

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-Q

(Mark one)

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

FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2024

OR

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

Commission File Number 1-12317

NOV INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)



76-0475815
(IRS Employer
Identification No.)

**10353 Richmond Avenue
Houston, Texas
77042-4103**

(Address of principal executive offices)

(346) 223-3000

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$.01 per share	NOV	New York Stock Exchange

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

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

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

Large accelerated filer Accelerated filer Non-accelerated filer
Smaller reporting company Emerging growth company

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

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

As of April 12, 2024 the registrant had 395,535,931 shares of common stock, par value \$0.01 per share, outstanding.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

**NOV INC.
CONSOLIDATED BALANCE SHEETS
(In millions, except share data)**

	March 31, 2024	December 31, 2023
ASSETS		
	(Unaudited)	
Current assets:		
Cash and cash equivalents	\$ 468	\$ 816
Receivables, net	1,867	1,905
Inventories, net	2,278	2,151
Contract assets	814	739
Prepaid and other current assets	261	229
Total current assets	5,688	5,840
Property, plant and equipment, net	1,878	1,865
Lease right-of-use assets, operating	381	372
Lease right-of-use assets, financing	176	172
Deferred income taxes	484	488
Goodwill	1,602	1,562
Intangibles, net	508	450
Investment in unconsolidated affiliates	247	211
Other assets	341	334
Total assets	\$ 11,305	\$ 11,294
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 823	\$ 904
Accrued liabilities	767	870
Contract liabilities	533	532
Current portion of lease liabilities	99	94
Current portion of long-term debt	44	13
Accrued income taxes	6	22
Total current liabilities	2,272	2,435
Long-term debt	1,764	1,712
Lease liabilities	564	558
Deferred income taxes	92	70
Other liabilities	292	277
Total liabilities	4,984	5,052
Commitments and contingencies		
Stockholders' equity:		
Common stock - par value \$.01; 1 billion shares authorized; 395,503,573 and 393,945,659 shares issued and outstanding at March 31, 2024 and December 31, 2023	4	4
Additional paid-in capital	8,818	8,812
Accumulated other comprehensive loss	(1,520)	(1,493)
Retained deficit	(1,056)	(1,155)
Total Company stockholders' equity	6,246	6,168
Noncontrolling interests	75	74
Total stockholders' equity	6,321	6,242
Total liabilities and stockholders' equity	\$ 11,305	\$ 11,294

See notes to unaudited consolidated financial statements.

NOV INC.
CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)
(In millions, except per share data)

	Three Months Ended March 31,	
	2024	2023
Revenue	\$ 2,155	\$ 1,962
Cost of revenue	1,697	1,551
Gross profit	458	411
Selling, general and administrative	296	285
Operating profit	162	126
Interest and financial costs	(24)	(21)
Interest income	8	8
Equity income in unconsolidated affiliates	29	48
Other expense, net	(10)	(16)
Net income before income taxes	165	145
Provision for income taxes	44	20
Net income	121	125
Net income (loss) attributable to noncontrolling interests	2	(1)
Net income attributable to Company	\$ 119	\$ 126
Net income attributable to Company per share:		
Basic	\$ 0.30	\$ 0.32
Diluted	\$ 0.30	\$ 0.32
Cash dividends per share	\$ 0.05	\$ 0.05
Weighted average shares outstanding:		
Basic	394	392
Diluted	397	396

See notes to unaudited consolidated financial statements.

NOV INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (UNAUDITED)
(In millions)

	Three Months Ended	
	March 31,	
	2024	2023
Net income	\$ 121	\$ 125
Currency translation adjustments	(26)	39
Changes in derivative financial instruments, net of tax	-	(10)
Changes in defined benefit plans, net of tax	(1)	10
Comprehensive income	94	164
Comprehensive income (loss) attributable to noncontrolling interest	2	(1)
Comprehensive income attributable to Company	\$ 92	\$ 165

See notes to unaudited consolidated financial statements.

NOV INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(In millions)

	Three Months Ended March 31,	
	2024	2023
Cash flows from operating activities:		
Net income	\$ 121	\$ 125
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization	83	77
Provision for inventory losses	—	4
Deferred income taxes	25	(2)
Equity income in unconsolidated affiliates	(29)	(48)
Stock-based compensation	19	15
Other, net	14	(2)
Change in operating assets and liabilities, net of acquisitions:		
Receivables	69	(39)
Inventories	(20)	(221)
Contract assets	(75)	48
Prepaid and other current assets	(32)	(10)
Accounts payable	(105)	53
Accrued liabilities	(144)	(201)
Contract liabilities	—	(1)
Income taxes payable	(16)	(7)
Other assets/liabilities, net	12	7
Net cash used in operating activities	\$ (78)	\$ (202)
Cash flows from investing activities:		
Purchases of property, plant and equipment	(69)	(57)
Business acquisitions, net of cash acquired	(243)	—
Other	1	5
Net cash used in investing activities	\$ (311)	\$ (52)
Cash flows from financing activities:		
Borrowings against lines of credit and other debt	83	1
Cash dividends paid	(20)	(20)
Financing leases	(6)	(6)
Other	(14)	(16)
Net cash provided by (used in) financing activities	43	(41)
Effect of exchange rates on cash	(2)	—
Decrease in cash and cash equivalents	(348)	(295)
Cash and cash equivalents, beginning of period	816	1,069
Cash and cash equivalents, end of period	\$ 468	\$ 774
Supplemental disclosures of cash flow information:		
Cash payments during the period for:		
Interest	\$ 6	\$ 4
Income taxes	\$ 28	\$ 20

See notes to unaudited consolidated financial statements.

NOV INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (UNAUDITED)
(In millions)

	Shares Issued and Outstanding	Common Stock	Additional Paid in Capital	Accumulated Other Comprehensiv e Loss	Retained Deficit	Total Company Stockholders' Equity	Noncontrolling Interests	Total Stockholders' Equity
Balance at December 31, 2023	394	\$ 4	\$ 8,812	\$ (1,493)	\$ (1,155)	\$ 6,168	\$ 74	\$ 6,242
Net income	—	—	—	—	119	119	2	121
Other comprehensive loss	—	—	—	(27)	—	(27)	—	(27)
Cash dividends, \$0.05 per common share	—	—	—	—	(20)	(20)	—	(20)
Transactions with non-controlling interests	—	—	1	—	—	1	(1)	—
Stock-based compensation	—	—	19	—	—	19	—	19
Common stock issued	3	—	—	—	—	—	—	—
Withholding taxes	(1)	—	(15)	—	—	(15)	—	(15)
Other	—	—	1	—	—	1	—	1
Balance at March 31, 2024	396	\$ 4	\$ 8,818	\$ (1,520)	\$ (1,056)	\$ 6,246	\$ 75	\$ 6,321

	Shares Issued and Outstanding	Common Stock	Additional Paid in Capital	Accumulated Other Comprehensiv e Loss	Retained Deficit	Total Company Stockholders' Equity	Noncontrolling Interests	Total Stockholders' Equity
Balance at December 31, 2022	393	\$ 4	\$ 8,754	\$ (1,593)	\$ (2,069)	\$ 5,096	\$ 38	\$ 5,134
Net income	—	—	—	—	126	126	(1)	125
Other comprehensive income, net	—	—	—	39	—	39	—	39
Cash dividends, \$0.05 per common share	—	—	—	—	(20)	(20)	—	(20)
Transactions with non-controlling interests	—	—	3	—	—	3	28	31
Stock-based compensation	—	—	15	—	—	15	—	15
Common stock issued	2	—	—	—	—	-	—	—
Withholding taxes	(1)	—	(17)	—	—	(17)	—	(17)
Other	—	—	1	—	—	1	—	1
Balance at March 31, 2023	394	\$ 4	\$ 8,756	\$ (1,554)	\$ (1,963)	\$ 5,243	\$ 65	\$ 5,308

See notes to unaudited consolidated financial statements.

NOV INC.
Notes to Consolidated Financial Statements (Unaudited)

1. Basis of Presentation

The accompanying unaudited consolidated financial statements of NOV Inc. (“NOV” or the “Company”) present information in accordance with generally accepted accounting principles in the United States (“GAAP”) for interim financial information and the instructions to Form 10-Q and applicable rules of Regulation S-X. They do not include all information or footnotes required by GAAP for complete consolidated financial statements and should be read in conjunction with the audited consolidated financial statements and footnotes included in the Company’s 2023 Annual Report on Form 10-K. Certain reclassifications have been made to prior period financial information in order to conform with current period presentation.

In our opinion, the consolidated financial statements include all adjustments, which are of a normal recurring nature unless otherwise disclosed, necessary for a fair presentation of the results for the interim periods. The results of operations for the three months ended March 31, 2024 are not necessarily indicative of the results to be expected for the full year.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect reported and contingent amounts of assets and liabilities as of the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The fair values of cash and cash equivalents, receivables and payables were approximately the same as their presented carrying values because of the short maturities of these instruments. The fair value of long-term debt is provided in Note 9, and the fair values of derivative financial instruments are provided in Note 12.

2. Inventories, net

Inventories consist of (in millions):

	March 31, 2024	December 31, 2023
Raw materials and supplies	\$ 469	\$ 479
Work in process	269	230
Finished goods and purchased products	1,865	1,796
	<u>2,603</u>	<u>2,505</u>
Less: Inventory reserve	(325)	(354)
Total	<u>\$ 2,278</u>	<u>\$ 2,151</u>

3. Accrued Liabilities

Accrued liabilities consist of (in millions):

	March 31, 2024	December 31, 2023
Compensation	\$ 173	\$ 294
Vendor costs	167	133
Taxes (non-income)	69	112
Warranties	76	72
Insurance	52	44
Commissions	17	17
Fair value of derivatives	18	19
Interest	26	8
Other	169	171
Total	<u>\$ 767</u>	<u>\$ 870</u>

4. Accumulated Other Comprehensive Loss

The components of accumulated other comprehensive loss are as follows (in millions):

	Currency Translation Adjustments	Derivative Financial Instruments, Net of Tax	Employee Benefit Plans, Net of Tax	Total
Balance at December 31, 2023	\$ (1,432)	\$ (5)	\$ (56)	\$ (1,493)
Accumulated other comprehensive loss before reclassifications	(26)	(2)	(1)	(29)
Amounts reclassified from accumulated other comprehensive loss	—	2	—	2
Balance at March 31, 2024	<u>\$ (1,458)</u>	<u>\$ (5)</u>	<u>\$ (57)</u>	<u>\$ (1,520)</u>

The components of amounts reclassified from accumulated other comprehensive loss are as follows (in millions):

	Three Months Ended March 31,							
	2024				2023			
	Currency Translation Adjustments	Derivative Financial Instruments	Employee Benefit Plans	Total	Currency Translation Adjustments	Derivative Financial Instruments	Employee Benefit Plans	Total
Revenue	\$ —	\$ 1	\$ —	\$ 1	\$ —	\$ 1	\$ —	\$ 1
Cost of revenue	—	1	—	1	—	1	—	1
Other expense	—	—	—	—	2	—	—	2
Selling, general and administrative	—	—	—	—	—	—	1	1
Tax effect	—	—	—	—	—	—	—	—
	<u>\$ —</u>	<u>\$ 2</u>	<u>\$ —</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 1</u>	<u>\$ 5</u>

The Company's reporting currency is the U.S. dollar. A majority of the Company's international entities in which there is a substantial investment have the local currency as their functional currency. As a result, currency translation adjustments resulting from the process of translating the entities' financial statements into the reporting currency are reported in other comprehensive income (loss).

The effect of changes in the fair values of derivatives designated as cash flow hedges are accumulated in other comprehensive income (loss), net of tax, until the underlying transactions are realized. The movement in other comprehensive income (loss) from period to period will be the combination of: 1) changes in fair value of open derivatives of (\$2) million during the three months ended March 31, 2024; and, 2) the outflow of other comprehensive loss related to cumulative changes in the fair value of derivatives that have settled in the current period were \$2 million the three months ended March 31, 2024.

5. Segments

Effective January 1, 2024, NOV consolidated its reporting structure into two segments: Energy Products and Services, and Energy Equipment. Segment disclosures pertaining to prior periods have been restated to reflect the change in reportable segments.

Financial results by operating segment are as follows (in millions):

	Three Months Ended	
	March 31,	
	2024	2023
Revenue:		
Energy Products and Services	\$ 1,017	\$ 941
Energy Equipment	1,178	1,052
Eliminations	(40)	(31)
Total revenue	<u>\$ 2,155</u>	<u>\$ 1,962</u>
Operating profit:		
Energy Products and Services	\$ 121	\$ 112
Energy Equipment	95	71
Eliminations and corporate costs	(54)	(57)
Total operating profit	<u>\$ 162</u>	<u>\$ 126</u>

Sales from one segment to another generally are priced at estimated equivalent commercial selling prices; however, segments originating an external sale are credited with the full profit to the Company. Eliminations include intercompany transactions conducted between the two reporting segments that are eliminated in consolidation. Intra-segment transactions are eliminated within each segment.

Total other items included in operating profit for the three months ended March 31, 2024 and March 31, 2023, were a pre-tax credit of \$3 million and \$4 million, respectively, primarily related to gains on sale of previously reserved inventory.

6. Business Combinations

During the first quarter of 2024, our Energy Products and Services segment made two strategic acquisitions to enhance and expand our existing portfolio for a total consideration of \$243 million, net of cash acquired. One of the two acquisitions involved White Deer Energy, a middle market private equity fund focused on energy investments. As the transaction involved a related party at the time it was entered into (e.g., directors Ben A. Guill and Eric L. Mattson both had an investment interest in certain White Deer Energy funds), the acquisition was approved by the disinterested members of the Company's Board of Directors.

At March 31, 2024, we provisionally recorded \$112 million of goodwill and amortizable intangible assets; \$63 million of PP&E, including financing and operating lease right of use assets; \$85 million of net working capital; and \$17 million of finance and operating lease liabilities. The fair values of the assets acquired and liabilities assumed are preliminary and subject to change until we finalize our accounting for these acquisitions.

7. Revenue

Disaggregation of Revenue

The following table disaggregates the Company's revenue by major geographic and market segment destination. In the table, North America includes the U.S. and Canada (in millions):

	Three Months Ended March 31,							
	2024				2023			
	Energy Products and Services	Energy Equipment	Elims.	Total	Energy Products and Services	Energy Equipment	Elims.	Total
North America	\$ 537	\$ 296	\$ —	\$ 833	\$ 502	\$ 312	\$ —	\$ 814
International	456	866	—	1,322	421	727	—	1,148
Eliminations	24	16	(40)	—	18	13	(31)	—
	<u>\$ 1,017</u>	<u>\$ 1,178</u>	<u>\$ (40)</u>	<u>\$ 2,155</u>	<u>\$ 941</u>	<u>\$ 1,052</u>	<u>\$ (31)</u>	<u>\$ 1,962</u>
Land	\$ 772	\$ 427	\$ —	\$ 1,199	\$ 697	\$ 485	\$ —	\$ 1,182
Offshore	221	735	—	956	226	554	—	780
Eliminations	24	16	(40)	—	18	13	(31)	—
	<u>\$ 1,017</u>	<u>\$ 1,178</u>	<u>\$ (40)</u>	<u>\$ 2,155</u>	<u>\$ 941</u>	<u>\$ 1,052</u>	<u>\$ (31)</u>	<u>\$ 1,962</u>

Performance Obligations

Net revenue recognized from performance obligations satisfied in previous periods was \$6 million for the three months ended March 31, 2024 primarily due to change orders.

