



NESR Tax Strategy

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NESR is built on a strong foundation of ethics, integrity, and corporate responsibility. In line with our Code of Conduct, we are committed to complying with the tax laws and regulations of all the countries in which we operate.

Paying taxes according to the jurisdictional requirements where we operate contributes to the economic wellbeing of the populations in these countries. NESR voluntarily publishes its tax strategy to disclose its position in relation to tax planning, tax risk management, and tax governance; we consider this part of our commitment to transparency, good corporate governance, and responsible corporate citizenship. We disclose taxes paid and effective tax rates in the notes of our financial statements.

NESR strives to build transparent and cooperative relationships with all our stakeholders, including shareholders, employees, governments, and the public in all the countries in which we operate. We also seek to resolve disputes amicably and achieve mutually acceptable outcomes whenever possible. Our tax strategy was formulated to reflect this mindset. We apply professional care and judgment in tax affairs and ensure that we adopt clear processes directed at assessing and paying all taxes associated with our operations in a transparent, accurate, complete and timely manner.

NESR has zero tolerance stance on tax evasion. Our transfer prices, when applied, are set in accordance with internationally acceptable standards and the rules and regulations set by tax authorities in the countries in which we operate. Should any relevant tax incentives or exemptions be implemented by governments to support investment and economic development where we do business, we commit to apply any such incentives or exemptions in the manner intended and in compliance with applicable laws and our internal controls and commitments.

Tax Planning

Tax planning at NESR is designed to ensure compliance with tax laws and regulations in all the countries where we operate and to minimize our exposure to tax risks.

Tax Risk Management

Given the jurisdictional diversity of NESR, we continuously monitor changes in tax practices and regulations to effectively manage our exposure to tax uncertainties, and we make fair and accurate tax disclosures at all times. Whenever necessary, we consult with external tax advisors to assist with tax reporting, to facilitate better understanding of tax laws, and to support technical and tax compliance matters.

We aim to manage tax risk in a manner that preserves the investment of our shareholders, while remaining aware of the financial and reputational impact of our decisions and acting in accordance with our corporate responsibility to the countries in which we operate.



Tax Governance

NESR's tax governance framework and the management of our tax affairs is designed to ensure accuracy and legal compliance.

Our tax policies and guidelines are strictly enforced by our finance team and tax professionals, who are trained to identify and manage tax risks and ensure compliance with the tax rules of different jurisdictions. NESR has systems in place to maintain robust internal controls in relation to all aspects of our operations including taxation and financial reporting. The Audit Committee of NESR's Board of Directors has oversight over NESR's accounting policies and internal controls, financial reporting practices and legal and regulatory compliance, including tax policies, which are regularly reviewed by the Audit Committee.