Risk Factors Comparison 2024-02-14 to 2023-02-14 Form: 10-K

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You should carefully consider the risks described below, in addition to other information contained or incorporated by reference herein. Realization of any of the following risks could have a material adverse effect on our business, financial condition, cash flows and results of operations. Industry Environment and Operations Related We are dependent upon the level of activity in the oil and gas industry, which is volatile and has caused, and may cause future, fluctuations in our operating results. The oil and gas industry historically has experienced significant volatility. Demand for our products and services depends primarily upon the number of oil rigs in operation, the number of oil and gas wells being drilled, the depth and drilling conditions of these wells, the volume of production, the number of well completions, capital expenditures of other oilfield service companies and the level of workover activity. Drilling and workover activity can fluctuate significantly in a short period, particularly in the United States and Canada. The **demand** ~~willingness of oil~~ and **pricing** ~~gas operators to make capital expenditures to explore~~ for ~~and~~ **our** ~~produce~~ **products** ~~oil~~ and ~~natural gas and the willingness of oilfield service~~ **services** ~~companies to invest in capital equipment~~ will continue to be influenced by numerous factors over which we have no control, including the: • current and anticipated future prices for oil and natural gas **and** ~~; •~~ volatility ~~of prices~~ **in supply and demand and pricing** for oil and natural gas; • ~~ability or willingness of~~ the ~~members of~~ **impact on markets from** the Organization of Petroleum Exporting Countries (" OPEC ") and other countries, such as Russia, **based on** ~~to maintain or influence price stability through~~ voluntary production limits; • **interruptions in supply chains caused by war, geo- political conflict, trade** sanctions ~~and~~ **or** other restrictions placed on ~~certain~~ oil producing countries, such as Russia, Iran, and Venezuela **or otherwise placed on trade and commerce** ; • level of production by non- OPEC countries including production from U. S. shale plays; • level of excess production capacity; • cost of exploring for and producing oil and gas; • level of drilling activity and drilling rig dayrates; • **catastrophic events, such** ~~worldwide economic activity and associated demand for oil and gas~~ **as** ~~; •~~ public health crises ~~and other catastrophic events~~, ~~such as~~ **e. g.,** the COVID- 19 pandemic ~~;~~ **or other geopolitical events, such as war or terrorist activities,** • availability and access to potential hydrocarbon resources; • governmental political requirements, regulation and energy policies; • **evolving environmental and climate change policies and regulations and** fluctuations in political conditions in the United States and abroad **which adversely impact exploration or development of oil or gas** ; • currency exchange rate fluctuations and devaluations; **and** • development of alternate energy sources ~~; and • environmental regulations~~. Expectations for future oil and gas prices cause many shifts in the strategies and expenditure levels of oil and gas companies, drilling contractors, and other service companies, particularly with respect to decisions to purchase major capital equipment of the type we manufacture. Oil and gas prices, which are determined by the marketplace, may remain below a range that is acceptable to certain of our customers, which could continue the reduced demand for our products and have a material adverse effect on our financial condition, results of operations and cash flows. There are risks associated with certain contracts for our equipment. As of December 31, ~~2022~~ **2023** , we had a backlog of capital equipment to be manufactured, assembled, tested and delivered by Completion & Production Solutions and Rig Technologies in the amount of $ 1. ~~6~~ **8** billion and $ 2. ~~8~~ **9** billion, respectively. The following factors, in addition to others not listed, could reduce our margins on these contracts, adversely impact completion of these contracts, adversely affect our position in the market or subject us to contractual penalties: • financial challenges for consumers of our capital equipment; • credit market conditions for consumers of our capital equipment; • our failure to adequately estimate costs for making this equipment; • our inability to deliver equipment that meets contracted technical requirements; • our inability to maintain our quality standards during the design and manufacturing process; • our inability to secure parts made by third party vendors at reasonable costs and within required timeframes; • unexpected increases in the costs of raw materials; • our inability to manage unexpected delays due to weather, shipyard access, labor shortages, public health crises such as the COVID- 19 pandemic or other factors beyond our control; • the imposition of tariffs or duties between countries, which could materially affect our global supply chain. For example, section 232 tariffs on steel may increase our costs, reduce margins or otherwise adversely affect the Company; and • **trade or travel restrictions, including** export sanctions, **trade** controls or other ~~trade restrictions~~ **supply chain interruption** , which could affect our ability to manufacture, sell, or receive payment for our equipment and / or services. The Company' s existing contracts for rig and production equipment generally carry significant down payment and progress billing terms to facilitate the ultimate completion of these projects and the majority do not allow customers to cancel projects for convenience. However, unfavorable market conditions or financial difficulties experienced by our customers **have in the past and** may **in the future** result in cancellation of contracts or the delay or abandonment of projects. Any such developments could have a material adverse effect on our operating results and financial condition. Competition in our industry, including the introduction of new products and technologies by our competitors, as well as the expiration of the intellectual property rights protecting our products and technologies, could ultimately lead to lower revenue and earnings. The oilfield products and services industry is highly competitive. We compete with national, regional and foreign competitors in each of our current major product lines. Certain of these competitors may have greater financial, technical, manufacturing and marketing resources than us, and may be in a better competitive position. The following can each affect our revenue and earnings: • price changes; • improvements in the availability and delivery of products and services by our competitors; • the introduction of new products and technologies by our competitors; and • the expiration of intellectual property rights protecting our products and technologies. We are a leader in the development of new technology and equipment to enhance the safety and productivity of drilling and well servicing processes. If we are unable to maintain our technology leadership position, it could adversely affect our competitive advantage for certain products and services. Our

