

ENVIRONMENTAL MANAGEMENT

Commitment to the Environment

Nabors is committed to responsibly helping our customers meet the world's demand for energy through innovative, environmentally conscious technologies. This commitment is driven through Nabors health and safety-centric culture, which promotes the health and safety of our people and our planet. Nabors promotes a culture that reinforces environmental achievement and performance, and it is through our people and culture that we exemplify our values of accountability, teamwork, innovation, excellence, and safety.

Our commitment to the environment is additionally guided by the following principles:

- Integrate the consideration of environmental aspects and their impacts into our decision-making and activities.
- Prevent pollution whenever possible.
- Conserve natural resources whenever possible.
- Operate responsibly to ensure the preservation of habitats.
- Communicate our environmental commitment to all personnel and educate them in their roles and responsibilities as stewards of the environment.
- Develop and maintain appropriate emergency and spill response programs when required by legislation or where significant health, safety, or environmental hazards exist.
- Work aggressively to mitigate significant environmental aspects that may hinder sustainable business growth.
- Improve continually by monitoring and measuring our environmental performance and setting relevant goals.
- Provide environmental performance visibility to all stakeholders.
- Fulfill compliance obligations.

These principles provide a framework to ensure structured and responsible environmental performance is in the forefront of our business decisions and activities. Nabors' leadership is actively involved in setting environmental performance expectations and initiatives that drive our Journey to Excellence continuous improvement process. Monthly progress updates are provided to our executive team. Our Chief Administrative Officer ultimately oversees Nabors environmental program progress and provides quarterly updates to other stakeholders.

Integrated Management Systems

Our Health, Safety, and Environmental Management System (HSE MS) establishes a set of expectations for all our global operations. The HSE MS consists of nine interrelated elements that help identify and mitigate health, safety, and environmental risks to our employees, the environment, and the communities in which we have the privilege of operating. Elements in the HSE MS include: Management Commitment and Employee Engagement, Risk Assessment and Management, Environmental Stewardship, Training, Emergency Preparedness, Event Reporting and Corrective Actions among others.

As an extension of the HSE MS, Nabors deploys an Environmental Management System (EMS) to better manage environmental risks and opportunities and ensure compliance with applicable environmental laws, regulations, and accepted industry standards in areas where such laws and regulations do not exist. These standards apply not only to our employees – our vendors and supplier partners are also expected to comply with them, as set out in our Vendor Guidelines.

To ensure the most effective EMS, Nabors has committed to alignment with the International Standards Organization (ISO). We have obtained ISO 14001:2015 Environment Management System certification in Colombia (with Bureau Veritas), Mexico (with Lloyds Registered Quality Assurance), Russia (with RusPromGroup) and Oman (with LMS Certification Limited). Nabors is actively working to improve our current environmental management system requirements to meet or exceed ISO standards across global operations.

As an operational control within the EMS, Nabors implements an energy management standard in our manufacturing, drilling rigs, and facilities. This control aligns with the ISO 50001 standard and is utilized for identifying significant energy sources and implementing measures to effectively reduce energy use.

Environmental Risk And Opportunity Assessments

From the Arctic Circle to tropical rainforests, our operations take us to some of the most remarkable corners of the earth. Nabors recognizes the need to preserve the environments we operate in. Our assets and major projects are routinely assessed for actual and potential environmental improvement opportunities or impacts both at a corporate and business unit level.

Nabors has developed a risk-based process to assess environmental aspects with the goal of eliminating or minimizing our business activities' impact to the environment. This risk-based process includes assessing

compliance obligations¹, and natural resource (water, land, and energy) use; how use of natural resources may impact biodiversity and local communities; and our business activities potential to generate waste and pollution amongst other things. Where significant risk for impact has the potential to exist or where required by compliance obligations, operational controls (processes, procedures, and management plans) are created as part of the EMS and implemented.

