

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

(Mark One)

Form 10-Q

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2020

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 001-36504

**Weatherford International plc**

(Exact Name of Registrant as Specified in Its Charter)

**Ireland**

(State or Other Jurisdiction of Incorporation or Organization)

**98-0606750**

(I.R.S. Employer Identification No.)

**2000 St. James Place, Houston, Texas**

(Address of Principal Executive Offices)

**77056**

(Zip Code)

Registrant's Telephone Number, Including Area Code: **713.836.4000**

N/A

(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

Securities registered pursuant to Section 12(b) of the Act: <sup>(1)</sup>

**Title of each class**

**Trading Symbol(s)**

**Name of each exchange on which registered**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes  No

As of October 21, 2020, there were 70,017,356 Weatherford ordinary shares, \$0.001 par value per share, outstanding.

<sup>(1)</sup> On April 17, 2020, the New York Stock Exchange (the "NYSE") filed a Form 25 (the "Form 25") with the Securities and Exchange Commission. In accordance with Rule 12d2-2 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the de-registration of our ordinary shares under Section 12(b) of the Exchange Act became effective on July 16, 2020.

**Weatherford International public limited company**  
**Form 10-Q for the Third Quarter and Nine Months Ended September 30, 2020**

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**PART I – FINANCIAL INFORMATION**
**Item 1. Financial Statements.**
**WEATHERFORD INTERNATIONAL PLC AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)**

	<u>Successor</u>	<u>Predecessor</u>	<u>Successor</u>	<u>Predecessor</u>
	<u>Three Months</u>	<u>Three Months</u>	<u>Nine Months</u>	<u>Nine Months</u>
	<u>Ended</u>	<u>Ended</u>	<u>Ended</u>	<u>Ended</u>
<i>(Dollars and shares in millions, except per share amounts)</i>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2020</u>	<u>9/30/2019</u>
<b>Revenues:</b>				
Products	\$ 322	\$ 467	\$ 1,081	\$ 1,461
Services	485	847	1,762	2,508
<b>Total Revenues</b>	<b>807</b>	<b>1,314</b>	<b>2,843</b>	<b>3,969</b>
<b>Costs and Expenses:</b>				
Cost of Products	290	408	935	1,343
Cost of Services	341	599	1,218	1,765
Research and Development	21	35	77	107
Selling, General and Administrative	180	232	651	710
Long-lived Asset Impairments	—	—	818	20
Goodwill Impairment	—	399	239	730
Inventory Charges	—	—	134	—
Restructuring, Facility and Severance	31	53	114	93
Other Operating Charges	16	42	48	100
Prepetition Charges	—	—	—	86
Gain on Operational Assets Sale	(12)	(15)	(12)	(15)
(Gain) Loss on Sale of Businesses, Net	—	8	—	(104)
Total Costs and Expenses	867	1,761	4,222	4,835
<b>Operating Loss</b>	<b>(60)</b>	<b>(447)</b>	<b>(1,379)</b>	<b>(866)</b>
Interest Expense, Net (Unrecognized Contractual Interest Expense was \$133 million for three and nine months ended September 30, 2019)	(79)	(26)	(196)	(341)
Reorganization Items	—	(303)	(9)	(303)
Other Expense, Net	(20)	(8)	(56)	(18)
Loss Before Income Taxes	(159)	(784)	(1,640)	(1,528)
Income Tax Provision	(8)	(31)	(64)	(76)
Net Loss	(167)	(815)	(1,704)	(1,604)
Net Income Attributable to Noncontrolling Interests	7	6	17	14
Net Loss Attributable to Weatherford	\$ (174)	\$ (821)	\$ (1,721)	\$ (1,618)
Basic & Diluted Loss per Share	\$ (2.48)	\$ (0.82)	\$ (24.58)	\$ (1.61)
Basic & Diluted Weighted Average Shares Outstanding	70	1,004	70	1,004

The accompanying notes are an integral part of these condensed consolidated financial statements.

**WEATHERFORD INTERNATIONAL PLC AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**  
**(UNAUDITED)**

	<u>Successor</u>	<u>Predecessor</u>	<u>Successor</u>	<u>Predecessor</u>
	<u>Three Months</u>	<u>Three Months</u>	<u>Nine Months</u>	<u>Nine Months</u>
	<u>Ended</u>	<u>Ended</u>	<u>Ended</u>	<u>Ended</u>
	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2020</u>	<u>9/30/2019</u>
<i>(Dollars in millions)</i>				
Net Loss	\$ (167)	\$ (815)	\$ (1,704)	\$ (1,604)
Foreign Currency Translation Adjustments	(6)	(28)	(72)	35
Interest Rate Derivative Loss	—	8	—	8
Other Comprehensive Income (Loss)	(6)	(20)	(72)	43
Comprehensive Loss	(173)	(835)	(1,776)	(1,561)
Comprehensive Income Attributable to Noncontrolling Interests	7	6	17	14
Comprehensive Loss Attributable to Weatherford	\$ (180)	\$ (841)	\$ (1,793)	\$ (1,575)

The accompanying notes are an integral part of these condensed consolidated financial statements.

**WEATHERFORD INTERNATIONAL PLC AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**

*(Dollars and shares in millions, except par value)*

	9/30/2020	12/31/2019
	(Unaudited)	
<b>Assets:</b>		
Cash and Cash Equivalents	\$ 1,121	\$ 618
Restricted Cash	172	182
Accounts Receivable, Net of Allowance for Credit Losses of \$31 at September 30, 2020 and \$0 at December 31, 2019	835	1,241
Inventories, Net	811	972
Other Current Assets	354	440
<b>Total Current Assets</b>	<b>3,293</b>	<b>3,453</b>
Property, Plant and Equipment, Net of Accumulated Depreciation of \$284 at September 30, 2020 and \$25 at December 31, 2019	1,304	2,122
Goodwill	—	239
Intangible Assets, Net of Accumulated Amortization of \$133 at September 30, 2020 and \$9 at December 31, 2019	841	1,114
Operating Lease Right-of-Use Assets	147	256
Other Non-Current Assets	79	109
<b>Total Assets</b>	<b>\$ 5,664</b>	<b>\$ 7,293</b>
<b>Liabilities:</b>		
Short-term Borrowings and Current Portion of Long-term Debt	14	13
Accounts Payable	332	585
Accrued Salaries and Benefits	287	270
Income Taxes Payable	197	205
Current Portion of Operating Lease Liabilities	70	79
Other Current Liabilities	516	520
<b>Total Current Liabilities</b>	<b>1,416</b>	<b>1,672</b>
Long-term Debt	2,602	2,151
Operating Lease Liabilities	183	213
Other Non-Current Liabilities	340	341
<b>Total Liabilities</b>	<b>\$ 4,541</b>	<b>\$ 4,377</b>
<b>Shareholders' Equity:</b>		
Ordinary Shares - Par Value \$0.001; Authorized 1,356 shares, Issued and Outstanding 70 shares at September 30, 2020 and December 31, 2019	\$ —	\$ —
Capital in Excess of Par Value	2,897	2,897
Retained Deficit	(1,747)	(26)
Accumulated Other Comprehensive Income (Loss)	(63)	9
Weatherford Shareholders' Equity	1,087	2,880
Noncontrolling Interests	36	36
<b>Total Shareholders' Equity</b>	<b>1,123</b>	<b>2,916</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 5,664</b>	<b>\$ 7,293</b>

The accompanying notes are an integral part of these condensed consolidated financial statements.

**WEATHERFORD INTERNATIONAL PLC AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**

<i>(Dollars in millions)</i>	<u>Successor</u> <u>Nine Months Ended</u> <u>9/30/2020</u>	<u>Predecessor</u> <u>Nine Months Ended</u> <u>9/30/2019</u>
<b>Cash Flows From Operating Activities:</b>		
Net Loss	\$ (1,704)	\$ (1,604)
Adjustments to Reconcile Net Loss to Net Cash Provided by (Used in) Operating Activities:		
Depreciation and Amortization	387	357
Goodwill Impairment	239	730
Impairments and Other Charges	1,114	213
Reorganization Items (Non-Cash)	—	134
Reorganization Items (Debtor in Possession Financing and Backstop Agreement)	—	110
Gain on Sale Businesses, Net	—	(104)
Change in Assets and Liabilities:		
Accounts Receivable	358	(147)
Inventories	(4)	(152)
Accounts Payable	(248)	(105)
Other Operating Activities	46	(111)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>188</b>	<b>(679)</b>
<b>Cash Flows From Investing Activities:</b>		
Capital Expenditures for Property, Plant and Equipment	(100)	(177)
Proceeds from Disposition of Assets	13	80
Payments of Deferred Consideration on the Acquisition of Equity Investment	(24)	—
Acquisition of Intangible Assets	(4)	(12)
Proceeds from Disposition of Businesses, Net	1	319
Proceeds from Bond Maturities	25	—
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(89)</b>	<b>210</b>
<b>Cash Flows From Financing Activities:</b>		
Borrowings of Long-term Debt	457	—
Repayments of Long-term Debt	(7)	(317)
Repayments of Short-term Debt, Net	(22)	(25)
Borrowings (Repayments) of Debtor in Possession Credit Agreement, Net	—	1,386
Debtor in Possession Financing Fees and Payments on Backstop Agreement	—	(110)
Other Financing Activities	(28)	(17)
<b>Net Cash Provided by Financing Activities</b>	<b>400</b>	<b>917</b>
Effect of Exchange Rate Changes on Cash, Cash Equivalents and Restricted Cash	(6)	—
Net Increase in Cash, Cash Equivalents and Restricted Cash	493	448
Cash, Cash Equivalents and Restricted Cash at Beginning of Period	800	602
Cash, Cash Equivalents and Restricted Cash at End of Period	\$ 1,293	\$ 1,050
<b>Supplemental Cash Flow Information:</b>		
Interest Paid	\$ 114	\$ 248
Income Taxes Paid, Net of Refunds	\$ 60	\$ 65

The accompanying notes are an integral part of these condensed consolidated financial statements.

**WEATHERFORD INTERNATIONAL PLC AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**1. General**

The accompanying unaudited Condensed Consolidated Financial Statements of Weatherford International plc (the “Company,” or “Weatherford”) have been prepared in accordance with generally accepted accounting principles in the United States of America (“U.S. GAAP”) and pursuant to the rules and regulations of the SEC for interim financial information. Accordingly, certain information and disclosures normally included in our annual consolidated financial statements have been condensed or omitted. Therefore, these unaudited condensed consolidated financial statements should be read in conjunction with our audited Consolidated Financial Statements included in our Annual Report on Form 10-K for the year ended December 31, 2019 (“2019 Annual Report”).

The preparation of the condensed consolidated financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Ultimate results could differ from our estimates.

In the opinion of management, the Condensed Consolidated Financial Statements reflect all adjustments (consisting of normal recurring adjustments) considered necessary by management to fairly state the results of operations, financial position and cash flows of Weatherford and its subsidiaries for the periods presented and are not necessarily indicative of the results that may be expected for a full year. Our financial statements have been prepared on a consolidated basis. Under this basis, our financial statements consolidate all wholly owned subsidiaries and controlled joint ventures. All intercompany accounts and transactions have been eliminated.

***Summary of Significant Accounting Policies***

Please refer to “Note 1 – Summary of Significant Accounting Policies” of our Consolidated Financial Statements from our 2019 Annual Report for the discussion on our significant accounting policies. Certain reclassifications of the financial statements and accompanying footnotes for the three and nine months ended September 30, 2019 have been made to conform to the presentation for the three and nine months ended September 30, 2020.

As described in “Note 1 – Summary of Significant Accounting Policies”, “Note 2 – Emergence from Chapter 11 Bankruptcy Proceedings”, and “Note 3 – Fresh Start Accounting” of our Consolidated Financial Statements from our 2019 Annual Report, we filed voluntary petitions for bankruptcy on July 1, 2019, then emerged from bankruptcy on December 13, 2019 and adopted fresh-start accounting upon emergence. References to “Predecessor” herein relate to the Condensed Consolidated Statements of Operations of the Company prior to the emergence from bankruptcy on December 13, 2019. References to “Successor” herein relate to the Condensed Consolidated Balance Sheets of the reorganized Company as of September 30, 2020 and December 31, 2019 and the Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2020 (“Successor Period”) and are not comparable to the Condensed Consolidated Financial Statements of the Predecessor Periods for the three and nine months ended September 30, 2019 (“Predecessor Period”), as indicated by the “black line” division in the financials and footnote tables, which emphasizes the lack of comparability between amounts presented. Our financial results for future periods will be different from historical trends and the differences may be material.

## 2. Accounts Receivable Factoring

From time to time, we participate in factoring arrangements to sell accounts receivable to third-party financial institutions. Our factoring transactions in the Successor Periods and Predecessor Periods were recognized as sales, and the proceeds are included as operating cash flows in our Condensed Consolidated Statements of Cash Flows. The loss on sale of accounts receivable sold was immaterial for all Successor Periods and Predecessor Periods. The following table presents accounts receivable sold and cash proceeds from the sale of accounts receivable.

<i>(Dollars in millions)</i>	Successor		Predecessor	
	Three Months Ended 9/30/2020	Three Months Ended 9/30/2019	Nine Months Ended 9/30/2020	Nine Months Ended 9/30/2019
Accounts Receivable Sold	\$ 11	\$ 37	\$ 34	\$ 199
Cash Proceeds from Sale of Accounts Receivable	\$ 10	\$ 34	\$ 30	\$ 186

## 3. Inventories, Net

Inventories, net of reserves of \$106 million and \$0 as of September 30, 2020 and December 31, 2019, respectively by category were as follows:

<i>(Dollars in millions)</i>	9/30/2020	12/31/2019
Finished Goods	\$ 683	\$ 830
Work in Process and Raw Materials, Components and Supplies	128	142
	<u>\$ 811</u>	<u>\$ 972</u>

During the second quarter of 2020, we recognized inventory charges and write-downs of \$134 million primarily for excess and obsolete inventory as a result of the decline in oil and gas commodity demand, the downturn in the oil and gas industry and the impact of COVID-19 pandemic. These inventory charges are included in "Inventory Charges" on the accompanying Condensed Consolidated Statements of Operations for the nine months ended September 30, 2020.

## 4. Acquisitions and Divestitures

### Acquisitions

We did not have any acquisitions of businesses in the three and nine months ended September 30, 2020 or 2019. We paid \$12 million in March 2020 and an additional \$12 million in April 2020 as final settlement of the deferred consideration associated with our acquisition of the remaining 50% equity interest in our Qatari joint venture, which took place in the first quarter of 2018.

### Divestitures

We did not have any significant dispositions of businesses in the three and nine months ended September 30, 2020. In the second quarter of 2019 we completed the sale of our reservoir solutions and our surface data logging businesses for an aggregate sale price of \$256 million and recognized a net gain of approximately \$117 million and divested a carrying amount of \$95 million in net assets.

In the first quarter of 2019, we received the remaining gross proceeds of \$72 million to complete the final closings pursuant to the purchase and sale agreements entered into with ADES International Holding Ltd. in July of 2018 to sell our land drilling rig operations in Algeria, Kuwait and Saudi Arabia for an aggregate purchase price of \$288 million. The loss on the sale of land drilling rigs operations recognized in the first quarter of 2019 was \$6 million and the divested carrying amount of net assets was \$66 million.



## 5. Long-lived Asset Impairments

We did not recognize any long-lived asset impairments in the third quarter ended September 30, 2020.

The unprecedented global economic and industry conditions resulting from the decline in demand and impact from the COVID-19 pandemic were identified as impairment indicators. As a result, we performed interim impairment assessments as of March 31, 2020, and as of June 30, 2020, of our property, plant and equipment, definite-lived intangible assets, goodwill and right of use assets with the assistance of third-party valuation advisors. Based on our impairment test, we determined the carrying amount of certain long-lived assets exceeded their respective fair values and recognized \$818 million of long-lived asset impairments in “Long-lived Asset Impairments” on the accompanying Condensed Consolidated Statements of Operations during the nine months ended September 30, 2020.

The fair values of our long-lived assets were determined using discounted cash flow or Level 3 fair value analyses. The unobservable inputs to the income approach included the estimated discounted future cash flows by asset group, specifically the forecasted revenue, forecasted operating margins, and discount rate assumptions used to determine the fair value of certain asset groups.

The table below details the Successor long-lived asset impairments by asset and segment recognized for the nine months ended September 30, 2020.

<i>(Dollars in millions)</i>	Nine Months Ended September 30, 2020		
	Western Hemisphere	Eastern Hemisphere	Total
Property, Plant and Equipment	\$ 316	\$ 255	\$ 571
Intangible Assets	44	115	159
Right of Use Assets	56	32	88
Total Impairment Charges	\$ 416	\$ 402	\$ 818

We recognized no Predecessor long-lived asset impairments in the third quarter of 2019 and \$20 million of Predecessor long-lived asset impairments for the nine months ended September 30, 2019. The impairments in 2019 were related to our Western Hemisphere segment totaling \$13 million and Eastern Hemisphere totaling \$7 million.

## 6. Goodwill and Intangible Assets

### Goodwill

The impairment indicators discussed in “Note 5 - Long-Lived Asset Impairments” triggered interim quantitative goodwill assessments as of March 31, 2020 and June 30, 2020. Our quantitative goodwill impairment assessments were based on a discounted cash flow analysis and a multiples-based market approach for comparable companies in our industry, a Level 3 fair value analysis. The analysis included significant judgments, including estimated future cash flows by reporting unit, specifically forecasted revenue, forecasted operating margins, discount rates and forecasted capital expenditures used to determine the fair value of the reporting units. As a result, we fully impaired our goodwill in the Russia and Middle East & North Africa (“MENA”) reporting units as of the second quarter ended June 30, 2020.

The changes in the carrying amount of goodwill by reporting segment for the nine months ended September 30, 2020, are presented in the following table.

<i>(Dollars in millions)</i>	<b>Western Hemisphere</b>	<b>Eastern Hemisphere</b>	<b>Total</b>
<b>Balance at December 31, 2019</b>	\$ —	\$ 239	\$ 239
Impairment	—	(239)	(239)
<b>Balance at September 30, 2020</b>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

For the three and nine months ended September 30, 2019, the Predecessor goodwill impairment tests indicated that goodwill was impaired and as a result the Predecessor incurred a charge of \$399 million and \$730 million, respectively. The Predecessor impairment indicators were a result of lower activity levels and lower exploration and production capital spending that resulted in a decline in drilling activity and forecasted growth in the North America, Asia and MENA reporting units.

### Intangible Assets

The components of definite-lived intangible assets, net of accumulated amortization, were as follows:

<i>(Dollars in millions)</i>	<b>9/30/2020</b>	<b>12/31/2019</b>
Developed and Acquired Technology	\$ 478	\$ 721
Trade Names	363	393
<b>Totals</b>	<u>\$ 841</u>	<u>\$ 1,114</u>

We did not recognize any impairment of intangible assets in the Successor three months ended September 30, 2020. For the Successor nine months ended September 30, 2020, based on our impairment tests in the first and second quarters of 2020, we recognized impairments of \$159 million of our developed and acquired technology.

Amortization expense was \$38 million and \$124 million for the Successor three and nine months ended September 30, 2020, respectively, and \$17 million and \$49 million for the Predecessor three and nine months ended September 30, 2019 and is reported in Selling, General and Administrative on our Condensed Consolidated Statements of Operations. As of September 30, 2020, accumulated amortization was \$101 million for Developed and Acquired Technology and \$32 million for Trade Names.

## 7. Restructuring, Facility Consolidation and Severance Charges

During the Successor three and nine months ended September 30, 2020, in response to the impact on our business from the COVID-19 pandemic and the significant decline in demand, we initiated additional immediate actions and developed plans to reduce our future cost structure. As a result, during the Successor three and nine months ended September 30, 2020, we incurred restructuring and severance charges of \$31 million and \$114 million, respectively in “Restructuring, Facility and Severance” on the accompanying Condensed Consolidated Statements of Operations. Additional charges with respect to our ongoing cost reduction actions are expected to be recorded through the remainder of 2020 and could result in additional charges in future periods as we execute and revise our plans.

The following table presents restructuring and severance charges for the Successor Period and Predecessor Period.

	Successor		Predecessor	
	Three Months Ended 9/30/2020	Predecessor Three Months Ended 9/30/2019	Successor Nine Months Ended 9/30/2020	Predecessor Nine Months Ended 9/30/2019
<i>(Dollars in millions)</i>				
Severance Charges	\$ 31	\$ 7	\$ 109	\$ 10
Facility Consolidation and Other Charges	—	40	5	69
Asset Related Charges (non-cash)	—	6	—	14
Total Restructuring and Severance Charges	\$ 31	\$ 53	\$ 114	\$ 93

The following table presents total restructuring and severance charges by reporting segment and Corporate for the Successor Period and Predecessor Period.

	Successor		Predecessor	
	Three Months Ended 9/30/2020	Predecessor Three Months Ended 9/30/2019	Successor Nine Months Ended 9/30/2020	Predecessor Nine Months Ended 9/30/2019
<i>(Dollars in millions)</i>				
Western Hemisphere	\$ 17	\$ 21	\$ 58	\$ 36
Eastern Hemisphere	12	4	29	11
Corporate	2	28	27	46
	\$ 31	\$ 53	\$ 114	\$ 93

The following table presents total restructuring and severance accrual activity charges, payments and other changes for the Successor Period ended September 30, 2020.

	Accrued Balance at December 31, 2019		Charges	Cash Payments	Other	Accrued Balance at September 30, 2020
<i>(Dollars in millions)</i>						
Restructuring and Severance Reserve	\$ 66	\$ 114	\$ (109)	\$ (15)	\$ 56	

## 8. Borrowings and Other Obligations

<i>(Dollars in millions)</i>	9/30/2020	12/31/2019
Finance Lease Current Portion	\$ 9	\$ 10
Other Short-term Financing Arrangements	5	3
Short-term Borrowings	<u>\$ 14</u>	<u>\$ 13</u>
11.00% Exit Notes due 2024	\$ 2,098	\$ 2,097
8.75% Senior Secured Notes due 2024	456	—
Finance Lease Long-term Portion	48	54
Long-term Debt	<u>\$ 2,602</u>	<u>\$ 2,151</u>

### *Credit Agreements*

#### *ABL Credit Agreement*

On December 13, 2019, we entered into a senior secured asset-based lending agreement in an aggregate amount of \$450 million (the “ABL Credit Agreement”) with the lenders party thereto and Wells Fargo Bank, N.A. as administrative agent. On August 28, 2020, we issued \$500 million of 8.75% Senior Secured Notes due 2024 (“Senior Secured Notes”) and terminated the ABL Credit Agreement, resulting in the alleviation of our substantial doubt to continue as a going concern that was previously reported as of June 30, 2020. At the time of termination, there were no loan amounts outstanding under the ABL Credit Agreement, and all outstanding letters of credit thereunder were either cash collateralized or transferred to issuing banks under the senior secured letter of credit agreement (“LC Credit Agreement”), described below. Upon termination of the ABL Credit Agreement, we recorded \$15 million of unamortized deferred debt issuance costs in “Interest Expense, Net” on our Condensed Consolidated Financial Statements.

