

# 2021 Sustainability Report





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“ We enable energy for life. Making energy accessible, affordable, attainable, and sustainable is only part of our story. We are a diverse company with people who are personally invested in the outcomes of our environment and communities because we live here, too.

**Clay Williams**

Chairman, President and Chief Executive Officer

We are an essential partner to a critical industry. The energy industry depends on NOV's deep expertise and technology to continually improve oilfield operations and assist in efforts to advance the energy transition towards a more sustainable future.

While we do not know the precise path the world will take to achieve a lower-carbon future, we expect the following trends to emerge over the coming decades. Oil will continue to provide the world with the abundant, reliable, cost-effective energy required to advance global social and economic progress. Natural gas can serve as a much-needed lower-carbon bridge fuel as renewable energies grow and scale. And finally, renewables will eventually become dominant sources of energy as they become more economically viable. The truth is—it will not be one or the other: meeting the world's evolving energy needs will require multiple sources of supply.

Regardless of the pace and the path of the energy transition, NOV will be a key enabler, providing differentiated technologies to both existing and new customers that accelerate the economic development of lower-carbon energy sources and capitalize on economic opportunities presented by the energy transition.

Since 2014, we have reduced our roofline by more than 55%, consolidating operations into our most efficient, lowest emission plants as we aggressively reduced costs to maximize cash flow. We estimate our carbon footprint baseline has decreased by more than 50% over the past eight years as a result of right-sizing our business to align with reduced investment in the oil and gas sector. While we remain focused on minimizing NOV's carbon emissions profile, perhaps our biggest impact on lowering global carbon levels will be through the introduction of products that lower the emissions profile of our customers' oil and gas operations and developing technologies that enhance the economics of their respective entries into the renewable energy marketplace. This approach has the potential to reduce global emissions by many multiples of our own footprint, and, as you'll see in this report, our investments in technology hold real promise for positive impact on our planet. Global investment in wind and solar skyrocketed as the capital returns on these projects improved with lower costs. I am convinced that the energy transition will accelerate further with improving economics, so improving the economics of renewables is a fantastic business opportunity with NOV.

To better serve the needs of an evolving energy industry, we continue to transform our business, manage our environmental impact, promote human and social capital, and maintain strong principles and governance. This report details our performance in those areas. On our third year of publication, our reporting better aligns with established frameworks that reflect shareholder perspective. Importantly, where practical, we have added hard data to quantify our performance and establish baselines for future improvement. We are committed to continued progress—doing the right thing for our customers, our employees, our shareholders, and our other stakeholders.

Thank you.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Clay Williams', is positioned above the printed name and title.

**Clay Williams**

Chairman, President and Chief Executive Officer



# About this Report

While a lot goes into our sustainability efforts, it all comes down to **doing the right thing**. We consider environmental, social, and governance (ESG) issues in the context of the risks and opportunities they present to our business strategy and financial performance and manage accordingly. This report describes our ESG performance and plans.

## Our Reporting Frameworks

We prepared this year's corporate sustainability report in accordance with the Sustainability Accounting Standards Board (SASB). We evaluated ourselves primarily on SASB's Oil & Gas Services Industry Standard - Extractives & Minerals Processing Sector, to the extent it aligns with our business.

We are an independent energy equipment and technology provider. Our operational footprint is largely limited to office, manufacturing, and service locations where we design, deliver, and support the products we rent and sell to the energy industry. We do not have field, rig, or wellsite operations, with limited exceptions, unlike many of our oilfield service peers. As a result, we believe several of the metrics in the Oil & Gas Services Industry Standard are not meaningful to our business model, so we supplemented our reporting with the SASB Industry Standard – Industrial Machinery & Goods – Resource Transformation Sector.

To provide more detail on certain issues, we aligned our reporting with Global Reporting Initiative's (GRI) Core Standards and the United Nations (U.N.) Sustainable Development Goals (SDGs). The report appendix contains detailed reporting indices for all cited frameworks.

We believe our chosen disclosures provide an adequate review of the ESG impact on and of our business for the calendar year 2021. As we collect and analyze more data, we anticipate providing additional disclosures based on recommendations from the Task Force on Climate-Related Financial Disclosures (TCFD).

## Primary Topics

This report covers the ESG issues we believe represent the most important and impactful risks and opportunities affecting NOV's long-term business strategy and financial performance. The selection reflects a combination of internal research, publicly available sources, peer benchmarking, enterprise-wide risk management, and interviews with internal and external stakeholders, including most of our top ten shareholders. Though our sustainability efforts and reporting address a broader range of risks and opportunities, we believe these are the seven ESG issues that most affect our business performance and outlook.

- Energy Transition and its Impact on Business Mix
- Climate-Related Risk and Greenhouse Gas (GHG) Emissions
- Diversity, Equity, and Inclusion
- Attracting, Retaining, and Developing Talent
- Workforce Health and Safety
- Corporate Governance and Board Oversight
- Ethics and Compliance

“ Sustainability touches the human aspects of things. We’re talking about where the world will be in five, ten, twenty, fifty years, what our children will inherit from us.

**Mike Loucaides**

Chief Health, Safety, Security and Environmental Officer

We plan to review these issues annually to ensure we provide adequate discussion and disclosure. We may conduct additional stakeholder engagement and internal prioritization exercises as we strengthen our sustainability efforts, which may add breadth and depth to our reporting.

## Additional Disclosures

We plan to publish a corporate sustainability report annually. We may include additional or different data, information, and disclosures to reflect evolving data availability, business needs, and ESG reporting standards. We provide past sustainability reports on our website at [www.nov.com/sustainability](http://www.nov.com/sustainability).

This report covers NOV's global operations for the calendar year 2021, unless otherwise stated. This report should be read in conjunction with our **2021 Annual Report on Form 10-K** and **2022 Proxy Statement**. We reference and hyperlink publicly available documents and policies throughout this report. Most are available on our website, [www.nov.com](http://www.nov.com), under the Investors section.

Certain statements included or referred to in this report are forward-looking statements within the meaning of U.S. federal securities laws and do not guarantee future performance. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. They involve risks and uncertainty, and actual results may differ materially due to a number of factors. For a more detailed discussion of the major risk factors that could cause actual results to differ from those set forth in the forward-looking statements, please refer to the Risk Factors section of our latest Form 10-K, and additional disclosures we make in our press releases and Forms 10-Q, and 8-K, filed with the U.S. Securities and Exchange Commission (SEC). The forward-looking statements included in this report speak only as of the date of this report; we do not assume any obligation to update or revise any forward-looking statements, except to the extent required by law.

The term "material" as used herein is not intended to be applied as defined by, or construed in accordance with, securities laws or as used in the context of financial statements and financial reporting. Rather, references to "material" information refers to information that may be important or relevant to our company, our ESG efforts, and certain shareholders.

# 2021 ESG Data Sheet

## Operations

Metric	Unit	2019	2020	2021
Revenue	\$MM	8,479	6,090	5,524
Net Loss Attributable to Company	\$MM	(6,095)	(2,542)	(250)
Adjusted EBITDA*	\$MM	885	350	229
Net Cash Provided by Operating Activities	\$MM	714	926	291

\*See Reconciliation of Adjusted EBITDA to Net Loss in Appendix

## Environmental

Topic	Metric	Unit	2019	2020	2021
Energy	Energy - Fuels	GJ	-	-	3,331,913
Consumption	Energy - Electricity	GJ	-	-	1,666,424
	Total Energy Consumed	GJ	-	-	4,998,337
	Scope 1 (Direct) Emissions	mt CO2E	-	-	177,336
Air	Scope 2 (Indirect) Emissions	mt CO2E	-	-	206,878
Emissions	Scope 1 and 2 Emissions	mt CO2E	-	-	384,214
	GHG Emissions Intensity	mt CO2E/\$MM Revenue	-	-	69.55
Water Use	Total Municipal Water Consumed	US Gallons	-	-	338,632,591

Please see pages 29-33 for further information, including our limitations in data gathering and plans for improvement.

## Social

Topic	Metric	Unit	2019	2020	2021
Employees	Total Employees	#	35,403	27,631	27,043
	Female Employees				
	Employees	%	15%	16%	15%
	Salaried	%	23%	23%	22%
	C-Suite	%	20%	20%	20%
DE&I	Board Members	%	22%	22%	20%
	U.S. Employees Who Identify as Ethnic Minority				
	Employees	%	47%	47%	47%
	Salaried	%	34%	34%	35%
	C-Suite	%	20%	20%	20%
	Board Members	%	11%	11%	20%
Retention	Employee Voluntary Turnover	%	14%	7%	11%
	Total Recordable Incident Rate (TRIR)				
	Total Workforce	#	1.14	0.87	0.87
Workforce	Lost Time Injury Frequency Rate (LTIR)				
Health and	Total Workforce	#	0.42	0.39	0.35
Safety	Fatality Rate	#	0	0	0
	Total Vehicle Incident Rate (TVIR)	#	-	-	1.58
	Average Hours of HSE Training	Hours	-	-	455,000

## Governance

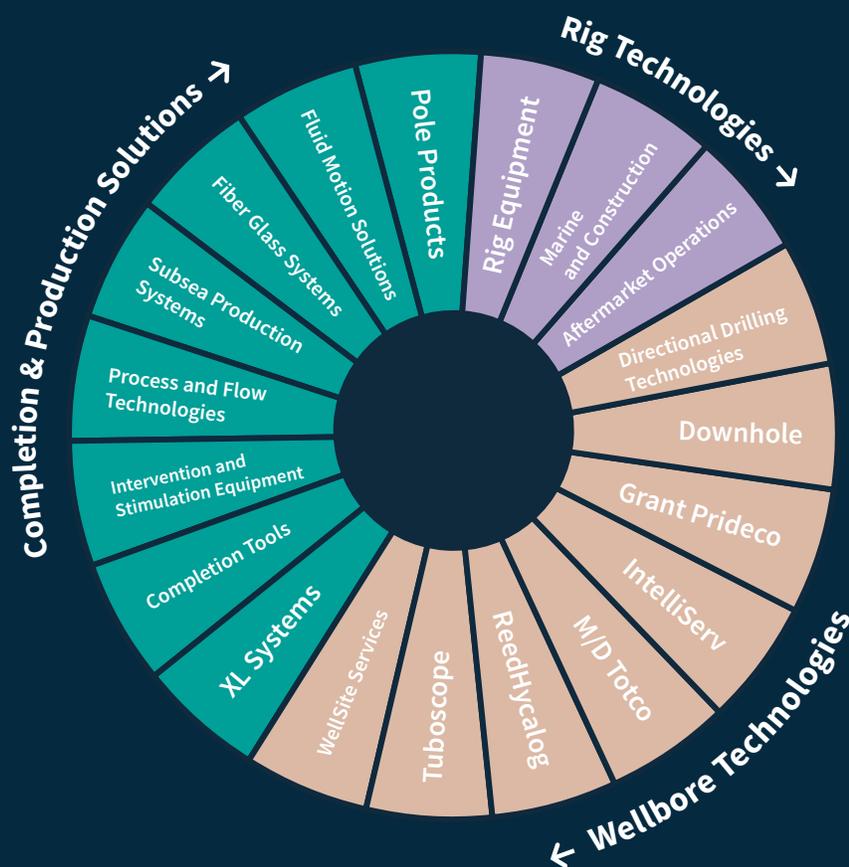
Topic	Metric	Unit	2019	2020	2021
Business	Net Revenue from 20 Lowest-ranking Countries in				
Risk	Transparency International's Corruption Perception Index	\$MM	76	48	37

# About NOV

## We power the industry that powers the world.

We deliver technology-driven solutions to empower the global energy industry. For more than 150 years, we have pioneered innovations that enable our customers to safely produce abundant energy while minimizing environmental impact. The energy industry depends on our deep expertise and technology to continually improve oilfield operations and assist in efforts to advance the energy transition towards a more sustainable future.

We provide critical equipment, technology, and services to improve the efficiency, safety, economics, and environmental impact of the development and production of oil, gas, and renewable sources through three operating segments.



**NOV Rig Technologies** designs, delivers, and supports complete land rigs, drilling equipment packages, and related capital equipment as well as renewable energy equipment and technology, with a focus on wind and solar.

**NOV Wellbore Technologies** provides critical drilling technologies, equipment, and services—largely consumed during petroleum and geothermal wellbore construction—that maximize customer efficiencies and economics.

**NOV Completion & Production Solutions** designs, manufactures, and integrates technologies to optimize well completion and production, as well as industrial and petroleum processing including CO<sub>2</sub> capture, achieving new levels of productivity and greater reliability and peace of mind.

“

We're ideally placed to put sustainable technology out into the market. Our engineering and manufacturing capabilities have been developed over years to be really good at coming up with powerful concepts and making them real.

**Joe Rovig**

President, Rig Technologies

“

We have the opportunity to make a meaningful impact on future communities. We're focused on developing new technologies that will improve the footprint of our industry and pave the way for sustainable, accessible energy for all.

**Isaac Joseph**

President, Wellbore Technologies

“

As the world calls for a more sustainable energy industry, we look to our team of innovators to push boundaries, develop new technologies, and redefine the status quo. Future generations are counting on the work we're doing today, and it's not a responsibility we take lightly.

**Kirk Shelton**

President, Completion and Production Solution

## Our Strategy

We are a dependable partner for an essential industry. When we supply technologies, equipment, and services that help lower the marginal cost and environmental impact of the development and production of oil, gas, and renewable sources, we strengthen our position as a leading independent energy technology and equipment provider and our ability to deliver superior economic returns to both our customers and shareholders.

We focus our efforts on building sustainable competitive advantage. We are market leaders, trusted for our experience and reputation, making our products and services a lower-risk purchase for our customers than those of our competitors. We benefit from unmatched cross-segment capabilities, scope, and scale, giving us the flexibility to direct our efforts to the area of greatest return. Our vast technology portfolio enables full-field drilling, completion, and production, and we continue to pursue technological innovations that improve our customers' operational efficiencies and cash flows. We maintain a global presence, including supply chains and distribution networks to support all major markets and relationships with virtually every petroleum producer, service company, and contractor. As a leading independent technology and equipment provider, we enable other energy industry participants to develop the resources our world needs to grow and thrive.

We intend to leverage our core capabilities and competencies to assist our customers' efforts to reduce their environmental impact and advance the energy transition. As we consider emerging energy transition opportunities, we look for attractive industry structure and good strategic fit. By focusing on areas where we believe we're uniquely capable of supporting our customers' success, like wind, geothermal, carbon capture and sequestration, and solar, we can generate greater returns on capital.

Our strong entrepreneurial culture further enhances our competitive position. Each of our three operating segments consists of distinct business units responsible for different products and technologies. While the corporate function provides strict oversight and governance, our business unit leaders can make decisions appropriate for their customers and markets more swiftly than would be possible at a corporate level, and we believe this entrepreneurial leadership sets NOV apart.

We maintain a low-capital intensity business model that generates strong free cash flow. Our manufacturing and service facilities require relatively low investment and maintenance expenses compared to the sales they generate. We can scale our infrastructure relative to industry cyclicality, and our global teams are skilled in ramping up operations to meet rising customer demand and cycling down to focus on internal efficiency. We maintain a conservative capital structure with an investment-grade credit rating and ample liquidity. Our financial strength inspires confidence from customers who make large purchase commitments that may be delivered over multi-year timeframes and rely on NOV to support the equipment they own and operate with aftermarket parts and services. Our strong balance sheet provides operational and strategic flexibility through industry volatility and commodity price cycles.

We believe we are well positioned to deliver strong performance under a wide range of market conditions. We benefit from sustainable competitive advantage, enhanced by entrepreneurial leadership and low capital intensity, allowing us to drive higher capital returns and shareholder value. Additionally, we maintain a level of optionality by supporting both traditional oil and gas operations and emerging energy transition opportunities.

We power the industry that powers the world.

## Our Values

We have the people, capabilities, and vision to serve the needs of a challenging and evolving energy industry—one the world can't live without.

### We are a global family

We are thousands of individuals, working as one team to create a lasting impact for our customers, ourselves, and the communities where we live and work. We take responsibility for each other and our company's future, knowing that personal ownership leads to broader success.

### We believe in purposeful innovation

We see where our customers' needs are not being met and we act. Through business innovation, product creation, and service delivery, we are driven to better power the industry that powers the world.

### We believe in service above all

We have been the backbone of the oil and gas industry and are leveraging our engineering and manufacturing experience to support additional industries. Our singular focus is to deliver the finest products and services, on time and on budget, to push our customers' business forward.



“

NOV is emerging from the oil and gas downturn with a strong balance sheet, an investment grade rating, and ample financial resources; exciting new products that can reduce emissions, gather critical data, automate processes, drive better safety and improve efficiency for our traditional oil and gas customers; and a terrific portfolio of energy transition technologies, with hundreds of millions of dollars of energy transition-related revenue.

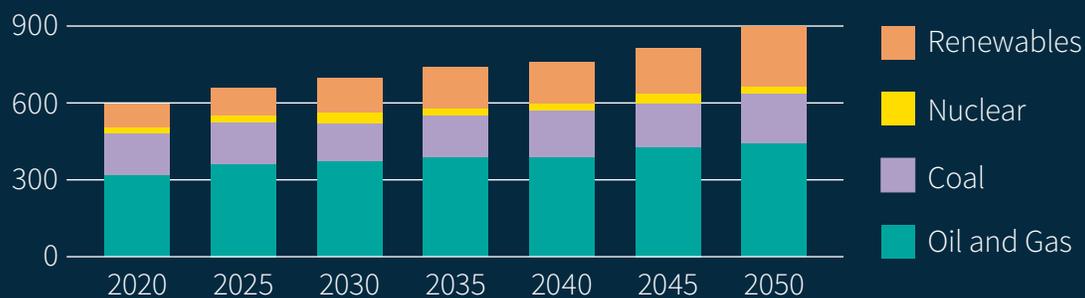
**Clay Williams**

Chairman, President and Chief Executive Officer

# The Industry that Powers the World

Global energy demand will continue to rise as more people with more money require more energy to grow and thrive. The EIA estimates global energy use will increase nearly 50% by 2050 as global population grows 25% to more than 9.6 billion and gross domestic product more than doubles. Renewables will undoubtedly represent an increasingly larger portion of the global energy mix, growing from less than 15% of total energy consumption in 2020 to 27% by 2050, according to the EIA. Yet, oil and gas will remain the dominant energy source, representing at least 50% of total energy consumption through 2050.

## World Energy Consumption by Fuel



Oil and gas provide more than energy security: they support our quality of life. They have fueled the modern world, enabling the rapid modernization of transportation, electrification, and industrialization and will continue to play a pivotal role in advancing human welfare and economic development consistent with the U.N. SDGs. Though we can always become more responsible in how we produce and use oil and gas, we cannot eliminate these accessible, affordable, reliable resources without sacrificing the living standards the developed world enjoys and emerging economies strive to achieve.

As a society, we have long sought cleaner, more efficient energy sources; it is a relentless pursuit. As we strive toward a lower-carbon future, we must determine how best to promote the use of renewables without compromising the tenets of accessibility, affordability, and reliability that underpin hydrocarbons. We must acknowledge that, beyond time and investment, the energy transition requires balancing a variety of environmental, social, political, and economic interests that are not always well aligned.

The transition to cleaner, lower-carbon energy sources represents an enormous economic opportunity for companies that can improve the cost competitiveness of renewables and reduce the environmental impact of oil and gas development and production. As a leading energy equipment and technology provider, we plan to do both—supporting both oil and gas and renewables as vital sources of energy supply.