Remaining performance obligations represent the transaction price of firm orders for all revenue streams for which work has not been performed on contracts with original expected duration of one year or more. We do not disclose the remaining performance obligations of royalty contracts, service contracts for which there is a right to invoice, and short-term contracts that are expected to have a duration of one year or less. As of March 31, 2024, the aggregate amount of the transaction price allocated to remaining performance obligations was \$4,267 million. The Company expects to recognize approximately \$1,079 million in revenue for the remaining performance obligations in 2024 and \$3,188 million in 2025 and thereafter.

Contract Assets and Liabilities

Contract assets include unbilled amounts when revenue recognized exceeds the amount billed to the customer under contracts where revenue is recognized over time. Contract liabilities consist of customer billings in excess of revenue recognized under over-time contracts, customer advance payments and deferred revenue.

The changes in the carrying amount of contract assets and contract liabilities are as follows (in millions):

	Contract Assets	Contract Liabilities
Balance at December 31, 2023	\$ 739	\$ 532
Billings	(275)	314
Revenue recognized	366	(301)
Currency translation adjustments and other	(16)	(12)
Balance at March 31, 2024	<u>\$ 814</u>	<u>\$ 533</u>

Royalty Revenue

The Company recognizes royalty revenue due under various licenses for the Company's intellectual property, including for technology related to drill bits. The Company recognized revenue for drill bit licenses of approximately \$16 million for the three months ended March 31, 2024, and \$20 million for the three months ended March 31, 2023. The Company is currently pursuing litigation against certain non-paying licensees, which will impact our ability to collect the receivables timely. As such, revenue and the related receivables are recorded at a discount to reflect the delayed timing of future cash collections. As of March 31, 2024, the receivables of \$84 million, net of allowances of \$13 million for credit losses and \$20 million for the remaining timing related discount, are included in Other assets on the Consolidated Balance Sheets. These allowances do not impact the amount the Company is entitled to recover on its claims from the licensees in litigation. While we continue to believe it is probable the Company will collect all or substantially all of the consideration

to which it is entitled pursuant to the terms of the licensing agreements, the Company will also continue to evaluate the credit quality of the receivables. See Note 15 for discussion of the ongoing litigation.

Allowance for Credit Losses

The Company estimates its allowance for credit losses using information about past events, current conditions and risk characteristics of each customer, and reasonable and supportable forecasts relevant to assessing risk associated with the collectability of receivables and contract assets. The Company's customer base, mostly in the oil and gas industry, have generally similar collectability risk characteristics, although larger and state-owned customers may have lower risk than smaller independent customers. As of March 31, 2024, the allowance for credit losses totaled \$75 million.

The changes in the carrying amount of the allowance for credit losses are as follows (in millions):

Balance at December 31, 2023	\$	72
Provision for expected credit losses		15
Recoveries collected		(5)
Other		(7)
Balance at March 31, 2024	\$	<u>75</u>

8. Leases

The Company leases certain facilities and equipment to support its operations around the world. These leases generally require the Company to pay maintenance, insurance, taxes and other operating costs in addition to rent. Renewal options are common in longer term leases; however, it is rare that the Company initially intends that a lease option will be exercised due to the cyclical nature of the Company's business. Residual value guarantees are not typically part of the Company's leases. Occasionally, the Company sub-leases excess facility space, generally at terms similar to the source lease. The Company reviews agreements at inception to determine if they include a lease and, when they do, uses its incremental borrowing rate to determine the present value of the future lease payments as most do not include implicit interest rates.

Components of leases are as follows (in millions):

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
<i>Current portion of lease liabilities:</i>		
Operating	\$ 72	\$ 70
Financing	27	24
Total	<u>\$ 99</u>	<u>\$ 94</u>
	<u>March 31, 2024</u>	<u>December 31, 2023</u>
<i>Long-term portion of lease liabilities:</i>		
Operating	\$ 347	\$ 343
Financing	217	215
Total	<u>\$ 564</u>	<u>\$ 558</u>

9. Debt

Debt consists of (in millions):

	March 31, 2024	December 31, 2023
\$1.1 billion in Senior Notes, interest at 3.95% payable semiannually, principal due on December 1, 2042	\$ 1,091	\$ 1,091
\$0.5 billion in Senior Notes, interest at 3.60% payable semiannually, principal due on December 1, 2029	496	495
Other debt	221	139
Total Debt	1,808	1,725
Less current portion	44	13
Long-term debt	<u>\$ 1,764</u>	<u>\$ 1,712</u>

The Company has a revolving credit facility with a borrowing capacity of \$2.0 billion through October 30, 2024, and a borrowing capacity of \$1.8 billion from October 31, 2024 to October 30, 2025. The Company has the right to increase the commitments under this agreement to an aggregate amount of up to \$3.0 billion upon the consent of only those lenders holding any such increase. Interest under the multicurrency facility is based upon Secured Overnight Financing Rate (SOFR), NIBOR or CDOR plus 1.25% subject to a ratings-based grid or the U.S. prime rate. The credit facility contains a financial covenant regarding maximum debt-to-capitalization ratio of 60%. As of March 31, 2024, the Company was in compliance with a debt-to-capitalization ratio of 24.5% and had \$50 million of outstanding borrowings under the facility, resulting in \$1.95 billion of available funds.

A consolidated joint venture of the Company borrowed \$120 million against a \$150 million bank line of credit for the construction of a facility in Saudi Arabia. Interest under the bank line of credit is based upon SOFR plus 1.40%. The bank line of credit contains a financial covenant regarding maximum debt-to-equity ratio of 75%. As of March 31, 2024, the joint venture was in compliance. The facility construction was completed in the fourth quarter of 2022, and the joint venture will not have future borrowings on the line of credit. The line of credit repayment schedule began in December 2022 with final payment no later than June 2032. As of March 31, 2024, the Company has \$104 million in borrowings related to this line of credit. The carrying value of debt under the Company's consolidated joint venture approximates fair value because the interest rates are variable and reflective of current market rates. The Company has \$10 million in payments related to this line of credit due in the next twelve months. The Company can repay the entire outstanding facility balance without penalty at its sole discretion.

Other debt at March 31, 2024 included \$34 million of funding provided by minority interest partners of NOV consolidated joint ventures, of which \$3 million is due in the next twelve months.

The Company had \$472 million of outstanding letters of credit at March 31, 2024, primarily in Norway and the United States, that are under various bilateral letter of credit facilities. Letters of credit are issued as bid bonds, advanced payment bonds and performance bonds.

At March 31, 2024 and December 31, 2023, the fair value of the Company's unsecured Senior Notes approximated \$1,380 million and \$1,316 million, respectively. The fair value of the Company's debt is estimated using Level 2 inputs in the fair value hierarchy and is based on quoted prices for those of similar instruments. At March 31, 2024 and December 31, 2023, the carrying value of the Company's unsecured Senior Notes approximated \$1,587 million and \$1,586 million, respectively.

10. Income Taxes

The effective tax rate for the three months ended March 31, 2024 was 26.7%, compared to 13.8% for the same period in 2023. The effective tax rate for 2024 was negatively impacted by a mix of earnings in higher tax rate jurisdictions, losses in certain jurisdictions with no tax benefit, and a shortfall related to previously recognized stock compensation deductibility, partially offset by the reduction of valuation allowances related to U.S. and state deferred tax assets. The effective tax rate for 2023 was positively impacted by the utilization of previously unrealized loss carryforwards and tax credits as well as favorable adjustments related to changes in certain exchange rates, partially offset by losses in certain jurisdictions with no tax benefit.

11. Stock-Based Compensation

The Company's stock-based compensation plan, known as the NOV Inc. Long-Term Incentive Plan (the "NOV Plan"), was approved by shareholders on May 11, 2018 and amended and restated on May 24, 2022. The NOV Plan provides for the granting of stock options, restricted stock, restricted stock units, performance awards, phantom shares, stock appreciation rights, stock payments and substitute awards. The number of shares authorized under the NOV Plan is 55.7 million. The NOV Plan is also subject to a fungible ratio concept, such that the issuance of stock options and stock appreciation rights reduces the number of available shares under the NOV Plan on a 1-for-1 basis, and the issuance of other awards reduces the number of available shares under the NOV Plan on a 1.5-for-1 basis. At March 31, 2024, approximately 7.6 million shares remained available for future grants under the NOV Plan. The Company also has outstanding awards under its former stock-based compensation plan known as the National Oilwell Varco, Inc. Long-Term Incentive Plan (the "Former Plan"), however the Company is no longer granting new awards under the Former Plan.

On February 6, 2024, under the NOV Plan, the Company granted 1,110,478 stock options with a fair value of \$7.90 per option and an exercise price of \$17.52 per share; 2,571,356 restricted stock units with a fair value of \$17.52 per share; and performance share awards (PSAs) to senior management employees with potential payouts varying from zero to 1,061,644 shares. The stock options vest over a three-year period from the grant date. The restricted stock units vest in three equal annual installments commencing on the first anniversary of the grant date. The 2024 PSAs can be earned based on performance against two established goals over a three-year period: 85% with a TSR (total shareholder return) goal and 15% with an internal NVA ("NOV Value Added", a return on capital metric) goal. TSR performance is determined by comparing the Company's TSR with the TSR of the members of the Philadelphia Stock Exchange's Oil Services Sector Index (OSX) for the three-year performance period. The TSR portion of the performance share awards is subject to a vesting cap equal to 100% of Target Level if the Company's absolute TSR is negative, regardless of relative TSR results. Conversely, if the Company's absolute TSR is greater than 15% annualized over the three-year performance period the payout amount shall not be less than 50% of Target Level, regardless of relative TSR results. The NVA goal is based on the Company's improvement in NVA from the beginning of the performance period until the end of the performance period. NVA is calculated as an amount equal to the Company's (a) gross cash earnings less (b) average gross operating assets times an amount equal to a required return on assets, with certain adjustments.

Total expense for all stock-based compensation arrangements was \$19 million for the three months ended March 31, 2024, and \$15 million for the three months ended March 31, 2023.

There was an income tax benefit of \$4 million recognized in the Consolidated Statements of Income for stock-based compensation arrangements under the NOV Plan for the three months ended March 31, 2024. There was no income tax benefit recognized in the Consolidated Statements of Income for stock-based compensation arrangements under the NOV Plan for the three months ended March 31, 2023.

12. Derivative Financial Instruments

The Company uses forward currency contracts to manage the foreign currency exchange rate risk on forecasted revenues and expenses denominated in currencies other than the functional currency of the operating unit (cash flow hedge). The Company also executes forward currency contracts to manage the foreign currency exchange rate risk on recognized nonfunctional currency monetary accounts (non-designated hedge).

The fair values of these derivative financial instruments are determined using level 2 inputs (inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability) in the fair value hierarchy as the fair value is based on publicly available foreign exchange and interest rates at each financial reporting date.

Forward currency contracts consist of (in millions):

Currency	Currency Denomination			
	March 31, 2024		December 31, 2023	
Colombian Peso	COP	46,764	COP	57,487
South Korean Won	KRW	26,739	KRW	—
Norwegian Krone	NOK	2,668	NOK	2,179
Japanese Yen	JPY	1,118	JPY	1,118
U.S. Dollar	USD	853	USD	677
Brazilian Real	BRL	291	BRL	291
Mexican Peso	MXN	168	MXN	157
Euro	EUR	134	EUR	102
Singapore Dollar	SGD	27	SGD	23
South African Rand	ZAR	25	ZAR	25
British Pound Sterling	GBP	7	GBP	5
Danish Krone	DKK	4	DKK	2
Canadian Dollar	CAD	2	CAD	1

Cash Flow Hedging Strategy

To protect against the volatility of forecasted foreign currency cash flows resulting from forecasted revenues and expenses, the Company instituted a cash flow hedging program. For derivative instruments that are designated and qualify as a cash flow hedge, the gain or loss on the derivative instrument is recorded in accumulated other comprehensive income (loss) and reclassified into earnings in the same line item associated with the forecasted transaction and in the same period or periods during which the hedged transaction affects earnings (e.g., in “revenues” when the hedged transactions are cash flows associated with forecasted revenues). The Company includes time value in hedge relationships.

The Company expects accumulated other comprehensive income of \$3 million will be reclassified into earnings within the next twelve months.

Non-designated Hedging Strategy

The Company enters into forward exchange contracts to hedge certain nonfunctional currency monetary accounts. The gain or loss on the derivative instrument is recognized in earnings in other income (expense), together with the changes in the hedged nonfunctional monetary accounts.

The amount of loss recognized in other expense, net was \$3 million for the three months ended March 31, 2024 and \$5 million for the three months ended March 31, 2023.

The Company has the following fair values of its derivative instruments and their balance sheet classifications (in millions):

	Asset Derivatives			Liability Derivatives		
	Balance Sheet Location	Fair Value		Balance Sheet Location	Fair Value	
		March 31, 2024	December 31, 2023		March 31, 2024	December 31, 2023
Derivatives designated as hedging instruments under ASC Topic 815						
Foreign exchange contracts	Prepaid and other current assets	\$ —	\$ 8	Accrued liabilities	\$ 4	\$ 2
Foreign exchange contracts	Other assets	—	—	Other liabilities	—	1
Total derivatives designated as hedging instruments under ASC Topic 815		<u>\$ —</u>	<u>\$ 8</u>		<u>\$ 4</u>	<u>\$ 3</u>
Derivatives not designated as hedging instruments under ASC Topic 815						
Foreign exchange contracts	Prepaid and other current assets	\$ 3	\$ 11	Accrued liabilities	\$ 14	\$ 17
Foreign exchange contracts	Other assets	—	—	Other liabilities	—	1
Total derivatives not designated as hedging instruments under ASC Topic 815		<u>\$ 3</u>	<u>\$ 11</u>		<u>\$ 14</u>	<u>\$ 18</u>
Total derivatives		<u>\$ 3</u>	<u>\$ 19</u>		<u>\$ 18</u>	<u>\$ 21</u>

13. Net Income Attributable to Company Per Share

The following table sets forth the computation of weighted average basic and diluted shares outstanding (in millions, except per share data):

	Three Months Ended March 31,	
	2024	2023
Numerator:		
Net income attributable to Company	\$ 119	\$ 126
Denominator:		
Basic—weighted average common shares outstanding	394	392
Dilutive effect of employee stock options and other unvested stock awards	3	4
Diluted outstanding shares	397	396
Net income attributable to Company per share:		
Basic	\$ 0.30	\$ 0.32
Diluted	\$ 0.30	\$ 0.32
Cash dividends per share	\$ 0.05	\$ 0.05

Companies with unvested participating securities are required to utilize a two-class method for the computation of net income attributable to Company per share. The two-class method requires a portion of net income attributable to Company to be allocated to participating securities, which are unvested awards of share-based payments with non-forfeitable rights to receive dividends or dividend equivalents if declared. Net income attributable to the Company allocated to these participating securities was immaterial for each of the three months ended March 31, 2024 and 2023, respectively.

The Company had stock options outstanding that were anti-dilutive totaling 17 million shares for the three months ended March 31, 2024, compared to 16 million shares for the three months ended March 31, 2023.

14. Cash Dividends

Cash dividends were \$20 million for both the three months ended March 31, 2024 and March 31, 2023. The declaration and payment of future dividends is at the discretion of the Company's Board of Directors and will be dependent upon the Company's results of operations, financial condition, capital requirements and other factors deemed relevant by the Company's Board of Directors.