#### *LC Credit Agreement*

On December 13, 2019, we entered into the LC Credit Agreement in an aggregate amount of \$195 million maturing on June 13, 2024 with the lenders party thereto and Deutsche Bank Trust Company Americas as administrative agent. On August 28, 2020, we amended the LC Credit Agreement to, among other things, increase the aggregate commitments to \$215 million, modify the maturity date to May 29, 2024 and reduce the minimum liquidity covenant from \$200 million to \$175 million. The LC Credit Agreement is used for the issuance of bid and performance letters of credit of the Company and certain of its subsidiaries. At September 30, 2020, we had approximately \$168 million in outstanding letters of credit under the LC Credit Agreement and availability of \$47 million. We incurred \$6 million of issuance costs in obtaining the amendment, increasing our unamortized costs to \$12 million. These issuance costs will be recognized over the term of the agreement in “Other Expense, Net” on our Condensed Consolidated Financial Statements.

As of September 30, 2020, we had \$346 million of letters of credit outstanding, consisting of the \$168 million mentioned above under the LC Credit Agreement and another \$178 million under various uncommitted facilities (of which there was \$170 million in cash collateral held and recorded in “Restricted Cash” on the Condensed Consolidated Balance Sheets).

The applicable terms, interest rates and fees for borrowings under the LC Credit Agreement are the same as those presented in “Note 13 – Short-Term Borrowings and other Debt Obligations” in our 2019 Annual Report.

### **Long-term Debt**

On December 13, 2019, we issued unsecured 11% senior notes maturing December 1, 2024 (“Exit Notes”) for an aggregate principal amount of \$2.1 billion. Interest on the Exit Notes accrues at the rate of 11% per annum and is payable semiannually in arrears on June 1 and December 1. The first interest payment was made on June 1, 2020.

On August 28, 2020, Weatherford International Ltd., as issuer, Weatherford International plc and Weatherford International, LLC, as guarantors, and the other subsidiary guarantors party thereto, entered into an indenture with Wilmington Trust, National Association, as trustee and collateral agent, and issued the Senior Secured Notes in an aggregate principal amount of \$500 million. Interest on the Senior Secured Notes accrues at the rate of 8.75% per annum and is payable semiannually in arrears on March 1 and September 1, commencing on March 1, 2021. Proceeds from the issuance were reduced by a purchase commitment discount of \$25 million and a commitment fee of \$15 million. These debt issuance costs along with legal and other direct costs are presented as a contra-liability of the carrying amount of the debt liability and will be recognized using the effective interest rate method over the term of the debt in “Interest Expense, Net” on our Condensed Consolidated Financial Statements.

The Senior Secured Notes are fully and unconditionally guaranteed on a senior secured basis by the Company’s material domestic subsidiaries, certain material foreign subsidiaries, and in the future by other subsidiaries that guarantee its obligations under the LC Credit Agreement or other material indebtedness. The Senior Secured Notes are secured by substantially all of the assets of the Company and the guarantors (on an effectively first-priority basis with respect to the priority collateral for the Senior Secured Notes, and on an effectively second-priority basis with respect to the priority collateral for the LC Credit Agreement, in each case, subject to permitted liens).

The indentures governing the Exit Notes and Senior Secured Notes contain covenants that limit, among other things, our ability and the ability of certain of our subsidiaries, to: incur, assume or guarantee additional indebtedness; pay dividends or distributions on capital stock or redeem or repurchase capital stock; make investments; sell stock of our subsidiaries; transfer or sell assets; create liens; enter into transactions with affiliates; and enter into mergers or consolidations. In addition, the Senior Secured Notes require maintaining at least \$175 million of minimum liquidity as defined in the Senior Secured Notes indenture agreement.

As of September 30, 2020, we were in compliance with the covenants of the aforementioned indentures and the LC Credit Agreement.

### **Fair Value of Short and Long-term Borrowings**

The carrying value of our short-term borrowings approximates their fair value due to their short maturities. These short-term borrowings are classified as Level 2 in the fair value hierarchy.

The fair value of our long-term debt fluctuates with changes in applicable interest rates among other factors. Fair value will exceed carrying value when the current market interest rate is lower than the interest rate at which the debt was originally issued and will be less than the carrying value when the market rate is greater than the interest rate at which the debt was originally issued. The fair value of our long-term debt is classified as Level 2 in the fair value hierarchy and is established based on observable inputs in less active markets. The table below presents the fair value and carrying value of the Exit and Senior Secured Notes.

<i>(Dollars in millions)</i>	<b>9/30/2020</b>	<b>12/31/2019</b>
11.00% Exit Notes due 2024	\$ 1,269	\$ 2,252
8.75% Senior Secured Notes due 2024	511	—
Fair Value	<u>\$ 1,780</u>	<u>\$ 2,252</u>
Carrying Value	\$ 2,554	\$ 2,097

The total fair value of our debt decreased significantly primarily due to the negative impact the COVID-19 pandemic had on our business and industry, which increased the credit spreads of our debt.

## 9. Fair Value of Financial Instruments

Our assets and liabilities measured at fair value on a recurring basis consist solely of our derivative instruments. We monitor the creditworthiness of our counterparties, which are multinational commercial banks. The fair values of all our outstanding derivative instruments are determined using a model with Level 2 inputs including quoted market prices for contracts with similar terms and maturity dates. Our derivative activity is not material to our financial statements.

Our other financial instruments include cash and cash equivalents, accounts receivable, accounts payable and held-to-maturity investments. The estimated fair value of these financial instruments approximates their carrying values as reflected in our Condensed Consolidated Financial Statements. The fair value of our short-term and long-term borrowings are discussed in “Note 8 – Borrowings and Other Obligations.”

As of September 30, 2020 and December 31, 2019, we had \$25 million and \$50 million, respectively, of held-to-maturity Angolan government bonds. During the nine months ended September 30, 2020, we received proceeds of \$25 million from the maturity of a portion of our Angolan government bonds. The carrying value of these bonds approximated their fair value as of September 30, 2020 and December 31, 2019, respectively.

## 10. Disputes, Litigation and Legal Contingencies

We are subject to lawsuits and claims arising out of the nature of our business. We have certain claims, disputes and pending litigation for which we do not believe a negative outcome is probable or for which we can only estimate a range of liability. It is possible, however, that an unexpected judgment could be rendered against us, or we could decide to resolve a case or cases, that would result in a liability that could be uninsured and beyond the amounts we currently have reserved and in some cases those losses could be material. If one or more negative outcomes were to occur relative to these cases, the aggregate impact to our financial condition could be material. Due to the COVID-19 pandemic, courts in many jurisdictions around the world have been temporarily closed for trials and hearings, which has resulted in delays in many of our litigation matters.

Accrued litigation and settlements recorded in “Other Current Liabilities” on the accompanying Condensed Consolidated Balance Sheets as of September 30, 2020 and December 31, 2019 were \$43 million and \$44 million, respectively.

### *Shareholder Litigation*

#### *GAMCO Shareholder Litigation*

On September 6, 2019, GAMCO Asset Management, Inc. (“GAMCO”), purportedly on behalf of itself and other similarly situated shareholders, filed a lawsuit asserting violations of the federal securities laws against certain then-current and former officers and directors of the Company. GAMCO alleges violations of Sections 10(b) and 20(b) of the Securities Exchange Act of 1934, and violations of Sections 11 and 15 of the Securities Act of 1933, as amended (the “Securities Act”) based on allegations that the Company and certain of its officers made false and/or misleading statements, and alleged non-disclosure of material facts, regarding our business, operations, prospects and performance. GAMCO seeks damages on behalf of purchasers of the Company’s ordinary shares from October 26, 2016 through May 10, 2019. GAMCO’s lawsuit was filed in the United States District Court for the Southern District of Texas, Houston Division, and it is captioned GAMCO Asset Management, Inc. v. McCollum, et al., Case No. 4:19-cv-03363. The District Court Judge appointed Utah Retirement Systems (“URS”) as Lead Plaintiff, and on March 16, 2020, URS filed its Amended Complaint. URS added the Company as a defendant but dropped the claims against non-officer board members and all the claims under the Securities Act. The defendants filed their motion to dismiss on May 18, 2020, and plaintiffs filed their response on July 3, 2020. The defendants filed a reply brief on August 3, 2020, and now the Court will rule on the motion to dismiss. We cannot reliably predict the outcome of the claims, including the amount of any possible loss.

***Prior Shareholder Litigation***

In 2010, three shareholder derivative actions were filed, and in 2014 a fourth shareholder derivative action was filed, purportedly on behalf of the Company, asserting breach of duty and other claims against certain then-current and former officers and directors of the Company related to the United Nations oil-for-food program governing sales of goods into Iraq, the Foreign Corrupt Practices Act of 1977 and trade sanctions related to the U.S. government investigations disclosed in our SEC filings since 2007. Those shareholder derivative cases were filed in Harris County, Texas state court and consolidated under the caption *Neff v. Brady, et al.*, No. 2010040764 (collectively referred to as the “*Neff Case*”). A motion to dismiss was granted May 15, 2015, and an appeal was filed on June 15, 2015. Following briefing and oral argument, on June 29, 2017, the Texas Court of Appeals denied in part and granted in part the shareholders’ appeal. The Court ruled that the shareholders lacked standing to bring claims that arose prior to the Company’s redomestication to Switzerland in 2009 and upheld the dismissal of those claims. The Court reversed as premature the trial court’s dismissal of claims arising after the redomestication and remanded to the trial court for further proceedings. On February 1, 2018, the individual defendants and nominal defendant Weatherford filed a motion for summary judgment on the remaining claims in the case. On February 13, 2018, the trial court dismissed with prejudice certain directors for lack of jurisdiction. Although the plaintiffs appealed the jurisdictional ruling, on June 19, 2020, the plaintiffs filed a motion to dismiss the appeal with prejudice. This litigation has concluded.

***Environmental Contingencies***

We have obligations and expect to incur capital, operating and maintenance, and remediation expenditures, as a result of compliance with environmental laws and regulations. Among those obligations, are the current requirements imposed by the Texas Commission on Environmental Quality (“TCEQ”) at the former Universal Compression facility in Midland, Texas. At this location we are performing a TCEQ-approved Remedial Action Plan (“RAP”) to address contaminated ground water. The performance of the RAP and related expenses are scheduled to be performed over a ten to twenty-year period and may cost as much as \$6 million. We continuously monitor and strive to maintain compliance with changes in laws and regulations that impact our business.

## 11. Shareholders' Equity (Deficiency)

The following summarizes our shareholders' equity (deficiency) activity for the three and nine months ended September 30, 2020 and 2019.

<i>(Dollars in Millions)</i>	Par Value of Issued Shares	Capital in Excess of Par Value	Retained Deficit	Accumulated Other Comprehensive Income (Loss)	Non- controlling Interests	Total Shareholders' Equity (Deficiency)
<b>Balance at December 31, 2019 (Successor)</b>	\$ —	\$ 2,897	\$ (26)	\$ 9	\$ 36	\$ 2,916
Net Income (Loss)	—	—	(966)	—	8	(958)
Other Comprehensive Loss	—	—	—	(95)	—	(95)
<b>Balance at March 31, 2020 (Successor)</b>	\$ —	\$ 2,897	\$ (992)	\$ (86)	\$ 44	\$ 1,863
Net Income (Loss)	—	—	(581)	—	2	(579)
Other Comprehensive Loss	—	—	—	29	—	29
Dividends to Noncontrolling Interests	—	—	—	—	(8)	(8)
<b>Balance at June 30, 2020 (Successor)</b>	\$ —	\$ 2,897	\$ (1,573)	\$ (57)	\$ 38	\$ 1,305
Net Income (Loss)	—	—	(174)	—	7	(167)
Other Comprehensive Loss	—	—	—	(6)	—	(6)
Dividends to Noncontrolling Interests	—	—	—	—	(9)	(9)
<b>Balance at September 30, 2020 (Successor)</b>	\$ —	\$ 2,897	\$ (1,747)	\$ (63)	\$ 36	\$ 1,123
<b>Balance at December 31, 2018 (Predecessor)</b>	\$ 1	\$ 6,711	\$ (8,671)	\$ (1,746)	\$ 39	\$ (3,666)
Net Income (Loss)	—	—	(481)	—	4	(477)
Other Comprehensive Income	—	—	—	33	—	33
Dividends to Noncontrolling Interests	—	—	—	—	(5)	(5)
Awards Granted, Vested and Exercised	—	8	—	—	—	8
Other	—	—	—	—	1	1
<b>Balance at March 31, 2019 (Predecessor)</b>	1	6,719	(9,152)	(1,713)	39	(4,106)
Net Income (Loss)	—	—	(316)	—	4	(312)
Other Comprehensive Income	—	—	—	30	—	30
Dividends to Noncontrolling Interests	—	—	—	—	(6)	(6)
Awards Granted, Vested and Exercised	—	5	—	—	—	5
<b>Balance at June 30, 2019 (Predecessor)</b>	\$ 1	\$ 6,724	\$ (9,468)	\$ (1,683)	\$ 37	\$ (4,389)
Net Income (Loss)	—	—	(821)	—	6	(815)
Other Comprehensive Income	—	—	—	(20)	—	(20)
Dividends to Noncontrolling Interests	—	—	—	—	(5)	(5)
Awards Granted, Vested and Exercised	—	5	—	—	—	5
<b>Balance at September 30, 2019 (Predecessor)</b>	\$ 1	\$ 6,729	\$ (10,289)	\$ (1,703)	\$ 38	\$ (5,224)



The following table presents the changes in our accumulated other comprehensive income (loss) by component for the nine months ended September 30, 2020 for the Successor and nine months ended September 30, 2019 for the Predecessor:

<i>(Dollars in millions)</i>	<b>Currency Translation Adjustment</b>	<b>Defined Benefit Pension</b>	<b>Deferred Loss on Derivatives</b>	<b>Total</b>
<b>Balance at December 31, 2019 (Successor)</b>	\$ 7	\$ 2	\$ —	\$ 9
Other Comprehensive Loss	\$ (72)	\$ —	\$ —	\$ (72)
<b>Balance at September 30, 2020 (Successor)</b>	<u>\$ (65)</u>	<u>\$ 2</u>	<u>\$ —</u>	<u>\$ (63)</u>
<b>Balance at December 31, 2018 (Predecessor)</b>	\$ (1,724)	\$ (14)	\$ (8)	\$ (1,746)
Other Comprehensive Income	35	—	—	35
Reclassifications	—	—	8	8
Net activity	35	—	8	43
<b>Balance at September 30, 2019 (Predecessor)</b>	<u>\$ (1,689)</u>	<u>\$ (14)</u>	<u>\$ —</u>	<u>\$ (1,703)</u>

## 12. Loss per Share

Basic earnings (loss) per share for all periods presented equals net income (loss) divided by our weighted average shares outstanding during the period. Diluted earnings (loss) per share is computed by dividing net income (loss) by our weighted average shares outstanding during the period including potential dilutive ordinary shares.

The following table presents our basic and diluted weighted average shares outstanding and loss per share for the three and nine months ended September 30, 2020 and 2019:

<i>(Dollars and shares in millions, except per share amounts)</i>	<b>Successor</b>	<b>Predecessor</b>	<b>Successor</b>	<b>Predecessor</b>
	<b>Three Months Ended</b>	<b>Three Months Ended</b>	<b>Nine Months Ended</b>	<b>Nine Months Ended</b>
	<b>9/30/2020</b>	<b>9/30/2019</b>	<b>9/30/2020</b>	<b>9/30/2019</b>
Net Loss Attributable to Weatherford	\$ (174)	\$ (821)	\$ (1,721)	\$ (1,618)
Basic and Diluted weighted average shares outstanding	70	1,004	70	1,004
Basic and Diluted Loss Per Share Attributable to Weatherford	\$ (2.48)	\$ (0.82)	\$ (24.58)	\$ (1.61)

Our basic and diluted weighted average shares outstanding for the Successor Period and Predecessor Period are equivalent due to the net loss attributable to shareholders. Diluted weighted average shares outstanding for both the three and nine months ended September 30, 2020 exclude 8 million potential ordinary shares, and the three and nine months ended September 30, 2019 exclude 163 million and 208 million potential ordinary shares, respectively, for restricted share units, performance units, exchangeable senior notes and warrants outstanding as we had net losses for those periods and their inclusion would be anti-dilutive.

### 13. Revenues

#### Revenue by Product Line and Geographic Region

Revenues are attributable to countries based on the ultimate destination of the sale of products or performance of services. During the second quarter of 2020, in order to support the streamlining and realignment of the business, we combined our prior reported four product lines into two product lines, and all prior periods have been retrospectively recast to conform to this new presentation. Our two primary product lines are as follows: (1) Production and Completions and (2) Drilling, Evaluation and Intervention. Our new combined Production and Completion product line was previously reported as two separate product lines. Our new Drilling, Evaluation and Intervention product line was previously reported as two separate product lines of Drilling and Evaluation and Well Construction. The unmanned equipment that we lease to customers as operating leases consists primarily of drilling rental tools (in the Drilling, Evaluation and Intervention product line) and artificial lift pumping equipment (in the Production and Completions product line). These equipment rental revenues are generally provided based on call-out work orders that include fixed per unit prices and are derived from short-term contracts. Equipment rental revenues recognized under Accounting Standards Update No. 2016-02, Leases (Topic 842) were \$30 million and \$119 million for the three and nine months Successor Periods ended September 30, 2020, respectively, and \$64 million and \$226 million for the three and nine months Predecessor Periods ended September 30, 2019, respectively.

The following tables disaggregate our product and service revenues by major product line and geographic region for the three and nine months ended September 30, 2020 and 2019.

	<u>Successor</u> <u>Three Months</u> <u>Ended</u> <u>9/30/2020</u>	<u>Predecessor</u> <u>Three Months</u> <u>Ended</u> <u>9/30/2019</u>	<u>Successor</u> <u>Nine Months Ended</u> <u>9/30/2020</u>	<u>Predecessor</u> <u>Nine Months Ended</u> <u>9/30/2019</u>
<i>(Dollars in millions)</i>				
<b>Product Line Revenue by Hemisphere:</b>				
Production and Completions	\$ 170	\$ 348	\$ 632	\$ 1,098
Drilling, Evaluation and Intervention	146	327	582	1,022
<b>Western Hemisphere</b>	<b>\$ 316</b>	<b>\$ 675</b>	<b>\$ 1,214</b>	<b>\$ 2,120</b>
Production and Completions	\$ 241	\$ 265	\$ 783	\$ 792
Drilling, Evaluation and Intervention	250	374	846	1,057
<b>Eastern Hemisphere</b>	<b>\$ 491</b>	<b>\$ 639</b>	<b>\$ 1,629</b>	<b>\$ 1,849</b>
<b>Total Revenue</b>	<b>\$ 807</b>	<b>\$ 1,314</b>	<b>\$ 2,843</b>	<b>\$ 3,969</b>

	<u>Successor</u> <u>Three Months</u> <u>Ended</u> <u>9/30/2020</u>	<u>Predecessor</u> <u>Three Months</u> <u>Ended</u> <u>9/30/2019</u>	<u>Successor</u> <u>Nine Months Ended</u> <u>9/30/2020</u>	<u>Predecessor</u> <u>Nine Months Ended</u> <u>9/30/2019</u>
<i>(Dollars in millions)</i>				
<b>Revenue by Geographic Areas:</b>				
North America	\$ 175	\$ 383	\$ 688	\$ 1,259
Latin America	141	292	526	861
<b>Western Hemisphere</b>	<b>\$ 316</b>	<b>\$ 675</b>	<b>\$ 1,214</b>	<b>\$ 2,120</b>
Middle East & North Africa and Asia	\$ 319	\$ 377	\$ 1,063	\$ 1,129
Europe/Sub-Sahara Africa/Russia	172	262	566	720
<b>Eastern Hemisphere</b>	<b>\$ 491</b>	<b>\$ 639</b>	<b>\$ 1,629</b>	<b>\$ 1,849</b>
<b>Total Revenues</b>	<b>\$ 807</b>	<b>\$ 1,314</b>	<b>\$ 2,843</b>	<b>\$ 3,969</b>

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The following table provides information about receivables for product and services included in “Accounts Receivable, Net,” “Contract Assets” and “Contract Liabilities” at September 30, 2020 and December 31, 2019.

<i>(Dollars in millions)</i>	<b>9/30/2020</b>		<b>12/31/2019</b>	
Receivables for Product and Services in Accounts Receivable, Net	\$	793	\$	1,156
Receivables for Equipment Rentals in Account Receivable, Net	\$	42	\$	85
Contract Assets	\$	1	\$	3
Contract Liabilities	\$	29	\$	12

Revenue recognized for the nine months ended September 30, 2020 that were included in the contract liabilities balance at the beginning of 2020 was \$8 million.

In the following table, estimated revenue expected to be recognized in the future related to performance obligations that are either unsatisfied or partially unsatisfied as of September 30, 2020 primarily relate to subsea services and an artificial lift contract.

<i>(Dollars in millions)</i>	<b>2020</b>		<b>2021</b>		<b>2022</b>		<b>2023</b>		<b>Thereafter</b>		<b>Total</b>	
Service Revenue	\$	35	\$	34	\$	34	\$	34	\$	80	\$	217

#### 14. Segment Information

Financial information by segment is summarized below. The accounting policies of the segments are the same as those described in the summary of significant accounting policies as presented in our 2019 Annual Report.

