

ROWAN COMPANIES TAX POLICY

INTRODUCTION

Rowan is a global provider of offshore contract drilling services to the international oil and gas industry, with a focus on high-specification and premium jack-up rigs and ultra-deepwater drillships, which are marketed and operated worldwide. Rowan is committed to safe, reliable, and efficient energy exploration and production globally.

As supported by Rowan's Code of Business Conduct, we are committed to upholding the highest levels of honesty, integrity and ethical standards and complying with all applicable laws. And our approach to tax is aligned therewith. Rowan supports efforts to increase public trust in tax regimes through compliance with tax laws in a responsible and appropriate manner and having constructive, open and honest relationships with tax authorities.

The following sections detail Rowan's foundational tax principles.

TAX POLICY

Rowan seeks to comply with all relevant laws, rules, regulations, and reporting and disclosure requirements in every jurisdiction in which we operate as part of our overall business strategy. Although impossible to eliminate entirely, we adhere to relevant tax law, seeking to minimize tax risks associated with uncertainty and controversy. In situations in which relevant tax guidance is unclear or requires specialized knowledge, we utilize our relationship with third-party professional tax advisors to support our decision-making process.

Rowan's tax policy seeks to support the commercial needs of the business in the most efficient manner while reflecting the commercial and economic realities of our activities and remaining compliant with tax laws. To this end, it is Rowan's tax policy not to engage in tax arrangements that are not arm's length, not reflecting our conduct, or for which the sole purpose of which would be to obtain a tax advantage.

Transactions between Rowan companies are performed on an arm's-length basis in accordance with principles outlined by the Organisation of Economic Co-operation and Development ("OECD") and local tax regulations.

RELATIONSHIPS WITH GOVERNMENTS AND TAXING AUTHORITIES

Rowan is committed to building and sustaining constructive relationships with governments and taxing authorities through openness and transparency. Rowan is committed to interpret the relevant laws reasonably and making fair, accurate, and timely disclosures to tax authorities. Rowan further commits to respond to queries and information requests from taxing authorities in a timely manner. In the course of any disputes, Rowan seeks to act in a collaborative, honest, and professional manner, strives for early agreement and aims to achieve certainty.

TRANSPARENCY AND TAX RISK MANAGEMENT

We recognize our responsibility to our stakeholders to assess, manage, and monitor our tax risks and our exposure to negative public opinion in the event of noncompliance. Rowan's tax risks are assessed as part of its internal control process, in which any potential tax risks are identified, assessed, and ultimately managed:

- We implement risk management measures including controls over compliance processes and monitor their effectiveness.
- We report on a periodic basis to the audit committee on how tax risks are managed, monitored and assured and on improvements that are being made.

In making decisions regarding commercial or business activities, the following requirements would be evaluated from a tax risk management perspective:

- The legal and fiduciary duties of directors and employees;
- The requirements of internal policies and procedures, including the Code of Business Conduct and Code of Ethics for Senior Financial Officers;
- The impact of potential disagreements with tax authorities, including the relationships fostered with them; and

- Maintaining, supporting, and enhancing Rowan's reputation, including the public trust in the jurisdictions in which we operate, through tax compliance and the importance of meeting obligations;

Our tax risk is further managed through investments in tax training for our tax group, management of our relationships with governments and taxing authorities, and support from third-party professional tax advisors in order to better assess tax risks and ensure compliance to applicable laws, rules, regulations and reporting and disclosure requirements. Rowan has a large, experienced tax and finance team with clear roles and responsibilities to ensure compliance with tax and financial reporting requirements.

Rowan's tax group supports Rowan's Board of Directors, which oversees the Company's tax compliance.

GOVERNANCE

Rowan's Board of Directors understands the Company's responsibility for the compliance with the tax law and financial reporting requirements in all jurisdictions in which we operate.

Rowan's officers and Vice President ("VP") of Tax are responsible for ensuring that the policies and procedures established by Rowan's officers and approved by the Board are implemented effectively across Rowan's global operations, and the VP of Tax ensures that Rowan's tax personnel possess the skills, experience, and training necessary.

INCENTIVES AND RELIEFS

As stated previously, Rowan believes that it is its responsibility to pay the amount of tax due in the jurisdictions in which it operates. To the extent that local authorities implement tax incentives, exemptions, or other relief to support development within their country, we seek to apply such incentives, exemptions, or relief in the manner intended and not used for purposes which are knowingly contradictory to the intent of the legislation.

REGULATORY INFORMATION

In compliance with section 161 and section 19(2) of Schedule 19 of the Finance Act of 2016, Rowan Companies plc (together with its subsidiaries, "Rowan") publishes this document, approved by the Rowan Board of Directors, identifying its tax strategy and approach for the year ending December 31, 2017. The tax strategy and approach described herein is applicable across the Rowan group, and will be reviewed and updated periodically upon approval by the Rowan Board of Directors.