# Energy Transition

The energy transition will accelerate as renewables become more economic through innovation and scale. NOV is investing to make this happen. We focus our renewables efforts on areas where we believe we can carve out significant competitive advantage and deliver superior economic returns. We look for attractive industry structure where we can extend our core competencies to develop proprietary solutions that support high-potential renewable opportunities, like wind, solar, geothermal, and carbon capture and sequestration. We have primarily grown these businesses organically, pursuing them within existing business segments using existing infrastructure and resources to minimize their capital intensity and maximize shareholder returns.

We believe we are well-positioned to support our customers in advancing the energy transition. We are experts in building large, complex machinery with extreme precision at scale in remote parts of the world. We employ dedicated, imaginative scientists and engineers with expertise in materials science, power systems, robotics, automation, and a host of other fields that apply to emerging energy opportunities. We maintain a global supply chain with production flexibility and low-cost manufacturing, and we are skilled in developing and supporting large-scale energy infrastructure. We will apply these transferable skills to new markets to improve project execution, drive higher capital returns, and lower the levelized costs of renewable energy—making it more accessible, affordable, and reliable. This gives us an opportunity to deepen our competitive advantage and create long-term value for our customers, our shareholders, and society at large.

We are approaching the energy transition intentionally, using a diversified portfolio approach that enhances the optionality of our existing business. We are investing across a wide opportunity set with varying risk profiles, funded by our traditional oil and gas operations. All show promise and potential to accelerate the transition to a lower-carbon future, and we expect our business and our shareholders to benefit from our participation.

The following section details some of our current ventures into lower-carbon energy sources, ranging from more well-established, profitable businesses to some of our earlier-stage efforts.

Visit [www.nov.com/energytransition](http://www.nov.com/energytransition) for more information on these and other initiatives not covered here.

“**The truth is that there is a moral case for fossil fuels, and a moral case for alternative energies,” said David Reid, NOV’s Chief Marketing Officer and Chief Technology Officer. “There is an assumption by some people that those who are pro-energy transition are anti-oil and -gas. But the truth is: we’re all interested in changing the world and making it a better place.”**

“

Our innovative products and technologies, both in traditional oil and gas and renewables, are influenced by our responsibility to be good capital stewards. We pursue markets where we believe we can develop a sustainable competitive advantage, resulting in higher capital returns.

**Jose Bayardo**

Senior Vice President and Chief Financial Officer



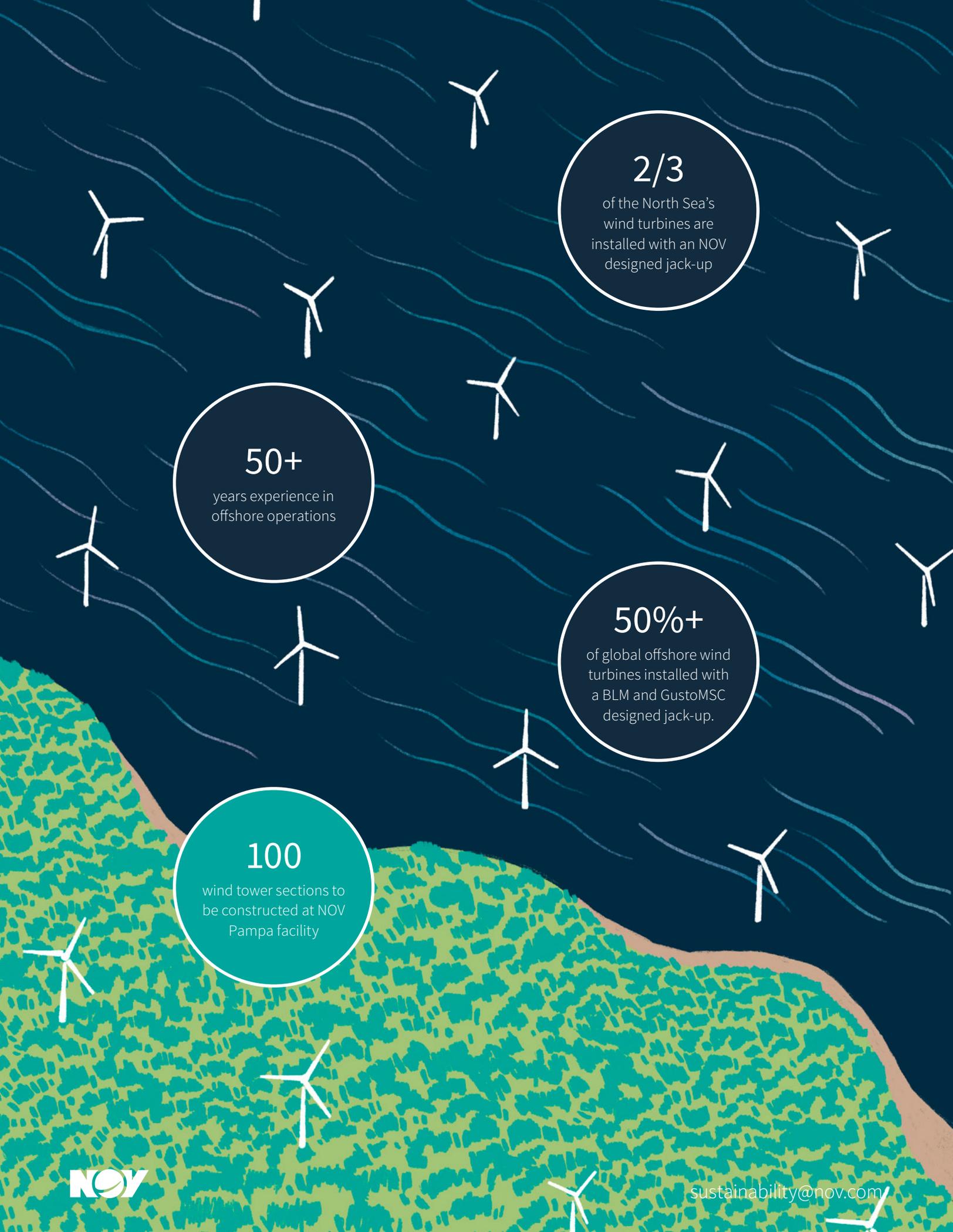


## Fixed Offshore Wind

NOV has become the leading global equipment and design provider for offshore wind turbine installation vessels, drawing on our strong reputation and expertise in oil and gas jack-up rig and marine equipment design. We have designed a majority of the modern global wind installation vessels, and the majority of the world's installed offshore wind power has been constructed with NOV-designed vessels and equipment. We provide comprehensive solutions to support the cost-effective development of offshore wind farms, including the design and manufacture of critical jacking systems, cranes, and mooring equipment; the development and licensing of vessel designs; collaboration with shipyards to install and commission equipment on wind installation vessels; and a robust aftermarket network offering parts, service, and repair.

We expect market demand for fixed offshore wind installation vessels to grow, driven primarily by the need for larger vessels required to support the installation of heavier wind turbines in deeper waters. Additionally, the need for Jones Act-compliant wind installation vessels will become more urgent as U.S. fixed offshore wind projects approach final permitting approval. We believe we are well-positioned to capitalize on these growing near-term opportunities and expect to capture additional orders associated with future newbuild wind installation vessels.

**In 2021, we successfully delivered a GustoMSC™ NG-1600X wind installation vessel to a customer in Continental Europe. The vessel includes the GustoMSC rack and pinion jacking system with a high-performance variable speed drive, a regenerative power option that significantly enhances fuel efficiency, and a 2,600-ton leg encircling crane that makes it installation-ready for the larger monopile foundations and wind turbines in future developments. Additionally, we supplied two fully electric FPSO crane packages designed for loading and unloading shipping vessels, and internal load handling.**



2/3

of the North Sea's  
wind turbines are  
installed with an NOV  
designed jack-up

50+

years experience in  
offshore operations

50%+

of global offshore wind  
turbines installed with  
a BLM and GustoMSC  
designed jack-up.

100

wind tower sections to  
be constructed at NOV  
Pampa facility

## Onshore Wind

We are developing technology to construct and service increasingly taller wind towers that enable improved onshore wind project returns. At higher altitudes, turbines can reach stronger winds, significantly increasing energy capture, lowering energy costs, and expanding the geographic areas where onshore wind projects can be profitably developed. The investments we are making today will position us well for future onshore wind opportunities.

We have invested in Keystone Tower Systems (“KTS”), which has developed a patented tapered spiral-welding process that enables automated wind tower section production. The proprietary process significantly decreases tower section production times and reduces costs. It also allows in-field manufacturing, which can eliminate many logistical limitations of transporting the larger diameter sections necessary for tall tower developments and associated costs. KTS’s first commercial line is currently under construction at our facility in Pampa, TX.

We are also developing a fit-for-purpose onshore wind tower erection system, leveraging our core design and manufacturing competencies for large, industrial capital equipment. Today, constructing onshore wind towers requires large crawler cranes, which provide advantaged mobility at low and moderate hub heights but are significantly less efficient at higher ones. Our technology uses a tower crane in conjunction with a unique mobility system, building on our intellectual property and experience in control systems and mobile desert and arctic drilling rigs. This patent-pending combination creates a structurally-sound mobile tower crane that should significantly improve the safety, reliability, and efficiency of tall wind tower installation processes.

## Floating Offshore Wind

The emerging floating offshore wind market presents one of the great renewable resource opportunities of the next decade. Floating wind turbines will be key to unlocking the massive energy potential in global offshore deep water. We intend to leverage our deep expertise in rig, marine, and offshore engineering, design, and manufacture to support this nascent opportunity.

Beyond our existing product portfolio, which includes cranes, winches, mooring systems, cable-lay systems, ballasting systems, and chain connectors and tensioners, we are actively developing new products and technologies to support this longer-term opportunity. Our patent-pending Tri-Floater semi-submersible floating foundation has a cost-advantaged shallow draft design that reduces steel requirements, capital expenditures, and overall project execution risk. We are also designing several proprietary lifting and handling tools to streamline the installation and commissioning of floating offshore wind turbine components.

**In 2021, we received an award from Cadeler A/S to design and equip two GustoMSC™ NG-20000X self-propelled wind turbine installation jackup vessels. Each vessel will have 5,600 m2 of deck space, an industry-leading carrying capacity of more than 17,600 tons and the ability to transport and install multiple sets of 15- to 20-plus MW turbines. The jacking systems will incorporate our proprietary advanced regenerative power system technology that enables significant fuel savings and reduced emissions. In parallel, we will upgrade Cadeler’s existing O-Class vessels with new heavy-lift cranes to handle the next generation of wind turbines.**

## Geothermal

Geothermal development has long relied on oil and gas drilling and completion technologies to make harnessing the Earth's heat technically and economically feasible. Over 70 products from our existing technology portfolio apply to this parallel market, creating immediate opportunities for our land rig packages, top drives, blowout preventers, drill pipe, tubular inspection and coating, drill bits, liner hangers, and completion tools. We're addressing geothermal's distinct technical challenges—high temperatures and hard rocks—with fit-for-purpose solutions that incorporate and enhance our existing technologies to deliver success in harsh environments. Our downhole drilling and completion tools' operating temperatures are often limited to a maximum temperature of 350 °F (175 °C), and we're actively working on extending operating temperatures up to 570 °F (300 °C), which would address 90% of geothermal fields. We've also introduced new drill bit technologies based on field-proven designs and enhanced to drill farther and faster in hard rock environments and have seen success in multiple wells. We will continue to pursue technological advancements to improve drilling and completion efficiencies in geothermal operations.

**An initial run using ReedHycalog's™ PDC ION+™ 3D shaped cutters significantly exceeded a key customer's expectations in an ultrahard rock formation, resulting in the customer's decision to use NOV bits on all wells drilled for their critical geothermal research project.**

**70+**

products and services to address geothermal needs

Our choke valves can withstand temperatures up to

**650 °F**

NOV has provided

**18 rigs**

for global geothermal applications in the last 15 years

**30+**

years of experience in geothermal market



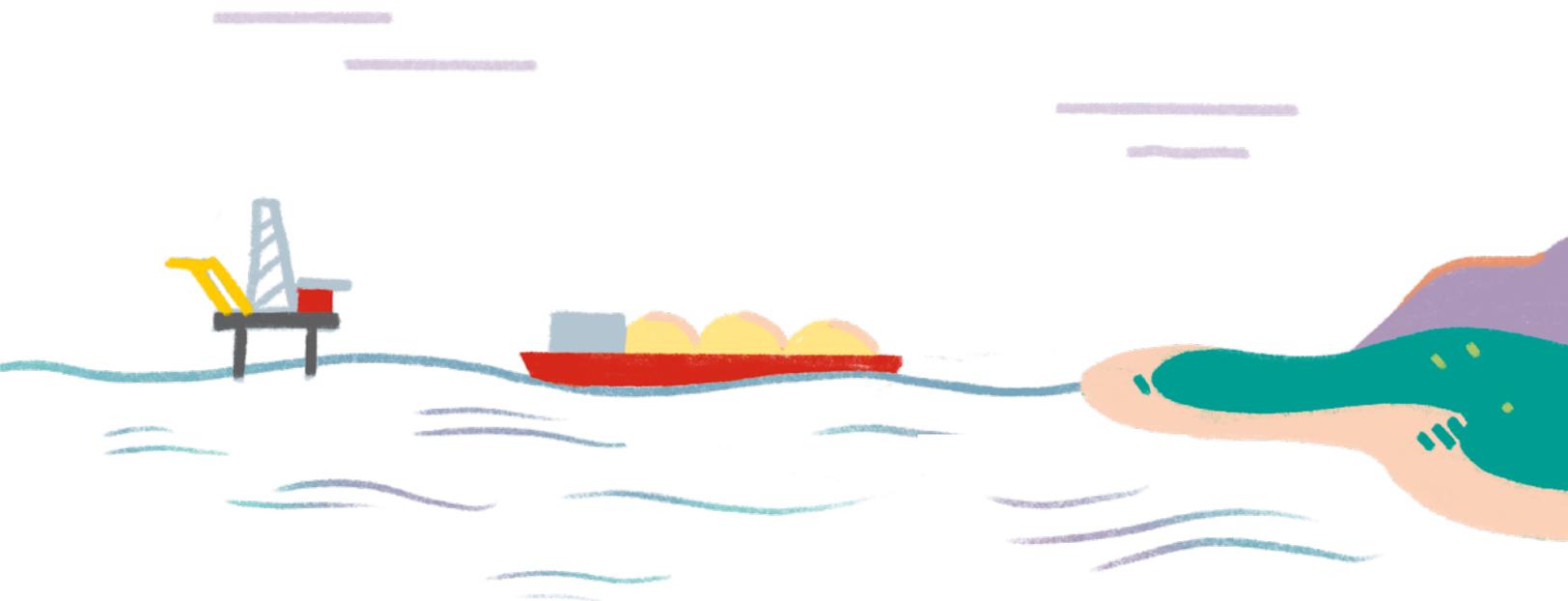
## Carbon Capture, Utilization, and Storage (CCUS) Solutions

Global decarbonization efforts require the effective capture of carbon dioxide emissions to use or safely store. **The IEA believes** reaching net-zero emissions targets will be “virtually impossible” without CCUS operating at scale as it remains the only technology capable of reducing emissions in “hard-to-abate” sectors, like power generation and heavy industries, and offsetting future emissions that cannot be avoided as energy consumption rises.

NOV is currently conducting six front-end engineering design (FEED) studies on behalf of customers for our post-combustion carbon capture technology. Our Generation Zero amine-based design is expected to remove 90% of total CO<sub>2</sub> from flue gas at a natural gas power plant, equating to approximately 400,000 tons removed per year and more than 10 million tons removed over the 25-year operational life of a plant. Importantly, different carbon emitters require different capture technology, and we can design, deliver, and support most every type of emitting facility with optimal solutions relevant to the application, leveraging the upstream gas processing experience of our Wellstream Processing business unit within the CAPS segment built over three decades and more than 400 projects.

We provide several technologies that support safe, sustainable, cost-effective transport and injection of captured carbon for enhanced oil recovery or permanent underground storage. Our Fiberspar™ spoolable composite pipe is currently in use for CO<sub>2</sub> transport applications in the western U.S. Our downhole drilling technologies, including drill pipe, bits, and motors, apply to CO<sub>2</sub> injection and storage wells and our composite pipe can be used for CO<sub>2</sub> injection lines. Additionally, we provide APL turret mooring systems for transporting and injecting CO<sub>2</sub> into offshore reservoirs, facilitating the development of offshore carbon-reinjection sites. Using captured carbon for enhanced oil recovery would support circular carbon management by reducing the emissions intensity of produced oil and converting a waste stream into a valuable product.

**In 2021, we secured a FEED study to decarbonize a floating production storage and offloading (FPSO) vessel operating offshore Malaysia. The FEED study was awarded based on our global process engineering and gas treatment expertise, which allows us to engineer, design, and fully execute built-for-purpose carbon capture systems for many industry applications.**



## Biogas Solutions

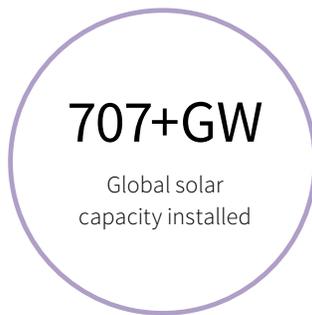
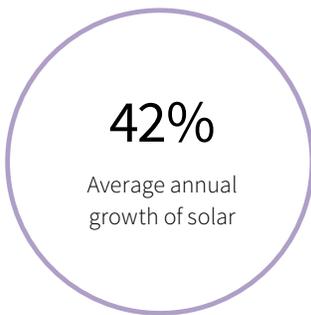
The breakdown of agricultural, animal, or food waste and other organic matter produces biogas, a naturally occurring low-carbon energy source. We have long supplied municipal and industrial water and wastewater treatment plants with industrial pumps and mixers and can equip them with additional technologies to support biogas production. We offer standardized solutions and packages, including our Chopper Hopper™ that combines solids-reduction technology and transfer pumping for efficient biofuel transfer that can be used at both commercial and industrial locations.





## Solar

As renewable energy grows, solar is one of the leading technologies driving absolute generation growth. Within this market, NOV is targeting utility-scale solar plants that provide the benefit of fixed-price electricity during peak demand periods and are expected to represent over 60% of all global solar panel additions. We are focusing our efforts on supply-chain optimization and industrial engineering efforts to compete in a cost-competitive market. The team is focused on developing a best-in-class, field-installed, single-axis tracker system with particular emphasis on installation ease, component cost reduction, and system reliability. We are pursuing EPC partnerships to co-develop a utility-scale one-in-portrait tracker solution and are in the process of evaluating sub-utility scale precertification deliveries for accelerated field deployment and field product testing.



“ Sustainability touches the human aspects of things. We’re talking about where the world will be in five, ten, twenty, fifty years – what our children will inherit from us. Anyone with a family, anyone with children should be involved in that aspect of it.

**Mike Loucaides**

Chief Health, Safety, Security and Environmental Officer



# Environmental

We care for the planet. By being intentional in developing products and processes that are both environmentally conscious and compliant with local rules and regulations we can limit the environmental impact of our customers' and our own operations.

## Reducing Emissions and Environmental Impact of the Oil and Gas Industry

Beyond our investments in new and renewable energy sources, we are supporting the transition to a lower-carbon future by providing products and services that reduce emissions from traditional oil and gas operations. Whatever the energy transition pathway, the **IEA believes** that minimizing emissions from oil and gas operations should be a first-order priority to limit the effects of climate change and meet the goals of the Paris Agreement. By making our customers' operations less impactful and more compliant, we can contribute to a more sustainable industry—reducing climate risk, greenhouse gas (GHG) emissions, and environmental impact.