	Successor Three Months Ended 9/30/2020	Predecessor Three Months Ended 9/30/2019	Successor Nine Months Ended 9/30/2020	Predecessor Nine Months Ended 9/30/2019
<i>(Dollars in millions)</i>				
<b>Revenue:</b>				
Western Hemisphere	\$ 316	\$ 675	\$ 1,214	\$ 2,120
Eastern Hemisphere	491	639	1,629	\$ 1,849
Total Revenue	\$ 807	\$ 1,314	\$ 2,843	\$ 3,969
<b>Operating Income (Loss):</b>				
Western Hemisphere	\$ (2)	15	\$ 4	\$ 35
Eastern Hemisphere	5	56	38	104
Total Segment Operating Income	3	71	42	139
Corporate	(28)	(31)	(80)	(95)
Impairments and Other Charges <sup>(a) (b)</sup>	(47)	(494)	(1,353)	(1,029)
Gain on Operational Assets Sale	12	15	12	15
Gain (Loss) on Sale of Businesses, Net <sup>(c)</sup>	—	(8)	—	104
Total Operating Loss	\$ (60)	\$ (447)	\$ (1,379)	\$ (866)
Interest Expense, Net	(79)	(26)	(196)	(341)
Reorganization Items	—	(303)	(9)	(303)
Other Expense, Net	(20)	(8)	(56)	(18)
Loss Before Income Taxes	\$ (159)	\$ (784)	\$ (1,640)	\$ (1,528)

(a) In the Successor three months ended September 30, 2020, primarily includes restructuring and other charges. In the Successor nine months ended September 30, 2020, primarily includes the impairment of goodwill, property, plant and equipment, intangibles and right of use assets, inventory excess and obsolete charges, and restructuring and other charges. See “Note 3 – Inventories, Net”, “Note 5 - Long-Lived Asset Impairments”, “Note 6 – Goodwill and Intangible Assets”, and “Note 7 – Restructuring, Facility Consolidation and Severance Charges” for additional information.

(b) In the Predecessor three months ended September 30, 2019, primarily includes goodwill impairment, and restructuring and other charges. In the Predecessor nine months ended September 30, 2019, primarily includes goodwill impairment, restructuring and other charges, and prepetition charges for professional and other fees related to the Predecessor bankruptcy cases. See “Note 5 - Long-Lived Asset Impairments”, “Note 6 – Goodwill and Intangible Assets”, and “Note 7 – Restructuring, Facility Consolidation and Severance Charges” for additional information.

(c) Primarily includes the gain on sale of our reservoir solutions business in the Predecessor second quarter of 2019.

The following table presents total assets by segment at for each period presented:

<i>(Dollars in millions)</i>	9/30/2020	12/31/2019
Western Hemisphere	\$ 1,694	\$ 2,514
Eastern Hemisphere	3,264	4,392
Corporate	706	387
Total	\$ 5,664	\$ 7,293

## 15. Income Taxes

We use the discrete method to determine our quarterly tax provision because small changes in estimated ordinary annual income result in significant changes in our estimated annual effective tax rate. The discrete method treats the year-to-date period as if it was the annual period and determines the income tax expense or benefit on that basis.

For the Successor three and nine months ended September 30, 2020, we recognized tax expense of \$8 million and \$64 million, respectively, on a loss before income taxes of \$159 million and \$1.6 billion, respectively, as compared to the Predecessor three and nine months ended September 30, 2019 where we recognized tax expense of \$31 million and \$76 million, respectively, on a loss before income taxes of \$784 million and \$1.5 billion, respectively. Tax expense for the three and nine months ended September 30, 2020 and 2019 includes withholding taxes, minimum taxes and deemed profit taxes that do not directly correlate to ordinary income or loss. Impairments and other charges did not result in significant tax benefit in either period. Tax expense for the Successor nine months ended September 30, 2020 includes \$20 million recorded in the first quarter of 2020 to recognize valuation allowance in jurisdictions where we are no longer able to forecast taxable income and a subsequent \$11 million release to derecognize such valuation allowance in the current quarter where this was no longer applicable.

We routinely undergo tax examination in various jurisdictions. We cannot predict the timing or outcome regarding resolution of these tax examinations or if they will have a material impact on our financial statements. As of September 30, 2020, we anticipate that it is reasonably possible that our uncertain tax positions of \$214 million may decrease by up to \$2 million in the next twelve months due to expiration of statutes of limitations, settlements and/or conclusions of tax examinations.

In response to the COVID-19 pandemic, many countries have enacted tax relief measures to provide aid and economic stimulus to companies impacted by the COVID-19 pandemic. For the Successor third quarter and nine months ended September 30, 2020, there were no material tax impacts to our financial statements as it relates to COVID-19 tax relief measures.

## Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

As used herein, “Weatherford,” the “Company,” “we,” “us” and “our” refer to Weatherford International plc, a public limited company organized under the laws of Ireland, and its subsidiaries on a consolidated basis. The following discussion should be read in conjunction with the Condensed Consolidated Financial Statements and Notes thereto included in “Item 1. Financial Statements.” Our discussion includes various forward-looking statements about our markets, the demand for our products and services and our future results. These statements are based on certain assumptions we consider reasonable. For information about these assumptions, please review the section entitled “Forward-Looking Statements” and the section entitled “Part II – Other Information – Item 1A. – Risk Factors.” As described in “Note 1 – General” references to “Successor” herein relate to the Condensed Consolidated Balance Sheets of the reorganized Company as of September 30, 2020 and December 31, 2019 and the Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2020 (“Successor Period”) and are not comparable to the Condensed Consolidated Financial Statements of the Predecessor Periods for the three and nine months ended September 30, 2019 (“Predecessor Period”), as indicated by the “black line” division in the financials and footnote tables, which emphasizes the lack of comparability between amounts presented.

### Overview

#### General

We conduct operations in approximately 80 countries and have service and sales locations in oil and natural gas producing regions globally. Our operational performance is reviewed on a geographic basis, and we report the Western Hemisphere and Eastern Hemisphere as separate, distinct reporting segments.

Our principal business is to provide equipment and services to the oil and natural gas exploration and production industry, both onshore and offshore. During the second quarter of 2020, in order to support the streamlining and realignment of the business, we combined our prior reported four product lines into two product lines. Our two primary product lines are as follows: (1) Production and Completions and (2) Drilling, Evaluation and Intervention. Our new combined Production and Completion product line was previously reported as two separate product lines. Our new Drilling, Evaluation and Intervention product line was previously reported as two separate product lines of Drilling and Evaluation and Well Construction.

- **Production and Completions** offers production optimization services and a complete production ecosystem, featuring our artificial-lift portfolio, testing and flow-measurement solutions, and optimization software, to boost productivity and profitability. In addition, we have a suite of modern completion products, reservoir stimulation designs, and engineering capabilities that isolate zones and unlock reserves in deepwater, unconventional, and aging reservoirs.
- **Drilling, Evaluation and Intervention** comprises a suite of services ranging from early well planning to reservoir management. The drilling services offer innovative tools and expert engineering to increase efficiency and maximize reservoir exposure. The evaluation services merge wellsite capabilities including wireline and managed pressure drilling. We also build or rebuild well integrity for the full life cycle of the well. Using conventional to advanced equipment, we offer safe and efficient tubular running services in any environment. Our skilled fishing and re-entry teams execute under any contingency from drilling to abandonment, and our drilling tools provide reliable pressure control even in extreme wellbores.

#### Outlook

The COVID-19 pandemic, customer activity shutdowns, travel constraints and access restrictions to customer work locations continue to cause significant uncertainty for the global economy, resulting in the continued significant decline in the global demand for oil and gas. This continues to cause an imbalance in the supply and demand for oil and gas. The impacts of the COVID-19 pandemic together with uncertainty around the extent and timing for an economic recovery, have caused extreme market volatility of commodity prices and resulted in significant reductions to the capital spending of exploration and production companies and lowering expectations of oil and gas related spending throughout the remainder of 2020 and beyond. This has resulted in significant corresponding uncertainty for the trajectory of the oil and gas industry and the Company. In addition, we expect the risk of a reinstatement of COVID-19 related restrictions or lockdowns to remain high, which creates further uncertainty in the global economic outlook and impact on oil and gas markets.

The Company continues to closely monitor the global impacts surrounding the COVID-19 pandemic, including operational and manufacturing disruptions, logistical constraints and travel restrictions. These factors have negatively impacted our ability to operate and we expect these negative impacts to continue. We have experienced and expect to continue to experience delays or a lack of availability of key components from our suppliers, shipping and other logistical delays and disruptions, customer restrictions that prevent access to their sites, community measures to contain the spread of the virus, and changes to Weatherford's policies that have both restricted and changed the way our employees work. We expect most, if not all, of these disruptions and constraints to have lasting effects on how we and our customers and suppliers work in the future.

We continuously improve crew rotations and management practices to minimize our employees' exposure to COVID-19 while at client facilities. In addition, our identification and management of COVID-19 cases continues to improve with advanced testing and response procedures. Faced with these challenges, we have evolved our digital portfolio and enhanced our applications to offer fully integrated digital oilfield solutions. We have increased our offerings of automated well construction and remote monitoring and predictive analytics related to our production offerings.

Revenue in the Successor third quarter of 2020 declined 39% compared to the Predecessor third quarter of 2019 and declined 28% year over year due to lower business activity resulting from the factors described above. Demand for our products and services has weakened and we continue to expect lower than normal demand for our products and services through the remainder of 2020 and into 2021. As a result, our financial outlook for the remainder of the year continues to be materially and negatively impacted. We continue to anticipate significant constraints on our ability to generate and grow our revenues, profits and cash flows. We anticipate a multi-year dislocation across the industry, particularly in North America, Europe, Latin America and Sub Saharan Africa.

We have implemented a number of aggressive actions to right-size our business to address current market conditions, including:

- Temporary pay reductions of 20% for management and to our Board of Directors' annual cash retainer;
- Total headcount reductions across North American and International operations, as well as the global support structure consistent with the decline in business activity;
- Furloughs and pay reductions for remaining employees in the United States and selected international locations;
- Reducing planned capital expenditures by approximately 50% in 2020 versus 2019 levels; and
- Further consolidating geographic and product line structures to better align with market conditions.

Many of the cost reduction initiatives listed above, like temporary pay reductions and headcount reductions, have been extended through the fourth quarter of 2020. At September 30, 2020, we had sufficient liquidity to operate our business. However, our rapidly changing operating environment has led to an inability to predict the ultimate length and depth of the adverse economic impact from the COVID-19 pandemic and the uncertainty in the global oil markets. The impact on our Company has been, and is expected to continue to be, significant.

### ***Exchange Listing***

The delisting of our ordinary shares from the New York Stock Exchange ("NYSE") became effective on April 27, 2020. Our ordinary shares were deregistered under Section 12(b) of the Exchange Act on July 16, 2020. We continue to evaluate listing options and intend to list on the NYSE or National Association of Securities Dealers Automated Quotations ("NASDAQ") when our Board of Directors determines market conditions are appropriate. The Company intends to continue filing periodic reports with the Securities and Exchange Commission ("SEC") on a voluntary basis. We continue to trade on the OTC Pink Marketplace under the ticker symbol "WFTLF".

### ***Opportunities and Challenges***

As production decline rates persist and reservoir productivity complexities increase, our customers continue to face challenges in balancing the cost of extraction activities with securing desired rates of production while achieving acceptable rates of return on investment. These challenges increase our customers' requirements for technologies that improve productivity and efficiency, which in turn puts pressure on us to deliver our products and services at competitive rates. We believe we are well positioned to satisfy our customers' needs, but the level of improvement in our businesses in the future will depend heavily on pricing, volume of work, and our ability to offer solutions to more efficiently extract oil and gas, control costs, and penetrate new and existing markets with our newly developed technologies. Over the long-term, we expect the world's demand for energy will rise from current levels requiring increased oil field services and more advanced technology from the oilfield

service industry. We remain focused on delivering innovative and cost-efficient solutions for customers to assist them in achieving their operational, safety and environmental objectives.

Our challenges also include adverse market conditions that could make our targeted cost reduction benefits more difficult to obtain and the ability to recruit and retain employees problematic. The imbalance between supply and demand for oil created by the simultaneous impact of the COVID-19 pandemic, together with uncertainty around the extent and timing for an economic recovery, have caused extreme market volatility and resulted in a decline in commodity prices since the beginning of 2020 and resulted in significant reductions to the capital spending plans of exploration and production companies. In addition, continued negative sentiment for the energy industry in the capital markets has impacted, and may continue to impact, demand for our products and services, as our customers, particularly those in North America, have experienced and likely will continue to experience challenges securing appropriate amounts of capital under suitable terms to finance their operations. The cyclicity of the energy industry and the COVID-19 pandemic continues to impact the demand for our products and services, such as our drilling and evaluation services, well construction and well completion services, which strongly depend on the level of exploration and development activity and the completion phase of the well life cycle. Other products and services, such as our production optimization and artificial lift systems, are dependent on the number of wells and the type of production systems used. We are following our long-term strategy aimed at achieving profitability in our businesses, servicing our customers, right-sizing our business and creating value for our stakeholders. Our long-term success will be determined by our ability to manage effectively the cyclicity of our industry, including the ongoing and prolonged industry downturn, our ability to respond to industry demands and periods of over-supply or uncertain oil prices, and ultimately to generate consistent positive cash flow and positive returns on the invested capital.

### Industry Trends

The level of spending in the energy industry is heavily influenced by the current and expected future prices of oil and natural gas. Changes in expenditures result in an increased or decreased demand for our products and services. Rig count is an indicator of the level of spending for the exploration for and production of oil and natural gas reserves. The following charts set forth certain statistics that reflect historical market conditions.

The table below shows the average oil and natural gas prices for West Texas Intermediate (“WTI”) and Henry Hub natural gas during the three and nine months ended September 30, 2020 and 2019. Commodity prices decreased during 2020 following the dual impact of the COVID-19 pandemic and the inability of Organization of Petroleum Exporting Countries (“OPEC”) and other high oil exporting non-OPEC nations (“OPEC+”) to agree on production cuts.

	Three Months Ended		Nine Months Ended	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019
Oil price - WTI <sup>(1)</sup>	\$40.91	\$56.47	\$38.24	\$57.10
Natural Gas price - Henry Hub <sup>(2)</sup>	\$2.00	\$2.33	\$1.87	\$2.56

<sup>(1)</sup> Oil price measured in dollars per barrel (rounded to the nearest dollar)

<sup>(2)</sup> Natural gas price measured in dollars per million British thermal units (Btu), or MMBtu

The historical average rig counts based on the weekly Baker Hughes Company rig count information were as follows:

	Three Months Ended		Nine Months Ended	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019
North America	301	1,052	566	1,117
International	731	1,144	879	1,094
Worldwide	1,032	2,196	1,445	2,211

As of September 30, 2020, the North American and International Rig Count totaled 332 and 702, respectively.



Factors influencing oil and natural gas prices during the period include the imbalance between supply and demand for oil created by the simultaneous impact of the COVID-19 pandemic and actions by certain OPEC+ nations, the uncertainty around the extent and timing for an economic recovery and global market volatility. These factors contributed to the resulting precipitous decline in commodity prices, rising oil and gas inventory levels, decreased realized and expected levels of oil and gas demand, decreased level of production capacity and geopolitical uncertainty. While OPEC+ agreed in April to cut production, downward pressure on commodity prices has continued and could continue for the foreseeable future, particularly given concerns over available storage capacity.

### ***Financial Results and Overview***

Successor revenues totaled \$807 million in the third quarter ended September 30, 2020 and \$2.8 billion in the Successor nine months ended September 30, 2020. This is a decrease of \$507 million, or 39%, and \$1.1 billion, or 28%, compared to the Predecessor revenues in the third quarter and nine months ended September 30, 2019, respectively, as the unprecedented global health and economic crisis sparked by the COVID-19 pandemic continued to negatively impact industry activity during the third quarter ended September 30, 2020. Our revenue decline was predominantly driven by lower activity levels in North America and lower demand for services in the United States, but was also impacted by declines in activity internationally, primarily in Latin America, Middle East, North Africa and Russia.

Successor consolidated operating results improved \$387 million in the Successor third quarter ended September 30, 2020 and decreased \$513 million in the Successor nine months ended September 30, 2020 compared to the Predecessor consolidated operating results in the third quarter and nine months ended September 30, 2019. The improved operating results in the Successor third quarter ended September 30, 2020 primarily reflects lower impairment charges, lower retention expenses and improvements in our organizational structure, partially offset by the decline in demand due to the COVID-19 pandemic. Included in the Successor and Predecessor third quarter is a gain on sale of operational assets. The decline in operating results for the nine months ended September 30, 2020 primarily reflects the decline in demand due to COVID-19 pandemic, long-lived asset impairment charges, goodwill impairment, and inventory charges, partially offset by the lower retention expenses and improvements in our organizational structure.

Successor segment operating income was \$3 million in the third quarter ended September 30, 2020 and \$42 million in the nine months ended September 30, 2020, a decrease of \$68 million and \$97 million, respectively, compared to the Predecessor segment operating income in the third quarter and nine months ended September 30, 2019. The decrease was driven by the decline in demand for services related to COVID-19 pandemic, partially offset by our lower cost structure.

### ***Significant Operating Charges***

For the Successor three months ended September 30, 2020, significant charges incurred totaled \$47 million of restructuring, severance and other operating charges. For the Predecessor three months ended September 30, 2019, significant charges incurred totaled \$494 million and included \$399 million goodwill impairment, \$53 million of restructuring charges and \$42 million of other operating charges.

For the Successor nine months ended September 30, 2020, significant charges incurred totaled \$1.35 billion and included \$818 million related to long-lived asset impairments, \$239 million of goodwill impairments, \$134 million for inventory charges, and \$162 million of restructuring, severance and other charges. For the Predecessor nine months ended September 30, 2019, significant charges incurred totaled \$1.03 billion and included \$730 million goodwill impairment, \$86 million of prepetition charges, \$93 million of restructuring charges and \$120 million of other operating charges.

## Results of Operations

The following table sets forth consolidated results of operations and financial information by operating segment and other selected information for the periods indicated. The Successor Period and the Predecessor Period are distinct reporting periods as a result of our emergence from bankruptcy on December 13, 2019.

	Successor	Predecessor		Favorable (Unfavorable)	% Change
	Three Months Ended 9/30/2020	Three Months Ended 9/30/2019			
<i>(Dollars and shares in millions, except per share data)</i>					
Revenues:					
Western Hemisphere	\$ 316	\$ 675	\$ (359)		(53)%
Eastern Hemisphere	491	639	(148)		(23)%
Total Revenues	807	1,314	(507)		(39)%
Operating Income (Loss):					
Western Hemisphere	(2)	15	(17)		(113)%
Eastern Hemisphere	5	56	(51)		(91)%
Total Segment Operating Income (Loss)	3	71	(68)		(96)%
Corporate General and Administrative	(28)	(31)	3		10 %
Impairments and Other Charges	(47)	(494)	447		90 %
Gain on Operational Assets Sale	12	15	(3)		(20)%
Loss Sale of Businesses, Net	—	(8)	8		100 %
Total Operating Loss	(60)	(447)	387		87 %
Interest Expense, Net	(79)	(26)	(53)		(204)%
Reorganization Items	—	(303)	303		100 %
Other Expense, Net	(20)	(8)	(12)		(150)%
Loss Before Income Taxes	(159)	(784)	625		80 %
Income Tax Provision	(8)	(31)	23		74 %
Net Loss	(167)	(815)	648		80 %

	<b>Successor Nine Months Ended</b>	<b>Predecessor Nine Months Ended</b>	<b>Favorable (Unfavorable)</b>	<b>Percentage Change</b>
<i>(Dollars and shares in millions, except per share data)</i>	<b>9/30/2020</b>	<b>9/30/2019</b>		
<b>Revenues:</b>				
Western Hemisphere	\$ 1,214	\$ 2,120	\$ (906)	(43)%
Eastern Hemisphere	1,629	1,849	(220)	(12)%
<b>Total Revenues</b>	<b>2,843</b>	<b>3,969</b>	<b>(1,126)</b>	<b>(28)%</b>
<b>Operating Income (Loss):</b>				
Western Hemisphere	4	35	(31)	(89)%
Eastern Hemisphere	38	104	(66)	(63)%
<b>Total Segment Operating Income</b>	<b>42</b>	<b>139</b>	<b>(97)</b>	<b>(70)%</b>
Corporate General and Administrative	(80)	(95)	15	16 %
Impairments and Other Charges	(1,353)	(1,029)	(324)	(31)%
Gain on Operational Assets Sale	12	15	(3)	(20)%
Gain on Sale of Businesses, Net	—	104	(104)	(100)%
<b>Total Operating Loss</b>	<b>(1,379)</b>	<b>(866)</b>	<b>(513)</b>	<b>(59)%</b>
Interest Expense, Net	(196)	(341)	145	43 %
Reorganization Items	(9)	(303)	294	97 %
Other Expense, Net	(56)	(18)	(38)	(211)%
<b>Loss Before Income Taxes</b>	<b>(1,640)</b>	<b>(1,528)</b>	<b>(112)</b>	<b>(7)%</b>
Income Tax Provision	(64)	(76)	12	16 %
<b>Net Loss</b>	<b>(1,704)</b>	<b>(1,604)</b>	<b>(100)</b>	<b>(6)%</b>

### ***Segment Revenues***

Western Hemisphere revenues decreased \$359 million, or 53%, in the Successor third quarter ended September 30, 2020 and \$906 million, or 43%, for the Successor nine months ended September 30, 2020 compared to the Predecessor third quarter and nine months ended September 30, 2019 as the unprecedented global health and economic crisis sparked by the COVID-19 pandemic negatively impacted industry activity. The lower demand for oil and gas created by the impact of the COVID-19 pandemic, together with uncertainty around the extent and timing for an economic recovery, have caused significant reductions to the capital spending plans of exploration and production companies. This resulted in lower activity levels in the U.S. and Canada as a result of a decline in rig related activity and exploration spending, which has reduced demand for drilling, completion and production products and services. We also experienced declines in Latin America with significant activity reductions in Argentina and Columbia due to the COVID-19 pandemic and lower demand for oil and gas.

Eastern Hemisphere revenues decreased \$148 million, or 23%, in the Successor third quarter ended September 30, 2020 and \$220 million, or 12%, for the Successor nine months ended September 30, 2020 compared to the Predecessor third quarter and nine months ended September 30, 2019 related to a decline in activity in the Middle East, North Africa, Asia and Russia due to COVID-19 pandemic.

### ***Segment Operating Results***

Successor segment operating income was \$3 million in the third quarter ended September 30, 2020 and Successor segment operating income was \$42 million for the nine months ended September 30, 2020, a decrease of \$68 million and \$97 million, respectively, compared to the Predecessor third quarter and nine months ended September 30, 2019. The result was principally driven by the impact of the COVID-19 pandemic resulting in lower activity levels in North America as well as third quarter declines in activity internationally, primarily in Latin America, Middle East, North Africa and Russia.