15. Commitments and Contingencies

Our business is governed by laws and regulations, including those directed to the oilfield service industry, promulgated by U.S. federal and state governments and regulatory agencies, as well as international governmental authorities in the many countries in which we conduct business. In the United States these governmental authorities include the U.S. Department of Labor, the Occupational Safety and Health Administration, the Environmental Protection Agency, the Bureau of Land Management, the Department of Treasury, Office of Foreign Asset Controls, state environmental agencies and many others. We are unaware of any material liabilities in connection with our compliance with such laws. New laws, investigations, regulations and enforcement policies may result in additional, presently unquantifiable, or unknown, costs or liabilities.

From time to time, the Company is involved in various claims, regulatory agency audits, investigations and legal actions involving a variety of matters. The Company maintains insurance that covers claims such as third-party personal injuries or property damage arising from risks associated with the business activities of the Company, such as premises liability, product liability, personal injury, marine risk, property damage, and other such insurable losses. The Company carries substantial insurance to cover insurable risks above a self-insured retention. The Company believes, and the Company's experience has been, that such insurance has been sufficient to cover any such material risks.

The Company is also a party to claims, threatened and actual litigation, arbitration, and internal investigations of potential regulatory and compliance matters which may arise from the Company's business activities. These regulatory matters and disputes may involve private parties and/or government authorities who may assert a broad variety of potential claims against the Company, such as employment law claims, collective actions or class action claims, intellectual property claims (such as alleged patent infringement, and/or misappropriation of trade secrets by the company), premises liability claims, environmental claims, product liability claims, warranty claims, personal injury claims arising from exposure to or use of allegedly defective products or from activities of the Company, alleged regulatory violations, alleged violations of anti-corruption and anti-bribery, trade, customs or other laws and other commercial

and/or regulatory claims seeking recovery for alleged actual or exemplary damages or fines and penalties. Such claims involve various theories of liability which may include negligence, breach of contract, strict liability, product liability, and other theories of liability. For some of these contingent claims and potential liabilities, the Company's insurance coverage may not apply, or exclusions to coverage or legal impediments may apply. In such instances, settlement or other resolution of such claims, individually or collectively, could have a material financial or reputational impact on the Company. As of March 31, 2024, the Company recorded reserves in an amount believed to be sufficient, given the estimated range of potential outcomes, for contingent liabilities believed to be probable. These reserves include costs currently and reasonably estimated to be incurred for reclamation of a closed barite mine and product liability claims, as well as other circumstances involving material claims.

The Company periodically assesses the potential for losses above the amounts accrued as well as potential losses for matters that are believed to be not probable, but which are reasonably possible. The Company sets accruals in accordance with GAAP based on its best judgment about the probable results of disputed claims, regulatory enforcement actions, tax and other governmental audits, and other contingencies. The litigation process and the outcome of regulatory oversight is inherently uncertain, and our best judgment concerning the probable outcome of litigation or regulatory enforcement matters may prove to be incorrect. No assurance can be given as to the outcome of these matters. The total potential loss on these matters cannot be determined; however, in our opinion, any ultimate liability, to the extent not otherwise provided for, will not materially affect our financial position, cash flow or results of operations. These estimated liabilities are based on the Company's assessment of the nature of these matters, their progress toward resolution, the advice of legal counsel and outside experts as well as management's experience. Because of the uncertainty and risk inherent to litigation, arbitration, audits, governmental investigations, enforcement actions, and similar matters, the Company's actual liabilities incurred may materially exceed our estimated liabilities and reserves, which could have a material financial or reputational impact on the Company.

In many instances, the Company's products and services embody or incorporate trade secrets or patented inventions. From time to time, we are engaged in disputes concerning protection of the Company's trade secrets and confidential information, patents, and other intellectual property rights. Such disputes frequently involve complex, factual, technical and/or legal issues which result in high costs to adjudicate our rights and for which it may be difficult to predict the ultimate outcome. At any given time, the Company may be a plaintiff or defendant in disputes involving disputed intellectual property rights.

The Company is currently pursuing litigation against several companies involving royalties due under licenses for technology related to drill bits. This technology resulted in a portfolio of patents related to leaching technology, a revolutionary technology owned by the Company that improves the performance of drill bits and other products utilizing certain synthetic diamond parts. The Company previously sued several drill bit manufacturers for patent infringement and those lawsuits were resolved by a series of licensing agreements with various drill bit manufacturers. To settle and end litigation or to avoid litigation, the licensees were provided access to the portfolio of leaching patents owned by the Company in exchange for a royalty payment, as defined in each license agreement. The companies agreed to pay the royalties for the right to use the portfolio of patents, whether they used some, all or none of the specific patented claims in any particular patent. The license agreements each provide that they terminate on the date of the last to expire of the patents in the licensed portfolio. Having obtained the benefit of these licenses for more than a decade, all of the drill bit manufacturer licensees unilaterally stopped making royalty payments even though all of the patents in the portfolio have not expired. These companies have asserted, among other reasons, that they are entitled to stop making these payments because they have not elected to manufacture products covered by the unexpired patents. Some of these companies stopped making payments after the expiration of what are allegedly the patents in the portfolio that they elected to use. Others paid for some period of time after that date but have since stopped payment. The Company has sued asserting that failure to pay the royalties is a breach of the license agreements at issue. The Company is in litigation with most of the licensees seeking a judicial determination that it is entitled to be paid royalties pursuant to the terms of the licenses. The parties' legal filings to date can be found in two cases currently pending in the United States District Court for the Southern District of Texas: Grant Prideco, Inc., et al. v. Schlumberger Tech. Corp., et al., No. 4:23-cv-00730; and Halliburton Energy Serv, Inc. v. Grant Prideco, Inc., et al., No. 4:23-cv-01789. While the Company strongly believes that the royalties for which it has sued are due and owing pursuant to the terms of the licensing agreements, there is inherent risk with the related litigation and the Company makes no assurances as to the outcome of such litigation. See Note 7 to the Consolidated Financial Statements for discussion of the financial impact of royalties.

The protection of intellectual property is important to the Company's performance, and as such, an adverse result in disputes related to our intellectual property could result in materially adverse financial consequences such as a decline in sales of products protected by patents, which could materially and adversely impact our financial performance.

From time-to-time purchasers of our products and services or members of our supply chain or sales chain become involved in litigation, governmental investigations, internal investigations, political or other enforcement matters, or other dispute proceedings. In such circumstances, such proceedings may adversely impact the ability of purchasers of our products, entities providing financial support to such consumers or entities in the supply chain or sales chain to timely perform their business plans or to timely perform under agreements with us. We may, from time to time, become involved in these proceedings, at substantial cost to the Company.

The Company is exposed to customs and trade regulation risk in the countries in which we do business and countries from which or to which we import or export goods. Such trade regulations can be complex and conflicting, as different countries use trade regulation to promote conflicting policy objectives. Compliance with these laws and regulations presents challenges which could result in future

liabilities (for example, alleged violation of those laws or when laws conflict between countries). The Company may face increased tariffs and trade costs, loss of revenue, loss of customers, fines, penalties, increased costs, the need for renegotiation of agreements, and other business disruptions. Trade regulations, supply chain regulations, and other regulatory compliance in different jurisdictions may conflict with one another or with contractual terms with our various counterparties. In such circumstances, our compliance with U.S. laws and regulations may subject us to risk of fines, penalties, or contractual liability in other jurisdictions. Our efforts to actively manage such risks may not always be successful and this could lead to negative impacts on revenue or earnings. In addition, trade regulations, export controls, and other laws adversely impact our ability to do business in certain countries, e.g., Iran, Syria, Russia, China and Venezuela.

In response to additional sanctions enacted by governments in the European Union, the United States, the United Kingdom, Switzerland, and other countries regarding the armed conflict in Ukraine, we ceased new investments in Russia and have curtailed our activities there. During the third quarter of 2022, we sold our business in Belarus and entered into an agreement to sell our business in Russia. The sale is subject to various government approvals in Russia and other jurisdictions. The Russian government continues to enact new laws impacting the exit of western companies from Russia, including some instances of expropriation of western businesses. We may incur additional costs as a result of conditions in Russia if we are unable to complete the transaction to sell our Russian business on the terms of the agreements.

Geopolitical events continue to pose supply chain risks. The Company's ability to manufacture equipment and perform services could be impaired from such disruptions and the Company could be exposed to liabilities resulting from additional interruption or delay in its ability to perform due to factors such as materials shortages, inflationary pressures, and limited manpower. We may face loss of workers, labor shortages, litigation, fines and/or other adverse consequences resulting from ongoing labor impacts. The combined impact of supply chain and labor market disruptions along with the inflationary impacts of pandemic monetary and regulatory policies could have material adverse impacts on our financial results.

Disputes may arise regarding application of force majeure and other contract provisions concerning allocation of responsibility among customers, the Company, and suppliers, resulting in material added cost and/or litigation. Our customers may attempt to cancel or delay projects, cancel contracts, or may invoke force majeure clauses. Our customers may also seek to delay or may default on their payments to us. As a result, the Company may be exposed to additional costs, liabilities and risks which could materially adversely impact our financial performance and results. These potential operational and service delays could result in contractual or other legal claims from our customers. At this time, it is not possible to quantify all these risks, but the combination of these factors could have a material impact on our financial results.

16. Subsequent Event

On April 9, 2024, NOV completed the divestiture of its Pole Products business. Pole Products is a leading manufacturer of premium spun-cast concrete, tapered steel, and innovative fiberglass poles for diverse applications.

On April 25, 2024, the Company announced that its Board of Directors authorized and approved a share repurchase program for up to \$1 billion of the currently outstanding shares of the Company's common stock over a period of 36 months. Under the share repurchase program, the Company may repurchase shares from time to time through open market purchases, in privately negotiated transactions or by other means, including through the use of trading plans intended to qualify under Rule 10b5-1 under the Securities Exchange Act of 1934 (the "Exchange Act"), as amended, in accordance with applicable securities laws and other restrictions, including Rule 10b-18. The timing and total amount of any stock repurchases will depend upon business, economic and market conditions, corporate and regulatory requirements, prevailing stock prices and other considerations.

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

Introduction

NOV Inc. (“NOV” or the “Company”) is a leading independent equipment and technology provider to the global energy industry. Originally founded in 1862, NOV and its predecessor companies have spent 162 years helping transform oil and gas field development and improving its cost-effectiveness, efficiency, safety, and environmental impact. Over the past few decades, the Company has pioneered and refined key technologies to improve the economic viability of frontier resources, including unconventional and deepwater oil and gas. More recently, by applying its deep expertise and technology, the company has helped advance the transition toward sustainable energy.

NOV’s extensive proprietary technology portfolio supports the industry’s full-field drilling, completion, and production needs. With unmatched cross-segment capabilities, scope, and scale, NOV continues to develop and introduce technologies that further enhance the economics and efficiencies of energy production, with a focus on automation, predictive analytics, and condition-based maintenance.

NOV serves major-diversified, national, and independent service companies, contractors, and energy producers in 61 countries. Effective January 1, 2024, NOV consolidated its reporting structure into two segments: Energy Products and Services, and Energy Equipment. Segment disclosures pertaining to prior periods have been restated to reflect the change in reportable segments.

Results of operations are presented in accordance with accounting principles generally accepted in the United States (“GAAP”). Certain reclassifications have been made to prior period financial information in order to conform with current period presentation. The Company discloses Adjusted EBITDA (defined as operating profit excluding depreciation, amortization, gains and losses on sales of fixed assets and, when applicable, Other Items) in its periodic earnings press releases and other public disclosures to provide investors additional information about the results of ongoing operations. See Non-GAAP Financial Measures and Reconciliations in Results of Operations for an explanation of our use of non-GAAP financial measures and reconciliations to their corresponding measures calculated in accordance with GAAP.

Energy Products and Services

The Company’s Energy Products and Services segment provides a variety of technologies used primarily to perform drilling and well completion operations and offers services that optimize their performance.

Energy Products and Services designs, manufactures, rents, and sells equipment and products for drilling, intervention, completion, and production activities, including: drill bits, downhole tools, premium drill pipe, drilling fluids, managed pressure drilling, integral and weld-on connectors for conductor strings and surface casing, completion tools, and artificial lift systems.

The segment delivers services, software, and digital solutions to improve drilling and completion operational performance. Services include tubular inspection and coating services, solids control and waste management equipment and services, and managed pressure drilling solutions. Software and digital services and solutions offer drilling and completion optimization and remote monitoring capabilities via downhole and surface instrumentation, wired drill pipe services, software controls and applications, and data management and analytics services at the edge and in the cloud.

The segment also designs, manufactures, and delivers high-end composite pipe, tanks, and structures engineered to solve both corrosion and weight challenges in a wide variety of applications, including oil and gas, chemical, industrial, wastewater, fuel handling, marine and offshore, and rare earth mineral extraction .

Energy Products and Services serves oil and gas companies drilling contractors, oilfield service companies, oilfield equipment rental companies and developers of geothermal energy. Demand for the segment’s products and services primarily depends on the level of oilfield drilling activity by oil and gas companies, drilling contractors, and oilfield service companies. Demand for the segment’s composite solutions serving applications outside of oil and gas are driven by industrial activity, infrastructure spend, and population growth.

Energy Equipment

The Company’s Energy Equipment segment manufactures and supports the capital equipment and integrated systems needed for oil and gas exploration and production, both onshore and offshore, as well as for other marine-based and industrial markets.

The segment designs, manufactures, and integrates technologies for drilling and producing oil and gas wells. This includes equipment and technologies needed for drilling, including land rigs, offshore drilling equipment packages, drilling rig components, and software control systems that mechanize and automate the drilling process and rig functionality; hydraulic fracture stimulation, including pressure

pumping trucks, blenders, sanders, hydration units, injection units, flowline, and manifolds; well intervention, including coiled tubing units, coiled tubing, and wireline units and tools; cementing products for pumping, mixing, transport, and storage; onshore production, including fluid processing, and surface transfer as well as progressive cavity pumps; offshore production, including integrated production systems and subsea production technologies; and aftermarket support of these technologies, providing spare parts, service, and repair.

Energy Equipment primarily serves contract drillers, oilfield service companies, and oil and gas companies. Demand for the segment's products primarily depends on capital spending plans by drilling contractors, service companies, and oil and gas companies; and secondarily on the overall level of oilfield drilling, completions, and workover activity which drives demand for equipment, spare parts, service, and repair for the segment's large installed base of equipment.

The segment also serves marine and offshore markets, where it designs and builds equipment for wind turbine installation and cable lay vessels, and offers heavy lift cranes and jacking systems; industrial markets, where the segment provides pumps and mixers for a wide breadth of industrial end markets; and other energy transition markets, where it is applying its gas processing expertise to provide solutions that aid in hydrogen production and carbon sequestration.

Critical Accounting Policies and Estimates

In our annual report on Form 10-K for the year ended December 31, 2023, we identified our most critical accounting policies. In preparing the financial statements, we make assumptions, estimates and judgments that affect the amounts reported. We periodically evaluate our estimates and judgments that are most critical in nature which are related to revenue recognition under long-term construction contracts, impairment of goodwill and other indefinite-lived intangible assets, and income taxes. Our estimates are based on historical experience and on our future expectations that we believe are reasonable. The combination of these factors forms the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results are likely to differ from our current estimates and those differences may be material.

EXECUTIVE SUMMARY

For the first quarter ended March 31, 2024, the Company generated revenues of \$2.16 billion, an increase of 10 percent compared to the first quarter of 2023. Net income was \$119 million, or 5.5 percent of sales, a decrease of \$7 million compared to the first quarter of 2023 primarily due to higher tax rate and lower income from unconsolidated entities. Operating profit was \$162 million, or 7.5 percent of sales. The company recorded a net pre-tax credit of \$3 million within Other Items. Adjusted EBITDA (operating profit excluding depreciation, amortization, gains and losses on sales of fixed assets and, when applicable, Other Items) increased 24 percent year-over-year to \$241 million, or 11.2 percent of sales.