revenues and operating results have been dependent, in part, upon the successful introduction of new or improved products. Through our internal development programs and acquisitions, we have assembled an array of technologies protected by a substantial number of trade and service marks, patents, trade secrets, and other proprietary rights, which expire after a prescribed duration, some at varying times over the coming years. The expiration of these rights could have a material adverse effect on our operating results. Furthermore, while the Company stresses the importance of its research and development programs, the technical challenges and market uncertainties associated with the development and successful introduction of new products are such that there can be no assurance that the Company will realize future revenue from new products. **We may also have disputes with competitors concerning our technology or payment for licenses of our technology. For example, we have on- going litigation concerning payments due under some of our technology licenses. See Note 12 to the Consolidated Financial Statements for further discussion.** The tools, techniques, methodologies, programs and components we use to provide our services may infringe upon the intellectual property rights of others. Infringement claims generally result in significant legal and other costs and may distract management from running our core business. Royalty payments under licenses from third parties, if available, could increase our costs. Additionally, developing non- infringing technologies could increase our costs. If a license were unavailable, we might be unable to continue providing a particular service or product, which could adversely affect our financial condition, results of operations and cash flows. In addition, certain foreign jurisdictions and government- owned oil and gas companies located in some of the countries in which we operate have adopted policies or regulations which may give local nationals in these countries competitive advantages. Actions taken by our competitors and changes in local policies, preferences or regulations could impact our ability to compete in certain markets and adversely affect our financial results. A significant portion of our revenue is derived from our non- United States operations, which exposes us to risks inherent in doing business in each of the many countries in which we operate. Approximately ~~64~~ **66** % of our revenues in ~~2022~~ **2023** were derived from operations outside the United States (based on revenue destination). Our foreign operations include significant operations in every oil producing region in the world. Our revenues and operations are subject to the risks normally associated with conducting business in foreign countries, including: • uncertain political, social and economic environments; • social unrest, acts of terrorism, war and other armed conflict **, such as the conflicts in Ukraine, Israel and the broader Middle East; • public health crises and other catastrophic events, such as the COVID- 19 pandemic** ; • trade and economic sanctions, export controls, and other restrictions imposed by the United States, European Union or other countries; • restrictions under the United States Foreign Corrupt Practices Act (“ FCPA ”) or similar legislation, as well as foreign anti-bribery and anti- corruption laws; • confiscatory taxation, tax duties, complex and everchanging tax regimes or other adverse tax policies; • exposure to expropriation of our assets and other actions by foreign governments; • deprivation of contract rights; • restrictions on the repatriation of income or capital; • inflation; and • currency exchange rate fluctuations and devaluations. Supply chain disruption and price escalation could have a material adverse effect on our business, liquidity, consolidated results of operations and consolidated financial condition. Our business relies on a broad range of raw materials and commodities for the products we manufacture. Shortages, transportation and supply disruptions can adversely impact supply of our manufacturing raw materials, as well as delivery of finished goods and transportation of our personnel for services. To varying degrees, these problems persist and may continue to persist as a consequence of evolving geopolitical trends. Among the factors that can adversely affect our business and consolidated results of operations are the following: • Inability to access raw materials and components; • Suppliers putting the Company on allocations; • Higher prices for raw materials and components; • Delays and higher costs for shipping and transportation; • Labor shortages and absences; • Wage and other labor cost inflation; • Government regulation; and • Travel restrictions; • Increased labor costs; • Liabilities resulting from an inability to perform services due to limited manpower availability or an inability to travel to perform the services; • Other contractual or other legal claims from our customers resulting from supply chain, transportation or other business disruption. ~~The COVID- 19 pandemic and related economic repercussions have had and are expected to continue to have a significant impact on our business. Negative impacts arising from the COVID- 19 pandemic continue to adversely affect a number of jurisdictions and disrupt pre- pandemic economic activities. For example, lockdowns in China have disrupted supply chains for the Company’ s vendors and products. The Company’ s ability to manufacture equipment and perform services could also be impaired and the Company could be exposed to liabilities resulting from additional interruption or delay in its ability to perform due to limited manpower, travel restrictions, difficulty obtaining visas, adverse health consequences to employees, supply chain disruption, inflationary pressures, and materials shortages. The Company continues to see operational disruption due to work force and supply chain impacts and closure or limitations imposed on our facilities as well as work force regulations. We may face loss of workers, labor shortages, litigation, fines and / or other adverse consequences resulting from vaccine mandates and enforcement of other COVID- 19 regulations. Disputes may arise regarding application of force majeure and other contract provisions and allocation of responsibility among customers, the Company, and suppliers, resulting in material added cost and / or litigation. Our customers may attempt to cancel or delay projects, cancel contracts, or may invoke force majeure clauses. Our customers may also seek to delay or may default on their payments to us. As a result, the Company may be exposed to additional costs, liabilities and risks which could materially, adversely impact our financial performance and results. These potential operational and service delays resulting from the COVID- 19 pandemic and long tail supply chain disruption could result in contractual or other legal claims from our customers or with our vendors. At this time, it is not possible to quantify all these risks, but the combination of these factors could have a material impact on our financial results.** We sometimes provide engineered process packages and other engineered products for multi- year, fixed price contracts that may require us to assume risks associated with cost over- runs, operating cost inflation, labor availability, supplier and contractor pricing and performance, and potential claims for liquidated damages. We sometimes provide engineered skid packages of processing equipment or complex equipment in the form of multi- year contracts, without price escalation clauses. Some of these contracts are required by our customers, ~~primarily~~ **including** national oil companies (NOCs). These projects include acting as suppliers of skid packages or engineered products, as