Western Hemisphere Successor segment operating loss of \$2 million in the third quarter ended September 30, 2020 and Successor segment operating income of \$4 million for the nine months ended September 30, 2020, declined \$17 million and \$31 million, respectively, compared to the Predecessor third quarter and nine months ended September 30, 2019. The segment income decline was impacted by lower activity levels in North America, Argentina and Colombia, the deterioration in demand for services due to the COVID-19 pandemic and weakening demand for oil and gas.

Eastern Hemisphere Successor segment operating income of \$5 million in the third quarter ended September 30, 2020 and \$38 million for the nine months ended September 30, 2020 was down by \$51 million and \$66 million, respectively, compared to the Predecessor third quarter and nine months ended September 30, 2019. The segment income decline was impacted by slowing activity levels, deterioration in demand for services due to the COVID-19 pandemic and weakening demand for oil and gas, partially offset by improved margins on product sales in the Middle East, lower operational costs and reduced employee retention expenses.

#### ***Interest Expense, Net***

Successor interest expense was \$79 million in the third quarter ended September 30, 2020 and \$196 million for nine months ended September 30, 2020. The Successor interest expense represents interest on our 11.0% Exit Notes due 2024 (“Exit Notes”) and our 8.75% Senior Secured Notes due 2024 (“Senior Secured Notes”) as well as the write-off of unamortized deferred issuance costs of \$15 million associated with the termination of our senior secured lending agreement (“ABL Credit Agreement”). See “Note 8 – Borrowings and Other Obligations” to the Condensed Consolidated Financial Statements for further details on the refinancing.

Predecessor interest expense was \$26 million in the third quarter ended September 30, 2019 and \$341 million for the nine months ended September 30, 2019. Predecessor interest expense in the third quarter of 2019 is primarily related to the interest on our Debtor-in-Possession Credit Agreement (“DIP Credit Agreement”). In the third quarter of 2019 the Predecessor had unrecognized contractual interest of \$133 million (no longer accrued interest) on its unsecured senior notes and the unpaid balance was classified as liabilities subject to compromise. In addition, the Predecessor discontinued the amortization of deferred financing and debt discounts as the unamortized balances were removed in the Predecessor third quarter and recorded as “Reorganization Items” on the Condensed Consolidated Statements of Operations.

Predecessor interest expense in the nine months ended September 30, 2019 primarily represented interest on Predecessor DIP Credit Agreement in the third quarter of 2019 and interest on the Predecessor senior notes and credit agreements for the first half of 2019.

#### ***Reorganization Items***

Predecessor expenses, gains and losses that are realized or incurred as of or subsequent to its petition date and as a direct result of the bankruptcy cases are recorded under “Reorganization Items” on our Condensed Consolidated Statements of Operations. For the three and nine months ended September 30, 2019, Predecessor “Reorganization Items” were \$303 million and comprised of \$134 million of expense related to the write-off of deferred financing and debt discounts on liabilities subject to compromise that was previously being amortized over the life of the Predecessor senior notes, \$81 million of backstop commitment fees, \$56 million of debtor-in-possession financing fees, and \$32 million of professional fees.

#### ***Other Income (Expense)***

Successor other expense was \$20 million in the third quarter ended September 30, 2020 and \$56 million for the nine months ended September 30, 2020 compared to Predecessor other expense of \$8 million in the third quarter ended September 30, 2019 and \$18 million for the nine months ended September 30, 2019. Other expense was primarily driven by foreign currency exchange losses of \$13 million in the third quarter of 2020 and \$38 million for the nine months ended September 30, 2020 related to currency losses in countries with no or limited markets to hedge. The unfavorable change primarily relates to the weakening of foreign currencies following the onset of COVID-19 pandemic. Other expense also includes letter of credit fees and other financing fees.

### ***Income Taxes***

We have determined that because small changes in estimated ordinary annual income would result in significant changes in the estimated annual effective tax rate, the use of a discrete effective tax rate is appropriate for determining the quarterly provision for income taxes. The discrete method treats the year-to-date period as if it was the annual period and determines the income tax expense or benefit on that basis. We will continue to use this method each quarter until the annual effective tax rate method is deemed appropriate. For the Successor three and nine months ended September 30, 2020, we recognized tax expense of \$8 million and \$64 million, respectively, on a loss before income taxes of \$159 million and \$1.6 billion, respectively, as compared to the Predecessor three and nine months ended September 30, 2019 where we recognized tax expense of \$31 million and \$76 million, respectively, on a loss before income taxes of \$784 million and \$1.5 billion, respectively. Tax expense for the three and nine months ended September 30, 2020 and 2019 includes withholding taxes, minimum taxes and deemed profit taxes that do not directly correlate to ordinary income or loss. Impairments and other charges did not result in significant tax benefit in either period. Tax expense for the Successor nine months ended September 30, 2020 includes \$20 million recorded in the first quarter of 2020 to recognize valuation allowance in jurisdictions where we are no longer able to forecast taxable income and a subsequent \$11 million release to derecognize such valuation allowance in the current quarter where this was no longer applicable.

We routinely undergo tax examination in various jurisdictions. We cannot predict the timing or outcome regarding resolution of these tax examinations or if they will have a material impact on our financial statements. As of September 30, 2020, we anticipate that it is reasonably possible that our uncertain tax positions of \$214 million may decrease by up to \$2 million in the next twelve months due to expiration of statutes of limitations, settlements and/or conclusions of tax examinations.

In response to the COVID-19 pandemic, many countries have enacted tax relief measures to provide aid and economic stimulus to companies impacted by the COVID-19 pandemic. For the third quarter and nine months ended September 30, 2020, there were no material tax impacts to our financial statements as it relates to COVID-19 tax relief measures.

### **Restructuring, Facility Consolidation and Severance Charges**

During the Successor three and nine months ended September 30, 2020, in response to the impact on our business from the COVID-19 pandemic and the significant decline in demand, we initiated additional immediate actions and developed plans to reduce our future cost structure as discussed previously under the “Outlook” subheading in “Item 2. – Management’s Discussion and Analysis of Financial Condition and Results of Operations.” As a result, during the Successor three and nine months ended September 30, 2020, we incurred restructuring and severance charges of \$31 million and \$114 million, respectively. Additional charges with respect to our ongoing cost reduction actions are expected to be recorded through the remainder of 2020 and could result in additional charges in future periods as we execute and revise our plans.

Please see “Note 7 – Restructuring, Facility Consolidation and Severance Charges” to our Condensed Consolidated Financial Statements for additional details of our charges by segment.

## Liquidity and Capital Resources

On August 28, 2020, we completed a series of financing transactions that meaningfully enhanced our liquidity, including issuing \$500 million of Senior Secured Notes, terminating our ABL Credit Agreement, and amending and increasing the size of our senior secured letter of credit agreement (the “LC Credit Agreement”) to \$215 million. The proceeds from our Senior Secured Notes, combined with the termination of our ABL Credit Agreement and the covenants under the ABL Credit Agreement, resulted in the alleviation of our substantial doubt to continue as a going concern that was previously reported at June 30, 2020. See “Note 8 – Borrowings and Other Obligations” to the Condensed Consolidated Financial Statements for further details.

The effects of the COVID-19 pandemic have resulted in a significant and continued reduction in international and U.S. economic activity. The imbalance between supply and demand for oil created by the impact of the COVID-19 pandemic, together with uncertainty around the extent and timing of an economic recovery, have caused significant reductions to the capital spending plans of exploration and production companies. This has resulted in weakened demand for our products and services throughout 2020, and caused significant volatility and disruption of the financial markets. This period of extreme economic disruption, low oil prices and reduced demand for our products and services has had, and is likely to continue to have, a significantly negative impact on our business, results of operation and financial condition.

At September 30, 2020, we had total cash and cash equivalents and restricted cash of \$1.3 billion of which \$172 million was restricted cash, compared to total cash and cash equivalents and restricted cash of \$800 million of which \$182 million was restricted cash at December 31, 2019. At September 30, 2020, we had available liquidity of \$842 million as defined in our amended LC Credit Agreement and Senior Secured Notes. The following table summarizes cash flows provided by (used in) each type of activity for the nine months ended September 30, 2020 and September 30, 2019:

<i>(Dollars in millions)</i>	<b>Successor</b>		<b>Predecessor</b>	
	<b>Nine Months Ended</b>		<b>Nine Months Ended</b>	
	<b>9/30/2020</b>		<b>9/30/2019</b>	
Net Cash Provided by (Used in) Operating Activities	\$	188	\$	(679)
Net Cash Provided by (Used in) Investing Activities		(89)		210
Net Cash Provided by Financing Activities		400		917

### *Operating Activities*

Cash provided by operating activities for the Successor was \$188 million for the nine months ended September 30, 2020 compared to cash used in operating activities for the Predecessor of \$679 million for the nine months ended September 30, 2019. Cash provided by Successor operating activities for the nine months ended September 30, 2020 was driven by improved collections on our accounts receivables, lower payments for working capital activities, lower retention and performance cash bonuses and was partially offset by payments for interest. Cash used in Predecessor operating activities for the nine months ended September 30, 2019 was driven by working capital needs, payments for interest, performance and retention bonuses, severance and other restructuring and transformation costs. In the Predecessor nine months ended September 30, 2019, cash used in operating activities included payments for prepetition and “Reorganization Items” charges primarily for professional and other fees.

### *Investing Activities*

Cash used in investing activities for the Successor was \$89 million for the nine months ended September 30, 2020 compared to cash provided by investing activities for the Predecessor of \$210 million for the nine months ended September 30, 2019.

During the Successor nine months ended September 30, 2020, the primary uses of cash in investing activities were (i) capital expenditures of \$100 million for property, plant and equipment and (ii) cash paid of \$24 million related to a deferred payment for our 2018 acquisition of our Qatari joint venture. During the Successor nine months ended September 30, 2020, the primary sources of cash from investing activities included \$13 million from other asset dispositions and \$25 million of cash proceeds from Angolan government bonds. The amount we spend for capital expenditures varies each year and is based on the types of contracts into which we enter, our asset availability and our expectations with respect to activity levels.

During the Predecessor nine months ended September 30, 2019, the primary uses of cash in investing activities were (i) capital expenditures of \$177 million for property, plant and equipment and the acquisition of assets held for sale and (ii) cash paid of \$12 million to acquire intellectual property and other intangibles. During the Predecessor nine months ended September 30, 2019, the primary sources of cash from investing activities were (i) proceeds from the sale of business of \$319 million, primarily from the completed dispositions of our land drilling rigs operations, reservoir solutions and surface data logging businesses and (ii) proceeds of \$80 million from the disposition of other assets.

### ***Financing Activities***

Our cash provided by financing activities was \$400 million for the Successor nine months ended September 30, 2020 compared to cash provided by financing activities for the Predecessor of \$917 million for the nine months ended September 30, 2019. For the Successor nine months ended September 30, 2020 we received net proceeds of \$457 million from the issuance of our Senior Secured Notes and used cash of \$57 million for the repayment of debt and other financing activities.

For the nine months ended September 30, 2019, the Predecessor had borrowings of \$1.4 billion under the DIP Credit Agreement, short-term borrowings net of repayments of \$25 million primarily from the Predecessor revolving credit agreements, and long-term debt repayments of \$317 million for payments on the Predecessor term loan agreement and financed leases. In addition, the Predecessor paid \$110 million in DIP financing fees and on the backstop agreement pursuant to the plan of reorganization.

The proceeds of the borrowings under the DIP Credit Agreement were used to repay certain prepetition indebtedness, cash collateralized certain obligations with respect to letters of credit and similar instruments and finance the working capital needs and general corporate purposes of the Predecessor.

### ***Sources of Liquidity***

Our sources of available liquidity going forward include cash generated by our operations, cash and cash equivalent balances, accounts receivable factoring, dispositions, and availability under our LC Credit Agreement. We have an aggregate commitments of \$215 million under the LC Credit Agreement for issuance of letters of credit. At September 30, 2020, we had approximately \$168 million in outstanding letters of credit under the LC Credit Agreement and availability of \$47 million. At September 30, 2020, we had available liquidity of \$842 million as defined in our LC Credit Agreement and Senior Secured Notes. At September 30, 2020, we had sufficient liquidity to operate our business.

We historically have accessed banks for short-term loans and have accessed the capital markets with debt and equity offerings. However, the energy industry continues to have negative sentiment in the market which has impacted the ability of energy sector participants to access appropriate amounts of capital and under suitable terms. Although we may have access to capital markets, it may not be on terms that are commercially acceptable to the Company. From time to time we may enter into transactions to dispose of businesses or capital assets that no longer fit our long-term strategy.

### ***Customer Receivables***

In weak economic environments, we may experience increased delays and failures to pay our invoices due to, among other reasons, a reduction in our customers' cash flow from operations and their access to the credit markets as well as unsettled political conditions. Given the nature and significance of the COVID-19 pandemic and disruption in the oil and gas industry, we could experience delayed customer payments and payment defaults associated with customer liquidity issues and bankruptcies.

### ***Cash Requirements***

We anticipate our cash requirements will continue to include interest payments primarily on our long-term debt and credit agreements, payments for capital expenditures, repayment of financed leases, payments for short-term working capital needs and costs associated with our revenue and cost improvement efforts under our restructuring plans, including severance payments. Our cash requirements may also include business acquisitions, awards under our employee incentive programs and other amounts to settle litigation related matters. We anticipate funding these requirements from cash and cash equivalent balances, accounts receivable factoring and proceeds from disposals of businesses or capital assets that no longer fit our long-term strategy. However, the weak operating environment has led to the inability to predict the depth and length of the adverse

economic impact on the industry. The actions taken by management to preserve liquidity and capital include the reduction of capital expenditures, consolidation of product lines to eliminate redundancy, exiting from sub-scale operations and a higher level of headcount reductions.

In light of the challenging outlook, our capital spending for 2020 is projected to be between approximately \$100 - \$150 million, a reduction of approximately 50% from 2019. Expenditures are expected to be used primarily to support the ongoing activities and commitments in our core business. If we are unable to generate sufficient cash flows or access other sources of liquidity described in the previous paragraph, we may need to further reduce or eliminate our anticipated capital expenditures in the fourth quarter of 2020 which would further impact the business.

Cash and cash equivalents (including restricted cash of \$172 million primarily related to cash collateral on our letters of credit) totaled \$1.3 billion at September 30, 2020, and are held by subsidiaries outside of Ireland, our taxing jurisdiction. We have in excess of \$130 million of our cash and cash equivalents that cannot be immediately repatriated from various countries due to country central bank controls or other regulations. Based on the nature of our structure, other than the restrictions noted above, we are generally able to redeploy cash with no incremental tax.

#### ***Ratings Services' Credit Ratings***

As of September 30, 2020, our Moody's Investor Services credit rating on the newly issued Senior Secured Notes and our senior secured LC Credit Agreement was Ba3, with a negative outlook. Our Exit Notes have a credit rating of B3 with a negative outlook. At September 30, 2020, our S&P credit rating on our Senior Secured Notes and our LC Agreement was B-, with a negative outlook. The credit rating on our Exit Notes was CCC with a negative outlook.

While we may continue to have access to credit markets, our non-investment grade status, restrictions under our Exit Notes, Senior Secured Notes and LC agreement, and the industry downturn could limit our ability to raise capital, refinance our existing debt, or could cause us to refinance or issue debt with less favorable and more restrictive terms and conditions, and could increase certain fees and interest of our borrowings. Suppliers and financial institutions may lower or eliminate the level of credit provided through payment or intraday funding when dealing with us thereby increasing the need for higher levels of cash on hand, which could decrease our ability to repay debt balances, negatively affect our cash flow and impact our access to the inventory and services needed to operate our business.

#### ***Off Balance Sheet Arrangements***

##### *Guarantees*

Weatherford International plc, a public limited company organized under the laws of Ireland, and as the ultimate parent of the Weatherford group, guarantees the obligations of its subsidiaries. Please see our discussion on guarantees in "Part II - Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operation" of our 2019 Annual Report.

##### *Letters of Credit and Surety Bonds*

As of September 30, 2020, we had \$346 million of letters of credit outstanding, consisting of \$168 million under the LC Credit Agreement and \$178 million under various uncommitted facilities (of which there was \$170 million in cash collateral held and recorded in "Restricted Cash" on the Condensed Consolidated Balance Sheets). On August 28, 2020, we terminated our ABL Credit Agreement and all letters of credit outstanding under the ABL Credit Agreement were either cash collateralized or transferred to issuing banks under the LC Agreement.

In Latin America we utilize surety bonds as part of our customary business practice. These obligations could be called by the beneficiaries should we breach certain contractual or performance obligations.



## Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operation is based upon our Condensed Consolidated Financial Statements. We prepare these financial statements in conformity with U.S. GAAP. As such, we are required to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the periods presented. We base our estimates on historical experience, available information and various other assumptions we believe to be reasonable under the circumstances. On an on-going basis, we evaluate our estimates, however, actual results may differ from these estimates under different assumptions or conditions. There have been no material changes or developments in our evaluation of the accounting estimates and the underlying assumptions or methodologies that we believe to be critical accounting policies and estimates as disclosed in our 2019 Annual Report and our second quarter Form 10-Q filed on August 14, 2020.

## Forward-Looking Statements

This report contains various statements relating to future financial performance and results, business strategy, plans, goals and objectives, including certain projections, business trends and other statements that are not historical facts. These statements constitute forward-looking statements. These forward-looking statements generally are identified by the words “believe,” “project,” “expect,” “anticipate,” “estimate,” “intend,” “budget,” “strategy,” “plan,” “guidance,” “outlook,” “may,” “should,” “could,” “will,” “would,” “will be,” “will continue,” “will likely result,” and similar expressions, although not all forward-looking statements contain these identifying words.

Forward-looking statements reflect our beliefs and expectations based on current estimates and projections. While we believe these expectations, and the estimates and projections on which they are based, are reasonable and were made in good faith, these statements are subject to numerous risks and uncertainties. Accordingly, our actual outcomes and results may differ materially from what we have expressed or forecasted in the forward-looking statements. We undertake no obligation to correct, update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except to the extent required under federal securities laws. The following, together with disclosures under “Part II – Other Information – Item 1A. – Risk Factors”, sets forth certain risks and uncertainties relating to our forward-looking statements that may cause actual results to be materially different from our present expectations or projections:

- risks associated with disease outbreaks and other public health issues, including COVID-19, their impact on the global economy and the business of our company, customers, suppliers and other partners, changes in, and the administration of, treaties, laws, and regulations, including in response to such issues and the potential for such issues to exacerbate other risks we face, including those related to the factors listed or referenced below;
- the price and price volatility of, and demand for, oil, natural gas and natural gas liquids;
- member-country quota compliance within the OPEC;
- our ability to realize expected revenues and profitability levels from current and future contracts;
- our ability to generate cash flow from operations to fund our operations;
- global political, economic and market conditions, political disturbances, war, terrorist attacks, changes in global trade policies, weak local economic conditions and international currency fluctuations;
- increases in the prices and lack of availability of our procured products and services;
- our ability to timely collect from customers;
- our ability to realize cost savings and business enhancements from our revenue and cost improvement efforts;
- our ability to attract, motivate and retain employees, including key personnel;
- changes to senior management;
- our ability to access to capital markets on terms that are commercially acceptable to the Company;
- our ability to manage our workforce, supply chain and business processes, information technology systems and technological innovation and commercialization, including the impact of our organization restructure, business enhancements, improvement efforts and the cost and support reduction plans;
- potential non-cash asset impairment charges for long-lived assets, intangible assets or other assets;
- adverse weather conditions in certain regions of our operations; and
- failure to ensure on-going compliance with current and future laws and government regulations, including but not limited to environmental and tax and accounting laws, rules and regulations.

Many of these factors are macro-economic in nature and are, therefore, beyond our control. Should one or more of these risks or uncertainties materialize, affect us in ways or to an extent that we currently do not expect or consider to be significant,

or should underlying assumptions prove incorrect, our actual results, performance or achievements may vary materially from those described in this quarterly report as anticipated, believed, estimated, expected, intended, planned or projected.

Finally, our future results will depend upon various other risks and uncertainties, including, but not limited to, those detailed in our other filings with the SEC under the Securities Exchange Act of 1934 (as amended, the “Exchange Act”) and the Securities Act of 1933 (as amended, the “Securities Act”). For additional information regarding risks and uncertainties, see our other filings with the SEC. Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished with the SEC are made available free of charge on our web site [www.weatherford.com](http://www.weatherford.com) under “Investor Relations” as soon as reasonably practicable after we have electronically filed the material with, or furnished it to, the SEC.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

For quantitative and qualitative disclosures about market risk, see “Part II – Other Information – Item 7A. – Quantitative and Qualitative Disclosures about Market Risk,” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2019. Other than the decrease in the fair value of our debt as discussed in “Note 8 – Borrowings and Other Obligations” to our Condensed Consolidated Financial Statements, our exposure to market risk has not changed materially since December 31, 2019.

### **Item 4. Controls and Procedures.**

*Evaluation of Disclosure Controls and Procedures.* Disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act are designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. This information is collected and communicated to management, including our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), as appropriate, to allow timely decisions regarding required disclosures.

During the period ended September 30, 2020, management enhanced existing controls by designing and implementing new controls to remediate the material weakness in internal controls disclosed in our Form 10-Q as of June 30, 2020 over the review of the net book values by long-lived asset group and reporting segment used in the long-lived assets impairment assessment. However, during the three months ended September 30, 2020, there were not a sufficient number of instances of the operation of these controls to conclude that the material weakness in internal control was remediated. Consequently, our CEO and CFO concluded that our disclosure controls and procedures as of the end of the period covered by this quarterly report were not effective.

Other than the controls implemented to remediate the material weakness described above, there were no other changes in our internal control over financial reporting that occurred during the three months ended September 30, 2020 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## **PART II – Other Information**

### **Item 1. Legal Proceedings.**

#### ***Disputes and Litigation***

See “Note 10 – Disputes, Litigation and Contingencies” to our Condensed Consolidated Financial Statements for details regarding our ongoing disputes and litigation.

### **Item 1A. Risk Factors.**

An investment in our securities involves various risks. You should consider carefully all of the risk factors described in our 2019 Annual Report, Part I, under the heading “Item 1A. – Risk Factors” and other information included and incorporated by reference in this report. As of September 30, 2020, there have been no material changes in our assessment of our risk factors from those set forth in our second quarter Form 10-Q filed on August 14, 2020.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.**

None.

