

## Risk Factors Comparison 2025-01-22 to 2024-01-24 Form: 10-K

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The following discussion of risk factors known to us contains important information for the understanding of our “ forward-looking statements, ” which are discussed immediately following Item 7A. of this Form 10- K and elsewhere. These risk factors should also be read in conjunction with Item 7. Management’ s Discussion and Analysis of Financial Condition and Results of Operations, and the Consolidated Financial Statements and related notes included in Item 8. Financial Statements and Supplementary Data of this Form 10- K. Please carefully consider the risks described below, which discuss the material factors that make an investment in our securities speculative or risky, other material included or incorporated by reference in this Form 10- K, and other reports and materials that we file with the SEC. Additional risks and uncertainties not currently known to us or that we currently deem immaterial could also materially adversely affect our business, reputation, financial condition, results of operations, cash flows and prospects. Business and Operational Risks Demand for our products and services is substantially dependent on the levels of expenditures by our customers, which can change based on many factors, including fluctuations in oil and gas prices. Oil and gas industry downturns have resulted in reduced demand for oilfield products and services and lower expenditures by our customers, which has in the past had, and may in the future have, a material adverse effect on our financial condition, results of operations and cash flows. Demand for our products and services depends substantially on expenditures by our customers for the exploration, development and production of oil and gas reserves. These expenditures are generally dependent on our customers’ views of future demand for oil and gas and future oil and gas prices, as well as our customers’ ability to access capital. In addition, the transition of the global energy sector from a primarily fossil fuel- based system to a diverse system which includes renewable energy sources could affect our customers’ levels of expenditures. Actual and anticipated declines in oil and gas prices have in the past resulted in, and may in the future result in, lower capital expenditures, project modifications, delays or cancellations, general business disruptions, and delays in payment of, or nonpayment of, amounts that are owed to us. These effects have had, and may in the future have, a material adverse effect on our financial condition, results of operations and cash flows. Historically, oil and gas prices have experienced significant volatility and can be affected by a variety of factors, including: • changes in the supply of and demand for hydrocarbons, which are affected by general economic and business conditions; • the costs of exploring for, producing, and delivering oil and gas; • the ability or willingness of the Organization of Petroleum Exporting Countries (**OPEC**) and the expanded alliance known as OPEC to set and maintain production levels for oil; • the level of oil and gas exploration and production activity; • the level of excess production capacity; • the level of refining and storage capacity; • the level of oil and gas inventories; • access to potential resources; • political and economic uncertainty and geopolitical unrest; • governmental laws, policies, regulations, subsidies, and other actions, including initiatives to promote the use of renewable energy sources; • speculation as to the future price of oil and the speculative trading of oil and gas futures contracts; • technological advances affecting energy consumption; and • extreme weather conditions, natural disasters, and public health or similar issues, such as pandemics and epidemics. The oil and gas industry has historically experienced periodic downturns, which have been characterized by diminished demand for our products and services and downward pressure on the prices that we are able to charge. Sustained market uncertainty can also result in lower demand and pricing for our products and services. A significant industry downturn, sustained market uncertainty, or increased availability of economical alternative energy sources could result in a reduction in demand for our products and services, which could adversely affect our business, financial condition, results of operations, cash flows and prospects. Disruptions in the political, regulatory, economic, and social environments of the countries in which we operate **or globally** could adversely affect our reputation, financial condition, results of operations and cash flows. We are a global technology company, and our non- US operations accounted for approximately **85 % of our consolidated revenue in 2024, and** ~~84 % of our consolidated revenue in 2023 and 2022 , and 85 % in 2021~~. Geopolitical instability and unforeseen changes in any of the markets in which we operate could result in business disruptions or operational challenges that may adversely affect the demand for our products and services, or our reputation, our financial condition, and our results of operations and cash flows. These factors include, but are not limited to, the following: • uncertain or volatile political, social, and economic conditions; • exposure to expropriation, nationalization, deprivation or confiscation of our assets or the assets of our customers, or other governmental actions; • social unrest, acts of terrorism, war, or other armed conflict; • confiscatory taxation or other adverse tax policies; • theft of, or lack of sufficient legal protection for, proprietary technology and other intellectual property; • deprivation of contract rights; • trade and economic sanctions or other restrictions imposed by the European Union, the United States, the United Kingdom, China, or other regions or countries that could restrict or curtail our ability to operate in certain markets; • public health crises; • **local content and other similar regional requirements;** • unexpected changes in legal and regulatory requirements, including changes in interpretation or enforcement of existing laws; • restrictions on the repatriation of income or capital ; • **supply chain disruptions** ; • currency exchange controls; • ~~inflation, and~~ currency exchange rate fluctuations and devaluations ; **and • inflation** . As an example of a risk resulting from our global operations, in March 2022 we decided to immediately suspend new investment and technology deployment to our Russia operations. In July 2023, we announced that we were halting shipments of products into Russia from all our facilities worldwide in response to the continued expansion of international sanctions. Russia represented approximately ~~5-4~~ % of our worldwide revenue during ~~2023-2024~~ . The carrying value of our net assets in Russia was approximately \$ 0. 6 billion as of December 31, ~~2023-2024~~ . This consisted of \$ 0. **1 billion of cash and short- term investments, \$ 0. 3 billion of receivables, \$ 0. 2 billion of** ~~receivables- fixed assets~~ , \$ 0. 3 billion of ~~fixed- other~~ assets, **and** \$ 0. 4 billion of ~~other assets~~, and \$ 0. 3 billion of current liabilities. We continue to actively