well as installation and commissioning services and may require us to assume additional risks associated with cost over- runs from our vendors or due to material or labor cost escalation. In addition, NOCs **often possess substantial leverage in the event of dispute or disagreement regarding performance under an agreement and they** often operate in countries with unsettled political conditions, war, civil unrest, or other types of community issues. These issues may also result in cost over- runs, delays, and project losses. Providing skid packages and engineered products as well as services on an integrated basis may also require us to assume additional risks associated with operating cost inflation, labor availability and productivity, supplier pricing and performance, and potential claims for liquidated damages. We rely on third- party subcontractors, consortium partners and equipment providers to assist us with the completion of these types of contracts. To the extent that we cannot engage subcontractors or acquire equipment or materials in a timely manner and on reasonable terms, our ability to complete a project in accordance with stated deadlines or at a profit may be impaired. If the amount we are required to pay for these goods and services exceeds the amount we have estimated in bidding for fixed- price work, we could experience losses in the performance of these contracts. These delays and additional costs may be substantial, and we may be required to compensate our customers for these delays. This may reduce the profit to be realized or result in a loss on a project. Cybersecurity risks and threats could adversely affect our business. We rely heavily on information systems to conduct our business. Any failure, interruption, or breach in security of our information systems, or information systems owned by others that we use and rely on, could result in failures or disruptions in our customer relationship management, general ledger systems and other systems. While we have policies and procedures designed to prevent or limit the effect of the failure, interruption or security breach of our information systems, there can be no assurance that any such failures, interruptions or security breaches will not occur or, if they do occur, that any breach or interruption will be sufficiently limited. The occurrence of any failures, interruptions or security breaches of our information systems could damage our reputation, result in a loss of our intellectual property or other proprietary information, including customer data, result in a loss of customer business, subject us to additional regulatory scrutiny, or expose us to civil litigation and possible financial liability, any of which could have a material adverse effect on our financial position or results of operations. We may suffer business disruption from direct or indirect cyber- attacks. These take many forms, including ransomware directed at us, our vendors or our customers. For example, our operations were affected by the well- publicized shutdown of the Kronos Company' s cloud- based employee work time keeping system, to which certain of our operations subscribe for recording hours worked. Our Human Resources and Operations management were able to quickly implement alternate procedures until the Kronos system was restored. We suffered no material loss due to the outage, and our employee data was not compromised. As with virtually all other large companies, we receive numerous phishing efforts, and other attempted cyber- attacks such as efforts to hack our systems or use distributed denial- of- service attacks. These cyber-security risks have not resulted in any material adverse interruption in our business to date but pose an ongoing threat of material interruption to our business activities. Our ability to hire and retain qualified personnel at competitive cost could materially affect our operations and growth potential. Many of the products we sell, and related services that we provide, are complex and technologically advanced, which enable them to perform in challenging conditions. Our ability to succeed is, in part, dependent on our success in attracting and retaining qualified personnel to provide service and to design, manufacture, use, install and commission our products. A significant increase in wages paid by competitors, both within and outside the energy industry, for such highly skilled personnel could result in insufficient availability of skilled labor or increase our labor costs, or both. If the supply of skilled labor is constrained or our costs increase, our margins could decrease, and our growth potential could be impaired. Severe or unseasonable weather conditions may adversely affect our operations. Our business may be materially and adversely affected by severe weather conditions in areas where we operate. Many experts believe global climate change could increase the frequency and severity of extreme weather conditions. Repercussions of severe or unseasonable weather conditions may entail the evacuation of personnel and stoppage of services; inability to deliver material to jobsites in accordance with contract schedules; decreases in demand for oil and natural gas during unseasonably warm winters; and loss of productivity. In addition, particularly severe weather could result in weather related evacuation of personnel and curtailment of services, including: • Damage to platforms or structures and offshore drilling rigs; • Suspension of activities and operations; • Damage to our facilities and project work sites; • Disruption in delivery of materials to jobsites in accordance with contract schedules; • Decreases in demand for oil and natural gas during unseasonably warm winters; and • Loss of productivity. Any of these events could adversely affect our financial condition, results of operations and cash flows. An impairment of goodwill or other indefinite lived intangible assets could reduce our earnings. The Company has approximately $ 1. ~~5~~ **6** billion of goodwill and $ 0. 2 billion of other intangible assets with indefinite lives as of December 31, ~~2022~~ **2023** . Generally accepted accounting principles require the Company to test goodwill and other indefinite lived intangible assets for impairment on an annual basis or whenever events or circumstances indicate they might be impaired. Events or circumstances which could indicate a potential impairment include (but are not limited to) a significant sustained reduction in worldwide oil and gas prices or drilling; a significant sustained reduction in profitability or cash flow of oil and gas companies or drilling contractors; a significant sustained reduction in capital investment by other oilfield service companies; or a significant increase in worldwide inventories of oil or gas. The timing and magnitude of any goodwill impairment charge, which could be material, would depend on the timing and severity of the event or events triggering the charge and would require a high degree of management judgement. If we were to determine that any of our remaining balance of goodwill or other indefinite lived intangible assets was impaired, we would record an immediate charge to earnings with a corresponding reduction in stockholders' equity; resulting in a possible increase in balance sheet leverage as measured by debt to total capitalization. See additional discussion on " Goodwill and Other Indefinite – Lived Intangible Assets " in Critical Accounting Estimates of Item 7, " Management' s Discussion and Analysis of Financial Condition and Results of Operations. " We have expanded and grown our businesses through acquisitions and continue to pursue a growth strategy but we cannot assure that attractive acquisitions will be available to us at reasonable prices or ~~at all~~ **that such acquisitions will result in the outcomes we anticipate** . We **cannot assure that acquisitions will result in**