**Item 3. Defaults Upon Senior Securities.**

None.

**Item 4. Mine Safety Disclosures.**

Not applicable.

**Item 5. Other Information.**

On October 30, 2020, the Board of Directors of the Company approved the Weatherford International plc Second Amended and Restated 2019 Equity Incentive Plan, which, among other things, increases the number of shares available for issuance to 8,600,000, revises the applicable definition of “change in control” to exclude certain restructuring events and remove a liquidation or dissolution as a trigger, and conforms the plan to the Company’s recently revised Compensation Clawback Policy

**Item 6. Exhibits.**

All exhibits designated with a dagger (†) are filed herewith or double dagger (††) are furnished herewith.

<b>Exhibit Number</b>	<b>Description</b>	<b>Original Filed Exhibit</b>	<b>File Number</b>
3.1	<a href="#">Amended and Restated Memorandum and Articles of Association of Weatherford International public limited company.</a>	Exhibit 3.1 of the Company’s Current Report on Form 8-K filed December 18, 2019	File No. 1-36504
4.1	<a href="#">Indenture, dated August 28, 2020, by and among Weatherford International Ltd., as issuer, the guarantors party thereto and Wilmington Trust, National Association, as trustee and collateral agent.</a>	Exhibit 4.1 of the Company’s Current Report on Form 8-K filed August 28, 2020	File No. 1-36504
4.2	<a href="#">Form of Senior Secured Note (included in Exhibit 4.1).</a>	Exhibit 4.2 of the Company’s Current Report on Form 8-K filed August 28, 2020	File No. 1-36504
10.1	<a href="#">Amendment No. 1 to LC Credit Agreement and Amendment No. 1 to U.S. Security Agreement, dated August 28, 2020, by and among Weatherford International Ltd., Weatherford International plc, Weatherford International LLC, the other guarantors of the LC Credit Agreement, Deutsche Bank Trust Company Americas and the lenders under the LC Credit Agreement.</a>	Exhibit 10.1 of the Company’s Current Report on Form 8-K filed August 28, 2020	File No. 1-36504
10.2	<a href="#">LC Credit Agreement, dated December 13, 2019 (as amended by Amendment No. 1, dated August 28, 2020), by and among Weatherford International Ltd., Weatherford International plc, Weatherford International LLC, Deutsche Bank Trust Company Americas and the lenders party thereto from time to time (included in Exhibit 10.1).</a>	Exhibit 10.2 to the Company’s Current Report on Form 8-K filed August 28, 2020 (included in Exhibit 10.1 to the Company’s Current Report on Form 8-K filed August 28, 2020)	File No. 1-36504

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<b>Exhibit Number</b>	<b>Description</b>	<b>Original Filed Exhibit</b>	<b>File Number</b>
10.3	<a href="#">Intercreditor Agreement, dated August 28, 2020, by and among Deutsche Bank Trust Company Americas, Wilmington Trust, National Association, BTA Institutional Services Australia Limited, Weatherford International plc and the grantors party there to from time to time.</a>	Exhibit 10.3 to the Company's Current Report on Form 8-K filed August 28, 2020	File No. 1-36504
†*10.4	<a href="#">Offer Letter to H. Keith Jennings dated August 6, 2020.</a>		File No. 1-36504
†*10.5	<a href="#">Offer Letter to Girish K. Saligram dated September 9, 2020.</a>		File No. 1-36504
†*10.6	<a href="#">Weatherford International plc Second Amended and Restated 2019 Equity Incentive Plan.</a>		File No. 1-36504
†31.1	<a href="#">Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>		
†31.2	<a href="#">Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>		
††32.1	<a href="#">Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>		
††32.2	<a href="#">Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>		
†101.INS	XBRL Instance Document - The instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document		
†101.SCH	XBRL Taxonomy Extension Schema Document		
†101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document		
†101.DEF	XBRL Taxonomy Extension Definition Linkbase Document		
†101.LAB	XBRL Taxonomy Extension Label Linkbase Document		
†101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document		
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)		
*	Management contract or compensatory plan or arrangement		

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Weatherford International plc

Date: November 4, 2020

By: /s/ H. Keith Jennings

H. Keith Jennings  
Executive Vice President and  
Chief Financial Officer

Date: November 4, 2020

By: /s/ Stuart Fraser

Stuart Fraser  
Vice President and  
Chief Accounting Officer



July 30, 2020

**PERSONAL AND CONFIDENTIAL**

H. Keith Jennings

Dear Keith,

At Weatherford, we have an exceptional team of people working together in more than 100 countries around the world to solve the toughest energy challenges through a unique portfolio of technologies and safe, efficient processes.

We are delighted to extend the following job offer to join us at Weatherford.

We look forward to working with you and believe that you can make a very significant, positive contribution to the success of Weatherford. Our company offers you an opportunity to put your experience, abilities, dedication, energy and creativity to excellent use. Welcome to the Team!

We appreciate your careful consideration of the terms and conditions included in this offer letter. A summary of your benefits can be found on the following pages.

This offer is contingent upon you successfully providing the necessary pre-hire documentation (including evidence of your right to work) and completion of any pre-hire testing relevant to your employment location.

Please review the enclosed information and contact Ellen Chin or me if you have any questions or concerns. I would appreciate your acceptance of this new opportunity by signing below and returning your signed copy as soon as possible. The offer will remain open for 7 business days, after which time it will automatically expire.

We look forward to welcoming you to Weatherford.

Sincerely,

/s/ Karl Blanchard

Karl Blanchard  
On and behalf of Weatherford

**Weatherford**

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[www.weatherford.com](http://www.weatherford.com)



## PERSONAL INFORMATION

Name	Herbert Keith Jennings
Position Title	Executive Vice President and Chief Financial Officer
Location	2000 St. James Place Houston, TX 77056 USA

## POINT OF CONTACT

Manager	Karl Blanchard
HR	Ellen Chin

## EMPLOYMENT PACKAGE INFORMATION

### BASE SALARY

**US \$500,000 ANNUALLY**

Your base salary will be paid semi-monthly via the normal payroll cycle.

### EXECUTIVE NON-EQUITY INCENTIVE COMPENSATION PLAN (EICP)

**100% OF ANNUAL BASE SALARY AT "TARGET" REWARD OPPORTUNITY**

You are eligible to participate in the Weatherford Executive Non-Equity Incentive Compensation Plan (EICP), subject to terms and conditions of the plan, as amended from time to time. Any incentive payout from the EICP will be prorated for your period of employment, calculated from your hire date.

### 2020 LONG TERM CASH INCENTIVE PLAN (LTCIP)

**325% OF ANNUAL BASE SALARY**

Upon joining the Company, you will be awarded a long-term cash incentive award equal to 325% of base salary which will vest in accordance with the LTCIP vesting schedule (with the time-based portion of the award vesting in equal installments on each of December 31, 2020, 2021 and 2022) and is subject to approval by the Board of Directors and subject to acceptance of the award agreement and the terms and conditions of the 2020 LTCIP. Any incentive payout from the LTCIP will be prorated for your period of employment, calculated from your hire date.

### LONG TERM INCENTIVE (LTI)

For 2021 and subsequent years, you are eligible for consideration under Weatherford's Annual Equity Incentive Plan (EIP) or other long-term incentive plans that may be approved by the Board. Your eligibility to receive Awards under the EIP or any other long-term incentive plan is subject to approval by the Board of Directors, or a committee thereof, of Weatherford International and subject always to the terms and conditions of Weatherford International plc 2019 Equity Incentive Plan, as may be amended from time to time by Weatherford International or any other long term incentive plan that may be adopted by the Board.



Any future grants, annual and otherwise, will be at the discretion of the Board and subject to the terms and conditions of the current or future Long-Term Incentive Program in place. The award of any incentive is discretionary, and subject to approval of Management and to the Terms and Conditions of the Award Agreement.

### **SIGN-ON BONUS**

#### **US \$250,000 PAYABLE AFTER JOINING**

#### **US \$250,000 PAYABLE SIX (6) MONTHS AFTER HIRE DATE**

Your initial sign on bonus payment will be paid via the next payroll cycle after commencement of your employment. The remaining payment will be paid as indicated. You must be on the payroll and an active employee of the company at the time of any future payments to be eligible to receive the payment. Should you voluntarily resign your employment with Weatherford or if you are involuntarily terminated for cause within twelve (12) months of each payment, you agree to immediately repay the full amount which has been paid to you without proration. Should you voluntarily resign your employment with Weatherford or if you are involuntarily terminated for cause within twelve (12) months to twenty-four (24) months of each payment date, you agree to immediately repay fifty percent (50%) of the amount.

Departure after each payment:

0 and 12 months	100% of each sign-on bonus payment
12 and 24 months	50% of each sign-on bonus payment

### **RELOCATION ALLOWANCE**

#### **US \$150,000**

Upon joining, Weatherford will pay you a relocation allowance of \$150,000. This relocation allowance is subject to repayment should you resign or be terminated for cause (as solely determined by Weatherford) within the first two (2) years of the effective date of hire.

Departure within:

0 and 12 months	100% of total relocation allowance
12 and 24 months	50% of total relocation allowance

### **CHANGE IN CONTROL AGREEMENT**

#### **MULTIPLE 2X**

In connection with your employment, you will be covered under the Company's Change in Control Policy (the "CIC Agreement"), with a 2x multiple.

### **SEVERANCE BENEFITS**

You will be eligible to receive Executive severance benefits in the event of a termination without cause and without a Change in Control in the amount of twelve (12) months of annual base salary plus your EICP target reward opportunity, except if such termination occurs during the "protected period". The "protected period" is defined as the period within six (6) months of the hire of the company's Chief Executive Officer. If termination without cause and without a Change in Control occurs during the protected period, you will be eligible to receive an additional six (6) months of annual base salary and an additional 50% of the EICP target reward opportunity. Any such severance benefits will be subject to your execution of the Company's release of claims.





## **ANNUAL LEAVE 30 DAYS PER YEAR**

Your annual leave will accrue on a calendar year basis and will be pro-rated in the first year of employment in line with your employment start date. The Company will also provide you with an additional ten (10) Company designated holidays.

## **BENEFITS PROGRAM**

We are pleased to offer you participation in Weatherford's benefits program on your first day of employment. Please see enclosed Weatherford Benefits Summary.

You will receive a Welcome Letter from our Benefits Department within 2 to 3 weeks of your start date, providing you with your access ID and instructions to complete your enrollment online. You will have 31 days from date of hire to enroll otherwise your plan will default to the basic single coverage.

## **START DATE**

Your expected start date will be on or around September 1, 2020 and will be confirmed following successful completion of all pre-employment testing and, if applicable, on the obtaining of any necessary immigration documentation required to allow you to work.

## **PRE-EMPLOYMENT REQUIREMENTS**

This offer of employment and your subsequent employment with Weatherford are contingent upon the following conditions:

- **Proof of your right to work.** You will be required to produce evidence that you have the legal right to work on your first day.
- **Satisfactory completion of a company medical examination/ drug and alcohol test.** You will be required to pass a drug and alcohol test and / or medical prior to commencing employment.
- **Receipt of background / reference check.** You must complete the necessary background check and / or provide the names of referees (one of whom should be your most recent employer);
- **Verification of your qualifications by Weatherford.** This will either form part of your background check or you will be required to produce evidence of your educational/professional qualifications to the company before or on the first day of your employment.
- **Satisfactory completion of any probationary period.**

By accepting this offer of employment, you certify that:

- You will abide by the terms of any enforceable non-competition agreement you have with your current employer and confirm the fact that you will not bring with you to Weatherford, nor at any time attempt to use, any confidential, non-public information of your current or past employers in the performance of your work for Weatherford.



This letter does not represent an offer of employment for any specified term. Your employment will be at will, which means that either you or Weatherford may terminate your employment at any time for any reason or no reason whatsoever.

Please confirm your acceptance of this offer by electronically signing this offer letter below. Upon your acceptance of this offer, you will be contacted to schedule a convenient time and location for the company medical / drug and alcohol test. This offer shall remain open until 5:00pm Central Time on August 7, 2020. The offer shall automatically expire, become null and void in all respects unless the same is accepted by you in writing and returned to Weatherford as requested herein by the date and time set forth in the previous sentence.

We are excited to have you join us and look forward to working together to make Weatherford a leader in the oilfield service marketplace.

Printed Name	Keith Jennings
Signature	/s/ H. Keith Jennings
Date	8/6/2020



September 9, 2020

**PERSONAL AND CONFIDENTIAL**

Girish Saligram

Dear Girish,

At Weatherford, we have an exceptional team of people working together in more than 70 countries around the world to solve the toughest energy challenges through a unique portfolio of technologies and safe, efficient processes.

We are delighted to extend you the following job offer to join us as President and Chief Executive Officer at Weatherford.

Upon commencement of your employment, the Board will elect you as a Director of the Company. During the term of your employment as President and Chief Executive Officer, and upon the expiration of your initial term and each subsequent term as a Director, Weatherford will use its best efforts to nominate you for re-election as a Director of the Company. Election to the Board is dependent upon the affirmative vote of the Shareholders.

We look forward to working with you and believe that you can make a very significant, positive contribution to the success of Weatherford. Our company offers you an opportunity to put your experience, abilities, dedication, energy and creativity to excellent use. Welcome to the Team!

We appreciate your careful consideration of the terms and conditions included in this offer letter. A summary of your benefits can be found on the following pages.

Please review the enclosed information and contact Ellen Chin or me if you have any questions or concerns. I would appreciate your acceptance of this new opportunity by signing below and returning your signed copy as soon as possible. The offer will remain open for 5 business days, after which time it will automatically expire.

We look forward to welcoming you to Weatherford.

Sincerely,

*/s/ Chuck Sledge*  
Chuck Sledge  
*Chairman of the Board*  
On behalf of Weatherford

**Weatherford**

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[www.weatherford.com](http://www.weatherford.com)



## PERSONAL INFORMATION

Name	<b>Girish Saligram</b>
Position Title	<b>President and Chief Executive Officer</b>
Location	<b>2000 St. James Place Houston, TX 77056 USA</b>

## POINT OF CONTACT

Chairman of the Board	<b>Chuck Sledge</b>
HR	<b>Ellen Chin</b>

## EMPLOYMENT PACKAGE INFORMATION

### BASE SALARY

**US \$825,000 ANNUALLY**

Your base salary will be paid semi-monthly via the Company's normal payroll cycle.

### EXECUTIVE NON-EQUITY INCENTIVE COMPENSATION PLAN (EICP)

**125% OF ANNUAL BASE SALARY AT "TARGET" REWARD OPPORTUNITY**

You are eligible to participate in the Weatherford Executive Non-Equity Incentive Compensation Plan (EICP), subject to the terms and conditions of the plan, as amended from time to time. Any incentive payout from the EICP will be prorated for your period of employment, calculated from your hire date.

### 2020 LONG TERM CASH INCENTIVE PLAN (LTCIP)

**425% OF ANNUAL BASE SALARY**

Upon joining the Company, you will be awarded a long-term cash incentive award equal to 425% of base salary which will vest in accordance with the LTCIP vesting schedule shown below (with the time-based portion of the award (30%) vesting in equal installments on each of December 31, 2020, 2021 and 2022, or upon an earlier "Covered Termination"<sup>1</sup>) and subject to your acceptance of the award

<sup>1</sup> A "Covered Termination" shall mean an involuntary termination without Cause, a voluntary resignation for Good Reason, or a termination due to death or disability.

"Cause" shall mean the occurrence of any of the following:

(i) the willful and continued failure of the employee to substantially perform the employee's duties with the Company (other than any such failure resulting from incapacity due to physical or mental illness), after a written demand for substantial performance is delivered to the employee by the Company that specifically identifies the manner in which the employee has not substantially performed the employee's duties, and after the employee fails to take the corrective action(s) identified by the Company after being given a reasonable period of time of no less than 10 days to do so;



agreement and the terms and conditions of the 2020 LTCIP. Any incentive payout from the LTCIP will be prorated for your period of employment, using a fraction with the numerator calculated from your hire date through December 31, 2022 over the three calendar year period from 2020-2022.

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(ii) the employee willfully engaging in illegal conduct;

(iii) the employee willfully engaging in gross misconduct that results or could reasonably be expected to result in harm to the Company's or any of its Affiliates' business or reputation;

(iv) the employee's material breach of any written agreements with or material policies of the Company or its Affiliates, including, but not limited to, those relating to discrimination, harassment, performance of illegal or unethical activities and ethical misconduct; or

(v) the employee's violation of any fiduciary duty or duty of loyalty owed to the Company or any of its Affiliates.

No act, or failure to act, on the part of the employee shall be considered "**wilful**" unless it is done, or omitted to be done, by the employee in bad faith or without reasonable belief that the employee's action or omission was in the best interests of the Company.

"**Good Reason**" shall mean the occurrence of any of the following without the express written consent of the employee:

(i) the assignment of the employee to duties materially inconsistent with the employee's authorities, duties and responsibilities (including, without limitation, titles and reporting requirements) as an employee of the Company or any of its Affiliates (including, without limitation, any material adverse change in the employee's reporting) from those in effect on the date immediately preceding the Change in Control; for the avoidance of doubt, a material adverse change in the employee's reporting relationship shall occur for the Chief Executive Officer if such employee ceases to report to the Board or if an Executive Chairman or similar role is appointed for the Company;

(ii) a material reduction in the employee's Total Target Direct Compensation, as established by the Board of Directors or any committee thereof, from the levels in place on the date immediately preceding the Change in Control, except if such reduction is part of a cost reduction initiative that applies to and affects all executive officers of the Company and/or all executive officers of any Person that controls the Company equally and proportionately;

(iii) for employee whose principal office is located at the Company's Houston, Texas headquarters location, the relocation of the employee's principal office to an area more than 50 miles from its location immediately prior to such relocation; or

(iv) a breach of this agreement or any failure by the Company to secure assumption of this agreement by a successor or assign;

*provided, however*, that no such event described in paragraph (i) through (iv) above shall constitute "Good Reason" unless the employee provides the Company with notice of Good Reason setting forth the event that the employee believes in good faith constitutes Good Reason within 45 days following the employee's knowledge of such event; *provided further*, that no such event described in paragraph (i) through (iv) above shall constitute Good Reason if the Company cures such event within 30 days following the Company's receipt of such notice.



## LTCIP VESTING SCHEDULE

### Proration\* Calculation For CEO LTCIP Award

September 9, 2020

Assumed Start Date		October 12, 2020
Base Salary		\$825,000
LTCIP %		425.00%
LTCIP \$ (At Target - Not Prorated)		\$3,506,250
Prorated* LTCIP %		73.97%
Prorated* LTCIP \$		\$2,593,664
<b>Time-Based</b>	<b>30%</b>	<b>\$778,099</b>
<b>Perf.-Based</b>	<b>70%</b>	<b>\$1,815,565</b>
LTCIP Vesting		
Time-Based:		
Award Date		
December 31, 2020		\$76,849
December 31, 2021		\$350,625
December 31, 2022		\$350,625
	<b>Total</b>	<b>\$778,099</b>
		<b>\$1,815,565</b>
<b>Performance-based:</b>		<b>\$1,815,565</b>
<b>Eligible to cliff-vest, to the extent earned, on December 31, 2022</b>		

\*Pro-rated for time in role.

### LONG TERM INCENTIVE (LTI)

For 2021 and subsequent years, you are eligible for consideration under Weatherford's Annual Equity Incentive Plan (EIP) or other long-term incentive plans that may be approved by the Board. Your eligibility to receive Awards under the EIP or any other long-term incentive plan is subject to approval by the Board of Directors of Weatherford International (or a committee thereof) and subject always to the terms and conditions of Weatherford International plc 2019 Equity Incentive Plan, as may be amended from time to time by Weatherford International or any other long term incentive plan that may be adopted by the Board.

Any future grants, annual and otherwise, will be at the discretion of the Board and subject to the terms and conditions of the current or future Long-Term Incentive Program then in place. The award of any incentive is discretionary, and subject to approval of the Board of Directors (or a committee thereof) and to the terms and conditions of the applicable Award Agreement which shall be consistent with this letter agreement.



For purposes of vesting of applicable equity awards granted to you under the Weatherford International plc 2019 Equity Incentive Plan document, the respective award agreements will provide you with the following rights in the event of a termination without Cause or a resignation for Good Reason:

Type of Award	Term w/o Cause / Resig. For Good Reason	Term w/o Cause / Resig. for Good Reason & CIC
RSU (time based)	Vest pro-rata on unvested pieces during any vesting period. For example, if terminated in June of year 2 of a 3-year grant, would be entitled to ½ of the shares that would otherwise vest in year 2 - - forfeiting 2 <sup>nd</sup> half of year 2 shares and forfeiting year 3 shares as well	Fully vest
PSUs	Vest pro-rata for time at company – subject to performance metrics & paid at end of measurement period – i.e., the performance attainment for the departing executive will be the same as for an employee who is present for the entire period	Fully vest - Look at attainment on metrics up to point of separation and apply those metrics across entire award

**SIGN-ON AWARD**  
**US \$1,200,000 TOTAL VALUE**

Your sign-on bonus will be awarded to you in the form of cash and equity awards.

Vehicle	Value	Details
Cash Award	<b>\$400,000 USD</b>	Paid via next payroll after commencement
Equity Awards		
Restricted Share Units (“RSUs”)	<b>\$400,000 USD value</b>	<ul style="list-style-type: none"> <li>• Shares will be awarded based on the closing share price of hire date</li> <li>• Subject to a 3-year ratable vesting schedule from hire date (or, if earlier, upon a Covered Termination)</li> </ul>
Performance Share Units (“PSUs”)	<b>\$400,000 USD value</b>	<ul style="list-style-type: none"> <li>• Shares will be awarded based on the closing share price of hire date</li> <li>• To vest as follows:               <ul style="list-style-type: none"> <li>1/3 will vest at a share price of \$3.45</li> <li>1/3 will vest at a share price of \$3.95</li> <li>1/3 will vest at a share price of \$4.45</li> </ul> </li> <li>The aforementioned share prices must be achieved and sustained (or increased, but not decreased) for a period of 60 consecutive trading days in order for vesting to occur</li> </ul>



#### Equity Award:

Your initial Equity Awards will be awarded on your commencement date, and, both those awarded upon hire and subsequently awarded, will be subject to the terms and conditions of the Award agreement (which shall be consistent with the provisions set forth in this letter agreement) and the Weatherford International plc 2019 Equity Incentive Plan document, as amended.