Additionally, our risk-based process allows for identification of improvement opportunities including the rehabilitation or restoration of land areas impacted by our operations and supporting activities, pollution prevention opportunities, energy-use reductions and transition to renewable sources, and water consumption reductions and recycling opportunities. We continually evaluate viable methods to have a positive impact on the environment. Some examples include:

- Our Safah base in Oman redirected water discharge after construction of their treatment plant. Now, a healthy stand of trees encircles miles of the perimeter around the facility in the middle of the arid desert.
- Mexico offshore base in Campeche Bay has supported sea turtle conservation projects of local species such as Tortuga Blanca (*Chelonia mydas*), a species in danger of extinction.
- Mexico and Colombia operations have executed conservation projects by replanting trees in different areas.
- Venezuela base supported environmental initiative campaigns to recover water body and land in Maracaibo Lake.
- Wash bays at facilities across the US have implemented reclamation units that filter wastewater used in parts cleansing and recirculate it back into the bays for reuse.
- Retrofitting our drilling rigs with energy-efficient LED lights and replacing engines with battery banks.
- Indonesia operations implemented the use of water based quick-breaker cleaner for cleaning the equipment (environmentally friendly liquid). Indonesia office is using LED lights (advantage is electricity reductions).
- Kazakhstan implemented bi-fuel engines to reduce ecological impact of using gas or LPG project.

¹ **Compliance Obligations** means legal requirements and other requirements that an organization has to comply with and other requirements that an organization has to or chooses to comply with.
Note to entry: Compliance obligations can arise from mandatory requirements, such as applicable laws and regulations, or voluntary commitments, such as organizational and industry standards, contractual relationships, codes of practice and agreements with community groups or non-governmental organizations. (ISO 14001:2015 definition)

Waste Management

Waste Generation and Management of Significant Waste-related Impacts

Our environmental program offers a waste management system that enables Nabors to optimize efficiencies and minimize waste to reduce our impact on the environment. At Nabors, waste management applies a waste hierarchy that outlines expected operating practices and requirements necessary to reach these objectives. The hierarchy focuses on preventative measures promoting source reduction, reuse, and recycling over disposal. The waste management system is designed to ensure awareness and compliance with compliance obligations, employee competency, and measure and monitor environmental performance.

Nabors manages waste from our global operations through prescriptive measures, including waste classification, disposal, and reporting. Waste requiring disposal must be handled within applicable legal guidelines. We additionally request assurance from our customers that waste generated at worksites is managed in accordance with legal guidelines and regulations. Nabors standards on specific waste management requirements are defined, available to all employees, and reinforced through annual training.

Waste Generated

Our waste-generation data covers all manned, fixed facilities in which Nabors exercises operational control that house activity identified as having significant potential for waste generation³.

Waste tracked includes both office and industrial waste which includes general office trash (i.e., paper, packaging, food waste, etc.) and industrial nonhazardous (i.e., iron, steel) and hazardous wastes (i.e., various chemicals).

At Nabors, we are working to continuously improve waste management strategies to reduce the amount of waste generated at our offices, manufacturing, research and development, and maintenance facilities. As we look to 2023, we will continue to develop methodologies for standardizing and digitizing waste-reduction tools and resources across our facilities to identify waste reduction opportunities and effectively execute them.

³ Waste data excludes NETS, SANAD, unmanned facilities. Data is estimated for end stage waste at fixed facilities with significant operations.

Water Management

Management of Water Resources

Nabors operates globally where water use is required. In 2022, Nabors withdrew approximately 204 megaliters (ML) of water, with an estimated 95% of water supplied from municipal / water utility systems, primarily used for drinking, sanitation, hygiene, and irrigation (domestic) purposes. Water use for drilling purposes is primarily under the control of the well operator. Both water scarcity and associated regulatory requirements are routinely assessed as part of Nabors environmental risk assessment process that evaluates both risks and opportunities associated with water quality and consumption relevant to our operations.