Our vast technology portfolio spans full-field development, completion, and production, allowing us tremendous opportunity to economically reduce the carbon intensity of our customers' operations. Here are some examples.

**Energy Recovery** | Our PowerBlade™ Kinetic Energy Recovery System (KERS) is a regenerative braking technology that uses flywheel energy and lithium-ion battery energy storage to reduce drilling- and hoisting-related fuel consumption and emissions. The PowerBlade system captures and regenerates electrical energy that would have previously dissipated as heat when a drawworks, crane, or winch slows and stops then returns this energy when needed. Using a PowerBlade system, a drilling contractor can reduce diesel consumption by up to 771,000 gallons per year, resulting in up to \$1.75 million cash savings, 110 tons of NOx emission reductions, and 6,200 tons of CO<sub>2</sub> reductions.

**In 2021, we secured a repeat order for our PowerBlade™ hybrid energy storage and regeneration system, which provides up to a 70% reduction in power consumption of the draw-works and significantly reduces drilling rig emissions. We also collaborated with a customer to design an interface for unique energy and carbon optimization solutions, enabling the customer to deliver a rig that utilizes smart controls to improve power deployment and battery storage.**

**Reducing Power Requirements** | Our Hydraulic Power Unit (HPU) EcoBOOSTER reduces power consumption by shaving power peaks on ringline HPUs, lowering both emissions and costs. Maintaining stable pressure can deliver up to a 40% reduction in annual fuel consumption and, given the high cost of fuels, result in up to \$200K in fuel cost savings. Reducing fuel requirements reduces emissions, and EcoBOOSTER can yield up to a 740,000 kg reduction of CO<sub>2</sub> emissions annually.

**Smarter Drilling** | We are automating the drilling process to drive efficiencies, which has the added benefit of reducing emissions. Our NOVOS™ operating system is at work today on 74 drilling rigs globally with another 84 in backlog, enabling these land and offshore rigs to access 10 different optimization applications written by NOV and third parties. Using our NOVOS system and Intelliserv wired drill pipe, a customer in the Middle East experienced a 39% increase in rate of penetration and a 29% decrease in drilling days. By delivering superior performance, we can economically reduce the carbon intensity of drilling operations.

**Cleaner WellSite** | We offer several wellsite technologies that help our customers minimize their environmental impact so they can leave the location like they were never there. By providing technologies that support the treatment and reuse of water and drilling fluid and minimize waste volumes, we also reduce transportation requirements and related emissions. For example, our AQUA-VES™ mobile water-treatment system has a 99% removal of total suspended solids and a recovery rate of 97%. By reducing the volume of waste that needs to be shipped to shore and treated, we drive emissions reductions by limiting crane lifts, truck moves, and boat supply trips required to haul waste.

**In 2021, NOV WellSite Services won a contract with a major operator in Guyana for its Brandt Petro-Claim™ system to support the recycle and re-use strategy for its offshore drilling program. This project will support multiple drillships and provides an aggressive recycle, re-use, and waste minimization program for the operator's synthetic-base mud system. NOV's patented Petro Claim process uses electrophoresis to effectively separate the ultra-fine drilled solids out of oil-based mud and recover the valuable base oil for re-use in the mud system. The resulting clean base oil yields significant savings in mud dilution, waste disposal costs, and related logistics, while also lowering the customer's carbon footprint and decreasing environmental risk.**



**E-Frac** | We are investing in technologies that are accelerating the electrification of the wellsite. The Ideal eFrac™ fleet dramatically reduces the cost and greenhouse gas emissions involved in hydraulic fracturing operations without sacrificing safety or performance. The Ideal eFrac fleet offers lower carbon emissions, greater power density, and faster rig-up times and limits operational costs, headcount, and non-productive time, while still maintaining the redundancy that efficient frac operations require. When compared to conventional operations, the Ideal system reduces fuel costs by as much as 89% with wellhead natural gas-powered turbines and lowers CO<sub>2</sub> emissions by up to 74% compared to Tier 4 fleets that flare gas. An environmentally and socially responsible option, it is less disruptive to neighboring communities due to its reduced noise and smaller footprint, requiring over 40 percent fewer truckloads for delivery.

## Climate Risk Management and Greenhouse Gas Emissions

We believe managing climate risk is a growing environmental issue for our company and the oil and gas industry at large. As an oilfield service company our GHG emissions and associated regulatory risks are relatively low within our industry. While we are firm in our commitments to measure, monitor, and manage our GHG emissions, given our position within the oil and gas value chain, we believe we can have the most meaningful impact on global emissions reductions by providing products and services that support our customers' lower-carbon efforts, as we describe above.

For 2021, we quantified our total energy use and contributions to global GHG emissions. We developed a Scope 1 (direct emissions from operations) and Scope 2 (indirect emissions from purchased energy) emissions inventory, collecting the best-available data from NOV-operated or controlled facilities. To manage our data collection efforts, we focused on our largest emitting facilities based on size and activities. Where we were unable to collect appropriate data, we made estimates using data from facilities of a similar size or activity profile. We anticipate continued improvement in the quality and scope of our data collection through more complete gathering of primary activity data in place of estimations. There are several variables inherent to our estimates, and they could prove to be too low when we obtain actual data in lieu of estimates.

We developed our GHG inventory based on international standards from the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD), including the GHG Protocol Corporate Standard and Scope 2 Guidance, using both a location- and market-based approach. We used an operational control approach to set organizational boundaries for inventory reporting.

In 2021, we generated 384,214 metric tons of carbon dioxide equivalent (MT CO<sub>2</sub>e) in location-based Scope 1 & 2 emissions. Our emissions are evenly distributed across Scope 1 & 2; our Scope 1 emissions from stationary combustion sources were 177,336 MT CO<sub>2</sub>e, and our Scope 2 emissions from purchased electricity were 206,878 MT CO<sub>2</sub>e. We believe we are among our leading oil and gas service industry peers in carbon intensity.



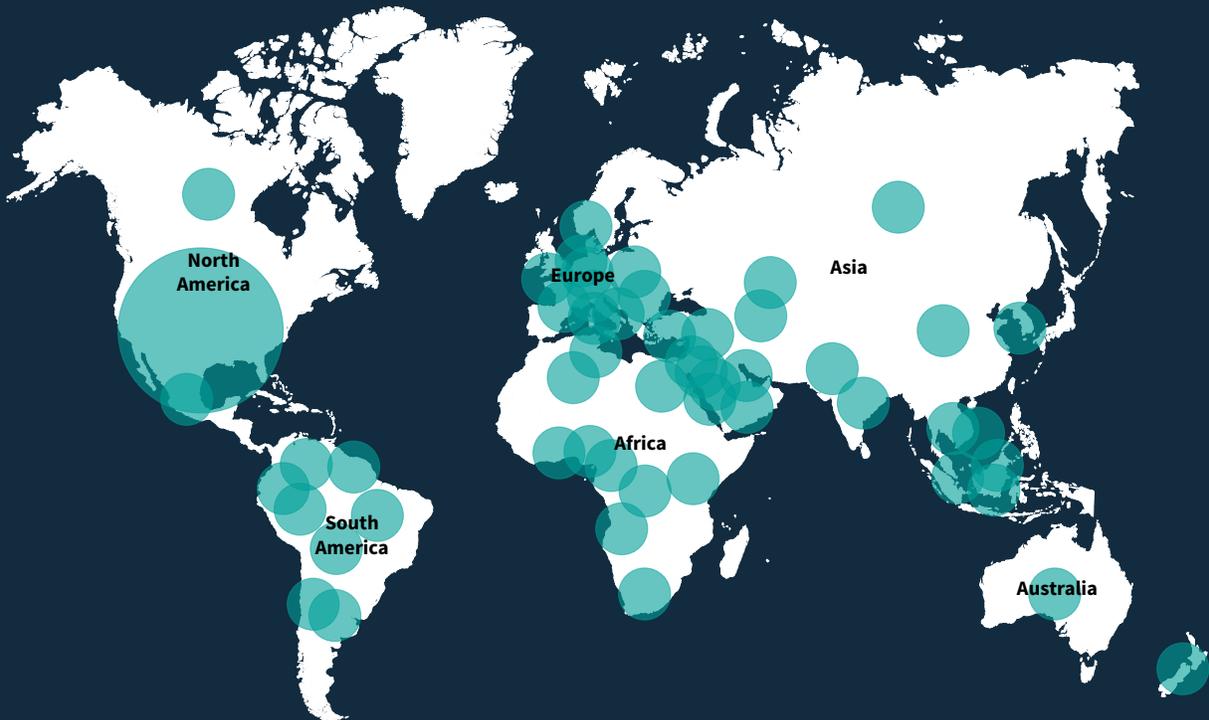
## Total 2021 GHG Emissions by Scope

Scope	Source	MT CO2e	Percent of Total
Scope 1	Stationary & Mobile Off-road Combustion	177,336	46%
Scope 2 - Location-Based	Purchased Electricity	206,878	54%
Scope 2 - Market-Based	Purchased Electricity	200,112	
<b>Total Scopes 1 and 2 (Location-Based)</b>		<b>384,214</b>	<b>100%</b>
Total Scopes 1 and 2 (Market-Based)		377,448	

## Total 2021 Energy Consumption

4,998,337 GJ

## NOV GHG Emissions by Country



In 2021, we believe lower activity levels resulted in an atypical reduction in emissions that will likely reverse in 2022 as activity levels rise in anticipation of demand recovery, robust commodity price outlook, and reduced COVID restrictions. Because of their relative contraction and expansion, neither 2021 nor 2022 may represent a precise baseline of our company's total GHG emissions profile.

We expect an increase in reported emissions in 2022 as we capture data from more GHG emission sources, including emissions from our fleet of company-owned vehicles, used by employees to drive to customer locations, and fluorinated gases (HFCs, PFCs, NF3, SF6) from refrigerants.

Naturally, we believe data drives sensible, achievable decision-making. For this reason, we are working diligently to gather appropriate baseline data before formulating emissions reductions goals and targets. We will continue to measure and monitor our emissions data through 2022 to calculate a baseline. Of course, oil and gas service industry cyclicalities will affect our evaluation and calculation of baseline and future emissions reductions and targets.

We will work to manage and mitigate our GHG emissions where practical. Pursuing operational efficiency across our manufacturing and service locations drives environmental and business benefits alike, lowering emissions, increasing output, and reducing costs. In our efforts to navigate a prolonged industry downturn over the past several years, we have aggressively driven cost reductions and consolidated into our most efficient facilities. Since the fourth quarter 2014, we reduced costs by \$12.6B, including \$2.0B of fixed costs, and closed nearly 660 facilities with material, concomitant GHG reductions. In doing so, we believe we have reduced our carbon footprint by more than 50% over the past eight years. We intend to continue running lean, efficient operations in the near-term, reducing emissions from our own manufacturing and service efforts.

The cumulative effect of seemingly small changes around energy usage, sources, and consumption can have real impact on reducing our GHG emissions—especially when you consider our organizational size, scope, and scale. In 2021, our total energy consumption was 4,998,337 gigajoules (GJ). In 2022, our HSE group plans to focus on how best to improve facilities' energy efficiency and management, providing tangible tools and resources to enact change at local levels, including minimum standards and best practices.

**Future Reporting** | We focused our 2021 efforts on improving data collection and measurement to strengthen our reporting and disclosure for GHG emissions and other environmental impact areas. We are now prioritizing the development of new environmental strategies to improve our tracking and measurement, drive GHG emissions reductions, and improve our environmental impact.

We plan to enhance our Scope 1 & 2 emissions reporting to distinguish the amount of renewable energy used by our facilities and increase the completeness of our emissions data. We would also like to develop an appropriate measure to quantify our Scope 3 downstream impact, consistent with our belief that our greatest contribution to reducing the industry's carbon footprint will come from providing our customers equipment and technologies that reduce emissions from their operations.

## Managing and Minimizing Other Environmental Risks

We strive to monitor, manage, and reduce our environmental impact across our manufacturing and service facilities and office locations. While government regulations vary by country, we strive to meet strong standards of environmental stewardship wherever we operate. We aim to cultivate enhanced environmental practices and create clear policies to manage and reduce our potential environmental impact in a range of areas, including air emissions, water use, waste, and spills.

**Non-GHG Emissions** | Our global manufacturing and service locations monitor significant non-GHG air emissions including Nitrogen Oxide (NOx), Sulphur Oxides (SOx), Particular Matter (PM), and Volatile Organic Compounds (VOC) consistent with local regulations.

We are committed to developing policies, guidelines, and procedures to understand and lower our non-GHG emissions; choosing products with low volatile organic compounds (VOCs) throughout our manufacturing processes where practical; and capturing necessary baseline data to ensure year on year improvement. We plan to follow the same hierarchical system we used to calculate GHG emissions to focus on collecting non-GHG emissions from our largest-emitting facilities.

U.S. facilities exceeding toxic release inventory and Tier II thresholds report these emissions at the state or federal level annually. In 2021, only 72 (31%) of our U.S. facilities exceeded the Tier 2 emissions threshold reporting requirements.

**Water Management** | Our primary water use is industrial water for manufacturing and service facilities. In 2021, based on available data, we withdrew 338,632,591 US gallons of water from municipal water systems to support our operations. This number does not include well water, which represents an insignificant portion of our total water use. In 2022, we intend to analyze our municipal water consumption to identify improvement areas for water conservation and management.

**Process Wastewater Management** | In 2022, we are implementing new measures to improve our wastewater management. Our protocols will require that, where applicable, our facilities check to ensure that process water discharge meets our minimum standards. Ensuring we have adequate treatment prior to disposal will help minimize our impact.

**In 2021 NOV received an Excellence in Mine Reclamation award from the State of Nevada Division of Minerals for work performed at the Big Ledge Mine. NOV was recognized for “Innovative Reclamation and Closure” work performed in 2019 and 2020 to permanently close a waste rock storage facility at a site. Big Ledge ceased operations in 2013, with final reclamation and closure work continuing over the next several years.**





**Waste Management** | We are working to increase recycling and ensure proper waste disposal across our global facilities. Since the majority of our waste comes from our manufacturing facilities, we have historically recycled approximately 60% of our total waste generated. We are working with our suppliers on the packaging of the goods they provide and implementing process changes to reduce or eliminate waste at the source. Many of our facilities are already looking at waste recycling opportunities, and we will expand those initiatives into a global program this year. Additionally, in 2022, we will publish global policies that cover the selection of appropriately licensed waste contractors; audits intended to verify final points of disposal; and a standardized approach to records management.

**Spills** | We make spill prevention a priority, training all employees at our global manufacturing and service facilities on spill prevention and management annually. We stock full emergency response kits at every location to address any spills that could not occur and prevent them from reaching waterways or environmentally sensitive areas. We adhere to all local regulations and requirements. In 2022, we plan to publish a global policy that aligns our operations with minimum standards for spill prevention, including a standardized approach to secondary containment and a defined emergency spill response protocol.

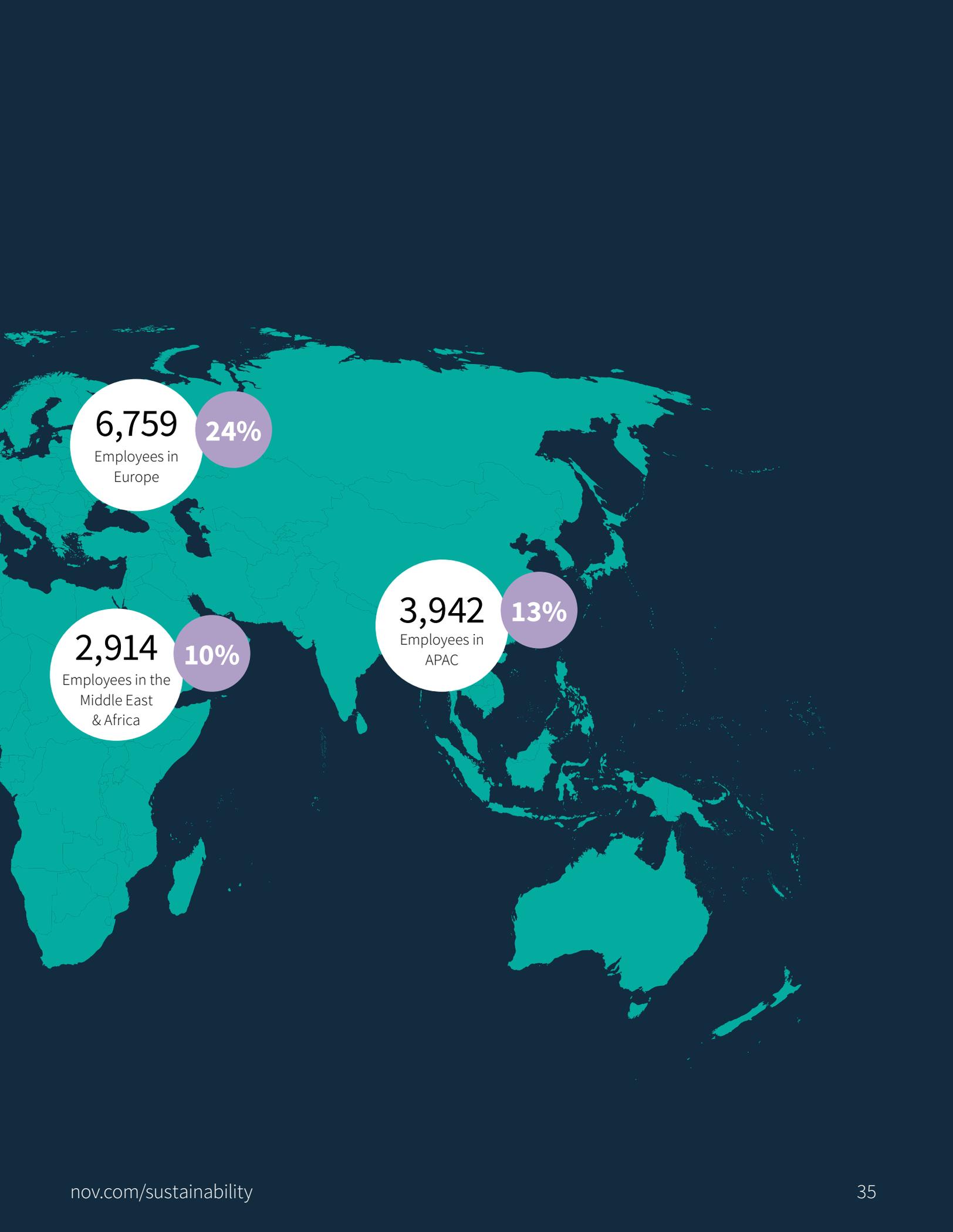
**In 2021, NOV was recognized for its leading ESG practices when the Saudi Authority for Industrial Cities and Technology Zones (MODON) selected the company's Fiber Glass Systems facility in Dammam, Saudi Arabia, as a benchmark facility for safety and environmental practices among all local facilities. At the request of the MODON authority, NOV hosted teams from 12 companies with neighboring facilities to share our approach to safety protocols, environmental safeguards, employee engagement, and other areas.**

# Social

Our power is in our people. We strongly believe that safeguarding and supporting diversity, equity, and inclusion; talent recruitment, development, and retention; employee engagement and empowerment; workforce health and safety; and positive impacts in the communities where we live and work enables our continued success as an organization.