the financial, operational or other benefits that we anticipate and we cannot assure that we will successfully integrate the operations and assets of any acquired business with our own or that our management will be able to effectively manage any new lines of business. Any inability on the part of management to integrate and manage acquired businesses and their assumed liabilities could adversely affect our business and financial performance. In addition, we may need to incur substantial indebtedness to finance future acquisitions. We cannot assure that we will be able to obtain this financing on terms acceptable to us or at all. Future acquisitions may result in increased depreciation and amortization expense, increased interest expense, increased financial leverage or decreased operating income for the Company, any of which could cause our business to suffer. The adoption of any future federal, state, or local laws or implementing regulations imposing reporting obligations on, or limiting or banning, the hydraulic fracturing process could make it more difficult to complete natural gas and oil wells and could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition. Various federal and state legislative and regulatory initiatives, as well as actions in other countries, have been or could be undertaken which could result in additional requirements or restrictions being imposed on hydraulic fracturing operations. For example, legislation and / or regulations have been adopted in many U. S. states that require additional disclosure regarding chemicals used in the hydraulic fracturing process but that generally include protections for proprietary information. Legislation, regulations and / or policies have also been adopted at the state level that impose other types of requirements on hydraulic fracturing operations (such as limits on operations in the event of certain levels of seismic activity). Additional legislation and / or regulations are being considered at the state and local level that could impose further chemical disclosure or other regulatory requirements (such as prohibitions on hydraulic fracturing operations in certain areas) that could affect our operations. Four states (New York, Maryland, Washington, and Vermont) have banned the use of high- volume hydraulic fracturing. Oregon has adopted a five- year moratorium and Colorado has enacted legislation providing local governments with regulatory authority over hydraulic fracturing operations. Local jurisdictions in some states have adopted ordinances that restrict or in certain cases prohibit the use of hydraulic fracturing, although many of these ordinances have been challenged and some have been overturned. In addition, governmental authorities in various foreign countries where we have provided or may provide hydraulic fracturing services have imposed or are considering imposing various restrictions or conditions that may affect hydraulic fracturing operations. The adoption of any future federal, state, local, or foreign laws or regulations imposing reporting obligations on, or limiting or banning, the hydraulic fracturing process could make it more difficult to complete natural gas and oil wells and could have a material adverse effect on our business, consolidated results of operations, and consolidated financial condition. Legal and Regulatory Related Our failure to comply with existing or future U. S. and foreign laws and regulations could have a material adverse effect on our business and our results of operations. Our ability to comply with various complex U. S. and foreign laws and regulations, such as the FCPA, the U. K. Bribery Act and other foreign anti- bribery and anti-corruption laws, various trade control regulations, and human rights and anti- slavery legislation is dependent on the success of our ongoing compliance program, including our ability to continue to effectively supervise and train our employees to deter prohibited practices. These various laws and regulations can change frequently and significantly. We may become involved in a governmental investigation even if the Company has complied with these laws. If we fail to comply with applicable laws and regulation, we could be subject to investigations, sanctions, and civil and criminal prosecution as well as fines and penalties, which could have a material adverse effect on our reputation and our business, financial condition, results of operations and cash flows. In addition, government disruptions could negatively impact our ability to conduct our business. Supply chain restrictions such as the U. K. Modern Slavery Act and other similar legislation could also materially affect our supply chain, cost of production, and ability to manufacture our products. We are also required to comply with various complex U. S. and foreign tax laws, regulations and treaties. These laws, regulations and treaties can change frequently and significantly, and it is reasonable to expect changes in the future. If we fail to comply with any of these tax laws, regulations or treaties, we could be subject to, among other things, civil and criminal prosecution, fines, penalties and confiscation of our assets, which could disrupt our ability to provide our products and services to our customers. Any of these events could have a material adverse effect on our business, financial condition, results of operations and cash flows. Further, in some instances, direct or indirect consumers of our products and services, entities providing financing for purchases of our products and services or members of the supply chain for our products and services may become involved in governmental investigations, internal investigations, political or other enforcement matters. In such circumstances, such investigations may adversely impact the ability of consumers of our products, entities providing financial support to such consumers or entities in the supply chain to timely perform their business plans or to timely perform under agreements with us. The Company could also become involved in investigations of consumers of our products at significant cost to the Company. We could be adversely affected if we fail to comply with any of the numerous **international,** federal, state and local laws, regulations and policies that govern environmental protection, zoning and other matters applicable to our businesses. Our businesses are subject to numerous **international,** federal, state and local laws, regulations and policies governing environmental protection, zoning and other matters. These laws and regulations have changed frequently in the past and it is reasonable to expect additional changes in the future. If existing regulatory requirements change, we may be required to make significant unanticipated capital and operating expenditures. We cannot assure you that our operations will continue to comply with future laws and regulations. Governmental authorities may seek to impose fines and penalties on us or to revoke or deny the issuance or renewal of operating permits for failure to comply with applicable laws and regulations. Under these circumstances, we might be required to reduce or cease operations or conduct site remediation or other corrective action which could adversely impact our operations and financial condition. Our businesses expose us to potential environmental, product or personal injury liability. Our businesses have in the past and may in the future expose us to risks from harmful substances that escape into the environment or product failing to perform or causing personal injury, or exposing individuals to chemicals, harmful substances, or environmental conditions, any of which could result in: • personal injury or loss of life; • severe damage to or destruction of property; or • environmental damage and suspension of operations. Our current and