monitor the dynamic situation in **Russia and Ukraine** and applicable laws, sanctions and trade control restrictions resulting from the conflict. The extent to which our **reputation**, operations, financial results and cash flows, **including the ability to repatriate cash**, may be affected by the ongoing conflict in Ukraine will depend on various factors, including the extent and duration of the conflict; the effects of the conflict on regional and global economic and geopolitical conditions; the effect of further laws, sanctions and trade control restrictions on our business, the global economy and global supply chains; and the impact of fluctuations in the exchange rate of the ruble. Continuation or escalation of the conflict may also exacerbate this and other risk factors identified in this Form 10- K, including cybersecurity, regulatory, and reputational risks. Failure to effectively and timely address the energy transition could adversely affect our **reputation**, business, results of operations, and cash flows. Our long- term success depends on our ability to effectively address the energy transition, which will require adapting our technology portfolio to changing customer preferences and government requirements, developing solutions to decarbonize oil and gas operations, and scaling innovative low- carbon and carbon- neutral technologies. If the energy transition landscape changes faster than anticipated or in a manner that we do not anticipate, demand for our products and services, **as well as our relationships with various stakeholders**, could be adversely affected. Furthermore, if we fail or are perceived to not effectively implement an energy transition strategy, or if investors or financial institutions shift funding away from companies in fossil fuel-related industries, our access to capital or the market for our securities could be negatively impacted. Our operations are subject to cyber incidents that could have a material adverse effect on our **reputation**, business, financial condition, results of operations, and cash flows. Our success depends in part on our ability to provide effective ~~cyber security~~ **cybersecurity** protection in connection with our digital technologies and services as well as our internal digital infrastructure. We operate information technology networks and systems for internal purposes that incorporate third- party software and technologies. We also connect to and exchange data with external networks that may be operated by our customers, suppliers, alliance partners, or other third parties. We provide digital technologies that allow us or our customers to remotely perform wellsite and field operations. We also develop software and other digital products and services that store, retrieve, manipulate, and manage our customers' information and data, external data, personal data, and our own data. Our digital technologies and services, as well as third- party products, services and technologies that we rely on (including emerging technologies, such as **AI artificial intelligence** programs), are subject to the risk of cyberattacks and, given the nature of such attacks, some incidents can remain undetected for a period of time despite efforts to detect and respond to them in a timely manner. Cyberattacks are expected to accelerate on a global basis in both frequency and magnitude as threat actors are becoming increasingly sophisticated in using techniques and tools (including **AI artificial intelligence**) that circumvent controls, evade detection and even remove forensic evidence of the infiltration. There can be no assurance that ~~the~~ **our cybersecurity risk management program, processes, or** systems we have designed to prevent or limit the effects of cyber incidents or attacks will be sufficient to prevent or detect material consequences arising from such incidents or attacks, or to avoid a material adverse impact on our systems after such incidents or attacks do occur. We have experienced and will continue to experience varying degrees of cyber incidents in the normal conduct of our business, including attacks resulting from social engineering such as phishing and ransomware infections. Even if we successfully defend our own digital technologies and services, we also rely on providers of third- party products, services, and networks, with whom we may share data and services, and who may be unable to effectively defend their digital technologies and services against attack. Unauthorized access to or modification of, or actions disabling our ability to obtain authorized access to, our customers' data, other external data, personal data, or our own data, as a result of a cyber incident, attack or exploitation of a security vulnerability, or loss of control of our clients' operations could result in significant damage to our reputation or disruption of the services we provide to our customers or of our customers' businesses. In addition, allegations, reports, or concerns regarding vulnerabilities affecting our digital products or services could damage our reputation. This could lead to fewer customers using our digital products and services, which could have a material adverse impact on our financial condition, results of operations, cash flows, and future prospects. In addition, if our systems or third- party products, services, and network systems for protecting against cybersecurity risks prove to be insufficient, we could be adversely affected by, among other things, loss of or damage to our intellectual property, proprietary or confidential information; loss of customer, supplier, or our employee data; breach of personal data; interruption of our business operations; disruption of our customers' businesses; increased legal and regulatory exposure, including fines and remediation costs; and increased costs required to prevent, respond to, or mitigate cybersecurity attacks. These risks could harm our reputation and our relationships with our employees, our customers, our suppliers, our alliance partners and other third parties, and may result in claims against us. We operate in a highly competitive environment. If we are unable to maintain technology leadership, this could adversely affect any competitive advantage we hold. The energy industry is highly competitive and rapidly evolving. Our business may be adversely affected if we fail to continue developing and producing innovative technologies in response to changes in the market, including customer and government requirements, or if we fail to deliver such technologies to our customers in a timely and cost-competitive manner. If we are unable to maintain technology leadership in our industry, our ability to maintain market share, defend, maintain, or increase prices for our products and services, and negotiate acceptable contract terms with our customers could be adversely affected. Furthermore, competing or new technologies may accelerate the obsolescence of our products or services and reduce the value of our intellectual property. Limitations on our ability to obtain, maintain, protect, or enforce our intellectual property rights, including our trade secrets, could cause a loss in revenue and any competitive advantage we hold. There can be no assurance that the steps we take to obtain, maintain, protect, and enforce our intellectual property rights will be adequate. Some of our products or services, and the processes we use to produce or provide them, have been granted patent protection, have patent applications pending, or are trade secrets. Our business may be adversely affected when our patents are unenforceable, the claims allowed under our patents are not sufficient to protect our technology, our patent applications are denied, or our trade secrets are not adequately protected. Patent protection on some types of technology, such as software or machine learning processes, may not be available in certain countries in which we operate. Our competitors may also be able to