\*Numbers calculated as of April. 1, 2022



**6,759**

Employees in  
Europe

**24%**

**2,914**

Employees in the  
Middle East  
& Africa

**10%**

**3,942**

Employees in  
APAC

**13%**

## Human Capital Oversight

Our Human Resources team is primarily responsible for all our people-related plans, policies, and programs. HR representatives are critical partners to our organizational leaders, calling attention to and supporting management of people-related risks and opportunities to enact change across all levels in the organization.

Our Corporate Governance guidelines reflect Board oversight of human capital, consistent with our organizational focus on promoting a diverse, equitable, and inclusive workforce; attracting, developing, and retaining talent; and ensuring our employees are empowered and engaged. The full Board is responsible for overseeing the company's people-related strategies, programs, and initiatives. Management elevates issues of human capital to the Board through regular presentations from Human Resources and Health, Safety, and Environmental leadership at the Board's regularly scheduled meetings.



## Who We Are and Where We Work

Our more than 27,000 employees use their skill and expertise to provide the products and services that help our customers operate safely, efficiently, sustainably, and competitively.

### Our employee base covers a variety of roles, including:

- **Inventors, designers, scientists, and engineers (including mechanical, electrical, chemical, hydraulic, materials, computer, software, data analytics, and other disciplines)** who design and improve the equipment, electronics, software, services, and process that bring value to NOV's customers.
- **Technical sales, marketing and training professionals** who educate customers, the industry, and our own organization about NOV's many products, services, and unique capabilities.
- **Supply chain, logistics, warehousing, and quality testing professionals** who ensure our factories, workshops, repair centers and field technicians have the right materials and tools to do their jobs efficiently.
- **Production and service planners and schedulers, project managers, and process design and Quality Health Safety and Environmental professionals** who plan, manage, and monitor the activities of our workforce to ensure high-quality, efficient, safe, and environmentally compliant operations.
- **Machinists, metal fabricators, welders, assemblers, pipe fitters, riggers, electronics technicians, system integrators, composite material fabricators, paint and industrial coatings specialists, and other skilled trade professionals** who use a wide variety of industrial processes, tools, and techniques to transform raw materials and purchased components into the many products NOV sells.
- **Field service engineers, mechanics, and technicians** who maintain, service, repair, and upgrade NOV equipment and, in some cases, assist customers with its operation.
- **Business leaders and managers** who create business strategies and targets, assess goals and priorities, and allocate resources to ensure NOV's employees have the tools they need to get the job done and further build our competitive advantages.
- **Support function professionals, including Information Technology, Human Resources, Legal, Compliance, Clerical, and Accounting and Finance** who support operations to manage business and administrative infrastructure.

We are a global family, operating in 61 countries around the world, that works as one team to propel the energy industry forward and create a lasting impact for ourselves, our customers, and the communities where we live and work. Thirty-five percent of NOV employees work in the United States, 24% in Europe, 14% in Latin America, 13% in the Asia Pacific region, 10% in the Middle East and Africa, and 4% in Canada.

## Diversity, Equity, and Inclusion (DE&I)

Together, we are powerful. We believe a diverse, inclusive, and equitable workforce is essential to our long-term sustainability and success. Seeking ideas from individuals from differing backgrounds and perspectives makes good business sense. Differences in experiences, gender, age, religion, race, ethnicity, cultural background, sexual orientation, language, education, abilities, and perspectives can lead to more innovative and creative business solutions, more informed decision-making, greater employee engagement, and better recruitment and retention of top talent.

In January 2021, we released a global DE&I statement from the CEO that describes how we intend to maintain a diverse workforce, equal opportunities, and individual inclusion across our global organization. Here are our commitments.

- We will identify opportunities for greater diversity, equity, and inclusion and educate our employees on related principles, policies, and practices, relevant to their roles and responsibilities, to drive change across all levels of the organization.
- We will explore and develop new ways to attract, develop, and retain a demographically broad range of talent.
- We will be more intentional and conscious of the potential for improper bias during the hiring, promotion, or evaluating process to provide equal opportunities.
- We will monitor our progress in these areas, creating metrics and feedback mechanisms to maintain organizational awareness and attention while also identifying opportunities for improvement.

Shortly after releasing this statement, we created a role to drive the company's strategy for improving in DE&I practices and ensure we are making progress on these commitments.

We work alongside our industry peers to pursue DE&I efforts through active participation in the Energy Workforce and Technology Council's Inclusion and Diversity (I&D) initiatives, which reflect industry-specific risks and opportunities. In both 2020 and 2021, cross-functional leaders participated in the Council's I&D Champion Program to acquire practical insights and tangible tools on how to champion DE&I across the organization and encourage systemic change from within. We intend to continue our participation in the Council's initiatives in 2022. Additionally, as an active member of the Council's Race Equality Task Force, we work alongside our energy industry peers to advance diversity and overcome our industry's historically low representation of minority and underrepresented populations.

**Diversity** | Our employees come from many backgrounds. Across our global workforce, women represent 15% of all employees, 22% of salaried employees, 20% of the C-Suite, and 20% of the Company's Directors. Last year, our overall percentage of female employees declined by less than one percentage point as we continued our cost-reduction efforts and consolidated several support functions, areas where we have traditionally had greater female representation. Our global workforce includes 113 nationalities. In the U.S., we report on our racial and ethnic diversity through Equal Employment Opportunity (EEO) data, shown below. In 2020, 47% of our U.S. workforce identified as a member of a minority group. These numbers remain consistent year-on-year.



## 2020 Equal Opportunity EE0-1 Data

Job Categories	Hispanic or Latino		Not - Hispanic or Latino												Overall Totals
	Male	Female	Male						Female						
			White	Black or African American	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaskan Native	Two or more Races	White	Black or African American	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaskan Native	Two or more Races	
Executive/Sr Officials & Mgrs	1	0	18	0	0	1	0	0	1	0	0	1	0	0	22
First/Mid Officials & Mgrs	198	49	1039	50	7	93	1	16	204	20	1	38	0	5	1,721
Professionals	157	56	675	52	2	199	3	20	169	22	3	122	0	7	1,487
Technicians	232	8	467	53	3	41	4	11	17	3	0	4	1	1	845
Sales Workers	18	3	135	7	0	3	1	1	7	1	0	2	0	0	178
Administrative Support	197	193	438	45	5	43	4	2	440	77	2	40	8	13	1,507
Craft Workers	576	36	669	163	8	155	16	11	48	14	0	4	1	0	1,701
Operatives	721	28	592	164	13	49	18	21	7	7	0	1	1	1	1,623
Laborers & Helpers	122	25	97	73	0	2	2	6	9	11	0	0	1	0	348
Service Workers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>2,222</b>	<b>398</b>	<b>4,130</b>	<b>607</b>	<b>38</b>	<b>586</b>	<b>49</b>	<b>88</b>	<b>902</b>	<b>155</b>	<b>6</b>	<b>212</b>	<b>12</b>	<b>27</b>	<b>9,432</b>

U.S. workforce only

We strive to achieve greater gender and ethnic diversity, particularly within higher levels of the organization. At the Board level, our Corporate Governance Guidelines ensure we consider Director candidates diverse in gender, race, and background consistent with the Board's requirements for knowledgeable, experienced, motivated, and ethical members. Since 2014, two thirds of newly appointed Directors have been female or identify as racially diverse. For more details on Board diversity, refer to the Governance section of this report. Among our employees, we see proportionally greater participation by females and people who identify as racially diverse in our leadership development programs. For example, in our rotational program for recent college graduates, since 2019, 35% of participants were female and 52% identified as racially diverse.

Though our commitment to diversity extends across the talent management cycle, it begins with recruitment. We engaged a local community college in Houston, Texas, where we maintain our corporate headquarters, for a targeted diversity hiring program to recruit candidates from underserved, underrepresented communities. In 2021, we began building partnerships alongside industry peers with Historically Black Colleges and Universities (HBCUs) and similarly diverse schools and programs to increase recruitment and representation of ethnically and racially diverse populations. We would like to identify and develop relationships with similar organizations and entities with high female representation to increase the number of women in our workplace.

**Equity** | We support equal pay for equal work; we believe all individuals should be compensated for the same performance, without regard to gender, race sexual orientation, or disability. Since 2018, we have worked to understand and close our organization's gender pay gap. Since that time, we have reduced the gender pay gap of our base pay median. At the management level, the pay gap also continues to close, despite lower female representation in more senior, higher-paying roles.

Achieving our goal of greater pay parity across different levels and functions within the organization will require ongoing awareness, continual monitoring, and appropriate action. For example, before proceeding with individual salary adjustments, we expect local management and human resources teams to review comparable salaries from internal and external sources for equity and benchmarking. To support equal opportunities across NOV, we intend to provide compensation that accurately reflects a position's roles and responsibilities and pays for performance as well as potential.

**Inclusion** | We want our employees to feel welcome, supported, and safe, regardless of who they are and where they come from. We aim to provide a respectful, inclusive work environment that is free of harassment, discrimination, and retaliation where our employees feel comfortable sharing their individual perspectives, experiences, and ideas with others.

Everyone at NOV deserves to be treated with respect. We maintain **respectful workplace policies**, prohibiting harassment, discrimination, and retaliation based on sex, race, national origin, religion, age, disability, sexual orientation, and all other characteristics protected by federal, state, and local law. These policies apply globally and are available in 17 languages. We provide regular training on these topics to ensure employees understand their importance. We hold everyone across the organization to the same standard and expect all employees, contractors, and third parties working on behalf of NOV to understand our policies, model the behaviors they require, and follow reporting procedures when they have any concerns about inappropriate conduct.

We also provide tools and training on how to resist improper bias. They focus primarily on better understanding attitudes, beliefs, and expectations about others and becoming comfortable with—and supportive of—any differences. We provide our human resources and management teams tailored unconscious bias training to increase their awareness of the potential for bias during the hiring, promotion, and evaluation to ensure equal opportunity for candidates and employees. We make this training mandatory in the U.S., and we are working with our international teams to ensure we are delivering locally relevant content across our global locations.

As we continue building our DE&I plans, policies, and programs to promote a more diverse, equitable, and inclusive workplace, we intend to solicit feedback from across the organization. In the U.S., our employees who identify as gender or racially diverse agreed NOV is making good progress in its efforts to promote a more diverse, equitable, and inclusive workplace, based on quarterly survey results.



## Our Commitments to **DE&I**:

- We will identify opportunities for greater diversity, equity, and inclusion and educate our employees on related principles, policies, and practices, relevant to their roles and responsibilities, to drive change across all levels of the organization.
- We will explore and develop new ways to attract, develop, and retain a demographically broad range of talent.
- We will be more intentional and conscious of the potential for improper bias during the hiring, promotion, or evaluating process to provide equal opportunities.
- We will monitor our progress in these areas, creating metrics and feedback mechanisms to maintain organizational awareness and attention while also identifying opportunities for improvement.

## Recruiting, Developing, and Retaining Talent

To prepare our business for the future, it's important to attract, develop, and retain skilled and diverse talent.

**Improving Workplace Policies and Benefits** | In today's increasingly competitive labor market, we are adapting our policies to support the changing needs of our employees. We believe our new flexible work programs and mental health resources, along with more traditional benefits plans, will support more successful talent recruitment and retention.

We believe all employees, regardless of role, function, or location, may benefit from the improved work-life balance flexibility affords, and we are actively seeking ways to support them more effectively while balancing the needs of our business. In 2021, we introduced a formal Flexible Workplace Arrangement to U.S. employees that provides an option to continue working from home on certain days where our business allows it. We place a high value on the work accomplished, ideas generated, and relationships fostered through in-person collaboration at the Company's office locations; however, we also believe that flexible workplace arrangements can have a positive impact on employee attraction, engagement, and retention. Certain roles and functions are unable to perform their essential job functions remotely, including manufacturing, R&D development, and field-based service technicians, so we are looking at alternate ways to introduce more flexibility, like improved schedules and compressed shifts. Throughout 2021, many of our international locations still operated under COVID restrictions, encouraging roles to work from home where possible. With 65% of our workforce residing outside the U.S., we are evaluating opportunities for longer-term flexible workplace arrangements globally, recognizing the benefits flexibility can provide.

The COVID-19 pandemic has affected both business operations and the mental health and wellness of our employees and their families. In recent years, we have increased education and awareness for our managers and employees around the importance of mental health. In 2021, we introduced an Employee Assistance Program in countries with the largest employee presence to offer resources and support for challenges our workforce may face. In 2022, we plan to introduce a global solution that provides every NOV employee, regardless of location, access to similar resources when they require emotional and mental support. As we continue to power through the pandemic, we have a responsibility to our employees to address mental health and provide helpful communications, resources, and tips for staying connected with each other and their work in a socially distanced world.

We believe successful recruitment and retention requires competitive and comprehensive benefits packages to meet the needs of our employees and their families. NOV offers locally competitive health benefits, paid holidays and time off, and retirement benefits to our employees. In the U.S., we provide health, vision and dental insurance, life and accident insurance, short- and long-term disability benefits, and paid parental leave, in addition to the employee assistance and wellness program described above. To ensure benefits remain affordable for all employees, NOV pays the majority of our health-plan premiums. For U.S. employees, we also offer a 401(k)-retirement savings plan. In 2021, we reinstated our employer match to the company's 401(K) plan. In January 2022, all participants began receiving the company match in addition to a lump sum contribution of 4th quarter 2021 eligible earnings into their 401(k) accounts.

Consistent with our organizational focus on DE&I, in November 2021 we introduced a new Flexible Holiday benefit to US employees allowing more flexibility to observe the cultural and religious dates most meaningful to them.



**Employee Development and Advancement** | We value our employees and we strive to support their growth, both within and outside of NOV. We believe their development and advancement are critical to our long-term financial success. By working with our employees to identify and develop their interests, strengths, and goals, we can improve their personal potential and professional experience, increasing the likelihood they remain with NOV.

In 2022, we are asking our management and human resources teams to make internal mobility a priority. We want to be more intentional about developing employees' careers within the organization, and we intend to provide broader access to available internal opportunities to increase talented employees' exposure and impact. Getting the right people in the right roles—ones that align equally with individual strengths, personal and professional goals, and organizational needs—can have real positive impact.

We continue to invest in opportunities for employee education, growth, and development, to support individual careers and company growth. We offer a vast array of soft skills and technical training, both general and role specific. We encourage employee participation in personal and professional development programs provided by NOV or contracted third parties, including self-directed programs available through Harvard Business Learning Library, Korn Ferry, and LinkedIn Learning. Recognizing many employees like to participate in training at their own pace on their own schedule based on their own selection, we make most training libraries available for all employees to access for self-guided growth and development beyond their roles.

In 2021, we offered over 26 different soft skills workshops, delivered in-person or online, on a variety of topics, like building business cases and managing organizational change. We have several programs designed to help employees acquire and develop skills needed to adapt to a changing workplace, including improved computer and digital literacy. We continually provide awareness training on emerging technologies, interests, and markets to improve employee familiarity and understanding, like our new introduction to lower-carbon technologies.

Additionally, our Rig Technologies segment maintains dedicated technical training centers based in Houston, Singapore, the United Arab Emirates, Norway, the United Kingdom, and Brazil that provide hundreds of technical training courses that may include both hands-on and classroom instruction. Our other segments provide similar facility-based technical training to ensure employees are well-skilled in the manufacture, service, and support of our products. We make much of this technical training available to our customers to support the safe effective operation of our products and services in the field.

Lastly, we are focused on providing targeted, role-specific training to managers and supervisors, recognizing their importance in supporting their employees' development and advancement. These training courses focus on topics like how best to support and engage employees with regular check-ins, leading oneself and others, and supervising a team. In 2021, 45% of our managers and leaders participated in these type of organizational development workshops.

**Tenure and Turnover** | Our long employee tenures and historically low voluntary turnover rates are indicative of the success of our strategies related to recruiting, developing, and retaining top talent. We're proud of our ability to retain a long-tenured workforce across different roles and functions as it allows us to better serve our customers who rely on our employees' deep individual and organizational knowledge.

In 2021, we experienced higher turnover in line with broader market trends. Our voluntary turnover increased from 7% in 2020 to 11% in 2021. Like other large employers, we were affected by a tightening labor market, general wage inflation, and the “Great Resignation.” We would like to improve retention and lower turnover, recognizing the importance of continuity in our workforce to sustain the level of quality and service our customers expect from a market leader. We believe we can achieve this through our continued our flexible work programs, workplace policies and benefits, development and education efforts, and ongoing monitoring of compensation and rewards. Broader employment trends may continue to offset our efforts in these areas.

	Male	Female	Overall
Employee Average Years of Service	9.53	9.06	9.45

## Employee Engagement

We believe an engaged workforce is a committed workforce. To ensure employee voices are heard, we regularly solicit and, where appropriate, act upon employee feedback. Our primary tool for measuring employee engagement is a quarterly ‘pulse’ survey we use to gauge employee satisfaction across four areas we believe are indicative of a positive work environment: communication, development, appreciation, and engagement. The overall goal is to use the results, along with other human capital metrics, to enhance the employee experience as we believe great things happen when people are engaged by what they do and inspired by the teams they work with.

Engagement continues to be the most positively viewed area, with employees likening what they do and feeling connected to their team and department goals—a necessary enabler of our long-term financial success. We will continue to improve our communication, development, appreciation, and engagement efforts to enhance the employee experience, regardless of position, and we recognize that doing so will likely involve the culmination of small positive changes over time.

Since we perform pulse surveys quarterly, we can monitor progress continuously and make interventions in real-time. We share anonymous results with managers and human resources teams, guiding them on how to interpret the results and take actions on how to improve. We review our survey results, related follow-up plans, and other human capital metrics with our management team quarterly, providing notable updates monthly or as they become available. We share similar information with our Board of Directors at least annually to provide a direct sense of employee experience and engagement.

“ Our job is to support the great people that run these businesses – the teams that we have on the shop floor, the service hands out there working on our customers’ equipment, the managers, the frontline people. That’s the heart and soul of NOV.

**Bonnie Houston**  
Chief Administrative Officer

## Workforce Health and Safety

At NOV, we are committed to protecting the health, safety, and security of our most valuable resource: our employees. We work consistently to ensure that our employees, at all levels across the organization, conduct all business activities safely to protect themselves and those around them. We expect all our employees, contractors, suppliers, and visitors to follow our HSE practices and policies. Their safety is our priority.

“Protecting the health, safety and security of our people is fundamental to who we are – our safety culture is at the heart of our approach to business.”