past activities, as well as the activities of our former divisions and subsidiaries, could result in our facing substantial environmental, regulatory, personal injury, class action, mass tort and other litigation and liabilities. These could include the costs of cleanup of contaminated sites and site closure obligations. These liabilities could also be imposed on the basis of one or more of the following theories: • negligence; • strict liability; • products liability; • breach of contract with customers; or • as a result of our contractual agreement to indemnify our customers in the normal course of business, which is normally the case. We may not have adequate insurance for potential environmental, product or personal injury liabilities. While we maintain liability insurance, this insurance is subject to coverage limits. In addition, certain policies do not provide coverage for damages resulting from environmental contamination or may exclude coverage for other reasons. We face the following risks with respect to our insurance coverage: • we may not be able to continue to obtain insurance on commercially reasonable terms; • we may be faced with types of liabilities that will not be covered by our insurance; • our insurance carriers may not be able to meet their obligations under the policies; or • the dollar amount of any liabilities may exceed our policy limits. Even a partially uninsured claim, if successful and of significant size, could have a material adverse effect on our consolidated financial statements. Future laws, regulations, treaties, international obligations, reporting obligations related to greenhouse gases (GHG), climate change, and activism related to environmental, social and governance (ESG) could adversely impact our business, may increase compliance obligations and could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition. Focus and attention by advocacy groups and regulatory agencies on climate change and greenhouse gas (GHG) emissions in the United States and European Union have accelerated. Investors, customers, governance pundits and government officials have increased focus on sustainability, stakeholder governance and the energy transition. As a result, there has been increased promotion of alternative energy and increased negative attitudes or perceptions of fossil fuels. New laws and regulations to reduce GHG, including the imposition of fees or taxes, could adversely impact our operations and financial condition. Oil and natural gas exploration and production may decline as a result of environmental requirements, including land use policies responsive to environmental concerns. State, national, and international governments and agencies in areas in which we conduct business continue to evaluate, and in some instances adopt, climate- related legislation and other regulatory initiatives that limit GHG emissions. The President of the United States has issued Executive Orders seeking to adopt new regulations and policies to address climate change and to suspend, revise, or rescind prior agency actions that the administration identified as conflicting with its climate policies. These include Executive Orders requiring a review of current U. S. federal lands leasing and permitting practices, as well as a temporary halt of new leasing of U. S. federal lands and offshore waters available for oil and gas exploration. ~~The Executive Orders halting the leasing of U. S. federal lands were challenged in court and remain subject to litigation. As a result of the review of leasing and permitting practices, the U. S. Department of the Interior has recommended increasing the royalty rate payable to the U. S. government by operators, as well as bonding requirements and emissions requirements for operators. Some form of these recommendations may become applicable to operations on U. S. federal leases, which could have a negative effect on exploration and production of oil and natural gas given the increased costs associated with any such changes.~~ In February 2021, the United States formally re- joined the Paris Agreement. The Paris Agreement requires countries to review and " represent a progression " in their intended nationally determined contributions, which set greenhouse gases emission reduction goals, every five years. Though we are closely following developments in this area and changes in the regulatory landscape in the United States and other jurisdictions, we cannot predict with precision or quantify how or when those challenges may ultimately impact our business **. Laws and regulations in some jurisdictions, for example in the EU Corporate Sustainability Reporting Directive (" CSRD") and the California Climate Corporate Data Accountability Act and Climate- Related Financial Risk Act, impose obligations in future years to report GHG emissions. Calculation of some GHG emissions can involve uncertainty and lack precision because of the absence of reliable inputs or methods to perform such calculations. Accordingly, the EU CSRD and California regulations and other similar regulations give rise to litigation risk concerning the required disclosures** . Because our business depends on the level of activity in the oil and natural gas industry, existing or future laws, regulations, treaties, or international agreements related to greenhouse gases and climate change, including incentives to conserve energy or use alternative energy sources, may reduce demand for oil and natural gas and could have a negative impact on our business. Likewise, such restrictions may result in additional compliance obligations with respect to the release, capture, sequestration, and use of carbon dioxide. The efforts we have taken, and may undertake in the future, to respond to these evolving or new regulations and to environmental initiatives of customers, investors, and others may increase our costs. These and other environmental requirements could have a material adverse effect on our business, consolidated results of operations, and consolidated financial condition. In addition to regulatory risks, increased advocacy related to ESG issues generally, and on climate change and greenhouse gas emissions in particular, may have a material adverse effect on our business, consolidated results of operations, and consolidated financial condition. Our investors, customers, and other stakeholders have increased their focus on sustainability and the energy transition. Negative perceptions of the oil and natural gas industry and promotion of alternative energy sources can negatively impact demand for our products and the price of our stock. Additionally, we may suffer reputational harm if we do not adequately identify or manage ESG- related risks or if there are negative perceptions of our response to ESG issues. We may also incur increased costs as a result of our efforts to address ESG issues important to our stakeholders, including providing expanded reporting on ESG issues, which may impact our financial condition or results of operations. The combination of laws, regulations, treaties, negative reputational impact, and societal perceptions of our industry may adversely impact demand for oil and natural gas and demand for our products. Consequently, the price of our stock could be negatively impacted as we navigate the energy transition. Local content requirements imposed in certain jurisdictions may increase the complexity of our operations and impact the demand for our services. A growing number of nations are requiring equipment providers and contractors to meet local content requirements or other local standards. To meet many of these local content and other requirements, we are required to attract and retain qualified local personnel. If we are unable to do so because