#### Cash Sign-On Award:

Your initial cash sign-on award will be paid via the next payroll cycle after commencement of your employment. If your employment shall terminate other than due to a Covered Termination, (i) within twelve (12) months of the payment, you agree to immediately repay the full amount which has been paid to you without proration, or (ii) between twelve (12) months and twenty-four (24) months of the payment, you agree to immediately repay fifty percent (50%) of the amount.

#### **CHANGE IN CONTROL POLICY MULTIPLE 2X**

In connection with your employment, you will be covered under the Company's Change in Control Policy (the "CIC"), with accrued amounts and continued benefits, lump sum payment equal to 2x multiple of annual base salary plus your EICP target reward opportunity, a pro rata target bonus for the year of termination, and outplacement services.

#### **SEVERANCE BENEFITS**

You will be eligible to receive Executive severance benefits in the event of a termination without cause and without a Change in Control in the amount of twelve (12) months of annual base salary plus your EICP target reward opportunity. Any severance benefits will be subject to your execution of the Company's release of claims and the Company's standard restrictive covenants (i.e. non-competition, non-solicitation, non-disparagement, confidentiality, etc).

#### **ANNUAL LEAVE 30 DAYS PER YEAR**

Your annual leave will accrue on a calendar year basis and will be pro-rated in the first year of employment in line with your employment start date. The Company will also provide you with an additional ten (10) Company designated holidays.

#### **BENEFITS PROGRAM**

We are pleased to offer you participation in Weatherford's benefits program on your first day of employment which shall include reimbursement of your business expenses in accordance with the Weatherford policies and which shall include reimbursement of your legal fees in the review of this letter agreement. Please see enclosed Weatherford Benefits Summary.

You will receive a Welcome Letter from our Benefits Department within 2 to 3 weeks of your start date, providing you with your access ID and instructions to complete your enrollment online. You will have 31 days from date of hire to enroll otherwise your plan will default to the basic single coverage.

#### **START DATE**

Your expected start date will be on or around October 12, 2020 and will be confirmed following successful completion of all pre-employment testing and, if applicable, on the obtaining of any necessary immigration documentation required to allow you to work.





By accepting this offer of employment, you certify that:

- You will abide by the terms of any enforceable non-competition agreement you have with your current employer and confirm the fact that you will not bring with you to Weatherford, nor at any time attempt to use, any confidential, non-public information of your current or past employers in the performance of your work for Weatherford.

This letter does not represent an offer of employment for any specified term. Your employment will be at will, which means that either you or Weatherford may terminate your employment at any time for any reason or no reason whatsoever.

Please confirm your acceptance of this offer by electronically signing this offer letter below. Upon your acceptance of this offer, you will be contacted to schedule a convenient time and location for the company medical / drug and alcohol test.

We are excited to have you join us and look forward to working together to make Weatherford a leader in the oilfield service marketplace.

Printed Name	Girish Saligram
Signature	<i>/s/ Girish Saligram</i>
Date	September 9, 2020

**WEATHERFORD INTERNATIONAL PLC**  
**SECOND AMENDED AND RESTATED 2019 EQUITY INCENTIVE PLAN**

**Amended, Restated and Adopted as of October 30, 2020**

**1. Purpose of the Plan**

The Weatherford International plc 2019 Equity Incentive Plan was originally adopted by the Board on December 12, 2019, amended and restated as of April 13, 2020 and is hereby further amended and restated as of October 30, 2020 (the “Effective Date”). The Plan is intended to advance the best interests of the Company, its Affiliates and its shareholders by providing those persons whose substantial contributions are essential to the continued growth and profitability of the Company and its Affiliates with additional performance incentives and an opportunity to obtain or increase their proprietary interest in the Company, thereby encouraging them to continue in their Employment or affiliation with the Company or its Affiliates.

**2. Definitions**

The following capitalized terms used in the Plan have the respective meanings set forth in this Section 2, unless the context clearly indicates otherwise. The singular pronoun shall include the plural where the context so indicates.

(a) Act: The Companies Act 2014 of Ireland, as amended.

(b) Affiliate: With respect to the Company, any Person directly or indirectly controlling, controlled by, or under common control with, the Company or any other Person designated by the Committee in which the Company or an Affiliate has an interest. The Committee shall have the authority to determine the time or times at which “Affiliate” status is determined within the foregoing definition.

(c) Applicable Accounting Standards Generally Accepted Accounting Principles: Means in the United States, International Financial Reporting Standards or such other accounting principles or standards as may apply to the Company’s financial statements under United States federal securities laws from time to time.

(d) Applicable Laws: The requirements relating to the administration of equity-based and cash-based awards, as applicable, and the related issuance of Shares under U.S. state corporate laws, U.S. federal and state and Irish or other non-U.S. corporate and securities laws, the Code or other applicable tax laws, any stock exchange or quotation system on which the Shares are listed or quoted and the applicable laws of any non-U.S. country or jurisdiction where Awards are, or will be, granted under the Plan.

(e) Associate: With respect to a specified Person, means:

- (i) any company, corporation, partnership, or other organization of which such specified Person is an officer or partner;
- (ii) any trust or other estate in which such specified Person has a substantial beneficial interest or as to which such specified Person serves as trustee or in a similar fiduciary capacity;
- (iii) any relative or spouse of such specified Person, or any relative of such spouse who has the same home as such specified Person, or who is a director or officer of the Company or any of its Subsidiaries; and

(iv) any Person who is a director, officer, or partner of such specified Person or of any company (other than the Company or any wholly-owned Subsidiary), corporation, partnership or other entity which is an Affiliate of such specified person.

(f) Award: An Option, Restricted Share, Restricted Share Unit, Share Appreciation Right, Other Share-Based Award or Performance-Based Award granted pursuant to the Plan.

(g) Award Agreement: Any written agreement, contract, or other instrument or document evidencing the terms and conditions of an Award, including through electronic medium.

(h) Beneficial Owner: A “beneficial owner”, as such term is defined in Rule 13d-3 under the Exchange Act provided that any Person that has the right to acquire any of the Company’s outstanding securities entitled to vote generally in election of directors at any time in the future, whether such right is contingent or absolute, pursuant to any agreement, arrangement or understanding or upon exercise of conversion rights, warrants or options, or otherwise, shall be deemed the Beneficial Owner of such securities.

(i) Benefit Plans: All employee benefit and compensation plans, agreements, arrangements, programs, policies, practices, contracts or agreements of the Company and its Affiliates.

(j) Board: The Board of Directors of the Company.

(k) Cause: Means in the case of a particular Award, unless the applicable Award Agreement states otherwise, (i) the Company or any member of the Weatherford Group having “Cause” to terminate the Participant’s employment or service, as defined in any employment or consulting agreement between the Participant and any member of the Weatherford Group in effect at the time of such termination, or (ii) in the absence of any such employment or consulting agreement (or the absence of any definition of “Cause” contained therein), the Participant’s (A) commission of, conviction for, plea of guilty or *nolo contendere* to a felony or a crime involving moral turpitude, or other material act or omission involving dishonesty or fraud, (B) engaging in conduct that constitutes fraud or embezzlement, (C) engaging in conduct that constitutes gross negligence or willful gross misconduct that results or could reasonably be expected to result in harm to any member of the Weatherford Group’s business or reputation, (D) breach of any material terms of written agreement between the Company and the Participant, (E) willful neglect in the performance of Participant’s duties on behalf of the Weatherford Group or willful or repeated failure or refusal to perform the Participant’s duties on behalf of the Weatherford Group or (F) violation of any material policy of any member of the Weatherford Group, including, but not limited to, those relating to discrimination, harassment, performance of illegal or unethical activities, and ethical misconduct; provided, in any case, the Participant’s resignation after an event that would be grounds for a termination of employment for Cause will be treated as a termination of employment for Cause hereunder. Any determination of whether Cause exists shall be made by the Committee in its sole discretion.

(l) Change in Control: Shall be deemed to have occurred if any event set forth in any one of the following paragraphs shall have occurred:

(i) any Person is or becomes the Beneficial Owner, directly or indirectly, of 50% or more of either (A) the then outstanding Shares of the Company (the “Outstanding Ordinary Shares”) or (B) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the “Outstanding Voting Securities”), excluding any Specified Holder or any Person who becomes such a Beneficial Owner in connection with a transaction that complies with clauses (A), (B) and (C) of paragraph (iii) below;

(ii) individuals, who, as of the Effective Date, constitute the Board (the “Incumbent Board”) cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the Effective Date whose election, or nomination for election by the Company’s shareholders, was approved by a vote of at least 2/3rds of the Incumbent Board shall be considered as though such individual was a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or any other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(iii) the consummation of an acquisition, reorganization, reincorporation, redomestication, merger, amalgamation, consolidation, plan or scheme of arrangement, exchange offer, business combination or similar transaction of the Company or any of its Subsidiaries or the sale, transfer or other disposition of all or substantially all of the Company’s Assets (any of which, a “Corporate Transaction”), unless, following such Corporate Transaction or series of related Corporate Transactions, as the case may be, (A) all of the Persons who were the Beneficial Owners, respectively, of the Outstanding Ordinary Shares and Outstanding Voting Securities immediately prior to such Corporate Transaction own or beneficially own, directly or indirectly, more than 50% of, respectively, the Outstanding Ordinary Shares and the combined voting power of the Outstanding Voting Securities entitled to vote generally in the election of directors (or other governing body), as the case may be, of the Entity resulting from such Corporate Transaction (including, without limitation, an Entity (including any new parent Entity) which as a result of such transaction owns the Company or all or substantially all of the Company’s Assets either directly or through one or more Subsidiaries or other Entities) in substantially the same proportions as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Ordinary Shares and the Outstanding Voting Securities, as the case may be, (B) no Person (excluding any Specified Holder, any Entity resulting from such Corporate Transaction or any Benefit Plan (or related trust) of the Company or such Entity resulting from such Corporate Transaction) beneficially owns, directly or indirectly, 50% or more of, respectively, the then outstanding common shares of the Entity resulting from such Corporate Transaction or the combined voting power of the then outstanding voting securities of such Entity except to the extent that such ownership existed prior to the Corporate Transaction and (C) at least a majority of the members of the board of directors (or other governing body) of the Entity resulting from such Corporate Transaction were members of the Incumbent Board at the time of the approval of such Corporate Transaction.

Notwithstanding the foregoing, no Change in Control shall be deemed to have occurred (i) in connection with a bankruptcy pursuant to Chapter 7 or Chapter 11 of the United States Bankruptcy Code or upon consummation of a Restructuring, (ii) if it is effected solely for the purpose of changing the place of incorporation or formation, tax residency or form of organization of the ultimate parent entity of the Weatherford Group (including where the Company is succeeded by an entity incorporated under the laws of another state, country or foreign government for such purpose and whether or not the Company remains in existence following such transaction) or (iii) where all or substantially all of the Person(s) who are the Beneficial Owners of the combined voting power of the Outstanding Voting Securities immediately prior to such transaction will beneficially own, directly or indirectly, all or substantially all of the combined voting power of the Outstanding Voting Securities of the ultimate parent entity resulting from such transaction in substantially the same proportions as their ownership, immediately prior to such transaction, of such securities of the Company.

Notwithstanding the foregoing, if a Change in Control constitutes a payment event with respect to any Award (or any portion of an Award) that provides for the deferral of compensation that is subject to Section 409A, to the extent required to avoid the imposition of additional taxes under Section 409A, the transaction or event described in this Section 2(k) with respect to such Award (or portion thereof) shall only constitute a Change in Control for purposes of the payment timing of such Award if such transaction also constitutes a “change in control event,” as defined in Treasury Regulation Section 1.409A-3(i)(5).

(m) Code: The U.S. Internal Revenue Code of 1986, as amended, or any successor thereto, and the rules and regulations promulgated thereunder.

(n) Committee: The Compensation Committee of the Board (or a subcommittee thereof), or the delegate to which the Board or the Compensation Committee has delegated its authority pursuant to Section 4(a) hereof, or such other committee of the Board to which the Board has delegated power to act under or pursuant to the provisions of the Plan.

(o) Company: Weatherford International plc, an Irish public limited company and any successor thereto.

(p) Company Assets: Means the assets (of any kind) owned by the Company, including without limitation, the securities of the Company's Subsidiaries and any of the assets owned by the Company's Subsidiaries.

(q) Confidential Information: Means, unless the applicable Award Agreement states otherwise, any data, information or documentation (including such that is received by third parties) that is competitively sensitive or commercially valuable and not generally known to the public, including data, information or documentation related or pertaining to: (1) finance, supply or service; (2) customers, suppliers or consumers, including customer lists, relationships and profiles; (3) marketing or product information, including product planning, marketing strategies, marketing results, marketing forecasts, plans, finance, operations, reports, sales estimates, business plans and internal performance results relating to past, present or future business activities, clients and suppliers; and (4) scientific or technical information, design, process, procedure, formula or improvement, computer software, object code, source code, specifications, inventions or systems information, whether or not patentable or copyrightable, and that is not otherwise a Trade Secret.

(r) Consultant: Any consultant or advisor if (1) the consultant or advisor renders bona fide service to the Company or any Affiliate, (2) the services rendered by the consultant or advisor are not in connection with the offer or sale of a securities in a capital-raising transaction and do not directly or indirectly promote or maintain a market for the Company's securities, and (3) the consultant or advisor is a natural person.

(s) Detrimental Activity: Means "Detrimental Activity" as defined in the Company's Compensation Clawback Policy or any other clawback, forfeiture or other similar policy adopted by the Board or the Committee and as in effect from time to time.

(t) Director: A member of the Board.

(u) Disability: Unless otherwise provided in an Award Agreement or determined by the Committee, the Participant would qualify to receive benefit payments under the long-term disability plan or policy, as it may be amended from time to time, of the Company or the Affiliate to which the Participant provides Service, regardless of whether the Participant is covered by such plan or policy, or the plan or policy of the Company, if an Affiliate does not maintain such a plan or policy. A Participant shall not be considered to have incurred a Disability unless he or she furnishes proof of such impairment sufficient to satisfy the Committee in its discretion. Notwithstanding the foregoing, for purposes of ISOs granted under the Plan, "Disability" means that the Participant is disabled within the meaning of Section 22(e)(3) of the Code. Notwithstanding the foregoing, with respect to an Award that is subject to Section 409A where the Award will be paid by reference to the Participant's Disability, solely for purposes of determining the timing of payment, no such event will constitute a Disability for purposes of the Plan or any Award Agreement unless such event also constitutes a "disability" as defined under Section 409A.

(v) Dividend Equivalent Right: A right to receive the equivalent value of dividends paid on the Shares with respect to Shares underlying Restricted Share Units or an Other Share-Based Award that is a Full Value Award prior to vesting of the Award, subject to the additional requirements of Section 10(b) hereof. Such Dividend Equivalent Right shall be converted to cash or additional Shares, or a combination of cash and Shares, by such formula and at such time and subject to such limitations as may be determined by the Committee.

(w) Employee: A full-time or part-time employee of the Company or any Affiliate, including an officer or Director, who is treated as an employee in the personnel records of the Company or Affiliate for the relevant period. Neither services as a Director nor payment of a director's fee by the Company or an Affiliate shall be sufficient to constitute "employment" by the Company or an Affiliate.

(x) Entity: Any corporation, partnership, association, joint-stock company, limited liability company, trust, unincorporated organization or other business entity.

(y) Exchange Act: The U.S. Securities Exchange Act of 1934, as amended, or any successor thereto, and the rules and regulations promulgated thereunder.

(z) Fair Market Value: On a given date, (i) if the Shares are listed on the New York Stock Exchange or another national securities exchange, the closing price of the Shares reported on such national securities exchange, or, if there is no such sale on that date, then on the last preceding date on which such a sale was reported; or (ii) if the Shares are not listed on the New York Stock Exchange or another national securities exchange, but are quoted in the NASDAQ National Market Reporting System or another inter-dealer quotation system, the arithmetic mean of the per Share closing bid price and per Share closing asked price on such date as quoted on such market or system, or, if no sale occurred on such date, then on the immediately preceding date on which sales have been so reported or quoted; or (iii) if clauses (i) and (ii) do not apply, the Fair Market Value shall be the value established by the Committee in good faith under a reasonable methodology and reasonable application, in compliance with Section 409A to the extent such determination is necessary for Awards under the Plan to comply with, or be exempt from, Section 409A.

(aa) Full Value Awards: Any Award other than an (i) Option, (ii) Share Appreciation Right or (iii) other Award for which the Participant pays (or the value or amount payable under the Award is reduced by) an amount equal to or exceeding the Fair Market Value of the Shares, determined as of the date of grant.

(bb) ISO: An Option that is intended to be an incentive stock option granted pursuant to Section 7(e) of the Plan.

(cc) Option: An option granted pursuant to Section 7 of the Plan.

(dd) Option Price: The price at which a Share may be purchased upon the exercise of an Option, as determined pursuant to Section 7(b) of the Plan.

(ee) Other Share-Based Awards: Awards granted pursuant to Section 9 of the Plan.

(ff) Participant: An Employee, Consultant, or Director who is selected by the Committee to participate in the Plan and to whom an Award is granted pursuant to the Plan.

(gg) Performance-Based Award: A Full-Value Award that vests, in whole or in part, based on the attainment of a Performance Goal.

(hh) Performance Criteria: The criteria that the Committee selects for purposes of establishing the Performance Goal(s) for a Participant during a Performance Period. The Performance Criteria that will be used to establish Performance Goals may include, but is not limited to, one or more of the following: (i) consolidated earnings before or after taxes (including earnings before interest, taxes, depreciation and amortization); (ii) net income; (iii) operating income; (iv) operating income margin; (v) gross margin; (vi) earnings per Share; (vii) book value per Share; (viii) return on shareholders' equity; (ix) expense management; (x) return on invested capital; (xi) improvements in capital structure; (xii) profitability of an identifiable business unit or product; (xiii) maintenance or improvement of profit margins or revenue; (xiv) Share price; (xv) market share; (xvi) revenues or sales; (xvii) costs; (xviii) available cash flow; (xix) working capital; (xx) return on assets; (xxi) total shareholder return, (xxii) productivity ratios, and (xxiii) economic value added. The Performance Criteria may be calculated in accordance with the Applicable Accounting Standards or on an adjusted basis.

(ii) Performance Goals: For a Performance Period, the goals established in writing by the Committee for the Performance Period based upon the Performance Criteria. Depending on the Performance Criteria used to establish such Performance Goals, the Performance Goals may be expressed in terms of overall Company performance, the performance of an Affiliate, the performance of a division or a business unit of the Company or an Affiliate, or the performance of an individual or team. The Performance Goal established by the Committee may also be based on a return or rates of return using any of the foregoing Performance Criteria and including a return or rates of return based on revenue, earnings, capital, invested capital, cash, cash flow, assets, net assets, equity or a combination or ratio therefrom. The Performance Goal established by the Committee may also be based on Performance Criteria, which may be used to calculate a ratio or may be used as a cumulative or an absolute measure or as a measure of comparative performance relative to a peer group of companies, an index, budget, prior period, or combination thereof, or other standard selected by the Committee. Unless otherwise stated, such a Performance Goal need not be based upon an increase or positive result under a particular business criterion and could include, for example, maintaining the status quo or limiting economic losses (measured, in each case, by reference to specific business criteria). The Performance Goals may be measured in either absolute or relative terms. The Committee, in its sole discretion, may provide that one or more adjustments shall be made to one or more of the Performance Goals.

(jj) Performance Period: One or more periods of time, which may be of varying and overlapping durations, as the Committee may select, over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Participant's right to, and the payment of, a Performance-Based Award.

(kk) Person: A "person" as such term is used for purposes of Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) thereof, except that such term shall not include (i) the Company or any of its Affiliates, (ii) a trustee or other fiduciary holding securities under a Benefit Plan, (iii) an underwriter temporarily holding securities pursuant to an offering by the Company of such securities, or (iv) an Entity owned, directly or indirectly, by the shareholders of the Company in the same proportions as their ownership of the Shares of the Company.

(ll) Plan: This Weatherford International plc Second Amended and Restated 2019 Equity Incentive Plan, as amended from time to time.

(mm) Restricted Shares: Shares awarded to a Participant pursuant to Section 6 of the Plan that shall be subject to certain restrictions and may be subject to risk of forfeiture.

(nn) Restricted Share Unit: An Award granted pursuant to Section 5 of the Plan that shall be evidenced by a bookkeeping entry representing the equivalent of one Share.

(oo) Restructuring: A restructuring, reorganization (whether or not pursuant to Chapter 11 of the United States Bankruptcy Code or the insolvency laws of any other jurisdiction) and/or recapitalization of all or a significant portion of the Company's outstanding funded indebtedness (collectively, the "Existing Obligations") that is achieved, without limitation, through a solicitation of waivers and consents from the holders of Existing Obligations; rescheduling of the maturities or a change in interest rates of Existing Obligations; a repurchase, settlement or forgiveness of Existing Obligations; conversion of Existing Obligations into equity; an exchange offer involving the issuance of new securities in exchange for Existing Obligations; the issuance of new securities, sale or disposition of assets, sale of debt or equity securities or other interests; or other similar transaction or series of transactions.

(pp) Section 409A: Code Section 409A, as amended, or any successor thereto, and the rules and regulations promulgated thereunder.

(qq) Securities Act: The U.S. Securities Act of 1933, as amended, or any successor thereto, and the rules and regulations promulgated thereunder.

(rr) Service: Except as otherwise determined by the Committee in its sole discretion, a Participant's Service terminates when the Participant ceases to actively provide services to the Company or an Affiliate. The Committee shall determine which leaves shall count toward Service and when Service terminates for all purposes under the Plan. Further, unless otherwise determined by the Committee, a Participant's Service shall not be deemed to have terminated merely because of a change in the capacity in which the Participant provides Service to the Company or an Affiliate, or a transfer between entities (i.e., the Company or any Affiliates), provided that there is no interruption or other termination of Service in connection with the Participant's change in capacity or transfer between entities (except as may be required to effect the change in capacity or transfer between entities). For purposes of determining whether an Option is entitled to ISO status, an Employee's Service shall be treated as terminated 90 days after such Employee goes on leave, unless such Employee's right to return to active work is guaranteed by law or by a contract.

(ss) Shares: Ordinary shares in the capital of the Company, nominal value \$0.001 per ordinary share, and such other securities of the Company that may be substituted for the Shares pursuant to Section 11 of the Plan.

(tt) Share Appreciation Right: A share appreciation right granted pursuant to Section 8 of the Plan.