**Mike Loucaides**

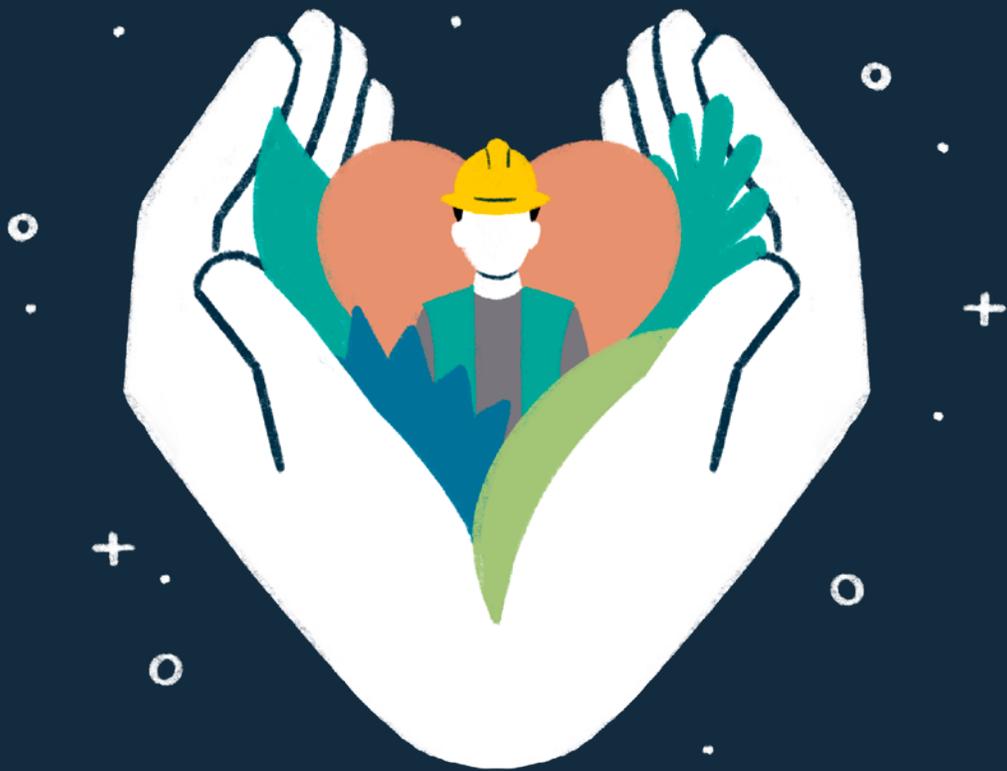
Chief Health, Safety, Security and Environmental Officer

**Promoting a Culture of Safety: Our HSE Management System** | We maintain a Health, Safety and Environmental Management System (HSE MS) to guide our HSE practices and programs that aligns with and is based upon recognized standards from the U.S. Occupational Safety & Health Administration (OSHA) and International Organization for Standardization (ISO), including ISO 14001 and ISO 45001.

The HSE MS defines and describes fundamental safety controls to mitigate HSE risks, prevent work-related injuries, continually improve HSE performance, and ensure compliance with local and federal policies, regulations, laws, and globally recognized HSE standards. Additionally, it provides a framework for proactive and adaptable emergency response planning to protect our people and the environment during significant disruptive events, like the ongoing COVID pandemic. It functions at all levels of the organization and requires the commitment of every NOV employee across our global facilities. Its primary goal is keeping employees safe.

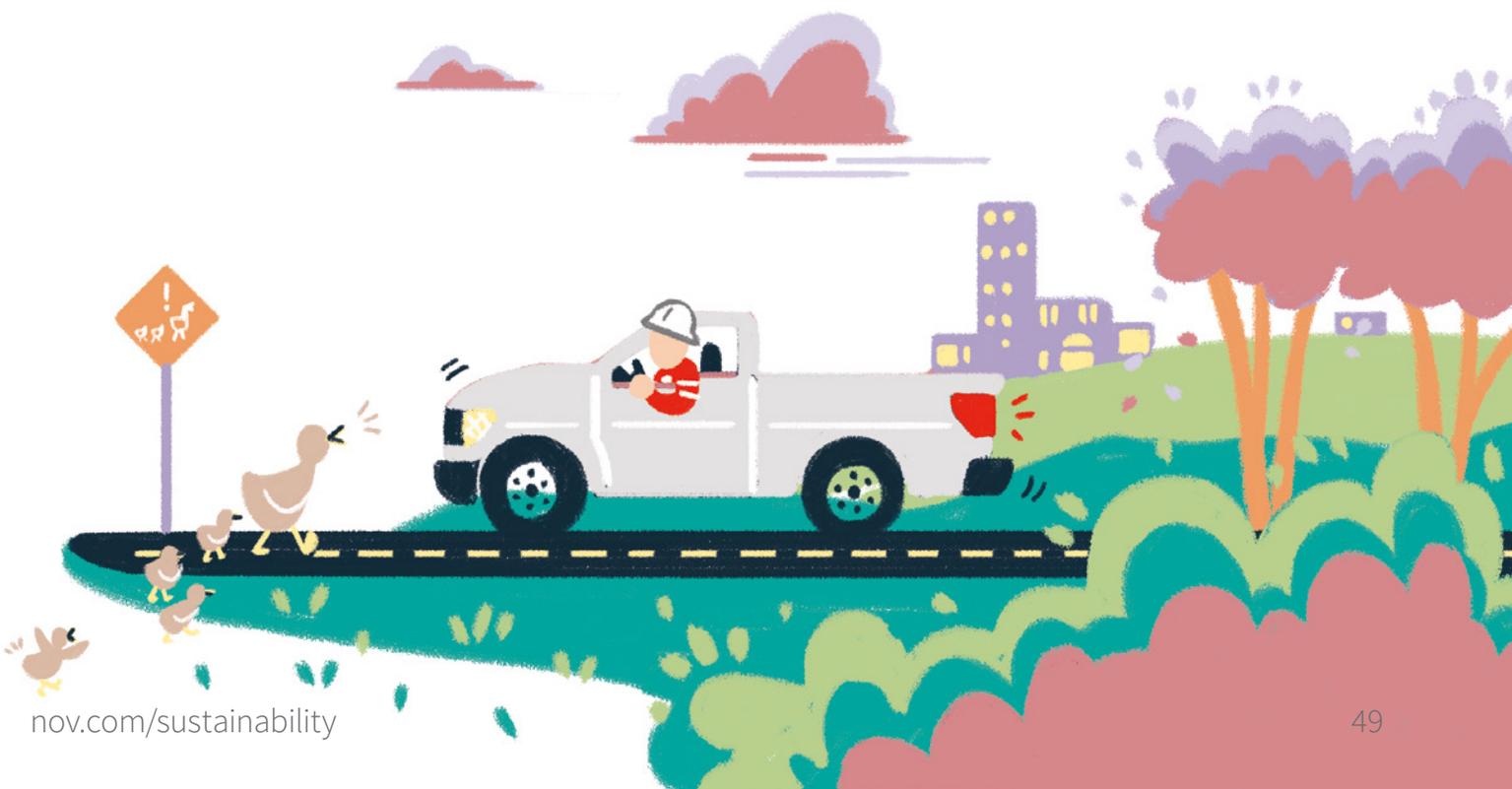
Our executive management has oversight responsibility for the HSE MS, and they monitor the system for continuing suitability, adequacy, and effectiveness at least annually. Leaders across the organization work to create a culture of safety, leading by example and setting a standard of active engagement in HSE.

- **Risk Management** - We aim to prevent work-related incidents and illnesses by proactively adopting sensible practices and programs to identify and quantify risks, create appropriate awareness, assign corrective actions, and monitor their closure.
- **HSE Training** - We conduct regular HSE training for employees, contractors, suppliers, and all visitors to our facilities. All employees participate in HSE training at least annually. We invest heavily in training, educating our employees, contractors, and suppliers on how to conduct work safely and comply with applicable policies, programs, laws, regulations and HSE requirements. Comprehensive and mandatory HSE training programs form a key part of our HSE MS, and all employees participate in HSE training at least annually. In 2021, our employees completed 455,000 hours of HSE training. Additionally, we provide our customers with detailed safety guidance and training to help ensure the safe use of our products.
- **Audits & Inspections** - Employees participate in routine HSE audits and inspections as part of our formal proactive assessments of workplace equipment and activities, and we implement corrective actions for any identified deficiencies. In 2021, we completed 172 NOV globally standardized HSE audits in addition to local facility-level audits.
- **Industrial Hygiene Monitoring** - To ensure health and safety within our workplaces, NOV conducts proactive and routine risk-based industrial hygiene monitoring, overseen by a Certified Industrial Hygienist (CIH), and implements corrective actions where appropriate. As part of our ongoing global industrial hygiene program, we aim to conduct assessments for every NOV facility at five-year intervals.



**Employee Ownership** | We encourage and engage employees to take personal ownership of HSE by identifying improvement areas and initiating, recommending, or providing solutions that support safer operations. We strive to maintain a culture of speaking up when something doesn't feel right, and the following programs help drive employee ownership in HSE.

- **Stop Work Authority** - All employees have the authority and responsibility to “stop work”, halting activity immediately when they perceive an unsafe condition, behavior, or threat without fear of reprisal. The use of Stop Work Authority forms a part of the Near Miss reporting process.
- **Observation Card Reporting** - The Observation Card Program allows NOV employees and visitors to report hazardous situations, behaviors, and risks before an incident occurs without fear of reprisal and captures suggestions for improvement. Observation Cards also form a part of the Near Miss reporting process.
- **Incident Reporting & Investigation** - Our repeatable, verifiable internal incident reporting process ensures we have accurate, timely information on all HSE-related incidents. We conduct formal investigations of all high potential incidents that include identifying root causes, developing a corrective action plan, implementing necessary changes to eliminate or minimize recurrence, and communicating the information to all affected employees through bulletins, directives, and updates to applicable HSE training.
- **Driver Safety** - Motor vehicle crashes cause over 40% of work-related deaths in the oil and gas industry, according to the National Institute for Occupational Safety and Health (NIOSH). To keep our employees safe as they travel to work at customer locations, we require drivers of company-owned vehicles complete “NOV Drive,” a comprehensive driver training that includes both classroom and behind-the-wheel objectives. In 2021, we kicked off a project to install In-Vehicle Monitoring Systems (IVMS) on company vehicles to help reduce driving-related risks and liabilities, following a successful pilot in 2020. Despite COVID-19 related restrictions, we were able to install IVMS on 90% of our U.S. company-owned vehicles. We expect to complete installations on all our U.S. and Canada vehicles later this year.



## Safety Performance

For injury and illness reporting and classification, we have adopted the OSHA criteria globally. We calculate incident rates based on industry accepted methodology used by the U.S. Bureau of Labor Statistics and generate annual reports in accordance with OSHA requirements. We include temporary and contract labor that we manage and supervise in all incident calculations.

	2018	2019	2020	2021
TRIR	1.23	1.14	0.87	0.87
LTIR	0.52	0.42	0.39	0.35
Fatalities	0	0	0	0
TVIR				1.58

We set realistic targets with the goal of zero injuries and accidents. We assess our progress several ways. First, we conduct regular internal and external audits on our global facilities. Second, we conduct peer benchmarking, measuring our statistics and performance against our industry, market capitalization, and best-in-class standards. Lastly, we maintain executive and Board oversight over health and safety. Our CEO, CFO, Chief HSSE Officer, and our operating Segment Presidents review our incident reporting and safety performance quarterly, and the Board of Directors reviews it at least annually.

**Security** | We maintain a world-class security program to ensure the safety of our global employees and assets. Our Corporate Security team consists of international experts with military, intelligence, and police experience who provide professional guidance on physical security, asset protection, business continuity, crisis management, emergency response, employee travel risk mitigation, and general security awareness. The team manages a Global Security Operations Center to monitor risks affecting our global operations, employees, and other assets and provide real-time awareness and analysis to our employees, executive management, and Board directors and detailed forecasting of potential follow-on events to mitigate future risks.

**COVID** | Throughout 2021, NOV continued to monitor the COVID-19 pandemic and its impacts on our employees, stakeholders, and global operations. We align with recommended best practices from global health organizations like the **Centers for Disease Control and Prevention (CDC)** and the **World Health Organization (WHO)**. We implemented practices and programs tailored to the needs of each location including minimizing in-person attendance, social distancing, health screening, mask requirements, contact tracing and quarantining, and facility sanitization. We provided our employees guidance and resources through frequent email communications, toolbox talks for non-email employees, bulletin board postings, and an internal website dedicated to COVID-19 tools and resources.

**Emergency Response & Crisis Communications** | Timely, effective communication is essential during times of crisis. Our regional Crisis Communications Teams (CCT) include local representation from Security, HR, HSE, Legal, and Operations teams and meet at least monthly to address regional threats and ensure protocols and responses consider any unique regional circumstances. Additionally, NOV maintains facility-specific emergency response plans and medical emergency procedures.

## Human Rights: Modern Slavery and Human Trafficking

NOV has a zero-tolerance approach to modern slavery and human trafficking. The company supports the fundamental principles of the UN Universal Declaration of Human Rights, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the UN International Covenant on Civil and Political Rights and the UN International Covenant on Economic, Social and Cultural Rights. NOV upholds and respects human rights in all our operations and facilities. We do not condone or permit the use of child, forced, indentured or involuntary labor in any of our operations. We promote the health and safety of our workers everywhere. We ensure compliance with fair wage and hour laws in all NOV operations. We will not knowingly conduct business with—and will terminate business dealings with—any supplier or other business partner who refuses to comply with our standards.

Our Modern Slavery Act Statement, first issued in 2020, explains the steps that we have taken to help ensure that slavery and human trafficking does not take place within our supply chain. Our Anti-forced Labor Policy details how NOV commits to advance respect for fundamental human rights and expressly prohibits forced and child labor. Both documents are available at <https://investors.nov.com/conduct-and-ethics>.

We will continue to engage and work closely with peer companies and organizations to improve our understanding of modern slavery and human trafficking risks and best practices. As part of our industry outreach, NOV has partnered with the Oil & Gas Trafficking Awareness Group ([www.ogtag.org](http://www.ogtag.org)) to call attention to how, as an industry, we can manage and mitigate these risks.

## Community Investments

At NOV, we are committed to making a positive impact in the communities where we work and live. We do this through corporate donations, both monetary and in-kind, and employee voluntary hours. Our primary focus areas are education, poverty, children, and human rights.

Some of our community impacts include:

- NOV contributed \$730,000 to the United Way to help make communities better and improve the lives of our neighbors. NOV also donated \$15,000 to Thrive, a United Way program that enables families to reach financial independence by acquiring skills and education to obtain better jobs and learn how to save.
- NOV employees raised and donated \$281,195 for Texas Children's Hospital and the Snowdrop Foundation.
- NOV contributed \$305,009 toward bringing the TORO Takes the Bull Out of Bullying campaign to area schools, both virtually and in-person.
- NOV contributed \$250,000 as its third of four gift pledges to the University of Texas for their new Energy of Engineering Building.
- NOV donated \$7,500 to the Magic Help Association in Romania, an organization that helps families with chronically and seriously ill children to benefit from free services and products such as healthcare, accommodation, meals, technical services, and consultancy.
- NOV donated \$10,000 to the 2021 Susan G. Komen Race for the Cure.
- NOV contributed \$52,000 to the Boy Scouts of America Friends of Scouting campaign.
- NOV donated \$7,500 to Russia's Konstantin Khabensky Charitable Foundation, an organization that ensures children with oncological and other serious diseases of the brain and spinal cord receive all the necessary medical care in time and return to a full life as soon as possible.
- NOV donated \$40,000 to the American Heart Association Paul "Bear" Bryant Award and an additional \$40,000 to the Go Red for Women Luncheon.
- NOV contributed \$40,000 in 2021 for two student scholarships at the Houston Livestock Show and Rodeo.
- NOV donated \$5,000 to the Texas Hearing Institute.
- NOV donated \$7,500 to Matsentralen Norge, a network of eight food centers in Norway that facilitate the redistribution of surplus food from the food industry to non-profit organizations that help the disadvantaged.



- NOV contributed \$8,000 to Child Advocates of Fort Bend, a nonprofit agency serving child victims of sexual abuse, physical abuse, and neglect.
- NOV's employee-led volunteer group in Brazil, NOV Solidaria, raised \$10,000 in support of local schools, hospitals, and homeless shelters.
- NOV donated \$2,500 to Small Steps Nurturing Center, an organization that provides education, social and emotional support, a nurturing Christian environment, transportation, and nutritious meals to economically at-risk children ages two through six.
- NOV donated \$1,600 to Redeemed Ministries, a long-term residential program dedicated exclusively toward the trauma-informed care of adult domestic victims of sex trafficking.
- NOV donated \$2,500 to The Houston Area Parkinson Society.
- NOV donated \$20,000 to the Success to Significance Luncheon, a program that supports Girl Scout programs throughout the year.
- NOV donated \$7,500 in support of the UK's Royal National Lifeboat Institution, a charity that saves lives at sea.

**NOV continued its long history of providing emergency services during critical situations when a freezing weather event in Texas and Louisiana stressed local electricity grids, leaving many without heat or power. Our Portable Power team provided emergency power generators to an array of customers, including Texas government entities, local municipalities, and hospitals, to ensure the communities they served stayed safe and warm.**

# Governance

Our stakeholders—including our people, customers, suppliers, business partners, shareholders, and local communities around the world—depend on us to consistently demonstrate integrity, ethical behavior, and good judgment, and our corporate governance standards reflect these values.

“NOV employees around the world incorporate a culture of compliance into our work every day. This is a reflection of our values and ethics. The tone is set at the top and throughout our organization, in 61 countries across the world.

**Craig Weinstock**

Senior Vice President and General Counsel

## Corporate Governance

Our Board promotes transparent corporate reporting, compliance with applicable laws, rules, and regulations, and corporate behavior that conforms to established governance standards.

Our Corporate Governance Guidelines guide the Board's behavior and conduct. They promote the effective functioning of the Board and its committees and promote integrity, honesty, candor, fairness, and discretion by our directors and executive officers in their service to the organization. Written charters further detail the roles and responsibilities of the Board's Audit Committee, Nominating and Corporate Governance Committee, and Compensation Committee. At least annually, the Nominating and Corporate Governance Committee reevaluates our corporate governance guidelines and committee charters, recommending any changes needed for the Board to discharge its responsibilities more effectively.

We publish our governance guidelines, committee charters, and related governance information on our website, <https://investors.nov.com/corporate-governance/highlights>.

## Board Oversight of ESG Issues

Our corporate governance guidelines place oversight of ESG issues under the entire Board. In addition to providing oversight of business strategy and management performance, the full Board reviews and monitors NOV's enterprise risk management policies, procedures, and practices, including the ESG issues covered in this report and our overall sustainability strategy. We believe that corporate sustainability deserves the attention and oversight of all the Board members, which is why we made updates primarily to our governance guidelines versus committee charters.

The Board routinely discusses and reviews ESG matters at its regularly scheduled meetings. During these discussions, organizational leaders and executive officers may provide updates on relevant issues relating to environment, human and social capital, and leadership and governance. Annually, the Board receives a more complete update on the ESG issues that most affect NOV, including related risks and opportunities.

While the Board maintains ESG oversight responsibility, our management team is responsible for initiating, managing, and implementing various ESG initiatives in a manner consistent with the directors' expectations, directions, and guidance.

## Our Board of Directors

Our Board has an impressive array of background and experience. It demonstrates a tremendous understanding of our industry and the company's operations, including the risks and opportunities that affect our ability to win in the marketplace, now and in the future. Our directors are former CEOs, operational leaders, financial experts, engineers, and data scientists, well-regarded within and outside our industry. All are competent and substantial contributors to at least one substantial aspect of our business and act as trusted advisors to our executive management team.

NOV values diversity on the Board, as we do elsewhere in the organization. We consider diversity in an expansive manner, looking for differences in individuals' professional and industry experience, education, skills, gender, race, among other qualities and attributes that strengthen the Board's ability to provide independent oversight.

Board members' individual strengths and experience reflect the needs of our business. Our four long-standing independent Directors have a deep understanding of our industry, its evolving competitive landscape, and the role we have defined for ourselves within it. Two of our Directors have previously served as Chair of the Board of the Dallas Federal Reserve. Since 2014, we have added five new independent Directors: a financial expert who was a partner at a major audit firm; three executive leaders from major exploration and production companies, including two former CEOs; and, most recently in October 2021, a data scientist. Our Board refreshment reflects our organizational focus areas, as we strengthen our relationships across the energy industry's value chain and pioneer leading technology solutions.