develop technology independently that is similar to ours without infringing on our patents or gaining access to our trade secrets. Third parties may claim that we have infringed upon or otherwise violated their intellectual property rights. The tools, techniques, methodologies, programs, and components we use to provide our services and products may infringe upon or otherwise violate the intellectual property rights of others or be challenged on that basis. Regardless of the merits, any such claims generally result in significant legal and other costs, including reputational harm, and may distract management from running our business. Resolving such claims could increase our costs, including through royalty payments to acquire licenses, if available, from third parties and through the development of replacement technologies. If a license to resolve a claim were not available, we might not be able to continue providing a particular service or product.

**Legal and Regulatory Risks** Our operations require us to comply with numerous laws and regulations, violations of which could have a material adverse effect on our reputation, financial condition, results of operations or cash flows. Our operations are subject to international, regional, national, and local laws and regulations in every place where we operate, relating to matters such as environmental protection, health and safety, labor and employment, human rights, import / export controls, currency, **emissions reporting**, exchange, bribery and corruption, **anti- money laundering**, data privacy and cybersecurity, intellectual property, immigration, **antitrust**, and taxation. These laws and regulations are complex, frequently change, have tended to become more stringent over time, and could conflict among one another. In the event the scope of these laws and regulations expands in the future, the incremental cost of compliance could adversely affect our financial condition, results of operations, or cash flows. Our operations are subject to anti- corruption and anti- bribery laws and regulations, such as the Foreign Corrupt Practices Act, the UK Bribery Act, and other similar laws. We are also subject to trade control regulations and trade sanctions laws that restrict the movement of certain goods to, and certain operations in, various countries or with certain persons. Our ability to transfer people, products, and data among certain countries is subject to maintaining required licenses and complying with these laws and regulations. The internal controls, policies and procedures, and employee training and compliance programs we have implemented to deter prohibited practices may not be effective in preventing employees, contractors, or agents from violating or circumventing such internal policies or from material violations of applicable laws and regulations. Any determination that we have violated or are responsible for violations of applicable laws, including securities, environmental, trade control, trade sanctions, or anti- corruption laws, could have a material adverse effect on our financial condition. Violations of international and US laws and regulations or the loss of any required licenses may result in fines and penalties, criminal sanctions, administrative remedies, or restrictions on business conduct, and could have a material adverse effect on our business, operations, and financial condition. In addition, any major violations could have a significant effect on our reputation and consequently on our ability to win future business and maintain existing customer and supplier relationships. Existing or future laws, regulations, court orders or other public- or private- sector initiatives to limit greenhouse gas emissions or relating to climate change may reduce demand for our products and services. Continuing political and social attention to the issue of climate change has resulted in both existing and proposed international agreements and national, regional, and local legislation and regulatory measures to limit GHG emissions and mitigate the effects of climate change. The implementation of these agreements, including the Paris Agreement, the Europe Climate Law, and other existing or future regulatory mandates, may adversely affect the demand for our products and services, impose taxes on us or our customers, require us or our customers to reduce GHG emissions from our technologies or operations, or accelerate the obsolescence of our products or services. In addition, increasing attention to the risks of climate change has resulted in an increased possibility of litigation or investigations brought by public and private entities against oil and gas companies in connection with their GHG emissions, **as well as descriptions of their sustainable products and services**. As a result, we or our customers may become subject to court orders compelling a reduction of GHG emissions or requiring mitigation of the effects of climate change, **or requiring other mitigation actions**. There is also increased focus by our customers, investors and other stakeholders on climate change, sustainability, and energy transition matters. Actions to address these concerns or negative perceptions of our industry or fossil fuel products and their relationship to the environment have led to initiatives to conserve energy and promote the use of alternative energy sources, which may reduce the demand for and production of oil and gas in areas of the world