(uu) Specified Holder: Any Person who is the Beneficial Owner, directly or indirectly, of 10% or more of the Outstanding Ordinary Shares of the Company as of the Effective Date.

(vv) Strike Price: Except as otherwise determined by the Committee in the case of Substitute Awards, (i) in the case of a Stock Appreciation Right granted in tandem with an Option, the Option Price of the related Option, or (ii) in the case of a Stock Appreciation Right granted independent of an Option, the Fair Market Value on the date of grant.

(ww) Subsidiary: Any Affiliate which is a subsidiary of the Company within the meaning of Section 7 of the Act. For purposes of granting an ISO, Subsidiary means any "subsidiary corporation" of the Company as defined in Section 424(f) of the Code. For purposes of granting non-qualified Options, Stock Appreciation Rights or other "stock rights," within the meaning of Section 409A, to a Participant that is a U.S. taxpayer, an entity may not be considered a Subsidiary if the Shares will not be treated as "service recipient stock" of such entity under Section 409A.



(xx) Substitute Award: An Award granted under the Plan in assumption of, or in substitution or exchange for, an outstanding award previously granted by an entity directly or indirectly acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines.

(yy) Tax-Related Items: Any U.S. federal, state, and/or local taxes and any taxes imposed by a jurisdiction outside of the United States (including, without limitation, income tax, social insurance contributions, payment on account, employment tax obligations, stamp taxes and any other taxes required by law to be withheld and any employer tax liability for which the Participant is liable).

(zz) Trade Secrets: Means without limitation, (1) any data or information that is competitively sensitive or commercially valuable and not generally known to the public and (2) any scientific or technical information, design, process, procedure, formula or improvement, computer software, object code, source code, specification, invention or systems information, whether or not patentable or copyrightable, provided that this definition of Trade Secrets shall have the broadest meaning as permitted by law and shall extend beyond the definition of "trade secrets" as set forth in the Texas Uniform Trade Secrets Act, where applicable.

(aaa) Weatherford Group: The Company and its Subsidiaries.

### 3. **Shares Subject to the Plan and Limitation on Issuable Shares**

#### (a) Number of Shares

Subject to Section 11, and as of the Effective Date, the total number of Shares which may be issued under the Plan is 8,600,000, and the maximum number of Shares for which ISOs may be granted is 400,000. Except as provided below in Section 3(b) or 3(c), the number of Shares remaining available for issuance shall be reduced by the relevant number of Shares for each Award (including Full Value Awards) granted under the Plan. The Shares may consist, in whole or in part, of authorized and unissued Shares or treasury Shares or a combination thereof.

#### (b) Shares Reissuable Under Plan

The following Shares shall again be available for the grant of an Award pursuant to the Plan: (i) Shares that are not issued as a result of the termination, cancellation, forfeiture, expiration or lapsing of any Award for any reason; or (ii) Shares subject to a Full Value Award that are not issued because the Award is settled in cash.

#### Shares Not Reissuable Under Plan

Notwithstanding the foregoing, the following Shares shall be counted against the maximum number of Shares available for issuance pursuant to Section 3(a) and shall not be returned to the Plan: (i) Shares that are retained or otherwise not issued by the Company in order to satisfy tax withholding obligations or in payment of the Option Price or purchase price of Options; (ii) Shares that are not issued or delivered as a result of the net-settlement of an outstanding Option or Share Appreciation Right; or (iii) Shares that are repurchased or redeemed on the open market with the proceeds of the exercise of an Option.

#### (c) Shares Not Counted Against Share Pool Reserve

Notwithstanding anything contained in Section 3 to the contrary, (i) Substitute Awards shall not reduce the overall limit on Shares available for grant under the Plan; provided that Substitute Awards issued in connection with the assumption of, or in substitution for, outstanding Options intended to qualify as ISOs shall reduce the aggregate number of Shares available for Awards of ISOs under the Plan; and (ii) subject to any stock exchange requirements then applicable to the Company, available shares under a shareholder approved plan of an entity directly or indirectly acquired by the Company or Subsidiary or with which the

Company or Subsidiary combines (as appropriately adjusted to reflect the acquisition or combination transaction) may be used for Awards under the Plan and shall not reduce the number of Shares available for delivery under the Plan.

(d) Non-Employee Director Award Limit

Notwithstanding any provision to the contrary in the Plan or in any policy of the Company regarding compensation payable to a non-Employee Director, the sum of the grant date fair value (determined as of the grant date in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, or any successor thereto) of all Awards payable in Shares and the maximum amount that may become payable pursuant to all cash-based Awards that may be granted under the Plan to an individual as compensation for services as a non-Employee Director, together with cash compensation paid to the non-Employee Director, shall not exceed \$900,000 in any calendar year.

4. **Administration**

(a) Committee

The Plan shall be administered by the Committee, which may delegate its duties and powers in whole or in part to any subcommittee thereof consisting solely of at least two individuals who are intended to qualify as “Non-Employee Directors” within the meaning of Rule 16b-3 under the Exchange Act and “independent directors” within the meaning of The New York Stock Exchange’s listed company rules if such stock exchange rules are applicable to the Company at that time (or similar rules otherwise applicable to the Company, if listed on a different stock exchange). Additionally, the Committee may delegate to one or more officers of the Company the authority to act on behalf of the Committee with respect to administrative matters and such other matters as the Committee may determine from time to time; provided that such delegation is consistent with Applicable Laws and guidelines established by the Committee from time to time. Any such delegation may be revoked by the Committee at any time. Notwithstanding the foregoing, the full Board, acting by a majority of its members in office, shall conduct the general administration of the Plan (including the grant of Awards) with respect to all Awards granted to Non-Employee Directors and for purposes of such Awards, the term “Committee” as used in this Plan shall be deemed to refer to the Board. In its sole discretion, the Board may at any time and from time to time exercise any and all rights and duties of the Committee under the Plan, except with respect to matters which under Rule 16b-3 under the Exchange Act or The New York Stock Exchange’s listed company rules, if such stock exchange rules are applicable to the Company at that time (or similar rules otherwise applicable to the Company, if listed on a different stock exchange), are required to be determined in the sole discretion of the Committee. The Committee may appoint such agents as it deems necessary or advisable for the proper administration of the Plan; provided, that such appointment is consistent with Applicable Laws and any guidelines established by the Committee from time to time.

(b) Authority of Committee

The Committee has the exclusive power, authority and discretion to:

- (i) Designate Participants to receive Awards;
- (ii) Determine the type or types of Awards to be granted to each Participant;
- (iii) Determine the number of Awards to be granted and the number of Shares to which an Award will relate;

- (iv) Determine the terms and conditions of any Award granted pursuant to the Plan, including, without limitation, the Option Price, Strike Price, or purchase price, Performance Criteria (or other objective/subjective goals (if any)), Performance Goals, any restrictions or limitations on the Award, any schedule for lapse of forfeiture restrictions or restrictions on the exercisability of an Award, vesting requirements, and accelerations or waivers thereof, any forfeiture conditions and any provisions related to non-competition and recapture of gain on an Award, based in each case on such considerations as the Committee in its sole discretion determines;
- (v) Determine whether, to what extent, and pursuant to what circumstances (A) an Award may be settled in, or the Option Price or Strike Price of an Award may be paid in, cash, Shares, other Awards, or other property, (B) the vesting, exercisability or forfeiture restrictions applicable to an Award may be accelerated, modified or waived, including, without limitation, in connection with the Participant's retirement or other termination or other event, or (C) an Award may be cancelled, forfeited, or surrendered;
- (vi) Prescribe the form of each Award Agreement, which need not be identical for each Participant and may vary for Participants within and outside of the United States;
- (vii) Allot and issue any Shares which are to be allotted and issued upon the vesting or exercise of any Award;
- (viii) Decide all other matters that must be determined in connection with an Award;
- (ix) Establish, adopt, or revise any rules and regulations including adopting sub-plans to the Plan for the purposes of complying with foreign laws and/or taking advantage of tax-favorable treatment for Awards granted to Participants outside the United States, as it may deem necessary or advisable to administer the Plan;
- (x) Construe and interpret the terms of, and any matter arising pursuant to, the Plan, or any Award Agreement;
- (xi) Correct any defect or supply any omission or reconcile any inconsistency in the Plan in the manner and to the extent the Committee deems necessary or desirable; and
- (xii) Make all other decisions and determinations that may be required pursuant to the Plan or as the Committee deems necessary or advisable to administer the Plan.

(c) Decisions Binding

Any decision of the Committee or its delegate pursuant to Section 4(a) or (b) hereof shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Participants and their beneficiaries or successors).

(d) Reliance on Reports.

Each member of the Committee and each member of the Board shall be fully justified in acting or failing to act, as the case may be, and shall not be liable for having so acted or failed to act in good faith, in reliance upon any report made or advice provided by the independent public accountant or other advisors of the Weatherford Group and/or any other information furnished in connection with the Plan by any agent of the Company or the Committee or the Board, other than himself or herself.

(e) Award Limits for Employees and Consultants.

The maximum number of Shares that may be subject to Options or Share Appreciation Awards that are granted to any Employee or any Consultant during any calendar year shall not exceed 800,000 Shares, subject to adjustment as provided in Section 11 hereof. The maximum amount with respect to one or more Performance Based Awards that may be granted to any Employee or any Consultant during any calendar year shall not exceed \$25,000,000 calculated based on the Fair Market Value of the number of Shares subject to the Performance Based Award on the date of grant.

5. **Terms and Conditions of Restricted Share Units**

(a) Restricted Share Units

The Committee is authorized to grant Restricted Share Units to Participants in such amounts and subject to such terms and conditions not inconsistent with the Plan, as the Committee shall determine.

(b) Vesting Restrictions

The Committee shall specify the date or dates on which the Restricted Share Units shall become fully vested and non-forfeitable, and may specify such conditions to vesting, if any, as it deems appropriate. The vesting conditions, if any, may be based on, among other conditions, a Participant's continued Service or the attainment of Performance Goals.

(c) Form and Timing of Payment

The Committee shall specify the settlement date applicable to each grant of Restricted Share Units, which date shall not be earlier than the date or dates on which the Restricted Share Units shall become fully vested and non-forfeitable, or such settlement date may be deferred to any later date, subject to compliance with Section 409A, as applicable. On the settlement date, the Company shall, subject to satisfaction of applicable Tax-Related Items (as further set forth in Section 20 hereof), deliver to the Participant one Share for each Restricted Share Unit scheduled to be paid out on such date and not previously forfeited. Alternatively, settlement of a Restricted Share Unit may be made in cash (in an amount reflecting the Fair Market Value of the Shares that otherwise would have been issued) or any combination of cash and Shares, as determined by the Committee, in its sole discretion, in either case, less applicable Tax-Related Items (as further set forth in Section 20 hereof). Until a Restricted Share Unit is settled, the number of Restricted Share Units shall be subject to adjustment pursuant to Section 11 hereof.

(d) Forfeiture

Except as otherwise determined by the Committee at the time of the grant of the Award or thereafter, any Restricted Share Units that are not vested as of the date of the Participant's termination of Service shall be forfeited.

(e) General Creditors

A Participant who has been granted Restricted Share Units shall have no rights other than those of a general creditor of the Company. Restricted Share Units represent an unfunded and unsecured obligation of the Company, subject to the terms and conditions of the applicable Award Agreement evidencing the grant of the Restricted Share Units.

## 6. **Terms and Conditions of Restricted Share Awards**

### (a) Grant of Restricted Shares

The Committee is authorized to grant Restricted Shares to Participants selected by the Committee in such amounts and subject to such terms and conditions not inconsistent with the Plan, as the Committee shall determine.

### (b) Purchase Price

At the time of the grant of Restricted Shares, the Committee shall determine the price, if any, to be paid by the Participant for each Share subject to the Award. The purchase price of Shares acquired pursuant to the Award shall be paid: (i) in cash at the time of purchase; or (ii) in any other form of legal consideration that may be acceptable to the Committee in its sole discretion and in compliance with Applicable Laws.

### (c) Issuance and Restrictions

Restricted Shares shall be subject to such restrictions, if any, on transferability and other restrictions as the Committee may impose (including, without limitation, limitations on the right to vote Restricted Shares or the right to receive dividends or repayment of capital on the Restricted Shares). The restrictions, if any, may be based on, among other conditions, a Participant's continued Service or the attainment of Performance Goals. These restrictions, if any, may lapse separately or in combination at such times, pursuant to such circumstances, in such installments, or otherwise, as the Committee determines at the time of the grant of the Award or thereafter.

### (d) Dividends

Any dividends that are distributed with respect to Restricted Shares shall be paid in accordance with the applicable Award Agreement, subject to the provisions of Section 10(b)(ii) hereof.

### (e) Forfeiture

Except as otherwise determined by the Committee at the time of the grant of the Award or thereafter, upon termination of Service during the applicable restriction period, Restricted Shares that are at that time subject to restrictions shall be forfeited.

### (f) Certificates for Restricted Shares

Restricted Shares granted pursuant to the Plan may be evidenced in such manner as the Committee shall determine. If certificates representing Restricted Shares are registered in the name of the Participant, certificates shall bear a legend in such form as the Company deems appropriate, referring to the terms, conditions, and restrictions applicable to such Restricted Shares, and the Company may, at its discretion, retain physical possession of the certificate until such time as all applicable restrictions lapse.

## 7. **Terms and Conditions of Options**

### (a) Option Type

Options granted under the Plan shall be, as determined by the Committee, non-qualified or ISOs, as evidenced by the related Award Agreements, and shall be subject to the foregoing and the following terms and conditions and to such other terms and conditions, not inconsistent therewith, as the Committee shall determine:

### (b) Option Price

The Option Price per Share shall be determined by the Committee, but shall not be less than the higher of (i) 100% of the Fair Market Value of a Share on the date an Option is granted (other than in the case of Substitute Awards) and (ii) the nominal value of a Share.

(c) Exercisability

Options granted under the Plan shall be exercisable at such time and upon such terms and conditions as may be determined by the Committee, but in no event shall an Option be exercisable more than ten years after the date it is granted. The Committee shall specify the date or dates on which the Options shall become fully vested, and may specify such conditions to vesting, if any, as it deems appropriate. The vesting conditions, if any, may be based on, among other conditions, a Participant's continued Service or the attainment of Performance Goals.

(d) Exercise of Options

Except as otherwise provided in the Plan or in an Award Agreement, an Option may be exercised for all, or from time to time any part, of the Shares for which it is then exercisable. For purposes of Section 7 of the Plan, the exercise date of an Option shall be the later of the date a notice of exercise is received by the Company or its designee or administrative agent in the form and manner satisfactory to the Company and, if applicable, the date payment is received by the Company or its designee or administrative agent in accordance with the following sentence. The Option Price shall be payable: (i) in cash or its equivalent (e.g., by personal check), or (ii) by such other method as the Committee may permit in its sole discretion, including, without limitation, (A) if there is a public market for the Shares underlying the Options at such time, through the delivery of irrevocable instructions to a broker to sell Shares obtained upon the exercise of the Option and to deliver promptly to the Company an amount out of the proceeds of such sale equal to the aggregate Option Price for the Shares being purchased, or (B) by a "net exercise" method whereby the Company withholds from the delivery of the Shares for which the Option was exercised that number of Shares having a Fair Market Value equal to the aggregate Option Price for the Shares for which the Option was exercised. No fractional Shares will be issued upon exercise of an Option, but instead the number of Shares will be rounded downward to the next whole Share.

(e) ISOs

The Committee may grant Options under the Plan that are intended to be ISOs. Such ISOs shall comply with the requirements of Section 422 of the Code. ISOs shall be granted only to Participants who are employees of the Company and its Subsidiaries. No ISO may be granted to any Participant who at the time of such grant, owns more than ten percent of the total combined voting power of all classes of stock of the Company or of any Subsidiary, unless (i) the Option Price for such ISO is at least 110% of the Fair Market Value of a Share on the date the ISO is granted and (ii) the date on which such ISO terminates is a date not later than the day preceding the fifth anniversary of the date on which the ISO is granted. Any Participant who disposes of Shares acquired upon the exercise of an ISO either (A) within two years after the date of grant of such ISO or (B) within one year after the transfer of such Shares to the Participant, shall notify the Company of such disposition and of the amount realized upon such disposition. All Options granted under the Plan are intended to be nonqualified options, unless the applicable Award Agreement expressly states that the Option is intended to be an ISO. If an Option is intended to be an ISO, and if for any reason such Option (or portion thereof) shall not qualify as an ISO, then, to the extent of such nonqualification, such Option (or portion thereof) shall be regarded as a nonqualified option granted under the Plan; provided, that such Option (or portion thereof) otherwise complies with the Plan's requirements relating to nonqualified options. In no event shall any member of the Committee, the Company or any of its Affiliates (or their respective employees, officers or directors) have any liability to any Participant (or any other Person) due to the failure of an Option to qualify for any reason as an ISO.

(f) Rights with Respect to Shares

No Participant shall have any rights to dividends or other rights of a shareholder with respect to Shares subject to an Option until the Participant has given written notice of exercise of the Option, paid in full (including, but not limited to, the Option Price and Tax-Related Items) for such Shares and, if applicable, has satisfied any other conditions imposed by the Committee pursuant to the Plan and applicable Award Agreement.

8. **Terms and Conditions of Share Appreciation Rights**

(a) Grants

The Committee may grant (i) a Share Appreciation Right independent of an Option or (ii) a Share Appreciation Right in connection with an Option, or a portion thereof. A Share Appreciation Right granted pursuant to clause (ii) of the preceding sentence (A) may only be granted at the time the related Option is granted, (B) shall cover the same number of Shares covered by an Option (or such lesser number of Shares as the Committee may determine) and (C) shall be subject to the same terms and conditions as such Option except for such additional limitations as are contemplated by this Section 8 (or such additional limitations as may be included in an Award Agreement).

(b) Terms

Each Share Appreciation Right granted independent of an Option shall entitle a Participant, upon exercise, to a number of Shares equal to an amount that is (i) the excess of (A) the Fair Market Value of a Share on the exercise date over (B) the Strike Price, multiplied by (ii) the number of Shares with respect to which the Share Appreciation Right is being exercised, less any Tax-Related Items. Each Share Appreciation Right granted in conjunction with an Option, or a portion thereof, shall entitle a Participant to surrender to the Company the unexercised Option, or any portion thereof, and to receive from the Company in exchange therefore a number of Shares equal to an amount that is (i) the excess of (A) the Fair Market Value of a Share on the date of such surrender over (B) the Strike Price, multiplied by (ii) the number of Shares covered by the portion of the Option that is surrendered, less any Tax-Related Items. Payment shall be made in cash, in Shares valued at Fair Market Value, or any combination thereof, at the discretion of the Committee. Share Appreciation Rights may be exercised from time to time upon actual receipt by the Company or its designee or administrative agent of written notice of exercise in the form and manner satisfactory to the Company stating the number of Shares with respect to which the Share Appreciation Right is being exercised. The date a notice of exercise is received by the Company shall be the exercise date. No fractional Shares will be issued in payment for Share Appreciation Rights, but instead the number of Shares will be rounded downward to the next whole Share. The Committee shall specify the date or dates on which the Share Appreciation Rights shall become fully vested, and may specify such conditions to vesting, if any, as it deems appropriate. The vesting conditions, if any, may be based on, among other conditions, a Participant's continued Service or the attainment of Performance Goals.

(c) Limitations

The Committee may impose, in its discretion, such conditions regarding the exercisability of Share Appreciation Rights as it may deem fit, but in no event shall a Share Appreciation Right be exercisable more than ten years after the date it is granted.

9. **Other Share-Based Awards**

(a) Grants of Other Share-Based Awards and Performance-Based Awards

Subject to limitation under Applicable Laws, the Committee is authorized under the Plan to grant Awards (other than Options, Restricted Share Units, Restricted Shares and Share Appreciation Rights) to Employees, Consultants or Directors subject to the terms and conditions set forth in this Section 9 and such other terms and conditions as may be specified by the Committee that are not inconsistent with the provisions of the Plan and that, by their terms, involve or might involve the issuance of, consist of, or are denominated in, payable in, valued in whole or in part by reference to, or otherwise relate to, Shares. The Committee may also grant Shares as a bonus, or may grant other Awards in lieu of obligations of the Company or an Affiliate to pay cash or other property under the Plan or other plans or compensatory arrangements. The terms and conditions applicable to such other Awards shall be determined from time to time by the Committee and set forth in an applicable Award Agreement. The Committee may establish one or more separate programs under the Plan for the purpose of issuing particular forms of Awards to one or more classes of Participants on such terms and conditions as determined by the Committee from time to time.

(b) Form of Payment

Payments with respect to any Awards granted under Section 9 shall be made in cash or cash equivalent, in Shares or any combination of the foregoing, as determined by the Committee.

(c) Vesting Conditions

The Committee shall specify the date or dates on which the Awards granted pursuant to this Section 9 shall become fully vested and nonforfeitable, and may specify such conditions to vesting as it deems appropriate. The vesting conditions may be based on, among other vesting conditions, a Participant's continued Service or the attainment of Performance Goals.

(d) Term

Except as otherwise provided herein, the term of any Award granted pursuant to this Section 9 shall be set by the Committee in its discretion; provided, that the term of any Award granted pursuant to this Section 9 shall not exceed 10 years.

10. **Provisions Applicable to All Awards**

(a) Award Agreement

Awards under the Plan shall be evidenced by Award Agreements that set forth the terms, conditions and limitations for each Award, not inconsistent with the Plan, which may include, without limitation, the term of an Award, the provisions applicable in the event the Participant's Service terminates, and the Company's authority to unilaterally or bilaterally amend, modify, suspend, cancel or rescind an Award.

(b) Dividend Equivalent Rights

- (i) The Committee in its sole discretion may provide a Participant as part of a Restricted Share Unit or Other Share-Based Award that is a Full Value Award with Dividend Equivalent Rights, on such terms and conditions as may be determined by the Committee in its sole discretion.
- (ii) Any Dividend Equivalent Rights provided in connection with an Award that is subject to vesting shall either (i) not be paid or credited or (ii) be accumulated and subject to vesting restrictions applicable to the underlying Award. For Restricted



Shares subject to vesting, dividends shall be accumulated and subject to any restrictions and risk of forfeiture to which the underlying Restricted Share is subject.

(c) Limits on Transfer

Each Award shall be exercisable only by a Participant during the Participant's lifetime, or, if permissible under Applicable Laws, by the Participant's legal guardian or representative. No Award may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant other than by will or by the laws of descent and distribution and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or an Affiliate.