Segment Performance

Energy Products and Services

Energy Products and Services generated revenues of \$1,017 million in the first quarter of 2024, an increase of eight percent from the first quarter of 2023. Operating profit was \$121 million, or 11.9 percent of sales. Adjusted EBITDA increased \$20 million from the prior year to \$174 million, or 17.1 percent of sales. Growing demand from international and offshore markets in addition to market share gains in North America helped drive improved revenue and profitability.

Energy Equipment

Energy Equipment generated revenues of \$1,178 million in the first quarter of 2024, an increase of 12 percent from the first quarter of 2023. Operating profit was \$95 million, or 8.1 percent of sales, and included a credit of \$4 million in Other Items. Adjusted EBITDA increased \$25 million from the prior year to \$119 million, or 10.1 percent of sales. Improved revenue and profitability were primarily the result of strong execution on the segment's capital equipment backlog and improved demand for aftermarket products and services.

New orders booked during the quarter totaled \$390 million, representing a book-to-bill of 77 percent when compared to the \$507 million of orders shipped from backlog. Outlook for capital equipment remains positive with a sizeable order the segment expected to book in the first quarter slipping into the early part of the second quarter while final adjustments are made to product specifications. As of March 31, 2024, backlog for capital equipment orders for Energy Equipment was \$3,955 million, an increase of \$115 million from the first quarter of 2023.

Oil & Gas Equipment and Services Market and Outlook

Despite the recent volatility in commodity prices, management believes the industry is in the early stages of an extended recovery that began in 2021 with the gradual reopening of global economies following the COVID-19 pandemic. Improving economic activity, driven by pent-up consumer and industrial demand and government economic stimulus, drove higher consumption of commodities, pulled significant volumes of oil and gas out of global inventories, and exposed diminished productive capacity resulting from years of underinvestment in the oil and gas industry.

Geopolitical risks, among other macro environment uncertainties, may drive volatility and could pressure commodity prices near-term; however, management believes diminished global oil and gas production capacity and rising energy security risks will continue to spur increased oilfield activity and demand for the Company's equipment and technology.

NOV remains committed to improving organizational efficiencies while focusing on the development and commercialization of innovative products and services, including technologies to reduce the environmental impact of oil and gas operations and technologies to accelerate the energy transition that are responsive to the longer-term needs of NOV's customers. We believe this strategy will further advance the Company's competitive position in all market conditions.

Operating Environment Overview

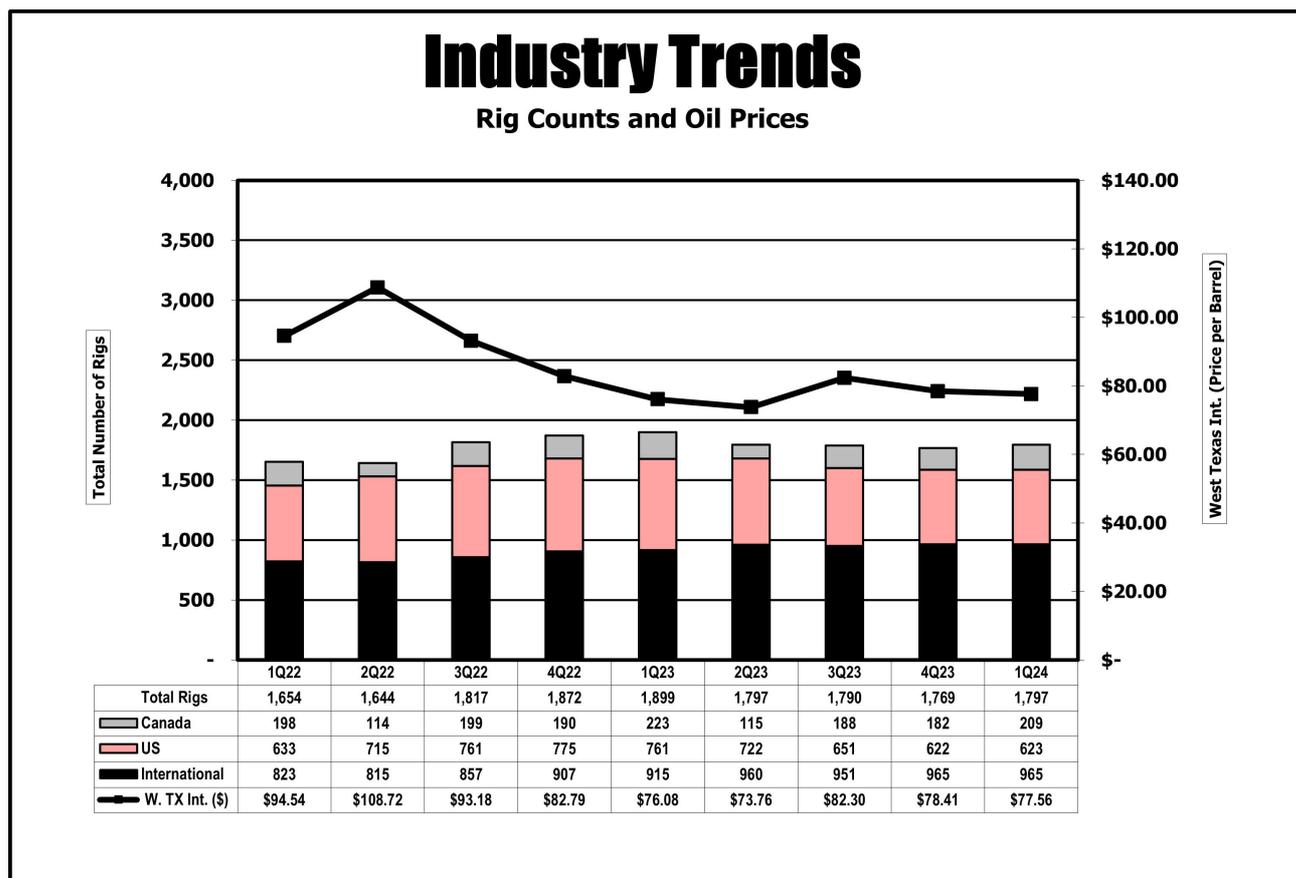
The Company's results are dependent on, among other things, the level of worldwide oil and gas drilling, well remediation activity, the prices of crude oil and natural gas, capital spending by exploration and production companies and drilling contractors, worldwide oil and gas inventory levels and, to a lesser degree, the level of investment in wind, solar and geothermal energy products. Key industry indicators for the first quarter of 2024 and 2023, and the fourth quarter of 2023 include the following:

	1Q24*	1Q23*	4Q23*	% increase (decrease)	
				1Q24 v 1Q23	1Q24 v 4Q23
Active Drilling Rigs:					
U.S.	623	761	622	(18.1 %)	0.2 %
Canada	209	223	182	(6.3 %)	14.8 %
International	965	915	965	5.5 %	— %
Worldwide	1,797	1,899	1,769	(5.4 %)	1.6 %
West Texas Intermediate					
Crude Prices (per barrel)	\$ 77.56	\$ 76.08	\$ 78.41	1.9 %	(1.1 %)
Natural Gas Prices (\$/mmbtu)	\$ 2.13	\$ 2.65	\$ 2.74	(19.6 %)	(22.3 %)

* Averages for the quarters indicated. See sources below.

The Company is also becoming increasingly engaged with energy transition related opportunities and is currently involved in projects related to wind energy, geothermal power, rare earth metal extraction, biogas production, and carbon sequestration. Additionally, the Company is investing in developing technologies and solutions that will support other energy transition related industry verticals. Management expects to see continued growth in these areas as low carbon power becomes a larger portion of the global energy supply.

The following table details the U.S., Canadian, and international rig activity and West Texas Intermediate Crude Oil prices for the past nine quarters ended March 31, 2024, on a quarterly basis:



Source: Rig count: Baker Hughes, Inc. (www.bakerhughes.com); West Texas Intermediate Crude Oil and Natural Gas Prices: US Department of Energy, Energy Information Administration (www.eia.doe.gov).

The worldwide quarterly average rig count increased 2 percent (from 1,769 to 1,797) in the first quarter of 2024 compared to the fourth quarter of 2023, mainly attributable to Canada. The average per barrel price of West Texas Intermediate Crude Oil decreased 1 percent (from \$78.41 per barrel to \$77.56 per barrel) and natural gas prices decreased 22 percent (from \$2.74 per mmbtu to \$2.13 per mmbtu) in the first quarter of 2024 compared to the fourth quarter of 2023.

At April 12, 2024, there were 758 rigs actively drilling in North America, comprised of U.S. and Canada, which decreased 9 percent from the first quarter average of 832 rigs. The price for West Texas Intermediate Crude Oil was \$85.66 per barrel at April 12, 2024, an increase of 10 percent from the first quarter of 2024 average. The price for natural gas was \$1.77 per mmbtu at April 12, 2024, a decrease of 17 percent from the first quarter of 2024 average.

Results of Operations

Financial results by operating segment are as follows (in millions):

	Three Months Ended March 31,	
	2024	2023
Revenue:		
Energy Products and Services	\$ 1,017	\$ 941
Energy Equipment	1,178	1,052
Eliminations	(40)	(31)
Total revenue	\$ 2,155	\$ 1,962
Operating profit:		
Energy Products and Services	\$ 121	\$ 112
Energy Equipment	95	71
Eliminations and corporate costs	(54)	(57)
Total operating profit	\$ 162	\$ 126

Energy Products and Services

Three months ended March 31, 2024 and 2023. Revenue from Energy Products and Services was \$1,017 million for the three months ended March 31, 2024, compared to \$941 million for the three months ended March 31, 2023, an increase of \$76 million or 8 percent. Operating profit from Energy Products and Services was \$121 million for the three months ended March 31, 2024 compared to an operating profit of \$112 million for the three months ended March 31, 2023, an increase of \$9 million. Growing demand from international and offshore markets, market share gains in North America and an acquisition during the quarter helped drive improved revenue and profitability.

Energy Equipment

Three months ended March 31, 2024 and 2023. Revenue from Energy Equipment was \$1,178 million for the three months ended March 31, 2024, compared to \$1,052 million for the three months ended March 31, 2023, an increase of \$126 million or 12 percent. Operating profit from Energy Equipment was \$95 million for the three months ended March 31, 2024 compared to an operating profit of \$71 million for the three months ended March 31, 2023, an increase of \$24 million. Improved revenue and profitability were primarily the result of strong execution on the segment's capital equipment backlog and improved demand for aftermarket products and services.

The Energy Equipment segment monitors its capital equipment backlog to plan its business. New orders are added to backlog only when the Company receives a firm written order for major completion and production components or a contract related to a construction project. The capital equipment backlog was \$3,955 million at March 31, 2024, an increase of \$115 million from backlog of \$3,840 million at March 31, 2023. Although numerous factors can affect the timing of revenue out of backlog (including, but not limited to, customer change orders and supplier accelerations or delays), the Company reasonably expects approximately 36 percent of backlog to become revenue during the rest of 2024 and the remainder thereafter. At March 31, 2024, approximately 43 percent of the capital equipment backlog was for offshore products and approximately 93 percent of the capital equipment backlog was destined for international markets.

Eliminations and corporate costs

Eliminations and corporate costs were \$54 million for the three months ended March 31, 2024, compared to \$57 million for the three months ended March 31, 2023. Sales from one segment to another generally are priced at estimated equivalent commercial selling prices; however, segments originating an external sale are credited with the full profit to the company. Eliminations include intercompany transactions conducted between the two reporting segments that are eliminated in consolidation. Intra-segment transactions are eliminated within each segment.

Other expense, net

Other expense, net was \$10 million for the three months ended March 31, 2024, compared to \$16 million for the three months ended March 31, 2023. The change in expense was primarily due to fluctuations in foreign currencies.

Provision for income taxes

The effective tax rate for the three months ended March 31, 2024 was 26.7%, compared to 13.8% for the same period in 2023. The effective tax rate for 2024 was negatively impacted by a mix of earnings in higher tax rate jurisdictions, losses in certain jurisdictions with no tax benefit, and a shortfall related to previously recognized stock compensation deductibility, partially offset by the reduction of valuation allowances related to U.S. and state deferred tax assets. The effective tax rate for 2023 was positively impacted by the utilization of previously unrealized loss carryforwards and tax credits as well as favorable adjustments related to changes in certain exchange rates, partially offset by losses in certain jurisdictions with no tax benefit.

Non-GAAP Financial Measures and Reconciliations

This Form 10-Q contains certain non-GAAP financial measures that management believes are useful tools for internal use and the investment community in evaluating NOV's overall financial performance. These non-GAAP financial measures are broadly used to value and compare companies in the oilfield services and equipment industry. Not all companies define these measures in the same way. In addition, these non-GAAP financial measures are not a substitute for financial measures prepared in accordance with GAAP and should therefore be considered only as supplemental to such GAAP financial measures.

The Company defines Adjusted EBITDA as operating profit excluding depreciation, amortization, gains and losses on sales of fixed assets and, when applicable, Other Items. Adjusted EBITDA % is a ratio showing Adjusted EBITDA as a percentage of sales. 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 and Adjusted EBITDA % are not intended to replace GAAP financial measures, such as Net Income and Operating Profit %.

The following tables set forth the reconciliation of Adjusted EBITDA to its most comparable GAAP financial measure (in millions):

	Three Months Ended		
	March 31,		December 31,
	2024	2023	2023
Operating profit:			
Energy Products and Services	\$ 121	\$ 112	\$ 94
Energy Equipment	95	71	121
Eliminations and corporate costs	(54)	(57)	(54)
Total operating profit	\$ 162	\$ 126	\$ 161
Operating profit %:			
Energy Products and Services	11.9%	11.9%	8.8%
Energy Equipment	8.1%	6.7%	9.3%
Eliminations and corporate costs	-	-	-
Total operating profit %	7.5%	6.4%	6.9%
Other items, net:			
Energy Products and Services	\$ —	\$ —	\$ 50
Energy Equipment	(4)	(4)	(1)
Corporate	1	—	6
Total other items	\$ (3)	\$ (4)	\$ 55
(Gain)/loss on sales of fixed assets:			
Energy Products and Services	\$ (1)	\$ (3)	\$ 1
Energy Equipment	—	(2)	—
Corporate	—	1	—
Total (gain)/loss on sales of fixed assets	\$ (1)	\$ (4)	\$ 1
Depreciation & amortization:			
Energy Products and Services	\$ 54	\$ 45	\$ 48
Energy Equipment	28	29	27
Corporate	1	3	2
Total depreciation & amortization	\$ 83	\$ 77	\$ 77
Adjusted EBITDA:			
Energy Products and Services	\$ 174	\$ 154	\$ 193
Energy Equipment	119	94	147
Eliminations and corporate costs	(52)	(53)	(46)
Total Adjusted EBITDA	\$ 241	\$ 195	\$ 294
Adjusted EBITDA %:			
Energy Products and Services	17.1%	16.4%	18.0%
Energy Equipment	10.1%	8.9%	11.3%
Corporate	-	-	-
Total Adjusted EBITDA %	11.2%	9.9%	12.5%
Reconciliation of Adjusted EBITDA:			
GAAP net income attributable to Company	\$ 119	\$ 126	\$ 598
Noncontrolling interests	2	(1)	(3)
Provision (benefit) for income taxes	44	20	(460)
Interest expense	24	21	23
Interest income	(8)	(8)	(7)
Equity income in unconsolidated affiliates	(29)	(48)	(18)
Other expense, net	10	16	28
(Gain)/loss on Sales of fixed assets	(1)	(4)	1
Depreciation and amortization	83	77	77
Other items, net	(3)	(4)	55
Total Adjusted EBITDA	\$ 241	\$ 195	\$ 294

Liquidity and Capital Resources

Overview

At March 31, 2024, the Company had cash and cash equivalents of \$468 million and total debt of \$1,808 million. At December 31, 2023, cash and cash equivalents were \$816 million and total debt was \$1,725 million. As of March 31, 2024, approximately \$453 million of the \$468 million of cash and cash equivalents was held by our foreign subsidiaries and the earnings associated with this cash could be subject to foreign withholding taxes and incremental U.S. taxation if transferred among countries or repatriated to the U.S. If opportunities to invest in the U.S. are greater than available cash balances that are not subject to income tax, rather than repatriating cash, the Company may choose to borrow against its revolving credit facility.

