

PURPOSE

PGS ASA and its subsidiaries (“PGS”) is operating on a world-wide basis having multiple subsidiaries across jurisdictions. PGS is committed to being a responsible corporate citizen by paying taxes when legally due. The purpose of this Standard is to ensure that PGS pays taxes when legally due and to minimize tax expense based on strong professional integrity and in compliance with laws and regulations. The main taxes covered in the Standard are *corporate income taxes*, *withholding taxes*, *employee taxes* including for crew and expats, and *indirect taxes* including VAT/GST, duties and import taxes.

This Standard is mandated by the Financial Management Policy. We shall:

REQUIREMENTS

Tax Compliance

- Make timely and accurate reporting and filings of tax returns
- Claim relief and incentives where available
- Maintain well organized records of all tax documentation

Tax Planning

- Carefully evaluate all tax risks for tax planning and tax advisory
- Ensure that all tax planning will have commercial and economic substance
- Ensure that all intercompany transactions will be in accordance with the arm’s length principle

Tax Audits

- Have a pro-active approach to disputes with tax authorities
- Build and maintain professional and constructive relationships with tax authorities and other relevant authorities

Tax Management

- Make sure to have a tax team with the necessary competence and qualifications that will act professionally and keep high ethical standards
- Be proactive and take responsibility for tax issues in relation to the PGS Group’s business activities.

PROCEDURES

Our procedures further details PGS’ requirements to comply with applicable tax laws and PGS policy.