Notwithstanding the foregoing, the Committee may, in its sole discretion, permit Awards (other than ISOs) to be transferred by a Participant, without consideration, in connection with estate planning or charitable transfers, subject to compliance with Applicable Laws and such rules as the Committee may adopt consistent with any applicable Award Agreement to preserve the purposes of the Plan; provided, that the Participant gives the Committee advance written notice describing the terms and conditions of the proposed transfer and the Committee notifies the Participant in writing that such a transfer would comply with the requirements of the Plan.

(d) Minimum Vesting

Awards granted under the Plan may not vest or be settled, or become exercisable, prior to the one-year anniversary of the date of grant, except that the Committee may provide that Awards vest or be settled, or become exercisable, prior to such date in the event of the Participant's death or disability or pursuant to Section 11 hereof. Notwithstanding the foregoing, up to 5% of the aggregate number of Shares authorized for issuance under this Plan (as described in Section 3) may be issued pursuant to Awards subject to any or no vesting conditions (including with regard to such one-year vesting limitation described in the preceding sentence), as the Committee determines appropriate.

(e) Paperless Administration

In the event that the Company establishes, for itself or using the services of a third party, an automated system for the documentation, granting or exercise of Awards, such as a system using an internet website, intranet or interactive voice response, then the paperless documentation, granting or exercise of Awards by a Participant may be permitted through the use of such an automated system.

(f) Nominal Value

Notwithstanding any other provision in this Plan, no Share shall be allotted or issued pursuant to the exercise of vesting of an Award, or as an Award, unless it is fully paid-up to at least its nominal value.

(g) Detrimental Activity

Notwithstanding anything to the contrary contained herein or in any Award Agreement, if a Participant has engaged in any Detrimental Activity or the Participant's employment or service with any member of the Weatherford Group is terminated for Cause, as determined by the Committee in good faith in its reasonable discretion, the Committee may provide for one or more of the following: (1) cancellation of any or all of such Participant's outstanding Awards; or (2) forfeiture by the Participant of any gain realized on the vesting, settlement or exercise of Awards, and to repay any such gain to promptly to the Company.

(h) Restrictive Covenants

The Committee may impose on any Award any restrictive covenants, including, but not limited to, any non-competition, non-solicitation, confidentiality, and non-disparagement covenants, as it deems necessary or appropriate in its sole discretion. In addition, by accepting an Award under the Plan, a Participant shall thereby be deemed to have acknowledged and consented to not, without authorization from the Company, use, disclose or disseminate Confidential Information or Trade Secrets pertaining to the business of any member of the Weatherford Group; provided, however, that the activity described in this sentence does not apply to (i) any Confidential Information or Trade Secrets which have become generally known to competitors of any member of the Weatherford Group through no act or omission by the Participant or (ii) a Participant's communications that are required by law or judicial process (e.g., subpoena). Further, the preceding sentence does not preclude a Participant from communicating, cooperating or filing a complaint with any U.S. federal, foreign, state or local governmental or law enforcement branch, agency or entity (collectively, a "Governmental Entity") with respect to possible violations of any U.S. federal, foreign, state or local law or regulation, or otherwise making disclosures to any Governmental Entity, in each case, that are protected under the whistleblower provisions of any such law or regulation, provided that, in each case, such communications and disclosures are consistent with applicable law and provided further that under no circumstance is the Participant authorized to disclose any information covered by the Weatherford Group's attorney-client privilege or attorney work product or Trade Secrets without prior written consent of the Board or its designee.

Notwithstanding anything herein to the contrary, in the event of the Participant's breach of any restrictive covenant, including, but not limited to, any non-competition, non-solicitation, confidentiality, and non-disparagement covenants, the Participant has agreed to or is bound by with respect to the Company or any Affiliate, the Award held by the Participant shall be forfeited effective as of the date of such breach in its entirety (whether or not vested), and the Participant shall have no further rights hereunder or thereunder, including, but not limited to, any rights under the Participant's Award Agreement and any rights to any exercise, vesting or settlement in respect of the Award.

**11. Adjustments Upon Certain Events**

Notwithstanding any other provisions in the Plan to the contrary, the following provisions shall apply to all Awards granted under the Plan:

(a) Generally

In the event of any increase, decrease or change in the number or characteristic of outstanding Shares (including to the price of the Shares) after the Effective Date by reason of any reorganization, reclassification, recapitalization, merger, consolidation, spin-off, combination, or transaction or exchange of Shares or other corporate exchange (including for these purposes, any Change in Control), or any distribution to shareholders of Shares other than regular cash dividends, bonus issue, share split or any transaction similar to the foregoing, the Committee shall make such substitution or adjustment, as it deems, in its sole discretion and without liability to any person, to be equitable, as to (i) the number or kind of Shares or other securities issued or reserved for issuance pursuant to the Plan or pursuant to outstanding Awards, (ii) the Option Price or Strike Price, (iii) the number and kind of shares (or other securities or property) subject to outstanding Awards, and/or (iii) any other affected terms of such Awards, including, without limitation, any affected Performance Criteria or Performance Goals. In the event of any change in the outstanding Shares after the Effective Date by reason of any share split (forward or reverse) or any share dividend, all adjustments described in the preceding sentence shall occur automatically in accordance with the ratio of the bonus issue, share split or share dividend, unless otherwise determined by the Committee.

(b) Change in Control

Without limiting the foregoing, except as may otherwise be provided in an Award Agreement, in connection with any Change in Control, the Committee may, in its sole discretion, provide for any one or more of the following:

(i) continuation, substitution or assumption of Awards (or awards of an acquiring company), acceleration of the exercisability of, lapse of restrictions on, or termination of Awards, or a period of time for Participants to exercise outstanding Awards prior to the occurrence of such event (and any such Award not so exercised shall terminate upon the occurrence of such event)); and

(ii) subject to any limitations or reductions as may be necessary to comply with Section 409A, cancellation of any one or more outstanding Awards and payment to the holders of such Awards that are vested as of such cancellation (including, without limitation, any Awards that would vest as a result of the occurrence of such event but for such cancellation or for which vesting is accelerated by the Committee in connection with such event pursuant to clause (i) above) the value of such Awards, if any, as determined by the Committee (which value, if applicable, may be based upon the price per Share received or to be received by other shareholders of the Company in such event), including, without limitation, in the case of an outstanding Option or Share Appreciation Right, a cash payment in an amount equal to the excess, if any, of the Fair Market Value (as of a date specified by the Committee) of the Shares subject to such Option or Share Appreciation Right over the aggregate Option Price or Strike Price, of such Option or Share Appreciation Right (it being understood that, in such event, any Option or Share Appreciation Right having a per share Option Price or Strike Price, equal to, or in excess of, the Fair Market Value of a Share subject thereto may be canceled and terminated without any payment or consideration therefor).

Payments to holders pursuant to clause (ii) above shall be made in cash or, in the sole discretion of the Committee, in the form or forms of such other consideration as such Participant would have been entitled to receive upon the occurrence of the transaction if the Participant had been, immediately prior to such transaction, the holder of the number of Shares covered by the Award at such time (less any applicable Option Price or Strike Price).

(c) Other Requirements

Prior to any payment or adjustment contemplated under this Section 11, the Committee may require a Participant to (i) represent and warrant as to the unencumbered title to the Participant's Awards; (ii) bear such Participant's pro rata share of any post-closing indemnity obligations, and be subject to the same post-closing purchase price adjustments, escrow terms, offset rights, holdback terms, and similar conditions as the other holders of Shares, subject to any limitations or reductions as may be necessary to comply with Section 409A; and (iii) deliver customary transfer documentation as reasonably determined by the Committee.

(d) Fractional Shares

Any adjustment provided under this Section 11 may provide for the elimination of any fractional share that might otherwise become subject to an Award.

(e) Binding Effect

Any adjustment, substitution, determination of value or other action taken by the Committee under this Section 11 shall be conclusive and binding for all purposes.

**12. No Right to Employment or Awards**

The granting of an Award under the Plan shall impose no obligation on the Company or any Affiliate to continue the employment or service of a Participant and shall not lessen or affect the Company's or Affiliate's right to terminate the employment or service of such Participant. No Participant or other Person shall have any claim to be granted any Award, and there is no obligation for uniformity of treatment of

Participants, or holders or beneficiaries of Awards. The terms and conditions of Awards and the Committee's determinations and interpretations with respect thereto need not be the same with respect to each Participant (whether or not such Participants are similarly situated).

### 13. **Successors and Assigns**

The Plan shall be binding on all successors and assigns of the Company and a Participant, including without limitation, the estate of such Participant and the executor, administrator or trustee of such estate, or any receiver or trustee in bankruptcy or representative of the Participant's creditors.

### 14. **Amendments or Termination**

#### (a) Amendment and Termination of the Plan

The Board may amend, alter, suspend, discontinue, cancel or terminate the Plan or any portion thereof at any time; provided, that no such amendment, alteration, suspension, discontinuation or termination shall be made without shareholder approval, if at the time of such event, shareholder approval is required under Applicable Law, if (i) it would materially increase the number of securities which may be issued under the Plan or granted to any Participant (except for increases pursuant to Section 11 hereof), (ii) it materially expands the types of Awards available under the Plan or materially expands the class of persons eligible to receive Awards under the Plan, (iii) such approval is necessary to comply with Applicable Law, or (iv) the Committee determines that such approval is otherwise required or advisable to facilitate compliance with Applicable Laws; provided, that, subject to Section 18 of the Plan or unless required or advisable to facilitate compliance with Applicable Laws, as determined in the sole discretion of the Committee, any such amendment, alteration, suspension, discontinuance or termination that would materially and adversely affect the rights of any Participant or any holder of any Award theretofore granted shall not to that extent be effective without the consent of the affected Participant.

#### (b) Amendment of Award Agreements

The Committee may, to the extent consistent with the terms of any applicable Award Agreement, waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any Award theretofore granted or the associated Award Agreement, prospectively or retroactively (including after a Participant's termination of employment or service with the Company); provided, that, subject to Section 18 of the Plan or unless required or advisable to facilitate compliance with Applicable Laws, as determined in the sole discretion of the Committee, any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would materially and adversely affect the rights of any Participant with respect to any Award theretofore granted shall not to that extent be effective without the consent of the affected Participant.

#### (c) No Repricing of Awards

Subject to Section 11 of the Plan, in no event shall the Committee or the Board take any action without approval of the shareholders of the Company that would (i) reduce the Option Price of any Option or Strike Price of any Share Appreciation Right, (ii) result in the cancellation of any outstanding Option or Share Appreciation Right and replacement with a new Option or Share Appreciation Right with a lower Option Price or Strike Price, or with a cash payment or other Award at a time when the Option or Share Appreciation Right has a per Share Option Price or Strike Price, that is higher than the Fair Market Value of a Share on the date of the replacement or (iii) result in any other action that would constitute a "repricing" for purposes of the shareholder approval rules of any stock exchange or inter-dealer quotation system on which the securities of the Company are listed or quoted, in each case, to the extent such shareholder approval is required thereunder.

**15. Choice of Law**

The validity, construction and effect of the Plan and any rules and regulations relating to the Plan shall be determined in accordance with applicable United States federal law and the laws of the State of Texas, without regard to any conflict of laws principles, except to the extent that the laws of Ireland mandatorily apply.

**16. Severability**

If any provision of the Plan or the application of any provision hereof to any Person or circumstance is held to be invalid or unenforceable, the remainder of the Plan and the application of such provision to any other Person or circumstance shall not be affected, and the provisions so held to be unenforceable shall be reformed to the extent (and only to the extent) necessary to make it enforceable and valid.

**17. Effectiveness and Term of the Plan**

The Plan shall be effective on the Effective Date. The Plan shall terminate on the day before the tenth anniversary of the Effective Date and may be terminated on any earlier date pursuant to Section 14 of the Plan. The applicable provisions shall continue in effect with respect to an Award granted under the Plan for as long as such Award remains outstanding.

**18. Section 409A**

The Plan and all Awards made hereunder shall be interpreted, construed and operated to reflect the intent of the Company that all aspects of the Plan and the Awards shall be interpreted either to be exempt from the provisions of Section 409A or, to the extent subject to Section 409A, comply with Section 409A. To the extent that the Committee determines that any provision of this Plan or any Award granted hereunder would cause a Participant to incur any additional tax or interest under Section 409A, the Committee shall be entitled to reform such provision to attempt to comply with or be exempt from Section 409A through good faith modifications. To the extent that any provision hereof is modified in order to comply with Section 409A, such modification shall be made in good faith and shall, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the Participant and the Company without violating the provisions of Section 409A. In no event may a Participant, directly or indirectly, designate the calendar year of any payment to be made under this Agreement or otherwise which constitutes a “deferral of compensation” within the meaning of Section 409A. The exercisability of an Option shall not be extended to the extent that such extension would subject the Participant to additional taxes under Section 409A. Anything contrary in this Plan notwithstanding, if an Award constitutes an item of deferred compensation subject to Section 409A and becomes payable by reason of a Participant’s termination of Service, it shall not be paid to the Participant unless the Participant’s termination of Service constitutes a “separation from service” (within the meaning of Section 409A and any regulations or other guidance thereunder). In addition, no such payment or distribution shall be made to the Participant prior to the earlier of (a) the expiration of the six month period measured from the date of the Participant’s separation from service or (b) the date of the Participant’s death, if the Participant is deemed at the time of such separation from service to be a “specified employee” (within the meaning of Section 409A) and to the extent such delayed commencement is otherwise required in order to avoid a prohibited distribution under Section 409A. Except as provided in an Award Agreement, all payments which had been delayed pursuant to the immediately preceding sentence shall be paid to the Participant in a lump sum upon expiration of such six-month period (or, if earlier, upon the Participant’s death). Each payment in a series of payments made under this Plan and any Awards granted hereunder shall be deemed to be a separate payment for purposes of Section 409A.

Neither a Participant nor any of a Participant’s creditors or beneficiaries will have the right to subject any deferred compensation (within the meaning of Section 409A) payable under this Plan and grants hereunder to any anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or

garnishment. Except as permitted under Section 409A, any deferred compensation payable to a Participant or for a Participant's benefit under this Plan and grants hereunder may not be reduced by, or offset against, any amount owing by a Participant to any member of the Weatherford Group.

Notwithstanding the foregoing, (i) neither the Company nor the Committee shall have any obligation to take any action to prevent the assessment of any additional liability, tax or penalty on any Participant or beneficiary under Section 409A of the Code and (ii) neither the Committee (or any member thereof) nor any member of the Weatherford Group (or any employee, director or officer thereof) guarantees that this Plan or any Award granted hereunder complies with, or is exempt from, Section 409A and none of the foregoing shall have any liability with respect to any failure to so comply or to be so exempt.

#### **19. Clawback/Recoupment Policy**

Notwithstanding any other provision of this Plan, all Awards shall be subject to reduction, cancellation, forfeiture or recoupment to the extent necessary to comply with (i) the Company's Compensation Clawback Policy and any other clawback, forfeiture or other similar policy adopted by the Board or the Committee and as in effect from time to time; and (ii) applicable law. Further, unless otherwise determined by the Committee in good faith in its reasonable discretion, to the extent that the Participant receives any amount in excess of the amount that the Participant should otherwise have received under the terms of the Award for any reason (including, without limitation, by reason of a financial restatement, mistake in calculations or other administrative error), the Participant shall be required to repay any such excess amount to the Company. By accepting an Award under the Plan, a Participant shall thereby be deemed to have acknowledged and consented to the Company's application, implementation and enforcement of any clawback, forfeiture or other similar policy adopted by the Board or the Committee, whether adopted prior to or following the date of grant of the Award, and any provision of applicable law relating to reduction cancellation, forfeiture or recoupment, and to have agreed that the Company may take such actions as may be necessary to effectuate any such policy or applicable law, without further consideration or action.

#### **20. Tax-Related Items**

The Company or any Affiliate, as applicable, shall have the authority and the right to deduct or withhold, or to require a Participant to remit to the Company, an amount sufficient to satisfy the obligation for Tax-Related Items with respect to any taxable or tax withholding event concerning a Participant arising as a result of the Participant's participation in the Plan or to take such other action as may be necessary or appropriate in the opinion of the Company or an Affiliate, as applicable, to satisfy withholding obligations for the payment of Tax Related Items by one or a combination of the following: (a) withholding from the Participant's wages or other cash compensation; (b) withholding from the proceeds of sale of Shares underlying an Award, either through a voluntary sale or a mandatory sale arranged by the Company on the Participant's behalf, without need of further authorization; (c) withholding Shares otherwise issuable under an Award (or allowing the return of Shares) sufficient, as determined by the Committee in its sole discretion, to satisfy such Tax-Related Items; or (d) delivery to the Company of previously owned and unencumbered Shares of the Company having a Fair Market Value equal to such Tax-Related Items. Without limiting the foregoing, the Company shall have no obligation to issue or deliver evidence of title for Shares subject to Awards granted hereunder to any Participant or other Person until the Participant or such other Person has made arrangements acceptable to the Committee in its sole discretion to satisfy the obligations for Tax-Related Items with respect to any taxable or tax withholding event concerning the Participant or the Award or such other person arising as a result of an Award.

## 21. **Government and Other Regulations**

The obligation of the Company to make payment of Awards in Shares or otherwise shall be subject to all Applicable Laws, and to such approvals by government agencies, including government agencies in jurisdictions outside of the United States, in each case as may be required or as the Company deems necessary or advisable. Without limiting the foregoing, the Company shall have no obligation to issue or deliver evidence of title for Shares subject to Awards granted hereunder prior to: (i) obtaining any approvals from governmental agencies that the Company determines are necessary or advisable, and (ii) completion of any registration or other qualification with respect to the Shares under any Applicable Law or ruling of any governmental body that the Company determines to be necessary or advisable or at a time when any such registration or qualification is not current, has been suspended or otherwise has ceased to be effective. The inability or impracticability of the Company to obtain or maintain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained and shall constitute circumstances in which the Committee may determine to amend or cancel Awards pertaining to such Shares, with or without consideration to the affected Participant. The Company shall be under no obligation to register pursuant to the Securities Act any of the Shares delivered pursuant to the Plan. If the Shares delivered pursuant to the Plan may in certain circumstances be exempt from registration pursuant to the Securities Act, the Company may restrict the transfer of such Shares in such manner as it deems advisable to ensure the availability of any such exemption.

Notwithstanding any provision of the Plan to the contrary, in order to comply with the Applicable Laws in countries other than Ireland or the U.S. in which the Company or any of its Affiliates operates or has Employees or Consultants, the Committee, in its sole discretion, shall have the power and authority to (i) determine which Affiliates shall be covered by the Plan; (ii) determine which Persons employed outside the United States are eligible to participate in the Plan; (iii) amend or vary the terms and provisions of the Plan and the terms and conditions of any Award granted to persons who reside or provide service outside Ireland or the United States; (iv) establish subplans and modify exercise procedures and other terms and procedures to the extent such actions may be necessary or advisable for legal or administrative reasons — any subplans and modifications to Plan terms and procedures established under this Section 21 by the Committee shall be attached to the Plan document as appendices; and (v) take any action, before or after an Award is made, that it deems advisable to obtain or comply with any necessary local government regulatory exemptions or approvals; provided, that the Committee may not take any actions hereunder, and no Awards shall be granted, that would violate the Exchange Act, the Code, any securities law or governing statute.

## 22. **No Shareholders Rights**

Except as otherwise expressly provided herein or in any Award Agreement, a Participant shall have none of the rights of a shareholder by virtue of holding or receiving an Award, including no right to vote or receive dividends, until the Participant or its nominee/broker becomes the record owner of such Shares, notwithstanding the exercise of an Option or Share Appreciation Right or lapse of restrictions with respect to vesting of any Award.

23. **Unfunded Plan**

The Plan shall be unfunded. Neither the Company, the Board nor the Committee shall be required to establish any special or separate fund or to segregate any assets to assure the performance of its obligations under the Plan.

24. **Other Compensation Arrangements**

Nothing contained in this Plan or in any Award Agreement shall prevent the Board from adopting other or additional compensation arrangements, subject to shareholder approval if such approval is required; and such arrangements may be either generally applicable or applicable only in specific cases.

25. **Relationship to Other Benefits**

No payment under the Plan or any Award Agreement shall be taken into account in determining any benefits under any pension, retirement, profit sharing, group insurance or other benefit plan or arrangement or related agreement of the Company, except as otherwise specifically provided in such other plan or arrangement or related agreement.

26. **Other Agreements**

The Committee may require, as a condition to the grant of and/or the receipt of Shares under an Award, that the Participant execute lock-up, shareholder or other agreements, as it may determine in its sole and absolute discretion.

27. **Expenses; Gender; Titles and Headings**

The expenses of administering the Plan shall be borne by the Weatherford Group. Masculine pronouns and other words of masculine gender shall refer to both men and women. The titles and headings of the sections in the Plan are for convenience of reference only, and in the event of any conflict, the text of the Plan, rather than such titles or headings shall control.

\* \* \*

As adopted by the Board of Directors of the Company on October 30, 2020 and effective as of such date.



**CERTIFICATION OF INTERIM CHIEF EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL OFFICER**

I, Girish K. Saligram, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Weatherford International plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a - 15(f) and 15d - 15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2020

/s/ Girish K. Saligram

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Girish K. Saligram  
President and Chief Executive Officer

**CERTIFICATION OF C FINANCIAL OFFICER**

I, H. Keith Jennings, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Weatherford International plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a - 15(f) and 15d - 15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2020

/s/ H. Keith Jennings

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H. Keith Jennings  
Executive Vice President and  
Chief Financial Officer

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report on Form 10-Q of Weatherford International plc (the "Company") for the period ended September 30, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Girish K. Saligram, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Girish K. Saligram

Name: Girish K. Saligram  
Title: President and Chief Executive Officer  
Date: November 4, 2020

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The certification the registrant furnishes in this exhibit is not deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. Registration Statements or other documents filed with the Securities and Exchange Commission shall not incorporate this exhibit by reference, except as otherwise expressly stated in such filing.

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report on Form 10-Q of Weatherford International plc (the "Company") for the period ended September 30, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, H. Keith Jennings, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ H. Keith Jennings

Name: H. Keith Jennings  
Title: Executive Vice President and Chief Financial Officer  
Date: November 4, 2020

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The certification the registrant furnishes in this exhibit is not deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. Registration Statements or other documents filed with the Securities and Exchange Commission shall not incorporate this exhibit by reference, except as otherwise expressly stated in such filing.