The Company has a revolving credit facility with a borrowing capacity of \$2.0 billion through October 30, 2024, and a borrowing capacity of \$1.8 billion from October 31, 2024, to October 30, 2025. The Company has the right to increase the commitments under this agreement to an aggregate amount of up to \$3.0 billion upon the consent of only those lenders holding any such increase. Interest under the multicurrency facility is based upon SOFR, NIBOR or CDOR plus 1.25% subject to a ratings-based grid or the U.S. prime rate. The credit facility contains a financial covenant regarding maximum debt-to-capitalization ratio of 60%. As of March 31, 2024, the Company was in compliance with a debt-to-capitalization ratio of 24.5% and had \$50 million of outstanding borrowings under the facility, resulting in \$1.95 billion of available funds.

Additionally, a consolidated joint venture of the Company borrowed \$120 million against a \$150 million bank line of credit for the construction of a facility in Saudi Arabia. Interest under the bank line of credit is based upon SOFR plus 1.40%. The bank line of credit contains a financial covenant regarding maximum debt-to-equity ratio of 75%. As of March 31, 2024, the joint venture was in compliance. The facility construction was completed in the fourth quarter of 2022, and the joint venture will not have future borrowings on the line of credit. The line of credit repayment schedule began in December 2022 with final payment no later than June 2032. As of March 31, 2024, the Company had \$104 million in borrowings related to this line of credit. The Company has \$10 million in payments related to this line of credit due in the next twelve months.

The Company's outstanding debt at March 31, 2024 consisted of \$1,091 million in 3.95% Senior Notes, \$496 million in 3.60% Senior Notes, and other debt of \$221 million. The Company was in compliance with all covenants at March 31, 2024. Long-term lease liabilities totaled \$564 million at March 31, 2024.

The Company had \$472 million of outstanding letters of credit at March 31, 2024, primarily in Norway and the United States, that are under various bilateral letter of credit facilities. Letters of credit are issued as bid bonds, advanced payment bonds and performance bonds.

The following table summarizes our net cash used in continuing operating activities, continuing investing activities and continuing financing activities for the periods presented (in millions):

	Three Months Ended	
	March 31,	
	2024	2023
Net cash used in operating activities	\$ (78)	\$ (202)
Net cash used in investing activities	(311)	(52)
Net cash provided by (used in) financing activities	43	(41)

Significant uses of cash during the first three months of 2024

- Cash flows used in operating activities were \$78 million, primarily driven by changes in the primary components of our working capital (receivables, inventories, accounts payable, and accrued liabilities).
- Capital expenditures were \$69 million.
- Business acquisitions, net of cash, were \$243 million.
- Payments of \$20 million in dividends to our shareholders.

Other

The effect of the change in exchange rates on cash flows was a decrease of \$2 million for the first three months of 2024, and immaterial for the first three months of 2023.

We believe that cash on hand, cash generated from operations and amounts available under our credit facilities and from other sources of debt will be sufficient to fund operations, lease payments, working capital needs, capital expenditure requirements, dividends and financing obligations.

Through a return of capital framework, we expect to return at least 50 percent of excess free cash flow (defined as cash flow from operations, less capital expenditures and other investments, including acquisitions) through a combination of steady, quarterly base dividends, opportunistic stock buybacks, and an annual supplemental dividend to true-up to shareholders on an annual basis. Associated with the plan, our Board of Directors authorized a share repurchase program for up to \$1.0 billion of the currently outstanding shares of our common stock over a period of 36 months, and we have announced that we expect to increase our quarterly cash dividend on its common stock from \$0.05 per share to \$0.075 per share, a 50 percent increase. The first quarterly dividend of \$0.075 per share is anticipated to be paid out during the quarter ended June 30, 2024. Subject to the approval of our Board of Directors, the Company also intends to declare a supplemental dividend during the second quarter ended June 30, 2025. The amount of such supplemental dividend is expected to be a minimum of 50% of the our Excess Free Cash Flow less capital returned to shareholders via base dividends and share repurchases during 2024. The declaration and payment of any future dividend is subject to the sole discretion of the our Board of Directors and will depend on our earnings, financial condition, capital requirements, level of indebtedness, applicable statutory and contractual restrictions and other considerations that the Board of Directors deems relevant.

Under the share repurchase program, we may repurchase shares from time to time through open market purchases, in privately negotiated transactions or by other means, including through the use of trading plans intended to qualify under Rule 10b5-1 under the Securities Exchange Act of 1934 (the “Exchange Act”), as amended, in accordance with applicable securities laws and other restrictions, including Rule 10b-18. The timing and total amount of any stock repurchases will depend upon business, economic and market conditions, corporate and regulatory requirements, prevailing stock prices and other considerations.

We may pursue additional acquisition candidates, but the timing, size or success of any acquisition effort and the related potential capital commitments cannot be predicted. We continue to expect to fund future cash acquisitions primarily with cash flow from operations and borrowings, including the un borrowed portion of the revolving credit facility or new debt issuances, but may also issue additional equity either directly or in connection with acquisitions. There can be no assurance that additional financing for acquisitions will be available at terms acceptable to us.

Forward-Looking Statements

The Private Securities Litigation Reform Act of 1995 provides safe harbor provisions for forward-looking information. Some of the information in this document contains, or has incorporated by reference, forward-looking statements. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. Forward-looking statements typically are identified by use of terms such as “may,” “believe,” “plan,” “will,” “expect,” “anticipate,” “estimate,” “should,” “forecast,” and similar words, although some forward-looking statements are expressed differently. We may also provide oral or written forward-looking information in other materials we release to the public. Forward-looking information involves risk and uncertainties and reflects our best judgment based on current information. You should be aware that our actual results could differ materially from results anticipated in the forward-looking statements due to a number of factors, including but not limited to changes in oil and gas prices, customer demand for our products and worldwide economic activity, including matters related to recent Russian sanctions. Given these uncertainties, current or prospective investors are cautioned not to place undue reliance on any such forward-looking statements. We undertake no obligation to update any such factors or forward-looking statements to reflect future events or developments. You should also consider carefully the statements under “Risk Factors,” as disclosed in our Annual Report on Form 10-K for the year-end December 31, 2023, as updated in Part II, Item 1A of our Quarterly Reports on Form 10-Q, which address additional factors that could cause our actual results to differ from those set forth in the forward-looking statements, and additional disclosures we make in our press releases and Forms 10-Q, and 8-K. We also suggest that you listen to our quarterly earnings release conference calls with financial analysts.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to changes in foreign currency exchange rates and interest rates. Additional information concerning each of these matters follows:

Foreign Currency Exchange Rates

We have extensive operations in foreign countries. The net assets and liabilities of these operations are exposed to changes in foreign currency exchange rates, although such fluctuations have a muted effect on net income since the functional currency for the majority of them is the local currency. These operations also have net assets and liabilities not denominated in the functional currency, which exposes us to changes in foreign currency exchange rates that impact income. We recorded a foreign exchange loss in our income statement of \$6 million in the first three months of 2024, compared to a \$9 million foreign exchange loss in the same period of the prior year. Gains and losses are primarily due to exchange rate fluctuations related to monetary asset balances denominated in currencies other than the functional currency and adjustments to our hedged positions as a result of changes in foreign currency exchange rates. Currency exchange rate fluctuations may create losses in future periods to the extent we maintain net monetary assets and liabilities not denominated in the functional currency of the NOV operation.

Some of our revenues in foreign countries are denominated in U.S. dollars, and therefore, changes in foreign currency exchange rates impact our earnings to the extent that costs associated with those U.S. dollar revenues are denominated in the local currency. Similarly, some of our revenues are denominated in foreign currencies, but have associated U.S. dollar costs, which also give rise to foreign currency exchange rate exposure. In order to mitigate that risk, we may utilize foreign currency forward contracts to better match the currency of our revenues and associated costs. We do not use foreign currency forward contracts for trading or speculative purposes.

The Company had other financial market risk sensitive instruments (cash balances, overdraft facilities, accounts receivable and accounts payable) denominated in foreign currencies with transactional exposures totaling \$475 million and translation exposures totaling \$309 million as of March 31, 2024. The Company estimates that a hypothetical 10% movement of all applicable foreign currency exchange rates on the transactional exposures could affect net income by \$37 million and the translational exposures could affect Other Comprehensive Income by \$31 million.

The counterparties to forward contracts are major financial institutions. The credit ratings and concentration of risk of these financial institutions are monitored on a continuing basis. Because these contracts are net-settled the Company's credit risk with the counterparties is limited to the foreign currency rate differential at the end of the contract.

Interest Rate Risk

At March 31, 2024, borrowings consisted of \$1,091 million in 3.95% Senior Notes, \$496 million in 3.60% Senior Notes, and other debt of \$221 million. At March 31, 2024, there were no outstanding letters of credit issued under the credit facility, resulting in \$1.95 billion of funds available under this credit facility. Additionally, the Company's joint venture has a \$150 million bank line of credit for the construction of a facility in Saudi Arabia. Interest under the bank line of credit is based upon SOFR plus 1.40%. Occasionally a portion of borrowings under our credit facility could be denominated in multiple currencies which could expose us to market risk with exchange rate movements. These instruments carry interest at a pre-agreed upon percentage point spread from either SOFR, NIBOR or CDOR, or at the U.S. prime rate. Under our credit facility, we may, at our option, fix the interest rate for certain borrowings based on a spread over SOFR, NIBOR or CDOR for one month to six months. Our objective is to maintain a portion of our debt in variable rate borrowings for the flexibility obtained regarding early repayment without penalties and lower overall cost as compared with fixed-rate borrowings.

Item 4. Controls and Procedures

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures. The Company's disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by the Company in the reports it files under the Exchange Act is accumulated and communicated to the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures and is recorded, processed, summarized and reported within the time period specified in the rules and forms of the Securities and Exchange Commission. Based upon that evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective as of the end of the period covered by this report at a reasonable assurance level.

There has been no change in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that occurred during our last fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1A. Risk Factors

As of the date of this filing, the Company and its operations continue to be subject to the risk factors previously disclosed in Part I, Item 1A "Risk Factors" in our 2023 Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

Item 2. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under the plans or programs
January 1 through January 31, 2024	—	—	—	—
February 1 through February 29, 2024	836,773	\$ 17.43	—	—
March 1 through March 31, 2024	—	—	—	—
Total ⁽¹⁾	<u>836,773</u>	<u>\$ 17.43</u>	<u>—</u>	<u>—</u>

(1) The 836,773 shares listed as "purchased" were withheld from employees' vesting of restricted stock grants, as required for income taxes, and retired. These shares were not part of a publicly announced program to purchase common stock.

Item 4. Mine Safety Disclosures

Information regarding mine safety and other regulatory actions at our mines is included in Exhibit 95 to this Form 10-Q.

Item 6. Exhibits

Reference is hereby made to the Exhibit Index commencing on page 31.

INDEX TO EXHIBITS

(a) Exhibits

- 3.1 [Seventh Amended and Restated Certificate of Incorporation of NOV Inc. \(Exhibit 3.1\)\(1\)](#)
- 3.2 [Amended and Restated By-laws of NOV Inc. \(Exhibit 3.1\)\(2\)](#)
- 10.1 [Amendment to 5-Year Credit Agreement, dated as of March 18, 2024 \(Exhibit 10.1\)\(3\)](#)
- 10.2 [Form of Restricted Stock Agreement \(3\)](#)
- 10.3 [Form of Performance Award Agreement \(3\)](#)
- 10.4 [Form of Employee Nonqualified Stock Option Grant Agreement \(3\)](#)
- 31.1 [Certification pursuant to Rule 13a-14a and Rule 15d-14\(a\) of the Securities and Exchange Act, as amended. \(3\)](#)
- 31.2 [Certification pursuant to Rule 13a-14a and Rule 15d-14\(a\) of the Securities and Exchange Act, as amended. \(3\)](#)
- 32.1 [Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. \(3\)](#)
- 32.2 [Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. \(3\)](#)
- 95 [Mine Safety Information pursuant to section 1503 of the Dodd-Frank Act. \(3\)](#)
- 101.INS Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
- 101.SCH Inline XBRL Taxonomy Extension Schema Document
- 101.CAL Inline XBRL Taxonomy Extension Calculation Linkbase Document
- 101.DEF Inline XBRL Taxonomy Extension Definition Linkbase Document
- 101.LAB Inline XBRL Taxonomy Extension Label Linkbase Document
- 101.PRE Inline XBRL Taxonomy Extension Presentation Linkbase Document
- 104 Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

* Compensatory plan or arrangement for management or others.

- (1) Filed as an Exhibit to our Current Report on Form 8-K filed on May 18, 2023
- (2) Filed as an Exhibit to our Current Report on Form 8-K filed on February 28, 2023.
- (3) Filed herewith.

We hereby undertake, pursuant to Regulation S-K, Item 601(b), paragraph (4) (iii), to furnish to the U.S. Securities and Exchange Commission, upon request, all constituent instruments defining the rights of holders of our long-term debt not filed herewith.

SIGNATURE

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

Date: April 26, 2024

By: /s/ Christy H. Novak

Christy H. Novak

Vice President, Corporate Controller & Chief Accounting Officer

(Duly Authorized Officer, Principal Accounting Officer)

March 18, 2024

Arab Banking Corporation (B.S.C) New York Branch
140 East 45th St., 38th Floor
New York, NY 10017
Attn: Gautier Strub
Email: Gautier.Strub@BANK-ABC.COM

Re: 5-Year Credit Agreement dated as of June 27, 2017, among NOV Inc. f/k/a National Oilwell Varco, Inc. (the "Borrower"), Wells Fargo Bank, National Association, as administrative agent (in such capacity, the "Administrative Agent"), an issuing lender, and US swingline lender, and the lenders party thereto from time to time (the "Lenders") (as heretofore amended or otherwise modified, the "Credit Agreement"; the defined terms of which are used herein unless otherwise defined herein)

Ladies and Gentlemen:

Reference is made to that certain Assignment and Assumption dated effective as of March 18, 2024 (the "Assignment") whereby DBS Bank Ltd. ("Non-Consenting Lender") assigned to Arab Banking Corporation (B.S.C.), New York Branch \$35,000,000 of its Commitment and related rights and obligations under the Credit Agreement (such assigned portion of its Commitment, the "Assigned Commitment"). The Non-Consenting Lender did not consent to the Borrower's extension request dated as of March 22, 2021 and, therefore, prior to giving effect to this letter agreement, the Assigned Commitment had a maturity date of October 30, 2024. The parties hereto hereby agree that, upon the receipt and acknowledgment by the Administrative Agent of this letter agreement executed by the parties hereto, the Maturity Date of the Assigned Commitment is hereby extended to **October 30, 2025**.