where our customers operate, and thus reduce future demand for our products and services. In addition, initiatives by investors and financial institutions to limit funding to companies in fossil fuel- related industries may adversely affect our liquidity or access to capital. Any of these initiatives may, in turn, adversely affect our financial condition, results of operations, and cash flows. Environmental compliance costs and liabilities arising as a result of environmental laws and regulations could have a material adverse effect on our business, financial condition, results of operations, and cash flows. We are subject to numerous laws and regulations relating to environmental protection, including those governing **GHG and other** air and GHG emissions, water discharges and waste management, as well as the importation and use of hazardous materials, radioactive materials, chemicals, and explosives. The technical requirements of these laws and regulations are becoming increasingly complex, stringent, and expensive to implement. These laws sometimes provide for “strict liability” for remediation costs, damages to natural resources or threats to public health and safety. Strict liability can render us liable for damages without regard to our degree of care or fault. Some environmental laws provide for joint and several strict liability for remediation of spills and releases of hazardous substances, and, as a result, we could be liable for the actions of others. We use and generate hazardous substances and wastes in our operations. In addition, many of our current and former properties are, or have been, used for industrial purposes. Accordingly, we could become subject to material liabilities relating to the investigation and cleanup of potentially contaminated properties, and to claims alleging personal injury or property damage as a result of exposures to, or releases of, hazardous substances. In addition, stricter enforcement or changing interpretations of existing laws and regulations, the enactment of new laws and regulations, the discovery of previously unknown contamination, or the imposition of new or increased requirements could require us to incur costs or become the basis for new or increased liabilities that could have a material adverse effect on our business, operations, and financial condition. We could be subject to substantial liability claims, including as a result of well incidents, which could adversely affect our reputation, financial

condition, results of operations, and cash flows. The technical complexities of our operations expose us to a wide range of significant health, safety, and environmental risks. Our operations involve the use of radioactive materials, chemicals, explosives and other equipment and services that are deployed in challenging exploration, development, and production environments. Accidents or acts of malfeasance involving these services **(including remotely operated services)** or equipment, or a failure of a product **or service** (including as a result of a cyberattack), could cause personal injury, loss of life, damage to or destruction of property, equipment or the environment, or suspension of operations, which could materially adversely affect us. Any well incidents, including blowouts at a well site or any loss of containment or well control, may expose us to additional liabilities, which could be material. Generally, we rely on contractual indemnities, releases, and limitations on liability with our customers and insurance to protect us from potential liability related to such events. However, our insurance may not protect us against liability for certain kinds of events, including events involving pollution, or against losses resulting from business interruption. Moreover, we may not be able to maintain insurance at levels of risk coverage or policy limits that we deem adequate. Any damages caused by our services or products that are not covered by insurance or are in excess of policy limits or subject to substantial deductibles, could adversely affect our financial condition, results of operations, and cash flows. **Risks**

**Related to the Proposed Acquisition of ChampionX We may be unable to complete the proposed acquisition of ChampionX. We or ChampionX may terminate the merger agreement between the parties (the “ merger agreement ”) in certain circumstances as described in our Current Report on Form 8- K filed with the SEC on April 2, 2024. If the proposed acquisition is not completed for any reason, including as a result of failure to obtain required regulatory approvals, the market price of our common stock may be adversely affected; we may experience negative reactions from the financial markets, customers, suppliers and other constituencies; we will be required to pay certain costs relating to the acquisition; and we may be required to pay a termination fee under certain circumstances set forth in the merger agreement. We may fail to realize the anticipated benefits of the proposed acquisition of ChampionX. If the acquisition is completed, the success of the acquisition will depend on, among other things, our ability to combine our business with that of ChampionX in a manner that facilitates growth opportunities and realizes anticipated synergies. If we are not able to successfully achieve these objectives, the anticipated benefits of the acquisition may not be realized fully, or at all, or may take longer to realize than expected.**