the supply of qualified local personnel is constrained for any reason, the growth and profitability of our business may be adversely affected. In addition, our ability to work in certain jurisdictions is sometimes subject to our ability to successfully negotiate and agree upon acceptable joint venture agreements. The failure to reach acceptable agreements could adversely impact the Company' s operations in certain countries. Additionally, we may share control of joint ventures with unaffiliated third parties. Differences in views, and disagreements, among joint venture parties may result in delayed decision making and disputes on important issues. In some instances, we could suffer a material adverse effect to the results of our joint ventures and our consolidated results of operations. The Company could be subject to changes in its tax rates, the adoption of new tax legislation, tax audits, or exposure to additional tax liabilities that could have a material adverse effect on our business, consolidated results of operations, and consolidated financial condition. We are subject to taxes in the U. S. and numerous jurisdictions where we operate and our subsidiaries are organized. Due to economic and political conditions, tax rates in the U. S. and other jurisdictions may be subject to significant change. In addition, our tax returns are subject to examination by the U. S. and other tax authorities and governmental bodies. We regularly assess the likelihood of an adverse outcome resulting from these examinations to determine the adequacy of our provision for taxes. There can be no assurance as to the outcome of the examinations. An increase in tax rates, particularly in the U. S., changes in our ability to realize our deferred tax assets, or adverse outcomes resulting from examinations of our tax returns could have a material adverse effect on our business, consolidated results of operations, and consolidated financial condition. In particular, the Company received and paid a $ 51 million transfer pricing tax assessment in Denmark. The Company and its advisors believe the assessment is without merit. The Company is presently appealing and believes it will be reimbursed following a successful appeals process. The payment has been recorded as a long **-** term receivable **. Additionally, the IRS is examining the Company' s tax returns for 2017 and 2018 and has proposed an adjustment to certain restructuring steps which occurred in 2017. The Company and its advisors believe these restructuring steps were properly completed in accordance with U. S. tax laws and regulations and has appealed the proposed adjustment. However, if the Company is unsuccessful in the appeals process, the IRS proposed adjustment would be substantially offset by the utilization of foreign tax credit carryforwards which subsequently expired unused or are fully reserved by a valuation allowance and $ 48 million additional income tax expense would be owed** . The Company is **monitoring developments related to** ~~assessing various provisions contained in~~ the ~~Inflation Reduction Act of 2022~~ **OECD' s Global Anti- Base Erosion Model Rules** (~~the~~ " ~~IRA~~ **Pillar Two** ") **, which** ~~including increased production and manufacturing credits as well~~ **will** ~~as the new Corporate Alternative Minimum Tax~~ **become effective during 2024 in numerous jurisdictions** . The Company does not anticipate ~~that these~~ -- **the** provisions **of Pillar Two** will **have a** ~~materially~~ -- **material** impact **on the Company' s** ~~its results from operations or its~~ effective tax rate **in the future** . Our operations outside the United States require us to comply with both United States and international regulations violations of which could have a material adverse effect on our business, consolidated results of operations, and consolidated financial condition. In particular, our operations in Russia have subjected us to additional risks related to current political conflicts. The shipment of goods, services, and technology across international borders subjects us to extensive trade laws and regulations. Our import and export activities are governed by the trade, customs, and other laws and regulations in the countries in which we operate. Moreover, many countries, including the United States, control the export, re- export, and in- country transfer of certain goods, services, and technology and impose related export recordkeeping and reporting obligations. Governments also impose economic sanctions against certain countries, persons, and entities that can restrict or prohibit transactions involving such countries, persons, and entities. This in turn can restrict, limit or prevent our conduct of business in certain jurisdictions. For our operations outside the United States, we are required to comply with **applicable** United States laws and other **applicable** international regulations. Because we have legal entities, facilities and citizens from many jurisdictions, our operations and people may be subject to laws and regulations issued by different sovereigns. Sometimes these laws conflict and impose inconsistent obligations on citizens from the different jurisdictions in which we operate giving rise to complicated compliance issues. In 2014, the United States, the European Union and other governmental bodies imposed sectoral sanctions directed at Russia' s oil and gas industry. Among other things, these sanctions restricted the provision of certain United States and European Union goods, services, and technology in support of exploration or production for deep water, Arctic offshore, or shale projects that have the potential to produce oil in Russia. At the time, these sanctions resulted in our winding down and ending work on certain projects in Russia and prevented us from pursuing certain other projects in Russia. In 2017 and 2018, the U. S. Government imposed additional sanctions against Russia, Russia' s oil and gas industry, and certain Russian companies. In February of 2022, as a result of armed conflict in Ukraine, governments in the European Union, the United States, the United Kingdom, Switzerland, and other countries have enacted additional sanctions against Russia and Russian interests. Among other things, these sanctions include controls on the export, re- export, and in- country transfer in Russia of certain goods, supplies, and technologies, including some that we use in our business in Russia. They also impose restrictions on doing business with certain state- owned Russian customers, certain financial institutions and certain individuals and restrict or prohibit new investments and business activities in Russia. The situation is complicated by actual and potential governmental and legal actions taken by the Russian Federation in response to the sanctions, which could expose our employees to adverse legal consequences in Russia, including potential criminal penalties. Other sanctions have been enacted related to Belarus and ~~Belarussian~~ **Belarusian** interests. In response to these sanctions, we ceased new investments in Russia and have curtailed our activities in Russia. During the third quarter of 2022, we sold our business in Belarus and ~~committed to a plan~~ **entered into an agreement** to sell our business in Russia. The sale is subject to **various** government ~~approval~~ **approvals** ~~under~~ **in** ~~Russian~~ **Russia** ~~law~~ **and other jurisdictions** . Litigation may result from the confluence of these events in Russia and Belarus and our response to the various sanctions as we work to comply with applicable laws and regulations. We also may incur severance costs as a result of conditions in Russia if we are unable to obtain government approval. As a consequence of the conflict in Ukraine and related sanctions on activities related to Russia and Belarus, we recorded impairment and other charges of $ ~~127~~ **4.**