Subject to the terms set forth herein, the Borrower hereby acknowledges, that the Credit Agreement and the other Credit Documents shall remain unchanged and in full force and effect. This letter agreement may be signed in any number of counterparts, each of which shall be an original and all of which, taken together, constitute a single instrument and may be executed by electronic transmission, and all such signatures shall be effective as originals. Sections 9.10, 9.13, and 9.14 of the Credit Agreement are hereby incorporated herein by reference and shall apply to this letter agreement, *mutatis mutandis*.

[Signature pages follow.]

Very truly yours,

NOV INC.

By:

Name: Trevor B. Martin

Title: Vice President and Treasurer

ACKNOWLEDGED AND AGREED TO:

ARAB BANKING CORPORATION (B.S.C.) NEW YORK BRANCH

By:

Name: Gautier Strub

Title: Senior Relationship Manager

By:

Name: David Giacalone

Title: Chief Risk Officer

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent

By:

Name: Kevin Pang

Title: Vice President

NOV INC. LONG-TERM INCENTIVE PLAN

Restricted Stock Unit Agreement

Grantee: **«Name»**
 Date of Grant: **February __, 202__**
 Number of Restricted Stock Units Granted: **«Shares»**

1. Notice of Grant. NOV Inc. (the “Company”) is pleased to notify you that you have been granted the above number of restricted stock units (the “Restricted Stock Units”) of the Company pursuant to the NOV Inc. Long-Term Incentive Plan (the “Plan”), subject to the terms and conditions of the Plan and this Agreement. A copy of the Plan is annexed to this Restricted Stock Unit Agreement (this “Agreement”) and shall be deemed a part hereof as if fully set forth herein.

2. Restricted Stock Units. The Restricted Stock Units are subject to the following terms, which you are deemed to accept by accepting this award:

(a) Payment and Determination of Value. Except as otherwise provided in Section 5 below, upon vesting and satisfying all applicable tax withholding obligations, the Company shall issue to you, on a date (the “Settlement Date”) within thirty (30) days following the date your Restricted Stock Units become vested (as described in Section 2(b) below), a number of whole shares of Stock equal to your vested Restricted Stock Units, rounded down to the nearest whole number. Such shares of Stock shall not be subject to any restriction on transfer other than any such restriction as may be required under local law. On the Settlement Date, the Company may pay to you cash in lieu of any fractional share of Stock represented by a fractional Restricted Stock Unit subject to this Award in an amount equal to the Fair Market Value on the vesting date of such fractional share of Stock. In addition, the Company may, to the extent required by local law, pay to you cash in lieu of any shares of Stock otherwise payable under this Agreement. Distributions on a share of Restricted Stock Units or cash dividend equivalents may be held by the Company without interest until the Restricted Stock Units with respect to which the distribution was made becomes vested or is forfeited and then paid to you or forfeited, as the case may be. Any distributions or dividend equivalents accrued and held by the Company until vesting will be paid based on the total number of shares earned under the Agreement.

(b) Vesting. Subject to the further provisions of this Agreement, the Restricted Stock Units shall become vested in accordance with the following schedule:

<u>VESTING DATE</u>	<u>VESTED PERCENTAGE</u>
February __, 2025	33-1/3%
February __, 2026	33-1/3%
February __, 2027	33-1/3%

(c) Termination of Employment. Subject to the terms of any applicable employment agreement or severance agreement between you and the Company (both hereinafter referred to together as the “Employment Agreements”), any portion of the Restricted Stock Units that does not become vested in accordance with the provisions of Section 2(b) above shall be forfeited to the Company for no consideration on the date of your Termination for any reason, other than as provided in the remaining provisions of this Section 2.

(d) Accelerated Vesting. Notwithstanding the preceding, some or all of your Restricted Stock Units may become vested as follows:

(i) Change of Control Termination. In the event of your Change in Control Termination, all of your Restricted Stock Units shall become fully vested and, subject to Section 5 below, shall be settled in shares of Stock on the date of your Termination or as soon as administratively practicable thereafter.

(ii) Disability. If your employment with the Company terminates by reason of Disability, all of your Restricted Stock Units shall become fully vested and, subject to Section 5 below, shall be settled in shares of Stock on the date of your Termination or as soon as administratively practicable thereafter.

(iii) Death. If your employment with the Company terminates by reason of death, all of your Restricted Stock Units shall become fully vested and shall be settled in shares of Stock on the date of your death or as soon as administratively practicable thereafter.

Notwithstanding the preceding, the provisions of the Employment Agreements concerning the vesting of Restricted Stock Units are incorporated hereby and made a part of this Agreement. In the event of any conflict between the Employment Agreements and this Agreement, the terms of the Employment Agreements shall control. In addition, if your employment with the Company terminates or is terminated under circumstances constituting retirement under any then-existing Board-approved retirement policy or program, vesting, payment and/or forfeiture of your Restricted Stock Units, as applicable, shall be determined in accordance with such retirement policy or program.

3. Award Acceptance. The Restricted Stock Units are granted subject to your unequivocal acceptance of the terms and conditions of this Agreement, which shall be evidenced by your compliance with the online acceptance instructions provided by the Company.

4. Withholding of Tax. To the extent that the grant or vesting of Restricted Stock Units results in the receipt of compensation by you with respect to which the Company or a Subsidiary has a tax withholding obligation pursuant to applicable law, the Company shall withhold a number of shares that would otherwise be delivered on vesting that have an aggregate Fair Market Value that does not exceed the amount of taxes to be withheld to meet your tax withholding obligations, unless you, at your option, deliver to the Company or the Subsidiary such amount of money as the Company or the Subsidiary may require to meet its withholding obligations in lieu of the withholding of shares. No delivery of shares of Stock shall be made

under this Agreement until the applicable tax withholding requirements of the Company or Subsidiary have been satisfied in full.

Regardless of any action the Company or Subsidiary that employs you takes with respect to any or all income tax (including U.S. federal, state and local taxes and/or non-U.S. taxes), social insurance, payroll tax, payment on account or other tax-related withholding (“Tax-Related Items”), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company or Subsidiary that employs you (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including the grant of the Award, the vesting of the Award, the settlement of the Award into shares of Stock or the receipt of an equivalent cash payment, the subsequent sale of any shares of Stock acquired pursuant to the Award; and (ii) do not commit to structure the terms of the grant or any aspect of the Award to reduce or eliminate your liability for Tax-Related Items.

If your country of residence (and/or the country of employment, if different) requires withholding of Tax-Related Items, the Company or Subsidiary may withhold a portion of the shares of Stock otherwise issuable upon vesting of the Award that have an aggregate Fair Market Value sufficient to pay the minimum Tax-Related Items required to be withheld by the Company or Subsidiary with respect to the shares of Stock. The cash equivalent of the shares withheld will be used to settle the obligation to withhold the Tax-Related Items. No fractional shares of Stock will be withheld or issued pursuant to the grant of the Award and the issuance of shares of Stock hereunder. Alternatively, the Company or Subsidiary may, in its discretion, withhold any amount necessary to pay the Tax-Related Items from your salary or other amounts payable to you, with no withholding in shares of Stock. In the event the withholding requirements are not satisfied through the withholding of shares of Stock or, through your salary or other amounts payable to you, no shares of Stock will be issued to you (or your estate) in settlement of the Award unless and until satisfactory arrangements (as determined by the Company) have been made by you with respect to the payment of any Tax-Related Items which the Company or Subsidiary determines, in its sole discretion, must be withheld or collected with respect to such Award. By accepting this Award you expressly consent to the withholding of shares of Stock and/or cash as provided for hereunder. All other Tax-Related Items related to the Award and any shares of Stock delivered in payment thereof are your sole responsibility.

5. **Code Section 409A**. If and to the extent any portion of any payment provided to you under this Agreement in connection with your separation from service in Section 409A is determined to constitute “nonqualified deferred compensation” within the meaning of Code Section 409A and you are a “specified employee” as defined in Section 409A(a)(2)(B)(i), as determined by the Company in accordance with the procedures separately adopted by the Company for this purpose, by which determination you, as a condition to accepting benefits under this Agreement and the Plan, agrees that you are bound, such portion of the shares of Company’s common stock to be delivered on a vesting date shall not be delivered before the earlier of (i) the day that is six months plus one day after the date of separation from service (as determined under Section 409A) or (ii) the tenth (10th) day after the date of your death (as applicable, the “New Payment Date”). The shares that otherwise would have been delivered to you during the period between the date of separation from service and the New Payment Date shall be delivered to you on such New Payment Date, and any remaining shares will be delivered on their original schedule.

Neither the Company nor you will have the right to accelerate or defer the delivery of any such shares except to the extent specifically permitted or required by Code Section 409A. This Agreement is intended to comply with the provisions of Code Section 409A and this Agreement and the Plan shall, to the extent practicable, be construed in accordance therewith. Terms defined in this Agreement and the Plan shall have the meanings given such terms under Code Section 409A if and to the extent required to comply with Code Section 409A. In any event, the Company makes no representations or warranty and shall have no liability to you or any other person if any provisions of or payments under this Agreement are determined to constitute deferred compensation subject to Code Section 409A but not to satisfy the conditions of that section.

6. Miscellaneous.

(a) Entire Agreement; Governing Law. These Restricted Stock Units constitute awards of Phantom Shares for purposes of the Plan and are granted under and governed by the terms and conditions of the Plan, this Agreement and any country specific addendum to this Agreement. In the event of any conflict between the Plan, the Employment Agreements and this Agreement, the terms of the Plan shall control. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Agreement. The Plan is incorporated herein by reference. The Plan and this Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and you with respect to the subject matter hereof, and may not be modified adversely to your interest except by means of a writing signed by the Company and you. This Agreement is governed by the internal substantive laws, but not the choice of law rules, of the state of Texas.

(b) Employment Relationship. For purposes of this Agreement, you will be considered to be in the employment of the Company as long as you remain an employee of either the Company or Subsidiary (as such term is defined in the Plan). Nothing in the adoption of the Plan or the award of the Restricted Stock Units thereunder pursuant to this Agreement shall confer upon you the right to continued employment by the Company or affect in any way the right of the Company to terminate such employment at any time. Unless otherwise provided in a written employment agreement or by applicable law, you shall be on an at-will basis, and the employment relationship may be terminated at any time by either you or the Company for any reason whatsoever, with or without cause. Any question as to whether and when there has been a Termination of your employment, and the cause of such Termination, shall be determined by the Committee, and its determination shall be final. For purposes of this Agreement, “employment with the Company” shall include being an employee or a director of, or a consultant to, the Company or any Subsidiary.

(c) Corporate Acts. The existence of the Restricted Stock Units shall not affect in any way the right or power of the Board or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization, or other change in the Company’s capital structure or its business, any merger or consolidation of the Company, any issue of debt or equity securities, the dissolution or liquidation of the Company or any sale, lease, exchange, or other disposition of all or any part of its assets or business, or any other corporate act or proceeding.

(d) **Transfer Restrictions.** You may not sell, transfer, pledge, exchange, hypothecate or dispose of Restricted Stock Units in any manner otherwise than by will or by the laws of descent or distribution. A breach of these terms of this Agreement shall cause a forfeiture of your Restricted Stock Units.

(e) **Forfeiture in Certain Circumstances (“Clawback”).** The Committee may, at its sole discretion, terminate this Award, recover any shares of Stock issued in connection herewith, and any dividends paid with respect thereto, or otherwise seek reimbursement therefor as required or provided for in accordance with the Company’s Compensation Recovery Policy and any other clawback policies adopted by the Company.

(f) **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under you.

(g) **Shareholder Rights.** The Restricted Stock Units granted pursuant to this Agreement do not and shall not entitle you to any rights of a holder of shares of Stock prior to the date that shares of Stock are issued to you in settlement of the Award. Your rights with respect to the Restricted Stock Units shall remain forfeitable as stated in this Agreement.

(h) **Local Laws.** If your service terminates (whether or not in breach of local labor laws), the effective date of such termination of service for all purposes of this Agreement will be extended by any notice period mandated under local law (e.g., active employment would include a period of “garden leave” or similar period pursuant to local law); the Company shall have the exclusive discretion to determine when you are no longer employed for purposes of this Award.

(i) **No Waiver.** No failure by either party at any time to give notice of any breach by the other party of, or to require compliance with, any condition or provision of this Agreement shall (i) be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time or (ii) preclude insistence upon strict compliance in the future.

7. **Definitions.** Unless the context otherwise requires, all terms that are not defined in this Agreement but which are defined in the Plan shall have the same meaning given to them in the Plan when used herein. Notwithstanding the preceding, if you are a party to a written employment or severance agreement with the Company which defines one or more of the terms below, the definition in that agreement shall be incorporated into this Agreement and apply.

(a) “**Act**” means the Securities Exchange Act of 1934, as amended.

(b) “**Cause**” shall mean you have (i) engaged in gross negligence or willful misconduct in the performance of your duties and responsibilities respecting your position with the Company; or (ii) a final conviction of a felony or a misdemeanor involving moral turpitude.

(c) “**Change of Control**” shall mean: (i) the Company completes the sale of assets having a gross sales price which exceeds 50% of the consolidated total capitalization of the Company (consolidated total stockholders’ equity plus consolidated total long-term debt as determined in accordance with generally accepted accounting principles) as at the end of the last

full fiscal quarter prior to the date such determination is made; or (ii) any corporation, person or group within the meaning of Section 13(d)(3) and 14(d)(2) of the Act, becomes the beneficial owner (within the meaning of Rule 13d-3 under the Act) of voting securities of the Company representing more than 30% of the total votes eligible to be cast at any election of directors of the Company.

(d) “Change in Control Termination” means your termination from employment with the Company on or within twelve months following a Change of Control that is either (i) initiated by the Company for reasons other than for “Cause”, or (ii) initiated by you after (a) a reduction by the Company of your authority, duties or responsibilities immediately prior to the Change of Control (excluding for this purpose (A) an insubstantial reduction of such authorities, duties or responsibilities or an insubstantial reduction of your offices, titles and reporting requirements, or (B) an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by you), (b) a reduction of your base salary or total compensation as in effect immediately prior to the Change of Control (total compensation means for this purpose: base salary, participation in an annual bonus plan, and participation in a long-term incentive plan), or (c) your transfer, without your express written consent, to a location which is outside the general metropolitan area in which your principal place of business immediately prior to the Change of Control may be located or the Company’s requiring you to travel on Company business to a substantially greater extent than required immediately prior to the Change of Control.

(e) “Disability” has the meaning provided in the Company’s long-term disability plan. If you are not eligible for the Company’s long-term disability plan, any determination of disability shall be made by the Committee based on the definition of disability provided in the Company’s long-term disability plan.

(f) “Section 409A” means Section 409A of Internal Revenue Code of 1986, as amended, including any regulatory guidance issued thereunder.

(g) “Termination” means your “separation from service” (as defined in Section 409A) from the Company as an employee, director, consultant or other service provider.

NOV INC. LONG-TERM INCENTIVE PLAN

Performance Award Agreement

Grantee:	«Name»
Date of Grant:	February __, 202__
“Target Level” Shares that may be earned:	TSR Based Award: _____
	NVA Based Award: _____

1. Notice of Grant. NOV Inc. (the “Company”) is pleased to notify you that you have been granted a Performance Award (“Award”) equal to the above aggregate number of shares of Stock of the Company pursuant to the NOV Inc. Long-Term Incentive Plan (the “Plan”), subject to the terms and conditions of the Plan and this Agreement. A copy of the Plan is annexed to this Performance Award Agreement (this “Agreement”) and shall be deemed a part hereof as if fully set forth herein.