**General Risk Factors** Our aspirations, goals, and initiatives related to sustainability and emissions reduction, and our public statements and disclosures regarding them, expose us to numerous risks. We have developed, and will continue to develop and set, goals, targets, and other objectives related to sustainability matters, including our net- zero emissions target and our energy transition strategy. Statements related to these goals, targets, and objectives reflect our current plans and aspirations and do not constitute a guarantee that they will be achieved. Our efforts to research, establish, accomplish, and accurately report on these goals, targets, and objectives expose us to numerous operational, reputational, financial, legal, and other risks. Our ability to achieve any stated goal, target, or objective, including with respect to emissions reduction, is subject to numerous factors and conditions, some of which are outside of our control. Our targets are based on empirical data and estimates that reflect our understanding of current best practices for measuring or estimating emissions or other metrics, but we anticipate that future innovations in both measurement technologies and estimation methodologies could cause us to revise our baseline as well as re- calculate progress toward our targets. Our business faces increased scrutiny from certain investors and other stakeholders related to our sustainability activities, including the goals, targets, and objectives that we announce, and our methodologies and timelines for pursuing them. If our sustainability practices do not meet investor or other stakeholder expectations and standards, including any third- party ratings used by stakeholders, which continue to evolve, our reputation, our ability to attract or retain employees, our ability to access capital, and our attractiveness as an investment or business partner could be negatively affected. Similarly, our failure or perceived failure to pursue or fulfill our sustainability- focused goals, targets, and objectives, to comply with ethical, environmental, or other standards, regulations, or expectations, or to satisfy various reporting standards with respect to these matters, within the timelines we announce, or at all, could adversely affect our business or reputation, as well as expose us to government enforcement actions and private litigation. Failure to attract and retain qualified personnel could impede our operations. Our future success depends on our ability to recruit, train, and retain qualified personnel. We require highly skilled personnel to operate and provide technical services and support for our business. Competition for the personnel necessary for our businesses intensifies as activity increases, technology evolves and customer demands change. In periods of high utilization, it is often more difficult to find and retain qualified individuals. This could increase our costs or have other material adverse effects on our operations. Severe weather events, including extreme weather conditions associated with climate change, have in the past and may in the future adversely affect our operations and financial results. Our business has been, and in the future will be, affected by severe weather events in areas where we operate, which could materially affect our operations and financial results. Extreme weather conditions such as hurricanes, flooding, landslides, and heat waves have in the past resulted in, and may in the future result in, the evacuation of personnel, stoppage of services and activity disruptions at our facilities, in our supply chain, or at well- sites, or result in disruptions to our customers’ operations. Particularly severe weather events affecting platforms or structures may result in a suspension of activities. Climate change may impact the frequency and / or intensity of such events. In addition, acute or chronic physical impacts of climate change, such as sea level rise, coastal storm surge, inland flooding from intense rainfall, and hurricane- strength winds may damage our facilities. Any such extreme weather events may result in increased operating costs or decreases in revenue. ~~Public health emergencies, such as the COVID- 19 pandemic, and resulting adverse economic conditions have had, and may continue to have, a material adverse effect on our financial condition, results of operations, and cash flows. Public health emergencies, including the COVID- 19 pandemic, have caused, and could again cause, a significant reduction in global economic activity, significantly weakening demand for oil and gas, and in turn, demand for our products and services. Other effects of public health emergencies have included, and may continue to include, significant volatility and disruption of the global financial markets; adverse revenue and net income effects; disruptions to our operations;~~

~~including suspension or deferral of drilling activities; customer shutdowns of oil and gas exploration and production; downward revisions to customer budgets; limitations on access to sources of liquidity; supply chain disruptions; limitations on access to raw materials; employee impacts from illness; and local and regional closures or lockdowns, including temporary closures of our facilities and the facilities of our customers and suppliers. The extent to which our operating and financial results will be and may continue to be affected by public health emergencies will depend on various factors beyond our control, such as the continued severity and duration of the public health emergencies, including any sustained geographic resurgence; the emergence of new variants and strains of a contagious disease or virus; and the success of actions to contain or mitigate the effects of the public health emergency. A public health emergency, and volatile regional and global economic conditions stemming from a public health emergency, could also aggravate our other risk factors described in this Form 10-K.~~