2 million and $ 126. 8 million for the ~~year~~ **years** ended December 31, **2023 and** 2022 **, respectively** . In addition to customs laws, trade regulations and sanctions, our operations in countries outside the United States are subject to anti- corruption laws. For example, we comply with the United States Foreign Corrupt Practices Act (FCPA), which prohibits United States companies and their agents and employees from providing anything of value to a foreign official for the purposes of influencing any act or decision of these individuals in their official capacity to help obtain or retain business, direct business to any person or corporate entity, or obtain any unfair advantage. Our activities create the risk of unauthorized payments or offers of payments by our employees, agents, or joint venture partners that could be in violation of anti- corruption laws, even though some of these parties are not subject to our control. We have internal control policies and procedures and have implemented training and compliance programs for our employees and agents with respect to the FCPA. However, we cannot assure that our policies, procedures, and programs will always protect us from reckless or criminal acts committed by our employees or agents. We are also subject to the risks that our employees, joint venture partners, and agents outside of the United States may fail to comply with other applicable laws. Allegations of violations of applicable anti- corruption laws have resulted and may in the future result in internal, independent, or government investigations. Violations of anti- corruption laws may result in severe criminal or civil sanctions, and we may be subject to other liabilities, which could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition. GLOSSARY OF OILFIELD TERMS (Sources: Company management; " A Dictionary for the Petroleum Industry, " The University of Texas at Austin, 2001.) API Abbr: American Petroleum Institute Annulus The open space around pipe in a wellbore through which fluids may pass ~~. Automatie Roughneck A large, self- contained pipe- handling machine used by drilling crew members to make up and break out tubulars. The device combines a spinning wrench, torque wrench, and backup wrenches~~ . Bit The cutting or boring element used in drilling oil and gas wells. The bit consists of a cutting element and a circulating element. The cutting element is steel teeth, tungsten carbide buttons, industrial diamonds, or polycrystalline diamonds (" PDCs "). These teeth, buttons, or diamonds penetrate and gouge or scrape the formation to remove it. The circulating element permits the passage of drilling fluid and utilizes the hydraulic force of the fluid stream to improve drilling rates. In rotary drilling, several drill collars are joined to the bottom end of the drill pipe column, and the bit is attached to the end of the drill collars. Drill collars provide weight on the bit to keep it in firm contact with the bottom of the hole. Blowout An uncontrolled flow of gas, oil or other well fluids into the atmosphere. A blowout, or gusher, occurs when formation pressure exceeds the pressure applied to it by the column of drilling fluid. A kick warns of an impending blowout. Blowout Preventer (BOP) Series of valves installed at the wellhead while drilling to prevent the escape of pressurized fluids. Borehole Enlargement (" BHE ") The process of opening up or enlarging the internal diameter of the wellbore. This is typically done with under- reamers, reamers, or hole openers. Bottomhole Assembly (" BHA ") The lower portion of the drillstring including (if used): the bit, bit sub, mud motor, stabilizers, drillcollar, heavy- weight drillpipe, jarring devices, and crossovers for various thread forms. Carbon- Neutral The state of achieving net zero carbon dioxide emissions with removal or simply eliminating carbon dioxide emissions altogether. Coiled Tubing A continuous string of flexible steel tubing, often hundreds or thousands of feet long, that is wound onto a reel, often dozens of feet in diameter. The reel is an integral part of the coiled tubing unit, which consists of several devices that ensure the tubing can be safely and efficiently inserted into the well from the surface. Because tubing can be lowered into a well without having to make up joints of tubing, running coiled tubing into the well is faster and less expensive than running conventional tubing. Rapid advances in the use of coiled tubing make it a popular way in which to run tubing into and out of a well. Also called reeled tubing. Cuttings Fragments of rock dislodged by the bit and brought to the surface in the drilling mud. Washed and dried cutting samples are analyzed by geologist to obtain information about the formations drilled. Directional Well Well drilled in an orientation other than vertical in order to access broader portions of the formation. Drawworks The hoisting mechanism on a drilling rig. It is essentially a large winch that spools off or takes in the drilling line and thus raises or lowers the drill stem and bit. Drill Pipe Elevator (Elevator) On conventional rotary rigs and top- drive rigs, hinged steel devices with manual operating handles that crew members latch onto a tool joint (or a sub). Since the elevators are directly connected to the traveling block, or to the integrated traveling block in the top drive, when the driller raises or lowers the block or the top- drive unit, the drill pipe is also raised or lowered. Fiberglass- reinforced spoolable pipe A spoolable glass fiber- reinforced epoxy composite tubular product for onshore oil and gas gathering and injection systems, with superior corrosion resistant properties and lower installed cost than steel. Flexible pipe A dynamic riser that connects subsea production equipment to a topside facility allowing for the flow of oil, gas, and / or water. Also used on the seafloor to tie wells and subsea equipment together. Formation A bed or deposit composed throughout of substantially the same kind of rock; often a lithologic unit. Each formation is given a name, frequently as a result of the study of the formation outcrop at the surface and sometimes based on fossils found in the formation. FPSO A Floating Production, Storage and Offloading vessel used to receive hydrocarbons from subsea wells, and then produce and store the hydrocarbons until they can be offloaded to a tanker or pipeline. Hub Height The distance from the turbine platform to the rotor of an installed wind turbine and indicates how high the turbine stands above the ground (or water), not including the length of the wind blades. Hydraulic Fracturing The process of creating fractures in a formation by pumping fluids, at high pressures, into the reservoir, which allows or enhances the flow of hydrocarbons. Jack- up rig A mobile bottom- supported offshore drilling structure with columnar or open- truss legs that support the deck and hull. When positioned over the drilling site, the bottoms of the legs penetrate the seafloor. Jar A mechanical device placed near the top of the drill stem which allows the driller to strike a very heavy blow upward or downward on stuck pipe. Joint 1. In drilling, a single length (from 16 feet to 45 feet, or 5 meters to 14. 5 meters, depending on its range length) of drill pipe, drill collar, casing or tubing that has threaded connections at both ends. Several joints screwed together constitute a stand of pipe. 2. In pipelining, a single length (usually 40 feet- 12 meters) of pipe. 3. In sucker rod pumping, a single length of sucker rod that has threaded connections at both ends. Kelly The heavy steel tubular device, four- or six- sided, suspended from the swivel through the rotary table and connected to the top joint of drill pipe to turn the drill stem as the rotary table turns. It has a bored passageway that permits fluid to be circulated into the drill stem and

