



Our UK tax strategy

This tax strategy statement is regarded as satisfying the statutory obligation under Schedule 19 of the Finance Act 2016 and sets out Shawcor's approach to conducting its tax affairs and dealing with tax risks.

Introduction

Shawcor is a global integrated energy services company serving the Pipeline and Pipe Services, Petrochemical, and Industrial segments of the energy industry and other industries. Shawcor operates eight divisions with over eighty manufacturing and service facilities located around the world. The Company is publicly-traded on the Toronto Stock Exchange.

Our approach to tax risk management and governance

Shawcor has developed and implemented an internal control framework that identifies and manages tax risks that may affect the achievement of our business plans and strategic objectives. The Company's executive management and the global tax team are ultimately responsible for overseeing Shawcor's tax risk management strategy and the effectiveness of the internal control framework. We have policies, procedures and processes in place to ensure the efficiency, accuracy and integrity of our tax filings and other tax compliance obligations globally. We are committed to the ongoing review of these policies, procedures and processes to maintain best practices in a changing tax environment.

Our attitude towards tax planning

Shawcor is committed to following all applicable laws and regulations relating to its tax activities and seeks to ensure that any arrangements it enters into comply with current tax legislation and are consistent with our approach to managing an appropriate level of tax risk. We pursue legitimate tax incentives and exemptions designed by governments to promote investments, employment and economic growth, provided that the incentives and exemptions are aligned with our business and operational objectives. We conduct transactions between group companies on arm's length terms in accordance with current OECD principles.

The level of tax risk we are prepared to accept

Tax risks, both transactional and operational, are considered as part of our broader enterprise-wide risk management process. We regularly review tax risks and controls in order to proactively identify,



evaluate and manage tax risks where they do arise. Our policies and governance framework operate to ensure compliance with tax laws and regulations both in the UK and internationally, and to ensure that we mitigate tax risks to the low level of risk that we are prepared to accept.

Our approach to dealings with HMRC

Shawcor is committed to professional, open and honest engagement with tax authorities in a spirit of cooperation.