Water as a Shared Resource

Nabors recognizes water scarcity as a societal risk and access to clean, fresh water as a human right and is committed to taking action to combat consumption of water resources globally. In operating areas with known water-stress, as defined by the World Resources Institute, we are continuously evaluating methods to use less water resources. Currently, Nabors makes use of more efficient water-required operations through wastewater recycling equipment and programs to mitigate both water quality and quantity related risks including wastewater recycling at certain facilities where parts washing and other maintenance operations require the use of wash bays as well as implementing other water-related projects.

Management of Water Discharge-related Impacts

Nabors' quality, health, safety, and environmental team is strategically placed across the globe to ensure both global and regional compliance obligations are understood and met. New operations or significant operational changes are subject to standardized risk assessments to evaluate for risks associated with potential discharges to water bodies and to ensure all legal requirements are addressed. Nabors remains committed to meeting or exceeding all applicable water quality laws, regulations, and standards across global operations.

Nabors highly prioritizes the prevention of accidental releases and implements the following at **100%** of our working drilling rigs (onshore and offshore):

- Emergency spill drills.
- Spill prevention plans.

- Emergency response plans.
- Systematic preventive maintenance work orders to all our equipment to prevent unintentional leaks.
- NDT (non-destructive test) inspections to detect failures in hydraulic systems and hydraulic power (HP) equipment.
- Walk the line procedure (HP valve alignment) for verification and validation purposes to avoid unintentional release.
- Secondary containment for diesel tanks.
- Well control assessments (VERIFYit application for well control drills), well control equipment certifications per American Petroleum Institute (API) standards and frequent HP testing to all well control equipment to guarantee the integrity of the well control equipment.
- Environmental section incorporated in the COE (Crown of Excellence) audits.
- Environmental standards in Equipment Standards Manual.

Biodiversity

Drilling Operations

Wellsite location and construction is selected by our customers; however, as part of our best-in-class services, we support our customers by strictly adhering to their biodiversity management controls, when applicable, and continually assessing environmental issues that are material to our business to support their operations. Accidental releases to the environment account for one of the top risks to biodiversity from drilling operations that the company can directly affect.

With innovation as one of our values, Nabors has re-thought our drilling rig designs in efforts to reduce drilling operations' ecological footprint by lessening the amount of land required to complete drilling activities. Nabors has designed the PACE®-X rigs to locate several rig components into the substructure and rig floor which represents 15% less ground surface area than the traditional rigs to operate. Additionally, our Smart stack-out process uses 60% less ground surface than traditional processes which helps Nabors to minimize the impact on flora and fauna in the area.

At some international areas (Mexico and Colombia), risk studies are performed to measure and monitor noise, vibration, and illumination as part of our local compliance regulation or client requirements.

Facilities

Nabors is committed to the protection and preservation of biodiversity, ecosystems, and habitats. As far as reasonably practical, we strive to operate within established facilities removing the need for additional land disturbances. Biodiversity is included as environmental risk criteria to be assessed at each facility under Nabors' control with potential to affect protected areas and areas of high biodiversity value prior to any significant operational changes. To mitigate significant impacts, Nabors implements operational controls⁴ that minimize the impact our business activities may pose to biodiversity, ecosystems, or habitats, when applicable.

These controls are designed to protect sensitive wildlife areas, flora and fauna, air, soil, water, ecosystems, conservation areas, and human factor with life cycle perspective. Controls are designed and are currently in practice to comply with applicable national and regional regulations and external standards, such as the US EPA Clean Water Act, US Fish and Wildlife's Endangered Species Act and high biodiversity value in protected areas as defined by the International Union for Conservation of Nature (IUCN), and detail any reporting requirements on biodiversity and ecosystems, which are periodically reviewed to ensure applicability.

Similar to drilling operations, accidental releases may pose a risk to biodiversity and ecosystems in certain established facilities. Spill prevention and stormwater pollution prevention plans are implemented when required to mitigate or eliminate the impact to biodiversity including critical habitats or areas with high biodiversity value. Nabors deploys spill prevention and emergency response plans at **100%** of our facilities, when required.