We benefit from a strong distribution of Board tenure, balancing institutional knowledge and the continuity that affords with new ideas and fresh perspectives. As of December 31, 2021, the average age of Board members was 65. The average tenure was 11 years. We do not have age or term limits.

The Nominating and Corporate Governance committee charter requires the committee to seek candidates diverse in gender, race, and background for potential consideration for Board membership, consistent with its requirements for knowledgeable, experienced, motivated, and ethical members. Two of our ten Directors are women, and two identify as racially diverse.



The following table highlights key skills, qualifications, and attributes we believe are important to our business and identifies which of our directors possess each.

## Director Qualifications, Skills and Attributes

	Greg Armstrong	Marcela Donadio	Ben Guill	James Hackett	David Harrison	Eric Mattson	Melody Meyer	William Thomas	Robert Welborn	Clay Williams
<b>Skills &amp; Experience</b>										
Operations	●			●	●		●	●		●
International Business		●		●	●	●	●	●	●	●
Risk Management	●	●	●	●	●	●	●	●	●	●
Financial Expertise/Literacy	●	●	●	●	●	●	●	●	●	●
Strategic Planning	●	●	●	●	●	●	●	●	●	●
Oil & Gas Industry	●	●	●	●	●	●	●	●	●	●
Engineering/Technology				●	●	●	●	●	●	●
Sales/Marketing	●			●	●	●		●	●	
<b>Background</b>										
Age	63	67	71	68	74	70	64	69	49	59
Gender	Male	Female	Male	Male	Male	Male	Female	Male	Male	Male
Race	White	Hispanic	White	White	White	White	White	White	Hispanic	White
Year joined Board	2005	2014	1999	2016	2003	2005	2017	2015	2021	2013
Independent	●	●	●	●	●	●	●	●	●	●



**Board Accountability and Commitment** | Our Board is accountable to our shareholders. Directors stand for election annually under majority voting standard. Shareholders receive one vote per share, meaning that voting rights are proportional to their economic interest. We maintain a director resignation policy, allow shareholders to nominate potential Director candidates through proxy access, and do not have any anti-takeover measures in our organizational documents.

Our Board members take their responsibility to represent shareholders seriously. Nine of our ten directors are external and independent under the New York Stock Exchange (NYSE) listing standards, and we review directors' independence annually. Only independent directors may serve on and lead committees. To align Board members more closely with shareholder interests, we have minimum stock ownership requirements and expect all directors to accumulate and retain meaningful amounts of NOV stock. We have strong attendance at board and committee meetings. In 2021, all directors attended at least 75% of the meetings of the Board and committees on which such directors served.

In 2022, the Board implemented a director commitment policy. This policy regulates the number of public company boards on which directors can serve and requires that directors seeking external board positions receive approval from the Nominating and Corporate Governance Committee approval before accepting. Additionally, it expands the Nominating and Corporate Governance committee's annual Board performance review to include individual assessments to evaluate the ability of the Board and its members to represent shareholder interests and reflect and respond to shareholder concerns.

**Board Leadership** | Our Chairman, President, and CEO, Clay Williams, leads the Board of Directors. He is the director most familiar with our business and most capable of effectively identifying strategic priorities and leading the discussion and execution of our strategy.

To facilitate independent leadership and oversight, the Board's independent directors elect a Lead Director, a role required by our Corporate Governance Principles when the Chairman and CEO role are shared. The Lead Director heads the independent directors' executive sessions and communicates with the Chairman, President, and CEO on the matters discussed there. Our Corporate Governance Guidelines further detail the role.

The Board believes that the current leadership structure serves shareholders' best interests by providing an appropriate balance between our Chairman's leadership of the Board and the company and our non-employee directors' objective, independent oversight.

**Board Committees** | Our board has three standing committees: Audit; Nominating and Corporate Governance; and Compensation. All are fully independent. Committees conduct meetings at least quarterly, consistent with the regularly scheduled meetings of the full board, and more frequently as needed to perform their responsibilities most effectively.

We list our committees' primary responsibilities below and publish charters detailing each committee's roles, responsibilities, and members at <https://investors.nov.com/corporate-governance/highlights>.

- The **Audit Committee** monitors the integrity of the Company's financial reporting, internal accounting and financial controls, audit function, and legal and regulatory compliance. As the committee most responsible for risk oversight, it also establishes and follows procedures for the receipt, retention, response to and treatment of complaints, including confidential, anonymous submissions by the Company's employees regarding accounting, internal controls, disclosure, or auditing matters.
- The **Compensation Committee** evaluates the performance of our executive performance and reviews, approves, and administers our executive compensation program.
- The **Nominating and Corporate Governance Committee** recommends qualified potential director candidates and evaluates the effectiveness of the company's management and board, including its committees, in their ability to meet their fiduciary responsibilities to shareholders.

## Executive Compensation and ESG Alignment

We have designed our executive compensation program to align our organizational leaders with shareholder interests. It incentivizes the continued cultivation of longer-term corporate opportunities alongside necessary short-term tactical measures, reinforcing that one cannot be achieved at the expense of the other. We believe that this program aligns with the competitive market for talent and helps us attract, reward, retain, and motivate executive officers we believe demonstrate the performance and potential needed to lead the organization in a way that preserves and promotes shareholder value.

Our executive compensation is highly sensitive to company performance. The majority of our executive officers' total compensation is "at-risk" and tied to the achievement of our annual and long-term performance goals. We award annual incentives on profitability, growth and, through the 2018 addition of a working capital modifier, improved capital efficiency and cash flow. Our annual incentive programs for qualified employees mirror those for named executive officers, reflecting an organizational focus on improved capital returns. We issue long-term incentives that tie more closely to shareholder returns: in absolute stock price gains; returns relative to industry peers; and absolute returns on capital relative to our cost of capital. We believe that our annual and long-term incentive programs' focus on return on capital demonstrates our commitment to creating sustainable shareholder value.

**Beginning in 2022, we will more closely align both our executive and employee compensation programs to ESG performance by adding a new performance goal related to total revenue from our energy transition initiatives. This metric will measure the area in which we believe we can make the biggest impact on climate risk management: providing equipment and technologies to energy industry participants that reduce their emissions and overall environmental impact.**



Our decision to measure our performance here with revenue instead of profitability reflects the early-stage development of our lower-carbon businesses. We anticipate expanding the specificity and rigor of our ESG-related performance metrics in the future.

We believe that our compensation program aligns with shareholder interest and is worthy of continued stockholder support. Every year, shareholders vote on a say-on-pay proposal, and every year they have overwhelmingly approved our executive compensation. Most recently, in May 2021, our stockholders approved, on an advisory basis, the compensation of our named executive officers with approximately 95% of stockholder votes in favor of our say-on-pay resolution. We view this continued strong result as evidence of general approval from our shareholders on our thoughtful approach to compensation.

## Business Ethics

At NOV, we strive to conduct our business the right way: fairly; honestly; ethically; and responsibly. Our stakeholders—including our people, customers, suppliers, business partners, shareholders, and local communities around the world—depend on us to demonstrate these values daily.

**Code of Business Conduct and Ethics** | Our Code of Business Conduct and Ethics outlines a standard of ethical conduct that we expect all employees, executive officers, Board members, and anyone else working on behalf of NOV to follow wherever they are in the world. The Code highlights areas where our business faces heightened ethical risks and provides rules and guidelines for acceptable conduct when recognizing and dealing with those risks. The Code explains how we ensure that our assets remain strong, our dealings fair, our workplace safe and respectful, our communications honest and transparent, and our commitment to the community real. It covers an extensive range of topics, including conflicts of interest, intellectual property, bystander intervention, fair dealing, and records management. NOV's Board of Directors oversees our Code of Business Conduct and Ethics and all related policies and periodically assesses the appropriateness of each.

We supplement our Code of Conduct with separate policies and procedures that provide additional detail on many of the topics referenced in the Code and other specific issues, including anti-corruption and anti-bribery, trade compliance and export controls, and human trafficking and modern slavery. We review these policies regularly, issuing updates as needed. While our commitment to integrity does not change, the laws and best practices that we must follow do, so we must ensure that our organization and employees are well-equipped to comply with these ever-changing standards.

We publish our Codes of Business Conduct and Ethics and related ethics information at <https://investors.nov.com/conduct-and-ethics>.

**Anti-Corruption and Anti-Bribery** | We are committed to conducting business ethically and we absolutely prohibit bribery, improper payments, or corruption of any kind in any business sector and with any individuals or company of any kind whether private, public, or government owned. We comply with all anti-corruption and anti-bribery laws, rules, and regulations, which means that we never accept kickbacks or exchange anything of value to secure an unfair business advantage. We expect the same level of integrity from our suppliers, agents, and business partners working on behalf of the company. It is important that we abide by not only the letter, but also the spirit of all compliance-related laws. Our Anti-Corruption and Anti-Bribery policies and procedures reflect the highest global standards, simplifying compliance across our global organization. Our Ethics & Compliance Group monitors the effectiveness of these policies and procedures and continues to enhance them as required.

Our assets are **strong**.

Our dealings are **fair**.

Our workplace is **safe**  
and **respectful**.

Our communications are  
**honest** and **transparent**.

Our commitment to the  
community is **real**.

Our Anti-Corruption and Anti-Bribery Policy is available at <https://investors.nov.com/conduct-and-ethics>.

**Trade Compliance** | We serve a global industry, providing products and services to customers all over the world, and it is important that we abide by all trade restrictions that apply to our international trading activities. NOV and its subsidiaries comply fully with the laws and regulations governing the import and export of products, services, software, and technical data. Full compliance is necessary to ensure and safeguard the ability of NOV to effectively compete in the domestic and international marketplace. NOV maintains a Trade Compliance Program to assess Economic Sanctions and Export Controls and formulate procedures to prevent violations of such laws. Because Economic Sanctions and Export Controls often apply to activities outside the country implementing such laws, NOV's Trade Compliance Program applies to all business activities wherever they are located. Our Ethics & Compliance Group monitors the effectiveness of these programs, policies, and procedures and continues to enhance them as required.

Our U.S. Export Controls and Economic Sanctions Policy is available at <https://investors.nov.com/conduct-and-ethics>.

**Ethics Training** | Our specialized ethics and compliance training group provides standardized, scheduled training on business conduct and ethics to ensure our Board directors, executives, and employees are well-informed and well-educated on topics including, but not limited to, the business conduct, anti-corruption and anti-bribery, trade compliance, and human trafficking and modern slavery. In 2021, we delivered over 68,815 compliance trainings covering these topics to employees globally, either in-person or online. We believe a proactive, effective training program is a critical tool for ensuring strict compliance with NOV's policies and procedures and relevant local, state, federal, and global laws, rules, and regulations.

Consistent schedules, relevant content, and refreshed materials contribute to higher rates of participation and completion of compliance training. We ask employees to regularly participate in training, delivered in-person and online, specific to their roles and responsibilities. Since the laws and best practices we follow continue to evolve, we regularly refresh and update training to reflect current business requirements and regulatory changes and promote better employee engagement. For example, for our annual anti-corruption and anti-bribery training, we limit required participation to employees who are in management, accounting, sales, purchasing, marketing, legal, are involved in the selection and/or supervision of agents, representatives, and joint venture partners of the Company, or have control over the Company's funds or have responsibility for recording transactions that impact the Company's books and records. In October 2021, we also presented the course with completely refreshed content. Over 92% of applicable employees completed the training before year-end.

Our Code of Conduct applies to all employees regardless of their role or location. We provide annual online training. For 2022, we want to further extend our training to employees working in our manufacturing or service facilities who do not have regular access to work computers or company intranet and therefore cannot access scheduled, standardized online training. Our training team worked closely with local operations teams to develop a plan to provide on-site, in-person Code of Conduct training, providing guidance and resources on how to deliver the content consistently and effectively. We believe supplementing our online training with new in-person training directed at non-network employees will result in greater participation and completion.

**Open Reporting and Ethics Hotline** | Even companies with a long history of doing the right thing can experience some form of misconduct. We encourage our stakeholders to report suspected issues or concerns to NOV's Ethics Outline, confidentially and anonymously, where allowed by local law, by internet, phone, or mail at the contact information below. Operated by an independent third-party, the hotline is available 24 hours a day, 365 days a year in over 100 local languages.

Phone: **1-800-676-4380**

Website: **<http://ethicshotline.nov.com>**

Email: **[risk.mitigation@nov.com](mailto:risk.mitigation@nov.com)**

**Mail:** Attn: VP Internal Audit

NOV, 7909 Parkwood Circle Drive

Houston, Texas 77036-6565, USA

The hotline is part of the procedures established by the company's Audit Committee for the receipt, retention, and treatment of complaints in accordance with U.S. SEC regulation. NOV's Risk Mitigation Team receives and reviews all reported concerns and complaints. The team works as necessary with Internal Audit, Legal, Human Resources, Compliance, and all levels of management to appropriately investigate and address all reports. It reports significant matters regarding accounting, internal accounting controls, or auditing matters to the Chair of the Audit Committee.

We publish hotline program details at **<https://investors.nov.com/conduct-and-ethics>**.



## Supply Chain Management

Supply chain compliance remains an area of significant focus, and we continue to develop and implement enhanced supply chain due diligence measures, particularly as it relates to modern slavery and human trafficking.

Our Ethics & Compliance program requires that we review and approve certain key new suppliers, including agents and other third parties, prior to engaging them in the provision of goods and/or services. We review suppliers using an enterprise screening platform to determine whether they are a restricted or sanctioned party or have any associated, suspected, or known compliance risks or violations. We have amended our Suppliers Agreements and Terms & Conditions to include an explicit obligation for our suppliers to comply with our Code of Business Conduct and Ethics, Modern Slavery Act Policy, and Anti-Forced Labor Policy. When these contractual counterparties sign any business agreement, we secure guarantees of their commitment to abide by applicable policies, laws, and regulations. Additionally, we also require certain key suppliers complete a global questionnaire to better evaluate their commitment to our standards of business conduct and ethics, including human trafficking and modern slavery requirements. As a policy, we will not approve and authorize third-party payment to a supplier unless we believe that supplier has acted in full accordance with our stated policies and procedures related to ethics and compliance.

Our procurement teams periodically visit key suppliers and conduct on-site quality control audits. They are expected to report any concerns on compliance related issues, including modern slavery and human trafficking, to the Ethics & Compliance Group for resolution.

## Conflict Minerals

NOV is committed to compliance with Section 1502 of the Dodd-Frank Act, which requires disclosure of whether NOV's purchase of certain minerals for use in our products have directly or indirectly aided armed groups in the Democratic Republic of Congo or surrounding countries. NOV's Conflict Minerals policy and compliance program were developed in accordance with Annex I of the Organization for Economic Co-Operation and Development Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

## Political Activity and Industry Associations

NOV does not use corporate funds or resources for political campaign contributions or advocacy, nor does the company direct funds to trade organizations with the intent to influence legislation. NOV does not have a political action committee. NOV fully supports our employees' political participation, but we believe that it must be done on their own time at their own expense. Employees may never use NOV property, facilities, time, or funds for political activities, nor may they make any political contribution as a representative of NOV.

NOV participates, as corporate or individual members, in a variety of organizations that provide opportunities to engage with different stakeholders. We are active in industry and trade associations, where we regularly hold leadership and committee positions, including the American Petroleum Institute (API), representing all segments of the American oil and gas industry; the International Association of Drilling Contractors (IADC), focused on advancing the global drilling industry; the National Ocean Industries Association (NOIA), which represents the offshore energy industry; and the Energy Workforce and Technology Council, which aims to connect, educate, support and advocate for energy companies and their workers. Many of our employees are

members of the Society of Petroleum Engineers (SPE), where they acquire and share technical knowledge. We are members of the Global CCS Institute, an international think tank dedicated to accelerating the deployment of CCUS solutions, and the Carbon Capture Coalition, which supports the adoption of carbon management technologies. We also participate in programs like Rice Business Partners at Rice University's Jones School of Business where we engage other business leaders and business school faculty and students. NOV pays regular dues to the groups where required but makes no additional, non-dues contributions to fund the groups' political expenditure. We value the opportunities for regular, ongoing stakeholder engagement our participation in these groups provides.

## Cybersecurity

NOV is tackling the challenges of big data and increasingly digitized operations, and that includes cybersecurity. What sets us apart is our ability to leverage domain expertise in both digital technology and information security to provide innovative solutions that improve efficiency, eliminate downtime, and ensure confidence and peace of mind.

**Security** | NOV's cybersecurity program is aligned to the NIST Cyber Security Framework (CSF). Our security controls are managed using an Information Security Management System (ISMS), a set of policies and procedures for systematically managing sensitive data with the goal of minimizing risk and safeguarding business continuity. Our ISMS has been independently certified to ISO 27018:2019, an international standard for data privacy in the cloud.

While responsibility for information security is every employee's duty, specific guidance, direction, and authority for information security is directed by NOV's Chief Information Security Officer (CISO). Our dedicated data governance and security teams are responsible for oversight of cybersecurity risk exposures and take steps to prevent the expansion of an event, mitigate its effects, and resolve the incident.

All NOV employees and contractors are required to complete annual training in information security best practices, phishing, software compliance, and data protection. Throughout the year, we conduct phishing simulation learning experiences, cybersecurity awareness campaigns and other educational communications.

**Data Privacy** | Trust is built over time but can be lost in a moment. We maintain our customers' trust by being good stewards of data, providing data confidentiality, integrity, availability, security, and privacy to give them confidence and peace of mind. Our Customer Data Services are managed within an Information Security Management System that has been independently certified to ISO 27001:2013, an internationally recognized standard for information security management, and ISO 27018:2019, an international standard for data privacy in the cloud.

It is important for us to demonstrate organizational transparency by opening ourselves up to independent bodies for certification of information security management, as well as to our customers for validation that we are fulfilling our commitment.

For more details on how we are approaching data privacy, please visit [www.nov.com/trust-center](http://www.nov.com/trust-center).



“ The more technology we bring into our lives, the more our privacy seems to slip away. At NOV, we ensure trust through our people, our process, and our technology—these are the pillars of an established cybersecurity program.

**Alex Philips**  
Chief Information Officer

# Stakeholder Accountability

We power the industry that powers the world. We provide the necessary equipment and technology to access affordable, reliable energy sources required to enable economic progress and improve living standards. We support the responsible development and production of oil, gas, and renewable resources, recognizing all will be required to satisfy rising global energy demand. We will deliver long-term value to our customers and other stakeholder by continuing to improve oilfield operations and advance the energy transition. Our ESG efforts support our business goals.

We task our ESG steering committee with identifying the sustainability issues most affecting our business, determining appropriate goals to measure progress, and defining the strategy and agenda required to achieve them. A cross-functional team, our ESG steering committee consists of leaders from across the organization who represent different stakeholder groups. By considering their diverse opinions and perspectives, we can make more informed decisions on how best to approach the risks and opportunities ESG issues present our business strategy and financial performance. While a lot goes into our sustainability efforts, it all comes down to doing the right thing.

