



Meeting Minutes
IADC Accounting Issues/Procedures Committee
3 September 2024, 9-10 am, Central Daylight Savings Time
International Association of Drilling Contractors
3657 Briarpark Drive, Ste. 200, Houston, TX 77042

Agenda Item: Next meeting & Location

The schedule for the remaining 2024 meeting is as follows (9am to 10am central time via zoom).

- 4th Quarter Dec 3, 2024

Note: Anti-Trust Statement

It is the policy of IADC committees that no discussion of any specific proprietary information will be exchanged. It is also strictly forbidden that any promotion of or solicitation for participation in agreements between IADC members be allowed.

Agenda Item: Update on Sustainability correspondence and disclosures, etc. - The only update is on the SEC side of the House. It is still in the 8th circuit court with a deadline for petitioners to open briefs in June and respondents need to respond in August. Expected reporting in 2026 for 2025 information.

No new information was distributed regarding Sustainability (ESG (Environment, Social and Governance)). Each of the participants will receive by email which was distributed in the previous quarter by the "IADC Sustainability Committee". Discussion on the sustainability topic included the following: a global consolidation report, materiality, and relying on outside experts for guidance (CPA firms). This topic will continue as an agenda item for the remainder of the year.

Agenda Item: Discussion of the proposed ASU in the disaggregation of income statement expense (FASB DISE Project) – Discussion included the impact the new disclosure requirements is expected to have on the drilling industry's financial statements. Accounting professionals will be obtaining input from management. Some of the disclosures involve compensation, maintenance and reimbursables. Deliberations wrapped up in June and voted to issue a final standard by year-end.

Agenda Item: Other matters – Other items for discussion were briefly mentioned.

- Tax updates – May require more detail, pending materiality.
- Asset useful life – IRS challenging that 35 year useful life of a rig is too long of a period.
- Pillar Two – Awaiting guidance from CPA firms (auditors) on audit procedures.

After a full discussion of the agenda topics the committee was adjourned.
For further information regarding this committee please contact Dean Gant, IADC Senior Finance Director at 713-292-1945, ext. 213.