⁴ Operational controls can include engineering controls, programs, management plans, standard operating procedures, work instructions, etc.

Performance Data

REGIONAL WATER USE (ML)

	Withdrawn			Returned ⁵			Consumed		
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Headquarters in Houston, Texas	--	43.52	51.17	--	--	29.88	--	--	21.29
United States	--	74.83	93.11	--	--	53.78	--	--	39.57
Latin America	--	--	1.74	--	--	0.83	--	--	1.06
Asia	--	--	4.70	--	--	2.93	--	--	1.77
Middle East	--	--	78.36	--	--	77.19	--	--	1.10
Europe	--	--	26.79	--	--	26.79	--	--	0.00
Total	102.54	74.83	204.69	--	--	161.52	--	--	43.50

WATER USE FROM WATER STRESS COUNTRIES (ML)

	Withdrawn		Returned		Consumed	
	Freshwater	Other water	Freshwater	Other water	Freshwater	Other water
Oman	1.79	0.00	1.17	0.00	0.62	0.00
United Arab Emirates	12.80	0.00	12.63	0.00	0.42	0.00
Saudi Arabia	4.83	0.00	4.77	0.00	0.06	0.00
Kuwait	58.93	0.00	58.61	0.00	0.003	0.00
Mexico	0.74	0.00	0.74	0.00	0.02	0.00
Total	79.09	0.00	77.92	0.00	1.12	0.00

WATER WITHDRAWN BY SOURCE (ML)

	2020	2021	2022
Municipal water	--	--	194.63
Groundwater	--	--	8.33
Third-party water	--	--	1.74
Other water	--	--	0.00
Total	--	--	204.69

⁵ Water returned means used and unused (discharged) water returned to a freshwater source directly by the company or indirectly by a third-party treatment center for recycling and reuse. (Includes domestic and industrial use)

WASTE GENERATION (MT)						
	2020		2021		2022	
	Hazardous	Nonhazardous	Hazardous	Nonhazardous	Hazardous	Nonhazardous
Headquarters in Houston, Texas	--	--	--	74.83	0.00	157.55
United States	--	--	--	--	20.78	1866.08
Latin America	--	--	--	--	71.75	9.28
Asia	--	--	--	--	19.29	20.37
Middle East	--	--	--	--	331.99	1764.31
Total	--	--	--	74.83	443.81	4705.61

	2020		2021		2022	
	Hazardous	Nonhazardous	Hazardous	Nonhazardous	Hazardous	Nonhazardous
Diverted from disposal ⁶	--	--	--	0.00%	8.51%	28.37%
Directed to disposal ⁷	--	--	--	100%	0.35%	71.19%
Incinerated	--	--	--	0.00%	14.98%	0.00%
Other disposal operations ⁸	--	--	--	0.00%	77.17%	0.43%

BIODIVERSITY						
				2020	2021	2022
				Average disturbed acreage per (1) oil and (2) gas well site	Average Total	--
Number of facilities operating with at least one threatened or endangered species in state ⁹	Total Count	--	--	25		
Number of assets under Nabors operational control overlapping with designated protected areas (within 5 miles) ¹⁰	Total Count	--	--	2		

Boundary - United States

SPILLS (BBLs)						
	2020		2021		2022	
	Spill Amount	% Recovered	Spill Amount	% Recovered	Spill Amount	% Recovered
Significant spills	0	0	0	0	0	0

⁶ Diverted from disposal means waste that is either prepared for reuse, recycled or other recovery operations.
⁷ Directed to disposal means discarded products, materials, and resources to controlled site in or on land such as "landfills."
⁸ Other disposal operations generally means a chemical, thermal, or other transformation that makes products, materials, and resources unavailable for further use and mitigates hazardous characteristics.
⁹ Fixed facilities under Nabors operational control with observed or known critical habitats for threatened or endangered species based on US Fish and Wildlife dataset
¹⁰ Assets in area overlapping with IUCN I-VI protected areas based on World Database on Protected Areas