# Appendices

## GRI 100 - General Disclosures

GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title	Response or Disclosure Location
<b>GRI 102</b>	General Disclosures	102-1	Name of the organization	NOV Inc.
<b>GRI 102</b>	General Disclosures	102-2	Activities, brands, products, and services	2021 Sustainability Report: About NOV, pages 11-16  2021 Form 10-K: Item 1. Business – General, page 2; Business Segment Overview, pages 6-9; Manufacturing and Service Locations, page 11
<b>GRI 102</b>	General Disclosures	102-3	Location of headquarters	Houston, Texas, United States
<b>GRI 102</b>	General Disclosures	102-4	Location of operations	2021 Form 10-K: Item 1. Business – General, page 2; Manufacturing and Service Locations
<b>GRI 102</b>	General Disclosures	102-5	Ownership and legal form	2021 Form 10-K: Item 1. Business – General, page 2
<b>GRI 102</b>	General Disclosures	102-6	Markets served	2021 Form 10-K: Item 1. Business – General, page 2; Markets and Competition, page 10; Manufacturing and Service Locations
<b>GRI 102</b>	General Disclosures	102-7	Scale of the organization	Employees: 27,043 Operations: 61 countries Total revenue: \$5.52 billion  2021 Sustainability Report: Social, pages 34-35; Social – Who We Are and Where We Work, pages 36-37  2021 Form 10-K: Item 1. Business – Human Capital, pages 12-13
<b>GRI 102</b>	General Disclosures	102-8	Information on employees and other workers	2021 Sustainability Report: Data Sheet, page 11; Social, pages 34-35, 38
<b>GRI 102</b>	General Disclosures	102-9	Supply chain	2021 Sustainability Report: Governance – Supply Chain Management, page 65
<b>GRI 102</b>	General Disclosures	102-10	Significant changes to the organization and its supply chain	2021 Sustainability Report: A Letter from Our CEO, page 5-6  2021 Form 10-K: Item 7, Management's Discussion and Analysis, page 41
<b>GRI 102</b>	General Disclosures	102-11	Precautionary Principle or approach	2021 Sustainability Report: Environment, pages 27-33
<b>GRI 102</b>	General Disclosures	102-12	External initiatives	2021 Sustainability Report: Promoting a Culture of Safety: Our HSE Management System, page 47; Safety Performance – Human Rights: Modern Slavery and Human Trafficking, page 51; Governance – Human Rights: Modern Slavery and Human Trafficking, pages 63-64; Conflict Minerals, page 65; Security, page 66; Data Privacy, page 66
<b>GRI 102</b>	General Disclosures	102-13	Membership of associations	2021 Sustainability Report: Political Activity and Industry Associations, page 65
<b>GRI 102</b>	General Disclosures	102-14	Statement from senior decision-maker	2021 Sustainability Report: CEO Letter, pages 5-6
<b>GRI 102</b>	General Disclosures	102-15	Key impacts, risks, and opportunities	2021 Form 10-K: Item 1A: Risk Factors, pages 15-23

<b>GRI Standard Number</b>	<b>GRI Standard Title</b>	<b>Disclosure Number</b>	<b>Disclosure Title</b>	<b>Response or Disclosure Location</b>
<b>GRI 102</b>	General Disclosures	102-16	Values, principles, standards, and norms of behavior	2021 Sustainability Report: About NOV, pages 11-16; Governance – Business Ethics, page 61  2022 Proxy Statement: Corporate Governance – Policies on Business Ethics and Conduct  Code of Business Conduct and Ethics  Code of Business Conduct and Ethics for Members of the Board of Directors and Executive Officers  Code of Ethics for Senior Financial Officers
<b>GRI 102</b>	General Disclosures	102-17	Mechanisms for advice and concerns about ethics	2021 Sustainability Report: Governance – Open Reporting and Ethics Hotline, page 64  2022 Proxy Statement: Corporate Governance – Governance Hotline and Communications with Directors  Code of Business Conduct and Ethics: Speaking Up, page 6; Our Commitment to You, pages 7-8
<b>GRI 102</b>	General Disclosures	102-18	Governance structure	2021 Sustainability Report: Governance – Corporate Governance, page 55; Board Committees, page 60  2022 Proxy Statement: Committees and Meetings of the Board
<b>GRI 102</b>	General Disclosures	102-19	Delegating authority	2021 Sustainability Report: Governance – Board Oversight of ESG Issues, page 55
<b>GRI 102</b>	General Disclosures	102-20	Executive-level responsibility for economic, environmental, and social topics	2021 Sustainability Report: Governance – Board Oversight of ESG Issues, page 55; Board Leadership, page 59
<b>GRI 102</b>	General Disclosures	102-21	Consulting stakeholders on economic, environmental, and social topics	2022 Proxy Statement: Governance Hotline and Communications with Directors, Director Attendance at Annual Meetings
<b>GRI 102</b>	General Disclosures	102-22	Composition of the highest governance body and its committees	2021 Sustainability Report: Governance – Our Board of Directors, pages 56-57  2022 Proxy Statement: Board of Directors – Director Nomination Process and Diversity Considerations"
<b>GRI 102</b>	General Disclosures	102-23	Chair of the highest governance body	2021 Sustainability Report: Governance – Board Leadership, page 59  2022 Proxy Statement: Board Leadership
<b>GRI 102</b>	General Disclosures	102-24	Nominating and selecting the highest governance body	2022 Proxy Statement: Board of Directors – Director Nomination Process and Diversity Considerations
<b>GRI 102</b>	General Disclosures	102-25	Conflicts of interest	2022 Proxy Statement: Executive Compensation – Certain Relationships and Related Transactions  Code of Business Conduct and Ethics: Recognize and Manage Conflicts of Interest, pages 22-23  Code of Business Conduct and Ethics for Members of the Board of Directors and Executive Officers: 1. Conflict of Interest, pages 1-2  Code of Ethics for Senior Financial Officers

<b>GRI Standard Number</b>	<b>GRI Standard Title</b>	<b>Disclosure Number</b>	<b>Disclosure Title</b>	<b>Response or Disclosure Location</b>
<b>GRI 102</b>	General Disclosures	102-26	Role of highest governance body in setting purpose, values, and strategy	2021 Sustainability Report: Governance – Board Oversight of ESG Issues, page 55
<b>GRI 102</b>	General Disclosures	102-27	Collective knowledge of highest governance body	2021 Sustainability Report: Governance – Our Board of Directors, pages 56-57  Corporate Governance Guidelines: VIII. Director Orientation and Continuing Education, page 14
<b>GRI 102</b>	General Disclosures	102-28	Evaluating the highest governance body's performance	Corporate Governance Guidelines: III. Responsibilities of the Board of Directors – B. Evaluation of Board Performance, pages 7-8; E. Selection and Annual Evaluation of Chief Executive Officer, page 9
<b>GRI 102</b>	General Disclosures	102-29	Identifying and managing economic, environmental, and social impacts	2021 Sustainability Report: Governance – Board Oversight of ESG Issues, page 55
<b>GRI 102</b>	General Disclosures	102-30	Effectiveness of risk management processes	2022 Proxy Statement: Board Role in Risk Oversight  Corporate Governance Guidelines, page 7  Audit Committee Charter, page 6
<b>GRI 102</b>	General Disclosures	102-31	Review of economic, environmental, and social topics	2021 Sustainability Report: Governance – Board Oversight of ESG Issues, page 55
<b>GRI 102</b>	General Disclosures	102-32	Highest governance body's role in sustainability reporting	2021 Sustainability Report: Governance – Board Oversight of ESG Issues, page 55
<b>GRI 102</b>	General Disclosures	102-33	Communicating critical concerns	2021 Sustainability Report: Governance – Open Reporting and Ethics Hotline, page 64  2022 Proxy Statement: Corporate Governance – Governance Hotline and Communications with Directors  Code of Business Conduct and Ethics: Speaking Up, page 6; Our Commitment to You, pages 7-8
<b>GRI 102</b>	General Disclosures	102-35	Remuneration policies	2021 Sustainability Report: Governance – Executive Compensation and ESG Alignment, page 60  2022 Proxy Statement: Compensation Discussion and Analysis; Director Compensation
<b>GRI 102</b>	General Disclosures	102-36	Process for determining remuneration	2021 Sustainability Report: Governance – Executive Compensation and ESG Alignment, page 60  2022 Proxy Statement: Compensation Discussion and Analysis; Director Compensation"
<b>GRI 102</b>	General Disclosures	102-37	Stakeholders' involvement in remuneration	2021 Sustainability Report: Governance – Executive Compensation and ESG Alignment, page 60
<b>GRI 102</b>	General Disclosures	102-38	Annual total compensation ratio	2022 Proxy Statement: Executive Compensation – CEO Pay Ratio
<b>GRI 102</b>	General Disclosures	102-40	List of stakeholder groups	Employees, Customers, Suppliers and Business Partners, Shareholders, Governments, Communities, Industry Associations
<b>GRI 102</b>	General Disclosures	102-41	Collective bargaining agreements	2021 Form 10K: Employee Benefit Plans, page 79
<b>GRI 102</b>	General Disclosures	102-42	Identifying and selecting stakeholders	2021 Sustainability Report: About this Report – Primary Topics, pages 7-9

<b>GRI Standard Number</b>	<b>GRI Standard Title</b>	<b>Disclosure Number</b>	<b>Disclosure Title</b>	<b>Response or Disclosure Location</b>
<b>GRI 102</b>	General Disclosures	102-43	Approach to stakeholder engagement	NOV actively engages its major shareholder groups and organizational leaders who represent those groups. For example, we speak with investors through our quarterly earnings calls, annual shareholder meetings, investor conference participation, and ongoing interactions with our Investor Relations team.  2021 Sustainability Report: About this Report – Primary Topics, pages 7-9, Employee Engagement, page 44
<b>GRI 102</b>	General Disclosures	102-44	Key topics and concerns raised	2021 Sustainability Report: About this Report – Primary Topics, pages 7-9
<b>GRI 102</b>	General Disclosures	102-45	Entities included in the consolidated financial statements	2021 Form 10-K: Exhibit 21.1 – Subsidiaries of the Registrant
<b>GRI 102</b>	General Disclosures	102-46	Defining report content and topic Boundaries	2021 Sustainability Report: About this Report, pages 7-9
<b>GRI 102</b>	General Disclosures	102-47	List of material topics	2021 Sustainability Report: About this Report, pages 7-9
<b>GRI 102</b>	General Disclosures	102-48	Restatements of information	NOV does not have any known restatements from previous ESG reporting.
<b>GRI 102</b>	General Disclosures	102-49	Changes in reporting	Over the past year, we have worked to make our reporting more fulsome and complete.  2021 Sustainability Report: Letter from the CEO, pages 5-6
<b>GRI 102</b>	General Disclosures	102-50	Reporting period	Calendar year 2021
<b>GRI 102</b>	General Disclosures	102-51	Date of most recent report	2020
<b>GRI 102</b>	General Disclosures	102-52	Reporting cycle	Annual
<b>GRI 102</b>	General Disclosures	102-53	Contact point for questions regarding the report	nov.com/sustainability; sustainability@nov.com
<b>GRI 102</b>	General Disclosures	102-54	Claims of reporting in accordance with the GRI Standards	2021 Sustainability Report: About this Report, pages 7-9
<b>GRI 102</b>	General Disclosures	102-55	GRI content index	2021 Sustainability Report: Appendix, page 63-89
<b>GRI 102</b>	General Disclosures	102-56	External assurance	NOV does not receive external assurance for ESG data.
<b>GRI 103</b>	Management Approach	103-1	Explanation of the material topic and its Boundary	2021 Sustainability Report: The Industry that Powers the World, page 16; Energy Transition, page 17; Environmental, pages 27-33; Social – Diversity, Equity, and Inclusion, page 38; Recruiting, Developing, and Retaining Top Talent, page 42; Governance, pages 54-68

GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title	Response or Disclosure Location
<b>GRI 103</b>	Management Approach	103-2	The management approach and its components	<p>2021 Sustainability Report: Energy Transition, page 17; Energy Transition Initiatives, pages 18-26; Environmental, pages 27-33; Social, pages 34-53; Governance, pages 54-68</p> <p>Corporate Governance Guidelines</p> <p>Committee Charters</p> <p>Code of Business Conduct and Ethics</p> <p>Code of Business Conduct and Ethics for Members of the Board of Directors and Executive Officers</p> <p>Code of Ethics for Senior Financial Officers</p> <p>Anti-Corruption and Anti-Bribery Policy</p> <p>Anti-Forced Labor Policy</p> <p>2020 NOV Modern Slavery Act Statement</p> <p>U.S. Export Controls and Economic Sanctions</p>
<b>GRI 103</b>	Management Approach	103-3	Evaluation of the management approach	<p>2021 Sustainability Report: Social – Promoting a Culture of Safety: Our HSE Management System – Audits &amp; Inspections, page 47; Safety Performance, page 50; Governance – Anti-Corruption and Anti-Bribery, page 63; Trade Compliance, page 63; Supply Chain Management, page 65</p> <p>Additional performance data is reported in the 2021 Sustainability Report: 2021 ESG Data Sheet, page 10</p>

## GRI 200 - Economics

GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title	Response or Disclosure Location
<b>Economic Performance</b>				
<b>GRI 201</b>	Economic Performance	201-1	Direct economic value generated and distributed	2021 Sustainability Report: 2021 ESG Data Sheet, page 10 2021 Form 10-K: Financial Statements, pages 61-65
<b>GRI 201</b>	Economic Performance	201-2	Financial implications and other risks and opportunities due to climate change	2021 Form 10-K: Item 1A. Risk Factors, pages 15-23
<b>GRI 201</b>	Economic Performance	201-3	Defined benefit plan obligations and other retirement plans	2021 Form 10-K: Notes to Consolidated Financial Statements – 10. Employee Benefit Plans, pages 79-82
<b>Market Presence</b>				
<b>GRI 202</b>	Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	2021 Sustainability Report - Social, pages 34-35, 37-38
<b>GRI 202</b>	Market Presence	202-2	Proportion of senior management hired from the local community	2021 Sustainability Report: Social, pages 34-35, 37-38
<b>Indirect Economic Presence</b>				
<b>GRI 203</b>	Indirect Economic Impacts	203-1	Infrastructure investments and services supported	2021 Sustainability Report: Social – Community Investments, pages 52-53
<b>GRI 203</b>	Indirect Economic Impacts	203-2	Significant indirect economic impacts	2021 Sustainability Report: Social – Community Investments, pages 52-53
<b>Procurement Practices</b>				
<b>GRI 204</b>	Procurement Practices	204-1	Proportion of spending on local suppliers	NOV does not disclose this information for proprietary reasons.
<b>Anti-Corruption</b>				
<b>GRI 205</b>	Anti-corruption	205-1	Operations assessed for risks related to corruption	We are committed to conducting business ethically and we absolutely prohibit bribery, improper payments, or corruption of any kind; in any business sector; and with any individuals or company of any kind whether private, public, or government owned.  2021 Sustainability Report: Governance – Business Ethics, page 61-63  Code of Business Conduct and Ethics: Conduct Business with Integrity, pages 19-20  Anti-Corruption and Anti-Bribery Policy
<b>GRI 205</b>	Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	2021 Sustainability Report: Governance – Ethics Training, pages 63-64
<b>GRI 205</b>	Anti-corruption	205-3	Confirmed incidents of corruption and actions taken	We report material legal actions, if any, in our Form 10-K, Item 3 - Legal Proceedings.

GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title	Response or Disclosure Location
<b>Anti-Competitive Behavior</b>				
<b>GRI 206</b>	Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<p>At NOV, we engage in vigorous yet fair competition and comply with the competition laws in place wherever we do business. Anticompetitive behavior is illegal.</p> <p>Code of Business Conduct and Ethics: Compete Fairly, pages 17-18</p> <p>Code of Business Conduct and Ethics for Members of the Board of Directors and Executive Officers: 5. Fair Dealing, page 3</p>
<b>Tax</b>				
<b>GRI 207</b>	Tax	207-1	Approach to tax	2021 Form 10-K: Item 7 Management Discussion and Analysis – Income Taxes page 48

## GRI 300 - Environmental

GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title	Response or Disclosure Location
<b>Energy</b>				
<b>GRI 302</b>	Energy	302-1	Energy consumption within the organization	2021 Sustainability Report: Climate Risk Management and Greenhouse Gas Emissions, pages 30-31
<b>GRI 302</b>	Energy	302-4	Reduction of energy consumption	2021 Sustainability Report: Climate Risk Management and Greenhouse Gas Emissions, pages 30-31
<b>GRI 302</b>	Energy	302-5	Reductions in energy requirements of products and services	<p>We believe our greatest contribution to emissions reductions will be the provision of equipment and technology that reduces the emissions of traditional oil and gas operations and enhances the energy transition. We provide examples of these technologies in this report.</p> <p>2021 Sustainability Report: Energy Transition, pages 17-25; Environmental - Reducing Emissions and Environmental Impact of Oil and Gas Industry, pages 27 -29"</p>
<b>Water And Effluents</b>				
<b>GRI 303</b>	Water and Effluents	303-1	Interactions with water as a shared resource	2021 Sustainability Report: Water Management, page 32
<b>GRI 303</b>	Water and Effluents	303-2	Management of water discharge-related impacts	<p>In 2022, we are implementing new measures to improve our wastewater management. Our protocols will require minimum standards of wastewater treatment and sampling prior to discharge. Ensuring we have adequate treatment prior to disposal will help minimize our impact.</p> <p>2021 Sustainability Report: Environmental – Process Wastewater Management, page 32</p>
<b>GRI 303</b>	Water and Effluents	303-3	Water withdrawal	2021 Sustainability Report: Environmental – Water Management, page 32
<b>GRI 303</b>	Water and Effluents	303-4	Water discharge	2021 Sustainability Report: Environmental – Process Wastewater Management, page 32
<b>GRI 303</b>	Water and Effluents	303-5	Water consumption	2021 Sustainability Report: Environmental – Water Management, page 32
<b>Emissions</b>				
<b>GRI 305</b>	Emissions	305-1	Direct (Scope 1) GHG emissions	2021 Sustainability Report: Environmental – Climate Risk Management and Greenhouse Gas Emissions – Scope 1 and Scope 2 Greenhouse Gas (GHG) Emissions, pages 29-31
<b>GRI 305</b>	Emissions	305-2	Energy indirect (Scope 2) GHG emissions	2021 Sustainability Report: Environmental – Climate Risk Management and Greenhouse Gas Emissions – Scope 1 and Scope 2 Greenhouse Gas (GHG) Emissions, pages 29-31
<b>GRI 305</b>	Emissions	305-3	Other indirect (Scope 3) GHG emissions	We do not report Scope 3 emissions today. We would like to develop an appropriate measure to quantify our downstream impact, consistent with our belief that our greatest contribution to reducing the industry's carbon footprint will come from providing our customers equipment and technologies that reduce emissions from their operations.
<b>GRI 305</b>	Emissions	305-4	GHG emissions intensity	2021 Sustainability Report: 2021 ESG Data Sheet, page 10
<b>GRI 305</b>	Emissions	305-5	Reduction of GHG emissions	2021 Sustainability Report: Climate Risk Management and Greenhouse Gas Emissions, page 31

<b>GRI Standard Number</b>	<b>GRI Standard Title</b>	<b>Disclosure Number</b>	<b>Disclosure Title</b>	<b>Response or Disclosure Location</b>
<b>GRI 305</b>	Emissions	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	2021 Sustainability Report: Environmental – Non-GHG Air Emissions, page 32
<b>Waste</b>				
<b>GRI 306</b>	Waste	306-1	Waste generation and significant waste-related impacts	2021 Sustainability Report: Environmental – Waste Management, page 33
<b>GRI 306</b>	Waste	306-2	Management of significant waste-related impacts	2021 Sustainability Report: Environmental – Waste Management, page 33
<b>Environmental Compliance</b>				
<b>GRI 307</b>	Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	Code of Business Conduct and Ethics: Uphold Environmental Responsibilities – Sustainability, page 30  2021 Form 10-K: Item 1A. Risk Factors, page 21-22