up the annulus, or vice versa. Kellys manufactured to API specifications are available only in four- or six- sided versions, are either 40 or 54 feet (12 or 16 meters) long, and have diameters as small as 2. 5 inches (6 centimeters) and as large as 6 inches (15 centimeters). Kelly bushing A special device placed around the kelly that mates with the kelly flats and fits into the master bushing of the rotary table. The kelly bushing is designed so that the kelly is free to move up or down through it. The bottom of the bushing may be shaped to fit the opening in the master bushing or it may have pins that fit into the master bushing. In either case, when the kelly bushing is inserted into the master bushing and the master bushing is turned, the kelly bushing also turns. Since the kelly bushing fits onto the kelly, the kelly turns, and since the kelly is made up to the drill stem, the drill stem turns. Also called the drive bushing. Kick An entry of water, gas, oil, or other formation fluid into the wellbore during drilling. It occurs because the pressure exerted by the column of drilling fluid is not great enough to overcome the pressure exerted by the fluids in the formation drilled. If prompt action is not taken to control the kick, or kill the well, a blowout may occur. Levelized Cost of Energy (“ LCOE ”) A measure of the average net present cost of electricity generation for a generating plant over its lifetime. The LCOE is calculated as the ratio between all the discounted costs over the lifetime on an electricity generating plant divided by a discounted sum of the actual energy amounts delivered. LCOE is used to compare different methods of electricity generation on a consistent basis. Making- up 1. To assemble and join parts to form a complete unit (e. g., to make up a string of drill pipe). 2. To screw together two threaded pieces. 3. To mix or prepare (e. g., to make up a tank of mud). 4. To compensate for (e. g., to make up for lost time). Manual tongs (Tongs) The large wrenches used for turning when making up or breaking out drill pipe, casing, tubing, or other pipe; variously called casing tongs, pipe tongs, and so forth, according to the specific use. Power tongs or power wrenches are pneumatically or hydraulically operated tools that serve to spin the pipe up tight and, in some instances to apply the final makeup torque. Master bushing A device that fits into the rotary table to accommodate the slips and drive the kelly bushing so that the rotating motion of the rotary table can be transmitted to the kelly. Also called rotary bushing. Mooring system The method by which a vessel or buoy is fixed to a certain position, whether permanently or temporarily. Mud pump A large, high- pressure reciprocating pump used to circulate the mud on a drilling rig. Nacelle A cover housing that houses all of the generating components in a wind turbine, including the generator, gearbox, drive train, and brake assembly. The nacelle must be easily accessible for maintenance and repair work. Pressure control equipment Equipment used in: 1. The act of preventing the entry of formation fluids into a wellbore. 2. The act of controlling high pressures encountered in a well. Pressure pumping Pumping fluids into a well by applying pressure at the surface. Riser pipe The pipe and special fitting used on floating offshore drilling rigs to establish a seal between the top of the wellbore, which is on the ocean floor, and the drilling equipment located above the surface of the water. A riser pipe serves as a guide for the drill stem from the drilling vessel to the wellhead and as a conductor for drilling fluid from the well to the vessel. The riser consists of several sections of pipe and includes special devices to compensate for any movement of the drilling rig caused by waves. Also called marine riser pipe, riser joint. Rotary table The principal piece of equipment in the rotary table assembly; a turning device used to impart rotational power to the drill stem while permitting vertical movement of the pipe for rotary drilling. The master bushing fits inside the opening of the rotary table; it turns the kelly bushing, which permits vertical movement of the kelly while the stem is turning. Slips Wedge- shaped pieces of metal with serrated inserts (dies) or other gripping elements, such as serrated buttons, that suspend the drill pipe or drill collars in the master bushing of the rotary table when it is necessary to disconnect the drill stem from the kelly or from the top- drive unit’ s drive shaft. Rotary slips fit around the drill pipe and wedge against the master bushing to support the pipe. Drill collar slips fit around a drill collar and wedge against the master bushing to support the drill collar. Power slips are pneumatically or hydraulically actuated devices that allow the crew to dispense with the manual handling of slips when making a connection. Solids See “ Cuttings ” Spinning wrench Air- powered or hydraulically powered wrench used to spin drill pipe in making or breaking connections. Stand The connected joints of pipe racked in the derrick or mast when making a trip. On a rig, the usual stand is about 90 feet (about 27 meters) long (three lengths of drill pipe screwed together), or a treble. ~~Steerable Technologies Tools that allow for steering the BHA towards a target while rotating from surface.~~ String The entire length of casing, tubing, sucker rods, or drill pipe run into a hole. Sucker rod A special steel pumping rod. Several rods screwed together make up the link between the pumping unit on the surface and the pump at the bottom of the well. Tensioner A system of devices installed on a floating offshore drilling rig to maintain a constant tension on the riser pipe, despite any vertical motion made by the rig. The guidelines must also be tensioned, so a separate tensioner system is provided for them. Thermal desorption The process of removing drilling mud from cuttings by applying heat directly to drill cuttings. Top drive A device similar to a power swivel that is used in place of the rotary table to turn the drill stem. It also includes power tongs. Modern top drives combine the elevator, the tongs, the swivel, and the hook. Even though the rotary table assembly is not used to rotate the drill stem and bit, the top- drive system retains it to provide a place to set the slips to suspend the drill stem when drilling stops ~~. Torque wrench Spinning wrench with a gauge for measuring the amount of torque being applied to the connection~~ . Turret Mechanical device that allows a floating vessel to rotate around stationary flowlines, umbilicals, and other associated risers. Well completion 1. The activities and methods of preparing a well for the production of oil and gas or for other purposes, such as injection; the method by which one or more flow paths for hydrocarbons are established between the reservoir and the surface. 2. The system of tubulars, packers, and other tools installed beneath the wellhead in the production casing; that is, the tool assembly that provides the hydrocarbon flow path or paths. Wellhead The termination point of a wellbore at surface level or subsea, often incorporating various valves and control instruments. Well stimulation Any of several operations used to increase the production of a well, such as acidizing or fracturing. Wellbore A borehole; the hole drilled by the bit. A wellbore may have casing in it or it may be open (uncased); or part of it may be cased, and part of it may be open. Also called a borehole or hole. Wireline A slender, rodlike or threadlike piece of metal usually small in diameter, that is used for lowering special tools (such as logging sondes, perforating guns, and so forth) into the well. Also called slick line.