2. Performance Award Terms. The Award is subject to the following terms, which you are deemed to accept by accepting this award:

(a) Performance Period and Performance Criteria. The Award’s performance period (“Performance Period”) and criteria (“Performance Criteria”) are set forth on Exhibit A to this Agreement. The Performance Criteria have been established by the Committee, which shall determine and certify whether such criteria have been satisfied. Subject to any applicable retirement policy or program, you must be employed by or providing a service to the Company throughout the Performance Period and remain continuously employed by or in service to the Company until such time as the performance criteria has been certified by the Compensation Committee to be eligible to receive the shares of Common Stock of the Company or cash payment earned under this Agreement.

(b) Determination of Value. Subject to the provisions of this Agreement and the Plan, following the end of the Performance Period, you shall be entitled to receive a payment of a number of shares of Common Stock of the Company or a cash payment based on the level of achievement of the Performance Criteria set forth on Exhibit A hereto during the Performance Period, as determined and certified by the Committee in writing, such number of shares not to exceed the maximum level of shares set forth on Exhibit A. Any portion of the Award that is earned up to the Target Level shall be paid in shares of Stock of the Company. If the number of shares earned under the Award exceeds the Target Level, the Committee shall determine at the time the Award is certified in writing, whether the shares that are earned in excess of the Target Level shall be paid in shares of Common Stock or in cash. The cash payment shall be based upon the fair market value of such excess shares, as determined by the closing trading price of the Company’s Common Stock on the date the Award is certified in writing by the Committee.



Distributions on a share of Stock (including dividends) underlying the Award shall accrue and be held by the Company without interest until the Award with respect to which the distribution was made becomes vested or is forfeited and then paid to you or forfeited, as the case may be. Any dividends or dividend equivalents accrued and held by the Company until vesting will be paid based on the total number of shares earned under the Award, regardless of whether the Award is settled in cash or in shares of Stock.

(c) Payment Timing. Payments under this Agreement shall be made not earlier than January 1, 2027 and not later than March 15, 2027.

(d) Termination of Employment. Subject to the terms of any applicable employment agreement or severance agreement between you and the Company (both hereinafter referred to together as the “Employment Agreements”), any portion of the Award that does not become vested in accordance with Exhibit A shall be forfeited to the Company for no consideration on the date of your Termination for any reason, other than as provided in the remaining provisions of this Section 2.

(e) Accelerated Vesting. Notwithstanding the preceding, your Award may become vested as follows:

(i) Change of Control Termination. In the event of your Change in Control Termination, the Performance Criteria for the full Performance Period shall be deemed satisfied at the Target Level. The Committee shall certify that such Performance Criteria have been satisfied at such level and, subject to Section 5 below, provide for the payment of the Target Level of shares of Stock on the date of your Termination or as soon as administratively practicable thereafter.

(ii) Disability. If your employment with the Company terminates by reason of Disability, the Performance Criteria for the full Performance Period shall be deemed satisfied at the Target Level. The Committee shall certify that such Performance Criteria have been satisfied at such level and, subject to Section 5 below, provide for the payment of the Target Level of shares of Stock on the date of your Termination or as soon as administratively practicable thereafter.

(iii) Death. If your employment with the Company terminates by reason of death, the Performance Criteria for the full Performance Period shall be deemed satisfied at the Target Level. The Committee shall certify that such Performance Criteria have been satisfied at such level and provide for the payment of the Target Level of shares of Stock as soon as administratively practicable after the date of your death.

Notwithstanding the preceding, the provisions of the Employment Agreements are incorporated hereby and made a part of this Agreement. In the event of any conflict between the Employment Agreements and this Agreement, the terms of the Employment Agreements shall control. In addition, if your employment with the Company terminates or is terminated under circumstances constituting retirement under any then-existing Board-approved retirement policy or program, vesting, payment and/or forfeiture of your Award, as applicable, shall be determined in accordance with such retirement policy or program.

3. Award Acceptance. The Performance Award is granted subject to your unequivocal acceptance of the terms and conditions of this Agreement, which shall be evidenced by your compliance with the online acceptance instructions provided by the Company.

4. Withholding of Tax. To the extent that the grant or vesting of the Award results in the receipt of compensation by you with respect to which the Company or a Subsidiary has a tax withholding obligation pursuant to applicable law the Company shall withhold a number of shares of Stock that would otherwise be delivered on vesting that have an aggregate Fair Market Value that does not exceed the amount of taxes to be withheld to meet your tax withholding obligations, unless you, at your option, deliver to the Company or the Subsidiary such amount of money as the Company or the Subsidiary may require to meet its withholding obligations in lieu of the withholding of shares. No delivery of shares of Stock shall be made under this Agreement until the applicable tax withholding requirements of the Company or Subsidiary have been satisfied in full.

Regardless of any action the Company or Subsidiary that employs you takes with respect to any or all income tax (including U.S. federal, state and local taxes and/or non-U.S. taxes), social insurance, payroll tax, payment on account or other tax-related withholding ("Tax-Related Items"), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company or Subsidiary that employs you (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including the grant of the Award, the vesting of the Award, the settlement of the Award into shares of Stock or the receipt of an equivalent cash payment, the subsequent sale of any shares of Stock acquired pursuant to the Award; and (ii) do not commit to structure the terms of the grant or any aspect of the Award to reduce or eliminate your liability for Tax-Related Items.

If your country of residence (and/or the country of employment, if different) requires withholding of Tax-Related Items, the Company or Subsidiary may withhold a portion of the shares of Stock otherwise issuable upon vesting of the Award that have an aggregate Fair Market Value sufficient to pay the minimum Tax-Related Items required to be withheld by the Company or Subsidiary with respect to the shares of Stock. The cash equivalent of the shares withheld will be used to settle the obligation to withhold the Tax-Related Items. No fractional shares of Stock will be withheld or issued pursuant to the grant of the Award and the issuance of shares of Stock hereunder. Alternatively, the Company or Subsidiary may, in its discretion, withhold any amount necessary to pay the Tax-Related Items from your salary or other amounts payable to you, with no withholding in shares of Stock. In the event the withholding requirements are not satisfied through the withholding of shares of Stock or, through your salary or other amounts payable to you, no shares of Stock will be issued to you (or your estate) in settlement of the Award unless and until satisfactory arrangements (as determined by the Company) have been made by you with respect to the payment of any Tax-Related Items which the Company or Subsidiary determines, in its sole discretion, must be withheld or collected with respect to such Award. By accepting this Award you expressly consent to the withholding of shares of Stock and/or cash as provided for hereunder. All other Tax-Related Items related to the Award and any shares of Stock delivered in payment thereof are your sole responsibility.

5. **Code Section 409A.** If and to the extent any portion of any payment provided to you under this Agreement in connection with your separation from service in Section 409A is determined to constitute “nonqualified deferred compensation” within the meaning of Code Section 409A and you are a “specified employee” as defined in Section 409A(a)(2)(B)(i), as determined by the Company in accordance with the procedures separately adopted by the Company for this purpose, by which determination you, as a condition to accepting benefits under this Agreement and the Plan, agrees that you are bound, such portion of the shares of Company’s common stock to be delivered on a vesting date shall not be delivered before the earlier of (i) the day that is six months plus one day after the date of separation from service (as determined under Code Section 409A) or (ii) the tenth (10th) day after the date of your death (as applicable, the “New Payment Date”). The shares that otherwise would have been delivered to you during the period between the date of separation from service and the New Payment Date shall be delivered to you on such New Payment Date, and any remaining shares will be delivered on their original schedule. Neither the Company nor you will have the right to accelerate or defer the delivery of any such shares except to the extent specifically permitted or required by Code Section 409A. This Agreement is intended to comply with the provisions of Code Section 409A and this Agreement and the Plan shall, to the extent practicable, be construed in accordance therewith. Terms defined in this Agreement and the Plan shall have the meanings given such terms under Code Section 409A if and to the extent required to comply with Code Section 409A. In any event, the Company makes no representations or warranty and shall have no liability to you or any other person if any provisions of or payments under this Agreement are determined to constitute deferred compensation subject to Section 409A but not to satisfy the conditions of that section.

6. **Miscellaneous.**

(a) **Entire Agreement; Governing Law.** The Award constitutes a Performance Award for purposes of the Plan and is granted under and governed by the terms and conditions of the Plan, this Agreement and any country specific addendum to this Agreement. In the event of any conflict between the Plan, the Employment Agreements and this Agreement, the terms of the Plan shall control. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Agreement. The Plan is incorporated herein by reference. The Plan and this Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and you with respect to the subject matter hereof, and may not be modified adversely to your interest except by means of a writing signed by the Company and you. This Agreement is governed by the internal substantive laws, but not the choice of law rules, of the state of Texas.

(b) **Employment Relationship.** For purposes of this Agreement, you will be considered to be in the employment of the Company as long as you remain an employee of either the Company or Subsidiary (as such term is defined in the Plan). Nothing in the adoption of the Plan or the Award pursuant to this Agreement shall confer upon you the right to continued employment by the Company or affect in any way the right of the Company to terminate such employment at any time. Unless otherwise provided in a written employment agreement or by applicable law, you shall be on an at-will basis, and the employment relationship may be terminated at any time by either you or the Company for any reason whatsoever, with or without cause. Any question as to whether and when there has been a Termination of your employment, and the cause of such Termination, shall be determined by the Committee, and its determination

shall be final. For purposes of this Agreement, “employment with the Company” shall include being an employee or a director of, or a consultant to, the Company or any Subsidiary.

(c) Corporate Acts. The existence of the Award shall not affect in any way the right or power of the Board or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization, or other change in the Company’s capital structure or its business, any merger or consolidation of the Company, any issue of debt or equity securities, the dissolution or liquidation of the Company or any sale, lease, exchange, or other disposition of all or any part of its assets or business, or any other corporate act or proceeding.

(d) Transfer Restrictions. You may not sell, transfer, pledge, exchange, hypothecate or dispose of the Award in any manner otherwise than by will or by the laws of descent or distribution. A breach of these terms of this Agreement shall cause a forfeiture of the Award.

(e) Forfeiture in Certain Circumstances (“Clawback”). The Committee may, at its sole discretion, terminate this Award, recover any shares of Stock issued in connection herewith, and any dividends paid with respect thereto, or otherwise seek reimbursement therefor as required or provided for in accordance with the Company’s Compensation Recovery Policy and any other clawback policies adopted by the Company.

(f) Binding Effect. This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under you.

(g) Shareholder Rights. This Award does not and shall not entitle you to any rights of a holder of shares of Stock prior to the date that shares of Stock are issued to you in settlement of the Award. Your rights with respect to the Award shall remain forfeitable as stated in this Agreement.

(h) Local Laws. If your service terminates (whether or not in breach of local labor laws), the effective date of such termination of service for all purposes of this Agreement will be extended by any notice period mandated under local law (e.g., active employment would include a period of “garden leave” or similar period pursuant to local law); the Company shall have the exclusive discretion to determine when you are no longer employed for purposes of this Award.

(i) No Waiver. No failure by either party at any time to give notice of any breach by the other party of, or to require compliance with, any condition or provision of this Agreement shall (i) be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time or (ii) preclude insistence upon strict compliance in the future.

7. **Definitions**. Unless the context otherwise requires, all terms that are not defined in this Agreement but which are defined in the Plan shall have the same meaning given to them in the Plan when used herein. Notwithstanding the preceding, if you are a party to a written employment or severance agreement with the Company which defines one or more of the terms below, the definition in that agreement shall be incorporated into this Agreement and apply.

(a) “Act” means the Securities Exchange Act of 1934, as amended.

(b) “Cause” shall mean you have (i) engaged in gross negligence or willful misconduct in the performance of your duties and responsibilities respecting your position with the Company; or (ii) a final conviction of a felony or a misdemeanor involving moral turpitude.

(c) “Change of Control” shall mean: (i) the Company completes the sale of assets having a gross sales price which exceeds 50% of the consolidated total capitalization of the Company (consolidated total stockholders’ equity plus consolidated total long-term debt as determined in accordance with generally accepted accounting principles) as at the end of the last full fiscal quarter prior to the date such determination is made; or (ii) any corporation, person or group within the meaning of Section 13(d)(3) and 14(d)(2) of the Act, becomes the beneficial owner (within the meaning of Rule 13d-3 under the Act) of voting securities of the Company representing more than 30% of the total votes eligible to be cast at any election of directors of the Company.

(d) “Change in Control Termination” means your termination from employment with the Company on or within twelve months following a Change of Control that is either (i) initiated by the Company for reasons other than for “Cause”, or (ii) initiated by you after (a) a reduction by the Company of your authority, duties or responsibilities immediately prior to the Change of Control (excluding for this purpose (A) an insubstantial reduction of such authorities, duties or responsibilities or an insubstantial reduction of your offices, titles and reporting requirements, or (B) an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by you), (b) a reduction of your base salary or total compensation as in effect immediately prior to the Change of Control (total compensation means for this purpose: base salary, participation in an annual bonus plan, and participation in a long-term incentive plan), or (c) your transfer, without your express written consent, to a location which is outside the general metropolitan area in which your principal place of business immediately prior to the Change of Control may be located or the Company's requiring you to travel on Company business to a substantially greater extent than required immediately prior to the Change of Control.

(e) “Disability” has the meaning provided in the Company’s long-term disability plan. If you are not eligible for the Company’s long-term disability plan, any determination of disability shall be made by the Committee based on the definition of disability provided in the Company’s long-term disability plan.

(f) “Section 409A” means Section 409A of Internal Revenue Code of 1986, as amended, including any regulatory guidance issued thereunder.

(g) “Termination” means your “separation from service” (as defined in Section 409A) from the Company as an employee, director, consultant or other service provider.

Exhibit A

Performance Period and Criteria

Performance Period: January 1, 2024 to December 31, 2026

Performance Criteria:

The Award is divided into two independent pieces: one in which any payment is determined based on relative performance using Total Shareholder Return (“**TSR**”) (the “**TSR Based Award**”) and one in which any payment is determined based on performance against the Company’s returns on capital metric, NOV Value Added (“**NVA**”) (the “**NVA Based Award**”). Subject to the Absolute TSR Collar, no portion of the TSR Based Award will be earned if the Company’s performance during the Performance Period is below the threshold level of the Performance Criteria for the TSR Based Award as described below. No portion of the NVA Based Award will be earned if the Company’s performance during the Performance Period is below the threshold level of the Performance Criteria for the NVA Based Award as described below. The Company’s performance with respect to the TSR Based Award will not impact any payment earned with respect to the NVA Based Award, and vice versa.

TSR Based Award:

This piece of the Award is based on the Company’s relative TSR performance as measured against the TSR of the constituents of the OSX Index. The composition of the OSX comparator group shall be based on the companies listed in the OSX Index on December 31, 2026. Such comparison will be based on a percentile approach as detailed below with any payment based on linear interpolation between threshold and maximum levels. TSR for the Company and the OSX comparator group to be calculated over the entire 3-year Performance Period (using a 30-day averaging period for the first 30 calendar days and the last 30 calendar days of the Performance Period to mitigate the effect of stock price volatility). TSR calculation to assume reinvestment of dividends. Companies that are not publicly listed during the entire Performance Period shall not be included in the OSX comparator group. Comparator companies that file for bankruptcy or delist at any time during the Performance Period will remain in the OSX comparator group with a TSR that places such companies at the bottom of the percentile rankings. Subject to the Absolute TSR Collar, the Award will be not earned if the Company’s performance during the Performance Period is below the threshold level of the Performance Criteria as described below.