## GRI 400 - Social

GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title	Response or Disclosure Location
<b>Employment</b>				
<b>GRI 401</b>	Employment	401-1	New employee hires and employee turnover	2021 Sustainability Report: Social – Tenure and Turnover, pages 43-44
<b>GRI 401</b>	Employment	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	2021 Sustainability Report: Social – Improving Workplace Policies and Benefits, pages 42-43 2021 Form 10-K: Item 1. Business – Human Capital – Health and wellbeing, page 13
<b>GRI 401</b>	Employment	401-3	Parental leave	2021 Sustainability Report: Social – Improving Workplace Policies and Benefits, page 42
<b>Labor/Management Relations</b>				
<b>GRI 402</b>	Labor/Management Relations	402-1	Minimum notice periods regarding operational changes	We comply with local laws and collective bargaining agreements pertaining to operational changes.  Code of Business Conduct and Ethics
<b>Occupational Health and Safety</b>				
<b>GRI 403</b>	Occupational Health and Safety	403-1	Occupational health and safety management system	2021 Sustainability Report: Social – Workforce Health and Safety, page 47  Code of Business Conduct and Ethics: Check Workplace Health and Safety, page 29
<b>GRI 403</b>	Occupational Health and Safety	403-2	Hazard identification, risk assessment, and incident investigation	2021 Sustainability Report: Social – Workforce Health and Safety, page 47, 49 2021 Form 10-K: Item 1. Business – Human Capital – Safety, page 13  Code of Business Conduct and Ethics: Check Workplace Health and Safety, page 29
<b>GRI 403</b>	Occupational Health and Safety	403-3	Occupational health services	2021 Sustainability Report: Social – Workforce Health and Safety, page 47, 49  2021 Form 10-K: Item 1. Business – Human Capital – Safety, page 13
<b>GRI 403</b>	Occupational Health and Safety	403-4	Worker participation, consultation, and communication on occupational health and safety	2021 Sustainability Report: Social – Workforce Health and Safety, page 49
<b>GRI 403</b>	Occupational Health and Safety	403-5	Worker training on occupational health and safety	2021 Sustainability Report: Social – Workforce Health and Safety, page 47, 49
<b>GRI 403</b>	Occupational Health and Safety	403-6	Promotion of worker health	2021 Sustainability Report: Social – Improving Workplace Policies and Benefits, pages 42  2021 Form 10-K: Item 1. Business – Human Capital – Health and wellbeing, page 13
<b>GRI 403</b>	Occupational Health and Safety	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	2021 Sustainability Report: Social – Workforce Health and Safety, page 49

GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title	Response or Disclosure Location
<b>GRI 403</b>	Occupational Health and Safety	403-8	Workers covered by an occupational health and safety management system	2021 Sustainability Report: Social – Workforce Health and Safety, page 47
<b>GRI 403</b>	Occupational Health and Safety	403-9	Work-related injuries	2021 Sustainability Report: Social – Workforce Health and Safety, page 50
<b>GRI 403</b>	Occupational Health and Safety	403-10	Work-related ill health	2021 Sustainability Report: Social – Workforce Health and Safety, page 50
<b>Training and Education</b>				
<b>GRI 404</b>	Training and Education	404-1	Average hours of training per year per employee	2021 Sustainability Report: Social – Workforce Health and Safety, page 47
<b>GRI 404</b>	Training and Education	404-2	Programs for upgrading employee skills and transition assistance programs	2021 Sustainability Report: Social – Employee Development and Advancement, page 43  2021 Form 10-K: Item 1. Business – Human Capital – Career satisfaction and skills, page 13
<b>Diversity and Equal Opportunity</b>				
<b>GRI 405</b>	Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	2021 Sustainability Report: Social – Diversity, pages 38-39; Governance – Our Board of Directors, pages 56-57  2021 Form 10-K: Item 1. Business – Human Capital, pages 12-13  2022 Proxy Statement: Board of Directors – Director Nomination Process and Diversity Considerations
<b>GRI 405</b>	Diversity and Equal Opportunity	405-2	Ratio of basic salary and remuneration of women to men	2021 Sustainability Report: Diversity, Equity, and Inclusion, Pages 38-41
<b>Non-Discrimination</b>				
<b>GRI 406</b>	Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	We maintain global policies against workplace harassment, discrimination, and retaliation based on sex, race, national origin, religion, age, disability, sexual orientation, and all other characteristics protected by federal, state, and local law.  EEO Non-Discrimination Anti-Harassment Anti-Retaliation Policy  2021 Sustainability Report: Social – Inclusion, pages 40-42  Code of Business Conduct and Ethics: Foster Acceptance, page 27; Respect One Another, page 27; No Retaliation, pages 27-28

GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title	Response or Disclosure Location
<b>Child Labor</b>				
<b>GRI 408</b>	Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	<p>We do not condone or permit the use of child, forced, indentured or involuntary labor in any of our operations. Our Modern Slavery Act Statement, first issued in 2020, explains the steps that we have taken to help ensure that slavery and human trafficking does not take place within our supply chain. Our Anti-forced Labor Policy details how NOV commits to advance respect for fundamental human rights and expressly prohibits forced and child labor.</p> <p>2021 Sustainability Report: Social - Human Rights: Modern Slavery and Human Trafficking, page 51</p> <p>Code of Business Conduct and Ethics: Practice Fair Employment, page 38</p> <p>Anti-Forced Labor Policy</p> <p>2020 NOV Modern Slavery Act Statement"</p>
<b>Forced Or Compulsory Labor</b>				
<b>GRI 409</b>	Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	<p>We do not condone or permit the use of child, forced, indentured or involuntary labor in any of our operations. Our Modern Slavery Act Statement, first issued in 2020, explains the steps that we have taken to help ensure that slavery and human trafficking does not take place within our supply chain. Our Anti-forced Labor Policy details how NOV commits to advance respect for fundamental human rights and expressly prohibits forced and child labor.</p> <p>2021 Sustainability Report: Social – Safety Performance – Human Rights: Modern Slavery and Human Trafficking, page 51; Governance – Human Rights: Modern Slavery and Human Trafficking, pages 63-64</p> <p>Code of Business Conduct and Ethics: Practice Fair Employment, page 38</p> <p>Anti-Forced Labor Policy</p> <p>2020 NOV Modern Slavery Act Statement</p>
<b>Security Practices</b>				
<b>GRI 410</b>	Security Practices	410-1	Security personnel trained in human rights policies or procedures	2021 Sustainability Report, Human Rights: Modern Slavery and Human Trafficking, page 51, Ethics Training, page 63
<b>Rights of Indigenous Peoples</b>				
<b>GRI 411</b>	Rights of Indigenous Peoples	411-1	Incidents of violations involving rights of indigenous peoples	<p>Anti-Forced Labor Policy</p> <p>2020 NOV Modern Slavery Act Statement</p>
<b>Human Rights Assessment</b>				
<b>GRI 412</b>	Human Rights Assessment	412-1	Operations that have been subject to human rights reviews or impact assessments	2021 Sustainability Report, Human Rights: Modern Slavery and Human Trafficking, page 51, Ethics Training, page 63

GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title	Response or Disclosure Location
<b>GRI 412</b>	Human Rights Assessment	412-2	Employee training on human rights policies or procedures	2021 Sustainability Report, Human Rights: Modern Slavery and Human Trafficking, page 51, Ethics Training, page 63
<b>GRI 412</b>	Human Rights Assessment	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	2021 Sustainability Report, Human Rights: Modern Slavery and Human Trafficking, page 51, Ethics Training, page 63
<b>Local Communities</b>				
<b>GRI 413</b>	Local Communities	413-2	Operations with significant actual and potential negative impacts on local communities	2021 Form 10-K: Item 1A - Risk Factors, pages 20-22
<b>Supplier Social Assessment</b>				
<b>GRI 414</b>	Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	2021 Sustainability Report, Human Rights: Modern Slavery and Human Trafficking, page 51, Ethics Training, page 63
<b>GRI 414</b>	Supplier Social Assessment	414-2	Negative social impacts in the supply chain and actions taken	2021 Sustainability Report, Human Rights: Modern Slavery and Human Trafficking, page 51, Ethics Training, page 63
<b>Public Policy</b>				
<b>GRI 415</b>	Public Policy	415-1	Political contributions	2021 Sustainability Report, Governance – Political Activity and Contributions, page 65
<b>Customer Privacy</b>				
<b>GRI 418</b>	Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No material losses of customer data 2021 Sustainability Report: Cybersecurity, page 66
<b>Socioeconomic Compliance</b>				
<b>GRI 419</b>	Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	Code of Business Conduct and Ethics Material legal actions if any are reported in our 2021 Form 10-K: Legal Proceedings

## SASB - Oil & Gas – Services

Topic	Accounting Metric	Category	Unit of Measure	Code	Response or Disclosure Location
<b>Emissions Reduction Services and Fuels Management</b>	Total fuel consumed, percentage renewable, percentage used in: (1) on-road equipment and vehicles and (2) off-road equipment	Quantitative	Gigajoules (GJ), Percentage (%)	EM-SV-110a.1	2021 Sustainability Report: Environmental – Climate Risk Management and Greenhouse Gas Emissions, pages 29-31; Future Reporting page 31
	Discussion of strategy or plans to address air emissions-related risks, opportunities, and impacts	Discussion and Analysis	n/a	EM-SV-110a.2	2021 Sustainability Report: Environmental – Climate Risk Management and Greenhouse Gas Emissions, pages 29-31; Non-GHG Air Emissions, page 32
	Percentage of engines in service that meet Tier 4 compliance for non-road diesel engine emissions	Quantitative	Percentage (%)	EM-SV-110a.3	Not applicable; Not material to our business
<b>Water Management Services</b>	(1) Total volume of fresh water handled in operations, (2) percentage recycled	Quantitative	Thousand cubic meters (m <sup>3</sup> ), Percentage (%)	EM-SV-140a.1	2021 Sustainability Report: Environmental – Water Management, page 32; Process Wastewater Management, page 32; Waste Management, page 33
	Discussion of strategy or plans to address water consumption and disposal-related risks, opportunities, and impacts	Discussion and Analysis	n/a	EM-SV-140a.2	2021 Sustainability Report: Environmental – Water Management, page 32; Process Wastewater Management, page 32; Waste Management, page 33
<b>Chemicals Management</b>	Volume of hydraulic fracturing fluid used, percentage hazardous	Quantitative	Thousand cubic meters (m <sup>3</sup> ), Percentage (%)	EM-SV-150a.1	Not applicable; Not material to our business
	Discussion of strategy or plans to address chemical-related risks, opportunities, and impacts	Discussion and Analysis	n/a	EM-SV-150a.2	2021 Sustainability Report: Environmental – Spills, page 33
<b>Ecological Impact Management</b>	Average disturbed acreage per (1) oil and (2) gas well site	Quantitative	Acres (ac)	EM-SV-160a.1	Not applicable; Not material to our business
	Discussion of strategy or plan to address risks and opportunities related to ecological impacts from core activities	Discussion and Analysis	n/a	EM-SV-160a.2	2021 Sustainability Report: Governance – Board Oversight of ESG Issues, page 55;
<b>Workforce Health and Safety</b>	(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), (4) total vehicle incident rate (TVIR), and (5) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees	Quantitative	Rate	EM-SV-320a.1	2021 Sustainability Report: ESG Data Sheet - Workforce Health and Safety, page 10; Social – Promoting a Culture of Safety: Our HSE Management System, page 47; Safety Performance, pages 50-51
	Description of management systems used to integrate a culture of safety throughout the value chain and project lifecycle	Discussion and Analysis	n/a	EM-SV-320a.2	2021 Sustainability Report: Social – Promoting a Culture of Safety: Our HSE Management System, page 47; Employee Ownership, page 49; Safety Performance, pages 50-51

Topic	Accounting Metric	Category	Unit of Measure	Code	Response or Disclosure Location
<b>Business Ethics and Payments Transparency</b>	Amount of net revenue in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Quantitative	Reporting currency	EM-SV-510a.1	2021 Sustainability Report: ESG Data Sheet - Governance, page 10
	Description of the management system for prevention of corruption and bribery throughout the value chain	Discussion and Analysis	n/a	EM-SV-510a.2	2021 Sustainability Report: Governance – Anti-Corruption and Anti-Bribery, pages 63-64; Supply Chain Management, page 65
<b>Management of the Legal and Regulatory Environment</b>	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Discussion and Analysis	n/a	EM-SV-530a.1	2021 Form 10-K: Item 1A. Risk Factors, pages 15-23
<b>Critical Incident Risk Management</b>	Description of management systems used to identify and mitigate catastrophic and tail-end risks	Discussion and Analysis	n/a	EM-SV-540a.1	2021 Sustainability Report: Social – Promoting a Culture of Safety: Our HSE Management System, page 47; Employee Ownership, page 49; Safety Performance, pages 50-51

**Table 2. Activity Metrics**

Activity Metric	Category	Unit of Measure	Code	Response or Disclosure Location
<b>Number of active rig sites</b>	Quantitative	Number	EM-SV-000.A	Not applicable; Not material to our business
<b>Number of active well sites</b>	Quantitative	Number	EM-SV-000.B	Not applicable; Not material to our business
<b>Total amount of drilling performed</b>	Quantitative	Meters (m)	EM-SV-000.C	Not applicable; Not material to our business
<b>Total number of hours worked by all employees</b>	Quantitative	Hours	EM-SV-000.D	Not applicable; Not material to our business

## SASB - Industrial Machinery & Goods

Topic	Accounting Metric	Category	Unit of Measure	Code	Response or Disclosure Location
<b>Energy Management</b>	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	RT-IG-130a.1	2021 Sustainability Report: Environmental – Climate Risk Management and Greenhouse Gas Emissions, pages 29-31; Future Reporting page 31
<b>Employee Health &amp; Safety</b>	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	Quantitative	Rate	RT-IG-320a.1	2021 Sustainability Report: Social – Promoting a Culture of Safety: Our HSE Management System, page 47; Safety Performance, pages 50-51
<b>Fuel Economy and Emissions in Use-phase</b>	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	Quantitative	Gallons per 1,000 ton-miles	RT-IG-410a.1	Data not reported
	Sales-weighted fuel efficiency for non-road equipment	Quantitative	Gallons per hour	RT-IG-410a.2	Data not reported
	Sales-weighted fuel efficiency for stationary generators	Quantitative	Watts per gallon	RT-IG-410a.3	Data not reported
	Sales-weighted emissions of: (1) nitrogen oxides (NOx) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, and (d) other non-road diesel engines	Quantitative	Grams per kilowatt-hour	RT-IG-410a.4	Data not reported
<b>Materials Sourcing</b>	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	n/a	RT-IG-440a.1	2021 Sustainability Report: Governance – Conflict Minerals, page 65
<b>Remanufacturing Design and Services</b>	Revenue from remanufactured products and remanufacturing services	Quantitative	Reporting currency	RT-IG-440b.1	Data not reported

### Table 2. Activity Metrics

Activity Metric	Category	Unit of Measure	Code	Response or Disclosure Location
<b>Number of units produced by product category</b>	Quantitative	Number	RT-IG-000.A	Data not reported
<b>Number of employees</b>	Quantitative	Number	RT-IG-000.B	27,043 employees  2021 Sustainability Report: Social – Who We Are and Where We Work, page 37  2021 Form 10-K: Item 1. Business – Human Capital, pages 12-13

# United Nations Sustainable Development Goals

UNSDG	Description	Response or Disclosure Location
<b>UNSDG 1</b>	End poverty in all its forms everywhere	2021 Sustainability Report: Social – Community Investments, pages 52-53
<b>UNSDG 2</b>	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	2021 Sustainability Report: Social – Community Investments, pages 52-53
<b>UNSDG 3</b>	Ensure healthy lives and promote well-being for all at all ages	2021 Sustainability Report: Social – Community Investments, pages 52-53
<b>UNSDG 4</b>	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	2021 Sustainability Report: Social – Community Investments, pages 52-53
<b>UNSDG 5</b>	Achieve gender equality and empower all women and girls	2021 Sustainability Report: Social – Diversity, Equity, and Inclusion, page 38; Alignment with Best Practices, page 38; Diversity, pages 39-40; Equity, page 40; Inclusion, pages 40-42; Employee Development and Advancement page 43; Employee Engagement page 44
<b>UNSDG 6</b>	Ensure availability and sustainable management of water and sanitation for all	2021 Sustainability Report: Environmental – Water Management, page 32; Process Wastewater Management, page 32; Waste Management, page 33
<b>UNSDG 7</b>	Ensure access to affordable, reliable, sustainable and modern energy for all	2021 Sustainability Report: The Industry that Powers the World, page 16; Energy Transition, page 17; Energy Transition Initiatives, pages 19-25
<b>UNSDG 8</b>	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	2021 Sustainability Report: Social, pages 34-44; Workforce Health and Safety, pages 45-51
<b>UNSDG 9</b>	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	2021 Sustainability Report: Energy Transition, page 16; Energy Transition Initiatives, pages 19-25
<b>UNSDG 10</b>	Reduce inequality within and among countries	2021 Sustainability Report: Diversity, Equity, and Inclusion (DE&I) pages 38-42
<b>UNSDG 11</b>	Make cities and human settlements inclusive, safe, resilient and sustainable	2021 Sustainability Report: Energy Transition, page 16; Energy Transition Initiatives, pages 19-25
<b>UNSDG 12</b>	Ensure sustainable consumption and production patterns	[N/A]
<b>UNSDG 13</b>	Take urgent action to combat climate change and its impacts	2021 Sustainability Report: Energy Transition, page 16; Energy Transition Initiatives, pages 19-25; Environmental, pages 27-31
<b>UNSDG 14</b>	Conserve and sustainably use the oceans, seas and marine resources for sustainable development	[N/A]
<b>UNSDG 15</b>	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	[N/A]
<b>UNSDG 16</b>	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	[N/A]
<b>UNSDG 17</b>	Strengthen the means of implementation and revitalize the global partnership for sustainable development	[N/A]

## Reconciliation of Adjusted Ebitda to Net Loss (Unaudited) (in Millions)

Presented below is a reconciliation of Net Income (Loss) to Adjusted EBITDA. The Company defines Adjusted EBITDA as Operating Profit excluding Depreciation, Amortization and, when applicable, Other Items. Management believes this is important information to provide because it is used by management to evaluate the Company's operational performance and trends between periods and manage the business. Management also believes this information may be useful to investors and analysts to gain a better understanding of the Company's results of ongoing operations. Adjusted EBITDA is not intended to replace GAAP financial measures, such as Net Income. Other Items include impairment, restructure, severance, and facility closure costs and inventory charges and credits, and a post-warranty product modification.

Reconciliation of Adjusted EBITDA:	Years Ended December 31		
	2019	2020	2021
GAAP net loss attributable to Company	\$(6,095)	\$(2,542)	\$(250)
Noncontrolling interests	2	5	5
Provision (benefit) for income taxes	(369)	(242)	15
Interest expense	100	84	77
Interest income	(20)	(7)	(9)
Equity (income) loss in unconsolidated affiliate	13	260	5
Other (income) expense, net	90	17	23
Depreciation and amortization	533	352	306
Other Items	6,631	2,423	57
<b>Total Adjusted EBITDA</b>	<b>\$885</b>	<b>\$350</b>	<b>\$229</b>

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