate. The Tax Department has positions throughout the Company's various businesses/geographies. Tax professionals in the Company generally have a dual reporting line; they report directly to the financial manager/controller responsible for their business/geography and also maintain a functional reporting line within the Tax Department, with ultimate reporting to the Vice President of Tax.

Centralized policies are supplemented by training and compliance programs, which are applied consistently throughout the Company. We also routinely draw upon external professional expertise to ensure that our teams are up to date on all relevant tax laws and regulations, which are constantly changing.

### **Tax Planning Principles**

The Company only engages in tax planning that is supported by its business and aligned with its commercial and economic activity and is consistent with our Code of Conduct. We do not take tax positions that are not technically defensible and if challenged, risk business financial loss, jeopardize operational continuity, and/or loss of reputation with external stakeholders including tax authorities.

Our tax planning is designed with careful consideration of the relevant tax laws and regulations and the objective to minimize tax risks and uncertainties. We do not engage in arrangements to avoid taxation, including arrangements that are not supported by our business and commercial activity and lack economic substance.

When applicable, we elect to apply for tax reliefs, exemptions, or incentives, while fully respecting the intention of the law or regulatory framework.

### **Transfer Pricing**

As a global service company, our operations require numerous levels of support in terms of technology, procurement and logistics, equipment/materials, and various other types of centralized support services. By their nature, this necessitates a large volume of intercompany transactions which involves the setting of transfer prices. It is our policy to ensure that transfer prices are set at levels which approximate those which would exist between independent parties acting at arm's length, in accordance with the transfer pricing regulations applicable in the countries where we operate as well as with OECD Transfer Pricing guidelines.



Our transfer pricing policies are systematically supported and documented in accordance with the applicable requirements. In addition, where possible, we seek to reach advance pricing agreements with the responsible tax authorities, as we believe this provides greater certainty for both the Company and the relevant tax authority.

### **Relationship with Tax Authorities<sup>1</sup>**

We aim at maintaining an open and honest relationship with tax authorities, based on transparency, mutual trust and respect while meeting all compliance requirements. We are committed to collaborate with tax authorities to comply with legislated filing and payment deadlines, maintain open channels of communication including proactive awareness of relevant tax issues, maintain transparency, and achieve early agreement on disputed issues and certainty on a real-time basis, wherever possible.

Our dealings with tax authority officials follow established procedures and channels, in line with our Code of Conduct.

### **Tax Risk Management**

Tax laws are constantly and rapidly changing across the world. As such, we can be exposed to various tax uncertainties in the countries in which we do business, including but not limited to adverse tax policies, tax audits, and tax laws that are not fully defined or evolved which can result in inconsistent or arbitrary taxation. Our philosophy is to manage this risk in the best long-term interest of the Company, taking into account not only the potential financial impact, but also our reputation.

Internal procedures are maintained, which outline the organization of the Tax Department, the respective roles of its staff, and the tax control environment.

Our training programs are developed to cover tax issues arising not only in our day-to-day operations, but also in more exceptional situations, such as mergers and acquisitions where we engage in thorough due diligence and systematically rectify any identified potential issues. We ensure that identified tax risks or uncertain tax positions are well documented and supported by strong technical analysis.

Due to the size of our operations, we routinely experience tax audits in many of the jurisdictions in which we operate. We aim to resolve each audit in a professional and transparent manner, clarifying our position to give additional certainty for ongoing compliance.

Material tax risks and disputes are regularly reviewed by the Vice President of Tax and reported to the management of the Company and periodically to the Audit Committee of the Board of Directors. Additionally, these matters are reviewed on a quarterly and annual basis by the Company's external auditor.

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<sup>1</sup> Referring specifically to HMRC in the U.K. As part of the U.K. legislative requirements to publish a tax strategy, SLB's strategy is written in accordance with Section 161 of the Finance Act 2016 and is updated annually. In this respect also, it is published either in the next financial year or within 15 months, whichever is sooner.



## Tax Reporting and Disclosure

The Company has a mature internal control framework relating to its financial reporting, including tax, that is supported by policies and procedures. The Company computes taxes on income in accordance with the tax rules and regulations of the many taxing authorities where the income is earned. In accordance with the reporting requirements of the U.S. Securities and Exchange Commission, we make transparent disclosures about our effective tax rate, tax payments, tax years that are either currently under audit or remain open and subject to examination, tax reserves, in addition to other tax-related matters.

Our Approach to Tax is applicable across the entire SLB Group. It is reviewed and updated annually and was last published in May 2024.