Level	Percentile Rank vs. Comparator Group	Payout Percentage*
Maximum	75th Percentile and above	200% of Target Level
Target	50th percentile	100% of Target Level
Threshold	25th percentile	50% of Target Level
	Below 25th percentile	0%

* Based on the Target Level shares set forth on the first page of this Agreement.

Absolute TSR Collar Limitation: As detailed below, the TSR Based Award will be subject to a vesting cap equal to 100% of Target Level if the Company’s absolute TSR over the Performance Period is negative, regardless of relative TSR results. Conversely, if the Company’s absolute TSR is greater than 15% annualized over the Performance Period the payout amount shall not be less than 50% of Target Level, regardless of relative TSR results.

Annualized 3-year Absolute TSR	Impact on Final Payout
> 15%	Floor of 50% of Target Level, regardless of relative TSR results
0% to 15%	No adjustment
< 0%	Cap of 100% of Target Level, regardless of relative TSR results

NVA Based Award:

This piece of the Award is based on the Company’s improvement in NVA (based on the Company’s consolidated financial results) from the beginning of the Performance Period (January 1, 2024) until the end of the Performance Period (December 31, 2026). NVA shall be calculated as an amount equal to the Company’s (a) gross cash earnings less (b) average gross operating assets times an amount equal to a required return on assets (as determined by the Committee). The Award will be not earned if the Company’s performance during the Performance Period is below the threshold level of the Performance Criteria as described below. Any payment will be based on linear interpolation between threshold and maximum levels as detailed below.

Level	NVA: Absolute NVA Performance	Payout Percentage*
Maximum	\$124M NVA	200% Target Level
Target	Equal to 2023 NVA of \$(32)M**	100% Target Level
Threshold	\$(188)M NVA	50% Target Level
	Below \$(188)M NVA	0%

* Based on the Target Level for the NVA Based Award set forth on the first page of this Agreement.

** 2023 Actual NVA as adjusted for timing of write-offs, tax rate of 23%, cost of capital of 9%.

NOV INC. LONG-TERM INCENTIVE PLAN

Nonqualified Stock Option Agreement

Grantee: «Name»
 Date of Grant: February __, 202__
 Exercise Price per Share \$
 Number of Option Shares Granted: «Shares»

1. Notice of Grant. NOV Inc. (the “Company”) is pleased to notify you that you have been granted an option (the “Option”) to pursuant to the number of shares of Stock of the Company set forth above pursuant to the NOV Inc. Long-Term Incentive Plan (the “Plan”), subject to the terms and conditions of the Plan and this Agreement. A copy of the Plan is annexed to this Option Agreement (this “Agreement”) and shall be deemed a part hereof as if fully set forth herein.

2. Options. The Option is subject to the following terms, which you are deemed to accept by accepting this Award. The Option is not intended to be an incentive stock option within the meaning of Section 422 of the Code.

(a) Vesting. Subject to the further provisions of this Agreement, the Option shall become vested in accordance with the following schedule:

<u>VESTING DATE</u>	<u>VESTED PERCENTAGE</u>
February , 2025	33-1/3%
February , 2026	33-1/3%
February , 2027	33-1/3%

Subject to the terms of any applicable employment agreement or severance agreement between you and the Company (both hereinafter referred to together as the “Employment Agreements”), any portion of the Option that does not become vested on or before the date of your Termination shall be forfeited to the Company for no consideration on the date of your Termination for any reason, other than as provided in the remaining provisions of this Section 2. If your employment is terminated by the Company for Cause, the Option automatically shall be cancelled and may not be exercised following your Termination.

(b) Exercise. The Option may be exercised, in whole or in part, only to the extent vested as provided in this Section 2. Except as otherwise provided in the remaining provisions of this Section 2, the vested portion of the Option may be exercised during the period between the date it becomes vested and the earlier of (i) three (3) months after your Termination, or (ii) ten (10) years from the above Date of Grant. There is no minimum or maximum number of Option shares that must be purchased upon exercise of the Option.

(c) Method of Payment. Payment of the aggregate Exercise Price for the Shares being purchased pursuant to this Option may be by any of the following, or a combination thereof: (i) cash; (ii) by certified or cashier's check payable to the order of the Company, free from all collection charges or, if approved in advance by the Company, any other form of check acceptable to the Company; (iii) consideration received by the Company under a "cashless broker" exercise program approved by the Company; (iv) the constructive surrender of shares already owned by you; or (e) with the consent of the Company (or the Committee if you are subject to Section 16(b) of the Exchange Act), withholding Shares to be acquired upon exercise of the Option. The Option shall be deemed to have been exercised with on the first date upon which the Company receives the notice of exercise, payment of the purchase price and all other documents, information and amounts required in respect of such exercise by the Plan or this Agreement.

(d) Accelerated Vesting. Notwithstanding the preceding, some or all of your Option may become vested as follows:

(i) Change of Control Termination. In the event of your Change in Control Termination, the unvested portion of your Option shall become fully vested and exercisable on your date of Termination.

(ii) Disability. If your employment with the Company terminates by reason of Disability, the unvested portion of your Option shall become fully vested and exercisable on your date of Termination. In addition, the Option may be exercised at any time, by you or by your guardian or legal representative, within 10 years from the above Date of Grant (or, if you die during such period, by your estate or the person who acquires the Option by will or the laws of descent and distribution).

(iii) Death. If your employment with the Company terminates by reason of death, the unvested portion of Option shall become fully vested and exercisable on the date of your death. In addition, your estate (or the person who acquires the Option by will or the laws of descent and distribution) may exercise the Option at any time within 10 years from the above Date of Grant.

Notwithstanding the preceding, the provisions of the Employment Agreements concerning the vesting of your Option are incorporated hereby and made a part of this Agreement. In the event of any conflict between the Employment Agreements and this Agreement, the terms of the Employment Agreements shall control. In addition, if your employment with the Company terminates or is terminated under circumstances constituting retirement under any then-existing Board-approved retirement policy or program, vesting and exercise of your Option, as applicable, shall be determined in accordance with such retirement policy or program.

3. Award Acceptance. The Option award is subject to your unequivocal acceptance of the terms and conditions of this Agreement, which shall be evidenced by your compliance with the online acceptance instructions provided by the Company.

4. Withholding of Tax. To the extent that the exercise of the Option results in the receipt of compensation by you with respect to which the Company or a Subsidiary has a tax withholding obligation pursuant to applicable law the Company shall withhold a number of shares

that would otherwise be delivered on exercise that have an aggregate Fair Market Value that does not exceed the amount of taxes to be withheld to meet your tax withholding obligations, unless you, at your option, deliver to the Company or the Subsidiary such amount of money as the Company or the Subsidiary may require to meet its withholding obligations in lieu of the withholding of shares. No delivery of shares of Stock shall be made under the Option until the applicable tax withholding requirements of the Company or Subsidiary have been satisfied in full.

Regardless of any action the Company or Subsidiary that employs you takes with respect to any or all income tax (including U.S. federal, state and local taxes and/or non-U.S. taxes), social insurance, payroll tax, payment on account or other tax-related withholding (“Tax-Related Items”), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company or Subsidiary that employs you (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including the grant of the Award, the vesting of the Award, the exercise of the Option and delivery of shares of Stock or the receipt of an equivalent cash payment, the subsequent sale of any shares of Stock acquired pursuant to the Award; and (ii) do not commit to structure the terms of the grant or any aspect of the Award to reduce or eliminate your liability for Tax-Related Items.

If your country of residence (and/or the country of employment, if different) requires withholding of Tax-Related Items, the Company or Subsidiary may withhold a portion of the shares of Stock otherwise issuable upon exercise of the Option that have an aggregate Fair Market Value sufficient to pay the minimum Tax-Related Items required to be withheld by the Company or Subsidiary with respect to the shares of Stock. The cash equivalent of the shares withheld will be used to settle the obligation to withhold the Tax-Related Items. No fractional shares of Stock will be withheld or issued pursuant to the exercise of the Option and the issuance of shares of Stock hereunder. Alternatively, the Company or Subsidiary may, in its discretion, withhold any amount necessary to pay the Tax-Related Items from your salary or other amounts payable to you, with no withholding in shares of Stock. In the event the withholding requirements are not satisfied through the withholding of shares of Stock or, through your salary or other amounts payable to you, you (or your estate) may not exercise the Option unless and until satisfactory arrangements (as determined by the Company) have been made by you with respect to the payment of any Tax-Related Items which the Company or Subsidiary determines, in its sole discretion, must be withheld or collected with respect to such exercise. By accepting this Award you expressly consent to the withholding of shares of Stock and/or cash as provided for hereunder. All other Tax-Related Items related to the Award and any shares of Stock delivered in payment thereof are your sole responsibility.

5. Miscellaneous.

(a) Entire Agreement; Governing Law. The Option is granted under and governed by the terms and conditions of the Plan, this Agreement and any country specific addendum to this Agreement. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Agreement. In the event of any conflict between the Plan, the Employment Agreements and this Agreement, the terms of the Plan shall control. The Plan is incorporated herein by reference. The Plan and this Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior

undertakings and agreements of the Company and you with respect to the subject matter hereof, and may not be modified adversely to your interest except by means of a writing signed by the Company and you. This Agreement is governed by the internal substantive laws, but not the choice of law rules, of the state of Texas.

(b) Employment Relationship. For purposes of this Agreement, you will be considered to be in the employment of the Company as long as you remain an employee of either the Company or Subsidiary. Nothing in the adoption of the Plan or the award of the Option thereunder pursuant to this Agreement shall confer upon you the right to continued employment by the Company or affect in any way the right of the Company to terminate such employment at any time. Unless otherwise provided in a written employment agreement or by applicable law, you shall be on an at-will basis, and the employment relationship may be terminated at any time by either you or the Company for any reason whatsoever, with or without cause. Any question as to whether and when there has been a Termination of your employment, and the cause of such Termination, shall be determined by the Committee, and its determination shall be final. For purposes of this Agreement, “employment with the Company” shall include being an employee or a director of, or a consultant to, the Company or any Subsidiary.

(c) Corporate Acts. The existence of the Option shall not affect in any way the right or power of the Board or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization, or other change in the Company’s capital structure or its business, any merger or consolidation of the Company, any issue of debt or equity securities, the dissolution or liquidation of the Company or any sale, lease, exchange, or other disposition of all or any part of its assets or business, or any other corporate act or proceeding.

(d) Transfer Restrictions. You may not sell, transfer, pledge, exchange, hypothecate or dispose of any portion of the Option in any manner otherwise than by will or by the laws of descent or distribution. A breach of these terms of this Agreement shall cause a forfeiture of the Option.

(e) Forfeiture in Certain Circumstances (“Clawback”). The Committee may, at its sole discretion, terminate this Award, recover any shares of Stock issued in connection herewith, and any dividends paid with respect thereto, or otherwise seek reimbursement therefor as required or provided for in accordance with the Company’s Compensation Recovery Policy and any other clawback policies adopted by the Company.

(f) Binding Effect. This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under you.

(g) Shareholder Rights. The Option granted pursuant to this Agreement does not and shall not entitle you to any rights of a holder of shares of Stock prior to the date that shares of Stock are issued to you in settlement of the Award. Your rights with respect to the Option shall remain forfeitable as stated in this Agreement.

(h) Local Laws. If your service terminates (whether or not in breach of local labor laws), the effective date of such termination of service for all purposes of this Agreement will be extended by any notice period mandated under local law (e.g., active employment would

include a period of “garden leave” or similar period pursuant to local law); the Company shall have the exclusive discretion to determine when you are no longer employed for purposes of this Award.

(i) No Waiver. No failure by either party at any time to give notice of any breach by the other party of, or to require compliance with, any condition or provision of this Agreement shall (i) be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time or (ii) preclude insistence upon strict compliance in the future.

6. **Definitions**. Unless the context otherwise requires, all terms that are not defined in this Agreement but which are defined in the Plan shall have the same meaning given to them in the Plan when used herein. Notwithstanding the preceding, if you are a party to a written employment or severance agreement with the Company which defines one or more of the terms below, the definition in that agreement shall be incorporated into this Agreement and apply.

(a) “Act” means the Securities Exchange Act of 1934, as amended.

(b) “Cause” shall mean you have (i) engaged in gross negligence or willful misconduct in the performance of your duties and responsibilities respecting your position with the Company; or (ii) a final conviction of a felony or a misdemeanor involving moral turpitude.

(c) “Change of Control” shall mean: (i) the Company completes the sale of assets having a gross sales price which exceeds 50% of the consolidated total capitalization of the Company (consolidated total stockholders’ equity plus consolidated total long-term debt as determined in accordance with generally accepted accounting principles) as at the end of the last full fiscal quarter prior to the date such determination is made; or (ii) any corporation, person or group within the meaning of Section 13(d)(3) and 14(d)(2) of the Act, becomes the beneficial owner (within the meaning of Rule 13d-3 under the Act) of voting securities of the Company representing more than 30% of the total votes eligible to be cast at any election of directors of the Company.

(d) “Change in Control Termination” means your termination from employment with the Company on or within twelve months following a Change of Control that is either (i) initiated by the Company for reasons other than for “Cause”, or (ii) initiated by you after (a) a reduction by the Company of your authority, duties or responsibilities immediately prior to the Change of Control (excluding for this purpose (A) an insubstantial reduction of such authorities, duties or responsibilities or an insubstantial reduction of your offices, titles and reporting requirements, or (B) an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by you), (b) a reduction of your base salary or total compensation as in effect immediately prior to the Change of Control (total compensation means for this purpose: base salary, participation in an annual bonus plan, and participation in a long-term incentive plan), or (c) your transfer, without your express written consent, to a location which is outside the general metropolitan area in which your principal place of business immediately prior to the Change of Control may be located or the Company's requiring you to travel on Company business to a substantially greater extent than required immediately prior to the Change of Control.

(e) “Disability” has the meaning provided in the Company’s long-term disability plan. If you are not eligible for the Company’s long-term disability plan, any determination of disability shall be made by the Committee based on the definition of disability provided in the Company’s long-term disability plan.

(f) “Termination” means your “separation from service” (as defined in Section 409A of Internal Revenue Code of 1986, as amended, including any regulatory guidance issued thereunder) from the Company as an employee, director, consultant or other service provider.

CERTIFICATION

I, Clay C. Williams, certify that:

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

Date: April 26, 2024

By: /s/ Clay C. Williams

Clay C. Williams

Chairman, President and Chief Executive Officer

CERTIFICATION

I, Jose A. Bayardo, certify that:

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

Date: April 26, 2024

By: /s/ Jose A. Bayardo

Jose A. Bayardo

Senior Vice President and Chief Financial Officer

Mine Safety Disclosures

Our mines are operated subject to the regulation of the Federal Mine Safety and Health Administration (“MSHA”), under the Federal Mine Safety and Health Act of 1977 (the “Mine Act”). The following mine safety data is provided pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”).

As required by the reporting requirements of the Dodd-Frank Act, as amended, the table below presents the following information for the quarter ended March 31, 2024. (in whole dollars) (Unaudited)

Mine	Section 104 S&S Citations	Section 104(b) Orders	Section 104(d) Citations and Orders	Section 110(b)(2) Violations	Section 107(a) Orders	Total Dollar Value of MSHA Assessments Proposed	Total Number of Mining Related Fatalities	Received Notice of Pattern of Violations Under Section 104(e)	Received Notice of Potential to have Patterns Under Section 104(e)	Legal Actions Pending as of Last Day of Period	Legal Actions Initiated During Period	Legal Actions Resolved During Period
Dry Creek (26-02646)	—	—	—	—	—	\$ —	—	no	no	—	—	—

